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JOIN ONLINE
Paste the following link into the address bar of your web browser:
https://kingcounty.zoom.us/s/93758685838

JOIN BY TELEPHONE
Dial: +1 253 215 8782
Meeting ID: 937 5868 5838
Passcode: 232591

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1. **Call to Order**

2. **Roll Call**

3. **Flag Salute and Pledge of Allegiance**
   
   *Councilmember Zahilay*

4. **Approval of Minutes of May 25, 2021**
   
   *Councilmember McDermott*

5. **Additions to the Council Agenda**

6. **Special Item**

   **Proclamation of June 2021 as LGBTQ Pride Month in King County**

   *Councilmember McDermott*

   **Hearing and Second Reading of Ordinances from Standing Committees and Regional Committees, and of Ordinances related to Collective Bargaining**

   There will be one public hearing on Items 7-11

   **Consent Items 7-10**

   *Councilmember McDermott*

7. **Proposed Ordinance No. 2021-0159**

   AN ORDINANCE establishing the Harborview Medical Center capital program 2020 Proposition 1 capital project fund; and adding a new section to K.C.C. chapter 4A.200.

   **Sponsors:** Ms. Kohl-Welles

   *On 4/6/2021, the Metropolitan King County Council Introduced and Referred to Budget and Fiscal Management Committee. On 5/18/2021, the Budget and Fiscal Management Committee Recommended Do Pass Consent.*
8. Proposed Ordinance No. 2021-0160

AN ORDINANCE making a net supplemental disappropriation of ($1,260,000) from the facilities management internal service fund and a supplemental appropriation of $22,539,969 to the HMC Capital Program 2020 Prop 1 capital fund budget; and amending the 2021-2022 Biennial Budget Ordinance, Ordinance 19210, Sections 115, 119, 119 and 129, as amended, and Attachment A, as amended.

Sponsors: Ms. Kohl-Welles

On 4/6/2021, the Metropolitan King County Council Introduced and Referred to Budget and Fiscal Management Committee.
On 5/18/2021, the Budget and Fiscal Management Committee Recommended Do Pass Consent.

9. Proposed Ordinance No. 2021-0187

AN ORDINANCE relating to rates and charges for sewage treatment and disposal; and amending Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100, Ordinance 18745, Section 2, and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

Sponsors: Ms. Kohl-Welles

On 5/4/2021, the Metropolitan King County Council Introduced and Referred to Budget and Fiscal Management Committee.
On 5/18/2021, the Budget and Fiscal Management Committee Recommended Do Pass Consent.

10. Proposed Ordinance No. 2021-0190

AN ORDINANCE making a net supplemental appropriation of $1,435,000 to the wastewater treatment division, and $11,550,136 to the water quality construction fund; and amending the 2021-2022 Biennial Budget Ordinance, Ordinance 19210, Sections 112 and 129, as amended, and Attachment A, as amended.

Sponsors: Ms. Kohl-Welles

On 5/11/2021, the Metropolitan King County Council Introduced and Referred to Budget and Fiscal Management Committee.
On 5/18/2021, the Budget and Fiscal Management Committee Recommended Do Pass Consent.
Committee of the Whole

Councilmember McDermott

11. Proposed Substitute Ordinance No. 2021-0091.2  Pg. 85

   AN ORDINANCE relating to facial recognition, prohibiting the acquisition and use of facial recognition
technology by County administrative offices and executive departments, including the department of
public safety; and adding a new chapter in K.C.C. Title 2.

   **Sponsors:** Ms. Kohl-Welles, Mr. Dembowski and Mr. Upthegrove

   *On 2/16/2021, the Metropolitan King County Council Introduced and Referred to Committee of the Whole.*
   *On 4/21/2021, the Committee of the Whole Deferred.*
   *On 5/5/2021, the Committee of the Whole Deferred.*
   *On 5/19/2021, the Committee of the Whole Recommended Do Pass Substitute.*

Public Hearing Required

Motions, from Standing Committees and Regional Committees and Motions related to Collective Bargaining, for Council Action

Consent Items 12-15

Councilmember McDermott

12. Proposed Motion No. 2021-0195  Pg. 101

   A MOTION reappointing Kymber Waltmunson to the position of King County auditor.

   **Sponsors:** Ms. Balducci

   *On 5/18/2021, the Metropolitan King County Council Introduced and Referred to Employment and Administration Committee.*
   *On 5/26/2021, the Employment and Administration Committee Recommended Do Pass Consent.*

13. Proposed Substitute Motion No. 2021-0196.2  Pg. 103

   A MOTION confirming the reappointment of Julie Kang to the citizens’ elections oversight committee as a representative of the Korean-speaking community.

   **Sponsors:** Ms. Kohl-Welles

   *On 5/18/2021, the Metropolitan King County Council Introduced and Referred to Employment and Administration Committee.*
   *On 5/26/2021, the Employment and Administration Committee Recommended Do Pass Substitute Consent.*
14. Proposed Substitute Motion No. 2021-0197.2

A MOTION confirming the appointment of Linda Grez to the citizens' elections oversight committee as a jurisdictional representative from a junior taxing district or a city with a population of under twenty thousand.

Sponsors: Ms. Lambert

On 5/18/2021, the Metropolitan King County Council Introduced and Referred to Employment and Administration Committee.
On 5/26/2021, the Employment and Administration Committee Recommended Do Pass Substitute Consent.

15. Proposed Substitute Motion No. 2021-0198.2

A MOTION confirming the reappointment of Quynh Pham to the citizens' elections oversight committee as a representative of the Vietnamese-speaking community.

Sponsors: Mr. Upthegrove

On 5/18/2021, the Metropolitan King County Council Introduced and Referred to Employment and Administration Committee.
On 5/26/2021, the Employment and Administration Committee Recommended Do Pass Substitute Consent.

Committee of the Whole

Councilmember McDermott

16. Proposed Motion No. 2021-0178

A MOTION relating to programs and services for prevention, outreach, and early intervention to address mental health and substance use impacts in children and youth five through twenty-four years old, which have been exacerbated due to the coronavirus disease 2019 pandemic.

Sponsors: Mr. Dunn, Mr. Dembowski, Ms. Lambert and Ms. Kohl-Welles

On 4/20/2021, the Metropolitan King County Council Introduced and Referred to Regional Policy Committee.
On 5/12/2021, the Regional Policy Committee Recommended Do Pass.

SUBJECT TO A MOTION TO RELIEVE THE COMMITTEE OF FURTHER CONSIDERATION PURSUANT TO K.C.C. 1.24.125
First Reading and Referral of Ordinances

17. Proposed Ordinance No. 2021-0204

AN ORDINANCE relating to the electric scooter share pilot program; amending Ordinance 18989, Section 2, as amended, Ordinance 18989, Section 6, as amended, and Ordinance 18989, Section 8, as amended, and adding a new section to Ordinance 18989.

Sponsors: Mr. McDermott

First Reading and Referral to the Mobility and Environment Committee

18. Proposed Ordinance No. 2021-0206

AN ORDINANCE providing for the submission to the qualified electors of King County at a special election to be held in King County on November 2, 2021, of a proposition authorizing a property tax levy in excess of the levy limitation contained in chapter 84.55 RCW for a consecutive six-year period, at a total rate of not more than $2.25 per one thousand dollars of assessed valuation in the first year for collection in 2022 and limiting annual levy increases by the King County inflation plus population index published by the King County office of economic and financial analysis, or the limitation in chapter 84.55 RCW, whichever is greater in years two through six, and authorizing use of the 2027 levy amount as the base for computing levies in succeeding years, for the purpose of maintaining and operating King County’s road system.

Sponsors: Mr. Dunn and Ms. Lambert

First Reading and Referral to the Local Services Committee

First Reading and Referral of Motions

19. Proposed Motion No. 2021-0205

A MOTION requesting the executive develop a plan for establishing a community-based countywide hotline, web portal, incident reporting requirements for a countywide data collection system and public awareness campaign for persons to report hate crimes and incidents.

Sponsors: Mr. Dunn

First Reading and Referral to the Law and Justice Committee

20. Proposed Motion No. 2021-0207

A MOTION relating to a property tax levy for 2021 through 2026 for the purpose of providing for the safety, preservation, maintenance and operations of King County’s road system.

Sponsors: Mr. Dunn

First Reading and Referral to the Local Services Committee
21. **Reports on Special and Outside Committees**

Other Business

Adjournment
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1. **Call to Order**

   The meeting was called to order at 1:03 p.m.

   The Chair recessed the meeting at 1:54 p.m. The meeting was reconvened at 1:58 p.m.

2. **Roll Call**

   **Present:** 9 - Ms. Balducci, Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Ms. Lambert, Mr. McDermott, Mr. Upthegrove, Mr. von Reichbauer and Mr. Zahilay

3. **Flag Salute and Pledge of Allegiance**

   Councilmember Dembowski and the American Legion Post 227, presented the Flag Salute at the Shoreline Veterans Plaza at Shoreline City Hall.

4. **Approval of Minutes of May 18, 2021**

   Councilmember McDermott moved to approve the minutes of the May 18, 2021, meeting as presented. Seeing no objection, the Chair so ordered.

5. **Additions to the Council Agenda**

   There were no additions.

6. **Special Item**

   **Proclamation of May 2021 as Mental Health Awareness Month in King County**

   Councilmember Kohl-Welles presented the Proclamation of May 2021 as Mental Health Awareness Month in King County.

   **Proclamation of May 25, 2021, Education for All Day in King County**

   Councilmember Upthegrove presented the Proclamation of May 25, 2021, Education for All Day in King County.

   The Chair took a point of personal privilege and acknowledged the one year anniversary of the death of George Floyd and asked members to continue to act with urgency to end racism in King County.
Briefing

7. Briefing No. 2021-B0073

COVID-19 Response Briefing

Patty Hayes, Director, Public Health - Seattle & King County, briefed the Council, answered questions, and thanked the Council for their support and the great work that was done in the last seven years. Ms. Hayes announced her retirement, detailed her upcoming adventure with the University of Washington School of Nursing, and introduced the Interim Director of Public Health, Dennis Worsham. Mr. Worsham made remarks and thanked the Council.

8. General Public Comment

The following people spoke:
Marcos Martinez
Chelsea Rivas
Cherryl Jackson-Williams
Alejandra Tres
Cynthia Ramos
Helen Shorewong
Kim Mustafa
Josh Castle
Pastor Henry Jenkins
Mark Hoffman
Rebecca Berry
Stacey Valenzuela
Taylor Quach
Cindy Hernandez
Hearing and Second Reading of Ordinances from Standing Committees and Regional Committees, and of Ordinances related to Collective Bargaining

There will be one public hearing on Items 9-11

The Public Hearing was held under General Public Comment

Budget and Fiscal Management
9. **Proposed Substitute Ordinance No. 2021-0155.2**

AN ORDINANCE related to COVID-19; making a supplemental appropriation of $127,793,000 to several general fund agencies; making a supplemental appropriation of $470,001,000 to several non-general fund agencies; making a supplemental appropriation of $34,317,000 to a capital improvement fund; amending the 2021-2022 Biennial Budget Ordinance, Ordinance 19210, Sections 18, 19, 19, 20, 20, 23, 25, 30, 31, 32, 34, 46, 48, 51, 60, 63, 70, 71, 81, 81, 84, 87, 89, 90, 100, 102, 106, 115, 119, 121 and 129, as amended, and Attachment A, as amended, and adding a new section to Ordinance 19210; and declaring an emergency.

**Sponsors:** Ms. Kohl-Welles

*The enacted number is 19289.*

Andrew Kim, Council Staff, briefed the Council and answered questions.

Councilmember Lambert moved Amendment 1. The motion carried.

Councilmember Kohl-Welles moved Amendment 2. The motion carried.

Councilmember Kohl-Welles moved Amendment 3A. The motion carried.

Councilmember Lambert moved Amendment 4. The motion carried.

Dwight Dively, Director, Office of Performance, Strategy and Budget, briefed the Council and answered questions.

Karan Gill, Director of Council Relations, briefed the Council answered questions.

Councilmember Dunn moved Amendment 5. Councilmember Dunn withdrew Amendment 5.

Councilmember Upthegrove moved Amendment 6. The motion failed by the following vote:

- **Yes:** 3 - Mr. McDermott, Mr. Upthegrove, and Mr. Zahilay
- **No:** 6 - Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Ms. Lambert, Mr. von Reichbauer, and Ms. Balducci
- **Excused:** 0

Councilmember Zahilay moved Amendment 7. The motion failed.

Monique Cohen, Chief Legal Counsel, answered questions of the Council.

Councilmember Kohl-Welles made a motion to reconsider Amendment 2. The motion carried. Councilmember Kohl-Welles made an oral amendment, on Page 1, Line 10, strike "$200,000" and insert "$5,200,000": Voting on Amendment 2, as amended, the motion carried.

Councilmember Kohl-Welles moved Title Amendment T1. The motion carried.

A Public Hearing was held and closed. A motion was made by Councilmember Kohl-Welles that this Ordinance be Passed as Amended. The motion failed.
Local Services

10. Proposed Ordinance No. 2021-0134

AN ORDINANCE renewing for six months an existing moratorium prohibiting the acceptance of applications for or establishment of new or expansion of existing wineries, breweries, distilleries and remote tasting rooms, as primary uses or as home occupations or home industries; and prohibiting temporary use permits for wineries, breweries, distilleries and remote tasting room uses under the King County Code.

Sponsors: Mr. Dembowski

The enacted number is 19290.

Erin Auzins, Council Staff, briefed the Council and answered questions.

Councilmember Dunn moved Amendment 1. The motion carried.

A Public Hearing was held and closed. A motion was made by Councilmember Dunn that this Ordinance be Passed as Amended. The motion carried by the following vote:

Yes: 9 - Ms. Balducci, Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Ms. Lambert, Mr. McDermott, Mr. Upthegrove, Mr. von Reichbauer, and Mr. Zahilay
Metropolitan King County Council

11. Proposed Ordinance No. 2021-0199

AN ORDINANCE declaring a one-year interim zoning ordinance regulating temporary small house sites; establishing a work plan and directing the executive to prepare a study to address the elements in the work plan necessitating the interim zoning ordinance; amending Ordinance 12196, Section 9, as amended, and K.C.C. 20.20.020, adding a new chapter to K.C.C. Title 21A; and declaring an emergency.

Sponsors:  Mr. Zahilay

The enacted number is 19291.

Councilmember Zahilay moved Amendment 1.

Jenny Ngo, Council Staff, briefed the Council and answered questions.

Voting on Amendment 1, the motion carried.

Councilmember Lambert moved Amendment 2.

Jim Chan, Division Director, Permitting, answered questions and made remarks.

Councilmember Lambert withdrew Amendment 2.

A Public Hearing was held and closed. A motion was made by Councilmember Zahilay that this Ordinance be Passed as Amended. The motion carried by the following vote:

Yes: 8 - Ms. Balducci, Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Mr. McDermott, Mr. Upthegrove, Mr. von Reichbauer, and Mr. Zahilay

No: 1 - Ms. Lambert
Motions, from Standing Committees and Regional Committees and Motions related to Collective Bargaining, for Council Action

Community, Health and Housing Services

12. Proposed Motion No. 2021-0181

A MOTION relating to secure medicine return in King County and a one-week council communications campaign to increase awareness about the availability of the secure medicine return mail back program.

Sponsors: Mr. Dunn

The enacted number is 15883.

A motion was made by Councilmember Lambert that this Motion be Passed. The motion carried by the following vote:

Yes: 8 - Ms. Balducci, Mr. Dembowski, Mr. Dunn, Ms. Kohl-Welles, Ms. Lambert, Mr. Upthegrove, Mr. von Reichbauer, and Mr. Zahilay

No: 1 - Mr. McDermott

First Reading and Referral of Ordinances

13. Proposed Ordinance No. 2021-0200

AN ORDINANCE authorizing the King County executive to sign the recreational trail use agreement with Puget Sound Energy for permission to use portions of PSE property for the construction, maintenance, and operation of the Interurban Trail South.

Sponsors: Mr. von Reichbauer

This matter had its first reading and was referred to the Mobility and Environment Committee.

14. Proposed Ordinance No. 2021-0201

AN ORDINANCE that adopts the Harborview Medical Center 2022 Capital Improvement Program Annual Budget for the year ending June 30, 2022, and makes appropriations for the capital improvements for the Harborview Medical Center.

Sponsors: Ms. Kohl-Welles

This matter had its first reading and was referred to the Budget and Fiscal Management Committee.
First Reading and Referral of Motions

15. Proposed Motion No. 2021-0203

A MOTION requesting the executive to develop and implement a vaccine incentive program for King County residents who complete vaccination against coronavirus disease 2019.

_Sponsors:_ Mr. Dunn

This matter had its first reading and was referred to the Community, Health and Housing Services Committee.

16. Reports on Special and Outside Committees

Other Business

Adjournment

_The meeting adjourned at 4:14 p.m._

Approved this _____________ day of ________________

______________________________
Clerk's Signature
AN ORDINANCE establishing the Harborview Medical Center capital program 2020 Proposition 1 capital project fund; and adding a new section to K.C.C. chapter 4A.200.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. There is hereby added to K.C.C. chapter 4A.200 a new section to read as follows:

A. There is hereby created the Harborview Medical Center capital program 2020 Proposition 1 capital project fund.

B. The fund shall be a first tier fund. It is a capital project fund.

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

D. Revenue approved by the voters of King County at the November 4, 2020, general election as described in Ordinance 19117 shall be deposited in the fund.

E. The fund shall be used to account for the capital costs of the Harborview Medical Center capital project as described in Ordinance 19117.
F. Any subfund of the fund created to hold and manage bond proceeds shall be treated as a first tier fund.
Metropolitan King County Council  
Budget and Fiscal Management Committee

STAFF REPORT

<table>
<thead>
<tr>
<th>Agenda Item:</th>
<th>8 and 9</th>
<th>Name:</th>
<th>Sam Porter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed No.:</td>
<td>2021-0159</td>
<td>Date:</td>
<td>May 18, 2021</td>
</tr>
<tr>
<td></td>
<td>2021-0160</td>
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</tr>
</tbody>
</table>

SUBJECT

Proposed Ordinance 2021-0159 would establish the Harborview Medical Center (HMC) Capital Program 2020 Prop 1 capital fund.

Proposed Ordinance 2021-0160 would make a supplemental appropriation to the fund established in Proposed Ordinance 2021-0159.

