



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 12, 2001

Ordinance 14122

Proposed No. 2001-0195.3

Sponsors Phillips

1 AN ORDINANCE implementing a flexible response
2 budgeting policy for the wastewater capital improvement
3 program (CIP) that allows current year budget authorization
4 at the fund total rather than CIP project level; amending
5 Ordinance 12076, Section 2, as amended, and K.C.C.
6 4.04.020, Ordinance 12076, Section 3, as amended, and
7 K.C.C. 4.04.030, Ordinance 12076, Section 5, as amended,
8 and K.C.C. 4.04.200 and Ordinance 7159, Section 13, as
9 amended, and K.C.C. 4.04.250 and Ordinance 13035,
10 Section 5, and K.C.C. 4.04.270 and adding a new section to
11 K.C.C. chapter 4.04.

12
13

14 **PREAMBLE:**

15 Ordinance 14018, adopting the 2001 Budget, appropriated funds from the
16 wastewater treatment capital fund for one year. In past years the
17 appropriation has been for three years. Many of the wastewater capital

18 projects are large, complex and dynamic. The implementation of these
19 projects can be affected by a number of events that are beyond the control
20 of the wastewater treatment division. Such events may require that
21 projects will have to be temporarily postponed or accelerated. This
22 ordinance establishes procedures to respond to such events in a timely
23 manner by adding a new section to K.C.C. chapter 4.04 making provisions
24 for flexible response budgeting for the wastewater capital improvement
25 program.

26 This ordinance also incorporates clerk of the council recommendations to
27 make corrections to the form and style in K.C.C. chapter 4.04, including
28 capitalization, alphabetization and punctuation edits. These corrections
29 can be found in Sections 1, 2, 3 and 4 of this ordinance.

30 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

31 SECTION 1. Ordinance 12076, Section 2, as amended, and K.C.C. 4.04.020 are
32 each hereby amended to read as follows:

33 **Definitions.** The following terms as used in this chapter shall, unless the context
34 clearly indicates otherwise, have the respective meanings ((~~herein-set forth~~)) in this
35 section.

36 A. ((~~ACQUISITION OF RIGHT OF WAY/LAND ACQUISITION. F~~))
37 “Acquisition of right of way” or “land acquisition” means funds budgeted for the
38 purchase of property rights, excluding county force charges of the real property division.

39 B. ((~~ADOPTED. A~~)) “Adopted” means approval by council motion or
40 ordinance.

41 C. ~~((ART. Funds budgeted for the 1% for Art program pursuant to K.C.C. 4.40~~
42 ~~or any amendment thereto or as otherwise provided by ordinance for a public art~~
43 ~~program.~~

44 D. ~~AGENCY. E))~~ “Agency” means every county office, officer, each institution,
45 whether educational, correctional or other, and every department, division, board and
46 commission, except as otherwise provided in this chapter.

47 ~~((E. ALLOCATION. A))~~ D. “Allocation” means a part of a lump sum
48 appropriation ((which)) that is designated for expenditure by specific organization unit
49 and/or specific purposes.

50 ~~((F. ALLOTMENT. A))~~ E. “Allotment” means a part of an appropriation
51 ((which)) that may be encumbered or expended during an allotment period.

52 ~~((G. ALLOTMENT PERIOD. A))~~ F. “Allotment period” means a period of
53 ((time)) less than a fiscal year ((in length)) during which an allotment is effective.

54 ~~((H. APPROPRIATIONS. A))~~ G. “Appropriations” means an authorization
55 granted by the council to make expenditures and to incur obligations for specific
56 purposes.

57 ~~((I. APPROPRIATION ORDINANCE. That))~~ H. “Appropriation ordinance”
58 means the ordinance ((which)) that establishes the legal level of appropriation for a fiscal
59 year.

60 I. “Art” means funds budgeted for the one percent for art program under K.C.C.
61 chapter 4.40 or as otherwise provided by ordinance for a public art program.

62 J. ~~((BUDGET. A))~~ “Budget” means a proposed plan of expenditures for a given
63 period or purpose and the proposed means for financing these expenditures.

64 K. ((BUDGET DOCUMENT. A)) “Budget document” means a formal, written,
65 comprehensive financial program presented by the executive to the council.

66 L. “Capital improvement plan” means a plan that establishes the capital
67 improvements required to implement an approved operational master plan. This plan
68 should extend over a minimum period of six years to define long-range capital
69 improvement requirements and the annual capital improvements budget for a user
70 agency.

71 1. The capital improvement plan shall include the following elements, where
72 applicable:

73 a. general program requirements that define the development scope for specific
74 sites or facilities;

75 b. general space and construction standards;

76 c. prototype floor plans and prototype facility designs for standard
77 improvements;

78 d. space requirements based on the adopted county space plan;

79 e. initial, and life-cycle cost, of alternative facilities and locations including
80 lease and lease/purchase approaches;

81 f. approximate location of planned capital improvements;

82 g. general scope and estimated cost of infrastructure;

83 h. a schedule, that extends over a minimum of six years, for the
84 implementation of projects included in capital improvement plans, based on overall user
85 agency priorities and projected available revenue;

86 2. The user agency shall prepare the elements of the plan in subsection M.1. a,
87 d, f and h of this section. The implementing agency shall prepare the elements of this
88 plan in subsection M.1. b, c, e and g of this section.

89 3. The six-year budget schedule included in the capital improvement plan shall
90 be updated annually in conjunction with the capital budget adoption process.

91 M. "Capital project" means a project with a scope that includes one or more of
92 the following elements, all related to a capital asset: acquisition of either a site or
93 existing structure, or both; program or site master planning; design and environmental
94 analysis; construction; major equipment acquisition; reconstruction; demolition; or major
95 alteration. "Capital project" includes a: project program plan; scope; budget by task; and
96 schedule. The project budget, conceptual design, detailed design, environmental studies
97 and construction elements of a project shall be prepared or managed by the implementing
98 agency.

99 N. "Chief budget and strategic planning officer" means the individual designated
100 by the executive to perform the budgeting and strategic planning functions assigned to
101 the executive under K.C.C. chapter 2.16.

