



## King County

### **Dow Constantine**

King County Executive

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June 1, 2021

The Honorable Claudia Balducci  
Chair, King County Council  
Room 1200  
C O U R T H O U S E

Dear Councilmember Balducci,

In accordance with Ordinance 18635, please find the enclosed annual report from the County's Project Control Officer (PCO) regarding policy compliance for agencies with capital project contracts. The report evaluates the level of compliance with King County's construction management policies and procedures.

The PCO function in King County is performed at two levels: a countywide or central PCO in the Finance and Business Operations Division (FIN PCO); and a PCO assigned to each implementing agency (IA PCO). PCOs at both levels are responsible for monitoring construction and consultant contracts for compliance with the policies, including applicable executive and agency-level policies and procedures.

Specific report findings are grouped into two categories: findings and serious findings. The report summarizes all findings in regard to any changes in a contract's scope, schedule, or budget. There are also specific recommendations to increase compliance.

The report explains why the number of serious findings has increased from 14 total serious findings in 2019 to 29 serious findings in 2020. This large increase is primarily attributable to unusual workload demands for various COVID-19 relief projects that required expedited implementation. There were also repeated findings for some agencies involving cost control deficiencies and separation of control requirements.

The findings and recommendation in the report were reviewed with each implementing agency. All agencies with serious findings identified in the 2020 report are required to submit an action plan to the FIN PCO for review no later than June 1, 2021. The action plan must provide detailed steps and improvements that will be made to mitigate the risk of similar findings from occurring in the future. In addition, the FIN PCO has developed a Compliance Guide, with detailed

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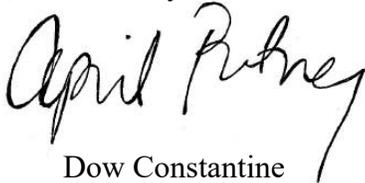
instructions and standard work, to help agencies adhere to the policies and increase compliance with contract terms and conditions.

Starting in 2020 and continuing into 2021, a two-part review of the agency action plans occurs: part one focuses on a review of the agency's action plan and a new check-up review on the progress of the action plan; part two focuses on a targeted review of an area with the most serious findings from the previous report. Additionally, the Project Management (PM) Manual in each of the eight implementing agencies has not been updated for two or more years. The report recommends that agency's update their PM Manual on an annual basis to ensure it remains consistent with the Executive Policies.

This report is aligned with the King County's Strategic Plan's efficient, accountable regional and local government goal and the objective of optimizing County operations through continuous improvement. The production of this report required approximately 60 staff hours with a cost of \$6,000.

If your staff have any questions, please contact Esther Decker, Project Control Manager, Department of Executive Services, at 206-263-9323.

Sincerely,



for

Dow Constantine  
King County Executive

Enclosure

cc: King County Councilmembers

ATTN: Carolyn Busch, Chief of Staff

Melani Pedroza, Clerk of the Council

Shannon Braddock, Deputy Chief of Staff, Office of the Executive

Karan Gill, Director, Council Relations, Office of the Executive

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

Caroline Whalen, Chief Administrative Officer, Department of Executive Services (DES)

Ken Guy, Director, Finance and Business Operations Division (FBOD), DES

David Malone, Chief Procurement Officer, Procurement and Contracting Services Section, FBOD, DES