SUMMARY

Proposed Ordinance 2021-0159 would establish the HMC Capital Program 2020 Prop 1 capital fund for bond levy revenue that was approved by King County voters at the November 4, 2020 general election. This would be a first-tier capital fund.

Proposed Ordinance 2021-0160 would make a net supplemental appropriation of $21.3 million to the HMC Capital Program 2020 Prop 1 capital fund, attach a revised list of capital projects to the 2021-2022 biennial budget capital project list, and add 9 FTEs to support the capital projects. According to the Executive, the proposed appropriation would enable King County to procure project management and land use consultants for the HMC Capital Bond program, hire additional staff needed to implement the bond program, and supplement initial program funding allocated in the 2021-2022 adopted budget.

BACKGROUND

King County voters approved the $1.74 billion capital bond levy for health and safety improvements at HMC at the November 3, 2020 general election with more than 76 percent of the vote.\(^1\) HMC serves as the Level 1 trauma center for the four-state region of Washington, Alaska, Idaho, and Montana. HMC prioritizes serving the non-English-

\(^1\) Ordinance 19117 placed this proposition on the November 3, 2020 ballot.
speaking poor, the uninsured and underinsured, people who experience domestic violence or sexual assault, incarcerated people in King County's jails, people with behavioral health illnesses, particularly those treated involuntarily, people with sexually transmitted diseases, and individuals who require specialized emergency care, trauma care, and severe burn care. HMC is owned by King County, governed by a 13-member County-appointed Board of Trustees, and operated by the University of Washington Medicine (UW Medicine).

The Harborview Leadership Group (HLG) established through Motion 15183 provided recommendations that informed the HMC Capital Bond Levy, which was approved by voters. The eight primary components included in the HLG report\textsuperscript{2} can be seen in Table 1 below.

\textbf{Table 1.}
\textbf{HLG Recommendations for HMC Capital Bond}

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Bed Tower</td>
<td>Increase bed capacity; expand/modify Emergency Department; meet privacy and infection control standards; disaster prep; plant infrastructure</td>
</tr>
<tr>
<td>New Behavioral Health Building</td>
<td>Existing behavioral health services/programs and new Behavioral Health Institute under one roof</td>
</tr>
<tr>
<td>Existing Hospital Space Renovations</td>
<td>Expand Involuntary Treatment Act (ITA) court in the most appropriate location; move or expand gamma knife radiosurgery, Public Health Tuberculosis and Sexually Transmitted Diseases (STD) clinics, Medical Examiner’s Office, nutrition, etc.</td>
</tr>
<tr>
<td>Harborview Hall</td>
<td>Seismic upgrades; general improvement/modification of space; create space for up to 150 respite beds; maintain enhanced homeless shelter in the most appropriate location</td>
</tr>
<tr>
<td>Center Tower</td>
<td>Seismic upgrades; improve and modify space for offices</td>
</tr>
<tr>
<td>Pioneer Square Clinic</td>
<td>Seismic and code improvements; improve and modify space for medical clinic/office space</td>
</tr>
<tr>
<td>East Clinic</td>
<td>Demolish East Clinic Building</td>
</tr>
</tbody>
</table>

\textsuperscript{2} 2020-RPT0054, Harborview Leadership Group Recommendation Report
In the 2021-2022 biennial budget\(^3\) the Council added $1.26 million and 5.0 FTEs to the Facilities Management Division (FMD) fund at the request of the executive to begin work related to the new HMC Capital Bond levy.

**ANALYSIS**

**Proposed Ordinance 2021-0159** would establish a first-tier\(^4\) capital project fund to be managed by the Director of the Department of Executive Services. Revenue generated for the HMC Capital Bond would be deposited in the fund which would be used to account for capital costs of the HMC Capital Program as described in Ordinance 19117.

**Proposed Ordinance 2021-0160** would disappropriate the $1.26 million allocated to the Facilities Management Division (FMD) fund during the biennial budget and include that the same amount to the HMC Capital Program 2020 Prop 1 capital fund that would be created through Proposed Ordinance 2021-0159. The total proposed appropriation to the HMC Capital Program 2020 Prop 1 capital would be $22.54 million, which would also include additional support for the HMC Capital Bond Program as described further in this section.

Proposed Ordinance 2021-0160 would also attach a revised list of capital projects to the 2021-2022 biennial budget capital project list, add one FTE to the Finance and Business Operations Division (FBOD), and eight additional FTEs to FMD. Executive staff indicate that the position in FBOD would be charged back to the HMC Capital Program 2020 Prop 1 capital fund. Descriptions of each FTE can be seen in Table 2 below.

### Table 2.
**HMC Capital Program Proposed Staffing**

<table>
<thead>
<tr>
<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Program Director</td>
<td>1.0</td>
<td>Existing position</td>
<td>Supervises admins, interns, communications, and the 1% for Art.</td>
</tr>
<tr>
<td>Executive Office Liaison</td>
<td>0.3</td>
<td>Existing position</td>
<td>Responsible for policy, legislation, interlocal and intergovernmental relations.</td>
</tr>
</tbody>
</table>

\(^3\) Ordinance 19210

\(^4\) A "first tier" fund means a fund that is invested for its own benefit per KCC 4A.10.280.
<table>
<thead>
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<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Office Director</td>
<td>1.0</td>
<td>Ordinance 19210&lt;sup&gt;5&lt;/sup&gt;</td>
<td>Responsible for program office staffing, consultant and contractor teams, risk management, budget and cost controls, contracts administration, and accountability.</td>
</tr>
<tr>
<td>Contract Admin/Procurement Coordination</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Manages multiple procurements and coordinates with the HMC Bond Program Office, HMC and King County teams.</td>
</tr>
<tr>
<td>Senior Project Manager (Tower)</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Responsible for all aspects of new tower design and construction; manages the project management firm.</td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Responsible for establishing an intern program to introduce undergraduate and graduate students to the multiple professions represented on the various project teams.</td>
</tr>
<tr>
<td>Project Managers</td>
<td>5.0</td>
<td>Ordinance 19210 (1 FTE) PO 2021-0160 (4 FTEs)</td>
<td>Senior Special Project Managers responsible for the five following aspects of the bond project: Behavioral Health Institute, Harborview Hall, hospital bed tower construction, site and infrastructure, and the Pioneer Square Clinic.</td>
</tr>
<tr>
<td>Project Controls Administrator / IT</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Responsible for managing, in conjunction with the project management firm, all internal documentation and communication, and establishing the systems for responding to audits and public disclosure requests.</td>
</tr>
<tr>
<td>Small Business Administration, Disadvantaged Business Enterprise, Equity (Contract Compliance &amp; Outreach)</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Responsible for promoting equity and social justice principles in all areas of project implementation.</td>
</tr>
</tbody>
</table>

<sup>5</sup> 2021-2022 Adopted Biennial Budget.
<table>
<thead>
<tr>
<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance/Accounting (FBOD)</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Responsible for day to day account management, budget tracking and preparation. This position would be allocated to FBOD and charged back to the HMC Prop 1 Fund.</td>
</tr>
<tr>
<td>Schedule Manager</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Coordinates multiple project schedules ensuring appropriate integration and communication among project teams.</td>
</tr>
<tr>
<td>Communications Manager</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Manages the communications consultants and interfaces with King County and HMC communications teams.</td>
</tr>
<tr>
<td>Project Interns</td>
<td>0.0</td>
<td>PO 2021-0160</td>
<td>5 TLT intern positions intended to undergraduate and graduate students to the multiple professions represented on the various project teams.</td>
</tr>
</tbody>
</table>

According to the Executive, the appropriation made through Proposed Ordinance 2021-0160 would be expended on procuring project management and land use consultants and funding the staff needed to implement the bond program. The Executive indicates that supplemental appropriation would support the following six aspects of the Harborview Bond project:
1. Patient bed tower facility construction,
2. Behavioral health facility provision,
3. Harborview Hall restoration and increased respite bed capacity,
4. Center Tower seismic retrofit,
5. Infrastructure improvements to the HMC campus, and
6. Miscellaneous building changes including the expansion of the ITA Court and relocation of the Department of Public Health services including the Sexually Transmitted Disease and Tuberculosis Clinics currently located on the HMC Campus.

King County Code 4A.130 requires that capital projects with a proposed budget of more than $10 million are subject to a process to determine whether the project would be subject to mandatory phased appropriation (MPA). In accordance with KCC 4A.130.020.G, the Executive has chosen to designate five of the six projects as MPA. The sixth item on the list above, miscellaneous building projects, will follow the standard process to determine whether the project will be subject to MPA. Executive staff indicate that reporting for the five MPA projects will begin once preliminary design is complete.
Executive staff indicate that the procurement process for the project management firm has begun and the selection and onboarding process is expected to take place in the coming months. Once a firm is on board, the development of the project management plan, project sequencing, and other key aspects of the bond project will take place. The Harborview Capital Bond Workgroup comprised of staff from the King County Council, the Executive's Office, FMD, HMC, and UW Medicine began meeting earlier in 2021 and will continue doing so throughout the bond project to monitor progress on the project.

Executive staff indicate that the preparation for the bond sales is underway and the legislation to authorize the issuance of those bonds is anticipated to be transmitted to the Council in the coming weeks.

INVITED

- Leslie Miles, Harborview Bond Project Administrator, Facilities Management Division
- Kelli Carroll, Special Project Director, King County Executive Office
- Sid Bender, Budget Manager, Office of Performance Strategy & Budget

ATTACHMENTS

1. Proposed Ordinance 2021-0159
2. Transmittal Letter
3. Fiscal Note
4. Proposed Ordinance 2021-0160 (and its attachment)
5. Transmittal Letter
6. Fiscal Note
Ordinance

**Proposed No. 2021-0160.1**  
**Sponsors** Kohl-Welles

1 AN ORDINANCE making a net supplemental
2 disappropriation of ($1,260,000) from the facilities
3 management internal service fund and a supplemental
4 appropriation of $22,539,969 to the HMC Capital Program
5 2020 Prop 1 capital fund budget; and amending the 2021-
6 2022 Biennial Budget Ordinance, Ordinance 19210,
7 Sections 115, 119, 119 and 129, as amended, and
8 Attachment A, as amended.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 19210, Section 115, as amended, is hereby amended as
follows:

FINANCE AND BUSINESS OPERATIONS - From the financial management
services fund there is hereby appropriated to:

Finance and business operations $0

The maximum number of additional FTEs for finance and business operations
shall be: 1

SECTION 2. Ordinance 19210, Section 119, as amended, is hereby amended as
follows:

FACILITIES MANAGEMENT INTERNAL SERVICE - From the facilities
management fund there is hereby disappropriated from:

   Facilities management internal service ($1,260,000)

**SECTION 3.** Ordinance 19210, Section 119, as amended, is hereby amended as follows:

   FACILITIES MANAGEMENT INTERNAL SERVICE - From the facilities management fund there is hereby appropriated to:

   Facilities management internal service $0

   The maximum number of additional FTEs for facilities management internal service shall be: 8

**SECTION 4.** Ordinance 19210, Section 129, as amended, is hereby amended to read as follows:

   From the several capital improvement project funds there are hereby appropriated and authorized to be disbursed the following amounts for the specific projects identified in Attachment A to this ordinance (Proposed Ordinance 2021-xxxx).

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Name</th>
<th>2021-2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>3750</td>
<td>HMC CAPITAL PROGRAM 2020 PROP 1</td>
<td>$22,539,969</td>
</tr>
<tr>
<td></td>
<td>TOTAL CAPITAL IMPROVEMENT PROGRAM</td>
<td>$22,539,969</td>
</tr>
</tbody>
</table>

**SECTION 5.** Attachment A to this ordinance hereby amends Attachment A to
Ordinance 19210, as amended, by adding thereto and inserting therein the projects listed in Attachment A to this ordinance.

ATTACHMENTS: A. 2021 HMC Bond Supplemental Budget - Executive Proposed
# 2021 HMC Bond Supplemental Budget - Executive Proposed

## 3750 HMC CAPITAL PROGRAM 2020 PROP 1

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Name</th>
<th>Class Code</th>
<th>Tech Adj</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>Total 6-Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1141052</td>
<td>DES FMD HMC NEW TOWER</td>
<td>STANDALONE</td>
<td></td>
<td>$11,269,984</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$11,269,984</td>
</tr>
<tr>
<td>1141053</td>
<td>DES FMD HMC BEHAVIORL HLTH FAC</td>
<td>STANDALONE</td>
<td></td>
<td>$2,253,997</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,253,997</td>
</tr>
<tr>
<td>1141054</td>
<td>DES FMD HMC H HALL RENOVATION</td>
<td>STANDALONE</td>
<td></td>
<td>$2,253,997</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,253,997</td>
</tr>
<tr>
<td>1141056</td>
<td>DES FMD HMC C TOWER SEISMIC</td>
<td>STANDALONE</td>
<td></td>
<td>$2,253,997</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,253,997</td>
</tr>
<tr>
<td>1141057</td>
<td>DES FMD HMC INFRASTRUCTURE</td>
<td>STANDALONE</td>
<td></td>
<td>$2,253,997</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,253,997</td>
</tr>
<tr>
<td>1141095</td>
<td>DES FMD HMC MISC BLDG CHANGE</td>
<td>STANDALONE</td>
<td></td>
<td>$2,253,997</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$2,253,997</td>
</tr>
</tbody>
</table>

| 3750 - HMC CAPITAL PROGRAM 2020  | Total                        | $22,539,969 | $0       | $0       | $0       | $0       | $0       | $22,539,969 |

| Grand Total | $22,539,969 | $0       | $0       | $0       | $0       | $0       | $22,539,969 |
SUBJECT

Proposed Ordinance 2021-0159 would establish the Harborview Medical Center (HMC) Capital Program 2020 Prop 1 capital fund.

Proposed Ordinance 2021-0160 would make a supplemental appropriation to the fund established in Proposed Ordinance 2021-0159.

SUMMARY

Proposed Ordinance 2021-0159 would establish the HMC Capital Program 2020 Prop 1 capital fund for bond levy revenue that was approved by King County voters at the November 4, 2020 general election. This would be a first-tier capital fund.

Proposed Ordinance 2021-0160 would make a net supplemental appropriation of $21.3 million to the HMC Capital Program 2020 Prop 1 capital fund, attach a revised list of capital projects to the 2021-2022 biennial budget capital project list, and add 9 FTEs to support the capital projects. According to the Executive, the proposed appropriation would enable King County to procure project management and land use consultants for the HMC Capital Bond program, hire additional staff needed to implement the bond program, and supplement initial program funding allocated in the 2021-2022 adopted budget.

BACKGROUND

King County voters approved the $1.74 billion capital bond levy for health and safety improvements at HMC at the November 3, 2020 general election with more than 76 percent of the vote.¹ HMC serves as the Level 1 trauma center for the four-state region of Washington, Alaska, Idaho, and Montana. HMC prioritizes serving the non-English-

¹ Ordinance 19117 placed this proposition on the November 3, 2020 ballot.
speaking poor, the uninsured and underinsured, people who experience domestic violence or sexual assault, incarcerated people in King County's jails, people with behavioral health illnesses, particularly those treated involuntarily, people with sexually transmitted diseases, and individuals who require specialized emergency care, trauma care, and severe burn care. HMC is owned by King County, governed by a 13-member County-appointed Board of Trustees, and operated by the University of Washington Medicine (UW Medicine).

The Harborview Leadership Group (HLG) established through Motion 15183 provided recommendations that informed the HMC Capital Bond Levy, which was approved by voters. The eight primary components included in the HLG report\(^2\) can be seen in Table 1 below.

### Table 1.
HLG Recommendations for HMC Capital Bond

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Bed Tower</td>
<td>Increase bed capacity; expand/modify Emergency Department; meet privacy and infection control standards; disaster prep; plant infrastructure</td>
</tr>
<tr>
<td>New Behavioral Health Building</td>
<td>Existing behavioral health services/programs and new Behavioral Health Institute under one roof</td>
</tr>
<tr>
<td>Existing Hospital Space Renovations</td>
<td>Expand Involuntary Treatment Act (ITA) court in the most appropriate location; move or expand gamma knife radiosurgery, Public Health Tuberculosis and Sexually Transmitted Diseases (STD) clinics, Medical Examiner’s Office, nutrition, etc.</td>
</tr>
<tr>
<td>Harborview Hall</td>
<td>Seismic upgrades; general improvement/modification of space; create space for up to 150 respite beds; maintain enhanced homeless shelter in the most appropriate location</td>
</tr>
<tr>
<td>Center Tower</td>
<td>Seismic upgrades; improve and modify space for offices</td>
</tr>
<tr>
<td>Pioneer Square Clinic</td>
<td>Seismic and code improvements; improve and modify space for medical clinic/office space</td>
</tr>
<tr>
<td>East Clinic</td>
<td>Demolish East Clinic Building</td>
</tr>
</tbody>
</table>

\(^2\) 2020-RPT0054, Harborview Leadership Group Recommendation Report
<table>
<thead>
<tr>
<th>Component Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site Improvements/Misc.</td>
<td>Site preparation; 1% for Art; Project Labor Agreement; Project Management; plant infrastructure upgrades - primarily energy systems</td>
</tr>
</tbody>
</table>

In the 2021-2022 biennial budget\(^3\) the Council added $1.26 million and 5.0 FTEs to the Facilities Management Division (FMD) fund at the request of the executive to begin work related to the new HMC Capital Bond levy.

**ANALYSIS**

**Proposed Ordinance 2021-0159** would establish a first-tier\(^4\) capital project fund to be managed by the Director of the Department of Executive Services. Revenue generated for the HMC Capital Bond would be deposited in the fund which would be used to account for capital costs of the HMC Capital Program as described in Ordinance 19117.

**Proposed Ordinance 2021-0160** would disappropriate the $1.26 million allocated to the Facilities Management Division (FMD) fund during the biennial budget and include that the same amount to the HMC Capital Program 2020 Prop 1 capital fund that would be created through Proposed Ordinance 2021-0159. The total proposed appropriation to the HMC Capital Program 2020 Prop 1 capital would be $22.54 million, which would also include additional support for the HMC Capital Bond Program as described further in this section.

Proposed Ordinance 2021-0160 would also attach a revised list of capital projects to the 2021-2022 biennial budget capital project list, add one FTE to the Finance and Business Operations Division (FBOD), and eight additional FTEs to FMD. Executive staff indicate that the position in FBOD would be charged back to the HMC Capital Program 2020 Prop 1 capital fund. Descriptions of each FTE can be seen in Table 2 below.