102 O. "~~CIP((-€))~~" means capital ~~((I))~~improvement ~~((P))~~program.

103 ~~((M.))~~ P. "CIP ~~((EXCEPTIONS NOTIFICATION. A))~~ exceptions notification"
104 means, except in the case of roads CIP projects and wastewater CIP projects, a letter
105 transmitted to the chair of the council finance committee, or its successor committee,
106 which describes changes to an adopted CIP project's scope and/or schedule or total
107 project cost and, with the exception of schedule changes, shall be sent in advance of any
108 action. For road CIP projects, "exceptions notification" means a letter transmitted to the

109 chair of the transportation committee, or its successor committee, which describes
110 changes of fifteen percent or more to an adopted CIP project's scope and/or schedule or
111 total project costs and, with the exception of schedule changes, shall be sent in advance
112 of any action. For wastewater CIP projects, "exceptions notification" means a letter
113 transmitted to the chair of the budget and fiscal management committee, or its successor
114 committee, and the chair of the utilities and technology committee, or its successor
115 committee, which describes changes of fifteen percent or more to an adopted CIP
116 project's scope and/or schedule or total project costs and, with the exception of schedule
117 changes, shall be sent in advance of any action.

118 ~~((N. CONSTRUCTION. F))~~ Q. "Construction" means funds budgeted for CIP
119 project construction including contract construction, contract inspection and testing and,
120 as appropriate, construction tasks performed by county forces.

121 ~~((O. CONTINGENCY. F))~~ R. "Contingency" means funds budgeted for
122 unanticipated CIP project costs associated with any other project activities.

123 ~~((P. CONTRACTED DESIGN, PRELIMINARY ENGINEERING. F))~~ S.
124 "Contracted design" or "preliminary engineering" means funds budgeted for activities of
125 a contract nature associated with all CIP project phases through bid advertising. Included
126 are contracts for feasibility studies, planning, studies, preliminary design, construction
127 drawings, bid specifications and on-site inspections.

128 ~~((Q. COUNTY FORCE DESIGN. Funds budgeted for CIP project design or~~
129 design review by county personnel.

130 ~~R. COUNTY FORCE RIGHT OF WAY. Funds budgeted for real property costs~~
131 associated with CIP land acquisition.

132 ~~S. COST ELEMENTS.))~~ T. “Cost elements” means CIP budgeting activities
133 related to construction, contracted design, preliminary engineering, acquisition of right of
134 way, equipment and furnishings, contingency, artistic furnishings, county force design,
135 county force right of way, project administration or other activities as provided by the
136 council.

137 ~~((T. COUNCIL. T))~~ U. “Council” means the county council of King County.

138 ~~((U.))~~ V. “County force design” means funds budgeted for CIP project design or
139 design review by county personnel.

140 W. “County force right of way” means funds budgeted for real property costs
141 associated with CIP land acquisition.

142 ~~((DEFICIT. T))~~ X. “Deficit” means the excess of expenditures over revenues
143 during an accounting period, or an accumulation of such excesses over a period of years.

144 ~~((V. EQUIPMENT AND FURNISHINGS. A))~~ Y. “Equipment and furnishings”
145 means all costs for the purchase of equipment and furnishings associated with CIP project
146 construction.

147 ~~((W. EXECUTIVE. T))~~ Z. “Executive” means the King County executive, as
148 defined by Article 3 of the King County Charter.

149 ~~((X. EXPENDITURES. W))~~ AA. “Expenditures” means, where the accounts are
150 kept on the accrual basis or the modified accrual basis, the cost of goods delivered or
151 services rendered, whether paid or unpaid, including expenses, provisions for debt
152 retirement not reported as a liability of the fund from which retired, and capital outlays.
153 Where the accounts are kept on the cash basis, “expenditures” means actual cash
154 disbursements for these purposes.

155 ~~((Y. CAPITAL IMPROVEMENT PLAN. A plan that establishes the capital~~
156 ~~improvements required to implement an approved operational master plan. This plan~~
157 ~~should extend over a minimum period of six years to define long range capital~~
158 ~~improvement requirements and the annual capital improvements budget for a user~~
159 ~~agency. The capital improvement plan shall include the following elements, where~~
160 ~~applicable:~~

- 161 ~~1. general program requirements that define the development scope for specific~~
162 ~~sites or facilities;~~
- 163 ~~2. general space and construction standards;~~
- 164 ~~3. prototype floor plans and prototype facility designs for standard~~
165 ~~improvements;~~
- 166 ~~4. space requirements based on the adopted county space plan;~~
- 167 ~~5. initial, and life cycle cost, of alternative facilities and locations including~~
168 ~~lease and lease/purchase approaches;~~
- 169 ~~6. approximate location of planned capital improvements;~~
- 170 ~~7. general scope and estimated cost of infrastructure;~~
- 171 ~~8. a schedule, that extends over a minimum of six years, for the implementation~~
172 ~~of projects included in capital improvement plans, based on overall user agency priorities~~
173 ~~and projected available revenue;~~

174 ~~The user agency shall prepare elements 1, 4, 6 and 8 of this plan. The~~
175 ~~implementing agency shall prepare elements 2, 3, 5 and 7 of this plan.~~

176 ~~The six year budget schedule included in the capital improvement plan shall be~~
177 ~~updated annually in conjunction with the capital budget adoption process.~~

178 ~~Z. PROJECT PROGRAM PLAN. A plan, primarily in written narrative form,~~
179 ~~that describes the overall development concept and scope of work for a building, group of~~
180 ~~buildings or other facilities at a particular site. The complexity of the project program~~
181 ~~plan will vary based upon the size and difficulty of the program for a particular site.~~
182 ~~When the plan includes projects that are phased over time, each phase shall have an~~
183 ~~updated Project program plan prepared by the user agency prior to project~~
184 ~~implementation. The project program plan shall be prepared by the user agency with~~
185 ~~assistance from the implementing agency. The program plan: describes the user agency~~
186 ~~program requirements for a specific building or site; provides the basis for these~~
187 ~~requirements; and identifies when funds for the implementation of the capital projects~~
188 ~~will be provided. The program plan shall elaborate on the general program information~~
189 ~~provided in the operational master plan and the capital improvement plan. The plan shall~~
190 ~~also describe user agency programs, how these programs would fit and function on the~~
191 ~~site, and the general recommendation of the user agency regarding the appearance of the~~
192 ~~building or site. This plan shall indicate when a site master plan is required for a project.~~

193 ~~AA. SITE MASTER PLAN. A plan prepared by the implementing agency, with~~
194 ~~input from the user agency, that describes, illustrates and defines the capital~~
195 ~~improvements required in order to provide user agency program elements. The site~~
196 ~~master plan shall include preliminary information regarding, at a minimum:~~

- 197 ~~1. site analysis, including environmental constraints;~~
- 198 ~~2. layout, illustration, and description of all capital improvements;~~
- 199 ~~3. project scopes and budgets;~~
- 200 ~~4. project phasing; and~~

201 ~~5. operating and maintenance requirements.~~

202 The site master plan shall be approved by the user agency and the implementing
203 agency prior to submittal to the executive and council for approval.

