



**King County
Metropolitan King County Council**

Budget and Fiscal Management Committee

Tuesday, October 25, 2016 – 9:30 A.M.

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Claudia Balducci, Rod Dembowski, Reagan Dunn, Larry Gossett, Jeanne Kohl-Welles, Joe McDermott,
and Pete von Reichbauer*

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Jenny Giambattista (477-0879), Patrick Hamacher (477-0880), Christine Jensen (477-5702),
Lise Kaye (477-6881), Andrew Kim (477-8495), Leah Krekel-Zoppi (477-0892),
Miranda Leskinen (477-0950), Hiedi Popochock (477-1842), Mike Reed (477-0888),
John Resha (477-0889), Davin Simmons (477-3644), Nick Wagner (477-0894)*

Panel Assistant: Sharon Daly (477-0870)

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Analyst:	Mary Bourguignon
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PARKS CIP (FUNDS 3160 & 3581)

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Parks & Recreation Open Space Construction (Fund 3160)	\$11,976,692	\$13,765,118	14.9%
Major Revenue Sources	REET 1 and REET 2, Grants		
Parks Capital (Fund 3581)	\$61,083,234	\$77,026,280	26.1%
Major Revenue Sources	Parks Levy, REET		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Parks Capital Improvement Program supports the acquisition, construction and rehabilitation of regional and rural open space, parks, trail, and recreational facilities. It is supported by proceeds from the voter-approved Parks, Trails, and Open Space Replacement Levy (Parks Levy), as well as Real Estate Excise Taxes (REET):

- The **Parks & Recreation Open Space Construction Fund** (3160) provides for capital planning efforts including acquisition efforts, budget development, and regional trails guidelines update. It is funded by grant funds, REET 1 and REET 2.
- The **Parks Capital Fund** (3581) provides revenues to be used for open space and trail acquisition, development projects, and major maintenance. It is funded by the Parks, Open Space & Trails Levy, REET, and grants.

ISSUES

ISSUE 1 – PARKS MAINTENANCE FACILITY

For a number of years, the Parks and Recreation Division has sought to redevelop and expand its central maintenance shop in Renton to better accommodate maintenance staff and equipment.

The Council approved \$1.575 million from REET funds in the 2014 budget,¹ and an additional \$2.4 million from REET in the 2015-2016 biennial budget² for planning, siting, design, and permitting for the central maintenance facility. (The Executive has indicated the intention of using REET-based debt financing for the construction of the facility.) In

¹ Ordinance 17695

² Ordinance 17941

2015, the Council approved a \$2.246 million appropriation³ from Parks Operating fund balance to fund the purchase of property from the Road Services Division. At the time of the 2015 appropriation, the total cost of the maintenance facility was estimated at \$12.3 million.

In the year since that last appropriation, however, Parks has completed a departmental reorganization and restructuring of its district boundaries to streamline parks and open space maintenance staffing. This reorganization has led to the decision to close Parks' Sunset and Cougar Mountain maintenance shops (which Parks estimates would require a total of \$6.6 million to remodel and rehabilitate) and to consolidate those staff, as well as Playground Program staff, at the central maintenance facility in Renton. Parks has also begun planning for the additional staff that might be needed for maintenance of the system over the useful life of the new facility.

The following table was provided by Parks to demonstrate the proposed staffing relocations that influenced the planning process.

Table 1: Change in Maintenance Facility Staffing Projections

Work Units	V.1 Fall 2015	V.2 Summer 2016	What Changed
Section management and administration	12 FTEs	13 FTEs	Repurposed vacant position for Lean Supervisor
Existing work crews at Central Maintenance Facility	35 FTEs, 11 temps	42 FTEs, 11 temps	Proposed adds in 2017-2018 (+7 FTEs), future staffing adds (+2 FTEs)
Relocation of three work units (Cougar Mtn, Sunset Shop and Playground Program)	-	15 FTEs, 17 temps	Current work sites are also dilapidated. By relocating staff and demolishing the buildings, it avoids additional capital costs of remodeling or replacing two additional shops.*
Future staff growth	-	7 FTEs	10% growth assumption
Total Staffing	47 FTEs, 11 temps	77 FTEs, 28 temps	+30 FTEs, +17 temps

Source: King County Parks and Recreation Division

*Parks estimates rehabilitation of Cougar Mountain and Sunset Shops would require \$6.6 million

The combination of planned closure of two existing maintenance shops and planning for future needs increased the staff to be accommodated at the new facility from 60 to nearly 100.

Additional space for those staff, planning for administrative and meeting room space, and planning to achieve LEED Platinum status, have combined to increase the estimated budget of the facility to \$27.7 million. The proposed 2017-2018 budget

³ Ordinance 18154

includes \$6.7 million for programming, siting, design, and partial construction of underground site utilities to move forward with the project.

Councilmembers have raised questions about the increased budget and the pros and cons of consolidation, particularly from an efficiency standpoint given the types of projects and geographic breadth of the facilities served by Parks staff.

Satellite Facility Closure. In terms of the closure of the Cougar Mountain and Sunset facilities, Parks has noted the following:

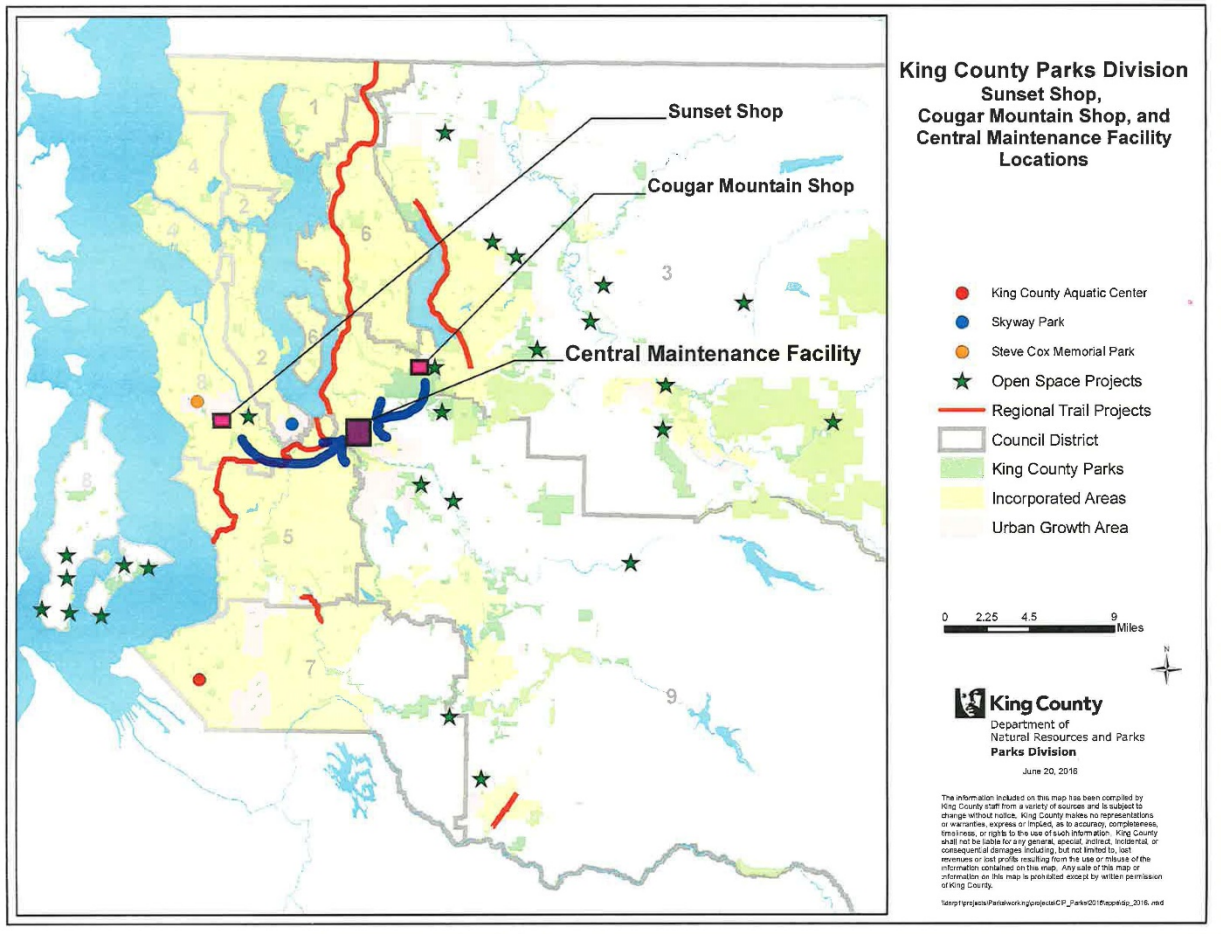
For Cougar Mountain: heavy snowfall in the winter makes it impractical to park and move equipment and vehicles; there is no water service or internet available; topography and former use of the site as a missile site present challenges for grading and foundations; facility is not fire rated and does not have sprinklers; and facility is vulnerable to earthquake and wind damage.

For Sunset: the location is within the City of SeaTac, not in a County park, and, with expected annexations, will serve a district that will soon no longer have County parks (except on Vashon); the facility is a non-conforming use, which limits the improvements that could be made; contaminated soils limit improvements to the yard area; the facility has roof leakage and water intrusion, and is non-insulated, ventilated, or air conditioned; facility is not fire rated and does not have sprinklers; and facility is vulnerable to earthquake and wind damage.

As noted above, Parks estimates it would cost \$6.6 million to rehabilitate these two satellite facilities.

Map 1 on the next page shows the location of the proposed central maintenance facility, as well as the Sunset and Cougar Mountain shops that are proposed to be closed. Parks staff have noted that traffic studies have been completed and indicate that the central maintenance facility's location close to a number of highways would offer easy access in and out of the site.

Map 1: Location of Parks Facilities



Source: King County Parks and Recreation Division

Consolidation of staff. Parks staff note that the division's recent reorganization evaluated travel time and the costs and benefits of consolidation. Specifically, they state:

Staff with decades of experience analyzed travel time between the locations. This included location of major highways, fastest routes, composition of fleet, hours of travel etc. Given the proximity of the Sunset Shop and Cougar Mountain Shops to the Central Maintenance Facility location, along with the current condition, functionality, costs and many other challenges (i.e. zoning restrictions, potential annexation of White Center/North Highline area, etc.) associated with refurbishing these shops; the division firmly believes that it would be more efficient to consolidate and co-locate these crews.

Parks also notes that efficiencies of scale will be achieved with one central maintenance facility in terms of ordering supplies, providing shop space and centralized expertise. Staff point in particular to efficiencies they hope to achieve by consolidating central

service maintenance functions, such as facility repair, drainage, grading, that requires specialized equipment and/or specific skilled trades expertise.

Based on review by staff and the Capital Projects Oversight (CPO) program of the King County Auditor's Office, the following options have been prepared:

Option 1: Do not approve the proposed budget allocation at this time.

To date, the Council has appropriated nearly \$4 million for planning, siting, design and permitting. The proposed budget estimates a 2017 starting balance of \$2.25 million in this project that could potentially be used to continue planning, site design, and cost estimation efforts so as to ensure that there is a firm estimate for the building's design and construction.

Parks has done a great deal of planning over the past year. However, the current estimate of \$27.7 million is only at the Class 4 estimate level, with an expected accuracy range of minus 30 percent to plus 50 percent. That means that actual costs could range from \$19.39 million to \$41.1 million. More detailed planning and design work must be completed before Parks can provide a comprehensive analysis of the costs and benefits of additional consolidation into the central maintenance facility and a more definitive cost estimate.

Option 2: Make a smaller appropriation, of \$1.34 million, for planning and preliminary design only.

As noted above, the current estimate for the central maintenance facility is still preliminary and has a wide range. Of the \$6.7 million proposed for 2017-2018, the project budget would allocate \$70,000 for planning and \$1.274 million for preliminary design. The Council could choose to approve only this amount at this time – for a total appropriation of \$1.34 million.

This would ensure Parks has the resources necessary to continue planning and design work (rather than relying on reallocating unspent project amounts from other budget areas, such as implementation).

Option 3: Approve as proposed.

Under this option, the Council would approve the \$6.7 million that has been requested. Parks would move forward with additional planning and design work and carry out the project as planned.

Under this option, the Council could request that this project be reviewed to determine whether it should be categorized as a high risk project. This request could be made informally or through a proviso.

ADDITIONAL FOLLOW UP FROM PREVIOUS PANEL QUESTIONS

Councilmembers asked if all of the proposed open space acquisition projects are consistent with the recommendations of the Conservation Futures Citizens' Oversight Committee.

All proposed acquisitions are consistent with the recommendations of the Citizens' Oversight Committee.

Analyst:	Mary Bourguignon
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YOUTH SPORTS FACILITIES GRANTS

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$2,506,223	\$10,106,000	303%
Max FTEs:	1.0	4.0	300%
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	Car rental tax, interest		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Youth Sports Facilities Grant Program, as currently configured, provides matching grant funds to develop or renovate sports fields and facilities serving youth in King County. The program strives to provide athletic opportunities for as many youth as possible, with a particular focus on underserved areas. The primary source of funding for the program is the car rental tax.

The transmitted budget proposes a significant expansion in both budget and scope, as well as a new name – the Youth Sports and Recreation Program.

These proposed changes stem from the fact that the county has retired the Kingdome debt. State law¹ had required that 75 percent of the county's car rental tax revenues be dedicated to repayment of the Kingdome debt, with the remaining 25 percent to be used for the Youth Sports Facilities Grant Program. With the Kingdome debt now retired, the State law allows the county to devote all of the car rental tax revenues to youth sports and recreation purposes. The Executive has transmitted Proposed Ordinance 2016-0488, which would make the necessary changes to the County Code² to dedicate all of the car rental tax revenues to youth sports and recreation.

The proposed budget would reorganize the program into four categories.

Category 1: "Traditional" Youth Sports Facilities Grants. As before, 25 percent of the car rental tax revenue stream (a total of \$2.3 million for the biennium, with \$883,950 proposed in grants for 2017) would be used to provide matching grant funds to develop or renovate sports fields and facilities serving youth in King County.³ These grants will

¹ RCW 82.14.049
² K.C.C. 4A.200.810
³ Ordinance 10454

be focused on providing athletic opportunities for as many youth as possible, with a particular focus on underserved areas.

Funding is provided to eligible public entities and non-profit organizations.⁴ The maximum award is \$75,000. Applicants seeking funding must provide a local match of 1:2,⁵ which means they must provide one dollar in cash, volunteer labor, donated supplies, or professional services for every two dollars requested.

Category 2: Recreational Access Grants. The proposed budget would allocate \$2.1 million during the biennium for grants of up to \$250,000 for non-capital items to increase access to sports opportunities for low-income youth. Items to be funded could include transportation, equipment, team fees, etc.

Category 3: Park and Recreation Improvement Grants. The proposed budget would allocate \$1.2 million during the biennium for capital grants of up to \$300,000. This program would be similar to Category 1 (the traditional YSFG grants) but would allow for larger grants and a lower (or no) local match. Grants would be focused on historically underserved communities.

Category 4: Recreation Programs in Underserved Areas. The proposed budget would allocate \$1.8 million during the biennium to expand recreation programs in underserved areas in urban unincorporated King County, including Skyway and East Federal Way. The proposed budget would add Recreational Specialists (two FTEs and two TLTs) to develop programming.

While this program is being developed, the budget proposes to allocate \$500,000 to Skyway Park, to fund the planning, design, engineering, permitting and construction of a number of improvements, including installing a new mini open play soccer arena, upgrading fencing, lighting restrooms and ADA access, repurposing poorly draining ballfields to a grassy meadow, and creating a new pedestrian entryway.⁶

In addition, the budget proposes to allocate \$2.1 million to Steve Cox Memorial Park to:

- Convert the multi-purpose ballfield to synthetic turf, with drainage improvements and new lighting;
- Replace the roof at the racquetball court building;
- Complete rehabilitation of the existing parking lot; and
- Repair weather damage to the stadium.⁷

⁴ Eligible entities include such as school districts, park districts, utility districts, local governments, youth sports leagues and community organizations

⁵ This local match was lowered from 1:2 to 1:4 in 2012 (Motion 13763) as a way of encouraging more applicants, particularly applicants from underserved areas. In 2014, the Executive responded with a report analyzing grant proposals in 2013 and 2014, and recommended restoring the match to 1:2 (Motion 14254).

⁶ Funding for Skyway Park improvements would be routed through the Parks Capital Fund (3581)

⁷ Funding for Steve Cox Memorial Park improvements would be routed through the Parks Capital Fund (3581)

ISSUES

ISSUE 1 – CODE CHANGE LEGISLATION TO EXPAND PROGRAM

The Executive has transmitted Proposed Ordinance 2016-0488 to make the code changes necessary to expand Youth Sports Facilities Grants Program (and rename it the Youth Sports and Recreation Program) as permitted by State law following the retirement of the Kingdome bonds in 2015.

This legislation will be discussed in more detail later this week.

ADDITIONAL FOLLOW UP FROM PREVIOUS PANELS

Councilmembers asked about potential impacts of the car rental tax on tourism:

King County's one percent car rental tax is imposed pursuant to State law.⁸ To analyze whether that tax might prove a disincentive to tourists renting cars here, staff compared King County (Seattle-Tacoma International Airport) with other major destination airports in terms of: (a) car rental taxes, (b) additional airport fees charged on rental cars, and (c) what the combination of taxes and fees means to the actual cost to rent a car.

To do this, staff used the Hertz web site to compare base price, fees, and taxes for a Toyota Corolla from October 24 (2:00 PM) to October 27 (2:00 PM) using nine major airports as pick-up/drop-off points.

The results will of course differ for different time frames, but do provide a snapshot of the impact of taxes and fees on car rental rates.

Table 1. Summary of Car Rental Rates

City/Airport	Total Cost	Percent Taxes & Fees	Percent Taxes Only
Seattle SeaTac	\$162.39	34.8%	14.7%
NYC JFK	\$264.54	28.6%	16.6%
Las Vegas	\$187.21	29.2%	15.7%
Los Angeles	\$247.69	16.7%	8.5%
Orlando	\$200.23	24.4%	6.1%
Minneapolis	\$306.47	29.7%	6.1%
DC Dulles	\$314.87	18.7%	9.1%
Portland	\$222.76	30.8%	14.5%
Boston Logan	\$393.14	24.8%	5.5%
AVERAGE	\$255.48	26.4%	10.7%

Information obtained through a search on Hertz.com on October 18, 2016

⁸ RCW 82.14.049

Key findings from the survey:

- SeaTac has the lowest total cost (\$162.39) of any of the airports surveyed. The average cost is \$255.48. The highest cost (Boston-Logan) is \$393.14.
- SeaTac ranks above average but not at the top for the percentage that taxes (car rental taxes and sales taxes) make up of the total rental cost. SeaTac's percentage is 14.7 percent, average is 10.7 percent, highest is NYC JFK at 16.6 percent.
- SeaTac ranks highest of all cities studied in the percentage that all taxes and fees combined make up of the total rental cost. SeaTac's percentage of taxes and fees is 34.8 percent, average is 26.4 percent, lowest is LAX at 16.7 percent.

Based on this survey, fees appear to have a larger impact in SeaTac's case than taxes. SeaTac is near the middle of all cities studied for taxes charged. Its rate becomes highest only when airport fees are added in.

Despite a higher rate of taxes and fees, SeaTac still offered the lowest price to rent a Toyota Corolla next week of the nine airports studied.

Analyst:	Paul Carlson
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TRANSIT DIVISION (KING COUNTY METRO)

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$1,437,003,386	\$1,578,034,000	9.8%
Max FTEs:	4,242.8	4,584.2	8.0%
Max TLTs:	27.0	48.0	77.8%
Transit Revenue Fleet Replacement	\$329,367,192	0	(100.0%)
Public Transportation Construction – Unrestricted CIP	\$479,558,923	\$489,376,701	N/A
Public Transportation – Revenue Fleet CIP	N/A	\$565,617,012	N/A
Transit Debt Service	\$30,810,593	\$44,614,000	44.8%
Estimated Revenues	\$2,050,575,920	\$2,196,892,225	7.1%
Major Revenue Sources	Dedicated sales tax and property tax, fares, grants, Sound Transit payments for light rail and Regional Express bus service, City of Seattle partnership payments, mitigation payments, debt proceeds.		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget. Implementation of new Fund Management Policies has resulted in changes to some Subfunds with the result that direct comparison to 2015-2016 budget categories is not always possible.			

PROGRAM DESCRIPTION AND PURPOSE

King County Metro Transit (Transit) operates about 1,400 buses carrying 122 million trips per year and the largest public vanpool fleet in the U.S., and provides more than 1.3 million accessible service trips annually. Transit also operates regional express bus service and Link Light Rail service under contract for Sound Transit and streetcar service (South Lake Union and First Hill Lines) for the City of Seattle.

In support of countywide mobility goals the Strategic Plan for Public Transportation (SPPT) and King County Metro Service Guidelines provide operational guidance to the Division through development and management of a transit system that emphasizes productivity, ensures social equity and provides geographic value.

ISSUES

ISSUE 1 – SERVICE ADDITION OF 300,000 HOURS: \$30,466,940 AND 213.0 FTE

The proposed budget would add 300,000 bus service hours in 2017-2018. The decision package for operating impacts of this change includes \$30,466,940 and 213.0 FTE.

Approximately 160,000 service hours are proposed to be invested according to King County Metro Service Guidelines priorities (crowding, schedule reliability, and underserved corridors). Of the remainder:

- 33,400 hours are added to trip schedules to ensure that drivers have adequate time for comfort station breaks.
- 39,710 hours are available for reinvestment by the City of Seattle under the terms of the Proposition 1 partnership agreement.
- 68,300 hours are included in the budget to preserve existing bus service levels at the time when buses leave the Downtown Seattle Transit Tunnel (DSTT) and in response to other construction project-related impacts.

For bus route changes meeting the threshold for Council approval, the Council would consider a service change ordinance. Other changes would be carried out under the KCDOT Director's administrative authority. Table 1 identifies the estimated service hours in each of the next four service changes and what category they fall in. These service hours are all proposed to be funded with Public Transportation revenues. The table also includes about 22,000 hours of Sound Transit and other revenue-backed service that is expected to be added.

Table 1 summarizes the categories of bus service and which of the four service changes the investments are anticipated to be made.

Table 1. Additional Bus Service Hours, 2017-2018

	Total	Spring 17	Fall 17	Spring 18	Fall 18
Crowding-Schedule ¹	29,800	29,800			
Other Service Guidelines ²	130,000		35,000	65,000	30,000
Comfort Station	33,400	23,400	10,000		
DSTT/Construction Impacts	68,300		12,300	27,000	29,000
Seattle	39,710	7,360	8,750	16,100	7,500
Revenue-backed	21,570	0	8,697	6,000	6,873
	322,780	60,560	74,747	114,100	73,373

¹ The 2016 Service Guidelines Report indicates that investment priority #1, crowding needs total 12,800 hours and investment priority #2, and schedule reliability needs are 18,350 hours. This is more than the 29,800-hour total of the two in the budget documents.

² These hours would be invested in priority #3 Service Guidelines needs, underserved corridors, with the caveat that the 2017 Service Guidelines Report could identify additional priority #1 and #2 needs for investment in 2018.

Councilmembers asked what bus routes would receive additional investments:

The recently-transmitted 2016 Service Guidelines Report lists the crowding and schedule reliability service hours. Transit will also review the newest ridership and reliability data available when actually scheduling routes for improvement, since service continues to grow and change constantly. All hours below are planning level estimates subject to some variation when scheduled. Transit notes that there are some differences between these values and those used in preliminary budgeting; however, Transit would intend to meet all crowding and reliability needs in the 2016 Report if the budget passes as proposed.

Tables 2-5 lists routes that would receive investments under the proposed budget. Changes that would increase a route’s service hours by 25 percent or more would require approval by ordinance.

Table 2. Priority 1 – Crowding Needs

Route	Description	Day	Annual Hours Needed
D Line	Crown Hill - Ballard - Seattle Center - Seattle CBD	Weekday	1,050
5	Shoreline CC - Seattle CBD	Weekday	300
14	Mount Baker - Seattle CBD	Weekday	250
15EX	Blue Ridge - Ballard - Seattle CBD	Weekday	400
18EX	North Beach - Ballard - Seattle CBD	Weekday	350
24	Magnolia - Seattle CBD	Weekday	250
101	Renton TC - Seattle CBD	Weekday	300
102	Fairwood - Renton TC - Seattle CBD	Weekday	450
116EX	Fauntleroy Ferry - Seattle CBD	Weekday	450
118EX	Tahlequah – Vashon	Weekday	700
119	Dockton – Vashon	Weekday	200
122	Highline CC -Burien TC - Seattle CBD via Des Moines Memorial Dr S	Weekday	500
125	Westwood Village - Seattle CBD	Weekday	200
128	Southcenter - Westwood Village - Admiral District	Weekday	500
132	Burien TC - South Park - Seattle CBD	Weekday	350
158	Kent East Hill - Seattle CBD	Weekday	550
167	Renton - Newport Hills - University District	Weekday	900
177	Federal Way - Seattle CBD	Weekday	450
212	Eastgate - Seattle CBD	Weekday	700
216	Sammamish - Seattle CBD	Weekday	500
219	Redmond - Sammamish - Seattle CBD	Weekday	550
252	Kingsgate - Seattle CBD	Weekday	400

255	Brickyard - Kirkland TC - Seattle CBD	Weekday	750
257	Brickyard - Seattle CBD	Weekday	400
268	Redmond - Seattle CBD	Weekday	500
271	Issaquah - Bellevue - University District	Weekday	400
355EX	Shoreline CC - University District - Seattle CBD	Weekday	450

Table 3. Priority 2 – Reliability Needs

Route	Description	Day	Annual Hours Needed
E Line	Aurora Village – Seattle CBD	Weekday	500
5	Shoreline CC – Seattle CBD	Weekday	250
9EX	Rainier Beach – Capitol Hill	Weekday	300
15EX	Blue Ridge – Ballard – Seattle CBD	Weekday	250
17EX	Sunset Hill – Ballard – Seattle CBD	Weekday	250
18EX	North Beach – Ballard – Seattle CBD	Weekday	250
21EX	Arbor Heights – Westwood Village – Seattle CBD	Weekday	400
22	Arbor Heights – Westwood Village – Alaska Junction	Sunday	50
29	Ballard – Queen Anne – Seattle CBD	Weekday	1,000
37	Alaska Junction – Alki – Seattle CBD	Weekday	250
41	Lake City – Seattle CBD via Northgate	Weekday	250
55	Admiral District – Alaska Junction – Seattle CBD	Weekday	300
57	Alaska Junction – Seattle CBD	Weekday	250
60	Westwood Village – Georgetown – Capitol Hill	Weekday	1,300
83	Seattle CBD – Ravenna	Weekday	300
84	Seattle CBD – Madison Park – Madrona	Saturday	50
99	International District – Waterfront	Weekday	250
101	Renton TC – Seattle CBD	Saturday, Sunday	150
102	Fairwood – Renton TC – Seattle CBD	Weekday	250
111	Lake Kathleen – Seattle CBD	Weekday	300
113	Shorewood – Seattle CBD	Weekday	250
114	Renton Highlands – Seattle CBD	Weekday	250
119EX	Dockton – Seattle CBD via ferry	Weekday	250
121	Highline CC –Burien TC – Seattle CBD via First Ave S	Weekday	500
122	Highline CC –Burien TC – Seattle CBD via Des Moines Memorial Dr S	Weekday	400
123	Burien – Seattle CBD	Weekday	250

Route	Description	Day	Annual Hours Needed
128	Southcenter – Westwood Village – Admiral District	Weekday	300
143	Black Diamond – Renton TC – Seattle CBD	Weekday	600
148	Fairwood – Renton TC	Weekday	250
150	Kent Station – Southcenter – Seattle CBD	Weekday	250
153	Kent Station – Renton TC	Weekday	250
157	Lake Meridian – Seattle CBD	Weekday	300
158	Kent East Hill – Seattle CBD	Weekday	400
159	Timberlane – Seattle CBD	Weekday	250
164	Green River CC – Kent Station	Weekday	250
168	Maple Valley – Kent Station	Saturday	50
177	Federal Way – Seattle CBD	Weekday	300
180	Auburn – SeaTac Airport – Burien TC	Weekday	400
182	NE Tacoma – Federal Way TC	Weekday	250
187	Federal Way TC – Twin Lakes	Saturday	50
192	Star Lake – Seattle CBD	Weekday	250
193EX	Federal Way – First Hill	Weekday	500
197	Twin Lakes – University District	Weekday	500
217	Issaquah – Eastgate – Seattle CBD	Weekday	250
221	Education Hill – Overlake – Eastgate	Saturday	50
232	Duvall – Bellevue	Weekday	250
244	Kenmore – Overlake	Weekday	250
246	Eastgate – Factoria – Bellevue	Weekday	250
252	Kingsgate – Seattle CBD	Weekday	250
269	Issaquah – Overlake	Weekday	250
271	Issaquah – Bellevue – University District	Saturday	50
303EX	Shoreline – First Hill	Weekday	500
304	Richmond Beach – Seattle CBD	Weekday	250
308	Horizon View – Seattle CBD	Weekday	250
309EX	Kenmore – First Hill	Weekday	250
312EX	Bothell – Seattle CBD	Weekday	600
330	Shoreline CC – Lake City	Weekday	250
331	Shoreline CC – Kenmore	Saturday	50
345	Shoreline CC – Northgate	Saturday	50
355EX	Shoreline CC – University District – Seattle CBD	Weekday	600

Priority 3 – Target Service Levels on Underserved Corridors

Transit has identified priority 3 investments in 21 corridors proposed for implementation between September 2017 and September 2018. Table 4 lists the routes in the order they appear in the 2016 Service Guidelines Report. According to Transit, there are many factors that affect the phasing of added service, such as availability of buses and operators during the peak period. More information on these factors has been requested. For additions that exceed 25 percent of the current service hours on a route, the proposed addition would be subject to County Council approval through a service change ordinance.

Table 4. Priority 3 – Target Service Levels

Route	Description	Hours
131	Burien – Seattle CBD	3,900
60	White Center – Capitol Hill	3,100
150	Kent – Seattle CBD	5,100
101	Renton – Seattle CBD	8,400
169	Kent – Renton	14,300
F Line	Renton – Burien	3,400
930	Redmond – Totem Lake	1,600
180	Auburn – Burien	8,300
181	Auburn – Federal Way	3,900
183	Federal Way – Kent	7,300
153	Kent – Renton	3,000
269	Issaquah – Overlake	9,000
156	Tukwila – Des Moines	1,800
5	Greenwood – Seattle CBD	1,800
24	Magnolia – Seattle CBD	800
31/32	Fremont – University District	3,100
30/74EX	Sand Point – U. District	2,700
373 EX	Shoreline – U. District	4,800
345	Shoreline CC – Northgate	2,200
240	Bellevue – Renton	13,000
245	Kirkland – Factoria	3,200

Comfort Station Hours

For March 2017, Transit has identified 35 routes to receive investments to improve comfort station access. This list was developed based on the estimated time that is required for bus operators to reach a comfort station from specific terminals. Variances in number of trips needing layover time adjustment, comfort station distance from the terminal and current actual time in the schedule at terminals have been considered across the system. Additional comfort station hours will be identified for implementation

after March 2017, the distribution of these hours between routes is not known. All hours below are planning estimates subject to some variation when scheduled. The total number of hours in Table 5 – 17,210 – is less than the 23,400 hours listed in Table 1.

Table 5. Comfort Station Hours, March 2017

Route	Description	Hours
A Line	Federal Way – Tukwila	750
C Line	Westwood Village – Alaska Junction – Seattle CBD	400
D Line	Ballard – Seattle Center – Seattle CBD	250
E Line	Aurora Village – Seattle CBD	50
1	Kinnear – Seattle CBD	530
2	West Queen Anne – Seattle CBD – Madrona Park	800
3	Queen Anne – Seattle CBD – Madison Park	720
4	Queen Anne – Seattle CBD – Judkins Park	610
7	Rainier Beach – Seattle CBD	1070
13	Seattle Pacific University – Queen Anne – Seattle CBD	660
14	Mount Baker – Seattle CBD	600
21	Arbor Heights – Westwood Village – Seattle CBD	60
36	Othello Station – Beacon Hill – Seattle CBD	1040
40	Northgate TC – Ballard – Seattle CBD via Leary Av NW	390
41	Lake City – Seattle CBD via Northgate	70
44	Ballard – Wallingford – Montlake	920
48	Mount Baker – University District	2550
49	University District – Capitol Hill – Seattle CBD	1090
57	Alaska Junction – Seattle CBD	60
70	University District – Seattle CBD	710
73	Jackson Park – University District	110
101	Renton TC – Seattle CBD	100
106	Renton TC – Rainier Beach – International District	400
111	Lake Kathleen – Seattle CBD	200
114	Renton Highlands – Seattle CBD	300
120	Burien TC – Westwood Village – Seattle CBD	720
125	Westwood Village – Seattle CBD	260
150	Kent Station – Southcenter – Seattle CBD	100
158	Kent East Hill – Seattle CBD	100
159	Timberlane – Seattle CBD	50
177	Federal Way – Seattle CBD	50
179	Twin Lakes – Seattle CBD	50

255	Brickyard – Kirkland TC – Seattle CBD	10
271	Issaquah – Bellevue – University District	1310
312EX	Bothell – Seattle CBD	120

Downtown Seattle Transit Tunnel/Construction impacts

Table 6 further describes the 68,300 hours described as “construction-related service maintenance” in the budget documents with the estimated service changes.