<table>
<thead>
<tr>
<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Program Director</td>
<td>1.0</td>
<td>Existing position</td>
<td>Supervises admins, interns, communications, and the 1% for Art.</td>
</tr>
<tr>
<td>Executive Office Liaison</td>
<td>0.3</td>
<td>Existing position</td>
<td>Responsible for policy, legislation, interlocal and intergovernmental relations.</td>
</tr>
</tbody>
</table>

---

\(^3\) Ordinance 19210

\(^4\) A "first tier" fund means a fund that is invested for its own benefit per KCC 4A.10.280.
<table>
<thead>
<tr>
<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Office Director</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Responsible for program office staffing, consultant and contractor teams, risk management, budget and cost controls, contracts administration, and accountability.</td>
</tr>
<tr>
<td>Contract Admin/Procurement Coordination</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Manages multiple procurements and coordinates with the HMC Bond Program Office, HMC and King County teams.</td>
</tr>
<tr>
<td>Senior Project Manager (Tower)</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Responsible for all aspects of new tower design and construction; manages the project management firm.</td>
</tr>
<tr>
<td>Program Coordinator</td>
<td>1.0</td>
<td>Ordinance 19210</td>
<td>Responsible for establishing an intern program to introduce undergraduate and graduate students to the multiple professions represented on the various project teams.</td>
</tr>
<tr>
<td>Project Managers</td>
<td>5.0</td>
<td>Ordinance 19210 (1 FTE) and PO 2021-0160 (4 FTEs)</td>
<td>Senior Special Project Managers responsible for the five following aspects of the bond project: Behavioral Health Institute, Harborview Hall, hospital bed tower construction, site and infrastructure, and the Pioneer Square Clinic.</td>
</tr>
<tr>
<td>Project Controls Administrator / IT</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Responsible for managing, in conjunction with the project management firm, all internal documentation and communication, and establishing the systems for responding to audits and public disclosure requests.</td>
</tr>
<tr>
<td>Small Business Administration, Disadvantaged Business Enterprise, Equity (Contract Compliance &amp; Outreach)</td>
<td>1.0</td>
<td>PO 2021-0160</td>
<td>Responsible for promoting equity and social justice principles in all areas of project implementation.</td>
</tr>
</tbody>
</table>

---

5 2021-2022 Adopted Biennial Budget.
<table>
<thead>
<tr>
<th>Position Name</th>
<th>FTE</th>
<th>Ordinance</th>
<th>Description</th>
</tr>
</thead>
</table>
| Finance/Accounting (FBOD)     | 1.0 | PO 2021-0160 | Responsible for day to day account management, budget tracking and preparation.  
*This position would be allocated to FBOD and charged back to the HMC Prop 1 Fund.* |
| Schedule Manager              | 1.0 | PO 2021-0160 | Coordinates multiple project schedules ensuring appropriate integration and communication among project teams.                               |
| Communications Manager        | 1.0 | PO 2021-0160 | Manages the communications consultants and interfaces with King County and HMC communications teams.                                      |
| Project Interns               | 0.0 | PO 2021-0160 (5 TLTs) | 5 TLT intern positions intended to undergraduate and graduate students to the multiple professions represented on the various project teams. |

According to the Executive, the appropriation made through Proposed Ordinance 2021-0160 would be expended on procuring project management and land use consultants and funding the staff needed to implement the bond program. The Executive indicates that supplemental appropriation would support the following six aspects of the Harborview Bond project:

1. Patient bed tower facility construction,
2. Behavioral health facility provision,
3. Harborview Hall restoration and increased respite bed capacity,
4. Center Tower seismic retrofit,
5. Infrastructure improvements to the HMC campus, and
6. Miscellaneous building changes including the expansion of the ITA Court and relocation of the Department of Public Health services including the Sexually Transmitted Disease and Tuberculosis Clinics currently located on the HMC Campus.

King County Code 4A.130 requires that capital projects with a proposed budget of more than $10 million are subject to a process to determine whether the project would be subject to mandatory phased appropriation (MPA). In accordance with KCC 4A.130.020.G, the Executive has chosen to designate five of the six projects as MPA. The sixth item on the list above, miscellaneous building projects, will follow the standard process to determine whether the project will be subject to MPA. Executive staff indicate that reporting for the five MPA projects will begin once preliminary design is complete.
Executive staff indicate that the procurement process for the project management firm has begun and the selection and onboarding process is expected to take place in the coming months. Once a firm is on board, the development of the project management plan, project sequencing, and other key aspects of the bond project will take place. The Harborview Capital Bond Workgroup comprised of staff from the King County Council, the Executive's Office, FMD, HMC, and UW Medicine began meeting earlier in 2021 and will continue doing so throughout the bond project to monitor progress on the project.

Executive staff indicate that the preparation for the bond sales is underway and the legislation to authorize the issuance of those bonds is anticipated to be transmitted to the Council in the coming weeks.

INVITED

- Leslie Miles, Harborview Bond Project Administrator, Facilities Management Division
- Kelli Carroll, Special Project Director, King County Executive Office
- Sid Bender, Budget Manager, Office of Performance Strategy & Budget

ATTACHMENTS

1. Proposed Ordinance 2021-0159
2. Transmittal Letter
3. Fiscal Note
4. Proposed Ordinance 2021-0160 (and its attachment)
5. Transmittal Letter
6. Fiscal Note
AN ORDINANCE relating to rates and charges for sewage
treatment and disposal; and amending Ordinance 12353,
Section 2, as amended, and K.C.C. 4A.670.100, Ordinance 18745, Section 2, and Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4A.670.100 are hereby amended to read as follows:

A. Having determined the monetary requirements for the disposal of sewage, the council hereby adopts a ((2021)) 2022 sewer rate of ((forty-seven)) forty-nine dollars and ((thirty-seven)) twenty-seven cents per residential customer equivalent per month. Once a sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a copy of that ordinance to each agency having an agreement for sewage disposal with King County.

B. The King County council approves the application of Statement No. 62 of the Governmental Accounting Standards Board (GASB-62) as it pertains to regulatory assets and liabilities to treat pollution remediation obligations and RainWise Program expenditures and strategic planning costs as regulatory assets, recovered ratably over the life of the underlying financing, and to establish a rate stabilization reserve for the
purpose of leveling rates between years.

C. As required for GASB-62 application, amounts are to be placed in the rate stabilization reserve from operating revenues and removed from the calculation of debt service coverage. The reserve balance shall be an amount at least sufficient to maintain a level sewer rate between 2021 and 2022, and shall be used solely for the purposes of: maintaining the level sewer rate in (2021) 2022; and if additional reserve balance is available, moderating future rate increases beyond (2021) 2022. The estimated amount of the reserve, as shown in the financial forecast, Attachment A to (Ordinance 19106) this ordinance, shall be revised in accordance with the 2021-2022 Biennial Budget Ordinance and financial plan. If the reserve needs to be reduced to meet debt service coverage requirements for (2020) 2021, the county executive shall notify the council of the change by providing an updated financial plan.

SECTION 2. Ordinance 18745, Section 2, as amended, is hereby amended to read as follows:

Monetary requirements for the disposal of sewage as defined by contract with the component sewer agencies for the fiscal year beginning January 1, (2021) 2022, and ending December 31, (2021) 2022. The council hereby determines the monetary requirements for the disposal of sewage as follows:

Administration, operating, maintenance repair and replacement (net of other income): ($57,502,034) $64,625,987.

Establishment and maintenance of necessary working capital reserves:

($93,206,863) $73,964,094.

Requirements of revenue bond resolutions (not included in above items and net of
SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are hereby amended as follows:

A. The amount of the metropolitan sewage facility capacity charge adopted by K.C.C. 28.84.050.O. that is charged monthly for fifteen years per residential customer or residential customer equivalent shall be:

1. Seven dollars for sewer connections occurring between and including January 1, 1994, and December 31, 1997;

2. Ten dollars and fifty cents for sewer connections occurring between and including January 1, 1998, and December 31, 2001;

3. Seventeen dollars and twenty cents for sewer connections occurring between and including January 1, 2002, and December 31, 2002;

4. Seventeen dollars and sixty cents for sewer connections occurring between and including January 1, 2003, and December 31, 2003;

5. Eighteen dollars for sewer connections occurring between and including January 1, 2004, and December 31, 2004;

6. Thirty-four dollars and five cents for sewer connections occurring between and including January 1, 2005, and December 31, 2006;

7. Forty-two dollars for sewer connections occurring between and including January 1, 2007, and December 31, 2007;

8. Forty-six dollars and twenty-five cents for sewer connections occurring between and including January 1, 2008, and December 31, 2008;
9. Forty-seven dollars and sixty-four cents for sewer connections occurring between and including January 1, 2009, and December 31, 2009;

10. Forty-nine dollars and seven cents for sewer connections occurring between and including January 1, 2010, and December 31, 2010;

11. Fifty dollars and forty-five cents for sewer connections occurring between and including January 1, 2011, and December 31, 2011;

12. Fifty-one dollars and ninety-five cents for sewer connections occurring between and including January 1, 2012, and December 31, 2012;

13. Fifty-three dollars and fifty cents for sewer connections occurring between and including January 1, 2013, and December 31, 2013;

14. Fifty-five dollars and thirty-five cents for sewer connections occurring between and including January 1, 2014, and December 31, 2014;

15. Fifty-seven dollars for sewer connections occurring between and including January 1, 2015, and December 31, 2015;

16. Fifty-eight dollars and seventy cents for sewer connections occurring between and including January 1, 2016, and December 31, 2016;

17. Sixty dollars and eighty cents for sewer connections occurring between and including January 1, 2017, and December 31, 2017;

18. Sixty-two dollars and sixty cents for sewer connections occurring between and including January 1, 2018, and December 31, 2018;

19. Sixty-four dollars and fifty cents for sewer connections occurring between and including January 1, 2019, and December 31, 2019;

20. Sixty-six dollars and thirty-five cents for sewer connections occurring
between and including January 1, 2020, and December 31, 2020; (and)

21. Sixty-eight dollars and thirty-four cents for sewer connections occurring between and including January 1, 2021, and December 31, 2021; and

22. Seventy dollars and thirty-nine cents for sewer connections occurring between and including January 1, 2022, and December 31, 2022.

B.1. In accordance with adopted policy FP-15.3.d. in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge upon the costs, customer growth and related financial assumptions used in the Regional Wastewater Services Plan.

2. In accordance with adopted policy FP-6 in the Regional Wastewater Services Plan, K.C.C. 28.86.160.C., the council hereby approves the cash balance and reserves as contained in the attached financial plan for ((2021)) 2022, which is Attachment A to ((Ordinance 19106)) this ordinance.

3. In accordance with adopted policy FP-15.3.c., King County shall pursue changes in state legislation to enable the county to require payment of the capacity charge
in a single payment, while preserving the option for new ratepayers to finance the
capacity charge.
<table>
<thead>
<tr>
<th>KC Wastewater Treatment Division Operating Financial Plan 4611 ($ '000)</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Sewer Rate</td>
<td>$45.33</td>
<td>$47.37</td>
<td>$49.27</td>
<td>$51.25</td>
<td>$53.30</td>
<td>$55.44</td>
</tr>
<tr>
<td>Rate Increase</td>
<td>0.00%</td>
<td>4.50%</td>
<td>4.00%</td>
<td>4.00%</td>
<td>4.00%</td>
<td>4.00%</td>
</tr>
<tr>
<td>Residential Customer Equivalents (RCEs)</td>
<td>765,746</td>
<td>734,063</td>
<td>733,403</td>
<td>754,682</td>
<td>758,606</td>
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</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewer Rate</td>
<td>$417,228</td>
<td>$417,271</td>
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<td>$582,227</td>
<td>$606,666</td>
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<td>1.55x</td>
<td>1.44x</td>
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<td>[a] Includes target 40% capital funding from rates, plus excess transfer from the operating reserve in 2021.</td>
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<table>
<thead>
<tr>
<th>Capital Funding Plan - 3611 &amp; 3612 ($ '000)</th>
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<td>Debt Reserve Contribution/(Requirement)</td>
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METROPOLITAN KING COUNTY COUNCIL
June 1, 2021
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<td>Year-end Transfers from Operating 4611</td>
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<td>129,630</td>
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<td>132,193</td>
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<td>Ending Balance</td>
<td>$160,869</td>
<td>$225,615</td>
<td>$112,733</td>
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<td>$130,220</td>
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<td>Ending Reserve Balances</td>
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<td>143,776</td>
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SUBJECT:

The Executive Proposed 2022 Sewer Rate and Capacity Charge and related wastewater supplemental budget ordinance.

SUMMARY:

King County’s sewer rates are set for the following year by June 30 of each year, pursuant to contract with participating utilities. The Executive has transmitted Proposed Ordinance 2021-0187 setting the sewer rate and capacity charge for 2022. The Proposed Ordinance would:

- Increase the monthly sewer rate effective in 2022 by 4.0% to $49.27 per residential customer equivalent (RCE) per month; and
- Set the monthly capacity charge for new connections to the regional system occurring in 2022 at $70.39 per RCE per month, which is a 3.0% increase over the 2021 rate of $68.34;

By contract with partner cities and sewer districts, the county is to complete its consideration and action on the sewer rate to provide for an effective date for the legislation on or before June 30, 2021. (Note: partner city and sewer districts act after the county sets the sewer rate to establish their local rates, all of which go into effect on January 1, 2022)

The Executive has also transmitted Proposed Ordinance 2021-0190, which is a supplemental appropriation ordinance that would authorize expenditures to initiate project work on backlogged Asset Management projects and to fund costs for lease of space to house agency employees. The proposed ordinance setting the sewer rate and capacity charge for 2022 would provide the revenue base for these Asset Management and lease projects.
BACKGROUND

Monthly Sewer Rate. King County provides wastewater treatment services for 17 municipalities and 17 sewer districts (including the Muckleshoot Tribe) in King County, southern Snohomish County, and the northern tip of Pierce County. The county provides sewer interceptor lines that receive wastewater collected from residences and businesses by the cities and sewer districts, who bill their customers directly for both county and local utility charges. The sewer rate is charged by the county to the utilities to deliver, treat and discharge wastewater.¹

The monthly sewer rate collected by the county goes to support all Wastewater Treatment Division (WTD) expenses, including operating costs, debt service, and capital expenses. The monthly sewer rate for both residential and commercial customers is calculated on the basis of Residential Customer Equivalents (“RCEs”).²

<table>
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<th>Year(s)</th>
<th>Rate ($/RCE/ Month)</th>
<th>% Increase</th>
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<td>$31.90</td>
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<td>2011 – 2012</td>
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<td>2013 – 2014</td>
<td>$39.79</td>
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<td>2015 – 2016</td>
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<td>2017</td>
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<td>2018</td>
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</tr>
<tr>
<td>2021</td>
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<td>4.5%</td>
</tr>
<tr>
<td><strong>2022</strong></td>
<td><strong>$49.27</strong></td>
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<tr>
<td>2023</td>
<td>$51.25</td>
<td>4.0%</td>
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<tr>
<td>2024</td>
<td>$53.30</td>
<td>4.0%</td>
</tr>
<tr>
<td>2025</td>
<td>$55.44</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Table 1 above depicts the anticipated sewer rates through 2025 according to the transmittal. Increases have historically been structured effectively as biennial rates, with

¹ The County has a contractual relationship with cities and utility districts to collect wastewater from them and convey it to County treatment plants for treatment and discharge. The component agencies that provide direct services to the ratepayers and use the County conveyance and treatment facilities are charged for the customers within their districts. The utility providers, as direct service providers, set their own rates to recoup the payments required by use of County services plus their own "local" cost of service.

² A single family residence is one RCE. Commercial and industrial customers are charged based on the amount of wastewater they generate, calculated using the quantity of water consumed. For commercial and multi-family residences, the calculation is then converted into RCEs. One RCE (750 cubic feet of wastewater) represents the average amount of wastewater a single family residence would generate in a month.
rate adjustments in alternating years. Rates going forward are projected to increase annually, rather than biennially. This recommendation comes after extensive engagement with the Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC).

The Executive transmittal has referenced a number of rate drivers that impact this 2022 proposal (Attachment 6 to the Staff Report):

- **West Point Treatment Plant power reliability investments.** Council approved legislation in February 2021 continuing an Emergency Declaration to respond to a Department of Ecology administrative order requiring an undertaking to address the reliability of the power supply at West Point Treatment Plant. WTD is beginning work to address “voltage sags” that have historically impacted operations at the plant during storm-driven wind and rain events.

- **Combined Sewer Overflow (CSO) cost estimates.** Newly-available estimates for the cost of completing CSO projects are incorporated into the proposed rate; negotiations are currently underway with the Environmental Protection Agency and the Department of Ecology to extend the required completion date for those projects from 2030 to 2040. The proposed rate extends those costs to 2040, on the assumption of a favorable outcome to negotiations.

- **Asset Management Catch-Up.** The physical plant, including many of the conveyance pipelines as well as the West Point and South treatment plants, are over 50 years old, and are experiencing significant upgrade, repair or replacement needs. The Council was briefed during the 2021-2022 budget process regarding a backlog of asset management projects that, if unaddressed, can affect the performance of the system. This rate proposal provides for a “catch-up” process which would complete all the asset management projects by 2033. It includes an asset management “strike team” to support progress on the asset management catch-up. (Proposed Ordinance 2021-0190, summarized at the end of this staff report, would provide expenditure authority to support the early phase-in of this “strike team” as well as for a number of priority Asset Management projects delayed from last year’s rate consideration.)

- **Covid-19 impacts.** The agency anticipates a reduction in sewer rate revenue for 2021 associated with the COVID-19 economic slowdown; that reduction will impact 2022 revenues due to the billing structure of the agency, which bills for current services in future quarters. The revenue reductions are expected to be offset by savings from record-low interest rates impacting the cost of new borrowing and refinancing of existing debt.
Capacity Charge

New connections to the regional wastewater system are assessed a capacity charge, based on the policy of “growth pays for growth”\(^3\). Payment may be made in a lump sum or paid over a 15 year period. Table 2 presents the proposed charge as the monthly payment over 15 years.

