



Board of Supervisors

Combined Staff Report

Agenda Items:	4, 5, 6, 7 and 8	Name:	Rick Bautista
Proposed Nos.:	FCD2013-14 (2014 Budget) FCD2013-15 (FCD Tax Levy) FCD2013-16 (FCD/KC ILA) FCD2013-17 (Legal Services) FCD2013-18 (Accounting Services)	Date:	October 28, 2013

FCD2013-14 (2014 Budget)

A resolution adopting the 2014 work program, operating and capital budgets, six-year capital improvement program, oversight budget, water resource inventory area funding and opportunity fund project list. The following is a brief overview of each component of the proposed budget:

Work Program – (Attachment A of Resolution)

The proposed 2014 Work Program provides details about the operational budget, as well as, the capital budget, and the specific tasks that are to be carried out in 2014.

Highlights

While the general framework of the work program is similar to that used in prior budgets, the 2014 work program contains a number of edits that:

- Provide greater detail relative to the key components each work program area, and
- Identify important changes from that of 2013 work program, as well as, the reasons for the changes.

In addition, the work program includes “special program direction” relating to specific actions that will be carried out during the coming year, to address a number of issues that affect District and County interactions.

- **Special Program Direction:** The District and County shall develop protocols for the grant writing program, that will establish 1) priorities for types of grants to pursue and 2) procedures for notification to and approval by the District, prior to making application for a grant. In addition, the grant writing program shall be evaluated as to effectiveness in obtaining grants and appropriate level of staffing needed for this function.
- **Special Program Direction:** The general communications protocol between the District and County shall be reviewed and revisions shall be subject to approval by the Executive Committee.
- **Special Program Direction:** Staffing for the communication work program shall be limited to one FTE.
- **Special Program Direction:** Protocols regarding notification of the District, prior to the beginning of work on innovative outreach projects, shall developed and transmitted to the District for its review and approval.
- **Special Program Direction:** The provisions relating to billing invoice detail within the interlocal between the District and County shall be reviewed and revisions shall be subject to approval by the Executive Committee.
- **Special Program Direction:** The contract for Advisory Committee facilitation shall be subject to review and approval by the Executive Committee.
- **Special Program Direction:** Since the District was formed in 2007 many of the assumptions about the necessary staffing capacity and organizational structure to deliver flood risk reduction services have changed. The District and King County will collaboratively evaluate options to ensure that the organizational capacity and structure are well suited to provide the most efficient and effective implementation of the District’s work program.

Overall Budget - (Attachment B of Resolution)

The following table is a summary of the overall proposed budget

King County Flood Control District

2014 Proposed Budget

Attachment B

October 17, 2013

Program	2012 Actuals	2013 Approved	2013 Revised	2014 Requested
Net Flood District Administration	635,830	\$592,190	\$592,190	\$628,256
<i>Property Tax Refunds</i> ¹	95,374			
Maintenance and Operation	7,082,968	\$9,913,606	\$9,913,606	\$9,433,661
Construction and Improvements	27,264,966	\$38,248,015	\$97,644,118	\$57,526,438
Bond Retirement and Interest		\$0	\$0	\$0
Total	35,079,139	48,753,811	108,149,914	67,588,355
Projected Capital Reserves - Cash Fund Balance ^{2,3}	\$54,572,203	\$47,597,840	\$48,892,134	\$38,539,217

¹ While refunds of the Flood District tax assessment might be considered reductions in tax revenue, they are classified as expenditures in the King County accounting system.

² The cash fund balance assumes an expenditure rate of 45% of the capital budget in 2014, informed by prior year actuals.

³ If 100% expenditure of all budgeted amounts is assumed, then the 2014 Requested cash fund balance would be (\$22,508,489)

Highlights

The overall total proposed budget shows an increase of \$18,834,544 over the 2013 approved budget. The largest component of this overall increase is a capital spending increase of \$19.83 million. There is a reduction of approximately \$480,000 in Maintenance and Operations and an increase of \$36,000 in Flood District Administration.

Operating Budget - (Attachment C of Resolution)

The following table is a summary of the proposed operating budget, which is a reduction of \$396,290 from 2013.

