



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 8, 2016

Ordinance 18396

Proposed No. 2016-0497.1

Sponsors Upthegrove

1 AN ORDINANCE relating to multiple internal service fund
2 and certain capital funds; and amending Ordinance 12076,
3 Section 18, as amended, and K.C.C. 4A.200.150,
4 Ordinance 16976, Section 3, as amended, and K.C.C.
5 4A.200.160, Ordinance 14306, Section 1, as amended, and
6 K.C.C. 4A.200.250, Ordinance 14005, Section 7, as
7 amended, and K.C.C. 4A.200.260, Ordinance 11591,
8 Section 1, as amended, and K.C.C. 4A.200.290, Ordinance
9 17752, Section 13, and K.C.C. 4A.200.303, Ordinance
10 14008, Section 1, as amended, and K.C.C. 4A.200.370,
11 Ordinance 17752, Section 15, and K.C.C. 4A.200.372,
12 Ordinance 12076, Section 29, as amended, and K.C.C.
13 4A.200.410, Ordinance 3581, Section 3, as amended, and
14 K.C.C. 4A.200.630 and Ordinance 12076, Section 15, as
15 amended, and K.C.C. 4A.200.670.

16 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

17 SECTION 1. Ordinance 12076, Section 18, as amended, and K.C.C. 4A.200.150
18 are each hereby amended to read as follows:

19 A. There is hereby created the building repair and replacement fund.

20 B. Except as otherwise provided in subsection E. of this section, ((F))the fund
21 shall be a ((~~first~~)) second tier fund. It is a capital projects fund.

22 C. The director of the department of executive services shall be the manager of
23 the fund.

24 D. The fund shall provide for the receipt of revenues and disbursement of
25 expenditures used to accommodate major building functions and programmatic
26 infrastructure investment projects in existing county-owned buildings or for building
27 replacement.

28 E. Any subfund of the fund created to hold and manage bond proceeds shall be
29 treated as a first tier fund.

30 SECTION 2. Ordinance 16976, Section 3, as amended, and K.C.C. 4A.200.160
31 are each hereby amended to read as follows:

32 A. There is hereby created the business resource center fund

33 B. The fund shall be a ((~~first~~)) second tier fund. It is an internal service fund.

34 C. The director of the department of executive services shall be the manager of
35 the fund.

36 D. All receipts from rates charged for the fund's services to county agencies shall
37 be deposited in the fund.

38 E. The fund shall be used to provide services in support of financial and budget
39 enterprise software.

40 SECTION 3. Ordinance 14306, Section 1, as amended, and K.C.C. 4A.200.250
41 are each hereby amended to read as follows:

42 A. There is hereby created the department of information technology capital
43 fund.

44 B. Except as otherwise provided in subsection E. of this section, ~~((F))~~the fund
45 shall be a ~~((first))~~ second tier fund. It is a capital projects fund.

46 C. The director of the department of information technology shall be the manager
47 of the fund.

48 D. All revenues identified in the budget ordinance shall be deposited in the fund.

49 E. Any subfund of the fund created to hold and manage bond proceeds shall be
50 treated as a first tier fund.

51 SECTION 4. Ordinance 14005, Section 7, as amended, and K.C.C. 4A.200.260
52 are each hereby amended to read as follows:

53 A. There is hereby created the department of information technology operating
54 fund.

55 B. The fund shall be a ~~((first))~~ second tier fund.

56 C. The director of the department of information technology shall be the manager
57 of the fund.

58 D. All receipts from rates charged for the fund's services to county agencies shall
59 be deposited in the fund.

60 E. The fund shall provide for the receipt of revenues and disbursement of
61 expenditures for the assets, liabilities, revenues and expenditures pertaining to the
62 department of information technology.

63 SECTION 5. Ordinance 11591, Section 1, as amended, and K.C.C. 4A.200.290
64 are each hereby amended to read as follows:

65 A. There is hereby created the facilities management fund.

66 B. The fund shall be a (~~first~~) second tier fund. It is an internal service fund.

67 C. The director of the department of executive services shall be the manager of
68 the fund.

69 D. All receipts from rates charged for the fund's services to county agencies shall
70 be deposited in the fund.

71 E. The fund shall support building operations and maintenance with respect to
72 county facilities.

73 SECTION 6. Ordinance 17752, Section 13, and K.C.C. 4A.200.303 are each
74 hereby amended to read as follows:

75 A. There is hereby created the financial management services fund.

76 B. The fund shall be a (~~first~~) second tier fund. It is an internal services fund.

77 C. The director of the department of executive services shall be the manager of
78 the fund.

79 D. All receipts from rates charged for the fund's services to county agencies shall
80 be deposited in the fund.

81 SECTION 7. Ordinance 14008, Section 1, as amended, and K.C.C. 4A.200.370
82 are each hereby amended to read as follows:

83 A. There is hereby created the information technology services capital fund.

84 B. Except as otherwise provided in subsection F. of this section, (~~F~~)the fund
85 shall be a (~~first~~) second tier fund. It is a capital projects fund.

86 C. The director of the department of information technology shall be the manager
87 of the fund.

88 D. All revenues identified in the budget ordinance to be verified in the annual
89 CIP revenue verification process shall be deposited in the fund.

90 E. The fund shall account for countywide assets, liabilities, revenues and
91 expenditures of information technology capital projects managed by the department of
92 information technology.