Table 6. Construction-Related Service Impacts

Timing	Project	Added Hours	Action
Fall 2017	Convention Place Station (CPS) Interim Access	11,300	County sale of CPS
Fall 2017	CPS construction impacts – Olive Way	1,000	County sale of CPS
Spring 2018	D2 Roadway Closure (East Link I-90)	4,000	ST – East Link
Spring 2018	Alaskan Way Viaduct	23,000	WSDOT
Fall 2018	CPS – end of construction	-11,300	
Fall 2018	End of joint bus-rail DSTT use	40,300	County policy

DSTT – The end of joint operations in the DSTT will require added running time to all routes currently operating in the DSTT because surface street operations are slower than DSTT operations. These hours are therefore likely to be spent to add time to Routes 41, 74, 101, 102, 150, 255, and Sound Transit 550.

Transit anticipates that there will be impacts to other routes as travel speeds slow due to a higher number of buses traveling on surface streets in downtown Seattle. There may also be changes in layover locations prompted by moving buses out of the DSTT. Because of the complexity of these changes, the full impacts and distribution of added hours to all routes will not be known until the final pathways of the DSTT routes and any other routing changes are determined. Transit is engaged with partner agencies to plan for this major system change and will focus hours where needed to maintain quality service for customers.

Alaskan Way Viaduct - When the Alaskan Way Viaduct closes and before the Alaskan Way surface street is constructed and provides a priority pathway for transit on the Seattle waterfront, Transit will need to operate routes on an interim pathway to and from downtown Seattle. This pathway change will affect all the routes that currently travel on the Alaskan Way Viaduct, including the RapidRide C Line and Routes 21EX, 37, 55, 56, 57, 113, 120, 121, 122, 123, and 125. The cost estimate for the interim pathways was developed by comparing current travel times with longer projected travel times on this corridor when the Viaduct closes. Hours would be allocated to each route as needed to maintain the existing number of trips; routes with the most trips such as the C Line and the 120 would therefore have more hours invested in them than other routes.

Seattle Investments – The Seattle investments are not known at this time. These investments are typically developed about 4 to 6 months before each service change.

Sound Transit Investments – Transit expects that Sound Transit (ST) may need to add service hours to Route 550 when the DSTT is closed to buses. Other ST investments are not known; these would be developed through the annual Service Implementation Plan (SIP) process.

Staff analysis will review the impacts to Transit's operational capacity to add 323,000 hours of service. Concerns include the risk that trips might be cancelled because vehicles or operators are unavailable; the need to fill 100 operator vacancies and recruit 1,000 trainees to meet attrition and support new service; maintenance base capacity (an estimated 100 additional buses are needed to provide the service, either new buses or ones that are kept in service for longer than planned); limits on available fareboxes and ORCA equipment for additional buses; and a backlog of vehicle service preparation that is projected to last through the biennium.

Council staff is continuing its analysis of this issue.

ISSUE 2 – DOWNTOWN SEATTLE ISSUES - LAYOVER SPACE AND CENTER CITY MOBILITY

Transit service in the Seattle Central Business District (CBD) includes:

- Link Light Rail in the Downtown Seattle Transit Tunnel (DSTT);
- Sound Transit and King County buses in the DSTT;
- King County, Sound Transit and Community Transit buses on surface streets;
- The South Lake Union streetcar to the north;
- The First Hill Streetcar in Pioneer Square.

During 2017-2018, the expected end of bus operations in the DSTT and the movement of buses to surface streets will affect all transit service on the surface streets. Alaskan Way Viaduct replacement construction is also expected to require the creation of new pathways for some bus routes. Staff analysis is continuing on several capital projects addressing changes that will affect Seattle CBD transit operations:

Downtown Seattle Layover Facilities (CIP #1129343) – This project is intended to identify bus layover space to replace existing layover space that is displaced due to development and the removal of buses from the DSTT. The project request for 2017-2018 is for \$11.9 million in design and initial implementation funding, with a 2019-2020 request of \$85.1 million including acquisition and implementation costs.

At the north end of the CBD, generally in the South Lake Union area, interim facility requirements are for 12 buses and a long-term need is for 30 to 35 buses. At the south end of the CBD, in the Pioneer Square-International District area, the need is for long-term space for 10 to 20 buses.

Center City Mobility Plan (CIP #1129633) is a \$27.2 million request for the King County share of projects designed to mitigate the impacts of the DSTT closure to buses.

The Center City Mobility Plan (also called One Center City) is a joint effort of King County, Sound Transit, the City of Seattle and the Downtown Seattle Association to address near- and long-term impacts of growth and traffic in the center city area. The City's comprehensive plan anticipates 56,000 more jobs and 25,000 more households in center city neighborhoods by 2035.

A near-term concern is that the end of bus operations in the DSTT, potentially in September 2018, would result in over 80 buses per hour in the peak moving to surface streets. All buses in the CBD would be affected. As an example of the impacts, absent other measures, afternoon peak period bus speeds would decline by 26 percent on Second Avenue and by 43 percent on Fourth Avenue. Metro operating costs due to the slower travel times are estimated to increase by more than \$4.5 million per year, with another \$2.1 million added costs for Sound Transit and Community Transit.

In the First Quarter of 2017, the partner agencies are expected to identify an "early actions" plan that will allow them to conduct public engagement and possibly submit legislation to the County Council for projects that mitigate the effects of leaving the DSTT. The County role could include bus stop improvements in the CBD; off board fare validation equipment at stops in the CBD to speed boarding; transit facilities associated with Accessible Mt. Baker, a Seattle-led project to improve transit facilities, pedestrian circulation and traffic operations near the Mount Baker Link Light Rail Station; and new on and off street bus layover facilities in areas affected by transit service revisions. The City of Seattle and other partners could deliver such program elements as: signal improvements to improve traffic movement, provide transit priority, or reduce delay associated with pedestrian crossings; rechannelizing surface streets; and other improvements.

Councilmembers asked for details of each agency's share of project costs:

The overall One Center City (OCC) project budget amount was calculated at \$63.8 million in June 2016, based on probable project elements and cost estimates prepared by the OCC consultant team. Assumptions were made as to which agency would lead work on individual project elements. Transit-led elements are associated with bus stop improvements and total \$27,756,000. SDOT-led elements are associated with roadway and signal improvements, and total \$36,003,000. Detail on the Transit project elements is summarized in Table 7:

Table 7. Estimated King County Elements of One Center City

Bus Stop Improvements in CBD	\$6,740,000
Off board fare collection in CBD	\$2,622,000
Transit Facilities Associated with Accessible Mt Baker	\$3,750,000
Layover Facilities	\$4,645,000
Unidentified project elements	\$10,000,000
	\$27,756,000

The appropriation is intended to provide sufficient authority to cover Transit-led elements of the project; however there is not yet a formal agreement on the cost-sharing arrangement. In addition to the distribution of the project work by the lead agency, the portion of the work that would be shared by Sound Transit has yet to be determined. The details of the agreement including cost sharing would be subject to an interagency agreement.

Yesler Way Electrification (CIP #1129643) would construct trolleywire on 0.6 miles of Yesler Way and Eighth and Ninth Avenues. The 2017-2018 request is \$2.0 million for planning and design, with an estimated \$27.1 million in final design and implementation costs in 2019-2022. The goals of this project are to provide service to Yesler Terrace and to move Routes 3 and 4 off James Street, where congestion at the I-5 on ramp has the effect of degrading reliability for the Routes 3 and 4.

Because the 2017-2018 budget request is for planning, the estimate of total costs is not refined. The planning process would also provide more information about the benefits and impacts on rider experience.

Councilmembers asked for more information about the impacts for people traveling to and from Harborview:

Project Benefits

The Yesler project would allow Routes 3 and 4 to serve Harborview via stops on 9th Avenue, between Alder and Jefferson Streets. This route is next to one of the main entrances and would be more convenient for those using those entrances. Transit would no longer serve the stop on 9th near Jefferson, which is nearest to the emergency room entrance, about a block away.

According to Transit, potential project benefits include:

- Improved speed and reliability for Routes 3 and 4. These routes had 11,700 rides per weekday in 2015. This project would allow these routes to avoid the extreme congestion around the James Street/I-5 interchange by using an improved pathway along Yesler Way. Transit adds: **If the pathway saves time, it could allow for operating savings.**
- Improved service to Yesler Terrace; and
- Improved network design – provides a frequent service connection further south, improving the spacing of frequent corridor connections between the Seattle CBD and the First Hill/Capitol Hill areas. It would also reduce left-turning buses off of Third Avenue at James Street, reducing delays to other buses travelling through that intersection.

Transit plans to conduct outreach in 2017 about the routing before making a final decision about moving forward with the project. Transit will also contact Harborview and other area institutions during that process.

Additional Information on Project Costs:

The 2017-2018 request of \$2.0 million is for planning and preliminary design work; outyear budget numbers are estimates and are not based on any preliminary engineering. Aspects of the project that make it high risk include:

- Yesler Way bridge over I-5: The bridge is a long span and has been there for many years. Adding trolley support infrastructure to the bridge may be costly and is likely to require reinforcing the structure in some way to accept the additional loads of the poles and related systems. Construction over I-5 will add to the cost.
- Outside the bridge limits, the pathway is in a very built up area and Transit has not assessed the available room for poles and other support structures. Limited availability of right of way for poles may add to costs.
- The project is assumed to require at least one new trolley support substation to provide power, requiring coordination with Seattle City Light on the location and feeds and possibly requiring acquisition of right of way or an easement.

Transit would hire a consultant to inventory the route and gather information for use in preparing the preliminary design. By the next biennium, Transit would expect to have refined cost estimates.

Council staff is continuing its analysis of this issue including the City of Seattle's position on the project.

ISSUE 3 – CAPITAL PROGRAM MANAGEMENT

The budget includes a large increase in the CIP and the number of projects proposed to move forward. The budget and KCM staff acknowledge that the number of projects, their scope, and the wide range of project types create a challenge for the agency's capital management capacity. The King County Auditor, in an email to Councilmembers dated September 13, 2016, recommends: (1) strong comprehensive facilities planning, (2) robust and transparent program management; and (3) resolution of barriers to project delivery by assuring adequate organizational, staffing, and outside consultant resources. The proposed budget requests additional Capital staff including 2.0 FTE to work on operating base capacity issues and 17.0 FTE for non-based capital projects. Staff analysis will evaluate how to address effective capital project delivery.

Additional information in this staff report will address the base capacity issue.

- A. **Atlantic-Central Base Complex Projects** – A Master Plan for the complex was submitted to the Council in 2013 and receipt acknowledged by Motion 13961. Briefly, the Plan concluded that space in the complex should be reserved for operations and maintenance of the trolleybus and bus fleets assigned to the complex. This budget requests funds for demolition of obsolete warehouse structures, funding for an interim Transit Police facility, and a large new appropriation project to acquire land adjacent to the Atlantic/Central complex. The warehouse demolition and Transit Police move would free up space for approximately 100 additional buses, addressing the need associated with adding 300,000 hours of bus service in 2017-2018; further analysis is needed to clarify

whether maintenance bay capacity is adequate. The purchase of an additional 9.14 acres is intended to facilitate the Master Plan goal of increasing bus maintenance capacity, driver parking, and displaced functions.

- B. **South Base Expansion** – A new South Base Expansion project requests funding for land acquisition adjacent to South Base. This proposal reflects a near term property acquisition opportunity that would potentially allow for additional bus maintenance capacity while a new operating base is developed.
- C. **New, Eighth Maintenance Base** – This new project includes 2017-2018 funding of \$30.4 million for planning and property acquisition in South King County, with future year funding for base construction in 2021-2022 and beyond the six-year CIP. The basis for this request is to acquire land while it is still available and at a time when the Transit budget has capacity.

Base Capacity Issues

Base capacity is determined primarily by bus parking and maintenance capability, although dispatch operations and employee parking can also be constraints. As conditions become more crowded, operations become more inefficient and the system is at greater risk of poor reliability and poor service quality.

Transit describes base capacity in term of Level of Service (LOS). Transit's goal is to operate facilities at LOS C, which reflects cost-effective use of available capacity and stable operations: maintenance bay capacity is adequate for buses to be maintained per maintenance schedules and there is enough room to park buses such that operators can begin service on time.

Crowded conditions (LOS D) exist if parking and maintenance are constrained so that vehicle access is more difficult and maintenance bays may be insufficient to achieve all of the necessary maintenance. As the number of coaches at a base increases and the level of service moves from LOS C to LOS D, consequences are deteriorating service efficiency and increasing operating costs. Operating in LOS D over a period of time would likely result in delayed or missed dispatch due to having to move around a higher number of coaches than designed space allows. Service backlogs at the maintenance bays could lead to more failed coaches on the road. Constrained capacity could also present challenges for meeting regular fuel and wash cycles, not to mention the more frequent deep cleaning proposed in the budget.

Currently the base system is at LOS D; LOS C is assumed to be 1,445 coaches based on current base capacity models. Table 8 lists the seven bases, the estimated number of buses assigned to each base, and the LOS of each base. These coach assignments are for a point in time and do fluctuate.

Table 8. Current Base Assignments

	Current Coaches	Capacity (LOS C)	Percentage of LOS C	Limiting Factor
Atlantic (Trolleys)	268	249	108%	Bus Parking
Central	182	188	97%	Bus Parking
Ryerson	211	196	107%	Bus Parking
Bellevue	129	140	91%	Bus Parking
East (incl 100 ST)	221	208	106%	Bus Parking
North	212	177	119%	Bus Parking
South	270	264	102%	Bus Parking
Total	1,493	1,422	105%	

The service additions proposed for 2017-2018 require an estimated 100 additional coaches. Near-term improvements at Atlantic/Central – demolishing the old operations building and warehouse and moving the Transit police to another location – will provide parking space for an additional 100 buses. Expansion of the footprints of South Base and Atlantic/Central would provide additional capacity in the 2020-2026 time frame to support the envisioned 2025 service network. Siting and development of an 8th base is designed to provide long-term capacity to support the envisioned 2040 service network.

Planned parking expansion projects at Atlantic/Central will help accommodate roughly 100 additional buses, as noted above. To support these additional buses parked at the Atlantic/Central Base campus, four additional maintenance bays are needed. These bays could be created by converting existing paint and body bays, which could potentially be completed in 2020. However, this change will require that the paint and body work currently performed at the Atlantic/Central base be performed at the Component Supply Center, which will increase costs associated with this work.

Table 9 shows how the base projects would increase bus parking and maintenance capacity.

Table 9. Added Bus Parking and Maintenance Capacity

Estimated Completion Date	Facility Change(s)	Bus Parking Increase	Vehicle Maintenance Increase	Base Where Capacity Added	~Max capacity (LOS C)	Projected Fleet Size
2016	Existing conditions (Baseline)				1445	~1500

2018	Atlantic/Central: Demo old operations building and warehouse. Relocate Transit police. Move non- revenue vehicles.	80-100	0	A/C	1545*	1550- 1600
2020	Relocate portion of Atlantic/Central body shop to Component Supply Center to expand maintenance bays		40-60	A/C	1545	1575- 1625
2021	Expand South Base - Phase 1	80	80	South Base	1625	1600- 1650
2025	Expand South Base - Phase 2	50	50	South Base	1675	1750- 1800
2026	Expand Atlantic/Central - Expand footprint to relocate and expand functions and increase parking (with purchased adjacent property)	90	90	A/C	1765	1,800- 1,850
2030	Open 8th Base	250	250	8 th Base	2,015	1900- 1950

* means optimal base capacity. This would be total fleet based on the constraining factor which at this time is parking.

Table 10. Base Capacity - 2017-2018 Proposed Capital Projects

Project	2017-2018 Request	Total Six-Year CIP 2017-2022
Atlantic/Central Operations & Warehouse Demo	\$1,669,318	\$1,669,318
Interim Police Facility	\$966,757	\$966,757
8 th Base Construction	\$30,406,055	\$55,345,709
Atlantic Base Replace Maintenance Bldg. HVAC	\$2,299,556	\$12,872,183
South Base Expansion	\$47,248,587	\$76,951,004
Central/Atlantic Base Expansion	\$59,974,752	\$84,194,552

State of Good Repair and Transit Asset Maintenance Projects – The current federal surface transportation authorization act, MAP-21, includes “State of Good Repair” (SGR) requirements for transportation agencies including transit agencies. Many capital projects fall within the SGR category, with the **Transit Asset Maintenance Project (TAMP)** being one of the largest. The Auditor has recommended that TAMP investments should be maintained to avoid creating a large future backlog and that Transit focus on management changes to increase the accomplishment rate. This

proposed budget would terminate the TAMP Program and replace it with multiple projects for specific subproject types (Infrastructure Asset Management, Site Asset Management, Building Asset Management, Equipment Asset Management, SGR Administration).

Table 11. TAMP Restructure - 2017-2018 Proposed Capital Projects

Project	2017-2018 Request	Total Six-Year CIP 2017-2022
Transit Asset Maintenance Program (TAMP) ³	(\$25,218,717)	(\$25,218,717)
Infrastructure Asset Management	\$40,753,142	\$45,853,142
Site Asset Management	\$27,175,175	\$57,836,571
Building Asset Management	\$57,658,563	\$132,116,702
Equipment Asset Management	\$3,592,691	\$7,807,634
State of Good Repair Administration	\$11,681,064	\$15,315,413

Council staff review of SGR and TAMP is continuing.

ISSUE 4 – TRANSIT TECHNOLOGY INVESTMENTS: \$113,856,277

The 2017-2018 Transit budget includes 12 proposed technology investments, with total estimated project costs of \$113.9 million from the Public Transportation Fund. Many of these technology requests received initial funding during the 2015-2016 budget process.

In anticipation of the significant technology investments that would be necessary in future budgets, the 2015-16 adopted budget required Transit to develop a strategic technology roadmap, referred to here as the Strategic Technology Roadmap for Transit (STRT). The STRT was transmitted in June 2016 (2016-0292) and presents a forward-looking understanding of Transit’s evolving technology needs and solutions over the next three to five years. Council staff will review the project proposals for consistency with the STRT.

In addition, in accordance with King County Code, Transit has provided a business case, cost-benefit analysis, and benefit achievement plan for each of the proposed projects. Staff are currently reviewing the project documentation for all of these projects and will provide an analysis of the projects during upcoming budget panels.

Table 12. 2017-2018 Proposed Transit IT Investments

Project	2017-2018 Request	Total Project Cost⁴
ORCA Replacement	\$42,933,167	\$57,537,784
Replacement for 4.9 Network	\$23,950,639	\$28,099,616
Transit Signal Priority	\$4,328,805	\$6,619,305

³ The disappropriation amount may be understated, potentially requiring a technical correction.

⁴ Includes expenditures in prior years through completion.

Vehicle Telematics for Transit Coaches	\$3,428,817	\$3,428,817
Transit Business Intelligence Resource Data	\$1,678,764	\$6,000,976
Rider Information Systems	\$1,090,000	\$1,896,427
Safety and Security Systems	\$2,114,368	\$2,406,468
Transit Customer Information Systems	\$765,394	\$5,149,251
On-Board Camera Management	\$640,778	\$640,778
Real-Time Improvements	\$565,018	\$1,309,722
Vehicle Maintenance Dispatch Replacement	\$195,667	\$323,831
Hastus Planning Module	\$99,444	\$443,302
Total	\$81,790,861	\$113,856,277

Reports on four projects are provided here. Council staff is continuing to review technology projects for which analysis is not complete.

ORCA Replacement

Prior appropriation	\$1,157,866
2017-18 Request	\$42,933,167
Future Request	\$13,446,751
Total Project Cost (King County share)	\$57,537,784
Fund Source	Public Transportation Fund

Project Summary: This project would replace the One Regional Card for All (ORCA) smart card fare payment system. The ORCA system is a multi-agency effort overseen by a Joint Board made up of the CEOs and General Managers of the participating transit agencies.

The existing ORCA system was deployed in 2009 and allows transit riders to use one card to pay fares on seven transit systems throughout the region. The technology and hardware behind the ORCA system is becoming outdated, and the contract with the vendor who operates and maintains the ORCA system software and hardware ends in 2021. Planning for a replacement system is underway.

Oversight of the ORCA replacement project is provided by the ORCA Joint Board and an ORCA 2 Steering Committee⁵, supported by a Regional Program Administrator housed at Sound Transit.

The Joint Board has identified the following objectives for the ORCA replacement project:

- (1) Improve customer experience, including programs for unbanked riders and instantaneous availability of loaded value;
- (2) Increase ORCA usage, including making ORCA available for use on more transportation modes and for purchase through more venues;

⁵ The ORCA 2 Steering Committee is made up of one representative per participating ORCA agency. These representatives are appointed by their Joint Board member and have expertise in fare collections, policy, technology, operations, and customer service. The ORCA 2 Steering Committee representative for King County is Matt Hansen, Manager of Customer Communications and Services for Metro Transit.

- (3) Fiscal responsibility, including lower total cost of ownership and lower upgrade and improvement costs; and
- (4) Operational efficiency, allowing faster roll out upgrades and more accessible data.

Note that while these are the identified objectives of the project, it is not yet known whether the ORCA replacement will be capable of achieving all these objectives.

The project would include: fare card readers at all fare collection points, operator displays that include fare collection management capability, fare inspection equipment, equipment to collect fares from readers, a central clearinghouse to manage financial transactions, customer websites, and reporting.

Status of Existing Project: King County's portion of the regional planning phase of the ORCA replacement project was funded in the 2015-2016 Budget. During the planning phase, a regional project team was assembled and project consultants were selected through a RFP process. The regional team has developed the Concept of Operations and preliminary Transition Plan. Currently the project is in the requirements gathering phase, which will continue until early 2017.

2017-2018 Appropriation Request: The 2017-2018 budget request would provide appropriation authority for Transit's share⁶ of the estimated regional project cost. Although implementation is not planned until the 2019-2020 biennium, appropriation for the full project cost is being requested in the current biennium in order to authorize King County's commitment to the project prior to the Joint Board's approval of vendor contracts, expected in 2018. Actual expenditures would occur as the work is carried out.

As it is still early in the project, cost estimates are high level and subject to further change as more becomes known about the project. For example, the total project cost was estimated to be approximately \$30 million at the time of the 2015-2016 Budget adoption, and has increased to \$57,537,784 as more became known about system integration, hardware, and installation costs during the planning phase of the project. Councilmembers may want to request more refined information about project costs prior to committing to full funding of the project.

The breakdown of the major components of the current project estimates are: \$2.9 million for Transit and KCIT labor for project management, \$14.6 million for hardware and software, and \$12.9 million for vendors. The project includes a 20 percent contingency, which was established by the regional project team.

Project planning began in late 2015 and is projected to be completed in the first quarter of 2018. The design phase is scheduled to begin in the second quarter of 2017 and continue until late 2020. Development, testing, and deployment are scheduled to begin in late 2017 and be completed in 2023.

Project Integration with Other Transit Projects and Policies: The 2015-2016 Budget required Transit to develop a Strategic Technology Roadmap for Transit (STRT) to

⁶ Transit's share of the capital project cost is 57.8 percent of the total regional costs based on projected regional ridership share in 2021.

present a forward-looking, integrated understanding of Transit's evolving technology needs. The STRT, which has been transmitted for Council review, identifies integration points between ORCA replacement and other planned Metro technology projects. According to the STRT, the ORCA replacement project is dependent on coordinating with the schedule and design of the Next Generation Wireless project, a project to replace the communication network used for Metro buses. The ORCA Replacement project would also inform the project needs for the New Farebox Needs Assessment and the Onboard System Replacement Planning projects.

Also related to this project are regional and county discussions of fare policy changes. Regional Fare Forums⁷ to discuss regional fare coordination and simplification are underway. The concepts put forward for consideration in these forums could reduce future Transit fare revenue or require fare increases in order to remain revenue neutral. Engaging the County Council in fare policy discussions is also identified by Transit as a 2017 work plan item. The timeline of the ORCA Replacement project, and the complexities and costs of designing the ORCA 2 system to accommodate current regional fare structures, will likely be discussed in regional and county conversations about potential changes to Transit fare policies. To inform design of the ORCA replacement project, the regional project team would need agency direction on fare policy changes in 2017, however, implementation of any changes need not occur until the project implementation phase. Currently, project costs assume the ORCA replacement project will accommodate agencies' existing fare structures.

Project Risk: The ORCA replacement project includes a number of risks, the primary being the need for a complex transition from the current fare collection system to the new one, under the time constraints of the expiration of the vendor contract for operating and maintaining the aging equipment used for the current system. Other challenges include designing a system capable of accommodating existing fare structures (and potential new fare policies such as fare capping), and the dependency of the ORCA replacement project on other planned technology projects such as next generation wireless.

In order to plan for the project risks, the regional project team has developed a risk management plan, and will develop and maintain a risk register. They will also be hiring a program specialist with a risk management background. Councilmembers may wish to gain a better understanding of the project risks and their potential impacts to project delivery before committing to full funding of the project.

Review of the Benefit Achievement Plan (BAP): The BAP identifies the primary benefit of this project as replacing the aging ORCA system to ensure continuity of smartcard fare collection for Metro. The project sponsors anticipate achieving secondary benefits of improving the customer experience and increased operational efficiency. Staff is continuing to work with Transit staff on improving the BAP to include baselines and targets for identified project benefits.

⁷ The first forum took place in September 2016 and another is scheduled for October 28, 2016. King County's representatives at these forums are Councilmembers Rod Dembowski and Claudia Balducci.

Issues for Further Consideration: Staff analysis is complete and has identified a number of issues Councilmembers may wish to further address before committing to full project funding, including more detailed information about project risks and costs (not yet available due to the project planning timeline), and consideration of the fare policy issues under discussion (proposed for Council consideration in 2017).

Option 1: Direct staff to develop an option around phased project funding approval linked to project milestones and Joint Board decision making, and bring that option back next week.

Option 2: Refer to the Budget Leadership Team.

Option 3: Approve as proposed.

Safety and Security Systems

Prior appropriation	None
2017-18 Request	\$2,114,368
Future Request	None
Total Project Cost	\$2,114,368
Fund Source	Public Transportation Fund

Project Summary: This project will develop a comprehensive safety and security database

Metro recently completed a Comprehensive Safety System Review. According to the business case, a key finding of the review was that Metro Transit lacks the data systems needed to proactively manage safety risks. The current safety systems do not allow data to be analyzed or combined without very manual and error prone efforts. In most cases, the data is simply stored in excel spreadsheets.

This project would implement a safety and security system in the 2017-2019 timeframe. The safety data system would be planned and developed in parallel with a redesign of key business processes recommended by the Safety System Review. The types of data that will be tracked using this system will be determined as part of the project, but it is expected to include detailed accident data and injury data and data on “near misses so that Transit can use the data to proactively prevent incidents.

It is anticipated that the vendor community will be developing more products to support the Safety Managements Systems required and that by 2018 Metro can be in a position to move forward with a proven product. The project will complete planning, a preliminary design, and Request for Information in 2017 and procure in 2018 with implementation scheduled from September 2018 to October 2019.

Of the \$2.1 million budget, about \$600,000 is for internal technology and business staff over the life of the project, \$130,000 for consulting services, and \$1.2 million for the hardware and software solution.

Contingency: The project would be funded by the Public Transportation Fund and as proposed includes a contingency of 20 percent based upon the level of risk associated with this project.

Review of the Benefit Achievement Plan (BAP): According to the Benefit Achievement Plan, the primary benefit of this project is that it will provide Transit with the information needed for data driven decision making related to safety. Transit will measure and report on the new data sets available as a result of this project and the ways in which the data is used.

Staff have identified no further issues for this project.

Vehicle Telematics for Transit Coaches

Prior appropriation	None
2017-18 Request	\$3,428,817
Future Request	None
Total Project Cost	\$3,428,817
Fund Source	Public Transportation Fund

Project Summary: This project would implement a vehicle telematics systems on the existing fleet of buses to accurately capture vehicle mileage and other mechanical information, such as diagnostic error codes, about the bus.

According to the business case, Metro Transit Vehicle Maintenance requires accurate vehicle mileage data in order to efficiently perform maintenance on its fleet of approximately 1,500 coaches. Preventative maintenance is scheduled, fuel consumption is derived, and warranty work is dependent upon, accurate vehicle mileage data. VM currently lacks a precise method of tracking vehicle mileage, and must rely upon planned (or scheduled) miles to estimate vehicle mileage for a coach. Scheduled miles are determined by the route and scheduled trips to which a coach is assigned.

These manual estimation methods results in mileage inaccuracies that may be causing VM to either service its fleet too frequently or miss scheduled maintenance required to meet warranty agreements. Therefore, Transit is requesting an automated tool for o data collection to increase accuracy and improve timeliness of the vehicle mileage update workflow.

In addition to needing more accurate mileage data, VM also needs a method to efficiently retrieve diagnostic error codes and other operational data from major vehicle systems, such as the engine, transmission, brakes, and other related systems. Currently these codes must be manually retrieved from each individual coach by plugging a laptop into the onboard diagnostics unit. The vehicle telematics system would allow for automated fleet-wide collection and analysis of these fault codes.

The proposed vehicle telematics system accurately capture vehicle mileage and other information about the behavioral and mechanical variables affecting fuel efficiency, including:

- Performance of critical drive train and engine components
- Engine fault codes
- Braking and speed history

Transit expects this project will also reduce fuel pump lockout occurrences during coach fueling. In today's fueling process, personnel manually enter the vehicle identification number. For safety (fuel spills) and security (fuel theft), the system is very unforgiving of data entry errors. After three unsuccessful attempts to log into the system, the fuel pump is locked for all subsequent uses until unlocked by someone remotely. This causes delays in coaches being fueled. This problem is often identified at night and requires after hours support. Under the new system, the vehicle identity, engine condition, mileage and required fuel amount/type will automatically be transmitted to M5 when the coach is brought to the fuel bay.

Transit has done research on existing products and has identified a product that will be compatible with other systems currently used by Vehicle Maintenance. Transit expects to complete planning and design work by September 2017 and complete installation by August 2018.

The 2017-2018 appropriation request of \$3,428,817 would fund the purchase and installation of the vehicle telematics system. Of the request, \$2.3 million is the labor costs to install the system on all the buses. The hardware and software costs are estimated at \$500,000.

Contingency: The project would be funded by the Public Transportation Fund and as proposed includes a contingency of 20 percent based upon the level of risk associated with this project.

Review of the Benefit Achievement Plan (BAP): The primary benefit of this project is that it will provide accurate mileage information so that maintenance occurs according to warranty requirements. In addition, it is expected that vehicle maintenance will spend less time troubleshooting issues with automatic diagnostic codes.

Staff have identified no further issues with this project.

Transit Business Intelligence Resource Database

Prior appropriation	None
2017-18 Request	\$1,678,764
Future Request	\$4,322,120
Total Project Cost	\$6,000,976
Fund Source	Public Transportation Fund

Project Summary: This project would consolidate multiple data sources into a single database allowing Metro staff to easily and quickly access key data about bus service.

According to the business case, Metro's sources of performance data are scattered across the agency in many different databases and formats. The ability to match and integrate data from different sources is highly specialized and limited to only a few staff across the agency. When integration is done, it is not automated, very time-consuming, and subject to differences in staff judgment and methodology. Additionally, Transit reports much of the on-time data is in a database that is no longer supported by the vendor. These technical constraints limit the depth, quality, timeliness, and quantity of analysis that staff can perform in support of strategic planning scenarios and decisions.

This project is for a new analytical tool to integrate key data from existing systems necessary for business analytics. The tool will provide automated data extract from source systems so the latest available data is regularly loaded for reporting purposes. The tool will also provide advanced analytical tools such as visualization, specialized charting, and geo-spatial analysis. Once this new analytical tool is operational at the end of 2019, it would help Transit respond to strategic planning questions such as:

- What are some of the least reliable travel corridors in the system?
- Which routes have the highest/lowest percentage of ORCA use?
- Are operators getting their mandated breaks?
- What is the travel time variability for a particular route?

This project first requested funding as part of the Executive's 2015-2016 budget. The Council did not fund this project because in part due to a concern that it was premature to proceed with this project prior to the development of the Strategic Technology Plan for Transit (STRT). As noted in the Week One staff report, the STRT has been transmitted to the Council.

During the 2015-2016 time period, Transit did further research in the area of business intelligence, worked with KCIT and consultants in order to refine this proposal.

The 2017-2018 appropriation request of \$1,678,734 would fund most of the requirements analysis and design for an integrated data base. Of the \$1.7 million appropriation request, about \$915,000 is for project labor costs for KCIT and Transit and \$500,000 is for consulting costs. The planning and design work is scheduled to be completed at the end of 2018. Transit reports it has not yet determined whether a commercial product will be configured to meet Transit's needs or whether a solution will be built by a vendor or KCIT.

Implementation costs of \$4.3 million are not included in the 2017-2018 budget request.

Contingency: The project would be funded by the Public Transportation Fund and as proposed includes a contingency of 20 percent based upon the level of risk associated with this project.

Review of the Benefit Achievement Plan (BAP): The primary benefit of this project is that it will provide timely access to ridership and on-time performance data to support

service planning and decision making and to respond to questions from policy makers. Transit will measure whether this benefit has been achieved by surveying internal and external users of the data to assess whether the depth, timeliness, and quantity of data and analysis that staff can perform in support of strategic planning has increased.

Staff have identified no further issues with this project.

ISSUE 5 – METRO CONNECTS INVESTMENTS

The 2013 update to the Transit Strategic Plan added new Strategy 6.1.2 calling for development of a transit long range plan in collaboration with local jurisdictions. This plan was directed to include transit service and facilities consistent with regional growth targets and city comprehensive plans. Proposed Ordinance 2016-0404, now pending in the Regional Transit Committee (RTC), would adopt Metro Connects, as the Transit Long Range Plan (LRP) has been titled. The RTC is expected to take action on Metro Connects late this year or early next year, with subsequent referral to the Transportation, Economy and Environment Committee and the full Council.⁸

The Metro Connects vision includes a substantial increase in transit service (by 2040, a 70 percent increase in service hours anticipated to result in a doubling of ridership) and a large supporting capital element. This large increase in service and infrastructure reflects the increased role of transit in accommodating regional population and job growth by 2040, as identified by the Puget Sound Regional Council (PSRC); Metro Connects also reflects city comprehensive plan assumptions about transit needs. As noted in the Metro Connects plan itself, current funding sources are not sufficient to fund all of the additional capital and operating needs.

