September 13, 2019

The Honorable Rod Dembowski

Chair, King County Council

Room 1200

C O U R T H O U S E

Dear Councilmember Dembowski:

This letter transmits the second omnibus supplemental ordinance of the 2019-2020 biennium and includes requests for both operating and Capital Improvement Program (CIP) budgets. Descriptions of specific operating budget items can be found in the narrative table included in this package. Included in this ordinance are a variety of direct service, technical, and administrative changes as well as capital investments.

The total increase in General Fund expenditures is $31.3 million of which $16.6 million is revenue backed. The total increase in non-General Fund expenditures is $137.6 million, with $17.7 million being revenue backed.

The General Fund proposals include use of the $2.0 million Criminal Justice Incentive Reserve that was set aside as part of the 2019-2020 Adopted Budget. A work group with representatives of all of the criminal justice agencies developed four proposals for the use of these funds, with all four proposals receiving unanimous support from the group. General Fund proposals also include some changes required due to caseload growth or in response to mandated requirements, along with some high priority discretionary proposals, many of which are one-time.

CIP expenditures include a net increase of $299 million. The three most significant investments are $80.5 million for Metro Transit Fleet Capital, $61.1 million for Wastewater Treatment, and $82.5 million for the remaining construction costs of the Puget Sound Emergency Radio Network (PSERN).

In addition, this transmittal includes an ordinance for code changes for the Department of Local Services code compliance and abatement fund. The code changes remove the limitation on the amount of money that can be withdrawn per year from the code compliance and abatement fund for the purpose of funding administrative costs within the code enforcement section.

In order to continue to receive a gas tax distribution from the state, the county is required by state law to prepare and adopt an annual six-year construction program. Before King County moved to biennial budgeting, review of the program, adoption of the program, and appropriation action on elements of the program were integrated into the annual budget process. In fulfillment of this requirement, I am transmitting to the King County Council the proposed ordinance approving the Road Services Division 2020-2025 Capital Improvement Program (CIP) for adoption by year end. The six-year CIP is consistent with and assumes the adoption of the proposed appropriation changes in this supplemental ordinance. This submittal asks you to adopt the program but does not seek to change the appropriation authority.

According to the Mandatory Phased Appropriation (MPA) requirements specified in King County Code 4A.130, a checklist with specified project implementation requirements is required in conjunction with the proposed PSERN implementation budget.   The checklist is included in the supplemental omnibus transmittal information and indicates that the project is in compliance with the MPA requirements.

The 2nd omnibus ordinance supports the King County Strategic Plan to “exercise sound financial management and build King County’s long-term fiscal strength.”

Thank you for your consideration of this legislation. If you have questions, please contact Dwight Dively, Director, Office of Performance, Strategy and Budget, at 206-263-9687.

I certify that funds are available.

Sincerely,

Dow Constantine

King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Carolyn Busch**,** Chief of Staff

Melani Pedroza, Clerk of the Council

Casey Sixkiller, Chief Operating Officer, King County Executive Office

Dwight Dively, Director, Office of Performance, Strategy and Budget

Elected Officials

Department Directors