204 ~~BB. CAPITAL PROJECT. A project with a scope that includes one or more of~~
205 ~~the following elements: acquisition of a site and/or existing structure, program or site~~
206 ~~master planning, design and environmental analysis, construction, major equipment~~
207 ~~acquisition, reconstruction, demolition or major alteration of a capital asset. A capital~~
208 ~~project shall include: a project program plan, scope, budget by task, and schedule. The~~
209 ~~project budget, conceptual design, detailed design, environmental studies, and~~
210 ~~construction elements of a project shall be prepared or managed by the Implementing~~
211 ~~Agency.))~~

212 ~~((FINANCIAL PLAN. A))~~ BB. "Financial plan" means a summary by fund of
213 planned revenues and expenditures, reserves and undesignated fund balance.

214 ~~((FUND. A))~~ CC. "Fund" an independent fiscal and accounting entity with a self
215 balancing set of accounts recording cash and/or other resources together with related
216 liabilities, obligations, reserves((;)) and equities which are segregated for the purpose of
217 carrying on specific activities or attaining certain objectives in accordance with special
218 regulations, restrictions or limitations.

219 ~~((FUND BALANCE. T))~~ DD. "Fund balance" means the excess of the assets of a
220 fund over its liabilities and reserves except in the case of funds subject to budgetary
221 accounting where, prior to the end of a fiscal period, it represents the excess of the fund
222 assets and estimated revenues for the period over its liabilities, reserves((;)) and
223 appropriations for the period.

224 ~~((IMPLEMENTING AGENCY. F))~~ EE. “Implementing agency” means the
225 appropriate department and division responsible for the administration of CIP projects.

226 ~~((LAPSE OF APPROPRIATION. A))~~ FF. “Lapse” of an appropriation means an
227 automatic termination of an appropriation.

228 GG. “Major widening project” means any roads CIP project adding at least one
229 through lane in each direction.

230 HH. ~~((OBJECT OF EXPENDITURE. A))~~ “Object of expenditure” means a
231 grouping of expenditures on the basis of goods and services purchased (e.g., salary and
232 wages).

233 II. ~~((H. OPERATIONAL MASTER PLAN. A))~~ “Operational master plan”
234 means a comprehensive plan for an agency setting forth how the organization will
235 operate now and in the future. It shall include the analysis of alternatives and their life
236 cycle costs to accomplish defined goals and objectives, performance measures, projected
237 workload, needed resources, implementation schedules~~((s))~~ and general cost estimates.
238 This plan shall also address how the organization would respond in the future to changed
239 conditions.

240 JJ. ~~((JJ. PROGRAM. F))~~ “Program” means the definition of resources and
241 efforts committed to satisfying a public need. The extent to which the public need is
242 satisfied is measured by the effectiveness of the process in fulfilling the needs as
243 expressed in explicit objectives.

244 KK. ~~((KK. PROJECT ADMINISTRATION. F))~~ “Project administration” means
245 funds budgeted for all county costs associated with administering design and construction
246 contracts on CIP projects.

247 LL. “Project program plan” means a plan, primarily in written narrative form,
248 that describes the overall development concept and scope of work for a building, group of
249 buildings or other facilities at a particular site. The complexity of the project program
250 plan will vary based upon the size and difficulty of the program for a particular site.
251 When the plan includes projects that are phased over time, each phase shall have an
252 updated project program plan prepared by the user agency prior to project
253 implementation. The project program plan shall be prepared by the user agency with
254 assistance from the implementing agency. The program plan: describes the user agency
255 program requirements for a specific building or site; provides the basis for these
256 requirements; and identifies when funds for the implementation of the capital projects
257 will be provided. The program plan shall elaborate on the general program information
258 provided in the operational master plan and the capital improvement plan. The plan shall
259 also describe user agency programs, how these programs would fit and function on the
260 site, and the general recommendation of the user agency regarding the appearance of the
261 building or site. This plan shall indicate when a site master plan is required for a project.

262 ~~((PUBLIC NEED. F))~~ MM. “Public need” means those public services found to
263 be required to maintain the health, safety, and well being of the general citizenry.

264 ~~((MM. QUARTERLY BUDGET REPORT. A))~~ NN. “Quarterly budget report”
265 means a report prepared quarterly by the chief budget and strategic planning officer for
266 major operating and capital funds which presents executive revisions to the adopted
267 financial plan or plans and identifies significant deviations in agency workload from
268 approved levels and identifies potential future supplemental appropriations with a brief
269 discussion of the rationale for each potential supplemental.

270 ~~((NN. REGULATIONS. The policies, standards and requirements, stated in~~
271 ~~writing, designed to carry out the purposes of this chapter, as issued by the executive and~~
272 ~~which shall have the force and effect of law.))~~

273 ~~((OO. REAPPROPRIATION. A))~~ OO. “Reappropriation” means authorization
274 granted by the council to expend the appropriation for the previous fiscal year for capital
275 programs only.

276 PP. “Regulations” means the policies, standards and requirements, stated in
277 writing, designed to carry out the purposes of this chapter, as issued by the executive and
278 having the force and effect of law.

279 ~~((REVENUE. T))~~ QQ. “Revenue” means the addition to assets which does not
280 increase any liability, nor represent the recovery of an expenditure, nor the cancellation
281 of certain liabilities on a decrease in assets nor a contribution to fund capital in enterprise
282 and intragovernmental service funds.