Metro Connects envisions a 2025 network and a 2040 network of services. The 2025 network includes an additional 860,000 service hours and capital investments estimated at \$5.4 billion that would be required for the 2025 network. The Metro Connects plan suggests that 620,000 service hours and \$1.4 billion of the capital program could be funded with existing resources assuming the growth projected in the OEFA forecast. The 300,000 hour service addition proposed in the 2017-2018 budget is part of the 620,000 hour service growth. If the OEFA forecast holds, there would be an estimated 320,000 hours for investment in Service Guidelines priorities and Metro Connects-related service needs through 2025. Additional revenue or other policy choices could change the number of service hours available for these needs.

The budget request includes operating funds for Metro Connect planning which would be used to develop an Implementation Program. In addition to current staff resources, the budget requests funding for 1.0 FTE to support development of the Metro Connects Implementation Program. Another 1.0 FTE is requested for Access to Transit-related studies and standards (Access to Transit is interwoven with Metro Connects and addresses pedestrian and bicycle access to transit as well as park-and-ride issues).

⁸ Because Metro Connects is a countywide plan, Proposed Ordinance 2016-0404 is considered a mandatory referral to the RTC. If the Council seeks to change the RTC-recommended version, the changes are subject to referral back to the RTC and if not approved by the RTC, the Council would have to approve the legislation with a 6-vote supermajority.

As part of its expanded bus service network, Metro Connects envisions the addition of 20 new RapidRide Lines (Lines G through Z) throughout the county. Each new RapidRide would serve an existing corridor but would include the distinctive RapidRide station buses and station amenities. Conversion of existing bus routes to RapidRide typically requires added service hour investments to achieve more frequent service. The 2025 network includes 13 new RapidRide lines.⁹ Seven are identified in the Seattle Transit Master Plan and six would be located in other parts of the county.

The 2017-2018 capital program includes funding for two RapidRide projects:

Move Seattle RapidRide Expansion (CIP #1129632) – is a project for Seattle RapidRide Line capital infrastructure on Madison Avenue and in the Delridge neighborhood. The project is funded by the City of Seattle and a Washington State grant. The fleet procurement project for 60-foot trolleybuses includes a new appropriation for 13 trolleybuses to be used on the Madison RapidRide Line, paid through a federal grant.

Metro Connects RapidRide Expansion (CIP #1129747) is the initial capital project for design and infrastructure for RapidRide Lines outside of Seattle that would be included in the 2025 network. For 2017-2018 the budget request is for \$13.6 million in planning and design funds.

Staff analysis on these projects is continuing and will address the process for establishing individual RapidRide lines, which has typically involved passage of an ordinance establishing a new Line and defining its stops, followed by implementation through a service change ordinance; and other impacts of expanding the number of RapidRide Lines. Since the potential new RapidRide Lines are expected to begin service in 2019 and later, the operating costs of added service hours are not included in the 2017-2018 budget.

Staff analysis of this issue is continuing.

ADDITIONAL FOLLOW UP FROM PREVIOUS PANEL MEETINGS

Councilmembers asked for more information about ORCA LIFT program and the Human Service Tickets program:

A report on the ORCA LIFT low-income fare program from March 2015 through June 2016 has been transmitted to the Council. This staff report includes excerpts from the September 2016 ORCA LIFT report, which has the most current available information.

ORCA LIFT – Monthly Report for September 2016

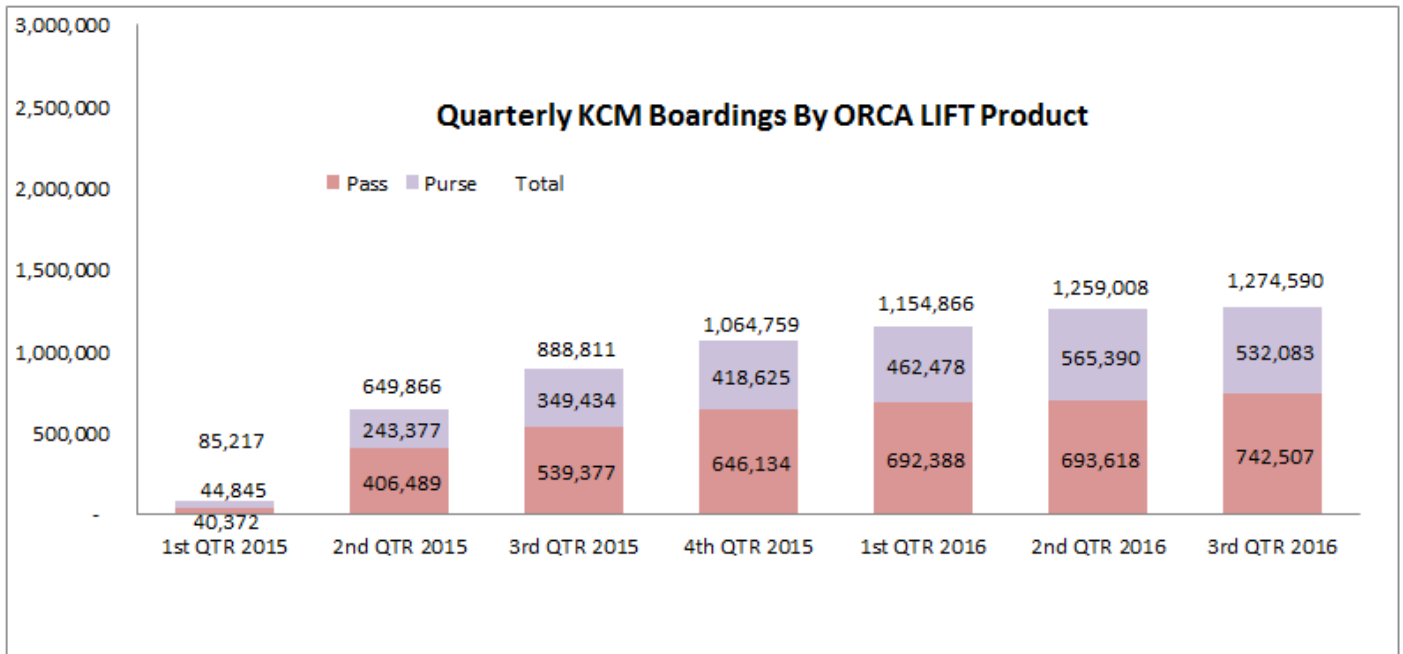
- King County Metro bus boardings were down by 12,682 over last month, bringing the total boardings to 421,853 for the month of September. Overall for the 3rd quarter boardings are up 15,582.

⁹ The Regional Transit Committee may add a 14th RapidRide Line to the 2025 Network.

- Sound Transit boardings were down by 3,199 over last month, bringing the total boardings to 110,734 for the month of September.
- LIFT enrollments are up by 1,688 to 35,652 with 15,959 customers between the ages of 30 to 49.

Under 19	240	1%	50 to 64	8,028
23%				
19 to 29	11,052	31%	Over 65	373
1%				
30 to 49	15,959	45%		

- YTD 651 Youth cards have been issued at no charge to dependents of LIFT cardholders
- 49 ORCA-To-Go events were scheduled in September
 - District 1 - 2 events
 - District 2 - 9 events
 - District 3 - 2 events
 - District 4 - 5 events
 - District 5 - 3 events
 - District 6 - 6 event
 - District 7 - 7 events
 - District 8 - 15 events
- For September, King County Public Health continues to verify to majority of the LIFT customers at 55 percent, followed by Catholic Community Services at 15 percent and Business Accounts at 5 percent.
- The majority (44%) of LIFT customers use Provider One Medical to verify for the program
- To date counties where LIFT customers reside:
 - King 33,583 94.2%
 - Snohomish 898 2.5%
 - Pierce 723 2.0%
 - Other 448 1.2%
- September method of payment by LIFT customers(*by number of loads*):
 - 52% cash
 - 39% credit cards
 - 4% Business Account
 - 3% Autoload
 - 2% other
- LIFT customers add value primarily at Ticket Vending Machine 59 percent followed by Retail outlets with 19 percent, Walk-in Centers with 8 percent, and Business Account with 4 percent (*by number of loads*):



Human services agencies are allotted a share of the human services bus tickets; each agency can buy combinations of tickets that have a total value of five times the 20 percent agency match. It is up to each agency to decide how many adult two-zone peak, adult one-zone peak, adult off-peak, youth, and other tickets to buy.

Table 13 shows the agency 2016 allocations and amounts purchased.

Table 13. 2016 Human Services Bus Ticket Program Allocation

2016 Human Service Agency (Balances as of 10/19/2016)	Allocated Funds	Purchases	Unspent Allocated Funds
Alliance of People with Disabilities	\$300	\$300	
API Chaya	\$395	\$395	
Art Corps	\$798	\$798	
Asian Counseling and Referral Service	\$1,805	\$1,805	
Atlantic Street Center	\$841	\$296	\$545
Attain Housing	\$695	\$695	
Auburn Youth Resources	\$840	\$840	
Aurora Commons: Awake Church	\$330	\$330	
Bellevue College	\$700	\$700	
Career Link High School at South Seattle College	\$1,899	\$1,899	
Casa Latina	\$5,398	\$5,398	
Catholic Community Services of King County	\$34,418	\$14,418	\$20,000
Childcare Resources	\$2,090	\$2,090	
Coalition of Refugees from Burma	\$1,596	\$1,596	
Compass Housing Alliance	\$45,599	\$35,999	\$9,600
Congregations for the Homeless	\$22,438	\$14,938	\$7,500

2016 Human Service Agency (Balances as of 10/19/2016)	Allocated Funds	Purchases	Unspent Allocated Funds
Consejo Counseling and Referral Service	\$949	\$949	
County Funds Holding Account	\$93,341		\$93,341
Domestic Abuse Women's Network (DAWN)	\$1,504	\$1,504	
Downtown Emergency Service Center (DESC)	\$43,601	\$17,475	\$26,126
Eastside Academy	\$678	\$678	
El Centro de la Raza	\$500	\$345	\$155
Elizabeth Gregory Home	\$3,220	\$2,700	\$520
Family Works	\$1,898	\$1,898	
FareStart	\$10,780	\$10,780	
Fauntleroy Church, United Church of Christ	\$2,157	\$2,157	
Federal Way Community Caregiving Network	\$510	\$510	
Friends of the Children	\$286	\$144	\$142
Friends of Youth	\$6,955	\$6,955	
Grace Lutheran Church	\$507	\$507	
Green Lake Presbyterian	\$700	\$400	\$300
Harborview Center for Sexual Assault & Traumatic S	\$1,406	\$1,406	
Harborview Medical Center - Medical Respite	\$480	\$456	\$24
HERO House	\$796	\$796	
Highline Public Schools	\$900	\$900	
Hopelink	\$4,499	\$4,499	
iGrad Academy/Kent School District	\$702	\$702	
Interlm Community Development Association	\$1,056	\$856	\$200
International Rescue Committee in Seattle	\$3,371	\$2,371	\$1,000
Issaquah Food and Clothing Bank	\$192	\$192	
Jesus Christ Salt and Light	\$798	\$798	
Jewish Family Services	\$600	\$600	
Jubilee Women's Center	\$1,529	\$1,133	\$396
Kent Lutheran Church	\$792	\$792	
Kent School District	\$600	\$600	
Kent Youth and Family Services	\$360	\$360	
King County Bar Association	\$65	\$65	
King County Career Connections	\$988	\$988	
King County Department of Adult and Juvenile Deten	\$18,798	\$18,798	
King County Department of Judicial Administration	\$13,808	\$13,808	
King County Employment and Education Resources	\$25,000	\$25,000	
King County Jobs Initiative	\$2,925	\$1,235	\$1,690
King County RAP - East King County	\$5,600		\$5,600
King County RAP - North King County	\$5,600	\$3,000	\$2,600

2016 Human Service Agency (Balances as of 10/19/2016)	Allocated Funds	Purchases	Unspent Allocated Funds
King County RAP - Seattle	\$5,600		\$5,600
King County RAP - South King County - Federal Way	\$5,600		\$5,600
King County RAP - South King County - Renton	\$5,600		\$5,600
King County Veterans Program	\$5,993	\$5,993	
LifeWire	\$750	\$677	\$73
Literacy Source	\$264	\$187	\$77
Low Income Housing Institute	\$500	\$500	
Lutheran Community Services Northwest	\$2,700	\$2,695	\$5
Maple Valley Food Bank	\$798	\$798	
Mary's Place Seattle	\$49,269	\$49,269	
Mercy Housing Northwest	\$378	\$378	
Mt Baker Housing Association	\$800	\$800	
Multi-Service Center	\$3,790	\$3,240	\$550
NAVOS	\$618	\$418	\$200
Neighborcare Health	\$1,882	\$1,882	
Neighborhood House	\$2,310	\$2,310	
New Family Traditions	\$200	\$200	
New Horizons	\$1,896	\$1,896	
Operation Nightwatch	\$21,060	\$21,060	
Peace for the Streets by Kids from the Streets	\$1,686	\$1,686	
People of Color Against AIDS Network	\$1,595	\$1,595	
Phinney Ridge Lutheran Church	\$1,080	\$1,080	
Pike Market Senior Center and Food Bank	\$620	\$600	\$20
Pioneer Human Services	\$8,000	\$8,000	
Pioneer Square Clinic	\$198	\$198	
Plymouth Housing Group	\$340	\$340	
Pregnancy Aid of Kent	\$99	\$99	
Public Health Seattle & KC Downtown Family	\$149	\$149	
Public Health Seattle and King Co. - North Dental	\$100	\$100	
Public Health Seattle and King Co. Downtown Dental	\$242	\$242	
Public Health Seattle and King County - Jail Health	\$816	\$816	
Public Health Seattle and King County KIDS PLUS	\$2,600	\$2,600	
Puget Sound Training Center	\$546	\$546	
Queen Anne Helpline	\$1,220	\$1,120	\$100
Reach Center of Hope	\$550	\$550	
Recovery Cafe	\$3,300	\$2,400	\$900
Renton Area Youth and Family Services	\$150	\$150	
Renton Technical College Foundation	\$299	\$299	

2016 Human Service Agency (Balances as of 10/19/2016)	Allocated Funds	Purchases	Unspent Allocated Funds
ReWA	\$4,520	\$4,520	
Sanctuary Art Center	\$96	\$96	
Seadrunar	\$948	\$948	
SeaMar Community Health Centers	\$2,052	\$2,052	
Seattle Conservation Corps	\$1,793	\$1,793	
Seattle Education Access	\$4,615	\$2,965	\$1,650
Seattle First United Methodist	\$299	\$299	
Seattle Goodwill	\$4,159	\$2,159	\$2,000
Seattle Housing and Resource Effort (SHARE)	\$136,728	\$68,410	\$68,318
Seattle Housing Authority	\$2,742	\$2,142	\$600
Seattle Indian Center	\$700	\$700	
Seattle Indian Health Board	\$8,616	\$8,616	
Seattle Mennonite Church	\$4,278	\$3,780	\$498
Seattle Municipal Court	\$3,428	\$3,428	
Seattle Urban Academy	\$290	\$240	\$50
Seattle's Union Gospel Mission	\$15,120	\$15,120	
Shalom Zone Nonprofit Association / ROOTS	\$699	\$699	
Shoreline Community Care	\$330	\$330	
Shoreline Community College	\$4,728	\$4,728	
Solid Ground	\$8,227	\$8,227	
Sound Generations (formerly Senior Services)	\$13,677	\$11,353	\$2,324
Southwest Youth and Family Services	\$948	\$948	
St Francis House	\$990	\$990	
St. Stephen Housing Association	\$600	\$600	
St. Thomas Episcopal Church	\$60	\$60	
St. Vincent de Paul of Seattle King County	\$5,226	\$5,226	
Street Youth Ministries	\$699	\$699	
Swedish Health Services, Case Management	\$2,660	\$2,660	
Teen Feed	\$1,600	\$1,600	
The Food Bank at St. Mary's	\$140	\$140	
The Millionair Club Charity	\$4,499	\$4,499	
The Salvation Army	\$1,898	\$1,898	
The Sophia Way	\$11,880	\$11,880	
Therapeutic Health Services	\$300	\$300	
Three Dollar Bill Cinema	\$75	\$75	
Treehouse	\$600	\$600	
United Indians of All Tribes Labateyah Youth Home	\$732	\$732	
University Churches Emergency Fund	\$810	\$810	
University of Washington- Country Doctor Free Teen	\$125	\$125	

2016 Human Service Agency (Balances as of 10/19/2016)	Allocated Funds	Purchases	Unspent Allocated Funds
Upward Bound & Educational Talent Search SSC	\$1,899	\$1,899	
Upward Bound, Seattle	\$2,163	\$2,163	
Urban League of Metropolitan Seattle	\$2,678	\$988	\$1,690
Valley Cities Counseling & Consultation	\$1,000	\$1,000	
Vashon Youth and Family Services	\$1,200	\$700	\$500
Vietnamese Friendship Association	\$4,032	\$4,032	
Vision House	\$720	\$720	
Washington State Department of Corrections - SCJC	\$10,596	\$8,298	\$2,298
Wellspring Family Services	\$1,900	\$1,900	
West Seattle Helpline	\$2,851	\$2,851	
Woodland Park Presbyterian Church	\$900	\$900	
World Relief Seattle	\$13,277	\$12,782	\$495
Year Up	\$1,234	\$1,234	
YMCA of Greater Seattle	\$3,598	\$3,598	
Youth in Focus	\$198	\$198	
YouthCare	\$7,020	\$7,020	
YWCA of Seattle-King-Snohomish County	\$30,656	\$30,656	
Totals	\$850,000	\$581,113	\$268,887

Analyst:	Mike Reed
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WASTEWATER OPERATING, CIP AND DEBT SERVICE

BUDGET TABLE

	2015-2016 Revised	2017-2018 Proposed	% Change 2015-2016 v. 2017- 2018
Budget Appropriation	\$276,483,016	\$301,488,456	9.04%
FTEs:	605.7	622.7	3.30%
TLTs:	2.0	17.0	750%
CIP Appropriation	\$286,814,268	\$627,296,763	118.7%
Debt Service	\$494,821,158	\$536,056,519	8.33%
Estimated Revenues	\$1,124,854,187	\$1,056,744,645	6.06%
Major Revenue Sources	Customer Charges; Capacity Charge; Investment Income		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The mission of the Wastewater Treatment Division (WTD) is to protect public health and enhance the environment by treating and reclaiming wastewater, recycling solids and generating energy. WTD's functions are related to both long and short range capital planning, construction of projects to convey and treat wastewater, and the operation of the existing wastewater treatment and conveyance facilities to provide service for nearly 1.5 million people in King County and parts of Pierce and Snohomish counties. Since the adoption of the Regional Wastewater Services Plan (RWSP) in 1999, WTD has been implementing the policies and plan adopted by the Council and executing a 30-year capital plan to ensure sufficient capacity in the system for the growing population in King County and the service area while maintaining existing facilities.

In 2013, King County signed a Consent Decree with the state Department of Ecology and the federal Environmental Protection Agency to control discharges from Combined Sewer Overflows. The Consent Decree requires that combined sewer overflows managed by the county be controlled by 2030. The Council has approved a Long Term Combined Sewer Overflow Control Plan, which defines the projects and sequencing for this capital undertaking; it provides for nine projects to control 14 CSO's by 2030. Together with conveyance system improvements and asset management, the Combined Sewer Overflow projects will be the focus of the Division's capital efforts in the coming biennium and the following decade.

Recent litigation in a contract default case associated with the construction of the Brightwater Treatment Plant conveyance system tunneling project, has recently been concluded, with a decision by the State Supreme Court not to hear an appeal of an appellate court decision favoring the County. As a result, revenue which had been set

aside by the Division to address any negative ruling, has been made available for investment in the Wastewater program. The revenue, which amounts to over \$129,000,000, was generated by wastewater rates during the period of bond sales in support of Brightwater construction. This revenue could be utilized for one or more of a number of program-related purposes, including debt reduction, future rate reduction, allocation to cash payment for major capital projects, or other purposes. The Executive is expected to make a recommendation on the use of these revenues associated with the 2018 wastewater rate proposal, to be considered by Council in mid-2017.

In June of this year, the King County Council adopted a 2017 monthly sewer rate of \$44.22 per Residential Customer Equivalent (“RCE”), and the monthly capacity charge of \$60.80 per RCE, with the intent of maintaining the sewer rate for two years. The rate and capacity charge are the primary funding sources for agency operations, capital projects, and debt repayment.

ISSUES

ISSUE 1 – CAPACITY CHARGE COLLECTIONS MECHANISM

Revenue support for the Wastewater Treatment Division is derived from both the wastewater rate, and the capacity charge, assessed to new connections to the wastewater system. Capacity charges may be paid either as a lump sum, rolled into mortgage payments, or as monthly payments. Where payments are made on a monthly basis, the agency has experienced some level of late- or non-payment, and has developed a system to pursue collections of unpaid capacity charges, which ultimately may result in a property lien, if other collection efforts are unsuccessful.

The wastewater rate is managed differently from the capacity charge. The wastewater rate is collected by the local utility, along with their own portion of the wastewater rate; revenues from billing, based on RCE counts, are forwarded to the Division.

Staff inquiry is focusing on 1) amounts of uncollected capacity charge revenue; and 2) the effectiveness and cost of the existing mechanism set up for revenue collections. The Executive has provided the following information regarding the Capacity Charge collections process, in response to staff inquiry.

	PRE-2012	2012	2013	2014	2015	2016 Through September
Annual Revenue Billed		\$50,767,036	\$58,308,854	\$58,812,264	\$67,032,582	\$51,694,671
*Cumulative Revenue Billed	\$328,247,343	\$379,014,379	\$437,323,233	\$496,135,497	\$563,168,079	\$614,862,750
Cumulative Uncollected*	10,584,155	\$10,728,265	\$11,712,727	\$14,646,561	\$17,726,716	\$12,770,986
Cumulative Uncollected % of Billed	3.22%	2.83%	2.68%	2.95%	3.15%	2.08%

*The capacity charge was established in 1990.

**Uncollected Secured represents the total value of outstanding bills WTD has filed a lien for. These debts are secured against the serviced property and will show up during a property sale; at which point WTD will be paid the outstanding balance plus interest and late fees.

Below is the Executive's description of the capacity charge collection mechanism.

Six TLT staff were hired in 2015 in addition to the 12 existing FTEs to support the capacity charge program. In 2017-2018, there are no proposed changes to TLTs or FTEs needed to support activity in the Capacity Charge program. The capacity charge program is responsible for:

- Setting up over 150,000 customer accounts established since 1990;
- Billing for capacity charge, RCE, septage, industrial waste, and other sources of revenue that, cumulatively, will exceed \$960 million for 2017-2018;
- Responding to 16,000 telephone, 500 in-person and 100 written customer inquiries and/or complaints annually;
- Collecting revenue owed, including monies owed on past due accounts; and
- Processing over 65,000 escrow requests, update 9,000 property changes of ownerships, process 12,000 pieces of returned mail, and manually processing over 8,000 checks on an annual basis.

Total proposed 2017 annual expenditures for the Capacity Charge Program are \$2.4 million. Key functional areas include:

- \$1.8 million for labor costs associated with the 12 FTEs and 6 TLTs;
- \$11,000 for office supplies;
- \$490,000 for services (invoice mailing, postage, and merchant fees for accepting electronic payments); and
- \$68,000 for fees associated with filing liens as necessary on delinquent accounts

In the Week 2 Panel discussion, members had questions about the rationale for this project. The Executive has provided the following summary and supporting tables:

As the real estate market has improved and lower interest rates drive financing, escrow requests have increased in recent years. The Wastewater Treatment Division (WTD) added TLTs to respond to this significant increase in escrow requests. These TLTs have also done outreach to the approximately 225 escrow agencies, encouraging these agencies to contact WTD to determine whether a capacity charge is owed on a property prior to a sale or refinancing. Responding promptly to escrow requests is critically important because a property owner can then build the capacity charge balance into the monthly mortgage and WTD then receives the entire outstanding capacity charge in a lump sum payment at closing. The benefit that will be achieved with Capacity Charge Escrow and Customer Add

Automation IT project, as requested in our 2017-2018 budget, is a continuously updated database that escrow agencies can access directly. Once the project is completed in mid-2018 (target date is mid-2018), capacity charge employees will need to work with the escrow agencies on how to use this new database. This will improve customer service because escrow information will be available instantaneously, reducing capacity charge employee time that is currently spent on the manual processes. When the system and processes are successfully implemented in mid-2018, WTD will assess staffing and workloads in the capacity charge program with a focus on eliminating work backlog and securing all outstanding capacity charge revenue through the lien process.

Figure 1. New Capacity Charge Account Requests

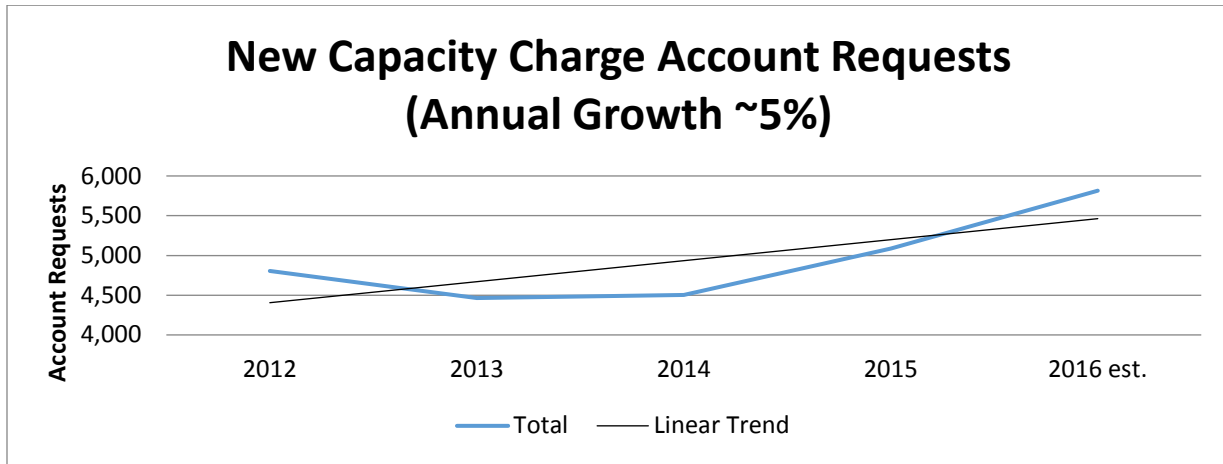


Figure 2. Escrow Requests Received

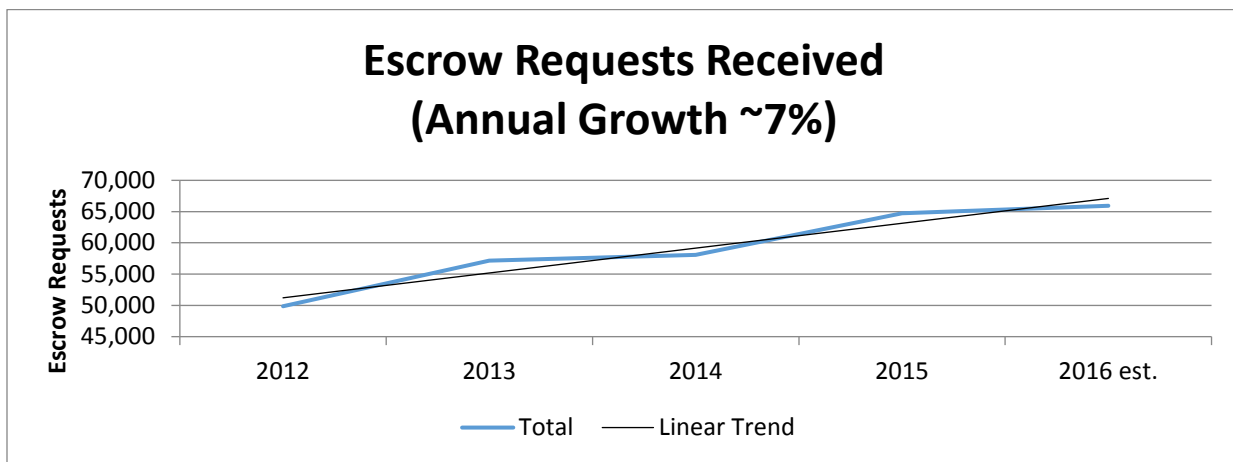
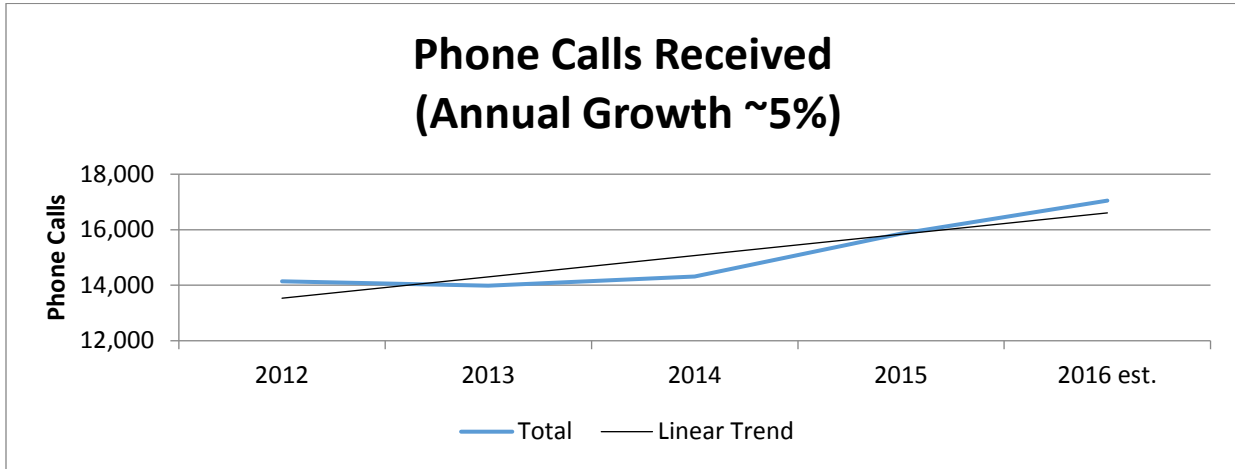


Figure 3. Number of Phone Calls Received



In the Week 2 Panel discussion, Councilmembers asked about possibly contracting with a collection agency for capacity charge collection.

In communications with the Executive, it has been learned that state law assigns the authority for collections enforcement to the Division; the Executive believes that this enforcement authority may not be transferred to a third-party collections entity.

Staff notes that this staff report next addresses the Capacity Charge Escrow and Customer Add Automation issue; that issue description supplements this Capacity Charge discussion, describing the proposal to automate a portion of the process as a means of increasing efficiency.

Staff has identified the following options for member consideration.

Option 1: Accept budget as proposed.

Option 2: Direct staff to prepare a proviso requiring a status report on the capacity charge collections function, addressing 1) the success of the collections mechanism, in terms of progress on reducing outstanding uncollected revenues; 2) a comparison with other peer wastewater agencies, in terms of whether they manage an internal revenue collections process, particularly for “capacity charge” revenue— how they structure their process, staffing levels and uncollected revenue.

ISSUE 2– CAPACITY CHARGE ESCROW AND CUSTOMER ADD AUTOMATION

Prior appropriation	N/A
2017-18 Request	\$495,986
Future Request	N/A
Total Project Cost	\$495,986
Fund Source	Capacity charge and sewer rates

Project Summary: This project will provide a tool for Wastewater to handle large volumes of escrow requests and establish new customers in a timely manner.

Wastewater's Capacity Charge program was implemented in 1991 as a way to charge new customers, connecting to the sewer system, for the assets put in place to handle their wastewater needs. The current billing process is a mostly manual, inefficient process and customer billings are often delayed.

As noted in Issue 3, Wastewater receives over 65,000 escrow requests annually. Escrow agents contact Wastewater in order to learn if there are any outstanding capacity charges on the property that need to be paid off before selling or refinancing a property. Contacting Wastewater is the only way for escrow agents to find this information. Thus, providing this information to escrow companies is an important way for Wastewater to recover capacity charges because the sale or refinancing of a property is an opportunity for the capacity charge to be paid off. The escrow requests come in form of phone calls, e-mails and fax. Under the current process, staff must manually respond to each request and is required to do so within 72 hours.

This project will automate escrow requests by allowing escrow companies to look up capacity charges on any property without contacting WTD. Once fully implemented and in use by escrow agents, WTD will reevaluate the staffing levels associated with escrow requests and report on the extent to which resources can be assigned to higher value activities. This project will also support new customer billings.

The appropriation request includes \$240,000 for planning and design in 2017 and \$80,000 for data source consolidation and implementation, which is scheduled for March, 2018. The work will be completed by KCIT and therefore almost all of the budget is for project labor costs.

This project includes a 30 percent contingency based on the level of risk associated with the project work.

Review of Benefit Achievement Plan: Council staff worked with WTD to better clarify the benefits of this project and how those benefits will be reported. As noted in the revised Benefit Achievement Plan, once implemented, Wastewater expects to improve customer service with escrow requests being provided instantaneously. Wastewater also expects to establish new customer accounts within one month of their connection to the sewer system. Wastewater also expects to eliminate the overtime expenses related to this work and will report on the potential to redirect staff resources to other activities after this project is implemented.

