



King County

**Metropolitan King County Council
Capital Budget Committee**

Staff Report

Agenda item No:	5	Date:	February 20, 2008
Motion No:	2008- 0091	Prepared by:	Mark Melroy

SUBJECT

A motion approving the 2008 work program for the Capital Budget Committee.

BACKGROUND

Duties of the Committee

On January 22, 2008 the Council adopted Motion 12680 which relates to the organization of the Council for 2008. This motion establishes the committees of the Council and outlines their responsibilities. Section III, A relates to the Capital Budget Committee and states as follows:

Capital budget committee shall review capital improvement proposals and programs, including financial plans, revenues and expenditures; provide capital project oversight; review and consider the sale and lease of real property; and consider and make recommendations on capital budget appropriations and on debt and investment proposals, levies, fees and taxes relating to capital expenditures.

The auditor's office shall report to the capital budget committee when performing its large capital construction proposals oversight function in accordance with the 2007 Budget Ordinance, Ordinance 15652, Section 1.F.8.

On November 20, 2007, the Metropolitan King County Council adopted Ordinance 15975, the 2008 budget for the County. Provisions within the budget ordinance highlight several areas that fit within the responsibilities outlined that will be addressed through additional legislation by the Capital

Budget Committee (CBC) during 2008. This report reviews those provisions and provides summary information for other major work items that are expected to be handled by the Committee during 2008.

To further the goals of implementing sound financial oversight measures and managing the public's money prudently and wisely, the Council included a number of provisions and policy statements in the 2008 budget ordinance (12545). The following list of items represents the most significant issues as they relate to the work of the CBC Committee in 2008. These issues were described in detail at the January 30 CBC meeting - Councilmember responses to issues raised on January 30th are articulated throughout this report.

- Capital Project Oversight Project
- Office of economic and financial analysis
- Fiscal Accountability for Major Capital Projects

The Capital Budget Committee can expect briefings on these issues during 2008 and may work to implement recommended changes including possible code revisions.

Other Significant Work Plan Items

In addition to the work called for in the 2008 budget ordinance the Committee will be considering other significant legislation including the following activities, all of which were described in some detail at the January 30th Committee meeting.

King County Courthouse South Entrance

At the January 30 CBC meeting, during discussion of the South Entrance project, Councilmembers requested confirmation that a project to explore removal of aluminum panels from the exterior of the King County courthouse could be considered by the Committee during 2008. It is council staff's understanding that review of such a project would fall under the Committee's purview.

Omnibus and Stand-Alone Supplemental Budget Ordinances

Sale of Real Property, Lease Agreements

- **Sale of Summit Pit/'Donut Hole'**
- **KingDome Northlot Sale and Development**

- **Sale of the King Street Center**

At the January 30th CBC meeting, Councilmembers requested that council staff closely track the progress of King County's efforts to evaluate development options for a downtown Bellevue site of approximately 68,000 square feet.

Councilmembers also requested that staff monitor any proposed land sale/purchase arrangements as part of the Burlington Northern Sante Fe eastside corridor project.

Facilities Planning & Policy

- **Space Plan**
- **Accelerated Criminal Justice Integrated Facilities Master Plan**

At the January 30 CBC meeting, Councilmembers requested that budget staff monitor ongoing discussions among cities, criminal justice agencies, executive staff and separately elected officials regarding this issue.

- **Roads Maintenance Facility Planning**
- **Green Building Policy Ordinance**
- **Bond Issuance Ordinances**

Other Briefings/Work Updates

Budget committee staff will actively monitor expenditure restrictions and provisos that were incorporated in the 2008 budget.

The King County Auditor is actively engaged in the following projects that relate to capital budget management - in addition to those products noted previously in this report.

- Auditor update on alternative contracting methods
- Auditor update on Performance Reporting of Capital Projects
- Auditor update on Economic Analysis of Capital Projects

At the January 30 CBC meeting, Councilmembers requested staff investigate any existing policies related to capital project investments within potential annexation areas.

REASONABLENESS

The Capital Budget Committee's 2008 work program - revised to include changes as the result of discussion at the January 30 CBC meeting - has been drafted into form as legislation. That legislation is now ready for possible action by the Committee.

ATTACHMENTS:

Proposed Motion 2008-0091



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

February 19, 2008

Motion

Proposed No. 2008-0091.1

Sponsors Phillips

1 A MOTION adopting the 2008 work program for the
2 capital budget committee.

3
4 WHEREAS, the capital budget committee is charged with: reviewing capital
5 improvement proposals and programs, including financial plans, revenues and
6 expenditures; providing capital project oversight; reviewing and considering the sale and
7 lease of real property; and considering and making recommendations on capital budget
8 appropriations and on debt and investment proposals, levies, fees and taxes relating to
9 capital expenditures, and

10 WHEREAS, the auditor's office shall report to the capital budget committee when
11 performing its large capital construction proposals oversight function in accordance with
12 the 2007 Budget Ordinance, Ordinance 15652, Section 1.F.8, and

13 WHEREAS, King County continues to experience financial challenges in its
14 current expense and other funds, and

15 WHEREAS, the committee has, therefore, developed a work plan for 2008 to
16 facilitate its review of property sales, as well as capital improvement proposals and
17 programs, including related budgets, financial plans, levies, fees and taxes, and

Motion

18 WHEREAS, the committee seeks to be fully transparent and accountable to the
19 public for its work program, and

20 WHEREAS, the committee seeks full council involvement in and support for its
21 work program;

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

23 The capital budget committee's 2008 work program, as attached to this motion, is
24 hereby adopted.

25

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

ATTEST:

Attachments A. Metropolitan King County Council Capital Budget Committee 2008 Work Program

**Metropolitan King County Council
Capital Budget Committee
2008 Work Program**

Amendments to 2008 Budget

Goal: Review and make recommendations to the full Council on all proposed ordinances amending the 2008 budget ordinance.

Key Work Program Items:

- Review up to four quarterly omnibus budget supplemental ordinances;
- Review "stand-alone" capital budget supplemental requests;
- Track and report on capital budget provisos and responses;
- Review "off-year" budget for biennial budget pilot.

Financial Analysis and Project Monitoring

Goal: Review financial reports, project reports, financial plans and other documents in order to track budget ordinance and policy compliance, financial status of long range projects, and other capital financial issues.

Key Work Program Items:

- Review quarterly management and budget reports from Office of Management and Budget;
- Review other reports and documents in order to track financial condition of major projects;

Capital Project Oversight Project

Goal: Work closely with the County Auditor who is conducting oversight and performance for five major projects.

Key Work Program Items:

- Support the Auditor in their work and planning; provide input and direction for development of the Capital Project Oversight Office
- Review projects through regular briefings and updates;
- Continue review of current oversight contracts.

Capital Project Budgets and Policy Direction

Goal: Review and make recommendations to the full Council on all proposed substantive "stand alone" capital requests, as well as major policy updates.

Key Work Program Items:

- Review of the Space Plan;
- Review of proposed surplus properties;
- Review proposed sales of county owned property;
- Review work plans for future use of capital facilities.