283 RR. “Roads CIP project” means roads capital projects that are allocated in the
284 adopted six-year roads CIP and are appropriated at the roads CIP fund level in
285 accordance with K.C.C. 4.04.270.

286 ~~((QQ. SCOPE CHANGE. E))~~ SS. “Scope change” means, except in the case of
287 ~~((R))~~roads CIP projects and wastewater CIP projects, a CIP project's scope is changed if
288 total project cost increases by ~~((10%))~~ ten percent or by fifty thousand dollars, whichever
289 is less. A ~~((R))~~roads CIP and a wastewater CIP project's scope is changed if the total
290 project cost increases by ~~((15%))~~ fifteen percent.

291 TT. "Site master plan" means a plan prepared by the implementing agency, with
292 input from the user agency, that describes, illustrates and defines the capital
293 improvements required to provide user agency program elements.

294 1. The site master plan shall include preliminary information regarding, at a
295 minimum:

296 a. site analysis, including environmental constraints;

297 b. layout, illustration and description of all capital improvements;

298 c. project scopes and budgets;

299 d. project phasing; and

300 e. operating and maintenance requirements.

301 2. The site master plan shall be approved by the user agency and the
302 implementing agency prior to submittal to the executive and council for approval.

303 ~~((RR. USER AGENCY. T))~~ UU. "User agency" means the appropriate
304 department, division, office or section to be served by any proposed CIP project.

305 ~~((SS. CHIEF BUDGET AND STRATEGIC PLANNING OFFICER. The~~
306 ~~individual designated by the executive to perform the budgeting and strategic planning~~
307 ~~functions assigned to the executive under K.C.C. 2.16.~~

308 ~~TT. Roads CIP Project. Roads capital projects that are allocated in the adopted~~
309 ~~six-year Roads CIP and are appropriated at the Roads CIP fund level in accordance with~~
310 ~~K.C.C. 4.04.270.~~

311 ~~UU. Major Widening Project. Any Roads CIP Project adding at least one~~
312 ~~through lane in each direction.))~~

313 VV. "Wastewater asset management projects" means the wastewater capital
314 projects identified and intended by the wastewater treatment division to extend and
315 optimize the useful life of wastewater treatment assets, including facilities, structures,
316 pipelines and equipment.

317 WW. "Wastewater CIP project" means wastewater capital projects that are
318 allocated in the adopted six-year wastewater CIP and are appropriated at the wastewater
319 CIP fund level in accordance with section 6 of this ordinance.

320 SECTION 2. Ordinance 12076, Section 3, as amended, and KCC 4.04.030 are
321 each hereby amended to read as follows:

322 **Contents of the budget document.** The budget documents shall include, but not
323 be limited to, data specified in this chapter.

324 A. ~~((THE BUDGET.))~~ The budget shall set forth the complete financial plan for
325 the ensuing fiscal year showing planned expenditures, and the sources of revenue from
326 which they are to be financed.

327 1. ~~((Revenues.))~~ The budget document shall include the following:

328 a. estimated revenue by fund and by source from taxation;

329 b. estimated revenues by fund and by source other than taxation;

330 c. actual receipts for first six months (January 1 ~~((--))~~ through June 30) of the
331 current fiscal year;

332 d. actual receipts for the last completed fiscal year by fund and by source;

333 e. estimated fund balance or deficit for current fiscal year by fund; and

334 f. ~~((and))~~ such additional information dealing with revenues as the executive
335 and council shall deem pertinent and useful.

- 336 2. (~~Expenditures~~) The budget document shall include the following:
- 337 a. tabulation of expenditures in a comparable form by fund, program project,
- 338 and/or object of expenditure for the ensuing fiscal year;
- 339 b. actual expenditures for the first six months (January 1 (~~-~~) through June 30)
- 340 of the current year;
- 341 c. actual expenditures for the last completed fiscal year;
- 342 d. the appropriation for the current year; and
- 343 e. (~~and~~) such additional information dealing with expenditures as the
- 344 executive and council shall deem pertinent and useful.
- 345 3. (~~Capital Improvement Program~~) All capital improvement projects and
- 346 appropriations shall be authorized only by inclusion in the annual council adopted CIP or
- 347 any amendment thereto. A bond ordinance is not an appropriation for capital projects.
- 348 The capital improvement section of the budget shall include:
- 349 a. estimated expenditures for at least the next six fiscal years by program;
- 350 b. expenditures planned for current, pending, or proposed capital projects
- 351 during the fiscal year, classified according to proposed source of funds whether from
- 352 bonds, or any combination of other local, state, federal(~~(s)~~) and(~~(/or)~~) private sources;
- 353 c. an alphabetic index to enable quick location of any project contained
- 354 (~~therein~~) in the budget;
- 355 d. a discrete number for each project which shall serve to identify it within the
- 356 capital budget document, and all accounting reports;

357 e. estimated net annual operating costs associated with each project upon
358 completion or in cases where operating costs are negligible or incalculable, a statement to
359 that effect;

360 f. an identification of all CIP projects by council district in which they are
361 located;

362 g. CIP projects funded in the budget year shall be presented in a separate
363 section of the budget, or otherwise distinctively identified from five year CIP program of
364 future planned projects and any previously funded projects(~~(, provided however, that R)~~).

365 However:

366 (1) Roads CIP projects shall be presented in the six-year Road CIP program(~~(;~~
367 ~~and)~~);

368 (2) the appropriation for Roads projects shall be made at the Roads CIP fund
369 level in accordance with 4.04.270;

370 (3) wastewater CIP projects shall be presented in the six-year wastewater CIP
371 program; and

372 (4) the appropriation for wastewater CIP projects shall be made at the
373 wastewater CIP fund level in accordance with section 6 of this ordinance;

374 h. in addition to schedule requirements, a statement of purpose and estimated
375 total cost for each project for which expenditures are planned during the ensuing fiscal
376 year;

377 i. the original project cost estimate, which shall remain fixed from year to year.
378 This original cost estimate shall be included in the capital budget document. A project
379 record, separate from the budget document, shall be provided which identifies the

380 original project cost estimate and any subsequent changes thereto by cost element and
381 revenue source as approved in the budget document or any amendment ~~((thereto))~~ to the
382 budget;

383 j. an enumeration of revised project cost estimates;