Staff have not identified any further issues with this request.

ISSUE 3—WATERWORKS GRANTS

The Proposed 2017-2018 budget includes \$4.3 million for the WaterWorks Grants program, which awards grants to support water quality projects, through funding supported by wastewater rates. In the 2015-2016 biennial budget, the amount to be

awarded was divided evenly between the Executive and Council. The proposed 2017-2018 biennial appropriation does not provide separate amounts for Council and Executive allocation, which has the effect of directing the full amount for allocation by the Executive.

Option 1: Direct staff to prepare a proviso requiring that half the allocation award be managed as it was in the 2015-2016 biennium, with half of the award amount to be allocated by Council, and half to be allocated by the Executive.

Option 2: Approve as proposed.

Analyst:	Hiedi Popochock
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WLRD – SURFACE WATER MANAGEMENT LOCAL DRAINAGE SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$60,471,675	\$72,948,000	20.6%
Max FTEs:	114.8	122.6	6.8%
Max TLTs:	5.5	10.0	81.8%
Estimated Revenues	\$54,556,712	\$75,575,000	38.5%
Major Revenue Sources	SWM Fees, Grants, Contracts, General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Surface Water Management (SWM) section in the Department of Natural Resources and Parks' (DNRP) Water and Land Resources Division (WLRD) funds the management of stormwater runoff from developed land in unincorporated King County. This division designs, builds and maintains stormwater facilities, updates design standards for stormwater facilities, evaluates and investigates reports of drainage and water quality problems and implements small project fixes of these problems, and drafts, reviews, and implements stormwater regulations, ensuring compliance with water quality codes. There are four cost centers within the SWM budget:

SWM Central Services provides administration services for the section, as well as management and maintenance of the SWM billing system and internal service charges. In addition, this section includes the transfer to the WLRD Shared Services fund for services rendered by WLRD Science and WLRD Environmental Lab.

SWM Rural Programs includes King County Agriculture, King County Forestry, and the Public Benefit Rating System (Current Use Taxation). This section also includes the basin stewardship program, open space acquisition, and ecological restoration and engineering services.

SWM Operations includes the Stormwater Services Unit which manages all operations required to meet National Pollutant Discharge Elimination System (NPDES) permit requirements, including controlling and reducing existing and development related runoff and water quality impacts. This section also includes engineering support for the SWM CIP.

CIP Transfers includes the annual "pay as you go" transfer to the SWM capital program, as well as the debt service payment on stormwater bonds.

ISSUES

ISSUE 1 – SURFACE WATER MANAGEMENT FEE INCREASE

\$22,584,468

SWM has requested a significant number of programmatic changes in the 2017-2018 proposed budget that would be funded by SWM fees through a proposed rate increase in Proposed Ordinance 2016-0490.

Existing services within existing rate - \$48.5 million. The current SWM fee equates to approximately \$48.5 million in revenue for existing SWM programs.

Inflation to maintain existing services - \$7.3 million. This funding would cover the inflationary impacts that accumulated over the years when a SWM fee was not adopted. Also, this includes the SWM billing replacement system IT project costs and the Citywise system IT project costs that are captured in the 2017-2018 King County Information Technology central rates for the division. Staff analysis of the IT projects is ongoing.

Implement asset management for WLRD assets - \$5 million. This funding would implement the asset management program for WLRD-maintained stormwater assets, prioritize investment based on condition assessments, and eliminate the backlog of high priority facilities in 10 years.

Stormwater Asset Management \$4,965,503, 4.0 FTEs

To implement SWM's 10-year Stormwater Management Asset Plan to proactively manage the 1,100 WLRD-owned stormwater facilities including stormwater ponds, vaults, tanks and swales. It also includes pipe systems, channels and ditches. Approximately \$3.2 million of appropriation would address the expired and expiring components at 72 of the stormwater facilities. The remaining increase in appropriation would address inspection, assessments and maintenance demands that are not currently addressed in the 2015-2016 budget, according to Executive staff.

Expand programs to support agriculture and rural residents - \$2.2 million. This funding amount would expand local flood response and respond to rural flooding in 4 – 5 drainages, pilot beaver management strategies in response to rural flooding concerns, and expand the Agricultural Drainage Assistance Program (ADAP) to expand rural farm production 200 acres / year.

Implement Farm, Fish and Flood \$251,843 (one-time), 1.0 TLT

This \$252,000 request of one-time funding is to hire a 1.0 TLT Agriculture Permitting Specialist to support the Farm, Fish and Flood effort and the Regulatory Task Force. The position would lead the Department of Natural Resources and Parks and the Department of Permitting and Environmental Review Agriculture Permit Team. The position would also work with the Agricultural Drainage Assistance Program staff to identify priority farmlands in need of drainage assistance and support landowners to navigate the permitting process.

Agricultural Drainage Assistance Program \$700,000

SWM has requested funding to increase farm ditch cleaning efforts in the Agricultural Drainage Assistance Program. This would enable SWM to clean approximately two miles or 10,000 linear feet of ditch (about 4 to 6 projects) annually. SWM currently has \$400,000 proposed in the 2017-2018 base budget dedicated for this effort. This request would increase the total appropriation for ADAP to \$1.1 million for the biennium.

Beaver Management \$284,689

The request is to implement the Beaver Management Strategy identified in King County's 2016 Comprehensive Plan Update. SWM would develop and implement a beaver management plan to address and monitor the growth of beaver populations in King County as well as develop effective approaches to various issues caused by beavers.

Natural Drainage System Flood Projects \$1,000,000

This request would increase the operating transfer to the Capital Improvement Program (CIP) by \$1 million to address chronic drainage flooding issues in unincorporated King County.

Habitat restoration and water quality improvement capital program expansion - \$1.7 million. This funding would increase habitat projects along rivers by four projects and implement continuous improvement monitoring of habitat investments.

Increase for the Habitat Restoration Capital Improvement Program, \$1,036,348

SWM has requested to increase the operating transfer to the Habitat Restoration CIP by approximately \$380,000 and transfer \$656,000 in the Monitoring and Maintenance program from the CIP to SWM operating. Executive staff states that despite increased grant funding for design and construction of restoration projects, grants frequently do not fund the required ongoing costs for monitoring and maintenance of constructed projects. This has required an increasing portion of SWM CIP funds being used to cover these requirements, and has resulted in smaller amounts being available to fund design and construction directly. Executive staff also states that the request moves the costs from capital to operating, with no net change in the cost of the work. The additional CIP funds would allow for four new capital projects and keep current staff fully allocated. Executive staff asserts that without these funds, SWM would need to reduce staffing by 2 FTEs.

Lower Green River Basin Stewardship \$122,229, 0.75 FTE

This would add a .75 FTE Project Program Manager III to coordinate and help implement opportunities and programs to develop a continuous tall tree canopy along the twenty-one mile-long Lower Green river shoreline in order to provide the maximum potential shade as defined in the Green River Total Maximum Daily Load report and to implement the solar radiation maps, known as the Riparian aspect Priorities Map, prepared by the Muckleshoot Indian Tribe. This position would work closely with the King County Flood Control District, cities along the

Lower Green river, the Water Resource Inventory Area (WRIA) 9 Ecosystem Forum and the Muckleshoot Tribe.

Fish and Habitat Effectiveness Monitoring \$500,000

This request is a transfer from SWM to Shared Services to implement a monitoring program that would provide information on fish population and habitat status and trends in unincorporated King County. The program would evaluate the effectiveness of the ecosystem restoration and land protection projects completed and other salmon recovery efforts to determine if those investments improved habitat conditions and fish populations in King County watersheds over time. Currently, there is not a comprehensive program in WLRD to assess the return on these investments.

Programs that improve performance – best run government - \$1.7 million. This would provide fee discounts to low income property owners, provide grants for community projects, and improve data management in support of asset management.

Stormwater Mapping \$1,002,481(one-time), 9.0 TLTs

SWM has requested one-time funding of approximately \$1 million to extend 9 TLT Engineer I positions in order to continue collecting and updating stormwater right-of-way mapping inventory as part of the National Pollution Discharge Elimination System (NPDES) permit requirements. The NPDES requires the county to map a portion of its stormwater system by the end of 2017. The 9 TLT positions would end on 12/31/2017.

Cityworks Stormwater Information System \$349,214, 1 FTE

This request would add 1.0 FTE Engineer I to implement the Cityworks Information Management System. In addition, the appropriation includes KCIT support and the associated licensing fees needed for the new system.

Water Quality Grant Program \$250,000

This appropriation request would create a new program in SWM that would allow unincorporated King County residents to apply for grant funds in order to make water quality improvements through community-based projects and/or increasing community awareness. The program would be modeled similar to the Wastewater Treatment Division's (WTD) Waterworks Program which provides grants for water quality improvements in the WTD service areas. Eligible applicants of the Waterworks Program includes: non-profits groups, cities and counties, special purpose districts and tribes. The Executive did not transmit any legislation to create the program and WLRD has yet to develop program criteria.

Low-Income Discount Program \$50,000 expenditures, (\$200,000) revenue

This would create a discount program for low-income property owners in unincorporated King County in order to mitigate the impacts of a SWM rate increase. The new program would be administered by the Assessor's Office similar to SWM's current Low-Income Senior Exemption Program. Only residential properties are eligible for the low-income senior program. Council's legal counsel has not identified any issues with the creation of a low-income discount program for SWM fees.

2015-2016 unfunded carryover transfer for ROW drainage projects - \$2 million. This would provide \$2 million of one-time funding of the \$4 million 2015-2016 transfer.

Funding to mitigate impacts of fee increase for RSD - \$4,489,959. This would offset the cost of the increased SWM fee, if approved, to RSD for additional ROW drainage work.

Respond to imminent failure in ROW - \$0. This funding would have addressed some of the failed/failing drainage assets.

NOTE: The Surface Water Management fee will be discussed later this week during the committee's deliberations on Proposed Ordinance 2016-0490.

ISSUE 2 – PUBLIC BENEFIT RATING SYSTEM APPLICATION FEE INCREASE **\$48,000**

This request would increase funding to process PBRS applications by \$48,000 and would be supported by increasing the current application fee from \$480 to \$1,200. Executive staff indicate that the additional revenue, which is General Fund revenue, would potentially be utilized for hiring a term-limited temporary (TLT) employee in 2017 or 2018 in order to assist in processing PBRS applications.

The application fee for the PBRS program will be discussed later this week during the committee's deliberations on Proposed Ordinance 2016-0484.

ADDITIONAL FOLLOW UP FROM WEEK 2 PANEL QUESTIONS

Councilmembers asked about creating a sliding scale based on income for PBRS application fees.

The Prosecuting Attorney's Office legal counsel did not find any significant legal barriers to proceeding with the creation of an income-based sliding scale for the PBRS application fees, so long as it is supported by an articulated policy justification.

Councilmembers asked about program compliance after properties have been enrolled in the PBRS program.

Executive staff indicates that the PBRS staff communicates with property owners throughout the application process and enrollment in the program to ensure applicants understand the requirements and implications of enrolling. Prior to application, PBRS staff provides information to help property owners determine if they are a good fit for the program. During the evaluation process, PBRS staff communicates regularly with property owners to provide them with detailed information on the requirements of enrollment. Applicants are provided with copies of the Staff Recommendation, Hearing Examiner's Report, Notice of Ordinance, and then sign an Open Space Taxation Agreement, which is signed by the Chair of the Council and recorded on their deed.

Executive staff also states that PBRs staff have a goal of reviewing the enrollment of 200 properties annually. PBRs staff completes regular reviews of aerial maps, and conduct site visits when needed or when an enrolled property is sold. Over the last few years, according to Executive staff, approximately 50 to 100 properties that are enrolled in the program have been sold per year. At the point of the sale of the property, the King County Assessor's Office notifies PBRs staff, who then communicates with the new property owner to make sure they understand the requirements of the PBRs program. Approximately 90 to 95 percent of properties that transfer through a sale remain enrolled in the PBRs program.

Analyst:	Hiedi Popochock
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WATER AND LAND RESOURCES DIVISION - SHARED SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$67,740,638	\$73,033,000	7.8%
Max FTEs:	170.8	168.8	(1.2%)
Max TLTs:	2.0	0.0	(100%)
Estimated Revenues	\$66,979,552	\$72,640,000	8.4%
Major Revenue Sources	Charges assessed to agency divisions (wastewater, local hazardous waste, surface water management), Charges to division programs, Grants		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Department of Natural Resources and Parks' (DNRP) Water and Land Resources Division (WLRD) Shared Services budget provides funding for four programs:

Administration supports the entire Water and Land Resources Division, including the Division director's office and division-level human resources, information technology, finance and accounting, and other office support. In addition, it includes central costs such as department and County overhead.

Science and Regional Services provides water quality and water quantity data and technical analyses, such as groundwater monitoring and hydrology studies. Staff in this group implements long-term water quality monitoring to assess if environmental conditions are getting better or worse over time, and monitor capital projects to track environmental impacts. Regional Services includes County support of the various watershed resource inventory areas (WRIAs) and the Chinook Recovery Plan.

The **Environmental Lab** provides sampling, chemical and biological testing, and data management services to meet National Pollutant Discharge Elimination System (NPDES) permit and other regulatory requirements for Wastewater Treatment Division, WLRD, Solid Waste Division, and other clients.

The **Local Hazardous Waste Program** works to reduce hazardous chemicals used and/or generated by businesses and schools, minimize hazardous substances in the wastewater and solid waste streams, and to reduce human exposure to hazardous substances. This program is a separate appropriation and will be discussed in a staff report at the Health, Human Services and Criminal Justice Budget Panel meetings.

ISSUES

ISSUE 1 – SURFACE WATER MANAGEMENT FEE INCREASE **\$750,000**

The WLRD SWM Local Drainage Services fund has proposed a number of investments that would be funded by a proposed SWM fee increase (Proposed Ordinance 2016-0490), which would also include funding investments in the Shared Services fund. This discussion is included in the WLRD SWM Local Drainage Services staff report.

NOTE: The Surface Water Management fee will be discussed later this week during the committee's deliberations on Proposed Ordinance 2016-0490.

ADDITIONAL FOLLOW UP FROM WEEK 2 PANEL QUESTIONS

There were no follow-up questions raised by Council in Week 2.

Analyst:	Mike Reed
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SOLID WASTE OPERATING, CIP, POST CLOSURE MAINTENANCE

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$220,672,386	\$274,890,441	24.6%
Solid Waste CIP	\$83,886,206	\$70,784,905	(15.6%)
Solid Waste Post-Closure Maintenance	\$4,834,388	\$3,420,222	(29.3%)
Max FTEs:	396.3	405.5	2.3%
Max TLTs:	1.0	12.0	1,200%
Estimated Revenues	\$211,775,148	\$256,117,301	
Major Revenue Sources	Solid Waste Fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Solid Waste Operating: King County Solid Waste Division operates the largest publicly-owned solid waste management system in the state. County-owned and operated facilities include the Cedar Hills Regional Landfill, eight transfer stations, and two drop boxes. The Division also manages a variety of waste reduction and recycling programs targeted at residents and businesses and is responsible for maintaining seven closed landfills. The Division operates transfer trucks which transport waste from County transfer stations to the Cedar Hills Regional Landfill. The Division has agreements with cities for participation in the regional waste disposal system, whereby private waste haulers deliver residential and business refuse from those jurisdictions to County transfer stations. The Solid Waste Division budget is supported by disposal fees assessed for the disposal of solid waste. As the result of recent Council action on proposed rates, the basic fee—paid by commercial haulers who deliver waste to County transfer stations--will be set at \$134.59 per ton.

Solid Waste Capital: Solid Waste's Capital Improvement Program (CIP) develops and maintains the County's recycling, transfer, and disposal system facilities such that they are able to meet service demands, and assures that they are maintained at a level consistent with program needs, applicable regulations and environmental requirements. The 2017-2018 CIP is comprised of the Solid Waste Construction Fund, the Capital Equipment Replacement Program, and the Landfill Reserve Fund.

Solid Waste Post Closure Maintenance: The County owns or monitors seven retired landfills. This budget supports the maintenance and monitoring of closed landfills for public health and safety concerns, consistent with legal requirements. The County has responsibility for managing and monitoring closed landfills for defined periods after their

closure, during which time fund balance is expended to assure management consistent with health, safety and environmental purposes.

ISSUES

ISSUE 1 – SOLID WASTE COMPREHENSIVE PLAN/INTEGRATED TOOL FOR SOLID WASTE POLICY CONSIDERATION

At the Week 2 Panel consideration of the Solid Waste budgets, the Panel expressed concern that a number of strategic issues were emerging, in need of resolution—notably, the transfer network upgrade and the capacity of the Cedar Hills Regional Landfill—but that the intended mechanism for addressing major strategic decisions, the Solid Waste Comprehensive Plan, has not been finalized and transmitted, placing the Council in the position of considering major issues on a piecemeal basis.

The Solid Waste Comprehensive Plan is required by state law:

RCW 70.95.080 (1) Each county within the state, in cooperation with the various cities located within such county, shall prepare a coordinated, comprehensive solid waste management plan. Such plan may cover two or more counties. The purpose is to plan for solid waste and materials reduction, collection, and handling and management services and programs throughout the state, as designed to meet the unique needs of each county and city in the state.

The King County solid waste system is a regional, “federated” system, in that it is a cooperative program undertaken jointly by the county and 37 cities of the region. All cities in the county except Seattle and Milton are participants in the system; each of these have signed interlocal agreements (ILA) defining respective responsibilities. Most of the cities have signed an ILA that extends through 2040; five cities have ILAs that terminate in 2028. The recently-approved ILA includes a number of provisions related to the Solid Waste Comprehensive Plan:

The purpose of this Agreement is to foster transparency and cooperation between the Parties and to establish the respective responsibilities of the Parties in a Solid Waste management System, including but not limited to, planning, Waste Prevention, Recycling, and Disposal.

Notably, state law also requires cities to prepare solid waste plans, but provides options for plan preparation:

RCW 70.95.080

(3) Each city shall:

(a) Prepare and deliver to the county auditor of the county in which it is located its plan for its own solid waste management for integration into the comprehensive county plan;

(b) Enter into an agreement with the county pursuant to which the city shall participate in preparing a joint city-county plan for solid waste management; or

(c) Authorize the county to prepare a plan for the city's solid waste management for inclusion in the comprehensive county plan.

By agreement, the signatory cities have assigned the city comprehensive planning responsibility as a joint effort led by King County. The ILA provides as follows:

11.1 King County is designated to prepare the Comprehensive Solid Waste Management Plan (Comprehensive Plan) and this plan shall include the City's Solid Waste Management Comprehensive Plan pursuant to Chapter 70.95.080(3) RCW.

The Metropolitan Solid Waste Advisory Committee (MSWAC), made up of elected city officials and staff, is identified by the ILA as having a role in the plan's preparation:

MSWAC shall assume the following advisory responsibilities:

9.2.c Assist in the development of alternatives and recommendations for the Comprehensive Solid Waste Management Plan and other plans governing the future of the System, and facilitate a review and/or approval of the Comprehensive Solid Waste Management Plan by each jurisdiction;

The current Solid Waste Comprehensive Plan was approved in 2001. A process to update the plan began in 2006; however, a number of major system developments diverted the system's efforts from plan completion. These included:

- The Great Recession, and the consequent dramatic tonnage reduction, and reassessment of tonnage projections; and
- The Council-directed review of the transfer network upgrade profile, through Transfer Plan Review 1, and Transfer Plan Review 2.

A draft plan was completed in 2013, and was reviewed by the state Department of Ecology, as required; however, that plan was not finalized, as the parties worked through issues emerging from the Transfer Plan 2 recommendations. Work continued to update the plan in 2014-2015. **Note:** No plan was transmitted to the Council for action.

In 2016, a new Comprehensive Plan process was presented by the Division, and discussed by the agency's advisory committees. It is noted that, when the proposed timeline was initially presented, some city representatives expressed concern that the proposed timeline was ambitious, and perhaps unrealistic.

The Executive has provided the following timeline for completion of the Comprehensive Plan in Table 1 below.

Table 1. Comprehensive Plan Timeline

Timeframe	Action
Oct 2016–Sept 2017	Meet with MSWMAC & SWAC
Oct 2016–Sept. 2017	Update Plan contents

Jan–Sept 2017	Environmental review
Oct-Dec 2017	Public comment on draft Plan
Feb-May 2018	WA State Department of Ecology reviews final draft and UTC reviews cost assessment
June-Sept 2018	RPC & County Council adoption process
Oct–Jan 2018	City adoption process
March 2019	WA State Department of Ecology approval

It is noted that the Council has undertaken review of emergent strategic issues separate from the Comprehensive Plan, on the assumption that the policy choices emerging from those processes would be incorporated into a subsequent solid waste comprehensive plan. The 2007 Solid Waste Transfer and Waste Management Plan, the Transfer Plan Review 1, and the Transfer Plan Review 2 are examples. Additionally, the Revised Cedar Hills Site Development Plan, authorized through the Council’s budget process, built on the Council’s approval of the 2007 Transfer and Waste Management Plan, which recommended maximizing the capacity of the landfill, as the most economical disposal option.

It is also noted that the Demand Management pilot project is intended to occur in 2018, with results reported in early 2019; results of that pilot are intended to inform a build/no build decision on a new Northeast transfer station. Presumably, this timing would be too late for results to be incorporated into the Comprehensive Plan process outlined above, though the Plan could note the process, and that the region would be guided on its transfer station buildout CIP by the results of the pilot project.

Option 1: Direct staff to prepare a proviso that would require a report and recommendations from the Division identifying options for an accelerated schedule for preparation of the Solid Waste Comprehensive Plan.

Option 2: Allow the parties to proceed with the process as proposed; direct staff to prepare a proviso requiring a status report on progress in October 2017, and transmittal of a final plan by June 2018, for consideration by RPC and Council.

Option 3: Direct staff to draft a memorandum identifying key strategic issues that could be addressed through processes that are coordinated with, but do not await completion of, the Solid Waste Comprehensive Plan.

NOTE ON WEEK 2 PANEL ISSUES

Note: As described above, the Week 2 Panel indicated a preference for addressing the Solid Waste issues identified in the Week 2 staff report, through an integrated process associated with review of the Solid Waste Comprehensive Plan, rather than address them separately. For that reason, the two Week 2 issues—Solid Waste Tonnage, and Demand Management—are not repeated here.

Analyst:	John Resha Carolyn Busch
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EXECUTIVE OFFICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
County Executive	\$555,537	\$584,000	5.1%
Max FTEs:	1.0	1.0	0%
Max TLTs:	0.0	0.0	N/A
Office of the Executive	\$10,227,554	\$9,872,000	(3.5%)
Max FTEs:	24.0	25.0	4.2%
Max TLTs:	0.0	0.0	N/A
Performance, Strategy and Budget	\$21,017,820	\$22,320,000	6.2%
Max FTEs:	55.0	60.0	9.1%
Max TLTs:	3.0	1.0	(66.7%)
Combined Appropriations	\$31,800,911	\$32,776,000	3.1%
Max FTEs:	80.0	86.0	7.5%
Max TLTs:	3.0	1.0	(66.7%)
Major Revenue Sources	General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

This Executive Offices staff report covers three appropriations, which collectively function together.

County Executive

This appropriation represents the County Executive's salary and related expenditures.

Office of the Executive

The Office of the Executive reviews departments' work and develops policy options and strategic initiatives to assist the Executive and departments in fulfilling their missions. This office assists the Executive in charting the course set through the policy of the County and convening the teams, both internal and external, to implement that vision.

Office of Performance, Strategy and Budget

The Office of Performance, Strategy and Budget (PSB) is responsible for preparing the County's operating and capital budgets, managing the implementation of these budgets during the year, coordinating performance management and accountability, and providing guidance on strategic planning. PSB shapes the development and

implementation of countywide systems, resources and plans to achieve the goals of the County and the Executive. Additionally, this office houses teams addressing regional planning, continuous improvement, and criminal justice policy. These responsibilities are defined in K.C.C. 2.16.025.B.

Expenditures in these appropriation units are primarily allocated through the General Fund overhead plan, as well as a few special allocations such as the Climate Change rate model.

ISSUES

ISSUE 1 – CLIMATE CHANGE COST CENTER: (\$433,784) AND 1.0 FTE (IN OFFICE OF THE EXECUTIVE WITH RELATED CHANGES IN OTHER AGENCIES)

Climate Change activities are being addressed holistically through a combined decision process rather than individual appropriations.

ISSUE 2 – CHARTER REVIEW COMMISSION (PSB): \$255,366 AND 1.0 TLT

Per Article 8, Section 800, 2017 represents the beginning of the decennial review of the King County Charter. In addition to dedicating 1.0 FTE to this review process, the Executive proposes to fund 1.0 TLT for administrative support to the Charter Review Commission and \$50,000 of professional services to support this anticipated effort.

Historically, the Council and Executive have jointly staffed this commission. The 2007 adopted budget contained appropriations for funding and staffing, as well as a proviso for distributing 3.0 TLTs for Executive staffing and 2.0 TLTs for Council staffing. During this period of time, Council staffing for the Commission appears to have been achieved through existing staffing rather than supplemental hiring. It should also be noted that the Charter Review Commission needed significant legal support from the Prosecuting Attorney's Office (PAO). The PAO is aware of the Decennial Review and anticipates using existing staff from the Civil unit as needed by subject areas of expertise.

Option 1: Approve as proposed.

Option 2: Refer to the Budget Leadership Team for final balancing of the budget.

ISSUE 3 – CONTINUOUS IMPROVEMENT TEAM CHANGES (PSB):

In the 2017-2018 Executive Proposed Budget includes a proposed conversion of 3.0 TLTs into 3.0 FTEs to continue their focus on the Continuous Improvement body of work. This proposal results in a net increase of less than \$1,000 for a total Continuous Improvement Team budget (in the PSB appropriation) of approximately \$4 million for the biennium.

In 2011, the Executive launched his Lean initiative with a specific emphasis on achieving savings to support containing County cost growth to three percent or less. The approved 2012 budget included a Continuous Improvement Team (CIT) in the

Office of Performance, Strategy and Budget with an appropriation of \$617,000 and 4.0 FTE.

In the beginning, the CIT was focused on using Lean as a framework to develop tools and resources to support process improvement through the removal of waste throughout the County. Its deployment was largely driven by department or division leadership that was interested and willing, rather than by Executive Order or directive. This deployment also evolved during the initial year to a mechanism for improving employee engagement through an emphasis on valuing employee input - and was the subject of an agreement with the coalition of unions, agreeing that no employee would lose their employment as a result of continuous improvement.

For the 2015-2016 budget, Council worked with the Executive to centralize the various Lean professionals that were being proposed in individual departments and divisions throughout the County, in order to support the centralized development of tools and resources. This centralization resulted in a CIT unit that increased from 4.0 FTE to 9.0 FTE and 3.0 TLT. This expanded CIT then continued the initial work, developing tools and trainings and engaging employees, with a secondary objective of financial savings and cost containment.

In 2015-2016, the CIT is delivering three training modules (delivered multiple times throughout the biennium):

- Introduction to Lean (3 hours, once every other month)
- Introduction to Lean Problem Solving (3 hours, once every other month)
- Lean Leader Training (5 days, 2-3 times a year)

These trainings have been delivered to more than 1,500 employees in this biennium.

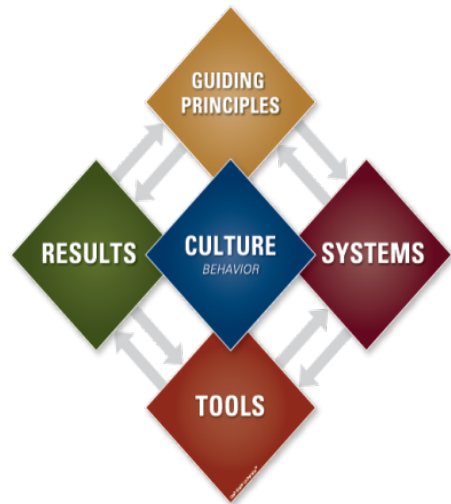
For 2017-2018, the unit anticipates increasing the number of different trainings and their frequency.

It is also important to note that since its introduction to King County more than 180 continuous improvement projects (as reported in the 2016 Auditor's Report) have been worked on or are in progress.

A further example of the CIT impact includes PSB and business planning. Using these tools, trainings and their own staff as trainers, PSB took the lead to develop and implement a core Lean tool known as value-stream mapping (a type of process mapping that links process/actions with the result/value they create in order to identify and address waste in the process) to create the new business plan format for County agencies. These plans are referred to as Line of Business Plans. PSB has required agencies throughout the County to develop Line of Business Plans to begin to think differently about "how" they do business and what value or benefit they produce.

In 2016, the King County Auditor completed an audit of the Continuous Improvement efforts and found at least \$8.5 million in expenditures and approximately \$7.5 million in savings. It also identified many non-monetary benefits in service quality and delivery. However, the audit was critical of the team's project tracking, measurement and assessment.

In addition to a turnover of all but one staffer in the unit during the 2015-2016 biennium, the Executive hired a new program director in 2016 to lead Continuous Improvement efforts. This new director brought a new direction - to hone the organization's Lean focus on the Shingo Model in its deployment of Lean. The Shingo Model of Lean is a culture-centric approach, shifting the overall effort from developing tools to developing leaders, who are charged with shaping the culture and changing behaviors.



With the unit's new director and focus, the unit is working with the Executive Cabinet to understand Executive priorities and subsequently prioritize deployment of CIT resources. This prioritization process, according to Executive Staff, will result in CIT staff embedded in prioritized departments/divisions. This deployment of CIT staff is intended to focus on building leadership capacities and understanding, and thereby enabling the department/division to create the culture for sustainably improving performance of the department/ division. This deployment is consistent with the Shingo Model of Lean, as shown in the below hierarchy of guiding principles and practices of the Shingo Institute, whereby creating Cultural Enablers is foundational to all continuous improvement efforts. It is also important to note that the deployment process is scalable, based on the number of available CIT staff.

As referenced above, the Shingo Institute has the following *Shingo Guiding Principles* on which an organization should anchor its Lean initiatives and fill the gaps towards achieving ideal results and enterprise excellence:

Cultural Enablers

- Respect Every Individual
- Lead with Humility

Continuous Improvement

- Seek Perfection
- Embrace Scientific Thinking
- Focus on Process
- Assure Quality at the Source
- Flow & Pull Value

Enterprise Alignment

- Think Systemically
- Create Constancy of Purpose



Results

- Create Value for the Customer

The CIT is currently working with the Executive's Cabinet to refine the Executive's list of prioritized projects and issues from 120 to approximately 20. Their criteria include:

1. High Financial Risk
2. High Political Sensitivity
3. Key Component of Executive Initiative
4. High Profile of Project Milestones
5. Key Leveraging Opportunity
6. Multiple Critical (external/Internal) Stakeholders
7. Sensitive Relationship Management
8. Important and Urgent

This prioritization has identified the following preliminary draft list of projects/initiatives. This list, according to the Director of the Office of Performance, Strategy and Budget, will be refined to a top 20 by the Executive Cabinet and Executive in the coming weeks. It is important to note that the below list may or may not trigger the need for CIT staffing, however, it is the Executive's intention that the oversight and management of these initiatives will be delivered through Shingo-Lean methods.

Draft Executive Priority Projects and Initiatives:

- | | |
|---|--|
| 1. Puget Sound Emergency Radio Network (PSERN) | 13. East Lake Sammamish Trail |
| 2. Children and Family Justice Center | 14. Master Labor Contract |
| 3. Eastside Rail Corridor | 15. Functional Job Classifications |
| 4. Lower Duwamish Superfund | 16. Vets and Human Services Levy Renewal |
| 5. Business Intelligence Project | 17. Integrated Mental and Physical Health |
| 6. Extension of FRED to the cities (develop and kick-off) | 18. Foundational Public Health Services |
| 7. TOD – develop a strategic vision across departments; implement TOD bonds | 19. 2017 ESJ Action Plans |
| 8. Colman Dock KC/WSF Redevelopment | 20. E911 Strategic Plan |
| 9. Roads Funding Options | 21. Fix for the 1% Property Tax Revenue Growth Limit |
| 10. Long Range Public Transportation Plan (METRO CONNECTS) | 22. Cultural Access Washington Ballot Measure |
| 11. Green River SWIF | 23. Pay for Success |
| 12. Land Conservation Initiative | 24. Juvenile Justice Equity Proposals |
| | 25. Recidivism/Reentry Project |

Option 1: Approve as proposed.

Option 2: Develop options on scaling the Continuous Improvement program

Option 3: Refer to the Budget Leadership Team for final balancing of the budget.

Analyst:	Hiedi Popochock
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ELECTIONS

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$39,061,425	\$38,334,000	(1.9%)
Max FTEs:	65.50	65.50	0%
Max TLTs:	1.0	0.0	(100%)
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund, revenues from jurisdictions for election management		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Department of Elections (“Elections”) is responsible for conducting elections, maintaining voter registration records in conjunction with the State of Washington and providing election-related information to the public and other governmental entities.

In November 2008, King County voters approved Initiative 25, which established an elected County Director of Elections and established King County Elections as an executive department.

ISSUES

ISSUE 1 – INCREASE IN DEPARTMENT EXPENDITURES: \$607,307

The Executive’s proposed 2017-2018 budget for Elections includes \$607,307 to align its appropriation authority with actual spending levels and to shift expenditure activity between cost centers and accounts. This request includes an increase in wages and benefits and various increases/decreases in other expenditure categories in the base budget for each year of the biennium. Fifty percent of this request would be revenue-backed by jurisdictions participating in 2017-2018 elections. The General Fund impact would be approximately \$303,700. Elections has identified new revenue in the 2017-2018 proposed budget to fund this request. Table 1 below provides the detail of the requested changes by expenditure category.