Table 2.
Capacity Charge (2012-2020 Actual; 2021 Proposed; 2022-2025 Projected)

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate/Month/RCE 15-yr. duration</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$51.95</td>
<td>3.0%</td>
</tr>
<tr>
<td>2013</td>
<td>$53.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2014</td>
<td>$55.35</td>
<td>3.5%</td>
</tr>
<tr>
<td>2015</td>
<td>$57.00</td>
<td>3.0%</td>
</tr>
<tr>
<td>2016</td>
<td>$58.72</td>
<td>3.0%</td>
</tr>
<tr>
<td>2017</td>
<td>$60.80</td>
<td>3.6%</td>
</tr>
<tr>
<td>2018</td>
<td>$62.60</td>
<td>3.0%</td>
</tr>
<tr>
<td>2019</td>
<td>$64.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2020</td>
<td>$66.35</td>
<td>2.9%</td>
</tr>
<tr>
<td>2021</td>
<td>$68.34</td>
<td>3.0%</td>
</tr>
<tr>
<td>2022</td>
<td>$70.39</td>
<td>3.0%</td>
</tr>
<tr>
<td>2023</td>
<td>$72.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2024</td>
<td>$74.68</td>
<td>3.0%</td>
</tr>
<tr>
<td>2025</td>
<td>$76.92</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Consistent with the Regional Wastewater Services Plan policies, the capacity charge is based on the estimated costs of the 30-year Regional Wastewater Services Plan (RWSP).\(^4\) The capacity charge is set at a level to recover the designated, growth-related costs that are not covered by the monthly rate payments of newly connecting customers. Over the planning period of RWSP (2003 – 2030), the capacity charge and monthly rate payments of newly connecting customers will cover 95% of growth-related costs.

Unlike the monthly sewer rate, the capacity charge is directly billed by and paid to King County. Based on information provided by the cities and sewer districts, King County notifies new connecting customers of the option to pay over time (15 years) or in a lump sum. The lump sum payment is less than the total dollar value of the 15 year option since the cost of financing the long-term payment is deducted.

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\(^3\) K.C.C. 28.86.160 (FP-15) sets the charge via the following calculation:

\[
\text{Capacity charge} = \frac{\text{total system costs} - \text{rate revenue from existing customers}}{\text{number of new customers}} - \text{rate revenue from new customers}
\]

\(^4\) The RWSP financial policies, established in county code, require the capacity charge to be a uniform charge, approved annually, and the charge is not to exceed the cost of capital facilities necessary to serve customers establishing new connections to the sewer system.
The Council approved revisions to the capacity charge rate structure in 2020, in recognition of emerging housing options like Accessory Dwelling Units and microhousing; and in acknowledgement of the imbalance of a charge that assessed the same amount for small and large single family dwellings. The revisions are tied to the average number of persons per household by housing type. Smaller single family homes—under 1500 square feet (s.f.) are assessed at 0.81 RCE; mid-sized homes—1,500 s.f. to 2,999 s.f.--are assessed at 1.00 RCE; and large homes, over 3,000 s.f., are assessed at 1.16 RCE. Accessory Dwelling Units are assessed at 0.59 RCE, and there were small changes to the rates charged for multifamily units.

Local Jurisdiction Sewer Rates. As noted, cities and sewer districts are responsible for collecting wastewater from homes and businesses within their jurisdictions; they assess a separate charge in addition to the county sewer rate and capacity charge described here. To provide a sense of the total wastewater charges a residential ratepayer might pay, staff has reviewed the rates of several jurisdictions to identify the sewer charge they assess. Local charges vary substantially; some are fixed rates monthly, while some are variable based on water consumption. Most do not include a local separate connection charge tied to local system growth costs, though one of the selected jurisdictions below does (Bellevue assesses a Capital Recovery Charge of $22.83/mo. for 10 years—not included in the example below). Some local jurisdictions may also provide a discount to low-income ratepayers—those discounts are not addressed in this summary.

The five jurisdictions referenced in Table 3 below are randomly selected, and may or may not be representative of the 34 city and sewer district jurisdictions that partner with the Wastewater Treatment Division in delivery of wastewater services. These are 2021 rates. 2022 rates will be established following the county’s determination of its rate through Proposed Ordinance 2021-0187.

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5 NorthShore – Bimonthly rate including King County is 123.93.; monthly rate $61.96 minus $47.37 (KC rate) =$14.59


Bellevue
Bellevue passes WTDs $47.37 through directly, and adds its own rate of $4.93/ccf (charging bimonthly), -- to make it monthly -- using 7.5 per month (KC conversion rate) would be 15 ccf per 2 months multiplied by $4.93 = $73.95 2 month bill / 2 = $36.97 month. Source:


Table 3.
2020 Sewer Rate (per month) — Selected Local Partner Jurisdictions

<table>
<thead>
<tr>
<th>Northshore Utility District</th>
<th>Renton</th>
<th>Bellevue (variable)</th>
<th>Sammamish Plateau WSD</th>
<th>Soos Creek WSD</th>
</tr>
</thead>
</table>

A given ratepayer, depending on jurisdiction, water usage, application or non-application of a local connection charge, may pay a local sewer rate that varies substantially from case to case. For illustrative purposes, if the $31.12 Renton local charge identified above were added to the county’s 2021 rate of $47.37, the ratepayer would be paying $78.49/mo. (collected by the city; county’s portion is passed through to the county). In addition, if that ratepayer had connected to the system in 2021, and selected to pay the monthly rate rather than the full up-front cost of the capacity charge, that ratepayer would be paying an additional $68.34/mo. for the capacity charge which would be paid directly to the county. The total cost for the Renton ratepayer would be $146.83/mo. for both the sewer rate and capacity charge.

ANALYSIS

Operating Revenues. According to the Technical Memo accompanying the transmittal (Attachment 5), 2022 operating revenues are projected at $549.3 million, $16.2 million (3.0%) more than 2021 operating revenues. Increases in sewer rate revenue of $16.3 million are associated with the proposed 2022 sewer rate increase of 4.0%, and with RCE forecasts. Table 4 provides a summary of all revenues to support Wastewater operations and capital.

Table 4.
Revenues Supporting Wastewater Operations and Capital (in $ millions)

<table>
<thead>
<tr>
<th></th>
<th>2021 Forecast</th>
<th>2022 Forecast</th>
<th>Difference</th>
<th>% Change</th>
<th>2023 Forecast</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Rate</td>
<td>$417.3</td>
<td>$433.6</td>
<td>$16.3</td>
<td>3.9%</td>
<td>$464.1</td>
<td>7.0%</td>
</tr>
<tr>
<td>Capacity Charge</td>
<td>$92.9</td>
<td>$96.0</td>
<td>$3.1</td>
<td>3.4%</td>
<td>$98.9</td>
<td>3.0%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$4.5</td>
<td>$3.2</td>
<td>($1.3)</td>
<td>-28.1%</td>
<td>$2.6</td>
<td>-18.6%</td>
</tr>
<tr>
<td>Other Income</td>
<td>$18.5</td>
<td>$16.5</td>
<td>($2.0)</td>
<td>-10.7%</td>
<td>$16.6</td>
<td>0.6%</td>
</tr>
<tr>
<td>Rate Stabilization</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Totals</td>
<td>$ 533.1</td>
<td>$ 549.3</td>
<td>$ 16.2</td>
<td>3.0%</td>
<td>$ 582.2</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

Operating revenues reflect both the rate charged, and the numbers of residential and commercial accounts and their flow volumes—translated into Residential Customer Equivalents (the sewer rate and capacity charge rate are assessed per monthly RCE). As RCE’s increase or decrease based on population growth and economic conditions, corresponding changes are reflected in total operating revenues. RCE counts have been
impacted by the economic slowdown associated with the COVID-19 pandemic, as businesses and industrial plants have reduced operations or closed. The table below depicts the projected impacts of these RCE reductions on revenues, in terms of proportionate reductions in RCE counts and associated revenue impacts.

Table 5.
Impact of COVID-19 Economic Slowdown on RCEs and Revenues

<table>
<thead>
<tr>
<th></th>
<th>Quarter 1</th>
<th>Quarter 2</th>
<th>Quarter 3</th>
<th>Quarter 4</th>
<th>Total Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>1.9%</td>
<td>(15.1%)</td>
<td>(13.5%)</td>
<td>(10.0%)</td>
<td>($649,056)</td>
</tr>
<tr>
<td>2021</td>
<td>(15.0%)</td>
<td>(15.0%)</td>
<td>(10.0%)</td>
<td>(10.0%)</td>
<td>($21,682,191)</td>
</tr>
<tr>
<td>2022</td>
<td>(10.0%)</td>
<td>(15.0%)</td>
<td>(5.0%)</td>
<td>(5.0%)</td>
<td>($24,340,266)</td>
</tr>
<tr>
<td>2023</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>($16,067,252)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>($62,738,765)</td>
</tr>
</tbody>
</table>

Information provided by the agency at the end of 2021 described a number of offsetting impacts to COVID-19 related revenue shortfalls. Historically low interest rates resulted in a reduced cost of borrowing for the agency, which relies heavily on bond sales and federal and state loans to support capital budgets. In addition, there were savings realized in agency operations; together, these reduced costs and savings largely offset the impacts of the economic slowdown to the WTD budget.

Operating Expenses. For 2021 and 2022, operating expenses are projected at $175.8 million and $177.1 million respectively. Table 6 compares the forecast of operating expenses from the 2022 Proposed Rate to the 2021 Adopted Rate.

Table 6.
Operating Expenses — 2022 Proposed Rate, 2021 Adopted Forecast (in millions)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2022 Proposed Rate Forecast</strong></td>
<td>($175.8)</td>
<td>($177.1)</td>
<td>($182.8)</td>
<td>($192.2)</td>
<td>($202.7)</td>
<td>($211.4)</td>
</tr>
<tr>
<td><strong>2021 Adopted Rate Forecast</strong></td>
<td>($173.1)</td>
<td>($181.9)</td>
<td>($191.6)</td>
<td>($203.1)</td>
<td>($213.4)</td>
<td>($221.8)</td>
</tr>
<tr>
<td><strong>Difference</strong></td>
<td>$2.7</td>
<td>$(4.8)</td>
<td>$(8.8)</td>
<td>$(11.0)</td>
<td>$(10.7)</td>
<td>$(10.4)</td>
</tr>
</tbody>
</table>

Capital Revenue. Revenue support for capital expenditures is derived from both rate-supported cash transfers to capital accounts, and from borrowing, including bond sales, state and federal loans and other debt instruments. Cash transfers are intended to provide 40% of the cost of capital projects in cash, over time. This cash-funded capital helps to assure sufficient “debt coverage”—the amount of revenue available to pay regular debt obligations, described as, for example, “1.5x” (one-and-a-half times the amount of revenue available compared to that needed to pay debt payments due). Table 7 below illustrates the various standards for debt coverage, and the wastewater system’s debt coverage level for 2019.
Table 7.
Debt Coverage Standards

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.15x</td>
<td>1.40x</td>
<td>1.57x</td>
<td>1.70x</td>
<td>1.40x</td>
<td>2.20x</td>
</tr>
</tbody>
</table>

Table 8 below describes the recent debt rating history of WTD debt instruments, and the debt coverage ratio history.

Table 8.
WTD Debt Coverage Ratios and Rating History

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>WTD Debt Ratio</td>
<td>1.24x</td>
<td>1.33x</td>
<td>1.30x</td>
<td>1.32x</td>
<td>1.28x</td>
<td>1.33x</td>
<td>1.33x</td>
<td>1.36x</td>
<td>1.41x</td>
<td>1.51x</td>
<td>1.49x</td>
<td>1.58x</td>
</tr>
<tr>
<td>S&amp;P Rating</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
</tr>
<tr>
<td>Moody’s Rating</td>
<td>Aa3</td>
<td>Aa3</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa1</td>
<td>Aa1</td>
<td>Aa1</td>
</tr>
</tbody>
</table>

Bond sales and loans result in outstanding debt that is repaid by regular debt payments, supported by the sewer rate. Chart 1 below illustrates the declining amount of overall existing debt principal, from approximately $3.4 billion currently to approximately $2.4 billion in 2031. That decline, however, is expected to be offset by increasing amounts of new debt, amounting to more than $2 billion in principal by 2031.
Capital Expenditures. Table 9 below shows the differences in WTD’s proposed Capital Spending Plan compared to the capital spending projections made in the adopted 2021 rate. Projections for 2022 anticipate significantly higher expenditure levels for capital projects than had been forecast in the 2021 rate forecast.

### Table 9.
**WTD Capital Spending Plan (in $ millions)**

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2022 Proposed Rate Forecast</strong></td>
<td>($258.8)</td>
<td>($307.9)</td>
<td>($334.6)</td>
<td>($312.6)</td>
<td>($299.0)</td>
<td>($344.7)</td>
<td>($467.0)</td>
</tr>
<tr>
<td><strong>Rate of Increase from previous year</strong></td>
<td>19.0%</td>
<td>8.7%</td>
<td>-6.6%</td>
<td>-4.3%</td>
<td>15.3%</td>
<td>35.5%</td>
<td></td>
</tr>
<tr>
<td><strong>2021 Adopted Rate Forecast</strong></td>
<td>($271.8)</td>
<td>($298.5)</td>
<td>($338.7)</td>
<td>($331.4)</td>
<td>($305.9)</td>
<td>($408.9)</td>
<td>($560.5)</td>
</tr>
<tr>
<td><strong>Rate of Increase from previous year</strong></td>
<td>9.8%</td>
<td>13.5%</td>
<td>-2.2%</td>
<td>-7.7%</td>
<td>33.7%</td>
<td>37.1%</td>
<td></td>
</tr>
</tbody>
</table>

As a means of illustrating the purposes that the capital budget supports, the agency has categorized its capital expenditures according to major functional areas, or “portfolios”. The portfolios include:
- **Regulatory** – Projects and programs that respond to regulatory, permit, or consent decree legal deadlines
- **Asset Management: Plants and Conveyance** – Rehabilitation or replacement of critical assets at treatment plants or in wastewater conveyance network
- **Resiliency** – Improve the survivability and operability of core assets against natural disasters by addressing known deficiencies
- **Operational Enhancements** – Reduce operating costs at treatment plants through projects that create efficiencies
- **Capacity Improvement** – Increase capacity at WTD facilities to accommodate growth
- **Resource Recovery** – Projects that reduce energy use or recover resources with value from wastewater such as methane gas or reclaimed water

Chart 2 below depicts the anticipated proportional growth in expenditures in the portfolios, as well as substantial growth in projected total capital expenditures. Asset management at treatment plants, responding to the aging of the system, and regulatory projects required by federal or state regulatory entities, show the greatest expenditure growth through 2031, with projects to increase the capacity of treatment plants and pipelines, associated with population growth, also showing major increases.

**Chart 2.**
Capital Expenditure Growth by Portfolio

As noted above, upgrades the wastewater conveyance system is one of the major capital expenditures required to manage the system. Chart 3 below illustrates the age range of interceptor conveyance lines throughout the system.
The map above illustrates that a large proportion of the system was built before 1970 and is at or nearing 50 years of service life. In addition to the physical condition of conveyance lines, their age may raise capacity issues. The Division’s Conveyance System Improvement project is intended to assure that the system is capable of conveying wastewater volumes expected for peak 20 year storms. As regional population growth continues, the agency is pressed to address these emerging capacity needs.
As noted, the asset management needs are not confined to the conveyance system; the treatment plants—two of which are over 50 years old—also are the focus of asset management evaluation. The agency indicates that, for the system as a whole, they have identified a priority asset management inventory of $1.18 billion in projects, as depicted in Chart 4 below. Also depicted is the West Point Power Quality/Reliability project, approved by Council in February 2021.

Chart 4 illustrates the additional Asset Management project costs that the agency anticipates in coming years. This $1.18 billion in priority projects was initially described as part of last year’s rate cycle.

The historic mid-century project to restore the water quality of Lake Washington, which was the original undertaking of Metro government, is often cited as a major regional accomplishment. That project was begun in the late 1950s, with construction of wastewater facilities—plants and interceptor pipelines—getting underway in the 1960s. The extensive construction of that period is now reaching the end its service life, much of it at about the same time, placing intensified asset management pressure on the wastewater capital program.

The capital program also supports the Combined Sewer Overflow program. The agency is required by a Consent Decree to complete a total of 14 Combined Sewer Overflow
projects by 2030; negotiations are underway with the Environmental Protection Agency and the Washington Department of Ecology to extend that deadline until 2040. The transmitted rate assumes the success of those negotiations; revenues to support remaining projects are not included in projected revenues through 2030. A number of projects are currently underway—including the Joint Ship Canal project, and the Georgetown Wet Weather Treatment Plant. Four earlier projects have been completed. Remaining projects (some of these are combined projects) include the Hanford/Lander/Kingdome/King Street (HLKK) Wet Weather Treatment Station, the Montlake Storage Tank/Green Stormwater Infrastructure, and the University Storage Tank/Green Stormwater Infrastructure.

**Metropolitan Water Pollution Abatement Advisory Committee Comments.** The Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) advises the King County Council and Executive on matters related to water pollution abatement. It was created by state law (RCW 35.58.210) and consists of representatives from cities and local sewer utilities that operate sewer systems within King County’s sewer service area. These cities and sewer utilities deliver their sewage to King County for treatment and disposal.

MWPAAC has forwarded an advisory letter, Attachment 4, which is included in the transmittal. MWPAAC’s comments come in the context of revisions to the proposed 2021 rate package. The initial recommendation by WTD to the Executive was for a 0.0% rate increase for 2022, in light of continuing COVID-19 revenue and cost challenges to partner agencies—with large increases in the outyears on a biennial schedule. MWPAAC had expressed an interest in a more steady, gradual and predictable pattern of increases, beginning with a 4.0% increase for 2022. The transmitted rate proposal includes the recommended 4.0% 2022 rate, with annual rate increases rather than larger biennial projected increases.

The MWPAAC letter indicates:

- Confirmation that MWPAAC supports the Executive-Proposed 4.0% rate increase for 2022;
- A request for annualized rate increases going forward, rather than rate increases on a biennial schedule;
- Request for clarification of anticipated asset management cost projections over coming decades;
- Request for preliminary estimate of the impact of the Nutrients rule changes on sewer rates;
- Emphasis on the need for MWPAAC input on the Clean Water Plan, and cost estimates associated with possible changes resulting from the planning process;
- Concern about the assumption in the rate proposal of the shift of the bulk of combined sewer overflow costs to the 2030-2040 decade, in the context of discussions with the Environmental Protection Agency regarding modification of deadlines for completion of required combined sewer overflow projects.
• The need for more time for MWPAAC to review proposed rates prior to transmittal;
• The scope, nexus to wastewater programs, and rate implications associated with the Executive’s “Clean Water, Healthy Habitats” program;
• Concern regarding increases in cumulative system debt as capital costs continue to grow; and
• A desire for reliable construction time schedules, and an appeals process to review any changes in prioritization, to allow for consideration of impacts on local agencies.