384 k. funds actually expended for projects as of June 30~~((th))~~ of the current year;

385 l. funds previously authorized for the project;

386 m. anticipated specific cost elements within each project~~((;h))~~. However, the

387 executive is authorized to transfer funds between specific activities within the same

388 project provided that, these transfers will not result in a necessary increase to the total

389 project budget. A change in scope of a project constitutes a revision. A CIP project

390 scope change shall be included in the CIP ~~((E))~~exceptions ~~((N))~~notification if total project

391 costs increase by ~~((10%))~~ ten percent or by fifty thousand dollars, whichever is less; or if

392 the schedule deviates by three months. For parks CIP projects, a CIP ~~((E))~~exceptions

393 ~~((N))~~notification shall be transmitted in advance to the chair of the council finance

394 committee, or its successor committee, when fifty thousand dollars or more or funds in

395 excess of ~~((10%))~~ ten percent or more of total project costs, whichever is less, are to be

396 transferred from a contingency project to a CIP project. For ~~((R))~~roads CIP projects, a

397 CIP ~~((E))~~exceptions ~~((N))~~notification shall be transmitted in advance to the council

398 transportation chair when contingency funds in excess of ~~((15%))~~ fifteen percent or more

399 of total project costs are to be transferred. For wastewater CIP projects, a CIP exceptions

400 notification shall be transmitted in advance to the chair of the budget and fiscal

401 management committee, or its successor committee, and chair of the utilities and

402 technology committee, or its successor committee, when contingency funds in excess of
403 fifteen percent or more of total project costs are to be transferred.

404 n. individual allocations by cost element for each capital project; and
405 o. when a single fund finances both operating expenses and capital projects,
406 there shall be separate appropriations therefrom for the operating and the capital sections
407 of the budget.

408 B. (~~GENERAL~~) 1. (~~Budget Message~~) The budget message shall explain
409 the budget in fiscal terms and in terms of goals to be accomplished and shall relate the
410 requested appropriation to the comprehensive plan of the county.

411 2. (~~Proposed Estimates~~) The total proposed expenditures shall not be greater
412 than the total proposed revenue(~~(; provided, that)~~). However, this requirement shall not
413 prevent the liquidation of any deficit existing on (~~the effective date of this chapter~~)
414 January 1, 1996.

415 3. (~~Budgeting Fund Balances~~) If the estimated revenues in the current
416 expense, special revenue, or debt service funds for the next ensuing fiscal period, together
417 with the fund balance for the current fiscal period exceeds the applicable appropriations
418 proposed by the executive for the next ensuing fiscal period, the executive shall include
419 in the budget document recommendations for the use of (~~said~~) the excess for the
420 reduction of indebtedness, for the reduction of taxation or for other purposes as in his(~~/~~)
421 or her discretion shall serve the best interests of the county.

422 4. (~~Anticipated Deficits~~) If, for any applicable fund, the estimated revenues
423 for the next ensuing period plus fund balance shall be less than the aggregate of
424 appropriations proposed by the executive for the next ensuing fiscal period, the executive

425 shall include in the budget document his(~~/~~) or her proposals as to the manner in which
426 the anticipated deficit shall be met, whether by an increase in the indebtedness of the
427 county, by imposition of new taxes, by increase of tax rate or in any like manner.

428 C. (~~(SUPPORTING DATA:)~~) 1. Justification for revenues and expenditures
429 shall be presented in detail when necessary to explain changes of established practices,
430 unique fiscal practices and new sources of revenue or expenditure patterns or any data the
431 executive deems useful to support the budget. The following are included:

432 a. (~~(inclusion of)~~) nonbudgeted departments and programs expenditures and
433 revenues(~~(, i.e.)~~); that is, intragovernmental service funds;

434 b. (~~(inclusion of)~~) historical and projected agency workload information; and

435 c. (~~(inclusion of)~~) brief explanation of existing and proposed new programs, as
436 well as the purpose and scope of agency activities.

437 2. Capital improvement program data shall include but not be limited to (~~(the~~
438 ~~following:~~

439 a.) the streets and highway programming process, which shall specify
440 priorities, guide route establishments, select route design criteria and provide detailed
441 design information for each road or bridge project.

442 D. (~~(Roads CIP Development Process:)~~) 1. The department of transportation
443 shall submit a request for CIP project funding, which shall specify project funding levels
444 on a project by project basis, but which shall be appropriated at the (~~(R)~~)road CIP fund
445 level, stated as an aggregate of individual projects for the budget year in question in
446 accordance with K.C.C. 4.04.270. The chief budget and strategic planning officer shall
447 annually review and forecast recommended roads CIP projects to the executive.

448 2. For projects where a determination of environmental significance has been
449 made pursuant to the ~~((S))~~state Environmental Policy Act ~~((Amendments of 1983))~~, a
450 study or environmental impact statement or declaration of no significant impact will be
451 prepared by the responsible official. ~~((In order to))~~For a determination of environmental
452 significance to be made, the proposal should be at a sufficient stage of contemplation or
453 planning that its principal features can be reliably identified in terms of alternative
454 locations, size, quantities of natural resources involved, changes in land use and general
455 areas of the community and population that may be affected.

456 3. ~~((Inclusion of other data which t))~~The executive and council may require
457 other data that they deem necessary, which may include objects of expenditure and other
458 expenditures categories.

459 E.1. Beginning with budget year 2002, the department of natural resources shall
460 submit a request for CIP project funding, which shall specify project funding levels on a
461 project by project basis, but which shall be appropriated at the wastewater CIP fund level,
462 stated as an aggregate of individual projects, including subprojects, for the budget year in
463 question in accordance with section 6 of this ordinance. Except for multiyear construction
464 contracts and carryover amounts approved during the annual CIP reconciliation process,
465 appropriations shall be for one year. All construction contracts including multiyear
466 construction contracts shall be appropriated for the full construction amount in the first
467 year. Any multiyear construction contracts longer than three years must be specifically
468 identified in the department of natural resources wastewater CIP budget request. The
469 request for CIP project funding for wastewater asset management shall include categories
470 of wastewater asset management projects. Wastewater asset management projects shall be

471 appropriated annually at the category level. The executive-proposed CIP shall allocate
472 anticipated expenditures for each wastewater asset management project category as part of
473 the six-year wastewater CIP. For each category, a proposed project list will be appended.
474 The chief budget officer shall annually review and forecast recommended wastewater CIP
475 projects to the executive.