Table 1. Department Expenditure Realignment

Description	Executive Proposed Budget Request	
	2017	2018

Wages and Benefits	107,133	104,506
Supplies	58,621	58,621
Services – Other Charges	43,500	(6,500)
Intragovernmental Services	(124,511)	(124,511)
Contingencies	(387)	(387)
Contra Expenditures	145,611	145,611
Applied Overhead	100,000	100,000
Total 2017-2018 Request	\$329,967	\$277,340

Wages and Benefits. Elections staff indicates that this change reflects their increased use of special duty assignments and pay differentials. Elections staff also states that one of the ways that they have been able to reduce costs for short-term temporary employees is due to cross-training of Elections staff and by building a more agile workforce, which means more people are working in different assignments. The increase of approximately \$212,000 for the biennium in this expenditure category would continue these efforts.

Supplies. According to Elections, this request is to increase appropriation in the supplies expenditure category to reflect the actual spending pattern, as well as anticipated costs for additional office supplies related to the increase in registered voters.

Services – Other Charges. Elections staff states that the proposed increase in 2017 is for postage, printing and binding. This cost increases as the number of registered voters increases and Elections projects the number will increase significantly in odd years based on historical trends.

Contra Expenditures. This request reflects a decrease in equipment replacement services in order to zero out a \$146,000 annual contra expenditure. According to Elections, this reduction will not impact its equipment replacement schedule. Historically, Elections used an equipment replacement account that carried over from year to year to save for upgrades and new technology. KCIT discontinued this practice several years ago and moved to a different methodology. This budget request simply closes out the old account.

Applied Overhead. Elections staff states that this change reflects the shift to using a burden rate for benefits when employees work out-of-assignment. Elections has been charging expenditures to this account, even though appropriation is not budgeted for this expenditure category. This request would provide the appropriation that reflects Elections' additional spending as a result of using more out-of-class assignments for efficiency and employee development.

Staff has identified no issues with this request.

Analyst:	Christine Jensen
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DEPARTMENT OF PERMITTING AND ENVIRONMENTAL REVIEW (DPER)

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Planning and Permitting Budget Appropriation	\$27,367,250	\$28,918,000	5.7%
Max FTE:	77.6	77.6	N/A
Max TLTs:	0.0	0.0	N/A
General Public Services Budget Appropriation	\$4,171,438	\$4,089,000	(2.0%)
Max FTE:	9.0	9.0	N/A
Max TLTs:	0.0	1.0	100%
Abatement Services Budget Appropriation	\$593,020	\$1,318,000	122.2%
Max FTE:	0.0	1.0	100%
Max TLTs:	0.0	0.0	N/A
Total DPER Budget Appropriation	\$32,131,708	\$34,325,000	6.8%
Max FTE:	86.6	87.6	1.2%
Max TLTs:	0.0	1.1	100%
Major Revenue Sources	Permit fees, civil penalties, General Fund, and interagency transfers.		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Department of Permitting and Environmental Review (DPER) is a local government agency responsible for regulating and permitting all building and land use activity in unincorporated King County, including permit review, inspections, and code enforcement. About 85 percent of DPER's operating budget is funded by permit fees. The 2015-2016 adopted budget includes three appropriation units that constitutes DPER's total budget:

Planning and Permitting. The Planning and Permitting appropriation unit within DPER contains 85 percent of department staff and is responsible for all stages of approving land use and development proposals, and is funded mainly through permit fees.

General Public Services. The General Public Services unit is a separate appropriation that provides for local land use planning and response to code enforcement complaints. This appropriation is supported by the General Fund.

Abatement Services. DPER’s Abatement Services unit is a separate appropriation that provides the funding for work on nuisance and life/safety hazard abatement code enforcement properties. This appropriation is currently funded through civil penalties and liens for contracted abatement work.

ISSUES

ISSUE 1 – PROPOSED FEE INCREASE

DPER proposes to increase permit fees by approximately 20 percent for the 2017-2018 biennium in order to fund services in the Planning and Permitting appropriation unit. A summary of the fee increase is included in the following table. Proposed Ordinance 2016-0478, which would implement the proposed fee increases, was transmitted with the Executive’s proposed 2017-2018 Budget.

Table 1. 2017-2018 Proposed DPER Fee Increase

Purpose	Percent Increase	Estimated Revenues
Pro Forma		
- Labor	7.87%	\$1,803,000
- Supplies and Services	1.66%	\$380,000
- Central rates	3.08%	\$705,000
Pro Forma Total	12.61%	\$2,888,000
Administrative Service Changes		
- Bank credit card fees	1.66%	\$380,000
- MyBuildingPermit.com	1.86%	\$426,000
- 2017-2018 retirement costs	1.66%	\$380,000
- Fund Balance	2.18%	\$500,000
Administrative Service Changes Total	7.36%	\$1,686,000
2017-2018 Proposed Fee Increase Total	19.97%¹	\$4,574,000

The majority of the increase – approximately 12.6 percent – is proposed to fund “Pro Forma” costs, including 7.9 percent for labor, 1.7 percent for supplies and services, and 3.1 percent in central rates. A portion of the Pro Forma fee increase is due to general inflation costs for the 2017-2018 biennium. DPER also indicates that the Pro Forma increase is intended to address an existing deficit in operating revenues needed to match current expenditures.

The remaining 7.4 percent of the proposed 20 percent fee increase would address proposed administrative service changes, including:

¹ Proposed Ordinance 2016-0478 (permit fees) uses 20% as the escalation rate for the proposed 2017-2018 fee increase.

- A 1.7 fee increase to fund the cost of bank credit card fees, which would allow DPER to accept payments by credit card and to absorb the associated bank fees into the underlying fixed fees for all permits.
- A 1.9 percent fee increase to enable DPER to join and utilize the online permitting capability of MyBuildingPermit.com (MBP).
- A 1.7 percent fee increase to fund anticipated retirement payouts for the 2017-2018 biennium.
- A 2.2 percent fee increase to replenish DPER's fund balance and associated reserves to 45 days of expenditures.

There is currently a 4.63 percent temporary fee surcharge that is set to expire at the end of 2016. This surcharge is not proposed to be extended.

Additional details and options for Council consideration regarding the proposed 20 percent fee increase will be discussed this week in Reconciliation when the committee is briefed on the Executive's proposed permit fees in Proposed Ordinance 2016-0478. If the proposed fee increases in the ordinance are not approved, either in whole or in part, then the proposed 2017-2018 Planning and Permitting unit budget expenditures would need to be adjusted.

Follow-up to Councilmember Questions from Previous Panels:

1. Councilmembers asked about opportunities to improve staff efficiencies within DPER and to address the current permit backlog:

DPER completed a Lean process review for single family permits in the spring of 2012. DPER also recently collaborated with the Office of Performance, Strategy and Budget (PSB) on a Line of Business analysis of Code Enforcement and is currently creating more efficient processes as a result of these efforts. DPER has also indicated that they have undertaken other Lean efforts that resulted in customer service improvements for inspections, residential mechanical permits, over-the-counter permits, and expedited permit reviews.

The last performance audit for DPER staffing was completed in 2004, with a follow up report issued in 2005.

Since 2011, DPER has provided annual reports on permit processing times, as required by Ordinance 16959. The most recent report, which was transmitted on August 31, 2016,² states that "actual application review time totaled 93.1% of total expected review time" and most permits are completed within an hour of the expected duration.

As noted by Executive staff at the October 19, 2016 General Government Panel briefing, the current permit backlog is related to custom home permits and most permits take less than one week to process. DPER started using consultants in June to address the backlog, and indicates that expected wait times for approval have already improved by a couple of weeks. DPER has committed to work with Labor to discuss target review times for permits, with the goal to provide greater

² 2016-RPT0136

predictability for customers and to help inform when and for which projects DPER will use external resources moving forward.

2. Councilmembers asked about how DPER's permit processing times compare to other jurisdictions:

This information is not currently available.

3. Councilmembers asked about implementation of a 2015-2016 Budget proviso to co-locate Public Health septic staff at the DPER offices:

The Executive filed 2016-RPT0102 in response to this proviso.³ The proviso report identified a number of infrastructure and process improvement opportunities, which was based on analysis by an interdepartmental work group and a trial co-location of the Eastgate-based Environmental Health Services (EHS) lead inspector at DPER's Snoqualmie office. The recommendations include:

- Increase capacity in EHS field inspectors;
- Review onsite-sewage systems (OSS) by EHS and Building Applications by DPER concurrently;
- Continue monthly inter-agency collaboration meetings;
- Make website enhancements, including OSS permit status webpage access;
- Create new educational materials for customers;
- Create communication tools for EHS and DPER to insure accurate referrals between agencies; and when funding is available:
- Create website enhancements to allow for EHS online applications;
- Explore options to improve data communication between the two agencies and databases.

The report indicated that EHS and DPER have already implemented standard operating procedures and have continued holding regular collaboration meetings.

4. Councilmembers asked about whether liens are utilized in the abatement process prior to determining that abatement charges are deemed uncollectable:

DPER provided the following information: "A code enforcement case on its way to abatement may incur civil penalties. If these penalties are more than 30 days past due, DPER records a lien on title, good for ten years. Charges incurred by DPER to abate violations, if more than 30 days past due, will either be recorded as a lien on title or directly certified to the property tax. In either case, DPER collection of these penalties and charges has been steady for many years, usually between \$200,000 and \$300,000 annually. These funds are restricted to the Abatement sub-fund for use in abating violations.

"In the past two years, most of the accounts that have become uncollectible were for permit fees, not abatement charges. At the end of 2014, DPER deducted

³ 2015-2016 Biennial Budget, Ordinance 17941, Section 85, Proviso P3 and Section 98, Proviso P3

\$1,362,000 from its fund balance for uncollectible permit fees, which were then more than six-years old, and legally uncollectible. In contrast, DPER deducted only \$375,000 from its fund balance for uncollectible civil penalties and abatement charges. Together these adjustments totaled negative (\$1.737 million).”

ISSUE 2 – SCAP GREEN BUILDING POSITION: \$286,371 AND 1.0 TLT

The Executive proposes to add a new TLT position within the General Public Services appropriation unit of the DPER budget to implement the 2015 Strategic Climate Action Plan (SCAP). The position proposes to address regional green building standards and climate change-related regulations via the Regional Code Collaboration (RCC), develop green building codes for unincorporated King County, and conduct green building outreach and education, as called for in the SCAP.

The funding for this position is proposed to be split evenly between the General Fund and solid waste fees. Information provided by Executive staff indicate that funds from the Solid Waste Division will reallocate existing resources to support the work with the cities via the RCC, and the General Fund backed portion of the position will support development of the green building codes and public engagement. If the TLT and General Fund funding of the position is removed from the DPER budget, the Council would need to evaluate whether to: 1) also remove the related funding from the Solid Waste budget or 2) continue to fund the Solid Waste portion of the work.⁴

DPER estimates, without this TLT position, it would take 2.5 to 4.5 years to develop and transmit to the Council the green building code changes called for in the SCAP. DPER also indicates that resources for outreach as directed by the SCAP would also be limited. If the position is adopted, it is anticipated that the code changes would be able to be transmitted by the end of 2017, as contemplated by the SCAP.

Option 1: Direct staff to remove the TLT and associated General Fund revenues from the General Public Services appropriation. Direct staff to also remove the funding from the Solid Waste budget.

Option 2: Direct staff to remove the TLT and associated General Fund revenues from the General Public Services appropriation. Approve funding in the Solid Waste budget and direct staff to add a 0.5 TLT to Solid Waste.

Option 3: Refer to Budget Leadership Team.

Option 4: Approve as proposed.

⁴ Either at half-time for two years, or full time for 1 year. This may require moving the TLT position into the Solid Waste budget instead of in the DPER budget.

Follow-up to Councilmember Questions from Previous Panels:

1. Councilmembers asked about the County's involvement in the Regional Code Collaboration (RCC):

The RCC is a regional body that began over five years ago to leverage technical expertise from multiple jurisdictions, both within and outside of King County. The RCC evaluates the most current green building practices, and identifies those that could be most effective and appropriate for regulatory implementation. RCC work groups draft model regulations and implementation tools to provide consistency between jurisdictions. The RCC also participates in the development of State building code regulations.

The RCC is a voluntary program with no fees, grants, or monetary support. Jurisdictions, including the County, “pay” via the time their staff provides in participation in the program. The County has participated in the RCC since it was created. DPER notes that department staff who would otherwise contribute to the RCC have been “increasingly pre-occupied with permitting workload and other County mandates and priorities in the last two years. The proposed position would supplement department resources enabling the County to take a more active role in the RCC.”

2. Councilmembers asked about whether we can use green building codes from other jurisdictions as a model for King County green building codes:

Model green building codes have been and continue to be drafted through the RCC, and some jurisdictions have adopted portions of those codes. However, each jurisdiction must customize the model codes based on their individual strategic priorities, existing regulations, organization, and resources. For King County, this would include consideration of the unique and aggressive goals outlined in the SCAP and the policy direction of the King County Comprehensive Plan. King County would also need to customize the regulations to address the diverse land uses in our unincorporated areas, which ranges from dense urban unincorporated neighborhoods to rural areas to working resource lands, whereas many of the model regulations are targeted for large, commercial, urban projects. DPER indicates that many of the jurisdictions that have made the most significant progress in implementing local green building codes have dedicated assigned staff to assist in development of green building permitting programs.

Analyst:	Nick Wagner
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PROSECUTING ATTORNEY

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$134,845,488	\$140,338,746	4.1%
Max FTE:	470.5	456.5	(3.0%)
Max TLTs:	4.0	4.0	N/A
Major Revenue Sources	General Fund; charges to non-General-Fund agencies to which the PAO provides legal services		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Prosecuting Attorney's Office (PAO) is responsible for the prosecution of all felony and juvenile cases in King County and all misdemeanor cases generated in unincorporated areas of King County. The PAO serves as legal counsel to the Metropolitan King County Council, the King County Executive, all executive agencies, the Superior and District Courts, the King County Sheriff's Office, the King County Assessor, the various independent boards and commissions, and some school districts. The PAO also establishes and enforces child support obligations, is an integral part of the mental health civil commitment process, and manages or participates in several programs that provide alternatives to the mainstream criminal justice system.

ISSUES

ISSUE 1 – STAFF REDUCTIONS – EXPENDITURE: (\$2,000,000); FTE REDUCTION TO BE DETERMINED.

The Executive has set a savings target of \$2,000,000 for the PAO. To meet this target, the Prosecuting Attorney intends to eliminate positions and expenditures during the 2017-2018 biennium. He expects these reductions to reduce the PAO's capacity to decide whether to file cases and to bring cases to trial in a timely manner. The specific positions and expenditures have not yet been identified, but will be removed in the 2019-2020 pro forma budget, just as the 2017-2018 proposed budget includes a technical adjustment to reflect the reductions of \$2,596,943 and 11.0 FTEs that the PAO made to meet its 2015-2016 Target Reductions. If the ratio of expenditure reduction to FTEs were the same in 2017-2018 as it was in 2015-2015, the PAO would need to eliminate about 8.5 positions to meet its target of \$2 million in expenditure reductions. The PAO has not decided at this point how many of these positions will be attorney positions. In his testimony before the Budget and Fiscal Management

Committee on October 5, the Prosecuting Attorney said he intended to achieve the position reductions through attrition.

The PAO strenuously objects to the reductions proposed by the Executive. The PAO argues that the reductions (1) would result in substantially increased delay in the filing and processing of serious felony crimes and (2) would create a disparity of resources between the PAO and the Department of Public Defense (DPD).

Delay

The PAO makes the following points, among others, in support of its argument that the Executive's proposed reductions would result in substantially increased delay in the filing and processing of serious felony crimes:

1. No Place Left to Cut. The PAO's past success in absorbing budget cuts has been achieved in part by controlling its own workload. For example, in 2008 the PAO changed its felony filing standards so that cases of simple possession of drugs for personal use could be filed as misdemeanors rather than as felonies. Another example is the PAO's decision to change Driving While License Suspended 3 from a criminal filing to an infraction. The PAO has also collaborated with other agencies in criminal justice diversion programs, such as truancy intervention, the 180 Program, Law Enforcement Assisted Diversion (LEAD), and Family Intervention Restorative Services (FIRS). These programs have all had the effect of lessening the demand for PAO services. Now, however, according to the PAO, "there are no simple program reductions left that the PAO can make without jeopardizing public safety." (Letter from Dan Satterberg to Dow Constantine and Dwight Dively, dated July 1, 2016).
2. Fewer Attorney and Staff to Handle a Constant Workload. According to the PAO, the number of felony referrals and filings has remained relatively constant from 2015 to date. Since the number of felony referrals and filings is not expected to decline, a substantial reduction in the number of attorneys and staff can be expected to increase the workload of PAO attorneys and staff. This will manifest itself, according to the PAO, in an increase in the time it takes to file cases and bring them to trial.

In 2015, according to the PAO, Deputy Prosecuting Attorneys (DPAs) were "unavailable" because they were already in trial on another matter a total of 957 times. The number of trial continuances granted due to DPA unavailability can be expected to increase to the extent that there is a reduction in DPAs, though at this point it is unknown how many of the estimated 8.5 positions that the PAO would have to eliminate in 2017-2018 would be attorneys or what kind of delay would be created. (Of the 11 positions that the PAO had to eliminate in 2015-2016, three were attorney positions.)

3. Effects of Delay. The PAO has offered the following description of the effects of increasing the time to resolution of a criminal matter:

[Delay] “imposes added costs to both the individuals involved in the criminal justice system and to the General Fund. . . . [D]efendants wait longer for trial and some stay in jail longer. Victims and witnesses have their lives interrupted for longer periods of time while they wait for justice. Lawyers and judges juggle more cases on every calendar when they take longer to resolve. Some defendants who are out of custody commit more crimes, resulting in longer jail terms. . . .

. . . .

Current staffing has also created a backlog of criminal cases awaiting filing decisions by an ever dwindling number of DPAs. These can be very serious cases, such as residential burglary, auto theft, major economic crimes, and DUI. These cases can sit idle for months – not because they don’t matter, but because DPAs are forced to focus on the most violent cases instead.

Option 1: Approve as proposed.

Option 2: Refer to Budget Leadership Team.

FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

- 1. What effect would the proposed \$2 million cut in the PAO budget have on ITA court?***

Executive’s Answer: ITA Court is funded through the state by the Behavioral Health Organization (BHO). The \$2 million cut will not impact PAO ITA Court staffing.

- 2. What is the current status of the space issues concerning ITA court?***

Executive’s Answer: The current space is too small and has been inadequate for years. A project is currently underway to reconfigure the ITA courtroom suite, which is intended to provide better utilization of existing overcrowded space used by Superior Court, the PAO, and DPD. The reconfiguration expands the current Commissioner hearing room to be used as a second courtroom with a chamber and creates additional staff space for DPD by claiming an area of currently unusable space. Programmatically, the reconfiguration provides dedicated offices for the Court Manager, a shared office for two bailiffs that is convertible to be used for gurneys, a dual-use space for either gurneys or video interviews, and improved visual and sound separations between DPD and PAO attorneys, patients, and court officials. There is also a current project to upgrade and expand video court capabilities. These projects will allow the most efficient use of available space possible, but space will remain a challenge until ITA Court moves to Harborview Hall.

Analyst: Nick Wagner

DEPARTMENT OF PUBLIC DEFENSE

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$127,020,998	\$136,490,000	7.5%
Max FTE:	365.3	390.9	7.0%
Max TLTs:	0.0	1.0	N/A
Major Revenue Sources	General Fund, DPD contracts with other jurisdictions, fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

In keeping with federal and state constitutional requirements, state law, and the county code, the Department of Public Defense (DPD) provides public defense services to indigent and near-indigent individuals in King County in all matters in which there is a potential loss of liberty and in certain other matters, such as juvenile dependency, civil commitment, and civil contempt. DPD screens clients for financial eligibility for indigent defense services, assigns cases to attorneys, and manages the attorneys and support staff who provide legal services to a majority of the County's indigent defendants.

DPD came into existence on July 1, 2013, when the attorneys and non-attorney staff who had been providing public defense services through county contracts with four private nonprofit agencies became regular county employees following a decision of the Washington Supreme Court. DPD was then formally instituted, with characteristics designed to promote the independence of the department, through a charter amendment that was approved by voters in November 2013. In both the charter amendment and the implementing ordinance (Ordinance 17678), DPD is charged with "fostering and promoting system improvements, efficiencies, access to justice and equity in the criminal justice system."

ISSUES

ISSUE 1 – INCREASE DEPENDENCY CASELOAD – (\$598,819) (2.0 FTE)

This proposed change reflects a planned increase in the permitted caseload for dependency attorneys from 65 open cases to 72 open cases, which would enable DPD to reduce by two the number of dependency attorneys. After transmittal of the proposed budget, however, executive staff learned that a provision in the collective bargaining agreement covering DPD dependency attorneys requires DPD to maintain the caseload standard that was in effect on May 15, 2015, which was 65 open cases. Consequently,

the Executive would like to withdraw this proposed change and is working on identifying a means of replacing this planned savings.

Option 1: Approve as originally proposed by the Executive.

Option 2: Refer to Budget Leadership Team.

New Issues

The following new issues are based on funding and FTEs that were included in DPD's requested budget, but not in the Executive's proposed budget. They were not listed in the Week 1 staff report on the DPD budget, pending receipt of the budget report of the Public Defense Advisory Board (PDAB). The PDAB report, which has now been received, describes the funding and FTE requests as "critical items necessary to fully comply with applicable mandates and protect the rights of DPD's clients" (PDAB report, p. 4).

ISSUE 2 – FAMILY AND MEDICAL LEAVE COVERAGE – PDAB REQUESTS AN INCREASE IN EXPENDITURE OF \$1,200,000 (EST.) AND 4.0 FTEs.

According to the PDAB report, the staffing model used by the Executive, which was developed jointly by DPD and PSB in accordance with a proviso in the 2015-2016 biennial budget ordinance (Ordinance 17941 § 18, P3), did not adequately account for absences due to DPD attorneys being on family and medical leave. The Executive reduced, from 6.0 FTEs (and associated funding) to 2.0 FTEs, DPD's request for staffing to cover for attorneys on family and medical leave. The Board requests the Council to fund the full 6.0 FTEs. This would increase by 4.0 FTEs (at an additional cost of about \$1.2 million) the number of attorneys that would need to be added to implement the new staffing model.

PSB's analysis of DPD leave hours and work hours for 2015 appears to provide support for allocating 4.1 FTEs to DPD to cover for attorneys on family or medical leave. This is based in part on the number of family and medical leave hours actually taken by employees in the classification Public Defense Attorney I in 2015 and the number of FTEs that would be required to cover for those hours. Staff is continuing to work with PSB and DPD staff to better understand each department's position on this issue.

Option 1: Approve as proposed.

Option 2: Refer to Budget Leadership Team.

ISSUE 3 – REDUCE CLERICAL SUPPORT – EXPENDITURE: (\$651,197); (4.0 FTEs).

This proposal would eliminate four clerical positions by reducing the clerical staffing ratio from 0.25 clerical positions per attorney to 0.22. According to executive staff, this change was based on their interpretation of section 1 of Standard 7 of the Washington State Bar Association's Standards for Indigent Defense Services, which provides:

Legal Assistants - At least one full-time legal assistant should be employed for every four attorneys. Fewer legal assistants may be necessary, however, if the agency or attorney has access to word processing staff, or other additional staff performing clerical work. Defenders should have a combination of technology and personnel that will meet their needs.

Compliance with the Standards for Indigent Defense Services is required by KCC 2.60.026(A)(5). The Executive is focusing on the second and third sentences of section 1, which permits a deviation from the 4:1 ration between attorneys and “full-time legal assistants” under certain circumstances. The PDAB report focuses on the first sentence. A meeting was scheduled for Friday, Oct. 21, between PSB, DPD, and the Office of Labor Relations to discuss this issue. Council staff does not yet know the results of that meeting, but intends to incorporate those results into staff’s analysis, which at this point is ongoing.

Option 1: Approve as proposed.

Option 2: Refer to Budget Leadership Team.

ISSUE 4 – COMPENSATION FOR ASSIGNED COUNSEL – PDAB REQUESTS AN INCREASE IN EXPENDITURE OF \$402,250.

The hourly rate that the County pays to assigned counsel has not been raised since 2004, according to DPD, and is low in comparison with surrounding jurisdictions with which the County is competing for qualified counsel, as shown in the table below, which was prepared by DPD:

Case Type	King County	Skagit County	Pierce County	Snohomish County	Federal Court W.D., WA
Aggravated Murder	\$90	\$95 / \$100	\$100 / \$125	Varies	
Adult Class A Felony	\$70	\$75	\$75	\$75 for 25 hours	\$129
Adult Class B Felony	\$55	\$65	\$60	\$65 for 20 hours	\$129
Adult Class C Felony	\$55	\$65	\$60	\$55 for 15 hours	\$129
Adult Misdemeanor	\$50	\$55	\$45	\$40	\$129
Juvenile Class A Felony	\$50	\$75	\$60	\$75 for 25 hours	
Juvenile Class B Felony	\$50	\$65	\$50	\$65 for 20 hours	
Juvenile Class C Felony	\$50	\$65	\$50	\$55 for 15 hours	
Juvenile Misdemeanor	\$50	\$55	\$45	\$40	
Dependency/Termination	\$45	\$65	\$50 / \$55		
Contempt of Court	\$45		\$45		

Case Type	King County	Skagit County	Pierce County	Snohomish County	Federal Court W.D., WA
ARY, CHINS, Truancy	\$40		Varies		
ITA	\$40		\$40	\$50	

DPD requested “a modest increase that reflects the same COLA rate that King County employees [would receive] for the 2017-18 biennium [under the proposed total compensation agreement with the King County Coalition of Unions].” This would have amounted to \$402,250. ***The Executive did not include this expenditure in the proposed budget.*** According to the PDAB report (pp. 12-13), “DPD will not be able to attract and retain qualified panel attorneys unless it moves toward paying these attorneys a reasonable rate that keeps up with the cost of living and the rates paid by neighboring counties with lower costs of living.” Unlike issues 1-3, this issue is not based on caseload standards or the DPD/PSB staffing model.

Option 1: Approve as proposed by the Executive (without an increase in compensation for assigned counsel).

Option 2: Increase compensation for assigned counsel, as requested by PDAB, which would increase the DPD budget by \$402,000.

Option 3: Refer to Budget Leadership Team.

ISSUE 5 – STAFFING TO COMPLY WITH PUBLIC RECORDS ACT REQUESTS – PDAB REQUESTS AN INCREASE IN EXPENDITURE OF \$245,392 AND 1.0 FTE.

DPD had requested funding and FTE authority for a position to respond to public records act requests, which to date have had to be managed by DPD’s Policy Director. As a result of an increase in the number and complexity of such requests, this task is now impinging on the Policy Director’s ability to perform her other duties. “Due to the complex nature of records within the department,” DPD determined that a dedicated position was needed. ***The Executive declined to include such a position in his proposed budget.*** – According to PDAB, “A dedicated staff position is essential to respond to the PRA requests made for department records. This is work that was not required of the four non-profit agencies because the PRA does not apply to private agencies.” – Unlike issues 1-3, this issue is not based on caseload standards or the DPD/PSB staffing model.

Option 1: Approve as proposed by the Executive without the additional 1.0 FTE and \$245,000 for Public Records Act staffing.

Option 2: Add Public Records Act staffing, as requested by PDAB, which would increase the DPD budget by \$245,000 and 1.0 FTE.

Option 3: Refer to Budget Leadership Team.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

1. *If the DPD budget is adopted as proposed, what will be the effect on DPD representation of individuals in ITA court?*

Executive's Answer: The impact of adopting the budget as proposed would bring DPD in compliance with the Washington State Supreme Court Caseload Standards of 250 cases per year which is a reduction from the non-compliant standard of 330 cases per year.

ITA services are paid for 100% by the State of Washington. The increase does not affect the general fund.

2. *What is the current status of the space issues concerning ITA court?*

Executive's Answer: As noted in the April 1, 2016 report to the council by the Department of Public Defense "THE AMERICAN BAR ASSOCIATION'S Ten Principles for Quality Public Defense" the most challenging facilities situation is at the Mental Illness Court (often called the ITA – or Involuntary Treatment Act – Court), where civil commitment procedures take place. The ITA Court is located in the 9th & Jefferson Building. DPD has two divisions representing clients facing civil commitments, one of which was added to the practice area in 2015. Both divisions – one in the 9th & Jefferson Building, the other in the Walter Scott Brown Building across the street – have cramped, shared office spaces, inadequate to their needs when all attorneys are in the office. The full-scale renovation of Harborview Hall is expected to improve this situation; completion of that project is still two years away. The Facilities Management Division is working towards additional office space at the Walter Scott Brown Building; however, attorneys will still need to share office space.

Because of the implementation of video hearings in ITA Court, those attorneys are not often in their offices at 9th & Jefferson or the Walter Scott Brown Building. This requires public defenders to travel to four – soon to be five – hospitals. This has raised a new and equally challenging set of issues. The hospitals have created video courtrooms, but confidential rooms – where attorneys can talk to their clients or family members – are at a premium. In some instances, the client is in a shared room, and attorneys either have to whisper to their client or ask the roommate to leave. In other instances, attorneys can go to a conference room, but those rooms – used by any number of professionals who need confidential meeting areas – are in high demand and often not available; there are no dedicated attorney/client conference rooms. The department is working with the hospitals to try to resolve these issues. DPD has been provided some additional space, and KCIT has provided network support for the department at the facilities. Even where improvements have been made, the spaces are cramped with multiple attorneys sharing offices and no confidential meeting space.

3. *If the budget is adopted as proposed, will there be an unmet need for other services and/or staffing related to ITA Court (apart from prosecuting and defense attorneys)? Please explain.*

Executive's Answer: No, if the Executive's budget is implemented as proposed, DPD will not have any unmet staffing needs related to ITA Court.

4. Is there anything else about the situation in ITA Court, not mentioned in response to questions 1-4 above, that DPD thinks the Council needs to know? Please explain.

Executive's Answer: At this time the biggest issues for DPD at ITA Court are the space issues and the necessity of traveling to multiple locations to meet with clients due to the implementation of video court.

Analyst:	Greg Doss
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KING COUNTY SHERIFF

SHERIFF BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$313,899,000	\$343,816,000	10%
Max FTE:	1,003.5	1011.5	0%
Max TLTs:	8	9	13%
Estimated Revenues	\$183,531,000	\$204,379,000	11%
Major Revenue Sources	N/A		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Sheriff's Office (KCSO) provides law enforcement services for unincorporated King County as well as for over 40 other governmental agencies, including full service police services to 12 contract cities¹. In addition to providing patrol services, KCSO provides numerous specialty law enforcement services including an air support unit, marine unit, SWAT, major crime investigations, bomb disposal, major accident response and reconstruction and arson investigations. KCSO also performs other functions such as emergency 9-1-1 call receiving and dispatching, service of court orders related to civil court filings, issuing concealed weapons permits, and sex offender registration. KCSO is led by an independently elected Sheriff.

ISSUES

ISSUE 1 – ELIMINATE THE MARINE RESCUE DIVE UNIT (MRDU): (\$763,000)² AND (6.0) FTE

The Proposed Budget would eliminate in 2018 the MRDU, which deploys specially trained, certified, equipped and experienced Deputies that are responsible for water related law enforcement, rescue and recovery work. The Unit provides service in unincorporated Puget Sound (Vashon-Maury Island), unincorporated Lake Washington and Lake Sammamish as well as numerous other lakes ponds, rivers and streams in the unincorporated areas. The Unit provides contract services for Beaux Arts village, Bellevue (Lake Sammamish), Kenmore, Kirkland, Issaquah, Redmond, Sammamish and Yarrow Point.

¹ Beaux Arts Village, Burien, Covington, Kenmore, Maple Valley, Newcastle, North Bend, Sammamish, SeaTac, Shoreline, Skykomish and Woodinville

² This number is a net of \$945,000 in expenditures and \$182,000 in revenue.

Elimination of the MRDU would result in \$180,000 in contract revenue loss, an absence of boat accident and investigation, discontinuation of buoy coordination response and maintenance, discontinuation of invasive species education and enforcement, discontinued water-related criminal investigations, boater rescues, victim recovery, drowning prevention, investigation of derelict vehicles, oil spill responses, firefighting, dewatering, swift-water rescue and elimination of the Tactical Action Group (TAG), which responds to maritime security events (e.g. active shooters).

The MRDU is considered a regional service and, with the exception of specific contracting jurisdictions, does not collect any fees for its service. The Department has indicated that State law allows County Sheriffs to collect a portion of vessel registration fees using a formula that includes the miles of shoreline patrolled. With the loss of marine patrol, KCSO indicates that it is no longer eligible to receive this revenue, which amounts to approximately \$70,000 per year. The \$70,000 in revenue loss is captured in the \$182,000 total revenue loss noted in Table 3.

Option 1: Refer to BLT for final balancing.

Option 2: Accept as proposed.

ISSUE 2 – ELIMINATE THE KCSO AIR SUPPORT UNIT (ASU): (\$1.4 MILLION) AND (5.0) FTE

This Proposed Budget would eliminate in 2017 the Air unit support that is provided to other Counties and Cities. In 2018, the Sheriff's Office Air Support Unit (ASU) is eliminated altogether. The Sheriff's Office ASU is the only full-time law enforcement rotary-wing aviation unit in Washington State. The unit provides Airborne Patrol, Tactical Operations, and Search and Rescue (SAR) in King County and throughout the region during natural disasters or emergencies.

Emergency Response: The Department has indicated that the ASU will insert SAR volunteer personnel and equipment in the backcountry to save time in a rescue operation that may involve medical emergencies. The Department has indicated that in 2015 the KCSO Air Support unit executed 15 SAR missions, rescued 25 people and recovered three bodies. About half of the rescues were in King County.