King County Flood Control District

2014 Proposed Operating Budget

Attachment C

October 17, 2013

	2012 Actual	2013 Adopted	2013 Revised	2014 Proposed
Annual Maintenance	\$1,248,818	\$2,644,074	\$2,644,074	\$2,367,254
Flood Hazards Plan, Grants, Outreach	\$1,246,893	\$435,056	\$435,056	\$405,008
Flood Hazard Studies, Maps, Technical Services	\$544,274	\$567,984	\$567,984	\$461,453
Flood Preparation, Flood Warning Center	\$375,335	\$638,363	\$638,363	\$706,032
Program Management, Supervision, Finance, Budget	\$907,123	\$783,491	\$783,491	\$767,430
Program Implementation ^{1, 2}	\$2,050,261	\$3,415,289	\$3,415,289	\$3,050,288
Overhead / Central Costs	\$710,263	\$1,429,349	\$1,429,349	\$1,676,196
Total	\$7,082,968	\$9,913,606	\$9,913,606	\$9,433,661

¹ The County shall provide to the District a report outlining its use of outside consultants. The report shall describe the type of activities, the need for the activity to carry out the work program, costs and an explanation of why the activity could not be carried out by County staff. The report shall be transmitted to the Executive Committee chair by January 31, 2014.

² Of this budget, there shall be no expenditures for travel and training permitted until the Executive Committee has approved general protocols and policies for use of funds for travel and related training. Until such general policies and protocols are in place, expenditures for travel and related training must first be submitted in writing to and approved by the Executive Committee chair or vice-chair. In addition, the Executive Committee shall consider similar protocols and policies for District officials, employees and contractors, to the extent that such protocols and policies are not addressed and covered by District Resolution No. FCD2013-05.1.

Highlights

The following factors contribute to the reduction:

- A one-time maintenance in the Sammamish Transition zone is completed and Black River fuel re-fill have been completed,
- Studies, such as those for preliminary insurance mapping, are on hold awaiting completion of FEMA national policy on levee analysis and mapping procedures,
- The “Flood Hazard Plans, Grants, Outreach” line item reflects the elimination of a Communication Specialist II position¹,
- Anticipation of less expenditures for consultants, and
- Less need for travel and training.

In addition, two footnotes are added to:

- Provide for an analysis into the use of consultants by the County in carrying out the work program, and
- Increase oversight over travel and training incurred by the County and the District.

¹ This funding cut will also be reflected in an identical reduction to the King County Flood Control Contract budget in an early 2014 budget omnibus,

Capital Budget and Six-Year CIP - (Attachments D and E of Resolution)

The following tables summarize the 2014 proposed capital budget and the six-year CIP:

King County Flood Control District

2014 Proposed Capital Budget

Attachment D

October 17, 2013

Basin	Acquisition	Design	Construction	Contingency	Total
Snoqualmie River Basin	\$2,887,369	\$1,106,478	\$2,319,761	\$414,304	\$6,727,912
Cedar River Basin	\$716,043	\$161,171	\$3,132,478	\$155,562	\$4,165,254
Green River Basin	\$300,000	\$2,574,116	\$11,177,281	\$1,284,343	\$15,335,740
White River Basin	\$1,993,143	\$2,500,000	\$375,000	\$0	\$4,868,143
Seattle	\$0	\$0	\$18,567,271	\$0	\$18,567,271
Countywide Miscellaneous	\$0	\$0	\$0	\$357,008	\$357,008
Effectiveness Monitoring	\$0	\$498,046	\$0	\$0	\$498,046
Subregional Opportunity Fund	\$0	\$0	\$3,857,064	\$0	\$3,857,064
WRIA Grant Funding	\$0	\$0	\$0	\$3,150,000	\$3,150,000
Total	\$5,896,555	\$6,839,811	\$39,428,854	\$5,361,218	\$57,526,438