476 2. Subsection D.2 and 3 of this section also applies to the wastewater CIP
477 development process.

478 SECTION 3. Ordinance 12076, Section 5, as amended, and KCC 4.04.200 are
479 each hereby amended to read as follows:

480 **Executive responsibilities.** A. The executive shall be responsible for the
481 implementation of all CIP projects pursuant to adopted project budgets and schedules(~~(;~~
482 ~~provided however, that R)~~). However, road CIP projects may be implemented in
483 accordance with the ((R))roads capital improvement budgeting procedures set forth in
484 K.C.C. 4.04.270, and wastewater CIP projects may be implemented in accordance with
485 the wastewater capital improvement budgeting procedures in section 6 of this ordinance.
486 At least fifteen days prior to advertising for construction bids for any capital project, the
487 council chair and councilmembers in whose district construction will take place shall be
488 notified. The notification shall include project identification, advertising dates(~~(;~~) and a
489 summary description of the work to be performed, (~~provided, that~~) though failure to
490 comply with this provision shall not delay bid advertisement.

491 B. The executive shall be responsible for implementation of council adopted CIP
492 projects to ensure their completion on schedule and within adopted budgets(~~(;~~~~provided~~
493 ~~however, that R)~~). However, roads CIP projects may be reprogrammed in accordance

494 with the provisions of K.C.C. 4.04.270, and wastewater CIP projects may be
495 reprogrammed in accordance with section 6 of this ordinance. The budget for each
496 ~~((R))~~roads CIP project shall not exceed by more than ~~((15%))~~ fifteen percent the amount
497 specified for that project in the adopted six-year ~~((R))~~roads CIP, except when ~~((such))~~ the
498 amount is modified by ordinance or in accordance with the CIP ~~((E))~~exceptions
499 ~~((N))~~notification process and the budget for each wastewater CIP project shall not exceed
500 by more than fifteen percent the amount specified for that project in the adopted six-year
501 wastewater CIP, except when the amount is modified by ordinance or in accordance with
502 the CIP exceptions notifications process. The executive shall select consultants soliciting
503 work on all CIP projects. The executive shall implement ~~((the provisions of))~~ this section
504 by the establishment of rules and procedures that provide for consultant selection,
505 ongoing CIP design review~~((s))~~ and project implementation.

506 C. All above-grade, CIP projects shall be subject to the following process:

507 1. An ~~((O))~~operational ~~((M))~~master ~~((P))~~plan shall be developed by the agency
508 requesting a CIP project in conjunction with the chief budget and strategic planning
509 officer and shall be submitted to the executive and the council for approval~~((s))~~;

510 2. A ~~((C))~~capital ~~((I))~~improvement ~~((P))~~plan, based upon the adopted county
511 space plan, where applicable, and the approved ~~((O))~~operational ~~((M))~~master ~~((P))~~plan,
512 shall be developed by the user agency with assistance from the implementing agency and
513 shall be submitted to the executive and the council for approval. Capital projects that
514 involve the development of new parks or significant addition to or rehabilitation of
515 existing parks shall require a public meeting in the affected community at the

516 ((P))program ((P))plan and ((S))site ((M))master ((P))plan stage, prior to submitting these
517 plans to the executive and council for approval((-));

518 3. A ((P))project ((P))program ((P))plan, based upon the adopted county space
519 plan, where applicable, and the approved ((O))operational ((M))master ((P))plan, shall be
520 developed by the user agency, with assistance from the implementing agency, for each
521 requested CIP. This plan shall be submitted to the executive and the council for
522 approval. This plan shall specify which projects will require a ((S))site ((M))master
523 ((P))plan((-));

524 4. A ((S))site ((M))master ((P))plan shall be developed by the implementing
525 agency, with input from the user agency, for all capital improvements that involve
526 multiple projects, are complex in nature, or are otherwise identified as requiring such a
527 plan in the ((P))project ((P))program ((P))plan. This plan shall be submitted to the
528 executive and council for approval ((-)); and

529 5. The executive may exempt smaller scale projects from the requirements in
530 ((paragraphs)) subsection C.1 and ((C-))2 of this section(~~(, provided that)~~), if criteria for
531 granting exemptions are established, and approved by the council, and ((that)) if the
532 implementing agency certifies the ((P))project ((P))program ((P))plan and related CIP or
533 lease request is in conformance with the adopted county space plan.

534 SECTION 4. Ordinance 7159, Section 13, as amended, and K.C.C. 4.04.250 are
535 each hereby amended to read as follows:

536 **CIP ((S))schedule requirements.** All CIP appropriation requests from the
537 executive shall include project schedule information for land acquisition, design and
538 construction for each project. The estimated schedule, with beginning and ending dates

539 for each of these cost elements, shall be listed by month. The foregoing requirements
540 shall not preclude appropriations for the ~~((R))~~roads CIP being made at the ~~((R))~~roads CIP
541 fund level, and ~~((R))~~roads projects being reprogrammed, all in accordance with K.C.C.
542 4.04.270, and shall not preclude appropriations for the wastewater CIP being made at the
543 wastewater CIP fund level, and wastewater projects being reprogrammed, all in accordance
544 with section 6 of this ordinance. All CIP projects involving county staff shall include
545 estimated number of county staff hours in the ensuing fiscal year for each county force
546 project cost element.

547 SECTION 5. Ordinance 7159, Section 5, and K.C.C. 4.04.270 are each hereby
548 amended to read as follows:

549 **Roads capital improvement budgeting.**

550 A. ~~((ESTABLISHMENT AND PURPOSE.))~~ This section establishes procedures
551 required for flexible response budgeting provisions applicable to the ~~((R))~~roads
552 ~~((C))~~capital ~~((I))~~improvement ~~((P))~~program (CIP) beginning in 1998. Except as
553 specifically provided herein, budgeting for the ~~((R))~~roads CIP shall be in accordance with
554 existing county law.