KCSO staff has indicated that RCW 38.52.400 mandates search and rescue activities to the County Sheriff, but that they are not aware of any laws requiring a helicopter to perform this function. The Sheriff's Office indicates that, in the absence of the ASU, the use of military or Coast Guard helicopters will cause delay in responding to an SAR or other emergencies:

There is no guarantee that the military is available. It can take two to four hours for an Army helicopter crew to get a decision as to whether they can even fly a SAR mission. The Army National Guard has pilots and a crew chief but no rescue specialist. They too, have to wait hours for a flight decision. In the event of a major disaster, it can take anywhere from 48 to 72 hours for authorization to respond. The Navy is often faster, but the Whidbey Island base is facing losing one of three rescue helicopters. Coast Guard helicopters are based in Port Angeles and Astoria, Oregon. Once permission is granted, their flight time alone to inland mountains is close to an hour. Another factor, Coast Guard rescue

crews specialize in water rescues, not mountain hoist missions. There is no guarantee a military helicopter will not be tied up with a military task or mission that takes precedence. The military will not hoist or help recover deceased bodies.

Additionally, in the event of a large scale or manmade disaster, the KCSO has indicated that FEMA has advised that they would not be able to respond with any federal assets until 72 hours after the event.

The Department has indicated that there is no mandate for the State's Office of Emergency Management to operate a helicopter, although the State's OEM is responsible for ensuring that all State and local air resource options are exhausted before it calls for military assistance. In the absence of the King County ASU, the OEM might call the Snohomish County ASU, which performs hoist rescue missions in nearly all of Snohomish and Skagit County. However, the King County unit is the only full-time ASU in the State of Washington. Presumably, there could be some delay for Snohomish's ASU to mobilize if it is not at the ready.

KCSO Missions: If the ASU were eliminated, the KCSO would no longer have air support during high speed pursuits or to use during high-risk law enforcement operations or searching for criminal suspects. In 2015, the Department used the ASU 799 times to assist in approximately 82 captures, which the KCSO defines as the apprehension of a suspect that is a direct result of ASU involvement. Additionally, the KCSO Air unit flew 13 missions related to Anti-Terrorism Incidents/Training.

Support of other Jurisdictions: The KCSO has indicated that the ASU flew 425 missions in 2015 to support non-contract jurisdictions. The flights aided in approximately 49 captures. Some of the higher use jurisdictions include Seattle PD (177 flights), Kent PD (51 flights) and Renton PD (30 flights). The ASU flew 130 missions to support jurisdictions that contract with the KCSO, but do not specifically pay for use of the ASU. These missions aided in approximately 13 captures.

The Department has indicated that the Sheriff made at a King County Chiefs meeting a request for financial support of the ASU, but that no support was offered. The Department has also indicated that Federal Law may prohibit a charge for the ASU as it is a public use aircraft and that any kind of reimbursement may be synonymous with commercial operation.

Option 1: Refer to BLT for final balancing.

Option 2: Accept as proposed.

Council Question:

1. When responding to a search and rescue call, what actual time differences are there between the KCSO helicopters and a military or Coast Guard response?

The Sheriff's Office responded that the above narrative, noting 2-4 hours of delay, is the best approximation of the delay of calling for a military helicopter.

ISSUE 3 – IMPLEMENT NEW RECORDS MANAGEMENT SYSTEM (RMS): \$2.0 MILLION

The Proposed Budget includes \$2.0 million for a new cloud-based records management system to replace the obsolete IRIS system. The \$2.0 million is for the on-going operating and license costs. Negotiations are still underway, so a final cost estimate is not known at this time. This proposal assumes an implementation date of March 1, 2017 for a pilot that will cost approximately \$140 per officer per month, which is partially reimbursable through KCSO's contracts with cities and other jurisdictions.

The Council requires a business case, benefit achievement plan and cost benefit analysis for all new and existing IT investments seeking appropriation authority in order to ensure technology proposals are ready for Council approval. KCSO anticipates completing these documents. Additionally, the project did not participate in the Executive IT review process required for all new and existing technology projects seeking appropriation authority in the budget. The executive's technology review process helps to improve the technology proposals prior to their transmission to the Council. As part of this process, all IT appropriation requests were prioritized and evaluated by a team of nine raters representing PSB and KCIT that evaluate the technology and business attributes of the project. Without the required documentation, it is very difficult for Council staff to evaluate the request for additional appropriation.

This project reflects a change in direction from a 2008 \$5.8 million capital project appropriation that would have implemented a software called Total Enforcement (TE). The TE software would have served as the Department's records management system as well as its property management system. The Sheriff's Office reports that a pilot of the TE software showed that officers were not able to enter data in a timely or practical manner. For this reason, KCSO decided to pursue a different approach to the RMS functionality.

The Department is able to utilize the TE software for its property management system. KCSO staff have indicated that the Property Management unit will continue to use TE as its system of record until a new, different system with a property module is implemented. The Records unit, Data unit and Communications Center have been instructed to use TE as their system of record until a new, different system is implemented. At this point in time, the property management functions are not expected to be integrated into the proposed cloud-based RMS service, but that functionality may be available by Q2 2017 at no additional cost.

To date, the Department has expended \$3.8 million on this project through June 2016 and expects that there will be \$1.2 million left at year-end. This balance of \$1.2 million is expected to be used for future project needs and is not related to the request for \$2.0 million, which is the operating component that will be used for officer subscriptions to the cloud-based service.

The County's Chief Information Officer has indicated that KCIT has been involved with the cloud-based solution and that the Project Review Board has performed an initial project review, but has not yet authorized a vendor. The CIO has indicated that this may occur at the Board's October 12th meeting.

Option 1: Direct staff to draft a proviso.

Option 2: Approve as proposed.

ISSUE 4 – CLOSE 4TH AVE ENTRANCE TO THE KING COUNTY COURT: \$714,000 4 FTE

The Proposed Budget closes the 4th Avenue entrance to the King County Courthouse, resulting in the elimination of 2 Marshals and 2 Security Screeners. Public access to the Courthouse will be maintained via the 3rd Avenue entrance and the tunnel from the King County Administration Building.

The Sheriff's Office has indicated that the 4th Ave entrance was closed in 2011 approximately 42 times due to staffing shortages. It was closed about 18 times in 2012, and 56 times in 2013. The KCSO noted that during the 4th Avenue closures a line sometimes formed and extended up the stairs to the Admin Building during peak hours. Additionally, the 3rd Avenue line frequently stretched to the corner of 3rd and James Street.

COUNCIL QUESTION:

1. A councilmember requested more information regarding public testimony about "security issues" that might result from the closure of the 4th Ave entrance. What are those issues?

The Sheriff's Office indicated that there was a misunderstanding about potential security issues resulting from the closure of the 4th Ave entrance. Building security would be better if the 4th Ave entrance were closed.

Option 1: Refer to the Budget Leadership Team for final balancing.

Option 2: Approve as proposed.

ISSUE 5 – ANTI BIAS TRAININGS: \$800,000

The Proposed Budget includes \$800,000 for in-service trainings conducted on overtime that will allow every King County Sheriff's Deputy to receive instruction on de-escalation techniques and how to recognize and deal with Implicit Bias. The \$800,000 is revenue backed by \$160,000 that will be collected from the Sound Transit and Metro partners. This add will allow each Deputy to receive eight hours of training, but does not account for any other costs the agency may incur. KCSO budget staff have indicated that the Department has not yet developed the curriculum or schedule for the proposed trainings.

Option 1: Refer to the Budget Leadership Team for final balancing.

Option 2: Approve as proposed.

ISSUE 6 - TRANSFER FROM THE ROADS FUND TO THE GENERAL FUND \$3.0 MILLION

The Proposed Budget transfer increases from \$12.0 million to \$15.0 million the Road Fund support of the King County Sheriff's Office. This transfer comports with State law that allows for the use of the road levy for public safety services provided in the unincorporated area.

While allowed by law, continued County Rural Arterial Program eligibility requires that all diverted funds be utilized only for road purposes. The term "road purposes" in this case means traffic law enforcement in the unincorporated area. Even though allowed by law, use of diverted road levy for anything other than traffic policing removes Rural Arterial Program eligibility. The Executive has indicated that the KCSO has transmitted to the County Road Administration Board documentation that shows that the proposed \$15 million in Road funding will be used to support traffic enforcement services.

The Proposed Budget's diversion of \$3.0 million in Road Funds to the General Fund is backfilled with REET revenue that is deposited in the Roads Fund. However, the \$3.0 million that is diverted could otherwise have boosted Road Fund expenditures over-and-above any REET backed levels.

Option 1: Refer to Budget Leadership Team for final balancing.

Option 2: Approve as proposed.

Analyst:	Nick Wagner
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SUPERIOR COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$100,095,365	\$101,965,000	1.9%
Max FTE:	330.8	324.1	(2.0%)
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	General Fund, fees, federal and state funds		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

King County Superior Court is the County's general jurisdiction trial court and the largest of the 29 superior court districts in Washington State, handling 51,000 new cases in 2015. The cases over which Superior Court has jurisdiction include felony criminal cases, civil matters involving more than \$300, unlawful detainers, injunctions, family law cases, probate and guardianship matters, juvenile offender cases, juvenile dependency cases, and mental illness and involuntary commitment matters.

The court manages or participates in three MIDD-funded therapeutic court programs: Family Treatment Court, King County Adult Drug Diversion Court, and Juvenile Drug Court.

ISSUES

ISSUE 1 – INCREASED HOURLY RATE FOR INTERPRETERS – \$230,000

The hourly rate that is paid to contract interpreters would be increased by \$10, to \$55 for certified interpreters and \$50 for non-certified interpreters, effective January 1, 2018. This would bring the compensation paid by Superior Court closer into line with the compensation paid by other courts in this area, such as Seattle Municipal Court (\$55/\$50), Pierce County Superior Court (\$60/\$60), and Snohomish County Superior Court (\$50/40 plus one-way travel) (King County does not pay for travel or parking).

The Court had requested a funding increase of \$460,000 so that the rate increase could go into effect on January 1, 2017, but the Executive reduced the requested amount by half, making it necessary for the court to delay the rate increase until January 1, 2018.

According to the Court, the current compensation rate has made it difficult for the Court to hire interpreters, which has resulted in trial delays. In response to council staff's question about whether the delays could be quantified, the Court provided the following response:

The court does not have a way to easily quantify delays due to difficulty hiring interpreters. In many cases, the initial trial schedule is based on interpreter availability, which means the trials happen later than they would otherwise.

When there are no interpreters available, hearings and trials are continued. The court does not have a systematic way of capturing all continuances related to interpreter non-availability, but has recently begun tracking continuances for criminal cases at the trial calendar level. They have tracked 24 cases continued 40 times thus far in 2016, up from 17 cases continued 24 times in 2015. This is only for a small subset of instances where interpreters are required.

Interpreter coordinators also report increasing examples of not being able to hire local interpreters in some languages, which means the court must bring in interpreters from out of state and pay travel expenses. The court has also compiled some anecdotal information regarding interpreter reluctance to work at current rates. That information does not specifically address time delays.

The Court estimates that 95% of its interpreter costs are for individuals who cannot afford to pay or are involved in a criminal matter.

The PSB reports that the rate increase for Superior Court interpreters, and a parallel increase for District Court, is justified. However, the office reports that the increase in fees is being held until 2018 because of General Fund resource issues.

Option 1: Approve as proposed.

Option 2: Refer to Budget Leadership Team.

FOLLOW UP FROM WEEK 2 PANEL QUESTIONS

- 1. Please provide a summary of the Court's expenditures on court interpreters for the past five years.***

The Court's Answer:

Year	Budget	Actual	Variance
2012	\$717,240	\$880,037	(\$162,767)
2013	\$717,240	\$842,287	(\$125,047)
2014	\$948,471*	\$1,010,700	(\$62,229)
2015-2016	\$2,146,942	\$2,174,000 (Projected)**	(\$27,058)
2017-2018	\$2,376,942***	\$2,404,000 (Projected)	(\$27,058)

*The budget increase of \$231,231 from 2013 to 2014 was largely covered internally by the court. \$100,000 was moved from jury fees (due to summoning efficiencies), eliminated a vacant FTE and converted the salary and benefit cost of \$91,231 into interpreter costs. Also included was \$40,000 to offset the cost of providing interpreters for all civil matters regardless of ability to pay, as required by US Department of Justice agreement.

** 2015 actual = \$1,048,772. 2016 through September = \$844,181, straight line projection = \$1,125,574. Total 2015 & 2016 = \$2,174,346

*** 2017-2018 assumes a \$10/hour rate increase effective January 2018 at a cost of \$230,000.

Analyst:	Clifton Curry
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ADULT AND JUVENILE DETENTION

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$287,016,711	\$292,678,000	2.0%
Max FTE:	893.3	892.5	(0.00)%
Max TLTs:	0	0	N/A
Major Revenue Sources	GF, city and state contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The King County Department of Adult and Juvenile Detention (DAJD) operates one of the largest detention systems in the Pacific Northwest. The adult system is responsible for more than 30,000 bookings a year and the department operates two adult detention facilities the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent housing about 1,890 inmates on an average daily basis (year-to-date as of September 2016). The department's Juvenile Detention Division is responsible for the operation of the county's juvenile secure detention facility in Seattle that houses 55 offender youth on an average daily basis (year-to-date as of September 2016). Medical, dental, and psychiatric services for adults in secure detention are provided by the Department of Public Health and the costs of these services are reflected in the Jail Health Services budget. (The Jail Health Services budget is presented separately).

In 2000 (juveniles) and in 2002 (adults),¹ the Council adopted as county policy that its secure detention facilities would only be used to house offenders that present a public safety risk. As a result, the county has developed alternatives to secure detention, provides treatment resources to offenders, and provides other community services to offenders to reduce recidivism. Alternatives to secure detention and treatment programs for adults are administered through the department's Community Corrections Division that manages approximately 6,000 offenders annually. The division also provides services to the court to support judicial placement decisions for both pre-trial and sentenced inmates. Alternative programs for juvenile offenders are provided through the Juvenile Detention Division.

¹ Juvenile Justice Operational Master Plan Ordinance 13916, adopted August 7, 2000 and the Adult Justice Operational Master Plan Ordinance 14430, adopted July 22, 2002.

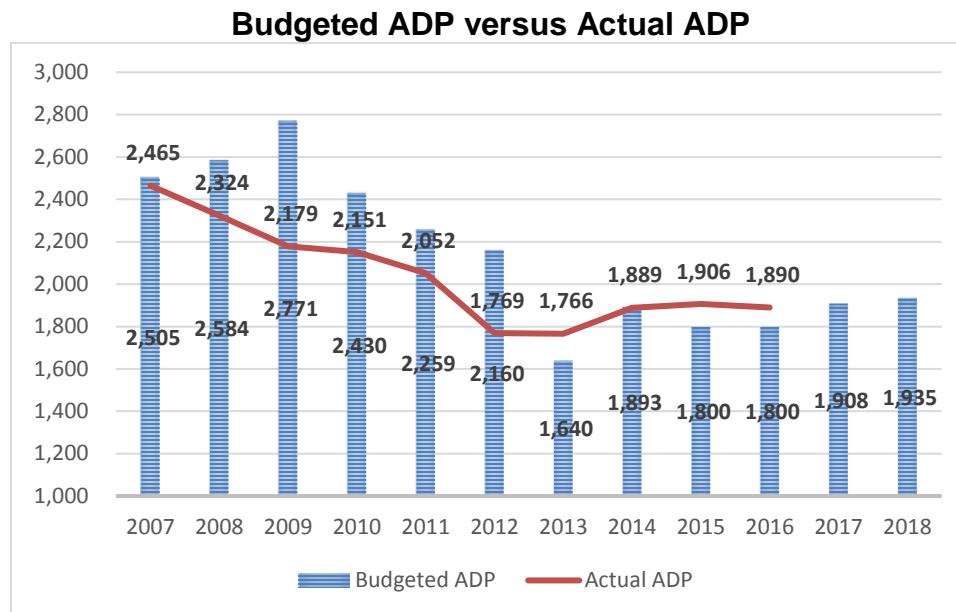
ISSUES

ISSUE 1 –JAIL POPULATION ADD \$1,012,719 & 4.0 FTEs

ADP Budget Target in 2015-16. When developing its 2015-2016 Proposed Budget, the Executive estimated that secure detention ADP would grow to 1,917 in 2015 and 1,868 for 2016. This level of ADP would have required the County to add more staff to manage an increasing population. The additional staff would have cost the County \$5.2 million over the biennium (combined DAJD and Jail Health Services costs). Instead of adding more staff, the Council adopted the Executive’s proposal to manage jail population to a budgeted ADP level of 1,800. Ultimately, these population management plan was not implemented and the ADP was above the 1,800 ADP target.

Increasing the Budgeted ADP Target in 2017-18. The department projects an increase in adult secure Average Daily Population (ADP) from 2015-16 budgeted levels, increasing the department’s budgeted number from 1,800 ADP for the 2015-16 biennium to 1,908 ADP for 2017 and 1,935 for 2018. To address this increase the department is requesting an increase of \$1 million and 4.0 FTEs.

The following chart compares budgeted secure detention populations against actual population since 2007 through Year-to-Date for September 2016 compared to the adopted budgeted ADP levels through 2016 and the proposed ADP for 2017 and 2018.



Source: Department of Adult and Juvenile Detention, Line of Business Plan and Detention and Alternatives Report

The county has recently seen a general increase in its secure detention ADP, growing from a low of 1,702 ADP in January 2012 to a high of 1,997 ADP in September 2016. The bulk of the growth of in ADP in 2016 can be attributed to increased numbers of pre-sentenced felons (for 2016) and contract use of the jail by cities to house misdemeanants and the state to house community supervision violators (throughout 2015-16).

The Executive, in the adopted 2015-2016 Budget, had actually estimated that secure detention ADP would be 1,917 for 2015 and 1,868 for 2016. However, the Executive noted that the staff needed to manage the forecast ADP growth in 2015 and 2016 would require an additional \$5.2 million over the biennium (combined DAJD and Jail Health Services costs) and approving this additional funding would have increased the county's estimated deficit, which would have necessitated additional cuts in General Fund agencies. In essence, the proposed population cap would have required that the county develop a means to limit jail population by 150 to 165 ADP during the biennium.

The Executive informed the Council that, as part of the proposed plan for managing jail population, King County would continue to honor its existing contracts with cities and the State Department of Corrections; continuing to book and hold individuals covered by these contracts. Therefore, the jail's population management efforts would only apply to "county-responsible" inmates and not to the state or contract cities. The Council adopted the Executive's Budget proposal for DAJD, but did provide Expenditure Restrictions to provide sufficient funds if ADP targets were not met.

The Executive convened a Jail Population Management Work Group in late 2014 to review options to limit bookings, limit inmate length-of-stay through system or process changes, develop criteria for early release, or a combination of these options to provide the Executive the means to maintain ADP at or below 1,800 inmates. The Jail Population Management Work Group's initial recommendation was to use a system of arrest/release after booking—where an individual arrested for defined misdemeanors or for certain felony investigations (no charges filed) would be presented for booking at the jail, but if they had been arrested for certain offenses or were under investigation for certain offenses the individual could be cited and released rather than waiting for an appearance before a judge. Generally, the identified offenses in the plan were the same as those on the county's "bail schedule" where, if an individual could obtain bail/bond, they could be released without going before a judge.

The Executive had planned to implement the new policy in the first quarter of 2015; however, the Executive notified the Council in January 2015 that the county would not implement the proposed plan pending further consideration. The Executive ultimately decided not to implement the plan. Consequently, jail population was not kept at the 1,800 target level through most of the biennium and both ADP-related Expenditure Restrictions were activated and more funding provided to the department in budget supplementals.

The proposed 2017-18 Executive's Budget contains an add of \$1 million and 4.0 FTEs to address the projected secure detention population in the biennium. The department reports that it has met the demands of higher than budgeted ADP in 2015 and 2016 with the use of overtime and that the addition of the new positions to address current and projected population will reduce the overtime used to manage the differential between budgeted ADP and actual ADP. The Executive is not proposing any plans (within DAJD or for the criminal justice system as a whole) that would seek to reduce ADP either through policy or operational changes. Furthermore, the Executive is proposing to reduce the availability of two alternatives to secure detention (Work/Education Release and Electronic Home Detention), eliminating these programs in 2018. The Executive

acknowledges that the elimination of these programs will contribute to increased secure detention ADP.

Option 1: Approve as proposed.

Option 2: Move item to Budget Leadership Team for final balancing.

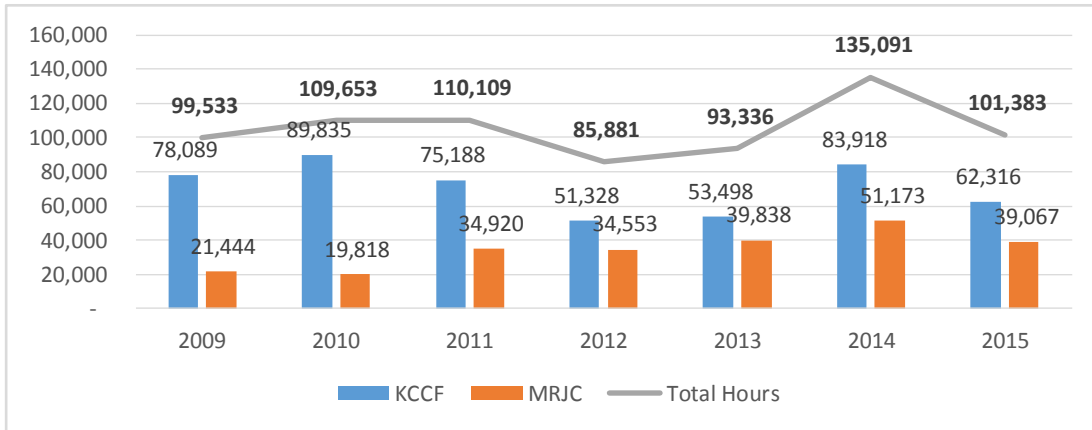
ISSUE 2 –OVERTIME ADJUSTMENTS ADD \$701,246 & 3.0 FTEs

This proposed change would increase staffing in the department's Adult Division (KCCF and MRJC) to mitigate the use of mandatory overtime. Similar to the ADP issue above, the department's overtime in the prior biennium was budgeted below the projected need. Each year, DAJD plans for some level of overtime hours to address normal variations in staffing levels without creating an excess of staff availability. Generally, DAJD targets a level of approximately eight percent of total hours worked as a desired mix. However, the Adult Division was in the last biennium budgeted at around four percent. This add of \$701k and 3.0 FTE is meant to address that differential.

DAJD Overtime While the department budget anticipates an eight percent level of overtime, the actual utilization is often higher. DAJD reports that it has had challenges in recent years maintaining a fully staffed operation due to retirements, long term medical issues, and military leave. The department also notes that it can take six months to get new hires scheduled for the mandatory academy training required for corrections officers. There are two types of overtime, regular or planned overtime and unplanned overtime. Planned (also known as voluntary) overtime is generally pre-approved and used for the coverage of planned vacations, military leave, and training. Mandatory overtime is defined in the Corrections Guild bargaining agreement as anytime an employee is directed by their supervisor not to leave work at the end of their shift or if the employee is required to stay five minutes or longer after their shift as a result of late relief. Vacancies, combined with increased inmate population, have contributed to the growth of mandatory overtime.

The department has provided the Council with two required overtime reports (required in provisos from the 2016 Budget Supplemental). Data from these reports show information for mandatory and non-mandatory overtime used at both jail facilities. The following Table shows the total overtime used in each year at each facility for 2009 through 2015.

Correctional Officer Overtime-KCCF & MRJC 2009-2015

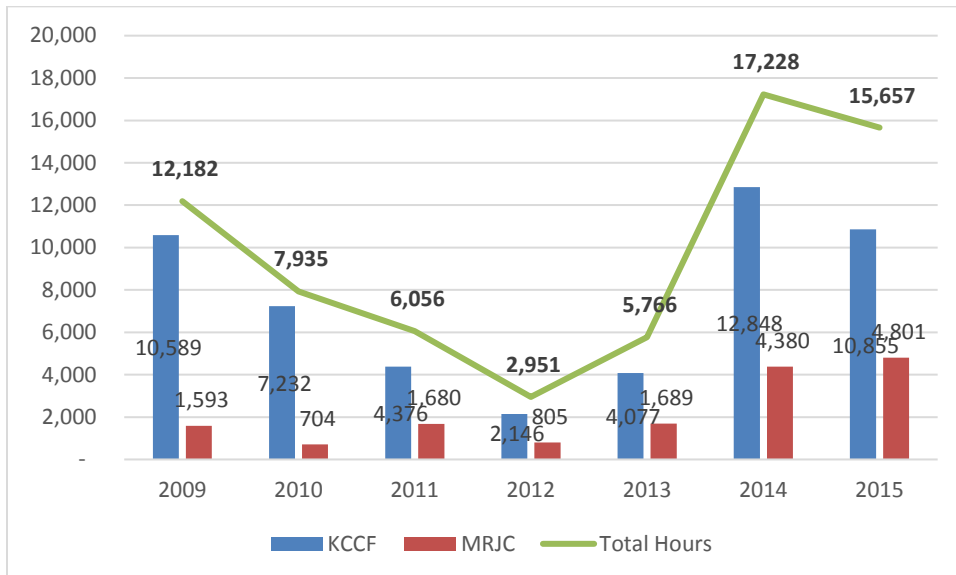


Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

As the table shows, in 2014, the department used a total of 135,091 hours of overtime and a total of 101,383 hours in 2015. The use of overtime has fluctuated at each facility throughout the time shown, ranging from a high of over 89,834 hours at the KCCF in 2010 to 21,443 hours at the MRJC in 2009.

The following table shows that number of **mandatory overtime** hours for Correctional Officers for each year since 2009 through 2015.

Correctional Officer Mandatory Overtime-KCCF & MRJC 2009-2015



Source: "DAJD Report Detailing the Use of Regular and Mandatory Overtime, Including Primary Causes of Overtime" See Proposed Motion 2016-0229.

The following table from the proviso response shows the percentage of mandatory overtime as compared to the total number of overtime hours for Correctional Officers at both facilities.

	2009	2010	2011	2012	2013	2014	2015
Percentage of OT total	21.0%	11.6%	10.6%	6.5%	11.9%	23.9%	29.7%

According to DAJD, the need to use mandatory overtime can have a significant impact on employee morale and productivity. To address the concerns over the use of mandatory overtime, DAJD established a project team to identify root causes of high mandatory overtime use based on a recommendation of the King County Continuous Improvement Team (CIT). This included an extensive analysis of data extracted from the Roster Management System (RMS), the computer system which is used to track DAJD staff schedules and hours worked. An analysis of the data found the most significant causal factor related to overtime use was the difference between hours worked and staff available. Another causal factor identified was the significant increase in employee's use of unscheduled leave. According to the department, the data, along with the growing overtime deficit, showed that the DAJD has insufficient staffing to meet current levels of operations. In addition, high levels of mandatory overtime due to staffing shortages may be creating additional morale and leave related problems which compounds the original staffing problem.

This proposal to add 3.0 FTEs, along with 4.0 FTEs added for secure detention population growth (see Issue 1) would add a total of 7.0 new correctional officer positions. The total for the proposed overtime request is \$701,246, which, when added to the secure detention population request, makes for a total of \$1,713,965 for new staff requested for the biennium.

Option 1: Approve as proposed.

Option 2: Move item to Budget Leadership Team for final balancing.

ISSUE 3 – ELIMINATION OF BOOKING AT THE MRJC: (\$932,133) & (8.0 FTEs)

The Proposed Budget would close the MRJC to bookings from law enforcement on January 1, 2018 with a reduction of \$932,133 and 8.0 FTEs (any potential associated layoffs would not occur until 2018). The closure of the MRJC to bookings would require that all law enforcement agencies use the KCCF in downtown Seattle to book individuals. The DAJD notes that the proposed elimination of booking at the MRJC could have impacts on the law enforcement agencies in south King County, Department of Corrections, King County Courts, as well as the Cooperative Transportation Systems that use the MRJC.

At both the KCCF and the MRJC, the department operates an Intake, Transfer, and Release (ITR) program. Intake includes the "booking" of arrestees from law enforcement officers and the acceptance of inmates being transferred throughout the state. In 2015 there were a total of 34,939 bookings at both facilities of which 6,423 were at the MRJC or 18 percent of total bookings. Through September 2016 there have been 22,485 total bookings, averaging 3,070 bookings a month (571 average bookings per month at the MRJC). Of these 2016 bookings, 5,145 have been at the

MRJC about 23 percent of the total. The MRJC also serves as the booking and release center for a number of different inmate transport systems.²

In operating the intake or booking function, the department operates the ITR as a “counter function” and must maintain staffing for all hours of operations, regardless of the volume of arrestees. To meet constitutional requirements and ensure proper safety within the facility, the department must ensure that it has a full complement of staffing available to handle multiple services for each individual when the counter is open, to include DAJD staff, Jail Health Services staff, and AFIS (KCSO) staff. Staffing and associated costs can be reduced in proportion to the number of hours that the “counter” is open, but generally cannot be reduced when arrest volumes decline. The ITR function at the KCCF operates 365 days a year, 24 hours each day.

In 2001, the department was facing significant budget challenges and, as a consequence, the MRJC ITR booking operations hours were reduced from operating 24 hours a day--7 days a week, to Monday through Friday 6:30am - 10:00pm. In subsequent years, hours were further reduced to 8:00am - 10:00pm Monday through Friday. In 2010, the department considered eliminating all booking operations at the MRJC. As part of the Executive’s Proposed 2011 Budget, the department’s budget included closing the MRJC to all bookings and redirecting all county bookings to the KCCF in Seattle. The council, during its budget deliberations, heard from south county law enforcement agencies concerning the impacts of this proposal. In adopting the final budget, the council restored \$500,000 and 5.0 FTEs and added a budget proviso requiring that the department review options for maintaining booking operations at the MRJC.

The 2011 review of the ITR function at MRJC recommended that DAJD continue with the operational model that it implemented on January 16, 2011. This model kept ITR open for limited hours, 10:00am and 4:00pm Monday through Friday, excluding holidays (the hours were extended in 2012 to 10:00am to 5:00pm). While the reduced hours have had an impact on south county law enforcement agencies, many of the cities in the MRJC area either own or contract with local providers of detention services (primarily SCORE) and have operated within the constraints of the county’s booking hours either by booking individuals in Seattle, or locally holding inmates until MRJC booking is available.

The Council included in the 2015-2016 Adopted Budget a proviso requiring that the Executive report on what resources would be necessary for extending booking hours at the MRJC. The report, accepted as Motion 14607, contained detailed information on MRJC booking operations. In the report, the department estimated that in 2015, there were 4,446 bookings at the KCCF that might have gone to the MRJC if it’s booking operation had been open (bookings between 5:00pm and 10:00am). The DAJD also estimated about 1,000 of these “off-hour” bookings were from south county law enforcement agencies (the remainder were from the Sheriff’s Office, State Patrol, or

² The state DOC operates a transportation system to move inmates to and from state prisons. The KCSO operates a section of the Interstate Prisoner Transportation System. The Snohomish County Sheriff operates the Cooperative Prisoner Transport. The other transfer function is the movement of inmates from the KCCF and MRJC either between the two facilities, or to allow inmates to appear in court.

state Department of Corrections). Based on the department's analysis, any increase in the hours of operations would have a significant cost to the county's General Fund, while any benefits in the extension of hours would only appear to accrue to local police agencies.

Option 1: Approve as proposed.

Option 2: Move item to Budget Leadership Team for final balancing.

Follow-up to Councilmember Questions from Previous Panels:

1. Councilmembers asked whether DAJD could charge a fee to south County law enforcement agencies to maintain booking operations at the MRJC. The County already charges all cities a fee for booking misdemeanants, but does not charge for felony bookings. According to an opinion by the Prosecuting Attorney's Office, RCW 39.34.180 makes the County responsible for all jail costs related to felony cases and as a consequence, the County may not charge a booking fee for felony bookings.

ISSUE 4 - WORK/EDUCATION RELEASE AND ELECTRONIC HOME DETENTION REDUCTIONS: (\$1,215,022) & (5.56 FTEs)

The Proposed Budget would eliminate in 2018 two alternative to secure detention programs operated by the Community Corrections Division.

The first program, Work and Education Release (WER), allows offenders to keep jobs while still serving a portion of their sentence in confinement. WER programs generally benefit the offender by improving reentry along with reducing disruption for families and the government by providing a less costly alternative to secure detention. WER participants pay a portion of the programs costs to participate in WER (in 2015 DAJD collected \$617,450 from WER participants and projects \$566,465 for 2016). The program is currently offered to employed offenders and Adult Drug Court participants. Program capacity is 109 beds, including: 87 for men, with 79 beds in the Courthouse and eight operated by the state Department of Corrections (DOC); and 22 beds for women also operated by the state DOC. In 2016 (through October), the average number of WER placements was 65 persons (57 men and 8 women). The 2015-2016 Adopted Budget reduced this program by cutting WER population by approximately half. The reduction was achieved by limiting the court's ability to use the alternative to only employed offenders and Drug Court participants—it had previously been open to any person. The Executive noted in 2015, that DAJD would work with the Facilities Management Division to find a new location for the program because the current courthouse space is inadequate. The Executive said at the time, that the intent was to combine a relocation with transitioning the program from a detention-based model to a community-based model to better meet the needs of program participants. This has not occurred.