Proposed Ordinance 2021-0190. During the 2021 sewer rate discussion that occurred in Spring of 2020, the Executive identified a number of high-priority asset management projects that were deferred pending a full discussion of the asset management backlog. The Wastewater Treatment Division, during Fall of 2020 and Spring of 2021, engaged with the Metropolitan Water Pollution Abatement Advisory Committee, and with the Regional Water Quality Committee, to describe the nature and extent of the asset management backlog, and the risks involved in not addressing the identified projects.

In the 2022 rate proposal, the Executive has included revenue for an Asset Management “Strike Team”, which would be responsible for moving forward expeditiously with priority asset management projects, including projects initially identified in the 2021 rate, but delayed to accommodate the engagement process. Expenditure authority for these projects was not included in the 2021-2022 budget. The Executive indicates that revenue from the 2021 rate is available to support the initial phase-in of the Strike Team, including 6.0 FTE’s in mid-2021; 6.0 FTE’s in 2022 would be supported by the 2022 proposed rate. Proposed Ordinance 2021-0190 would provide expenditure authority for $1,435,000 for the 2021–2022 biennium to support this early phase-in and begin work on these backlogged projects.

In addition, the proposed appropriation would provide expenditure authority for a long-term lease for employees currently housed in the Jameson and ArcWeld buildings, both of which have housed construction management staff for many years, and are beyond their useful service lives, showing conditions of wear and deterioration. An opportunity for a long-term lease in an existing building has emerged, however, avoiding the need to construct replacements for these two structures. This would be a 20-year lease; the agency plans to pay tenant improvement costs to the property owner in a lump sum, to achieve savings in monthly rent payments.

The supplemental appropriation ordinance would also authorize expenditures of capital funding from the Water Quality Account in support of the priority Asset Management backlog. Projects include:

• Refurbishment of the M Street Trunk Line ($1,126,528)
• Improvement of the electrical system at West Point ($3,555,281)
• Refurbishment of the influent and effluent pumps at West Point ($5,212,620)
• Upgrade of the Lakeland Hills Pump Station ($1,101,000)
• Improvements to the South Plant Dewatering System ($554,706)

TIMING

The wastewater contracts with participating cities and sewer districts specify that the sewer rate be in place by June 30th of each year (partner city and sewer districts act after the county sets the sewer rate to establish their local rates, all of which go into effect on January 1, 2021). In addition, sewer rates are required by state statute to advertise a public hearing notice 10 days prior to the public hearing date.

To meet the above requirements, following consideration by the Budget and Fiscal Management Committee, a public hearing is planned for full Council on June 1, 2021, with Council action to follow.

INVITED

• Christie True, Director, Department of Natural Resources and Parks
• Kamuron Gurol, Director, Wastewater Treatment Division
• Hiedi Popochock, Financial Services Manager, Wastewater Treatment Division
• Courtney Black, Rates, Capital and Debt Management Supervisor, Wastewater Treatment Division

ATTACHMENTS

1. Proposed Ordinance 2021-0187 (and its attachment)
2. PO 2021-0187 Transmittal Letter
3. PO 2021-0187 Fiscal Note
4. PO 2021-0187 MWPAAC Letter with rate recommendation
5. PO 2021-0187 Technical Memo
6. PO 2021-0187 WTD Sewer Rate Proposal
7. Proposed Ordinance 2021-0190 (and its attachment)
8. PO 2021-0190 Transmittal Letter
9. PO 2021-0190 Fiscal Note--Capital
10. PO 2021-0190 Fiscal Note--Operating
AN ORDINANCE making a net supplemental appropriation of $1,435,000 to the wastewater treatment division, and $11,550,136 to the water quality construction fund; and amending the 2021-2022 Biennial Budget Ordinance, Ordinance 19210, Sections 112 and 129, as amended, and Attachment A, as amended.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 19210, Section 112, as amended, is hereby amended to read as follows:

Wastewater treatment $1,435,000

The maximum number of additional FTEs for wastewater treatment shall be: 12.0

SECTION 2. Ordinance 19210, Section 129, as amended, is hereby amended to read as follows:

From the water quality construction fund there are hereby appropriated and authorized to be disbursed the following amounts for the specific projects identified in Attachment A to this ordinance (Proposed Ordinance 2021-XXXX).

<table>
<thead>
<tr>
<th>Fund</th>
<th>Fund Name</th>
<th>2021-2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>3611</td>
<td>WATER QUALITY CONSTRUCTION</td>
<td>$11,550,136</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>$11,550,136</td>
</tr>
</tbody>
</table>
SECTION 3. Attachment A to this ordinance hereby amends Attachment A to Ordinance 19210, as amended, by adding thereto and inserting therein the projects listed in Attachment A to this ordinance.
## 3611 WATER QUALITY CONST-UNRES

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Name</th>
<th>Tech Adj</th>
<th>IT Proj</th>
<th>2021-2022 Appropriation</th>
<th>2023-2024 Planned</th>
<th>2025-2026 Planned</th>
<th>Total 6-Year Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>1139050</td>
<td>WTC SP DEWATER CHEM ORT SYSTEM</td>
<td></td>
<td></td>
<td>$554,706</td>
<td>$2,967,355</td>
<td>$5,287,716</td>
<td>$8,809,777</td>
</tr>
<tr>
<td></td>
<td>STANDALONE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1139097</td>
<td>WTC M STREET TRUNK REHAB</td>
<td></td>
<td></td>
<td>$1,126,527</td>
<td>$22,103,801</td>
<td>$12,429,548</td>
<td>$35,659,876</td>
</tr>
<tr>
<td></td>
<td>STANDALONE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1139101</td>
<td>WTC LKLND HLS PS UPGRADE</td>
<td></td>
<td></td>
<td>$1,101,000</td>
<td>$5,697,448</td>
<td>$10,373,515</td>
<td>$17,171,963</td>
</tr>
<tr>
<td></td>
<td>STANDALONE</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1139110</td>
<td>WTC WP IPS/EPS PUMP REFURB</td>
<td></td>
<td></td>
<td>$5,212,620</td>
<td>$12,631,792</td>
<td>$17,881,708</td>
<td>$35,726,120</td>
</tr>
<tr>
<td></td>
<td>PROGRAMMATIC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1141134</td>
<td>WTC WP ELECTRICAL IMPROVEMENTS</td>
<td></td>
<td></td>
<td>$3,555,282</td>
<td>$9,611,410</td>
<td>$26,155,498</td>
<td>$39,322,190</td>
</tr>
<tr>
<td></td>
<td>PROGRAMMATIC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3611 - WATER QUALITY CONST-UNRES</strong></td>
<td></td>
<td></td>
<td><strong>$11,550,135</strong></td>
<td><strong>$53,011,806</strong></td>
<td><strong>$72,127,985</strong></td>
<td><strong>$136,689,926</strong></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$11,550,135</strong></td>
<td><strong>$53,011,806</strong></td>
<td><strong>$72,127,985</strong></td>
<td><strong>$136,689,926</strong></td>
</tr>
</tbody>
</table>
SUBJECT:

The Executive Proposed 2022 Sewer Rate and Capacity Charge and related wastewater supplemental budget ordinance.

SUMMARY:

King County's sewer rates are set for the following year by June 30 of each year, pursuant to contract with participating utilities. The Executive has transmitted Proposed Ordinance 2021-0187 setting the sewer rate and capacity charge for 2022. The Proposed Ordinance would:

- Increase the monthly sewer rate effective in 2022 by 4.0% to $49.27 per residential customer equivalent (RCE) per month; and
- Set the monthly capacity charge for new connections to the regional system occurring in 2022 at $70.39 per RCE per month, which is a 3.0% increase over the 2021 rate of $68.34;

By contract with partner cities and sewer districts, the county is to complete its consideration and action on the sewer rate to provide for an effective date for the legislation on or before June 30, 2021. (*Note: partner city and sewer districts act after the county sets the sewer rate to establish their local rates, all of which go into effect on January 1, 2022*)

The Executive has also transmitted Proposed Ordinance 2021-0190, which is a supplemental appropriation ordinance that would authorize expenditures to initiate project work on backlogged Asset Management projects and to fund costs for lease of space to house agency employees. The proposed ordinance setting the sewer rate and capacity charge for 2022 would provide the revenue base for these Asset Management and lease projects.
**BACKGROUND**

**Monthly Sewer Rate.** King County provides wastewater treatment services for 17 municipalities and 17 sewer districts (including the Muckleshoot Tribe) in King County, southern Snohomish County, and the northern tip of Pierce County. The county provides sewer interceptor lines that receive wastewater collected from residences and businesses by the cities and sewer districts, who bill their customers directly for both county and local utility charges. The sewer rate is charged by the county to the utilities to deliver, treat and discharge wastewater.¹

The monthly sewer rate collected by the county goes to support all Wastewater Treatment Division (WTD) expenses, including operating costs, debt service, and capital expenses. The monthly sewer rate for both residential and commercial customers is calculated on the basis of Residential Customer Equivalents (“RCEs”).²

<table>
<thead>
<tr>
<th>Year(s)</th>
<th>Rate ($/RCE/ Month)</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009 – 2010</td>
<td>$31.90</td>
<td>14.1%</td>
</tr>
<tr>
<td>2011 – 2012</td>
<td>$36.10</td>
<td>13.2%</td>
</tr>
<tr>
<td>2013 – 2014</td>
<td>$39.79</td>
<td>10.4%</td>
</tr>
<tr>
<td>2015 – 2016</td>
<td>$42.03</td>
<td>5.6%</td>
</tr>
<tr>
<td>2017</td>
<td>$44.22</td>
<td>5.2%</td>
</tr>
<tr>
<td>2018</td>
<td>$45.33</td>
<td>2.5%</td>
</tr>
<tr>
<td>2019</td>
<td>$45.33</td>
<td>0.0%</td>
</tr>
<tr>
<td>2020</td>
<td>$47.37</td>
<td>4.5%</td>
</tr>
<tr>
<td><strong>2022</strong></td>
<td><strong>$49.27</strong></td>
<td><strong>4.0%</strong></td>
</tr>
<tr>
<td>2023</td>
<td>$51.25</td>
<td>4.0%</td>
</tr>
<tr>
<td>2024</td>
<td>$53.30</td>
<td>4.0%</td>
</tr>
<tr>
<td>2025</td>
<td>$55.44</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

Table 1 above depicts the anticipated sewer rates through 2025 according to the transmittal. Increases have historically been structured effectively as biennial rates, with

¹ The County has a contractual relationship with cities and utility districts to collect wastewater from them and convey it to County treatment plants for treatment and discharge. The component agencies that provide direct services to the ratepayers and use the County conveyance and treatment facilities are charged for the customers within their districts. The utility providers, as direct service providers, set their own rates to recoup the payments required by use of County services plus their own "local” cost of service.

² A single family residence is one RCE. Commercial and industrial customers are charged based on the amount of wastewater they generate, calculated using the quantity of water consumed. For commercial and multi-family residences, the calculation is then converted into RCEs. One RCE (750 cubic feet of wastewater) represents the average amount of wastewater a single family residence would generate in a month.
rate adjustments in alternating years. Rates going forward are projected to increase annually, rather than biennially. This recommendation comes after extensive engagement with the Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC).

The Executive transmittal has referenced a number of rate drivers that impact this 2022 proposal (Attachment 6 to the Staff Report):

- **West Point Treatment Plant power reliability investments.** Council approved legislation in February 2021 continuing an Emergency Declaration to respond to a Department of Ecology administrative order requiring an undertaking to address the reliability of the power supply at West Point Treatment Plant. WTD is beginning work to address “voltage sags” that have historically impacted operations at the plant during storm-driven wind and rain events.

- **Combined Sewer Overflow (CSO) cost estimates.** Newly-available estimates for the cost of completing CSO projects are incorporated into the proposed rate; negotiations are currently underway with the Environmental Protection Agency and the Department of Ecology to extend the required completion date for those projects from 2030 to 2040. The proposed rate extends those costs to 2040, on the assumption of a favorable outcome to negotiations.

- **Asset Management Catch-Up.** The physical plant, including many of the conveyance pipelines as well as the West Point and South treatment plants, are over 50 years old, and are experiencing significant upgrade, repair or replacement needs. The Council was briefed during the 2021-2022 budget process regarding a backlog of asset management projects that, if unaddressed, can affect the performance of the system. This rate proposal provides for a “catch-up” process which would complete all the asset management projects by 2033. It includes an asset management “strike team” to support progress on the asset management catch-up. (Proposed Ordinance 2021-0190, summarized at the end of this staff report, would provide expenditure authority to support the early phase-in of this “strike team” as well as for a number of priority Asset Management projects delayed from last year’s rate consideration.)

- **Covid-19 impacts.** The agency anticipates a reduction in sewer rate revenue for 2021 associated with the COVID-19 economic slowdown; that reduction will impact 2022 revenues due to the billing structure of the agency, which bills for current services in future quarters. The revenue reductions are expected to be offset by savings from record-low interest rates impacting the cost of new borrowing and refinancing of existing debt.
**Capacity Charge**

New connections to the regional wastewater system are assessed a capacity charge, based on the policy of “growth pays for growth”\(^3\). Payment may be made in a lump sum or paid over a 15 year period. Table 2 presents the proposed charge as the monthly payment over 15 years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate/Month/RCE 15-yr. duration</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$51.95</td>
<td>3.0%</td>
</tr>
<tr>
<td>2013</td>
<td>$53.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2014</td>
<td>$55.35</td>
<td>3.5%</td>
</tr>
<tr>
<td>2015</td>
<td>$57.00</td>
<td>3.0%</td>
</tr>
<tr>
<td>2016</td>
<td>$58.72</td>
<td>3.0%</td>
</tr>
<tr>
<td>2017</td>
<td>$60.80</td>
<td>3.6%</td>
</tr>
<tr>
<td>2018</td>
<td>$62.60</td>
<td>3.0%</td>
</tr>
<tr>
<td>2019</td>
<td>$64.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2020</td>
<td>$66.35</td>
<td>2.9%</td>
</tr>
<tr>
<td>2021</td>
<td>$68.34</td>
<td>3.0%</td>
</tr>
<tr>
<td><strong>2022</strong></td>
<td><strong>$70.39</strong></td>
<td><strong>3.0%</strong></td>
</tr>
<tr>
<td>2023</td>
<td>$72.50</td>
<td>3.0%</td>
</tr>
<tr>
<td>2024</td>
<td>$74.68</td>
<td>3.0%</td>
</tr>
<tr>
<td>2025</td>
<td>$76.92</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Consistent with the Regional Wastewater Services Plan policies, the capacity charge is based on the estimated costs of the 30-year Regional Wastewater Services Plan (RWSP).\(^4\) The capacity charge is set at a level to recover the designated, growth-related costs that are not covered by the monthly rate payments of newly connecting customers. Over the planning period of RWSP (2003 – 2030), the capacity charge and monthly rate payments of newly connecting customers will cover 95% of growth-related costs.

Unlike the monthly sewer rate, the capacity charge is directly billed by and paid to King County. Based on information provided by the cities and sewer districts, King County notifies new connecting customers of the option to pay over time (15 years) or in a lump sum. The lump sum payment is less than the total dollar value of the 15 year option since the cost of financing the long-term payment is deducted.

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\(^3\) K.C.C. 28.86.160 (FP-15) sets the charge via the following calculation:

\[
\text{Capacity charge} = \frac{\text{total system costs} - \text{rate revenue from existing customers} - \text{rate revenue from new customers}}{\text{number of new customers}}
\]

\(^4\) The RWSP financial policies, established in county code, require the capacity charge to be a uniform charge, approved annually, and the charge is not to exceed the cost of capital facilities necessary to serve customers establishing new connections to the sewer system.
The Council approved revisions to the capacity charge rate structure in 2020, in recognition of emerging housing options like Accessory Dwelling Units and microhousing; and in acknowledgement of the imbalance of a charge that assessed the same amount for small and large single family dwellings. The revisions are tied to the average number of persons per household by housing type. Smaller single family homes—under 1500 square feet (s.f.) are assessed at 0.81 RCE; mid-sized homes—1,500 s.f. to 2,999 s.f.—are assessed at 1.00 RCE; and large homes, over 3,000 s.f., are assessed at 1.16 RCE. Accessory Dwelling Units are assessed at 0.59 RCE, and there were small changes to the rates charged for multifamily units.

**Local Jurisdiction Sewer Rates.** As noted, cities and sewer districts are responsible for collecting wastewater from homes and businesses within their jurisdictions; they assess a separate charge in addition to the county sewer rate and capacity charge described here. To provide a sense of the total wastewater charges a residential ratepayer might pay, staff has reviewed the rates of several jurisdictions to identify the sewer charge they assess. Local charges vary substantially; some are fixed rates monthly, while some are variable based on water consumption. Most do not include a local separate connection charge tied to local system growth costs, though one of the selected jurisdictions below does (Bellevue assesses a Capital Recovery Charge of $22.83/mo. for 10 years—not included in the example below). Some local jurisdictions may also provide a discount to low-income ratepayers—those discounts are not addressed in this summary.

The five jurisdictions referenced in Table 3 below are randomly selected, and may or may not be representative of the 34 city and sewer district jurisdictions that partner with the Wastewater Treatment Division in delivery of wastewater services. These are 2021 rates. 2022 rates will be established following the county’s determination of its rate through Proposed Ordinance 2021-0187.

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5 **NorthShore** – Bimonthly rate including King County is 123.93.; monthly rate $61.96 minus $47.37 (KC rate) =$14.59


**Bellevue**
Bellevue passes WTDs $47.37 through directly, and adds its own rate of $4.93/ccf (charging bimonthly), -- to make it monthly -- using 7.5 per month (KC conversion rate) would be 15 ccf per 2 months multiplied by $4.93 = $73.95 / 2 = $36.97 month. Source: [https://bellevuewa.gov/sites/default/files/media/pdf_document/2021/Utility%20Rate%20Flier%202021Updated_Revised.pdf](https://bellevuewa.gov/sites/default/files/media/pdf_document/2021/Utility%20Rate%20Flier%202021Updated_Revised.pdf).


