



Legislation Details (With Text)

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File created: 9/22/2003 **In control:** Budget and Fiscal Management Committee
On agenda: **Final action:** 12/8/2003
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Title: AN ORDINANCE making a supplemental appropriation of \$1,212,000 to the building repair and replacement fund to proceed with obtaining a master use permit and preliminary design of an approximately 261,000-rentable-square-foot building and a steam plant, authorizing executive staff to enter into a procurement process to select an appropriate nonprofit entity to serve as the required intermediary in an IRS Regulation 63-20 finance structure, pursuant to the requirements of KCC 4.56.190.B; and amending the 2003 Budget Ordinance, Ordinance 14517, Section 118 and Attachment B, as amended.

Sponsors: Larry Phillips

Indexes: Appropriation, Budget, NCOB (New County Office Building)

Code sections:

Attachments: 1. Ordinance 14812.pdf, 2. 2003-0427 Fiscal Note.xls, 3. 2003-0427 Revised Staff Report.doc, 4. 2003-0427 Staff Report 10-01-03.doc, 5. 2003-0427 Staff Report 12-5-03, 6. 2003-0427 Staff Report Attachments 10-01-03.cpy, 7. 2003-0427 Staff Report Attachments 12-3-03.cpy, 8. 2003-0427 Staff Report Attachments.cpy, 9. 2003-0427 Transmittal Letter.doc, 10. A. Attachment I, Adopted Ordinance 14517, Section 118: General Capital Improvement Program, 11. B. An Approach to Reducing King County Office Space Costs, 12. handout at 12-3-03 BFM Meeting.cpy

Date	Ver.	Action By	Action	Result
12/8/2003	2	Metropolitan King County Council	Hearing Held	
12/8/2003	2	Metropolitan King County Council	Passed	Pass
12/5/2003	2	Budget and Fiscal Management Committee		
12/5/2003	1	Budget and Fiscal Management Committee		
12/3/2003	1	Budget and Fiscal Management Committee		
10/1/2003	1	Budget and Fiscal Management Committee	Deferred	
9/22/2003	1	Metropolitan King County Council	Introduced and Referred	

Clerk 12/08/2003

AN ORDINANCE making a supplemental appropriation of \$1,212,000 to the building repair and replacement fund to proceed with obtaining a master use permit and preliminary design of an approximately 261,000-rentable-square-foot building and a steam plant, authorizing executive staff to enter into a procurement

process to select an appropriate nonprofit entity to serve as the required intermediary in an IRS Regulation 63-20 finance structure, pursuant to the requirements of KCC 4.56.190.B; and amending the 2003 Budget Ordinance, Ordinance 14517, Section 118 and Attachment B, as amended.

STATEMENT OF FACTS:

1. Numerous expert review panels and past studies have concluded that it is in the county's best financial interest to transition from leased to owned office space.
2. A recent study completed by the executive, titled An Approach to Reducing King County Office Space Costs ("the report") has concluded that substantial ongoing operating savings would be realized by conversion from leased to owned office space.
3. The report has further concluded that additional ongoing savings of significant magnitude would be achieved by constructing a new central steam plant.
4. The critical functions of the Seattle-King County department of public health, the King County finance and business operations division and the King County information technology division would be located in the new county office building, and perform critical functions that require continuity of business in the event of a major earthquake. To maintain business continuity, an older office building would need to be seismically retrofit to a standard adopted for the King County Courthouse seismic project.
5. Construction of a new county office building precludes the need for expensive and risk laden retrofit and renovation of older office buildings currently available for acquisition.
6. Construction of a new county office building provides for a better long-term investment than acquisition of older office buildings currently available for acquisition.
7. Construction of a new county office building would place all construction risk on the private sector developer, while a retrofit of older office buildings currently available for acquisition

would present a substantial construction risk to the county.

8. In the event of future King County staffing reductions, a new office building can more readily be subleased or sold than older office buildings currently available for acquisition.

9. Construction of a new county office building provides considerable qualitative benefits to the county, such as: modern systemic approach to design and construction; best practice floor layout efficiencies; ability to meet Leadership in Energy and Environmental Design Standards ("LEEDS"); lowest possible life cycle operating costs; appropriately sized and designed parking facilities; greater value and marketability than an older building; and an efficient, compact King County Campus.

10. Consolidating the prosecuting attorney's office into the King County Courthouse is consistent with the 2003 Space Plan, which designates the King County Courthouse as a specialty building with heightened security, housing law, safety and justice functions.

11. Operational efficiencies and better public service can be accomplished by consolidating the prosecuting attorney's office into the courthouse, and the finance and business operations division into a new county office building.