The second alternatives program slated for elimination is the Electronic Home Detention (EHD) program. EHD allows offenders to serve all or some portion of their pre-trial and/or sentenced time at home. Offenders are monitored electronically and are confined to their homes, except when following a set schedule that may include

attendance at work, school, medical appointments, or treatment. To ensure compliance, the offender is equipped with an electronic bracelet or a cellular device in order to allow remote monitoring by a contractor. The department is immediately alerted if the equipment has been tampered with or the offender is not within the required distance of the monitoring device. Similar to the WER program, EHD participants pay a portion of the programs costs to stay on EHD (in 2015 DAJD collected \$114,844 from EHD participants and projects \$130,932 for 2016). In 2016, there were an average of 34 EHD participants daily.

Elimination of these programs would lead to a net reduction of \$2.1 million and 17.0 FTEs, along with the projected loss of \$511,000 in revenue from program participants. According to the department, the elimination of WER and EHD reduces the number alternatives to jail which are available to the courts. DAJD notes that approximately 400 persons would not be served and would need to be placed elsewhere “either in jail or another program.” According to the Executive, based on the population served, and the fact that most of them are sentenced, they would not simply be released from secure detention. In answer to staff questions, DAJD reported that the elimination of these programs could add 84 ADP to secure detention population in 2018 (this increase appears to be included in the DAJD’s secure detention population estimates for 2018). According to the Executive, this number was calculated by assuming that 80 percent of current participants would be in secure detention if WER and EHD were not available.

Option 1: Approve as proposed.

Option 2: Move item to Budget Leadership Team for final balancing.

Follow-up to Councilmember Questions from Previous Panels:

1. Councilmembers asked whether, when reviewing the cost/benefits of the closure of WER/EHD did the department assess the impact on program participants. Specifically, the potential loss of jobs and associated family-related issues or the impact of the absence of the programs on recidivism? The Executive responded by stating that, DAJD is aware that a large majority of program participants will lose their jobs with the closure of WER. However, DAJD did not conduct an analysis of how this would affect participants’ households or likelihood of recidivism.
2. Councilmembers asked whether revenues from program participants covered the costs of these programs. The Executive provided the following information that shows that program expenditures exceed program revenues.



ISSUE 5 – IT PROJECT Jail Management System

Prior appropriation	
2017-18 Request	\$12,189,034
Future Request	
Total Project Cost	\$12,189,034
Fund Source	GF

Project Summary: The project will acquire and implement a modern, comprehensive, and integrated Jail Management System (JMS) which replaces the current 40 year old legacy system which has over 50 separate subsystems.

The department currently uses a system for most jail operations that have operated since 1974 (SIP/SeaKing). The current system contains 57 separate subsystem applications which have been characterized as disjointed and require that the department conduct many processes manually (where staff have to manually transcribe data from hand-written forms into the computer applications—often having to repeat manually inputting with each of several applications). In addition, because of the age and the lack of integration between systems, the department has identified significant inefficiencies in its business operations and is unable to generate management information for both operational use and for policy development.

The proposed new system would be used to replace between 38 and 43 of the existing subsystem applications. During the recently completed Mainframe Re-Host (moving DAJD off of the county's mainframe), the department identified many business processes that could be improved with a new system. These include systems related to inmate data ranging from inmate classification, location, movements, property, trust fund, and diet. In addition, the systems proposed for replacement support employee management activities such as quartermaster inventory, lockers, and access. The applications planned for replacement also will improve systems for tracking a variety of management information on inmates, community corrections participants, juvenile offenders, and staff.

The department has noted that its current systems have not allowed the DAJD to keep step with modern best practices. The department reports that the age and fragmented nature of the systems to be replaced has seriously impeded business process and other system improvements. The request for the new system is intended move DAJD systems to modern architecture that improves the systems, increases efficiencies, improves accuracy, and provides better management information. In its Business Case for the JMS, the department notes that it has identified (as part of its Mainframe Re-Host Project) 2,849 "opportunities for business improvement." In discussions with DAJD, KCIT, and PSB staff about the potential benefits from the JMS, it was noted that capturing business process improvements—along with ensuring proper implementation of the new technology is very important. DAJD is proposing a Joint Steering Group of senior level staff to monitor RFP preparation, procurement efforts, vendor negotiation, and implementation monitoring. The department recognizes that this group could also play a role in ensuring that department business changes are captured and business efficiencies can be realized.

According to the department, it believes that the new system will be an “off-the-shelf” product that will be modified for the department’s business processes. The DAJD’s operations are very similar to most jail systems of the same size and available products should be able to meet DAJD needs. The department also will benefit from its recently completed work with the Mainframe Re-Host project which required that the department document its business practices and “scrub” its data as part of the conversion.

The appropriation request of \$12.2 million includes \$4.6 million for vendor costs (hardware, software, and consulting), \$4.8 million in staffing costs, and a contingency of \$2.8 million (30 percent). The department intends to use project financing to fund 9.5 FTEs; with funding for 4.5 “Subject Matter Expert” FTEs, including a Corrections Captain, Correction Officers (adult and juvenile detention) and other departmental business staff. The requested funding for these FTEs will be used to backfill positions during the project. The planned funding, however, does not have resources identified for an outside quality assurance consultant that is common in these types of projects. The project will be debt financed with payments of \$4.2 million beginning in 2017-2018 budget.

The following table shows the proposed major milestones for the project.

Milestone	End Date
Project Initiation	March 31, 2017
Requirements Finalized	September 29, 2017
Vendor Selection	May 31, 2018
JMS Implementation	June 2018-February 28, 2020
Project Closeout	April 30, 2020

Review of the Benefit Achievement Plan: The primary anticipated benefits of the JMS system replacement will be mostly related to increased staff efficiency, accuracy of departmental data, and access to improved management information. Council staff are working DAJD staff to better enumerate how the department will measure the anticipated benefits of the new JMS.

Option 1: Approve as proposed.

Option 2: Approve as budgeted, but require by Expenditure Restriction that the department obtain a quality assurance consultant for review of project implementation (to be funded from project contingency).

Option 3: Approve as budgeted and include:

(1) a Proviso that requires that the department prepare a change management plan for achieving business process/operational improvements from this project. The plan should identify the improvements the department intends to achieve with this project, the process by which the DAJD will implement those business change/operational improvements as part of this project, and how those improvements will be reported; and,

(2) an Expenditure Restriction that the department obtain a quality assurance consultant for review of project implementation (to be funded from project contingency).

ISSUE 6 – IT PROJECT Distributed Antenna Network (DAN) Phase III

Prior appropriation	\$1,054,419 (Phase II)
2017-18 Request	\$1,052,755
Future Request	
Total Project Cost	\$1,052,755
Fund Source	GF

Project Summary: The Distributed Antenna Network (DAN) project is intended to provide full 800 MHz radio and Nextel phone coverage inside the King County Correctional Facility (KCCF).

The areas which this project is designed to cover are those which were determined to have inadequate existing radio and cellular coverage in the completed Phase I of the project. This project request is for funding to complete the DAN project from floors 8 through 12 within KCCF to fully eliminate “dead spots.” The department has already successfully completed similar upgrades for floors 1 through 8 (Phase I completed planning, design and floors 1 through 3 in 2012 and Phase II completed floors 4 through 7 in 2016). This project will complete the upgrade of radio coverage throughout the remaining floors at the KCCF by June 2018.

The appropriation request of \$1 million includes \$568,000 for project costs (hardware and consulting), \$221,000 in staffing costs, and a contingency of \$243,000 (30 percent). These costs are similar to the budgeted amounts for the completed Phase II of the project.

Review of Benefit Achievement Form (BAP): This project has a completed BAP that notes that the primary benefits from the project are related to improving life-safety within the KCCF.

The project does not appear to have a policy issue for further analysis.

Analyst:	Clifton Curry
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JAIL HEALTH SERVICES

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$59,953,100	\$67,440,000	12.5%
Max FTE:	145.3	160.9	10.7%
Max TLTs:	0.0	2.0	200.0%
Major Revenue Sources	General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

Jail Health Services (JHS), a program of the Department of Public Health, provides medical, mental health, and dental services to inmates incarcerated in the Department of Adult and Juvenile Detention's secure detention facilities for adults (juvenile health services are provided by the University of Washington), evaluating all inmates booked into the facilities and providing direct services to those who require them. The JHS workload is driven by both the number of adult inmates in the jails and by the acuity of their health needs. The recent stability in secure detention population in the county's adult jails have set JHS's workload; however, the nature of the population that remains in the jails is more challenging than in the past where inmates now have more serious and chronic medical issues when compared to prior years and the number of mentally ill inmates has also risen. In addition, JHS operates under multiple legal and regulatory mandates, including National Commission for Correctional Health Care, the Washington State Board of Pharmacy regulations, and the "Hammer" Settlement Agreement.

ISSUES

ISSUE 1 – ACCREDITATION-ADD PSYCHIATRIC EVALUATION SPECIALIST \$343,412 & 1.0 FTE AND DISCONTINUE HEALTH ASSESSMENTS AT MRJC (\$289,700) & (1.0 FTE)

King County Correctional Facility (KCCF) in Seattle has the county's primary jail infirmary and clinic, mental health unit, and pharmacy. Consequently, inmates with significant physical and/or mental health care needs generally receive these services at the KCCF. While medical and mental health services are available to inmates at the Maleng Regional Justice Center (MRJC); inmates with emergent or chronic needs are transferred to KCCF. In late 2014, the National Commission for Correctional Health Care (NCCHC) withdrew its accreditation of the county's jail facilities. The KCCF had been accredited since 1992 and the MRJC had been accredited since 1998. KCCF is required to be accredited by the NCCHC, pursuant to a 1998 King County lawsuit

settlement (the “Hammer” Settlement Agreement). Compliance with the settlement is monitored by the ACLU.

The NCCHC accreditation process affirms compliance with a set of 67 jail standards and 324 compliance indicators covering a wide range of service areas. During the 2014 NCCHC re-accreditation review, examiners found a variety of non-compliance issues at both the KCCF and MRJC that resulted in the “withdrawal” of NCCHC accreditation. At the KCCF, examiners determined that JHS did not meet 10 of 40 “essential standards” and six of 22 “important standards.” Similarly, at the MRJC examiners determined that JHS did not meet seven of 39 “essential standards” and four of 22 “important standards.” Based on the examiner’s findings, JHS and DAJD created “Corrective Action Plans” based on the NCCHC report and submitted the plans along with a request for reconsideration of the withdrawal of accreditation. In February 2015, the NCCHC denied the appeals, but noted that while it “applauded the efforts towards corrective action” that the short-timeframe after the initial review did not allow for the NCCHC to validate the implementation of corrective action and reinstate accreditation. According to the Executive, a re-accreditation application for KCCF has been submitted to NCCHC. The Executive has chosen to only seek reaccreditation for the KCCF because it has the jail’s primary health facilities and that the “Hammer Agreement” only requires accreditation for the KCCF. The Executive noted that county is likely to seek accreditation in the future for MRJC.

In preparing for re-accreditation, JHS determined that it would need to add another Psychiatric Evaluation Specialist (PES) (add of \$343,412 and 1.0 FTE) in order to meet the NCCHC standards related to expanded mental health screening of newly booked inmates. JHS screens all inmates that are booked into the KCCF or MRJC in the booking areas of the facilities. In the past, health care screenings took place after the inmate had been transferred from booking to a living unit (or the infirmary). This change allowed JHS to rely on health care worker screenings in booking rather than information provided to a booking officer for a later assessment. The changes were made as a result of the JHS/DAJD Psych Services Array Lean project that resulted in significant improvements and efficiencies in the provision of services for mentally ill inmates. Under the current practice, when a health screening indicates a mental health problem, inmates are referred to a psychiatric evaluation specialist (PES) for further evaluation. Because more inmates are now being screened, more mental health evaluations are now required. The authorized PES staff were not able to absorb this additional workload, requiring the addition of 1.0 FTE. JHS hired a TLT employee to begin performing this additional work in early June of 2016. According to the Executive, this add of a permanent FTE and its funding is needed in order to meet accreditation standards.

In contrast to addition of staffing at the KCCF for accreditation purposes, the Executive is requesting the reduction of one nurse position at the MRJC (-\$289,700 and -1.0 FTE). According to materials provided by the Executive, the DAJD and JHS have agreed not to pursue accreditation at this time for the MRJC, since the Hammer settlement only requires it for KCCF. This decision eliminates the need to perform certain types of post-booking health assessments at the MRJC (14 day assessments), reducing overall workload by the equivalent of one nurse. The Executive noted that JHS

is likely to seek accreditation in the future for MRJC, and at that time, JHS will need to restore this position and this function.

The net 2017-2018 impact of re-accreditation budget requests is an add of \$53,712. When asked about the costs and benefits of attaining re-accreditation at the MRJC, the Executive replied that obtaining re-accreditation at the KCCF first would be more beneficial for staff (the majority of work to obtain re-accreditation will be absorbed by existing staff) and would allow the County to apply the lessons learned from KCCF re-accreditation to the process for the MRJC. Nevertheless, the Executive indicated that if it did seek re-accreditation for the MRJC in the biennium, JHS would need to reinstate the 1.0 FTE Registered Nurse position for both years, and would need to hire a TLT Project/Program Manager IV for one year following successful accreditation at KCCF. This position would apply lessons learned from our work in getting KCCF re-accredited, and would work with the Adult Detention Line of Business to manage the accreditation survey preparation process at MRJC.

Option 1: Approve as proposed.

Option 2: Approve as proposed, but direct staff to develop a Proviso that requires that the executive provide periodic reports on the status of the re-accreditation efforts.

Option 3: Move item to Budget Leadership Team

Follow-up to Councilmember Questions from Previous Panels:

Medicaid does not pay for services for a person who is incarcerated in jail or prison in accordance with 42 C.F.R. Part 435.1009(a)(1). The expansion of Medicaid eligibility allowed under the Affordable Care Act has resulted in increased eligibility among inmates, but federal law still prohibits states from obtaining federal Medicaid matching funds for health care services provided to inmates—except when inmates are patients in medical institutions, such as hospitals. In King County, inmates generally receive eligible hospital medical care at Harborview, but the county does not pay for these services (and as a result cannot seek Medicaid reimbursement). Instead, Harborview has the ability to seek reimbursement for any eligible inmate whose hospital stay is longer than 24 hours even if they are under DAJD custody. While the law prohibits federal payment for services furnished to anyone incarcerated in jail or prison, it does not require that individuals lose their Medicaid eligibility while incarcerated.

In most states, Medicaid eligibility is automatically terminated upon an individual's detention or incarceration in a county jail. The Centers for Medicare and Medicaid Services (CMS) encourages states to suspend rather than terminate Medicaid eligibility to limit long delays in access to healthcare services upon release. SB 5593 Chapter 267, 2015, Laws established that the State of Washington would allow inmates to maintain eligibility while incarcerated.

Nevertheless, for individuals receiving SSI, payments are suspended while in jail (after thirty consecutive days of detention). Payments can be reinstated in the month after release. However, if an individual's confinement lasts for 12 consecutive months or

longer, eligibility for SSI benefits will terminate and the individual must file a new application for benefits. For those whose Medicaid eligibility is tied to SSI and have their cash payments suspended while in jail, they will have to have a “redetermination” to determine if the person qualifies for Medicaid under another eligibility category.

Similar to Medicaid requirements, incarcerated veterans do not forfeit their eligibility for medical care. However, current regulations restrict the VA from providing hospital and outpatient care to an incarcerated veteran who is an inmate in an institution of another government agency—such as DAJD. Veteran’s pensions and disability payments are curtailed or discontinued for veterans convicted of a felony, generally after 60 days of incarceration.

Analyst:	Clifton Curry
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DISTRICT COURT

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$64,337,404	\$67,081,000	4.3%
Max FTE:	248.5	247.3	(0.4%)
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	GF, Fines, Fees, & City Contracts		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The District Court is the county's court of "limited jurisdiction" and has responsibility for traffic infractions, certain civil matters, and misdemeanor criminal offenses in the county's unincorporated areas, cities that contract with the court, and for the adjudication of "state" offenses (violations of state statute in the county or when the arresting agency is the Washington State Patrol or other state law enforcement agency). The King County District Court is the largest court of limited jurisdiction in the State. The county has as adopted policy that the county, under state law, is a unified, countywide District Court. Nevertheless, the county has adopted electoral divisions to allow for a more "local" election of judges. The court currently has 25 judges that operate out of five divisions at multiple locations throughout the county. Under state law, incorporated cities can operate courts of limited jurisdiction (Municipal Courts) to enforce city ordinances. However, state statute also allows cities to contract with District Court for local city court services. Presently, 13 cities contract with King County for District Court services and plan on continuing to contract with the county. However, the City of Woodinville is not renewing its agreement with the County and the number of cities served will drop to 12 during the biennium. The court processes more than a quarter million new filings per year.

ISSUES

ISSUE 1 – INCREASE IN HOURLY RATE FOR INTERPRETERS ADD \$159,220

The District Court's budget request includes funding of \$159,220 to increase the Hourly Rate paid to court interpreters. U.S. Department of Justice standards for Limited English Proficiency (LEP) access require that courts provide interpreters for all court hearings, including civil hearings and administrative proceedings, at no cost to the court user. Between 1980 and 2010, the population of non-majority King County residents grew from 13 to 35 percent. Currently, there are over 129 different languages spoken in King County, and it is estimated that 11 percent of the population has limited-English

proficiency. The court reports that it has seen continuing increases in its need for interpreters.

The Court requested funding for both years of the biennium. Although, the proposed increase would take effect January 1, 2018, and the funds requested would be for just one year of the biennium. The request would increase fees by \$10 to \$50 per hour for non-certified interpreters and \$55 per hour for certified interpreters. According to materials provided by the court, the City of Seattle and many other courts in the region already pay interpreters at the proposed level or at a higher rate. As a result, the court must compete with these other jurisdictions for the limited number of interpreters in the region. The court has reported that it is difficult to quantify the impact of the differential in interpreter fees upon the court's access to interpreters.

The PSB reports that the rate increase for District Court interpreters, and a parallel increase for Superior Court, is justified. However, the office reports that the increase in fees is being held until 2018 because of General Fund resource issues.

Staff analysis of this issue is complete.

Option 1: Approve as proposed.

Option 2: Move item to Budget Leadership Team for final balancing.

Follow-up to Councilmember Questions from Previous Panels:

1. Councilmembers asked for the total amounts expended for interpreters for the District Court. The Executive provided the following information:

	2013	2014	2015	2016	2017	2018
Budgeted	\$446,355	\$520,495	\$641,000	\$641,000	\$707,500	\$866,720
Actual	\$634,822	\$658,611	\$677,049			

2. Councilmembers asked whether the District Court made any request for more clerks or other staff to handle increased caseload for the court in the biennium that is not included in the Executive's Proposed Budget?

According to the PSB, the District Court requested funding for 3.0 Clerk FTE's (\$520,520) to provide coverage for the loss of work created by Paid Parental Leave program (PPL) and 0.5 of a Public Information Officer to process Public Disclosure requests under GR31.1. The 3.0 Clerk FTE's would allow one Clerk FTE per division to cover for employees out on PPL. At the time of the budget submission the court had 14 FTE's who had used/were using PPL. The PSB estimated that if the clerks were all out 12 weeks, the court would have 168 weeks of labor to cover or 3.23 Clerk FTE's however, actual usage is below the 12 week estimate. The Executive's Office supported the court with 2.5 Clerk FTE's (\$433,372) which is slightly less than the court's request but is based on actual utilization of PPL and the 0.5 PIO as requested.

3. Councilmembers asked whether the District Court has sufficient staffing (primarily clerks) to cover training in the biennium?

According to the District Court, it believes it has adequate staffing and funds within the existing appropriation for it's Case Management Project if needed for training.

Analyst:	Scarlett Aldebot-Green
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COMMUNITY SERVICES OPERATING FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$11,014,000	\$11,459,000	4.0%
Max FTE:	11.5	11.6	.8%
Max TLTs:	0	0	N/A
Estimated Revenues	\$10,204,000	\$10,657,000	4.4%
Major Revenue Sources	General Fund, Fees to Other Community Service Division Funds, Document Recording Fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

This fund is operated by the Department of Community and Human Services (DCHS) and is used to gather and distribute revenue to other divisions, funds, or appropriation units in support of a wide variety of human service activities and contracts. Prior to the 2015-2016 budget, this fund was known as the Children and Family Service Fund.

ISSUES

ISSUE 1 – HUMAN SERVICES CONTRACTS CHANGES

The proposed budget for 2017-2018 includes over \$7.2 million in support for human services contracts. The proposed budget for 2017-2018 proposes to reduce General Fund-related expenditures by 10% from each of three categories of human services contracts, Domestic Violence Abuse Survivor Services, Legal Services and Sexual Assault Services in order to create Pool for Emerging Needs funding in those same categories. Older Adult Services will experience no such changes in 2017-2018. These funds would be used to fund new providers or emerging needs in line with Council-adopted policy in the 2015-2016 biennium.¹ The budget does provide for an inflation adjustment to providers in these categories. However, providers who received funding in the 2015-2016 biennial budget will experience a net funding reduction proportional to their amount of 2015-2016 funding revenue-backed by the General Fund. For providers whose total proposed funding amount includes CSO Fund revenue, the impact will be to the portion of their funding that is General Fund-backed. The following table summarizes:

Table 2.

¹ See Motions 14588 and 14727.

Service Area	Inflation Adjustments	Pool for Emerging Needs Total Created through Weighed Reduction Adjustment	Providers with CSO Funding Supplementing General Fund
Domestic Violence Survivor Services	Yes	\$250,600	Domestic Abuse Women's Network
Sexual Assault Services	Yes	\$134,400	no providers
Legal Services	Yes	\$48,200	Team Child
Older Adult Services	Yes	To be addressed in 2019-2020 biennium	no providers
Women's Homeless Winter Shelter	Yes	N/A	N/A

Follow-up to Councilmember Questions from Week 1:

Councilmembers asked about the location of the women's homeless winter shelter and for additional information on funding.

The Women's winter shelter is at Angeline's (Third & Lenora, operated by YWCA). It is a 40-bed downtown winter shelter for single women.

The County had funds in the 2015-2016 budget to operate 40 beds there from Jan 1 – April 15 and from Nov 1 – Dec 31.

The County kept the shelter open after April 15, intending to cover the additional cost through May 31 with internal savings. Executive staff have indicated that during this past summer, the City of Seattle offered to fund the cost of the 40 beds from April 16 – Oct 31; during the time that the County had not originally planned on keeping the shelter open. Executive staff indicate that the City has done this. We do not yet have daily occupancy figures but Executive staff have reported that the shelter operated all summer, continues to operate, and has been at 105% - 120% occupancy.

Because the City of Seattle paid for shelter operations during the "non-winter" time period, funding for this shelter is not included in the emergency appropriation ordinance.²

The table below shows that Angeline's operated above capacity all winter. The numbers are from an earlier staff report, which is why May 19-31 are not included.

² Proposed Ordinance 2016-0460, which was transmitted in advance of the budget legislation, would provide emergency appropriation authority for 2016 for the year-round operation of the 50-bed Administration Building shelter during 2016, the operation of 50 beds in the Administration Building lobby through August 31, 2016, the operation of 50 beds in the County-owned 420 Fourth Avenue building through (anticipated) October 31, and the proposed opening of the County-owned White Center Public Health clinic building as a 70-bed shelter on November 1. Proposed Ordinance 2016-0460 covers only 2016 spending.

Women's Downtown Winter Shelter Average Occupancy, 2015-2016

Month	Angeline's (40 beds)	Angeline's %
November	45	113%
December	47	117%
January	48	120%
February	47	119%
March	49	124%
April	49	122%
May 1-19	48	119%

The Executive's proposed 2017-2018 CSO budget includes \$138,410 for the Women's Winter Shelter.

Follow-up to Councilmember Questions from Week 2 Panel:

Councilmembers asked about data on the unmet need for single women in shelters.

The Executive has provided the following answer:

"In July 2016, we began assessing homeless single men and women for housing, through coordinated entry. Therefore, that data is incomplete, as we have not yet found or assessed all unsheltered singles.

Our annual Point In Time Count, held each January, counts those who are unsheltered. The count is conducted from 2-5 am, and so as to not disturb people who are sleeping, we do not ascertain whether they are male or female, adult or child, or their race/ethnicity. However, for those that we see who are awake, we do record their gender. Here is the breakdown:

- Men (1,225)
- Women (271)
- Gender Unknown (2,980)
- Minor under 18 (29)"

Councilmembers asked about whether Angeline's will be open during the non-winter months.

DCHS has confirmed with the City of Seattle that funding for Angeline's Women's Shelter is in the City's 2017-2018 budget to cover the 6.5 non-winter months not currently covered by the County's proposed 2017-2018 budget.

Councilmembers asked about Eastside Legal Assistance Program’s (ELAP) County funding history and information on the co-location of attorneys throughout King County with King County funding.

DCHS notes that as part of the Council’s Motion 14743 on the Veterans and Human Services Levy renewal, Council has requested a study on the expansion of legal services and that that work will be undertaken.

The table below provides information on County General Fund funding allocated to ELAP from 2008 through 2016.

Year	Amount	General Fund or One-Time Add
2008	30,000	One-Time Add
2009	60,000	One-Time Add
2010	60,000	One-Time Add
2011	60,000	One-Time Add
2012	60,000	General Fund
2013	121,000	General Fund
2014	121,000	General Fund
2015	66,975	GF DV program-base
	55,812	GF Civil Legal - base (co-location)
2016	68,368	GF DV program-base
	56,973	GF Civil Legal-base (co-location)
	6,000	One-time Technology funding

Co-Location of Legal Services:

The Executive notes that starting in 2015, Eastside Legal Assistance provided services for survivors of domestic violence and sexual assault at the Domestic Abuse Women’s Network (DAWN), several hours per week in confidential women’s shelters across the eastside and the south part of King County, and at the Redmond YWCA’s Family Village.

A review of the 2016 Civil Legal Aid contracts receiving King County General Funds did not show any other agencies providing off-site services. The Executive’s proposed budget includes ELAP (DAWN – South County Attorney Services) at a funding level of \$106,534.

Councilmembers asked about whether supplantation might be at issue during the VHSL renewal process for these programs.

Yes. Analysis on the implications of the statute on supplantation is ongoing but it is believed that the base year funding level for the supplantation analysis in the event of VHSL renewal would be 2017.

Councilmembers asked about cost per bed and clientele of homeless shelters.

The Executive notes that the County provides partial funding for shelters across the county that is leveraged by each provider with funding and/or services they receive directly from other sources (grant funding, donations, service agreements with other philanthropic organizations, etc.). Since the amount of County investment and leveraged funding and services varies for each provider and the County does not collect information on leveraged funding and services from providers on an ongoing basis, the Executive states that it is challenging to provide an average cost per bed. In addition, shelter models vary significantly (e.g. mat or church floor versus a large provider shelter that makes direct linkages with employment and housing for clients).

With these caveats, the executive has provided data points that were collected by *Focus Strategies* for the SWAP (System-wide Analytics and Projection) report that the County, City of Seattle, and the United Way commissioned:

SWAP Analysis

To assist in answering the questions listed above to the extent possible given available data, DCHS has provided a document, attached to this staff report (Attachment A) that lists shelter programs from the SWAP analysis. For this analysis, one-time budget information was gathered for 2013-2014 by Focus Strategies that included each agency's total shelter funding.

As is noted above, the types of services offered at shelters varies greatly and the cost-per-bed data in the SWAP report should be reviewed in that context.

Executive staff have highlighted the following information on Emergency Shelter Outcomes and Cost in Attachment A:

- Column I represents the total number of households that exited a program.
- Column K represents the percentage of clients who exited a program to permanent housing, which is the primary performance target for these programs.
- Column T calculates the average cost per exit to permanent housing using the one-time budget data collected for this analysis.

Councilmembers asked for a list of homeless shelters for families funded by King County.

Family Shelters Funded by King County in 2016

Provider	Shelter	Amount	location	Year-		Seattle	South	N/E
				Round	Seasonal			
				Beds	Beds			
Congregations for the Homeless	Snoqualmie Valley Family Winter Shelter	\$25,000	N/E		40			40
Domestic Abuse Women's Network	DAWN Emergency Shelter	\$25,000	S	25			25	
Hopelink	Avondale Park Shelter	\$50,000	N/E	32				32
Hopelink	Kenmore Family Shelter	\$50,000	N/E	33				33
LifeWire	My Sister's Home	\$50,000	N/E	23				23
Multi-Service Center	Family Shelter	\$75,000	S	64			64	
Solid Ground	Family Shelter	\$38,187	Sea	78		78		
Solid Ground	Broadview Emergency Shelter	\$50,000	Sea	43		43		
Wellspring Family Services	Early Intervention Families - Motel Vouchers	\$50,000	Sea	32		32		
YWCA of Seattle, King & Snohomish County	DV Shelter Downtown	\$25,000	Sea			0		
YWCA of Seattle, King & Snohomish County	SIS Seattle Emergency Housing (Shelter)	\$50,000	Sea	190		190		
YWCA of Seattle, King & Snohomish County	SKC Emergency Shelter (Family)	\$36,237	S	23			23	
Renton Ecumenical Assoc. of Churches	Permanent Family and Women Shelter (new shelter)	\$50,000		50			50	

TOTAL DOLLARS:	\$574,424
TOTAL BEDS:	633

593	40	343	162	128
Year-Round	Seasonal	Seattle	South	North/East

Funded by 2016 Shelter Supplemental RFP - 2 new shelter - 2 shelter expanded nights of operation operate with vouchers; # vary from night to night; this is 2015 point-in-time #

ATTACHMENTS

1. Attachment A: SWAP Analysis Data

Staff analysis on this issue is complete unless Councilmembers have questions.

Analyst:	Scarlett Aldebot-Green Katherine Cortes
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BEST STARTS FOR KIDS FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$8,619,000	\$132,040,000	1,432%
Max FTE:	8.0	26.0	225%
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$59,567,000	\$127,259,000	113.6%
Major Revenue Sources	Best Starts for Kids Levy		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Best Starts for Kids Fund funds programs and services as allowable under the Best Starts for Kids Levy including providing funds to plan, provide and administer a youth and family homelessness prevention initiative, and funds to plan, provide and administer a wide range of strategies to improve health and well-being outcomes of children and youth, as well as their families and the communities in which they live. These include, but are not limited to programs and services that would seek to: ensure adequate services and supports for pregnant women and newborns; ensure access to safe and healthy food; provide support for hospitals and other mental health providers in King County to provide children and youth with access to mental health services and developmental screening; prevent and intervene early on negative outcomes (e.g. chronic disease, mental illness, substance abuse, homelessness, domestic violence and incarceration); reduce inequities in outcomes for children and youth in the county; and strengthen, improve, better coordinate, integrate and encourage innovation in health and human services systems and agencies, organizations and groups addressing the needs of children and youth, their families and their communities.

Out of the first year's levy proceeds, \$19 million of levy collections were set aside for administration of the Youth and Family Homelessness Prevention Initiative, the Implementation Plan. Council approved by ordinance the Youth and Family Homelessness Prevention (YFHP) Initiative Implementation Plan in May 2016. The BSK levy ordinance allocates the use of the remaining levy proceeds¹ as follows: 50 percent the Invest Early Allocation (serving prenatal to 5 year-olds); 35 percent for Sustain the Gain Allocation (serving 5 to 24 year-olds); 10 percent for the Communities of Opportunity Allocation; and five percent for the Data and Evaluation Allocation, which

¹ Amounts necessary to pay for elections costs related to the levy were also set aside from the first year of collections per the levy ordinance.

includes potential amounts for metropolitan park districts and fire districts for lost revenue resulting from pro-rationing as mandated by state law. Council approved the Best Starts for Kids Implementation Plan by ordinance in September 2016. A related supplemental appropriation for the remainder of 2016 was adopted by Council on October 3, 2016.²

ISSUES

Note that due to the timing of the October 3, 2016 supplemental appropriation from the Best Starts for Kids Fund, that appropriation is not part of the base budget in the Best Starts for Kids Fund. Consequently, many of the FTEs proposed in this budget and in the Public Health Fund were approved positions in 2016.

ISSUE 1 – BEST STARTS FOR KIDS EXPENDITURES IN PUBLIC HEALTH SEATTLE-KING COUNTY: \$42,625,499 AND 27.5 FTE

- **FTE Balance**

Councilmembers have expressed a desire to strike a sound balance between appropriately staffing the initiative to ensure sustainable management, strategy and oversight capacity while maximizing funds for direct services and ensuring a majority of levy proceeds go to community partners. The 27.5 FTE positions requested by Public Health are summarized below. Most of these positions have been approved as part of a prior supplemental appropriation. Due to timing, they are not included in the BSK base budget and are appropriated as new FTE in the 2017-18 Proposed Budget. There would be a total of 39.50 FTE Public Health positions for BSK including the base if the Executive’s proposal is approved as transmitted.

**Public Health: Proposed Full-Time Equivalents (FTE) and FTE Costs
(Expenditure Authority in BSK Fund and FTEs in Public Health Fund and Environmental Health Fund)**

Public Health Positions	Strategy	Program	FTE	“New” position not approved in a prior appropriation	2017- 2018 Approp. Request
Prenatal-5 Help Me Grow Strategic Advisor	Prenatal to 5	Split among Prenatal-5 strategies	1.50	No	\$442,591
Prenatal-5 Help Me Grow Outreach Manager (coordinator?)	Prenatal to 5	Split among Prenatal-5 strategies	2.00	No	\$607,524
School-based Health Center Program Manager	Five to 24	School Based Health Centers	1.00	No	\$337,492
Home Visiting Program Manager	Prenatal to 5	Home Based Services	1.00	No	\$340,992
NFP Nurses	Prenatal to 5	Home Based Services	2.00	No	\$1,060,000
Child Care Health Program Manager	Prenatal to 5	Child Care	1.00	No	\$340,992

² Ordinance 18378.