**Soos Creek Water Sewer District** – $19.13 Source: [https://www.sooscreek.com/static/7/utility-rates](https://www.sooscreek.com/static/7/utility-rates).
Table 3.
**2020 Sewer Rate (per month) — Selected Local Partner Jurisdictions**

<table>
<thead>
<tr>
<th>Northshore Utility District</th>
<th>Renton</th>
<th>Bellevue</th>
<th>Sammamish Plateau WSD</th>
<th>Soos Creek WSD</th>
</tr>
</thead>
</table>

A given ratepayer, depending on jurisdiction, water usage, application or non-application of a local connection charge, may pay a local sewer rate that varies substantially from case to case. For illustrative purposes, if the $31.12 Renton local charge identified above were added to the county’s 2021 rate of $47.37, the ratepayer would be paying $78.49/mo. (collected by the city; county’s portion is passed through to the county). In addition, if that ratepayer had connected to the system in 2021, and selected to pay the monthly rate rather than the full up-front cost of the capacity charge, that ratepayer would be paying an additional $68.34/mo. for the capacity charge which would be paid directly to the county. The total cost for the Renton ratepayer would be $146.83/mo. for both the sewer rate and capacity charge.

**ANALYSIS**

**Operating Revenues.** According to the Technical Memo accompanying the transmittal (Attachment 5), 2022 operating revenues are projected at $549.3 million, $16.2 million (3.0%) more than 2021 operating revenues. Increases in sewer rate revenue of $16.3 million are associated with the proposed 2022 sewer rate increase of 4.0%, and with RCE forecasts. Table 4 provides a summary of all revenues to support Wastewater operations and capital.

Table 4.
**Revenues Supporting Wastewater Operations and Capital (in $ millions)**

<table>
<thead>
<tr>
<th></th>
<th>2021 Forecast</th>
<th>2022 Forecast</th>
<th>Difference</th>
<th>% Change</th>
<th>2023 Forecast</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Rate</td>
<td>$417.3</td>
<td>$433.6</td>
<td>$16.3</td>
<td>3.9%</td>
<td>$464.1</td>
<td>7.0%</td>
</tr>
<tr>
<td>Capacity Charge</td>
<td>$92.9</td>
<td>$96.0</td>
<td>$3.1</td>
<td>3.4%</td>
<td>$98.9</td>
<td>3.0%</td>
</tr>
<tr>
<td>Investment Income</td>
<td>$4.5</td>
<td>$3.2</td>
<td>($1.3)</td>
<td>-28.1%</td>
<td>$2.6</td>
<td>-18.6%</td>
</tr>
<tr>
<td>Other Income</td>
<td>$18.5</td>
<td>$16.5</td>
<td>($2.0)</td>
<td>-10.7%</td>
<td>$16.6</td>
<td>0.6%</td>
</tr>
<tr>
<td>Rate Stabilization</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Totals</td>
<td>$533.1</td>
<td>$549.3</td>
<td>$16.2</td>
<td>3.0%</td>
<td>$582.2</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

Operating revenues reflect both the rate charged, and the numbers of residential and commercial accounts and their flow volumes—translated into Residential Customer Equivalents (the sewer rate and capacity charge rate are assessed per monthly RCE). As RCE’s increase or decrease based on population growth and economic conditions, corresponding changes are reflected in total operating revenues. RCE counts have been
impacted by the economic slowdown associated with the COVID-19 pandemic, as businesses and industrial plants have reduced operations or closed. The table below depicts the projected impacts of these RCE reductions on revenues, in terms of proportionate reductions in RCE counts and associated revenue impacts.

### Table 5.
Impact of COVID-19 Economic Slowdown on RCEs and Revenues

<table>
<thead>
<tr>
<th></th>
<th>Quarter 1</th>
<th>Quarter 2</th>
<th>Quarter 3</th>
<th>Quarter 4</th>
<th>Total Shortfall</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2020</strong></td>
<td>1.9%</td>
<td>(15.1%)</td>
<td>(13.5%)</td>
<td>(10.0%)</td>
<td>($649,056)</td>
</tr>
<tr>
<td><strong>2021</strong></td>
<td>(15.0%)</td>
<td>(15.0%)</td>
<td>(10.0%)</td>
<td>(10.0%)</td>
<td>($21,682,191)</td>
</tr>
<tr>
<td><strong>2022</strong></td>
<td>(10.0%)</td>
<td>(15.0%)</td>
<td>(5.0%)</td>
<td>(5.0%)</td>
<td>($24,340,266)</td>
</tr>
<tr>
<td><strong>2023</strong></td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>($16,067,252)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>($62,738,765)</td>
</tr>
</tbody>
</table>

Information provided by the agency at the end of 2021 described a number of offsetting impacts to COVID-19 related revenue shortfalls. Historically low interest rates resulted in a reduced cost of borrowing for the agency, which relies heavily on bond sales and federal and state loans to support capital budgets. In addition, there were savings realized in agency operations; together, these reduced costs and savings largely offset the impacts of the economic slowdown to the WTD budget.

**Operating Expenses.** For 2021 and 2022, operating expenses are projected at $175.8 million and $177.1 million respectively. Table 6 compares the forecast of operating expenses from the 2022 Proposed Rate to the 2021 Adopted Rate.

### Table 6.
Operating Expenses — 2022 Proposed Rate, 2021 Adopted Forecast (in millions)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2022 Proposed Rate Forecast</strong></td>
<td>($175.8)</td>
<td>($177.1)</td>
<td>($182.8)</td>
<td>($192.2)</td>
<td>($202.7)</td>
<td>($211.4)</td>
</tr>
<tr>
<td><strong>2021 Adopted Rate Forecast</strong></td>
<td>($173.1)</td>
<td>($181.9)</td>
<td>($191.6)</td>
<td>($203.1)</td>
<td>($213.4)</td>
<td>($221.8)</td>
</tr>
<tr>
<td><strong>Difference</strong></td>
<td>$2.7</td>
<td>($4.8)</td>
<td>($8.8)</td>
<td>($11.0)</td>
<td>($10.7)</td>
<td>($10.4)</td>
</tr>
</tbody>
</table>

**Capital Revenue.** Revenue support for capital expenditures is derived from both rate-supported cash transfers to capital accounts, and from borrowing, including bond sales, state and federal loans and other debt instruments. Cash transfers are intended to provide 40% of the cost of capital projects in cash, over time. This cash-funded capital helps to assure sufficient “debt coverage”—the amount of revenue available to pay regular debt obligations, described as, for example, “1.5x” (one-and-a-half times the amount of revenue available compared to that needed to pay debt payments due). Table 7 below illustrates the various standards for debt coverage, and the wastewater system’s debt coverage level for 2019.
Table 7.
Debt Coverage Standards

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1.15x</td>
<td>1.40x</td>
<td>1.57x</td>
<td>1.70x</td>
<td>1.40x</td>
<td>2.20x</td>
</tr>
</tbody>
</table>

Table 8 describes the recent debt rating history of WTD debt instruments, and the debt coverage ratio history.

Table 8.
WTD Debt Coverage Ratios and Rating History

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>WTD Debt Ratio</td>
<td>1.24x</td>
<td>1.33x</td>
<td>1.30x</td>
<td>1.32x</td>
<td>1.28x</td>
<td>1.33x</td>
<td>1.33x</td>
<td>1.36x</td>
<td>1.41x</td>
<td>1.51x</td>
<td>1.49x</td>
<td>1.58x</td>
</tr>
<tr>
<td>S&amp;P Rating</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
<td>AA+</td>
</tr>
<tr>
<td>Moody’s Rating</td>
<td>Aa3</td>
<td>Aa3</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
<td>Aa2</td>
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<td>Aa2</td>
<td>Aa1</td>
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</tbody>
</table>

Bond sales and loans result in outstanding debt that is repaid by regular debt payments, supported by the sewer rate. Chart 1 below illustrates the declining amount of overall existing debt principal, from approximately $3.4 billion currently to approximately $2.4 billion in 2031. That decline, however, is expected to be offset by increasing amounts of new debt, amounting to more than $2 billion in principal by 2031.
Capital Expenditures. Table 9 below shows the differences in WTD’s proposed Capital Spending Plan compared to the capital spending projections made in the adopted 2021 rate. Projections for 2022 anticipate significantly higher expenditure levels for capital projects than had been forecast in the 2021 rate forecast.

Table 9.
WTD Capital Spending Plan (in $ millions)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022 Proposed Rate Forecast</td>
<td>($258.8)</td>
<td>($307.9)</td>
<td>($334.6)</td>
<td>($312.6)</td>
<td>($299.0)</td>
<td>($344.7)</td>
<td>($467.0)</td>
</tr>
<tr>
<td>Rate of Increase from previous year</td>
<td>19.0%</td>
<td>8.7%</td>
<td>-6.6%</td>
<td>-4.3%</td>
<td>15.3%</td>
<td>35.5%</td>
<td></td>
</tr>
<tr>
<td>2021 Adopted Rate Forecast</td>
<td>($271.8)</td>
<td>($298.5)</td>
<td>($338.7)</td>
<td>($331.4)</td>
<td>($305.9)</td>
<td>($408.9)</td>
<td>($560.5)</td>
</tr>
<tr>
<td>Rate of Increase from previous year</td>
<td>9.8%</td>
<td>13.5%</td>
<td>-2.2%</td>
<td>-7.7%</td>
<td>33.7%</td>
<td>37.1%</td>
<td></td>
</tr>
</tbody>
</table>

As a means of illustrating the purposes that the capital budget supports, the agency has categorized its capital expenditures according to major functional areas, or “portfolios”. The portfolios include:
• Regulatory – Projects and programs that respond to regulatory, permit, or consent decree legal deadlines
• Asset Management: Plants and Conveyance – Rehabilitation or replacement of critical assets at treatment plants or in wastewater conveyance network
• Resiliency – Improve the survivability and operability of core assets against natural disasters by addressing known deficiencies
• Operational Enhancements – Reduce operating costs at treatment plants through projects that create efficiencies
• Capacity Improvement – Increase capacity at WTD facilities to accommodate growth
• Resource Recovery – Projects that reduce energy use or recover resources with value from wastewater such as methane gas or reclaimed water

Chart 2 below depicts the anticipated proportional growth in expenditures in the portfolios, as well as substantial growth in projected total capital expenditures. Asset management at treatment plants, responding to the aging of the system, and regulatory projects required by federal or state regulatory entities, show the greatest expenditure growth through 2031, with projects to increase the capacity of treatment plants and pipelines, associated with population growth, also showing major increases.

**Chart 2.**
**Capital Expenditure Growth by Portfolio**

As noted above, upgrades the wastewater conveyance system is one of the major capital expenditures required to manage the system. Chart 3 below illustrates the age range of interceptor conveyance lines throughout the system.
The map above illustrates that a large proportion of the system was built before 1970 and is at or nearing 50 years of service life. In addition to the physical condition of conveyance lines, their age may raise capacity issues. The Division's Conveyance System Improvement project is intended to assure that the system is capable of conveying wastewater volumes expected for peak 20 year storms. As regional population growth continues, the agency is pressed to address these emerging capacity needs.
As noted, the asset management needs are not confined to the conveyance system; the treatment plants—two of which are over 50 years old—also are the focus of asset management evaluation. The agency indicates that, for the system as a whole, they have identified a priority asset management inventory of $1.18 billion in projects, as depicted in Chart 4 below. Also depicted is the West Point Power Quality/Reliability project, approved by Council in February 2021.

Chart 4 illustrates the additional Asset Management project costs that the agency anticipates in coming years. This $1.18 billion in priority projects was initially described as part of last year’s rate cycle.

The historic mid-century project to restore the water quality of Lake Washington, which was the original undertaking of Metro government, is often cited as a major regional accomplishment. That project was begun in the late 1950s, with construction of wastewater facilities—plants and interceptor pipelines—getting underway in the 1960s. The extensive construction of that period is now reaching the end its service life, much of it at about the same time, placing intensified asset management pressure on the wastewater capital program.

The capital program also supports the Combined Sewer Overflow program. The agency is required by a Consent Decree to complete a total of 14 Combined Sewer Overflow
projects by 2030; negotiations are underway with the Environmental Protection Agency and the Washington Department of Ecology to extend that deadline until 2040. The transmitted rate assumes the success of those negotiations; revenues to support remaining projects are not included in projected revenues through 2030. A number of projects are currently underway—including the Joint Ship Canal project, and the Georgetown Wet Weather Treatment Plant. Four earlier projects have been completed. Remaining projects (some of these are combined projects) include the Hanford/Lander/Kingdome/King Street (HLKK) Wet Weather Treatment Station, the Montlake Storage Tank/Green Stormwater Infrastructure, and the University Storage Tank/Green Stormwater Infrastructure.

**Metropolitan Water Pollution Abatement Advisory Committee Comments.** The Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) advises the King County Council and Executive on matters related to water pollution abatement. It was created by state law (RCW 35.58.210) and consists of representatives from cities and local sewer utilities that operate sewer systems within King County’s sewer service area. These cities and sewer utilities deliver their sewage to King County for treatment and disposal.

MWPAAC has forwarded an advisory letter, Attachment 4, which is included in the transmittal. MWPAAC’s comments come in the context of revisions to the proposed 2021 rate package. The initial recommendation by WTD to the Executive was for a 0.0% rate increase for 2022, in light of continuing COVID-19 revenue and cost challenges to partner agencies—with large increases in the outyears on a biennial schedule. MWPAAC had expressed an interest in a more steady, gradual and predictable pattern of increases, beginning with a 4.0% increase for 2022. The transmitted rate proposal includes the recommended 4.0% 2022 rate, with annual rate increases rather than larger biennial projected increases.

The MWPAAC letter indicates:
- Confirmation that MWPAAC supports the Executive-Proposed 4.0% rate increase for 2022;
- A request for annualized rate increases going forward, rather than rate increases on a biennial schedule;
- Request for clarification of anticipated asset management cost projections over coming decades;
- Request for preliminary estimate of the impact of the Nutrients rule changes on sewer rates;
- Emphasis on the need for MWPAAC input on the Clean Water Plan, and cost estimates associated with possible changes resulting from the planning process;
- Concern about the assumption in the rate proposal of the shift of the bulk of combined sewer overflow costs to the 2030-2040 decade, in the context of discussions with the Environmental Protection Agency regarding modification of deadlines for completion of required combined sewer overflow projects.
• The need for more time for MWPAAC to review proposed rates prior to transmittal;
• The scope, nexus to wastewater programs, and rate implications associated with the Executive’s “Clean Water, Healthy Habitats” program;
• Concern regarding increases in cumulative system debt as capital costs continue to grow; and
• A desire for reliable construction time schedules, and an appeals process to review any changes in prioritization, to allow for consideration of impacts on local agencies.

Proposed Ordinance 2021-0190. During the 2021 sewer rate discussion that occurred in Spring of 2020, the Executive identified a number of high-priority asset management projects that were deferred pending a full discussion of the asset management backlog. The Wastewater Treatment Division, during Fall of 2020 and Spring of 2021, engaged with the Metropolitan Water Pollution Abatement Advisory Committee, and with the Regional Water Quality Committee, to describe the nature and extent of the asset management backlog, and the risks involved in not addressing the identified projects.

In the 2022 rate proposal, the Executive has included revenue for an Asset Management “Strike Team”, which would be responsible for moving forward expeditiously with priority asset management projects, including projects initially identified in the 2021 rate, but delayed to accommodate the engagement process. Expenditure authority for these projects was not included in the 2021-2022 budget. The Executive indicates that revenue from the 2021 rate is available to support the initial phase-in of the Strike Team, including 6.0 FTE’s in mid-2021; 6.0 FTE’s in 2022 would be supported by the 2022 proposed rate. Proposed Ordinance 2021-0190 would provide expenditure authority for $1,435,000 for the 2021--2022 biennium to support this early phase-in and begin work on these backlogged projects.

In addition, the proposed appropriation would provide expenditure authority for a long-term lease for employees currently housed in the Jameson and ArcWeld buildings, both of which have housed construction management staff for many years, and are beyond their useful service lives, showing conditions of wear and deterioration. An opportunity for a long-term lease in an existing building has emerged, however, avoiding the need to construct replacements for these two structures. This would be a 20-year lease; the agency plans to pay tenant improvement costs to the property owner in a lump sum, to achieve savings in monthly rent payments.

The supplemental appropriation ordinance would also authorize expenditures of capital funding from the Water Quality Account in support of the priority Asset Management backlog. Projects include:
• Refurbishment of the M Street Trunk Line ($1,126,528)
• Improvement of the electrical system at West Point ($3,555,281)
• Refurbishment of the influent and effluent pumps at West Point ($5,212,620)
• Upgrade of the Lakeland Hills Pump Station ($1,101,000)
• Improvements to the South Plant Dewatering System ($554,706)

TIMING

The wastewater contracts with participating cities and sewer districts specify that the sewer rate be in place by June 30th of each year (partner city and sewer districts act after the county sets the sewer rate to establish their local rates, all of which go into effect on January 1, 2021). In addition, sewer rates are required by state statute to advertise a public hearing notice 10 days prior to the public hearing date.

To meet the above requirements, following consideration by the Budget and Fiscal Management Committee, a public hearing is planned for full Council on June 1, 2021, with Council action to follow.

INVITED

• Christie True, Director, Department of Natural Resources and Parks
• Kamuron Gurol, Director, Wastewater Treatment Division
• Hiedi Popocheck, Financial Services Manager, Wastewater Treatment Division
• Courtney Black, Rates, Capital and Debt Management Supervisor, Wastewater Treatment Division

ATTACHMENTS
1. Proposed Ordinance 2021-0187 (and its attachment)
2. PO 2021-0187 Transmittal Letter
3. PO 2021-0187 Fiscal Note
4. PO 2021-0187 MWPAAC Letter with rate recommendation
5. PO 2021-0187 Technical Memo
6. PO 2021-0187 WTD Sewer Rate Proposal
7. Proposed Ordinance 2021-0190 (and its attachment)
8. PO 2021-0190 Transmittal Letter
9. PO 2021-0190 Fiscal Note--Capital
10. PO 2021-0190 Fiscal Note--Operating
KING COUNTY
Signature Report

Ordinance

Proposed No. 2021-0091.2

Sponsors Kohl-Welles, Dembowski and Upthegrove

1 AN ORDINANCE relating to facial recognition,
2 prohibiting the acquisition and use of facial recognition
3 technology by County administrative offices and executive
4 departments, including the department of public safety; and
5 adding a new chapter in K.C.C. Title 2.