12. Prior to establishing a budget for construction of a new county office building, it is necessary to perform preconstruction work, such as alternative site analysis, permitting and preliminary design.

13. Under K.C.C. 4.56.190.B, the request for proposal or invitation to bid documents, for all new leases of real property for a term exceeding five years, must be approved by the King County council, before the advertisement and issuance of the request for proposal or invitation to bid.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 14517, Section 118, as amended, is hereby amended by adding thereto and

inserting therein the following:

From several capital improvement projects there is hereby appropriated and authorized to be disbursed the following amounts for the specific projects identified in Attachment I of this ordinance:

<u>Fund</u>	<u>Capital Fund Name</u>	<u>Amount</u>
3951	Building Repair and Replacement Fund	\$1,212,000

SECTION 2. Executive staff is authorized to pursue a procurement process to select an appropriate non-profit entity to serve as the required intermediary in an IRS Regulation 63-20 financing structure, pursuant to the requirements of K.C.C. 4.56.190.B.

PROVIDED THAT:

Of this appropriation for CIP project number 395209, King County Office Building Feasibility, \$400,000 may not be expended or encumbered until the executive submits a report and council approves by motion the following report:

A. The executive shall submit to the budget and fiscal management committee or its successor a report outlining a project plan for the project. The report shall include a summary of the scope of work as defined by tasks and,

B. A project schedule indicating start dates and duration for all scope tasks. Project milestone points shall be included indicating quarterly council review points and all required council approval points. Council review and approval of site selection process and recommendation will be required. The schedule shall identify all scheduled deliverables.

C. A project budget integrated with project scope tasks and indicating breakdown of budgets by King County staff and consultants. Key project staff shall be identified.

D. The report shall include a review of the various options available to King County for possible use of the land liquidity revenues proposed by the executive in the report entitled An Approach to Reducing King County Office Space Costs. The report shall include advantages and disadvantages for each of the options

proposed and conclude with a recommended preferred alternative together with reasons.

The report must be filed in the form of 15 copies with the clerk of the council and the chair lead of the budget and fiscal management committee or its successor on or before January 30, 2004.

PROVIDED FURTHER THAT:

Of the appropriation for CIP project number 395209, King County Office Building Feasibility, \$200,000 shall be expended only in quarterly increments of \$50,000 after council receives a quarterly report as described below. The quarterly report shall include a project status of tasks and project activities, project budget status, project schedule indicating completed tasks against planned schedule, critical elements, and next steps. The quarterly reports must be filed in the form of 15 copies with the clerk of the council and the chair and lead staff of the budget and fiscal management committee or its successor by March 31, 2004; June 30, 2004; September 30, 2004; and December 13, 2004.

PROVIDED FURTHER THAT:

Of the appropriation for CIP project number 395209, King County Office Building Feasibility, \$150,000 may not be expended or encumbered until the executive submits a report and council approves by motion the following report:

A feasibility report to convert work release space in the King County courthouse to either office space or other existing compatible courthouse functions. The analysis shall include options to relocate work release to other more suitable space such as the west wing of the King County Corrections Facility or other suitable location in the community. The analysis shall be coordinated with the King County Corrections Facility Integrated Security Project schedule as appropriate and be consistent with the goals of other law safety justice efforts including Adult Justice Operational Master Plan (AJOMP) and Juvenile Justice Operational Master Plan (JJOMP). The analysis shall include capital project cost estimates and a life cycle analysis.

The report must be filed in the form of 15 copies with the clerk of the council and the chair lead staff of the budget and fiscal management committee or its successor on or before May 3, 2004.

PROVIDED FURTHER THAT:

Of this appropriation for CIP project number 395210, King County Office Building Feasibility, \$250,000 may not be expended or encumbered until the executive submits a report and council approves by motion the following report:

A reevaluation report of the central steam plant feasibility study by R. W. Beck, contained in the report entitled An Approach to Reducing King County Office Space Costs, dated September 15, 2003. The report shall include a response to the report prepared by Seattle Steam entitled Analysis of King County Steam Plant Reports, dated December 2, 2003. The report shall also be coordinated with Seattle Steam Company contract agreements with King County and Harborview Medical Center and include a legal interpretation of the terms of these agreements. The report shall include recommendations and clearly identify how these recommendations comport with the recommendations contained in the report entitled An Approach to Reducing King County Office Space Costs. The report must be filed in the form of 15 copies with the clerk of the council and the chair and lead staff of the budget and fiscal management committee or its successor by March 31, 2004.

SECTION 3. Attachment I to this ordinance hereby amends Ordinance 14517, Attachment B, as amended.