**King County Flood Control District
2013 - 2018 Revised Six-
Year CIP**

Attachment E

October 17, 2013

Name	2013 Adopted	2013 Revised	2014 Proposed	2015	2016	2017	2018	2019	2014 - 2019 Total
Snoqualmie River Basin	\$1,465,729	\$16,915,580	\$6,727,912	\$13,835,529	\$12,562,342	\$5,854,354	\$4,234,379	\$2,893,483	\$46,107,999
Cedar River Basin	\$3,547,995	\$11,792,325	\$4,165,254	\$7,898,676	\$6,089,243	\$1,714,987	\$1,932,214	\$2,348,918	\$24,149,292
Green River Basin	\$17,378,745	\$37,952,431	\$15,335,740	\$1,168,973	\$3,750,537	\$3,408,661	\$3,847,794	\$2,702,055	\$30,213,760
White River Basin	\$1,359,820	\$4,384,639	\$4,868,143	\$7,183,759	\$3,817,468	\$2,975,000	\$3,600,000	\$120,000	\$22,564,370
Seattle Projects	\$6,830,000	\$7,272,969	\$18,567,271	\$30,000	\$1,000,000	\$2,500,000	\$0	\$0	\$22,097,271
Countywide Miscellaneous	\$430,172	\$619,660	\$357,008	\$495,753	\$510,626	\$525,944	\$541,722	\$557,975	\$2,989,028
Effectiveness Monitoring	\$365,951	\$844,147	\$498,046	\$315,600	\$582,000	\$298,600	\$583,615	\$256,900	\$2,534,761
Subregional Opportunity Fund	\$3,719,603	\$11,745,806	\$3,857,064	\$3,972,497	\$4,063,427	\$4,157,094	\$4,252,699	\$4,350,675	\$24,653,456
WRIA Grant Funding	\$3,150,000	\$6,116,561	\$3,150,000	\$3,150,000	\$3,150,000	\$3,150,000	\$3,150,000	\$3,150,000	\$18,900,000
Total	\$38,248,015	\$97,644,118	\$57,526,438	\$38,050,787	\$35,525,643	\$24,584,640	\$22,142,423	\$16,380,006	\$194,209,937

Highlights

- **Corridor Plans:** One of the key changes from 2013 relates to the budgeting of a number of corridor studies in five watersheds. These five corridor studies will be implemented through specific projects identified through the completed corridor studies.

These corridor plans will be finished (and implementation begun) during 2014 for the Tolt and Middle Fork Snoqualmie and during 2015 for the Cedar, South Fork Snoqualmie and Green River SWIF.

Funding for specific projects within each watershed has been set aside in a single new project line in each corridor for implementation of the corridor plans in the outyears.

The Advisory Committee report supported this change stating: “Where corridor plans are underway or in development to inform capital project prioritization and design, implementation funds should be included in the 6-year CIP. These implementation projects should be viewed as placeholders pending completion of the studies and discussion of the

- **Seattle Seawall:** The 2014 capital proposal contains approximately \$18.5 million in funding for the Seattle Seawall project. This represents a moving forward, by one year, funding that had been proposed for 2015. The proposal to move forward with 2015 funding is beneficial to both the District and the City in that acceleration of funding for the project:
 - Is cost –neutral for the CIP, no impact on other projects,
 - Completes District commitment to this project a year ahead of schedule,
 - Reduces District administrative cost to review project submittals and process invoices, and
 - Reduces the overall project cost to City taxpayers by reducing financing costs for the project.
- **Briscoe-Desimone Levee:** The 2014 capital proposal contains approximately \$10.6 million in funding for the four reaches of the Briscoe-Desimone Levee. This levee is one of the key flood projects to protect residents, businesses and public infrastructure in the Green River valley.

District Administration Budget - (Attachment F of Resolution)

The following table is a summary of the proposed district administration budget, which is an increase of \$36,056 from 2013.

King County Flood Control District

2013 Proposed District Oversight Budget

Attachment F October 17, 2013

	2013 Adopted	2013 Revised	2014 Proposed
Management & Support ¹	\$257,500	\$226,600	\$265,225
Rent and Equipment	\$10,300	\$5,150	\$10,609
Legal Services	\$84,460	\$92,700	\$86,994
Accounting	\$66,950	\$97,850	\$80,000
State Auditor	\$15,450	\$15,450	\$15,914
Other Professional Services ²	\$67,080	\$76,350	\$76,350
Expenses	\$15,450	\$3,090	\$15,914
Insurance	\$75,000	\$75,000	\$77,250
Total	\$592,190	\$592,190	\$628,256

¹ This line item funds one position (the Executive Director) who will be the first actual District employee. The Executive Committee has indicated the possibility of hiring additional staff (a public information officer and policy analyst) to support increased District oversight. In order to allow for these additional positions, this line item would need to be increased.