555 B. ~~((ROADS APPROPRIATIONS))~~ In order to allow reprogramming flexibility
556 needed to respond in a timely manner to events beyond the control of the road services
557 division that result in temporary postponement of roads CIP projects allocated in the
558 current budget year, and notwithstanding any other provision of county law, current year
559 budget authorization for the ~~((R))~~roads CIP shall be appropriated at the total CIP fund
560 level rather than CIP project level. Roads CIP project budget allocation substitutions
561 may take place during the budget year among the projects specifically adopted in the

562 current six-year ~~(R)~~roads ~~(C)~~capital ~~(I)~~improvement ~~(P)~~program together with
563 carryover projects from previously adopted plans pursuant to the procedures set forth
564 herein without the need for the enactment of amendatory appropriations ordinances.

565 C. ~~(ROADS CAPITAL IMPROVEMENT PROGRAM REALLOCATION~~
566 ~~REPORT:))~~ Implementation of the ~~(R)~~roads CIP shall be in accordance with the project
567 funding priorities and project funding levels identified in the annual ~~(R)~~roads six-year
568 CIP as adopted by the county council. Prior to May 1 of each year, the road services
569 division shall prepare and submit to the council a ~~(R)~~roads CIP ~~(R)~~reallocation
570 ~~(R)~~report which shall include a review of the status of all projects contained in the
571 current adopted six-year ~~(R)~~roads CIP together with those projects carried forward from
572 previous adopted six-year ~~(R)~~roads CIPs, and shall identify which projects will be ready
573 for implementation in the current budget year within the constraints of the total current
574 year fund appropriation. In the case of any current year project in the adopted program
575 that is not ready for implementation for reasons beyond the control of the road services
576 division, the report shall identify for substitution one or more projects of comparable
577 budget allocation value from within the current adopted six-year ~~(R)~~roads CIP. If the
578 budget allocation for any project to be postponed exceeds the budget allocation of the
579 proposed substituted project or projects, the difference shall be allocated to the ~~(C)~~cost
580 ~~(M)~~model ~~(C)~~contingency ~~(R)~~roads CIP project. Conversely, if the budget
581 allocation for any proposed substitute project exceeds the budget allocation for the
582 postponed project or projects, such difference shall be allocated from the ~~(C)~~cost
583 ~~(M)~~model ~~(C)~~contingency ~~(R)~~roads CIP project. Any project that is identified for
584 postponement shall be reallocated to the year in the six-year program from which the

585 project that is identified for substitution was originally programmed. If no suitable CIP
586 project exists to receive the reallocated funds, the funds shall remain allocated to the
587 original CIP project. The reallocation report shall include a reallocated ~~((R))~~roads six-
588 year CIP including all changes to projects, estimated costs, schedules, and scopes of work
589 to be pursued for the current year, and programmed in the remaining years of the six-year
590 program. A justification for each project postponement and substitution shall be included
591 in the report. The report shall also include an accounting summary of the current project
592 status and the amount of unexpended project budget balance by expenditure option and
593 revenue account for each project in the current year of the program.

594 D. ~~((REVIEW PROCESS FOR REALLOCATION REPORT.))~~ The
595 ~~((R))~~reallocation ~~((R))~~report shall be accompanied by a letter of transmittal to the chair of
596 the transportation committee or designee, or its successor committee, with copies to each
597 councilmember, and the lead staff for the transportation committee. ~~((Any~~
598 ~~councilmember who disagrees with the project deferrals or advancements proposed in the~~
599 ~~Reallocation Report shall notify the chair of the transportation committee and the~~
600 ~~executive within 14 days of the date of receipt by the Council. The Reallocation Report~~
601 ~~shall become effective either upon written notification from the chair of the transportation~~
602 ~~committee that no disagreement exists, or 30 days after the date of receipt by the~~
603 ~~Council.))~~ Any councilmember who objects to specific project deferrals or advancements
604 proposed in the reallocation report shall notify the chair of the transportation committee,
605 or its successor committee, within fourteen days of receipt by the chair of the reallocation
606 report. The councilmember must specify the project deferrals or advancements to which
607 the member objects. Within thirty days of receipt of the reallocation report by the chair

608 of the transportation committee, or its successor committee, the chair shall consider the
609 objections raised and notify the executive in writing which project reallocations may go
610 forward. The reallocation report takes effect upon receipt by the executive of the chair's
611 written notice. If a written notice is not provided by the chair, the reallocation report
612 takes effect on the thirty-first day following receipt of the reallocation report by the chair.

613 E. ~~((ADDITIONAL REPORTING REQUIREMENTS.))~~ The department of
614 transportation shall provide to the council a written summary of the preliminary status of
615 road capital expenditures and construction projects by March 1 of each year. Such a status
616 report shall include a list of projects anticipated to be included in the reallocation report and
617 any other project complications or progress highlights deemed significant by the
618 department. The status report shall be presented to the council transportation committee by
619 the department of transportation at the request of the chair.

620 F. ~~((ROADS CIP GRANT CONTINGENCY PROJECT))~~ A ~~((R))~~roads CIP
621 ~~((G))~~grant ~~((C))~~contingency ~~((P))~~project shall be allocated in the current year fund
622 appropriation to provide contingent budget authority associated with potential grant
623 sources that may be programmed if a grant eligible project is substituted into the current
624 year of the program. All unallocated contingent grant supported appropriation will be
625 disappropriated at year end.

626 G. ~~((NEW PROJECTS AND ADDITIONAL PROJECT COSTS.))~~ Any new
627 project proposed for allocation in the current year that is not included in the current or
628 previously adopted ~~((R))~~roads six-year CIP, or any newly proposed project cost or project
629 scope to be added to a project adopted as part of the ~~((R))~~roads six-year CIP that cannot
630 be accommodated by transfers of contingency funds, shall be added to the ~~((R))~~roads CIP

654 wastewater asset management project categories, and not between projects in different
655 wastewater asset management project categories.