93 F. Any subfund of the fund created to hold and manage bond proceeds shall be
94 treated as a first tier fund.

95 SECTION 8. Ordinance 17752, Section 15, and K.C.C. 4A.200.372 are each
96 hereby amended to read as follows:

97 A. There is hereby created the information technology strategy and performance
98 operating fund.

99 B. The fund shall be a (~~first~~) second tier fund. It is an internal service fund.

100 C. The director of the department of information technology shall be the fund
101 manager.

102 D. The purpose of the information technology strategy and performance
103 operating fund is to account for the assets, liabilities, revenues and expenditures
104 pertaining to the information technology strategy and performance operations including
105 the chief information officer, the strategic planning office, performance evaluation,
106 information technology governance and information technology security and privacy.

107 E. All receipts from rates charged for the fund's services to county agencies shall
108 be deposited in the fund.

109 SECTION 9. Ordinance 12076, Section 29, as amended, and K.C.C. 4A.200.410
110 are each hereby amended to read as follows:

111 A. There is hereby created the major maintenance reserve fund.

112 B. Except as otherwise provided in subsection H. of this section, ~~((F))~~the fund
113 shall be a ~~((first))~~ second tier fund. It is a capital projects fund.

114 C. The director of the department of executive services shall be the manager of
115 the fund.

116 D. The purpose of the fund is to provide for the periodic replacement or repair of
117 major building systems and components at King County facilities maintained by the
118 facilities management division so that each building will realize its full useful life.
119 Expenditures from the fund shall only be used for capital maintenance projects and shall
120 not be used to finance programmatic infrastructure investments.

121 E. Programmatic infrastructure investments shall be financed from other
122 appropriate funding sources but may be combined with work financed by the fund.

123 F. Historic preservation and restoration projects shall be eligible for financing
124 from the fund, but the maintenance of major building systems and components necessary
125 for a building to realize its full useful life should be prioritized ahead of historic
126 preservation and restoration projects, except where combining projects eligible for major
127 maintenance reserve funds would achieve a cost savings. Any historic preservation or
128 restoration project analysis should consider the scheduling impact to other major
129 maintenance projects and potential revenue sources other than the major maintenance
130 reserve fund.

131 G. Major maintenance program costs are financed by the fund. The calculation
132 of the amount necessary to finance the fund is based on the building-specific per-square-
133 foot charge corresponding to the mix of building systems and components and life cycle

134 costs assumptions as determined by the maintenance financial model supported by the
135 facilities management division. The financial model shall include tenant area finishes to
136 include carpet and paint. The fund shall be fully financed based on the financial model
137 and funding requirements shall be fulfilled by:

- 138 1. Transfers that are contributions from the general fund;
- 139 2. Transfers that are contributions from the non-general fund agencies:
 - 140 a. when housed in buildings owned by the county or for which the county is
 - 141 responsible for debt service costs; and
 - 142 b. for a proportional allocation of major maintenance reserve fund costs
 - 143 attributable to space occupied by general fund agencies included in the overhead cost
 - 144 allocation outlined in K.C.C. ((4.04.045)) 4A.100.050; and
- 145 3. Contributions from the operating budgets of general fund agencies that
- 146 receive partial reimbursement from other jurisdictions((; and
- 147 ~~4. Other revenue sources, including investment earnings)).~~

148 H. Any subfund of the fund created to hold and manage bond proceeds shall be
149 treated as a first tier fund.

150 SECTION 10. Ordinance 3581, Section 3, as amended, and K.C.C. 4A.200.630
151 are each hereby amended to read as follows:

- 152 A. There is hereby created the risk management fund.
- 153 B. The fund shall be a ((first)) second tier fund. It is an internal service fund.
- 154 C. The director of the department of executive services shall be the manager of
- 155 the fund.

156 D. All receipts from rates charged for the fund's services to county agencies shall
157 be deposited in the fund.

158 E. Uses of the fund shall be limited to:

- 159 1. Payment of claims and related costs;
- 160 2. Payment of negotiated settlements and related costs;
- 161 3. Payment of judgments and related costs;
- 162 4. Payment of costs incurred in litigation or in anticipation thereof, including
163 but not limited to attorney's fees and the costs of discovery and witnesses;
- 164 5. Payment of insurance premiums and related costs;
- 165 6. Payment of program administration costs.

166 SECTION 11. Ordinance 12076, Section 15, as amended, and K.C.C.

167 4A.200.670 are each hereby amended to read as follows:

168 A. There is hereby established the self insurance reserve fund, which shall be
169 known as the safety and worker's compensation fund.

170 B. The fund shall be a (~~first~~) second tier fund. It is an internal service fund.

171 C. The director of the department of executive services shall be the manager of
172 the fund.

173 D. All receipts from rates charged for the fund's services to county agencies shall
174 be deposited in the fund.

175 E.1. The fund shall be used for the purposes in chapter 51.15 RCW.

176 2. The fund is intended to collect and disburse moneys to carry out the functions
177 of the safety and worker's compensation program, and moneys shall not be attached for
178 other purposes, unless that action is expressly approved by the council.

179 3. Industrial insurance rates shall be established such that sufficient revenues
180 shall accrue to the fund to pay for the cost of the program functions and to maintain an
181 excess of current and other assets over liabilities, excluding estimated claims settlements.
182 The rates shall take into consideration, but need not be limited to the following factors:

183 past losses for each industrial insurance classification, the number of hours worked in
184 each classification, and estimated claims settlements for injury claims.
185

Ordinance 18396 was introduced on 10/10/2016 and passed by the Metropolitan King
County Council on 11/7/2016, by the following vote:

Yes: 9 - Mr. von Reichbauer, Mr. Gossett, Ms. Lambert, Mr. Dunn,
Mr. McDermott, Mr. Dembowski, Mr. Upthegrove, Ms. Kohl-Welles
and Ms. Balducci
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:



Melani Pedroza, Acting Clerk of the Council

APPROVED this 17th day of November, 2016.



← Dow Constantine, County Executive

Attachments: None

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CLERK
KING COUNTY COUNCIL