² The District shall hire a consultant to review King County's efficiency in implementing the District capital program.

Highlights

- **Management & Support:** A footnote is added to the "Management & Support" line item to indicate the potential increase if the District seeks to increase staffing in the future.
- **Capital Project Implementation Study:** A proviso is added related to hiring of a consultant to review King County's efficiency in implementing the District capital program.
- **Legal Services:** Proposed 2014 funding for legal services is \$86,994, which is less than the \$92,700 in 2013.
- **Accounting Services:** Proposed 2014 funding for accounting services is \$68,959, which is less than the \$97,850 in 2013.

Regional Sub-Opportunity Fund Projects - (Attachment G of Resolution)

The District provides funding to local jurisdictions to address localized flooding and surface water management needs through the Sub-regional Opportunity Fund (Fund).

This Fund is ten percent of District levy revenues, which for 2014 totals \$3.587 million. This amount is pro-rated back to each jurisdiction based upon the percentage of revenues paid by landowners of each jurisdiction.

Every year, each jurisdiction submits proposed project for the use of the Fund or may choose to defer. The project proposals are reviewed by the County to ensure consistency with the purpose of the Fund.

The following tables summarize the proposed projects.

Highlights

The County has determined that the proposals are consistent with the use of the Funds. District staff concurs with the County.

**King County Flood Control District
2013 Proposed Subregional Opportunity Fund Allocations
Attachment G**

October 9, 2013

Jurisdiction	2014 Opportunity Fund Allocation	Pcnt	Project Name	Project Description
Algona	\$3,940	0.10%		DEFERRING
Auburn	\$69,773	1.81%	SAND BAGS	Allocation to cover actual sandbag removal costs from District opportunity funds as provided in Resolution FCD.2012-02
Beaux Arts	\$1,206	0.03%		DEFERRING
Bellevue	\$401,798	10.42%	Valley Creek/ NE 21st Flood Control	Construction of a culvert at NE 21st Street and Valley Creek along with in-channel improvements to alleviate structural flooding of nearby businesses and roads. In addition a private property downstream will be purchased to allow in-channel improvements.
Black Diamond	\$6,430	0.17%		DEFERRING
Bothell	\$29,377	0.76%	Stormwater Comprehensive Plan	Prepare a citywide stormwater comprehensive plan
Burien	\$50,185	1.30%		DEFERRING
Camation	\$1,980	0.05%		DEFERRING
Clyde Hill	\$16,633	0.43%	Stormwater Retrofits	Miscellaneous stormwater retrofit projects throughout the city that will renew and repair pipes
Covington	\$19,119	0.50%	Clements Drainage Project	Establish easement and install 24" pipe through Clements property to connect two stormwater outfalls into the downstream system.
Des Moines	\$29,123	0.76%		DEFERRING
Duvall	\$8,900	0.23%		DEFERRING
Enumclaw	\$12,259	0.32%		DEFERRING
Federal Way	\$88,913	2.31%		DEFERRING
Hunts Point	\$8,931	0.23%		DEFERRING
Issaquah	\$71,505	1.85%		DEFERRING
Kenmore	\$33,053	0.86%		DEFERRING
Kent	\$140,328	3.64%	Lower/Lowest Russell Road Levee	The project consists of planning, design and construction of a secondary levee east of the existing levee on the Green River. Construction efforts will be to repair deficient levees to a standard that exceeds federal standards. The allocation will be spent on acquisition costs.
King County	\$388,774	10.08%	Seola Creek Pond	Retrofit the Seola Regional Detention Pond which has been underperforming, both in water quality treatment and flood prevention. Improvements includes more live and dead storage; changing the pond geometry; transforming an open channel into a bioswale; modifying the downstream pipe system, and stabilizing the downstream channel.
Kirkland	\$176,557	4.58%	Totem Lake Flood Control	Dredging of channel west of 1-405 to improve conveyance and thus reduce flooding of the intersection of 120th Ave NE/NE Tollem Lake Boulevard and surrounding area.
Lake Forest Park	\$24,176	0.63%	Lake Forest Park New Park Flood Mitigation/Habitat Enhancement	The City purchased the property at 17038 44th Ave NE to remove the home and make the lot a floodable park. This funding will be used to create the floodable area.
Maple Valley	\$27,544	0.71%		DEFERRING
Medina	\$29,526	0.77%		DEFERRING
Mercer Island	\$105,431	2.73%		DEFERRING
Milton	\$958	0.02%		DEFERRING
Newcastle	\$23,159	0.60%	Lake Boren Mitigation Phase III	The project is to develop an engineered solution to control the water level during the winter on Lake Boren.
Normandy Park	\$14,178	0.37%		DEFERRING
North Bend	\$9,981	0.26%		DEFERRING
Pacific	\$4,685	0.12%	Evans Creek Relocation Project	The 60% design for the construction of 4,500 feet of new stream channel in open space and the relocation of the channel out of an industrial area as well as the restoration of in-stream habitat features and buffer vegetation.
Redmond	\$143,917	3.73%		DEFERRING
Renton	\$126,724	3.29%	Lower Cedar River Levee Recertification	The City of Renton is the local sponsor for the Army Corps of Engineers Lower Cedar River Section 205 Flood Hazard Reduction Project and seeks accreditation via FEMA, who administers the National Flood Insurance Program and delineates flood zones for the purposes of flood insurance. The City will prepare the re-certification documentation and data required by federal regulations.
Sammamish	\$108,893	2.82%		DEFERRING
SeaTac	\$29,846	0.77%		DEFERRING
Seattle	\$1,462,734	37.92%	South Portland Street Drainage Improvement Project	This project will construct roadway drainage improvements on Portland Ave South, in coordination with SDOT's Duwamish Bike Trail Project. The project will result in approximately 3 blocks of storm drainage systems and associated drainage system connections.