656 C.1. Implementation of the wastewater CIP shall be in accordance with the
657 project funding priorities and project funding levels identified in the annual wastewater
658 six-year CIP as adopted by the county council. Beginning in 2002, on or before March
659 15 of each year, the wastewater treatment division shall prepare and submit to the council
660 a wastewater CIP reallocation report. The report shall provide a status report on
661 implementation of all wastewater CIP projects contained in the current adopted six-year
662 wastewater CIP together with those projects carried forward from previous adopted six-
663 year wastewater CIPs, and shall include:

- 664 a. an explanation of significant changes to scope, schedule and impact on work
665 plan and budget since last budget approval;
- 666 b. identification of revisions to milestones and budget for the current year;
- 667 c. a proposal for revisions to scope, budget and schedule for next six months;
- 668 d. a reallocated wastewater six-year CIP including a revised financial plan, all
669 changes to projects, estimated costs, schedules, and scopes of work to be pursued for the
670 current year, and programmed in the remaining years of the six-year program;
- 671 e. a justification for each project postponement or acceleration and
672 substitution;
- 673 f. an accounting summary of the current project status and the amount of
674 unexpended project budget balance by project phase and revenue for each project in the
675 current year of the program; and

676 g. identification of which projects will be ready for implementation in the
677 current budget year within the constraints of the total current year fund appropriation.

678 2. For any current project in the adopted program that is not ready for
679 implementation for reasons beyond the control of the wastewater treatment division or if
680 a project needs to be accelerated, the report shall identify for substitution or
681 postponement one or more projects of comparable budget allocation value from within
682 the current adopted six-year wastewater CIP. If the budget allocation for any project to
683 be postponed or accelerated exceeds the budget allocation of the proposed substituted or
684 postponed project or projects, the difference shall be allocated to or from the wastewater
685 CIP contingency appropriation. Any project that is identified for postponement shall be
686 reallocated to the year in the six-year program from which the project that is identified
687 for substitution was originally programmed. If no suitable CIP project exists to receive
688 the reallocated funds, the funds shall remain allocated to the original CIP project.

689 D. The reallocation report shall be accompanied by a letter of transmittal to the
690 chair of the budget and fiscal management committee or designee, or its successor
691 committee, and the chair of the utilities and technology committee, or its successor
692 committee, and copies of the report and letter shall also be transmitted to each
693 councilmember, and the lead staff for the budget and fiscal management committee and
694 for the utilities and technology committee. Any councilmember who objects to specific
695 project deferrals or advancements proposed in the reallocation report shall notify the
696 chair of the budget and fiscal management committee, or its successor committee, within
697 fourteen days of receipt by the chair of the reallocation report. The councilmember must
698 specify the project deferrals or advancements to which the member objects. Within thirty

699 days of receipt of the reallocation report by the chair of the budget and fiscal
700 management committee, or its successor committee, the chair will consider the objections
701 raised and notify the executive in writing which project reallocations may go forward.
702 The reallocation report takes effect upon receipt by the executive of the chair's written
703 notice. If a written notice is not provided by the chair, the reallocation report takes effect
704 on the thirty-first day following receipt of the reallocation report by the chair.

705 E. Any new project proposed for allocation in the current year that is not included in
706 the current or previously adopted wastewater six-year CIP, or any newly proposed project
707 cost or project scope to be added to a project adopted as part of the wastewater six-year
708 CIP that cannot be accommodated by transfers of contingency funds, may be added to the
709 wastewater CIP after going through the normal appropriation process. Transfers of
710 contingency funds that are required after the wastewater CIP reprogramming report is
711 transmitted to the council shall be reported by the department of natural resources to the
712 chair of the budget and fiscal management committee, or its successor committee, and the
713 chair of the utilities and technology committee, or its successor committee, with copies to
714 lead staff for the budget and fiscal management committee and for the utilities and
715 technology committee. Transfers from contingency funds in excess of fifteen percent of
716 the total project cost shall be contingent upon written approval by the chair of the budget
717 and fiscal management committee, or its successor committee.

718 F. A wastewater CIP contingency project shall be allocated in the current year
719 fund appropriation to provide contingent budget authority to be used according to the
720 requirements established in this chapter. Effective January 1, 2002, the wastewater CIP
721 contingency project amount shall be seven and one-half percent of the current year

722 capital expenditures included in the financial plan of the current year adopted sewer rate,
723 but shall not exceed ten million dollars.

724 G. On or before August 1, 2001, the wastewater treatment division shall prepare
725 and submit to the chair of the budget and fiscal management committee and the chair of
726 the utilities and technology committee a 2001 CIP appropriations report.

727 1. The report shall provide a status report on implementation of all wastewater
728 CIP projects contained in the current adopted six-year wastewater CIP together with
729 those projects carried forward from previous adopted six-year wastewater CIPs, and shall
730 include:

731 a. an explanation of significant changes to scope, schedule and impact on work
732 plan and budget since last budget approval;

733 b. identification of revisions to milestones and budget for the current year;

734 c. a proposal for revisions to scope, budget and schedule for next six months;

735 d. a reallocated wastewater six-year CIP including all changes to projects,
736 estimated costs, schedules, and scopes of work to be pursued for the current year, and
737 programmed in the remaining years of the six-year program;

738 e. a justification for each project postponement or acceleration and
739 substitution;

740 f. a revised financial plan;

741 g. an accounting summary of the current project status and the amount of
742 unexpended project budget balance by project phase and revenue for each project in the
743 current year of the program; and

744 h. identification of which projects will be ready for implementation in the
745 current budget year within the constraints of the total current year fund appropriation; and

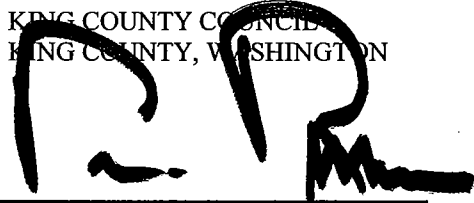
746 2. The report shall also include the department's proposal for defining project
747 categories in the 2002 budget, including the list of categories to be funded under the
748 wastewater asset management appropriations beginning in 2002.

749

Ordinance 14122 was introduced on 4/9/01 and passed as amended by the Metropolitan King County Council on 6/11/01, by the following vote:

Yes: 12 - Mr. von Reichbauer, Ms. Miller, Ms. Fimia, Mr. Phillips, Mr. Pelz,
Mr. McKenna, Ms. Sullivan, Mr. Nickels, Mr. Pullen, Mr. Gossett, Ms.
Hague and Mr. Thomas
No: 0
Excused: 1 - Mr. Irons

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Pete von Reichbauer, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 22 day of June, 01.



Ron Sims, County Executive

Attachments None