STATEMENT OF FACTS:

1. The development of a diverse array of sophisticated surveillance tools,
   including facial recognition technology, combined with the impacts of the
   COVID-19 pandemic, has spurred the unprecedented surveillance of
   individuals by governments around the world.

2. The council finds that the propensity for surveillance technology,
   specifically facial recognition technology, to endanger civil rights and
   liberties substantially outweighs the purported benefits, and that such
   technology will exacerbate racial injustice.

3. The council finds that the use of facial recognition technology to
   watch, categorize, monitor, and record the activities and movements of
   county residents disproportionately impacts people of color, immigrants,
   LGBTQ people and political activists of all backgrounds. Bias, accuracy
   issues and stereotypes built into facial recognition technology pose a threat
to the residents of King County.

4. The council recognizes the emerging need to protect individuals' public safety, privacy and civil rights has led a growing number of local governments to adopt laws prohibiting the use of facial recognition and other surveillance technology. United States cities including Oakland, San Francisco and Boston have passed bans on the government use of facial recognition technology.

5. The department of public safety, otherwise known as the King County sheriff's office, is a county executive department according to Section 350.20.40 of the King County Charter.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Sections 2 through 4 of this ordinance should constitute a new chapter in K.C.C. Title 2.

NEW SECTION. SECTION 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

A. "County personnel" means any person or entity acting on behalf of a King County administrative office or executive department, including any officer, employee, agent, contractor, subcontractor, vendor or volunteer.

B. "Facial recognition" means an automated or semiautomated process that assists in identifying, or verifying the identity of, an individual based on the physical characteristics of an individual's face.

C. "Facial recognition information" means any data or information obtained or derived from facial recognition technology.
D.1. "Facial recognition technology" means any computer software or application that performs facial recognition.

2. "Facial recognition technology" does not include:
   a. the analysis of facial features to grant or deny access to an electronic device;
   or
   b. the use of an automated or semiautomated process for the purpose of redacting a recording for release or disclosure by county administrative offices or executive departments, to protect the privacy of a subject depicted in the recording, if the process does not generate or result in the retention of any facial recognition information.

NEW SECTION. SECTION 3.

A.1. It shall be unlawful for any King County administrative office or executive department to:
   a. obtain, retain, possess, access or use:
      (1) any facial recognition technology; or
      (2) any facial recognition information; and
   b. issue any permit or enter into any contract or agreement that authorizes any third party, on behalf of a county administrative office or executive department public safety, to obtain, retain, possess, access or use:
      (1) any facial recognition technology; or
      (2) facial recognition information.

2. Nothing in this subsection A. prohibits a county administrative office or executive department from:
   a. using evidence relating to the investigation of a specific crime that might
have been generated from a facial recognition technology, so long as the evidence was
not generated by or at the request of the county administrative office or executive
department;

b. using social media or communications software or applications for
communicating with the public, but only if use does not include the affirmative use of
any facial recognition technology or facial recognition information;

c. using automated redaction software, but only if software does not have the
facial recognition capabilities; or

d. complying with the National Child Search Assistance Act.

B. County personnel's inadvertent or unintentional receipt, retention of, access of
or use of any facial recognition information is not a violation of this chapter, but only if:

1. The county personnel did not intentionally request, retain or solicit the
receipt, access or use of the information;

2. The county personnel logs the receipt, retention of, access or use with the
county personnel's direct supervisor, not including any personally identifiable
information or other information the release of which is prohibited by law, no longer than
seven days after the receipt, retention of access or use; and

3. The county personnel immediately deletes any facial recognition information
unintentionally received, retained, accessed or used, subject to applicable law.

NEW SECTION. SECTION 4.

A. Any facial recognition information collected or derived in violation of this
chapter shall be considered unlawfully obtained and shall be deleted upon discovery,
B. Any violation of this chapter constitutes an injury and any person may institute proceedings for injunctive relief, declaratory relief or writ of mandate in court to enforce this chapter. The court shall award costs and reasonable attorneys' fees to a plaintiff who is the prevailing party in the proceedings.

C. Violations of this chapter by any county personnel may result in retraining, suspension or termination of the county personnel, subject to due process requirements and collective bargaining agreements.

D. Nothing in this section shall be construed to limit any individual's rights under state or federal law.

SECTION 5. Severability. If any provision of this ordinance or its application to
any person or circumstance is held invalid, the remainder of the ordinance or the
application of the provision to other persons or circumstances is not affected.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

________________________________________
Claudia Balducci, Chair

ATTEST:

________________________________________
Melani Pedroza, Clerk of the Council

APPROVED this _____ day of ______________, ______.

________________________________
Dow Constantine, County Executive

Attachments: None
Proposed Substitute Ordinance 2021-0091.2 Prohibiting the acquisition and use of facial recognition technology by County administrative offices and executive departments passed out of committee on May 19, 2021, with a “Do Pass” recommendation. The Ordinance was amended in committee with Amendment S1 to make technical corrections to the body of the ordinance as recommended by the Code Revisor.

SUBJECT

Prohibiting the acquisition and use of facial recognition technology by County administrative offices and executive departments.

SUMMARY

Proposed Ordinance 2021-0091 would prohibit county administrative offices and executive departments from acquiring and using facial recognition technology or facial recognition information. County administrative offices and executive departments would also be prohibited from issuing any permit or entering into any agreement which authorizes any third party to use facial recognition technology or obtain facial recognition information on behalf of the county.

Facial recognition technology is defined as any computer software or application which assists in identifying an individual based on the physical characteristics of the individual's face. Facial recognition information is defined as any data or information obtained or derived from facial recognition technology.

Violations of the Proposed Ordinance would constitute an injury to which a person subject to the violation may seek judicial relief.

BACKGROUND
Facial Recognition Technology. Facial recognition technology (FRT) is a category of biometric software generally defined as a method of identifying or confirming an individual’s identity using their face. Facial recognition can be used to identify people in photos, videos, or in real-time. While specific methods vary depending on the system provider, FRT generally includes the following processes:

- **Capture**: the process of finding an individual's face and removing the face from a larger image.
- **Analysis**: the process of mapping an individual's facial features/characteristics, such as the distance between a person's eyes, the depth of their eye sockets, the distance from forehead to chin, the shape of the cheekbones, and the contour of the lips, ears, and chin.
- **Conversion**: The process of taking the analyzed facial features and creating a standardized facial “template” or mathematical representation which can be compared to other facial templates housed in a reference database (often referred to as a gallery).
- **Identification or Verification**: The process of comparing a facial template against a database or gallery of other facial templates.
  - For an identification task, the facial recognition system is provided a probe image and attempts to match it with a biometric reference in a gallery.
  - For a verification task, an individual with a pre-existing relationship with an institution (and therefore already enrolled in the reference database or gallery) presents their biometric characteristics to the system (either a face or an image), claiming to be in the reference database or gallery (i.e. claiming to be a legitimate identity). The system then attempts to match the face or image with the claimed template in the reference database and either verifies or rejects the face or image.

Automated facial recognition was developed in the 1960s, but did not really become widespread until the 2010s when computers became capable of training the neural networks required to make facial recognition a standard feature. Today, facial recognition is used across the globe for a variety of purposes; from the relatively mundane, such as unlocking a smart phone and tagging a friend in a social media post, to the highly sophisticated, such as targeted advertising, law enforcement and surveillance.

A non-exhaustive list of FRT uses include:

- Accessing personal electronic devices and/or secure locations.
- Social media (i.e. tagging individuals in pictures/videos, "filter" applications, etc.).
- Law Enforcement:

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1 Other types of biometric software include voice recognition, fingerprint recognition, and eye retina or iris recognition.
- Collecting arrestee mugshots and comparing them against local, state, and federal databases.
- Querying mugshot databases to identify individuals in images.
- Verifying the identity of wanted criminals or those suspected of a crime.
- Locating missing persons and/or victims of human trafficking.
- Identity theft and fraud detection.

- Streamline travel with "biometric passports" at border crossings and airports.
- Event registration.
- Individualized and targeted advertising/marketing.
- Retail theft prevention.
- Employee time and performance tracking.
- Banking.
- Healthcare.

Concerns.

The rapid advancement and sophistication of FRT in the last several years has raised concerns over its use. These concerns primarily focus on the accuracy of the technology, demographic biases, and encroachment on civil liberties.

Accuracy and Bias. FRT has proven effective with relatively small populations in controlled environments, for the verification of identity claims in which an image of an individual's face is matched to a pre-existing image "on-file" associated with the claimed identity (the verification task). According to independent tests by the United States National Institute of Standards and Technology (NIST), between 2014 and 2018, the failure rate for finding a match in a database of twelve million portrait photos fell from 4% to 0.2%. However, accuracy decreases when there is no standardized photo for comparison or when the comparison comes from a photo from an uncontrolled environment such as a face in a crowd image or a still from a live video feed. FRT works best when the picture is head-on and has no movement. Additionally, because faces change over time, unlike fingerprints or DNA, the technology can trigger incorrect results by changes in hairstyle, facial hair, body weight, and the effects of aging.

Overall, the accuracy and reliability of FRT depends on several factors including:
- Environment: The conditions of the images to be compared (background, lighting, camera distance, and size and orientation of the head).
- Image Age: The time that has elapsed between the images to be compared.
- Consistent Camera Use: Similar optical characteristics of the camera used for the enrollment process and for obtaining the on-site image (light intensity, focal length, color balance, etc.).

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• Gallery Size: As the size of the gallery increases, the number of possible images that enter the gallery as near-identical mathematical representations (biometric doubles) also increases.7

Biases. Research has indicated that FRT may not be as accurate in reading the faces of certain demographic groups. FRT biases can occur when the neural networks of the system are trained on a data set of images which are not demographically balanced. When the system learns from a demographically uneven pool of images, the error rate for the demographic groups less represented in the data set increases.8

Research has shown that the demographic biases may be a product of the geographic region the FRT is developed. According to a 2011 NIST study of FRT algorithms developed in Western countries (France, Germany and the United States) and algorithms developed in East Asian countries (China, South Korea and Japan), Western algorithms recognized Caucasian faces more accurately than East Asian faces; and the East Asia algorithms recognized East Asian faces more accurately than Caucasian faces.9

More recent studies have shown that demographic biases persist, despite the general improvement in FRT in the last several years. A 2018 study testing three commercial face-analysis services found that the datasets were overwhelmingly composed of lighter-skinned subjects. As a result, the study found that darker-skinned females were the most misclassified group, with error rates of up to 34.7%, compared to the maximum error rate of 0.8% for lighter-skinned males.10

Civil Liberties. The use of FRT by governments and private enterprises, wherein individuals may have their faces scanned and added to a system’s data set unknowingly and without consent, has raised concerns over the infringement on individual's right to privacy and other civil liberties. Civil rights and privacy organizations have argued that individuals have an expectation of anonymity in public settings and that few are privy to their identity and personal information. FRT erodes this expectation by allowing the user to identify an individual by their face and associate that individual's face with internet behavior, travel patterns, or other personal information.11 Opponents have argued further that FRT may also allow unknown individuals or entities to track people’s locations, movements, and companions and that information collected or associated with FRT could be used, shared, or sold in ways that people do not understand, anticipate, or consent to.12

10 Buolamwini, Joy & Gebru, Timnit. (2018) "Gender Shades: Intersectional Accuracy Disparities in Commercial Gender Classification"
Recent instances of FRT’s use by law enforcement agencies have been cited by organizations such as the ACLU and the Electronic Freedom Foundation as examples of the threat posed by FRT to civil liberties. In 2016, the ACLU of Northern California reported that during protests surrounding the death of Freddie Gray, the Baltimore Police Department ran social media photos through face recognition technology to identify protesters and monitor them. Also, in January 2020, a man named Robert Julian-Borchak Williams was arrested by the Detroit Police Department after being wrongly identified by the department’s facial recognition system.

Proponents of the technology point to instances where FRT has aided law enforcement in investigations and the apprehension of criminals. Once such instance is the August 2019 arrest of Larry Griffin II, who was arrested after being identified by a detective in the New York Police Department’s Facial Identification Section on charges of placing fake bombs in a lower Manhattan subway station. Other instances include FRT’s assistance in recovering victims of human and sexual trafficking, and preventing foreign nationals from entering the United States using falsified or stolen U.S. passports. More recently, federal court documents show the Federal Bureau of Investigation used FRT to assist in the identification of those individuals who participated in the January 6, 2021 riots at the U.S. Capitol in Washington D.C.

Bans on Facial Recognition Technology. Citing many of the concerns listed above, several U.S. cities have banned municipal agencies from using FRT. As of November 2020, thirteen cities have enacted some form of FRT ban, including San Francisco, California, Boston, Massachusetts, Portland, Oregon, Portland, Maine, Jackson, Mississippi, and others.

ANALYSIS

Proposed Ordinance 2021-0091 would ban the acquisition and use of facial recognition technology and facial recognition information by county administrative offices and

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The Proposed Ordinance would also prohibit county administrative offices and executive departments from issuing any permit or entering into any agreement which authorizes a third party to use facial recognition technology or obtain or access facial recognition information on behalf of the county. However, evidence relating to the investigation of a specific crime that may have come from facial recognition technology may be used by a county administrative office or executive department so long as the evidence was not generated by or at the request of the county office or department.

The Proposed Ordinance defines facial recognition technology as any computer software or application which assists in identifying, or verifying the identify of, an individual based on the physical characteristics of the individual's face. Facial recognition technology does not include the analysis of facial features to grant access to an electronic device or the use of redacting software to protect the privacy of an individual depicted in a recording intended for release or disclosure. Facial recognition information is also defined as any data or information obtained or derived from facial recognition technology.

The Proposed Ordinance would establish a process for county personnel who inadvertently or unintentionally use or access facial recognition information. County personnel is defined to include any person or entity acting on behalf of the county whether an officer, employee, agent, contractor, subcontractor vendor or volunteer. This process would require county personnel to notify their direct supervisor that they received, used, or gained access to facial recognition information and that they immediately delete the information subject to applicable laws.

Any facial recognition information collected or derived in violation of the established ban would be considered unlawfully obtained. Violations of the established ban on the use of facial recognition technology and/or information would constitute an injury to which a person subject to the violation may seek relief in any court of competent jurisdiction. Furthermore, a prevailing plaintiff in any such court proceeding would be entitled to awarded costs and reasonable attorney fees.

Comparison with Washington State Law

In 2020, the Washington State Legislature adopted Engrossed Substitute Senate Bill 6280 concerning the use of facial recognition services. Table 1 below provides a comparison of the state law to the Proposed Ordinance.

<table>
<thead>
<tr>
<th>Provisions</th>
<th>State Law</th>
<th>PO 2021-0091</th>
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20 King County Charter Section 350 defines county administrative offices as "those agencies of the executive branch which provide administrative services for the various agencies of county government," and executive departments as "the department of assessments, the department of judicial administration, the department of elections, the department of public defense and those agencies of the executive branch which are primarily engaged in the execution and enforcement of ordinances and statutes concerning the public peace, health and safety and which furnish or provide governmental services directly to or for the residents of the county." The Department of Public Safety, otherwise known as the King County Sheriff's Office, is also included the list of executive departments under Charter Section 350.20.40.
| Definitions | • Facial Recognition Service: means technology that analyses facial features and is used by a state or local government agency for the identification, verification, or persistent tracking of individuals in still or video images.  
• Facial Recognition Service does not include: The analysis of facial features to grant or deny access to an electronic device; or the use of an automated or semiautomated process for the purpose of redacting a recording for release or disclosure. | • Facial Recognition Technology: means any computer software or application which assists in identifying, or verifying the identity of, an individual based on the physical characteristics of the individual's face.  
• Facial Recognition Technology does not mean: the analysis of facial features to grant access to an electronic device or the use of redacting software to protect the privacy of an individual depicted in a recording intended for release or disclosure. |
| --- | --- | --- |
| Government Review | • Any state or local government using or intending to use FRT must notify a legislative authority and provide that authority with an Accountability Report, which must include a description of the proposed use and capabilities of the service, information on the service's rate of false matches, data security measures, procedures regarding testing and channels for receiving feedback, and data integrity and retention policies i.e. how long data will be held.  
• Prior to finalizing the Accountability Report, a government agency must: allow for public review and comment, hold at least three community consultation meetings, and consider issues raised by the public.  
• The final Accountability report must be subject to a public review period and be updated every two years. | NA |
<table>
<thead>
<tr>
<th>Meaningful Human Review</th>
<th>The final adopted Accountability Report must be clearly communicated to the public at least 90 days before the FRT is put into operational use.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Testing</td>
<td>Any government agency wishing to use FRT in a manner which assists in making decisions that produce legal effects i.e. provision or denial of financial and lending services, housing, insurance, education, criminal justice etc., must ensure that those decisions are subject to meaningful human review.</td>
</tr>
<tr>
<td>Operational Testing</td>
<td>A government agency using FRT require a service provider to make available an application programming interface (API) to enable independent testing for accuracy and unfair performance differences across distinct subpopulations. If results of the independent testing identify material unfair performance differences across subpopulations the provider must develop and implement a plan to mitigate the identified performance differences within 90 days of receipt of such results.</td>
</tr>
<tr>
<td>Training</td>
<td>A government agency using FRT must conduct periodic training of all individuals who operate a service or who process personal data obtained from the use of a service</td>
</tr>
<tr>
<td>Prohibitions</td>
<td>A government agency may not use FRT to engage in ongoing surveillance, conduct real-time or near-real time identification, or start persistent tracking unless: a warrant is obtained; exigent circumstances exist; or a court order is obtained for the sole purpose of locating or identifying a</td>
</tr>
</tbody>
</table>
missing person, or identifying a deceased person.

- An agency may not: apply a service to any individual based on certain characteristics protected by law; or use a service to create a record describing any individual's exercise of rights guaranteed by the 1st Amendment rights.
- Law enforcement agencies may not: use the results of FRT as the sole basis to establish probable cause in a criminal investigation; use a service to identify an individual based on a sketch or manually produced image; or substantively manipulate an image for use in a service in a manner not consistent with the service provider's intended use and training.