Jurisdiction	2014 Opportunity Fund Allocation	Pct	Project Name	Project Description
Shoreline	\$78,378	2.03%	Stormwater Infrastructure Retrofit in Boeing Creek Basin	This project will entail the replacement of stormwater pipes infrastructure that have been identified as "poor" and "needs immediate attention" during a stormwater pipe condition assessment.
Skykomish	\$292	0.01%		DEFERRING
Snoqualmie	\$20,679	0.54%	Riverwalk Public Access and Flood Zone Restoration Plan	The project proposes a conceptual Trail Access & Restoration Plan from the southern Meadowbrook bridge to the northern Snoqualmie River Bridge, on both the east and west riverbanks. This plan would guide treatment of flood prone properties post acquisition by delineating restoration and public access priorities, and provide restoration guidelines for various riverbank segments.
Tukwila	\$49,075	1.27%	Tukwila 205 Levee Certification	The City will hire a consultant engineer to perform a levee certification study of the Tukwila 205 levee. The Certification review will determine if the levee meets minimum standards and can be certified to provide a 100-year flood level of protection.
Woodinville	\$29,333	0.76%	Stream Gauge Telemetry Installation	Installation of telemetry equipment on the City's critical waterways will help the City in planning for and maintaining critical storm water facilities, as well as to take proactive and preventative action in addressing high water flows.
Yarrow Point	\$8,772	0.23%		DEFERRING
City Totals	\$3,857,064	100%		

FCD2013-15 (2014 FCD Tax Levy)

This resolution establishes the 2014 Tax Levy collection for the operation of the District programs and projects.

Highlights

The resolution passed out of the Executive Committee without recommendation and currently does not specify:

- The amount increase above the 2013 collection, or
- The total amount to be collected in 2014.

FCD2013-16 (Extension of FCD and County Interlocal Agreement)

This resolution extends the agreement for one year (until December 31, 2014) relative to the County's implementation of the District operational programs and projects.

Highlights - None

FCD2013-17 (Extension of Contract for Legal Services)

This resolution extends the agreement for one year (until December 31, 2014) relative to the contract for legal services provided by Rod Kaseguma.

Highlights

- Hourly fees adjusted to same rates as provided for the Ferry District

FCD2013-18 (Extension of Contract for Accounting Services)

This resolution extends the agreement for one year (until December 31, 2014) relative to the contract for accounting services provided by Horace Francis.

Highlights

- Total fees reduced to reflect budget reduction to \$80,000.