Finance Accountant	Prenatal to 5	Maternal & Child Health	0.50	No	\$166,500
CPRES Contract Specialist	Prenatal to 5	Maternal & Child Health	0.50	No	\$166,500
Medical Officer	Prenatal to 5	Maternal & Child Health	0.50	No	\$359,000
Parent & Caregiver Supports Program Manager	Prenatal to 5	Community-based parent supports	1.00	No	\$340,992
Environmental Toxins Public Health Planner	Prenatal to 5	Env toxins trainers & provider outreach	1.00	No	\$331,975
Environmental Toxins Monitoring Trainer and Provider Outreach	Prenatal to 5	Env toxins trainers & provider outreach	1.00	No	\$331,975
BSK Policy & Program Manager	All	All	1.50	No	\$511,489
HR Analyst	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$279,000
PPM3 (FP Support)	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$323,000
HIT Reporting Needs	Prenatal to 5	Maternal & Child Health – Infrastructure	1.00	Yes	\$186,000
AS2 – HIT Support	Prenatal to 5	Maternal & Child Health – Infrastructure	5.00	Yes	\$617,050
COO Lead	COO	COO	1.00	No	\$295,061
COO Subject Matter Experts working with COO communities	COO	COO	2.00	No	\$581,617
Communications	All except MCH and Eval.	All	1.00	No	\$270,138
Admin Support for BSK & COO	All except MCH and Eval.	All	1.00	No	\$228,288

Requested Public Health Department

FTEs 27.5 \$8,118,176

Follow-up to Councilmember Questions from Week 2 Panel:

Councilmembers asked for additional information on the cost and balance of “direct service positions” and “administrative positions” as well as additional information related to County administrative costs.

At the time of production of this staff report, Council staff was still working with the Executive to obtain this information. Council staff expects to provide this information during the next briefing.

Option 1: Approve as proposed.

Option 2: Move to Budget Leadership Team to finalize.

ISSUE 2 – BEST STARTS FOR KIDS EXPENDITURES IN THE DEPARTMENT OF COMMUNITY AND HUMAN SERVICES: \$75,752,538 AND 18.0 FTE

- **FTE Balance**

Councilmembers have expressed a desire to strike a balance between appropriately staffing the initiative to ensure sustainable management, strategy and oversight capacity while maximizing funds for direct services and ensuring a majority of levy proceeds go to community partners. The 18.00 FTE positions requested by DCHS are summarized below. These positions have all been approved as part of a prior supplemental appropriation. However due to timing, they are not included in the BSK base budget. There would be a total of 26.00 FTE DCSH positions for BSK including the base if the Executive’s proposal is approved as transmitted.

DCHS BSK Positions	Strategy	Program	FTE	2017-18 Approp Request
Children and Youth Psychiatrist	Prenatal to 5	Infant Mental Health	1.00	\$536,281
Infant Mental Health Specialist	Prenatal to 5	Infant Mental Health	1.00	\$247,781
Early intervention specialists (Developmental Disability)	Prenatal to 5	Dev Scr/Early	2.00	\$558,212
Skill-building, first teachers	Prenatal to 5	Dev Scr/Early	2.00	\$495,562
School based Project Manager, SBIRT	Five to 24	Screening	1.00	\$247,781
School based Coordinator, SBIRT	Five to 24	Screening	1.00	\$279,106
Program Coordinator, EDIPPP	Five to 24	Screening	1.00	\$279,106
Prevention Project Manager, EDIPPP	Five to 24	Screening	1.00	\$247,781
Pipeline Program Manager	Five to 24	S/P (school)	1.00	\$184,359
Employment & Education Professional	Five to 24	S/P (school)	1.00	\$184,359
Employment Navigator for COO	COO	COO	1.00	\$363,842
Admin support for BSK & COO	COO/All	COO/All	1.00	\$169,472
KCIT / BSK Integration	Data/Eval	Data/Eval	1.00	\$282,440
Communications	All	All	1.00	\$247,562

Program Manager to Support CYAB	All	All	1.00	\$279,106
Contract Monitor	All	All	1.00	\$247,781

Requested DCHS

BSK FTE 18.00 \$4,850,531

The proposal to add these FTEs is consistent with the Council’s approval of Ordinance 18378 in October 2016.

Follow-up to Councilmember Questions from Week 2 Panel:

Councilmembers asked for additional information on the cost and balance of “direct service positions” and “administrative positions” as well as additional information related to County administrative costs.

At the time of production of this staff report, Council staff was still working with the Executive to obtain this information. Council staff expects to provide this information during the next briefing.

Option 1: Approve as proposed.

Option 2: Move to Budget Leadership Team to finalize.

ISSUE 3 – INNOVATION FUND RESERVE

The approved Best Starts for Kids Implementation Plan required that a reserve be created for Innovation Fund expenditures and that when appropriation of those funds was sought, the transmitted legislation be accompanied by specific information on the strategy or work to be funded. To implement this direction, the Executive has requested that the total appropriation in the BSK Fund be reduced by \$2,798,148, which would be placed into a reserve fund. Note that this would leave \$126,653 in the appropriation for the Innovation Fund to cover this strategy’s allocation of department-wide administration which represents staff time for planning and implementation. Retaining this portion in the appropriation would be reasonable if the Council anticipates that it would appropriate the remaining \$2,798,148 during the biennium.

Option 1: Reduce the appropriation authority by the total amount of Innovation Fund allocation in the Executive’s proposed budget, \$2,924,801.

Option 2: Reduce the appropriation authority by the requested amount, \$2,798,148.

Option 3: Move to Budget Leadership Team.

ADDITIONAL FOLLOW UP FROM WEEK 1 PANEL QUESTIONS

Councilmembers asked for additional information on the Executive’s plan for Council engagement during the RFP process.

Executive staff note that they intend to ensure ongoing involvement from the Council and staff in the RFP process. They intend to invite Councilmember offices to participate in a nonvoting capacity in RFP panels. This includes participating in the review of the applications, interviewing applicants as appropriate to each RFP, and participating in the deliberations over selecting awardees.

The Executive indicate that it is not their intention to involve Councilmember offices in the writing of every RFP because of the large number of RFPs that will be developed moving forward. This is different than what was put forward in the 2016 appropriation ordinance. The Executive notes that Executive staff can invite Councilmember offices to participate on the workgroups that are developing the implementation approach for the strategies - this scope of work includes advising on RFP processes for specific strategies. They further note that program managers and contract monitors will take the work of the workgroups and will write the actual RFPs. Executive staff note that there will be many RFPs in the coming year and asking for feedback on every single RFP would greatly extend the time it takes to process RFPs beyond what they believe would be a reasonable timeline for community organizations.

Executive staff note that the scope of work of the workgroups also includes being clear about which dollars are to be competitively bid (the vast majority) and which will be contracted to specific organizations due to the nature of the work. Since Executive staff hope to have this work accomplished through the work groups, this differs from having to seek the input of the legislative branch in developing the specific competitive process for every contract. They would obtain legislative branch input through the workgroups.

Additionally, Executive staff note their intent to provide progress briefings to Council as outlined in the implementation plan and, when directed to do so, such as the case of the Innovation Fund, additional written information on strategies and planning for those programs will be provided when seeking appropriation authority.

ADDITIONAL FOLLOW UP FROM WEEK 2 PANEL QUESTIONS

Councilmembers asked for additional information on funding for technical assistance, outreach and capacity building in the Prenatal-5 strategies and the 5-24 strategies in the Executive’s proposed budget.

Executive staff have adjusted expected contracting amounts since approval of the BSK Implementation Plan and have indicated that the following amounts will be available for contracting for technical assistance, outreach and capacity building during the 2017-2018 biennium from the Executive’s proposed budget.

- Prenatal to 5: \$615,032
- 5-24: \$895,920

Analyst:	Aldebot-Green
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BEHAVIORAL HEALTH FUND

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
Budget Appropriation	\$487,885,000	857,917,000	75.8%
Max FTE:	125.1	137.8	10.2%
Max TLTs:	1	0	-100%
Estimated Revenues	\$505,253,000	\$861,390,000	70.5%
Major Revenue Sources	Medicaid, State Non-Medicaid, State-Other (proviso funding in state non-Medicaid contract, funding from other state agencies), MIDD, General Fund		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE

The Behavioral Health and Recovery Division (BHRD), formerly the Mental Health, Chemical Abuse and Dependency Services Division or MHCADSD, in the Department of Community and Human Services provides oversight and management of the publicly funded behavioral health services for eligible King County residents. In Washington State, as of April 1, 2016, Behavioral Health Organizations are the administrators of the public behavioral health, which includes mental health and substance use disorder, system. The Behavioral Health and Recovery Division is the Behavioral Health Organization for the King County region. The Behavioral Health and Recovery Division is also responsible for enacting behavioral health policies, establishing local procedures, financial management, and ensuring the quality of behavioral health services.

ISSUES

ISSUE 1 –DATA INTEGRATION DCHS & DPH

Prior appropriation	N/A
2017-18 Request	\$2,000,000
Future Request	N/A
Total Project Cost	\$2,890,380
Fund Source	Behavioral Health Fund

Project Summary: This proposed project would integrate client-level data that is already stored within the Department of Community and Human Services (DCHS), Public Health – Seattle & King County (PHSKC), and the Department of Adult and Juvenile Detention (DAJD) with the aim of enabling providers to access client housing, health

and behavioral healthcare utilization data to make appropriate and efficient care decisions. Executive staff note that while King County serves as the repository of cross-sector health and human services data, the lack of integration of these data sets leads to missed opportunities in the development of treatment plans and in care coordination, and results in the duplication and misalignment of clinical efforts.

According to Executive staff, out of the relevant data sets, the only County datasets that are currently integrated and available to users are the behavioral health care provider connections datasets (mental health, sobering center, outpatient substance use treatment). This project would seek to integrate and make available to users at least the following three additional datasets, which would show connections to additional health, behavioral health and housing providers: 1) Medicaid eligibility files, which would show MCO and healthcare provider connections; 2) Jail Health Services; 3) HMIS, which would show connection to housing providers. Executive staff note that individual client “lookup” will promote whole person care, avoid care gaps that could present health risks, avoid duplication of effort and alert providers when they might need to take action for sentinel events such as loss of housing, incarceration or hospitalization. Executive staff note that the new system’s ability to identify high risk groups would help the County: 1) meet state managed care/behavioral health organization requirements for care coordination; 2) further the aims of the related federally-required performance improvement project; and 3) further the aims of planned MCO-Jail Health collaboration to conduct care coordination.

The cost of the proposed project is an estimated \$2,261,780 with a 20% contingency and includes the following amounts and major project milestones:

Start Date	End Date	Milestone	Estimated Cost
1/2/2017	2/1/2017	Planning & Initiation	\$23,010
2/1/2017	6/1/2017	Analysis & Architecture	\$302,980
6/1/2017	4/1/2018	Design & Development	\$1,222,321
7/1/2017	7/1/2018	Testing	\$633,078
4/1/2018	7/1/2018	Training	\$80,393
7/1/2018	7/1/2018	Deployment	0

The Executive’s proposed budget requests \$2,000,000 in DCHS expenditure authority in the 2017-2018 biennium, against the total project cost of \$2.9 million. DCHS, PSB and KCIT have agreed that DCHS will transfer funding for the remainder of the project cost during the 2019-2020 biennium to manage cash flow in the Behavioral Health Fund in this biennium. During the 2017-2018 biennium, the portion of the project not paid for by DCHS will be covered through interfund borrowing.

Review of the Benefit Achievement Plan: The primary anticipated benefits of this project would be to expand the County datasets that are currently integrated and available to users to: 1) enable individual client “lookup” for direct care coordination and 2) identify high risk groups, based on flexible criteria, for system-level care coordination. The

Benefits Achievement Plan notes two measurable outcomes. The first will be user (the clinical staff accessing the integrated data platform) reported satisfaction with the integrated data system in accessing relevant data sources for care coordination. Prior to implementation, a baseline measure of user satisfaction via a satisfaction survey of intended clinical staff users will be undertaken. The target user satisfaction survey will be a 60% rating of “satisfied” or “very satisfied” with their ability to access relevant data for care coordination during the first year of project implementation, 70% during the second year, and 80% during the third year. The second measurable outcome will be the number of datasets integrated and available to users. The target number of datasets integrated to support users will be the three datasets described in the project summary. The baseline for this measure are the presently integrated and available behavioral health care provider connections data sets.

Protected Healthcare Data and Integration. This project would involve the integration of protected healthcare data. Executive Staff note that whenever a data integration project is initiated with protected health information, PHSKC and DCHS work with their respective Privacy Officers to ensure that the legal authority, both in the federal and state regulatory environments, exists to implement the project. Executive Staff further note that Privacy Officers have been involved in the proposed Data Integration Project from its earliest conceptualization and that they will continue to be involved throughout the planning phase. Lastly, Executive Staff note they are confident that the legal authority to integrate the proposed datasets exists and that they will continue to be guided by the advice of the Privacy Officers.

Individual Client-Level Consent, Data Sharing Agreements and Project Timeline. Depending on the requirements around the data contained in each data set, data integration projects may require individual client-level consent. Additionally, amendments to or new data sharing agreements may be needed to effectuate this project. Executive staff indicate that they do not anticipate the proposed project will involve the need for individual-level client consent or waivers of consent. However, they do indicate that some existing data sharing agreements may need revision and some may need to be developed. Because data sharing agreements typically take months to develop, Executive Staff have involved key stakeholders in the conceptualization and planning phase to reduce the risk of this process altering the project timeline.

For data predating the integrated module, Executive staff note that the proposed use of the integrated data (care coordination at the individual and sub-population level and secondary population health analysis and program evaluation) would not be negatively impacted if it is determined that integrating data that predates the integrated module is ultimately deemed unfeasible.

Integration of DAJD Data. Executive staff note that DCHS has received daily jail bookings data from DAJD for over a decade and that, when needed, DCHS modifies that data sharing agreement in consultation with DAJD. Executive staff note that this same process will occur for the proposed project and that they anticipate no barriers to the work as the proposed uses are the same as current uses of the data (individual-level care coordination, subgroup analysis, program evaluation).

Integration of Data not Owned by King County. The proposal contemplates integrating Medicaid claims data that is provided to King County but owned by Washington's Health Care Authority. Executive staff do not note anticipating this to be a challenge. Staff is also considering integration of King County and Seattle Housing Authority data that is currently provided by those entities under the auspices of a federally-funded grant. Executive staff note that they will continue to work to define the scope of the project, including whether this set of data would be integrated and what would be required to do so.

Follow-up to Councilmember Questions from Week 2:

Councilmembers asked whether the new platform (or the integrated data) would be available to judicial officers.

The Executive notes that it would be possible to provide access for judicial officers to platform components that only included integrated non-PHI (protected health information). Executive staff indicate that conversations regarding user access will be an ongoing part of the planning process and will focus on providing the right level of integrated information while maintaining compliance with HIPPA and other privacy laws.

Councilmembers asked what other allowable uses of the revenue source for this project might include.

The funds for this project are currently planned to be a mix of Medicaid and State Non-Medicaid funds. According to the Executive, the percentage used from each funding source will be in line with the percentage of Medicaid and non-Medicaid clients served. The intent is for this project to be paid for under the administrative portion allowed by these funding streams.

DCHS believes it is possible to use only behavioral health dollars for this project because a focus on social determinants of health (e.g. housing, employment), will reduce costs in the behavioral health and primary care systems. However, the department notes that as it continues its planning over the 2017-2018 biennium, it will be exploring the use of other departmental and county funds for this project. According to the Executive the intent of the project is to create a platform that integrates data from multiple systems. To the extent that platform integrates with other departmental programs (e.g., veterans, homelessness, employment), DCHS will pursue the use of other potential funding sources where appropriate.

Executive staff provide the general lists below of eligible services covered by the Washington State Medicaid Plan, explaining the allowable uses of the two funding sources that, as of now, DCHS has identified as the intended revenue-backing for this project.

Mental Health Medicaid Services

- Brief Intervention Treatment
- Crisis Services (does not include crisis beds)
- Day Support

Substance Use Disorder Medicaid Services

- Group Treatment Services
- Individual Treatment Services
- Intake Evaluation

- Family Treatment
- Freestanding Evaluation and Treatment
- Group Treatment Services
- High Intensity Treatment
- Individual Treatment Services

- Family Treatment
- Substance Use Disorder Services provided in Residential Settings
- Medication Assisted Treatment
- Withdrawal Management

- Intake Evaluation
- Medication Management
- Medication Monitoring
- Mental Health Services provided in Residential Settings
- Peer Support
- Psychological Assessment
- Rehabilitation Case Management
- Special Population Evaluation
- Stabilization Services
- Therapeutic Psychoeducation

WA State Priority Services for Non-Medicaid

- Evaluation and Treatment
- Inpatient Hospital Costs
- Hospital Liaisons, Authorizations, WSH payments
- Residential Services
- Crisis and Commitment - DMHPs
- Crisis and Commitment - Legal
- Crisis Telephone
- Intensive Community Support
- Jail Transition Services
- PACT
- PALS residential costs
- Medicaid Personal Care

The Executive further notes that State Non-Medicaid funding is also used for all of the Medicaid Services listed above for clients that are not Medicaid eligible.

DCHS notes that the funds identified to pay for this project could be used for any purpose other than this project so long as the proposed services are covered by and in accordance with the County's Medicaid and/or Non-Medicaid state plans per the County's contracts with the state Department of Social and Health Services. Specifically for Medicaid reimbursed services, both the service and the client have to be Medicaid eligible.

Additional Crisis Behavioral Health Beds

Crisis behavioral health beds are a function that can be funded by State Non-Medicaid dollars. Medicaid cannot be used for crisis beds. Consequently, State Non-Medicaid funds identified for this project might be used in this way, whereas Medicaid funds would not be able to be used in this way.

Option 1: Approve as proposed.

Option 2: Direct staff to delete funding.

Option 3: Refer to BLT.

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Analyst:	Wendy K. Soo Hoo
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MENTAL ILLNESS AND DRUG DEPENDENCY (MIDD), DISTRICT COURT MIDD, DEPARTMENT OF JUDICIAL ADMINISTRATION MIDD, PROSECUTING ATTORNEY’S OFFICE MIDD, DEPARTMENT OF PUBLIC DEFENSE MIDD, SUPERIOR COURT MIDD

BUDGET TABLE

	2015-2016 Revised*	2017-2018 Proposed	% Change 2015-2016 v. 2017-2018
MIDD Budget Appropriation	\$94,930,852	\$116,305,000	22.5%
Max FTEs:	13.0	17.0	30.8%
Max TLTs:	0.0	0.0	N/A
District Court MIDD Budget Appropriation	\$2,114,917	\$2,778,000	31.3%
Max FTEs:	8.5	9.8	15.3%
Max TLTs:	0.0	0.0	N/A
Dept. of Judicial Administration MIDD Budget Appropriation	\$3,763,059	\$3,342,000	-11.2%
Max FTEs:	12.5	11.6	-7.2%
Max TLTs:	0.0	0.0	N/A
Prosecuting Attorney’s Office MIDD Budget Appropriation	\$3,329,723	\$3,013,000	-9.5%
Max FTEs:	7.9	10.9	38.0%
Max TLTs:	0.0	0.0	N/A
Dept. of Public Defense MIDD Budget Appropriation	\$3,646,065	\$5,406,000	48.3%
Max FTEs:	12.4	15.9	28.2%
Max TLTs:	0.0	0.0	N/A
Superior Court MIDD Budget Appropriation	\$3,687,827	\$3,810,000	3.3%
Max FTEs:	15.6	14.7	-5.8%
Max TLTs:	0.0	0.0	N/A
Major Revenue Sources	MIDD Sales tax		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive’s proposed 2017-2018 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Mental Illness and Drug Dependency (MIDD) fund is comprised of sales tax revenue dedicated by state law to supporting new or expanded chemical dependency or mental health treatment programs and services and for the operation of therapeutic court programs and services.

The MIDD sales tax was renewed this year by the King County Council.¹ Legislation that would approve a Service Improvement Plan (Proposed Ordinance 2016-0427) and revise the policy goals (Proposed Ordinance 2016-0428) for the renewed MIDD (MIDD 2) have also been transmitted and will be described in the discussion of the MIDD 2017-2018 proposed budget. Note that the Council passed Motion 14592 in March 2016 stating its intent to complete its deliberations on the MIDD Service Improvement Plan (SIP) in November 2016, concurrent with its review of the 2017-2018 Proposed Budget.

ISSUES

ISSUE 1 – 21 NEW INITIATIVES PROPOSED FOR MIDD FUNDING: \$23,822,000 AND 14.9 FTE

2017/2018 MIDD Proposed Budget for New Initiatives	
MIDD Initiative Title	Proposed 2017-2018 Budget
Zero Suicide Initiative Pilot	\$1,013,000
Mental Health First Aid	\$405,200
Law Enforcement Assisted Diversion	\$3,589,500
Youth and Young Adult Homelessness Services	\$607,800
South County Crisis Diversion Services/Center	\$2,039,000
Multipronged Opioid Strategies	\$2,289,000
Behavioral Health Urgent Care-Walk In Clinic Pilot	\$506,500
Family Intervention Restorative Services – FIRS	\$2,203,655
Involuntary Treatment Triage Pilot	\$303,900
Youth Behavioral Health Alternatives to Secure Detention	\$1,276,000
Young Adult Crisis Facility	\$1,430,000
Rapid Rehousing-Oxford House Model	\$1,013,000
Behavioral Health Risk Assessment Tool for Adult Detention	\$954,043
Recovery Café	\$706,500
Peer Support and Peer Bridgers Pilot	\$1,557,488
Jail-based SUD Treatment	\$900,000
Deputy Prosecuting Attorney for Familiar Faces	\$192,602
Community Driven Behavioral Health Grants	\$709,100
Behavioral Health Services In Rural King County	\$709,100
Emerging Needs Initiative	\$1,316,900
Community Court Planning	\$100,000

¹ Ordinance 18333

The new initiatives, as well as existing MIDD programs, are described in detail in SIP Appendix H.

Note that several of the new initiatives were added to the SIP by the Executive and were not recommended by the stakeholder/community process to review the new concept proposals:

- Jail-based Substance Use Disorder Treatment;
- Young Adult Crisis Facility;
- Planning for a New Therapeutic Community Court; and
- Deputy Prosecuting Attorney for Familiar Faces.

Follow-up to Councilmember Questions from Previous Panels on the New Initiatives:

Councilmembers asked for information on the changes made by the Executive to the spending plan reviewed by the MIDD Oversight Committee. According to the Executive, adjustments to certain MIDD initiatives were made due to one or more of the following factors:

- Increased Office of Economic and Financial Analysis (OEFA) MIDD sales tax projections: \$4.3 million;
- Net increase in Medicaid revenue assumed for certain MIDD initiatives: \$1.1 million;
- Reconciliation of program costs, including therapeutic courts;
- Staged implementation assumptions; and
- Use of MIDD fund balance.

The table below identifies programmatic changes made by the Executive to the spending plan reviewed by the MIDD Oversight Committee and the rationale.

MIDD 2 Initiative Title	MIDD Oversight Committee Reviewed Spending Plan For 2017-2018	Executive Proposed 2017-2018 Biennial	Change	NOTES ON ADJUSTMENTS
NEW Law Enforcement Assisted Diversion (LEAD)	4,153,300	3,589,500	(563,800)	Staged implementation assumed by Executive: 75% spending in 2017; full spending in 2018
NEW South County Crisis Diversion Services/Center	3,039,000	2,039,000	(1,000,000)	Staged implementation assumed by Executive: 33% spending in 2017; full spending in 2018
NEW Multipronged Opioid Strategies	3,039,000	2,289,000	(750,000)	Staged implementation assumed by Executive: 50% spending in 2017; full spending in 2018.
NEW Youth Behavioral Health Alternatives to Secure Detention	2,026,000	1,276,000	(750,000)	Staged implementation assumed by Executive: 25% spending in 2017; full spending in 2018
NEW Family Intervention Restorative Services - FIRS	1,453,655	2,203,655	750,000	Executive decision to increase
NEW Jail-based SUD Treatment	-	900,000	900,000	Executive decision to add; concept was proposed, but not put forward by community new concepts process
NEW Community Court Planning	-	100,000	100,000	Executive decision to add; concept was proposed, but not put forward by community new concepts process
NEW Young Adult Crisis Facility	-	1,430,000	1,430,000	Executive decision to add new initiative
NEW Deputy Prosecuting Attorney for Familiar Faces	-	192,602	192,602	Executive decision to add new initiative
NEW Recovery Café	506,500	706,500	200,000	Executive decision to increase
Housing Capital and Rental	3,849,400	4,849,400	1,000,000	Executive decision to increase
Adult Drug Court	8,620,630	8,439,000	(181,630)	Reconciled to program costs
Family Treatment Court	3,000,506	2,908,000	(92,506)	Reconciled to program costs
Juvenile Drug Court	2,177,950	2,227,000	49,050	Reconciled to program costs

Regional Mental Health and Veterans Courts	6,837,750	7,832,000	994,250	Reconciled to program costs
Hospital Re-Entry Respite Beds	2,076,650	1,881,445	(195,205)	Reconciled to program costs
Housing Supportive Services	4,153,300	4,146,712	(6,588)	Adjust recommendation to maintain 2016 levels
Collaborative School Based Behavioral Health Services: Middle and High School Students	3,193,790	3,187,204	(6,586)	Adjust recommendation to maintain 2016 levels
Outreach & In reach System of Care	622,995	830,660	207,665	Adjust recommendation to maintain 2016 levels
NEW Behavioral Health Urgent Care-Walk In Clinic Pilot	1,013,000	506,500	(506,500)	Increased Medicaid assumption
Children's Crisis Outreach and Response System - CCORS	1,453,655	1,142,158	(311,498)	Increased Medicaid assumption
Adult Crisis Diversion Center, Respite Beds and Mobile Behavioral Health Crisis Team	8,306,600	10,333,569	2,026,969	Lowered Medicaid assumption

Follow-up to Councilmember Questions from Previous Panels on New Initiative Recovery Café:

Councilmembers asked about the funding for Recovery Café and the potential to expand to a second location. As staff noted during Week 2, the MIDD SIP includes approximately \$700,000 (the Executive's transmitted SIP increased this by \$200,000 from \$500,000) with the intent of helping to support expansion to a second location. Executive staff indicate that siting of a second location will be based on a needs analysis that suggests a second location could be located in Burien, Normandy Park or Bryn Mawr-Skyway. A process for how to best conduct community outreach is under discussion and a specific site would be contingent on availability to buy or lease property.

Continued Analysis on New Initiative: Law Enforcement Assisted Diversion (LEAD)

As noted in the Week 2 staff report, staff was continuing to analyze staffing for the Law Enforcement Assisted Diversion (LEAD) program. This strategy would allocate \$2.7 million in MIDD (and a new 1.0 FTE Lead Program Manager) for contracting for case management with Public Defender Association, and \$840,000 to the Prosecuting Attorney's Office to support two attorneys and one paralegal. The LEAD program diverts individuals who are engaged in low-level crimes related to drug involvement, bypassing prosecution and jail time. The program provides street-based outreach by case managers and coordination of prosecution and contacts with the criminal justice system for cases that are not eligible for diversion. This program was initiated with funding from grants and the City of Seattle and one-time 2016 MIDD funding. The intent is to expand the program to other cities. According to the SIP, the proposed level of funding would support delivery of the program to approximately 500 participants.

According to Executive staff, the current expectation is that approximately five new case managers would be able to be brought on in 2017 (including some potential additional revenue from the City of Seattle). This is less than Public Defender Association had anticipated prior to transmittal of the Executive's budget.

The total staffing for 2017-2018 would be:

- Case management: 10 existing case managers plus 5 additional case managers added in January 2017;
- Prosecuting Attorney staffing: 2.0 attorney FTE plus 0.5 FTE paralegal;
- DCHS program staff: 1.0 FTE

According to Executive staff, there is uncertainty about how to balance the number of Prosecuting Attorney staff and case managers.

Follow-up to Councilmember Questions from Previous Panels on LEAD:

Councilmembers asked if the City of Seattle was providing funding for LEAD. According to Executive staff, the city's proposed budget currently includes \$830,000 per year for 2017-2018 for LEAD.

Councilmembers also asked about expansion of the LEAD program. Executive staff indicate that the cities of Auburn, Kent, Renton, Redmond and Issaquah have expressed interest in LEAD.

Technical Corrections Requested by the Executive

As noted in previous weeks, the Executive’s proposed budget included technical errors:

- \$900,000 in unnecessary appropriation authority in the Department of Adult and Juvenile Detention budget
- \$500,000 in revenue for the FIRS program, for which the corresponding appropriation authority was not included in the Housing and Community Development budget.

Option 1: Direct staff to make the requested technical corrections (reduce Department of Adult and Juvenile Detention appropriation by \$900,000 and increase Housing and Community Development appropriation by \$500,000).

Option 2: Direct staff to make other changes to initiative funding levels.

Option 3: Move to Budget Leadership Team for final consideration.

Option 4: Approve as proposed.

ISSUE 2 – HEROIN AND PRESCRIPTION OPIOID ADDICTION TASK FORCE RECOMMENDATIONS: \$1.96 MILLION AND 1 FTE

The 2017-2018 proposal for the Multipronged Opioid Initiative strategy includes \$1.96 million (\$667,000 for 2017 and \$1.46 million for 2018) and 1.0 FTE to support the task force’s recommendations.² The strategy also includes \$166,000 to support the existing needle exchange program, bringing the total for the Multipronged Opioid Initiative strategy to \$2.3 million.

The Executive provided recommendations on prioritizing MIDD 2 funding to support the recommendations. In some areas, funding is assumed to be less in 2017 than 2018 due to phasing and ramp-up assumptions.

Priority Activity	Description	Funding		
		2017	2018	2017-2018 Total
Expand medical office-based medication-	Expand to multiple sites where a person can start buprenorphine medication;	\$200,000	\$583,000	\$783,000

² The Heroin and Prescription Opioid Addiction Task Force issued its report on September 15, 2016: http://kingcounty.gov/~media/depts/community-human-services/behavioral-health/documents/herointf/Final-Heroin-Opiate-Addiction-Task-_Force-Report.ashx?la=en

assisted treatment (MAT) locations	provide care managers, doctors and non-Medicaid reimbursable medication in order to increase access to buprenorphine in the community.			
Add 1.0 FTE strategy lead for opiate initiatives in Behavioral Health Division.	This staff member will manage multiple projects that were recommended by the Heroin and Opiate Task Force and coordinate the county's opioid work internally and with external entities.	\$150,000	\$150,000	\$300,000
Primary prevention activities, including targeted educational campaigns	Implement opiate prevention campaigns along with leveraging existing initiatives such as secured medication return, enhanced screening for opiate disorder and educating the community on opiate use disorder and overdose prevention.	\$20,000	\$100,000	\$120,000
Expand availability and use of naloxone	This funding continues MIDD Supplemental support that is estimated to provide over 1000 naloxone kits to the community by the end of 2016.	\$100,000	\$100,000	\$200,000
Continue support for existing social worker FTE at the needle exchange.	Provides continued social worker staffing at the Needle Exchange funded in MIDD 1.	\$83,000	\$83,000	\$166,000
Public Health Evaluation and Surveillance	Provides monitoring of the opiate epidemic in King County and evaluation of proposed strategies recommended by the Opiate Task Force	\$50,000	\$100,000	\$150,000
Total Proposed Funding		\$603,000	\$1,116,000	\$1,719,000

Based on the proposed allocation for the Multipronged Opioid Initiative strategy, approximately \$570,000 remains to be allocated for funding other recommendations from the Task Force. Executive staff indicate that the Executive is still considering options and continuing discussions on how to program the remaining funding. Items under discussion include:

- Increasing funding for one or more of the items listed in the table above, or
- Implementing other recommendations in the task force report, such as the Community Health Engagement Locations supervised consumption areas, treatment on demand, or safe medication storage.

Note that the Council could also choose to specify how to allocate the remaining \$570,000 or to reallocate a portion of the funding to other MIDD priorities. If the Panel wishes to accept the Executive's recommended approach, staff would propose the following options.

Option 1: Direct staff to reduce the appropriation authority by \$570,000, which would require the Executive to transmit a supplemental appropriation request when ready with a proposal on how to spend the funds.

Option 2: Direct staff to draft an expenditure restriction such that the remaining \$570,000 could only be used to support implementing recommendations of the task force.

Option 3: Approve as proposed.

ISSUE 3 – PROPOSED INCREASES IN MIDD ADMINISTRATION

The proposed budget increases MIDD administration costs from \$6.8 million in 2015-2016 to \$8.4 million in 2017-2018. After accounting for salary and benefit and central rate adjustments, the net increase is about \$900,000.

This increase would support two new positions for MIDD administration and evaluation activities to support stakeholder engagement, data improvements and new strategies proposed in the SIP 2017-2018 budget:

- Administrative PPM II - \$248,000: According to Executive staff, this position would support and facilitate ongoing community involvement, communication, and access for MIDD services and programs; provide dedicated staff for MIDD Oversight Committee and its subcommittees and perform other community engagement activities.
- Administrative PPM III - \$279,000: According to Executive staff, this position would conduct high level community and stakeholder engagement for MIDD services and programs. The position would help develop and implement a data dashboard for MIDD and revise the MIDD 2 evaluation approach. It would develop and implement processes needed for implementation of certain MIDD 2

programs, such as the Community Driven Behavioral Health Grants, Behavioral Health Services in Rural King County, and the Emerging Issues initiatives.

As noted last week, the proposed budget also includes \$250,000 to contract with 20 to 25 individuals to participate on a Consumers and Communities Council, which would provide input to the MIDD Oversight Committee, as well as \$200,000 for technical assistance and consulting support.

At the time of staff report production, staff was waiting for additional information from the Executive regarding the need for the additional administrative staff.