<table>
<thead>
<tr>
<th>Inadvertent Use</th>
<th>County personnel who inadvertently use or access FRT must notify their direct supervisor that they received, used, or gained access to facial recognition information and that they immediately delete the information subject to applicable laws.</th>
</tr>
</thead>
</table>
| Exemptions      | The provisions of the state law do not apply to any government agency who is mandated to use FRT pursuant to a federal regulation or order; or uses FRT in association with a federal agency to verify the identity of individuals presenting themselves for travel in an airport or seaport. The law does not apply to the use of a facial recognition matching system by DOL authorized under current law. Evidence relating to the investigation of a specific crime that may have come from facial recognition technology may be used by a county administrative office or executive department so long as the evidence was not generated by or at the request of the county office or department. The PO does not prohibit the use of social media or communications software, or automated redaction software, provided such
Questions from May 5, 2021 Committee of the Whole Meeting

Responses to the questions raised during the May 5, 2021 Committee of the Whole meeting will be distributed prior to the May 19, 2021 committee meeting.

**AMENDMENT**

Striking Amendment S1 makes technical corrections to the body of the ordinance.
A MOTION reappointing Kymber Waltmunson to the position of King County auditor.

WHEREAS, Section 250 of the King County Charter directs the county council to appoint the King County auditor by a majority vote of the county council, and

WHEREAS, K.C.C. 2.20.010 sets the King County auditor's initial term at four years and requires the county council to consider reappointing the auditor at the end of each term, and

WHEREAS, Kymber Waltmunson is the current King County auditor, and

WHEREAS, Kymber Waltmunson was initially appointed to the position of the King County auditor by the council on July 15, 2013, and was reappointed to the position of King County auditor on September 5, 2017, and

WHEREAS, the council wishes to reappoint Kymber Waltmunson to serve an additional four-year term in the position of the King County auditor;

NOW, THEREFORE, BE IT MOVED by the Council of King County:
Kymber Waltmunson is hereby reappointed as the King County auditor, for a
four-year term ending September 5, 2025.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Claudia Balducci, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

Attachments: None
A MOTION confirming the reappointment of Julie Kang to the citizens' elections oversight committee as a representative of the Korean-speaking community.

WHEREAS, King County is committed to conducting open, accurate and fair elections, and

WHEREAS, the citizens' election oversight committee help to ensure that accountability and performance of the department of elections is provided in a transparent manner that is meaningful to King County residents, and

WHEREAS, in accordance with K.C.C. 2.53.021, the employment and administration committee appoints members to the citizens' election oversight committee, and

WHEREAS, in accordance with K.C.C. 2.53.021, appointments to the citizens' election oversight committee are subject to confirmation by the full council by motion, and

WHEREAS, on May 26, 2021, in accordance with K.C.C. 2.53.021, the employment and administration committee reappointed Julie Kang to the citizens' elections oversight committee, for a three-year term to expire on July 15, 2023;

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The reappointment of Julie Kang to the citizens' elections oversight committee as...
a representative of the Korean-speaking community, for a three-year term to expire on
July 15, 2023, is confirmed.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Claudia Balducci, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

Attachments: None
A MOTION confirming the appointment of Linda Grez to
the citizens' elections oversight committee as a
jurisdictional representative from a junior taxing district or
a city with a population of under twenty thousand.

WHEREAS, King County is committed to conducting open, accurate and fair
elections, and
WHEREAS, the citizens' election oversight committee help to ensure that
accountability and performance of the department of elections is provided in a transparent
manner that is meaningful to King County residents, and
WHEREAS, in accordance with K.C.C. 2.53.021, the employment and
administration committee appoints members to the citizens' election oversight committee,
and
WHEREAS, in accordance with K.C.C. 2.53.021, appointments to the citizens'
election oversight committee are subject to confirmation by the full council by motion,
and
WHEREAS, on May 26, 2021, in accordance with K.C.C. 2.53.021, the
employment and administration committee appointed Linda Grez to the citizens' elections
oversight committee, for a one-year term to expire on May 26, 2022;

NOW, THEREFORE, BE IT MOVED by the Council of King County:
The appointment of Linda Grez to serve on the citizens' elections oversight committee, as a jurisdictional representative from a junior taxing district or a city with a population of under twenty thousand, for a one-year term to expire on May 26, 2022, is confirmed.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Claudia Balducci, Chair

ATTEST:

Melani Pedroza, Clerk of the Council

Attachments: None
Metropolitan King County Council
Employment and Administration Committee

STAFF REPORT

<table>
<thead>
<tr>
<th>Agenda Items:</th>
<th>Name:</th>
<th>Miranda Leskinen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed No.:</td>
<td>2021-0197</td>
<td>Date:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>May 25, 2021</td>
</tr>
</tbody>
</table>

SUBJECT

Proposed Motion 2021-0197 would, subject to appointment by the Employment and Administration Committee, confirm the appointment of Linda Grez, who resides in Council District Three, to the Citizens' Elections Oversight Committee (CEOC), as a jurisdictional representative from a junior taxing district or a city with a population of under twenty thousand, for a one-year term to expire on May 25, 2022.

BACKGROUND

The King County Council created three Citizens' Elections Oversight Committees to help the Council and the Executive address previous issues of performance and to rebuild public confidence in elections. The first was created in July 2003. They worked over the period of one year and produced a final report containing 116 recommendations. The second Citizens' Elections Oversight Committee was created in April 2005. They worked for one year and produced a report containing 60 recommendations. The current, non-expiring committee was created in May 2006.

The ordinance establishing the current committee also set forth as its mission: "to help King County restore and maintain public confidence in elections." The ordinance further directs the CEOC to make recommendations to the Council to:

- “Improve performance of the King County elections division”; and
- “Help ensure that accountability and performance of the elections division is provided in a transparent manner that is meaningful to the residents of King County.”

In September of 2018 the Council took action to update the membership of the CEOC. In addition to increasing the number of and changing the composition of CEOC members, the ordinance changed the mission of the committee to "help King County maintain public confidence in elections." Thereby eliminating the term “restore.” The ordinance increased the membership from 14 to 16 members. The following representatives were eliminated in the new ordinance: the representative from an
Under King County Code chapter 2.53, sixteen members represent named types of organizations or sectors of the community, including two at-large King County registered voters, and one ex-officio, nonvoting member representing the Secretary of State’s office. Table 1 lists the current membership of the CEOC and the organization or constituency they represent.

Table 1: 2021 CEOC Membership (as of March 2021)

<table>
<thead>
<tr>
<th>Member</th>
<th>Organization/Constituency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kyle Vixie</td>
<td>Registered voters</td>
</tr>
<tr>
<td>Chair</td>
<td></td>
</tr>
<tr>
<td>Stanley Tsao</td>
<td>Chinese-speaking community</td>
</tr>
<tr>
<td>Nanette Sullivan</td>
<td>Municipal League Foundation</td>
</tr>
<tr>
<td>Vice Chair, Election Monitoring</td>
<td></td>
</tr>
<tr>
<td>Allison Feher</td>
<td>League of Women Voters</td>
</tr>
<tr>
<td>Stuart Holmes</td>
<td>Office of Secretary of State</td>
</tr>
<tr>
<td>(interim)</td>
<td></td>
</tr>
<tr>
<td>Hillary Coleman</td>
<td>Registered voters</td>
</tr>
<tr>
<td>Eliseo Juarez</td>
<td>Spanish-speaking community</td>
</tr>
<tr>
<td>First Vice Chair, Voter Participation</td>
<td></td>
</tr>
<tr>
<td>Quynh Pham</td>
<td>Vietnamese-speaking community</td>
</tr>
<tr>
<td>Stefan Sharkansky</td>
<td>King County Republican Party</td>
</tr>
<tr>
<td>Julie Kang</td>
<td>Korean-speaking community</td>
</tr>
<tr>
<td>Jeffrey Manson</td>
<td>King County Democratic Party</td>
</tr>
<tr>
<td>Vacant</td>
<td>Jurisdictional representative from a junior taxing district or City with a population of under 20,000</td>
</tr>
<tr>
<td>Jayson Todd Morris</td>
<td>Disability community</td>
</tr>
<tr>
<td>Vice Chair, Best Practices</td>
<td></td>
</tr>
<tr>
<td>Vacant</td>
<td>Academic institution with knowledge</td>
</tr>
</tbody>
</table>

independent research and policy institute, one representative from the Washington State Democratic Party and one representative from the Washington State Republican Party. The following representatives were added to the new ordinance: one representative from the disability community, one representative from the Spanish-speaking community, one representatives from the Korean-speaking community, one representative from an academic institution who has knowledge of elections, one representative who has experience in technology, and one representative from a nonpartisan organization in King County that promotes equality and advancement of blacks or African Americans, such as the Urban League of Metropolitan Seattle. The representative from a junior taxing district was amended to be a jurisdictional representative from a junior taxing district or a city with a population of under twenty thousand. One ex officio member representing the Washington State Association of County Auditors was eliminated as well. In addition, of note for the purposes of this staff report, the Elections “division” was replaced with “department.”
Seth Orr
Representative who has experience in technology
Maya Manus
Urban League of Metropolitan Seattle

APPOINTMENT APPLICANT INFORMATION

As noted in Ms. Grez’s application materials, she has extensive knowledge of local and state elections processes stemming from decades of community organizing experience and leadership roles, including experience as a former Commissioner from 2008-2019 for the Si View Metropolitan Park District. Included in Ms. Grez’s application materials is a letter of support for Ms. Grez’s appointment as the jurisdictional representative to the CEOC from the Executive Director of Si View Metro Parks (Si View Metropolitan Park District).

ANALYSIS

Staff has not identified any issues with the proposed appointment. It appears to be consistent with the requirements of the County Code.

INVITED

- Linda Grez, Applicant for appointment to the CEOC
- Erin Arya, Staff Liaison to the CEOC

ATTACHMENTS

1. Proposed Motion 2021-0197
Motion

Proposed No. 2021-0198.2  Sponsors Upthegrove

1. A MOTION confirming the reappointment of Quynh Pham
2. to the citizens' elections oversight committee as a
3. representative of the Vietnamese-speaking community.
4. WHEREAS, King County is committed to conducting open, accurate and fair
5. elections, and
6. WHEREAS, the citizens' election oversight committee help to ensure that
7. accountability and performance of the department of elections is provided in a transparent
8. manner that is meaningful to King County residents, and
9. WHEREAS, in accordance with K.C.C. 2.53.021, the employment and
10. administration committee appoints members to the citizens' election oversight committee,
11. and
12. WHEREAS, in accordance with K.C.C. 2.53.021, appointments to the citizens'
13. election oversight committee are subject to confirmation by the full council by motion,
14. and
15. WHEREAS, on May 26, 2021, in accordance with K.C.C. 2.53.021, the
16. employment and administration committee reappointed Quynh Pham to the citizens'
17. elections oversight committee, for a three-year term to expire on December 2, 2023;
18. NOW, THEREFORE, BE IT MOVED by the Council of King County:
19. The reappointment of Quynh Pham to the citizens' elections oversight committee
Motion

20 as a representative of the Vietnamese-speaking community, for a three-year term to
21 expire on December 2, 2023, is confirmed.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

ATTEST:

Claudia Balducci, Chair

Melani Pedroza, Clerk of the Council

Attachments: None
A MOTION relating to programs and services for prevention, outreach, and early intervention to address mental health and substance use impacts in children and youth five through twenty-four years old, which have been exacerbated due to the coronavirus disease 2019 pandemic.

WHEREAS, in 2010, Ordinance 16897 was enacted, establishing the King County Strategic Plan, 2010-2014. In 2015, the council passed Motion 14317, updating and revising King County's vision, mission, guiding principles and goals. Included within the county's goals are improving the health and well-being of all people in King County, implementing alternatives to divert people from the criminal justice system and ensuring that county government operates efficiently and effectively and is accountable to the public, and

WHEREAS, according to the Journal of the American Academy of Child and Adolescent Psychiatry and eighty studies on the topic, social isolation and loneliness, like that caused by the coronavirus disease 2019 pandemic, significantly increase the risk of depression and anxiety in previously healthy children and adolescents, and

WHEREAS, a 2014 study done by the University of Southern California of four hundred seventy-six adolescents, with the mean age of fourteen years old, concluded that depression levels directly associated with an increased likelihood of a lifetime use of
inhalants, prescription pain killers and many other substances, and

WHEREAS, in a study conducted by the Centers for Disease Control and Prevention in June 2020, 40.9 percent of respondents, eighteen years old or older, reported at least one adverse mental or behavioral health condition. Those included 30.9 percent reporting symptoms of anxiety disorder or depressive disorder, 26.3 percent reporting symptoms of a trauma-and stressor-related disorder related to the coronavirus disease 2019 pandemic and 13.3 percent reported having started or increased substance use to cope with stress or emotions related to COVID-19, and

WHEREAS, the existing Best Starts for Kids levy, which serves the county's children, youth and families with upstream promotion, prevention and early intervention programs, will expire at the end of 2021 and levy renewal requires voter approval, and

WHEREAS, the coronavirus disease 2019 pandemic has impacted the health and well-being of the children, youth and families of King County as well as the regional economic and human services systems including child care, and

WHEREAS, the executive's Best Starts for Kids levy renewal proposal, which is Proposed Ordinance 2021-0062, would, subject to voter approval of a renewal levy, allow levy proceeds to be expended for prevention and intervention early on negative outcomes, including, but not limited to, poor birth outcomes, developmental delays, chronic disease, social emotional isolation, mental health challenges, substance abuse, dropping out of school, homelessness, domestic violence and effects of systemic racism and incarceration, and

WHEREAS, subject to enactment of Ordinance XXXXX (Proposed Ordinance 2021-0062), the executive, not later than July 31, 2021, is required to transmit to the
council for review and adoption by ordinance a proposed Best Starts for Kids implementation plan that identifies the strategies to be funded and outcomes to be achieved with the use of levy proceeds described in Ordinance XXXXX (Proposed Ordinance 2021-0062);

NOW, THEREFORE, BE IT MOVED by the Council of King County:

The executive is requested, in developing the Best Starts for Kids implementation plan, to:

A. Identify in the transmitted plan strategies relating to prevention, outreach and early intervention to address mental health and substance use impacts, in children and youth five through twenty-four years old, that have been exacerbated due to the coronavirus disease 2019 pandemic; and

B. Consider programs and services that provide, expand access to or provide and
expand access to substance use disorder supports for children and youth, including, but
not limited to, awareness campaigns on substance use.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

ATTEST:

Melani Pedroza, Clerk of the Council

Attachments: None
AGENDA ITEM: 7

Name: Miranda Leskinen

Proposed No.: 2021-0178

Date: May 12, 2021

SUBJECT

A Motion relating to programs and services for prevention, outreach, and early intervention to address mental health and substance use impacts in children and youth five through twenty-four years old, which have been exacerbated due to the COVID-19 pandemic.

SUMMARY

Proposed Motion 2021-0178 would request the Executive, in developing the proposed Best Starts for Kids Implementation Plan that is due to be transmitted by July 31st, 2021, to: 1) identify in the transmitted plan strategies relating to prevention, outreach and early intervention to address mental health and substance use impacts, in children and youth five through twenty-four years old, that have been exacerbated due to the COVID-19 pandemic; and 2) consider programs and services that provide, expand access to or provide and expand access to substance use disorder supports for children and youth, including, but limited to, awareness campaigns on substance use.

BACKGROUND

COVID-19 Pandemic and Impacts in Children and Youth. Regarding health impacts of the COVID-19 pandemic in children and youth, the Centers for Disease Control and Prevention (CDC)\(^1\) notes that Coronavirus disease (COVID-19) can affect children, youth and young adults directly and indirectly. As further noted, beyond getting sick, the social, emotional and mental well-being of many children, youth and young adults has been impacted by the pandemic. As additionally noted, trauma faced at these developmental stages can continue to affect them across their lifespan.

Best Starts for Kids. Best Starts for Kids (BSK) is a levy-funded, prevention-oriented regional plan that is aimed at supporting the healthy development of children and youth ages 0-24, families, and communities across King County. This is achieved through investing in promotion, prevention and early intervention for children, youth, young adults, families, and communities. In November 2015, King County voters approved the

current six-year Best Starts for Kids (BSK) Levy, which is due to expire at the end of 2021.

Ordinance 19267 – Renewal BSK Levy Proposal. In April 2021, Council approved Ordinance 19267, which will place a renewal BSK Levy proposition on the August 3, 2021 ballot. If approved by voters, the new six-year levy would continue to provide funding for prevention and early intervention programs and services for children, youth, and young adults, ages 0 to 24, as well as their families and their communities. Additionally, the new levy would expand to add funding to support a capital grants program as well as improved access to child care throughout King County.

Relating to implementation planning, not later than July 31, 2021, Ordinance 19267 directs that the Executive must transmit to the Council for review and adoption by ordinance a proposed Best Starts for Kids Implementation Plan that identifies the strategies to be funded and outcomes to be achieved with the use of levy proceeds (subject to voter approval of a renewal levy). Additionally, the Implementation Plan would have to include a framework to measure the performance of levy strategies in achieving their outcomes and require an annual report on levy expenditures, services and outcomes.

ANALYSIS

Proposed Motion 2021-0178 would request the Executive, in developing the proposed Best Starts for Kids Implementation Plan, to:

1) identify in the transmitted plan strategies relating to prevention, outreach and early intervention to address mental health and substance use impacts, in children and youth five through twenty-four years old, that have been exacerbated due to the COVID-19 pandemic; and

2) consider programs and services that provide, expand access to or provide and expand access to substance use disorder supports for children and youth, including, but limited to, awareness campaigns on substance use.

Of note, as described in Section 4.B.2. (regarding eligible levy expenditures) of Ordinance 19267, investments in prevention and early intervention on negative outcomes, including, but not limited to, poor birth outcomes, developmental delays, chronic disease, social emotional isolation, mental health challenges, substance abuse, dropping out of school, homelessness, domestic violence and effects of systemic racism and incarceration would be an eligible use of levy proceeds (subject to voter approval of a renewal levy).

The proposed motion was introduced on April 20, 2021, and referred first to the Regional Policy Committee, as a mandatory referral, and then to the Committee of the Whole. Following action on the proposed legislation in the Regional Policy Committee, the Committee of the Whole would then take up the legislation. Assuming the Committee of the Whole passes the legislation to the full Council for consideration and that either the committee or the full Council amends the legislation (creating a new version), the legislation would need to be re-referred to the Regional Policy Committee for its consideration before moving to the full Council for possible final action.
INVITED

• Sheila Capestany, Division Director, Children, Youth and Young Adults, and Strategic Advisor for Children and Youth, King County Department of Community and Human Services
• Marcy Miller, Policy Manager, Public Health – Seattle & King County

ATTACHMENTS

1. Proposed Motion 2021-0178