



October 17, 2016

To: Board of Supervisors, King County Flood Control Zone District
Fr: Kjristine Lund, Executive Director
Re: Staff Report

FCDEC Motion No. FCDECM2016-07: A motion authorizing the executive director to sign a Memorandum of Understanding to guide the design and development of construction plans for the Lower Russell Road Levee Setback Project.

The Lower Russell Road Levee Setback project (project) is part of a larger overall flood management strategy for the lower Green River. The project is located in the City of Kent (City) along the right (east) bank of the Green River between South 212th Street and Veterans Drive/South 228th Street. The 30% design for the project was completed in January 2016, with a project configuration selected, and preliminary design work, including drawings and cost estimate, prepared. Funding for the entire project has not yet been fully secured.

This MOU is a declaration of the intent of the District and the City to cooperate in the implementation of the project, and is not a legally binding document.

The City and the District must execute interlocal agreements to implement, fund, design and construct, and acquire real property interests for the project. If there is a conflict between this MOU and any interlocal agreement, the interlocal agreement shall prevail.

- District has ultimate decision-making authority to approve funding, design, and construction.
- The City has ultimate decision-making authority over work to be done on its lands, and to facilities that it owns.
- The City has permitting and regulatory approval authorities; note that several non-City permits and regulatory approvals are also needed prior to project construction.

If a disagreement is not resolved through the above steps, the project representatives may seek resolution of the disagreement through the legislative bodies of both Parties, or official committees thereof, and through the provisions of any applicable interlocal agreement executed pursuant to Section V above.

As a last resort to resolving disagreements, the District Chair and Kent Mayor will meet to determine a resolution.

FCD Resolution No. FCD2016-19: A resolution relating to the finances of the King County Flood Control Zone District, and making a declaration of substantial need for the purpose of setting the limit factor for the District’s 2017 tax levy.

The District received a copy of the Implicit Price Deflator (IPD) letter received by Assessors from the Department of Revenue (DOR) noting the IPD at 0.953% is less than the 101% limit factor.

The IPD is the percent change for personal consumption as published by the Bureau of Economic Analysis by September 25 of a given year.

When the IPD is less than one percent it means that in order for a district to receive the 101% limit factor levy amount, a separate ordinance/resolution must be passed by a supermajority of the governing body of the district. The legislation must state the nature of the substantial need and the limit factor to use up to 101. The District **MUST** state the **limit factor of 101%**.

The District proposed budget is built upon the assumption of a one-percent increase plus the value of new construction.

Levy Amount	0.953%	101%	Difference
(2016 actual) 55,124,711	525,338.50	551,247.11	25,908.61
Calculated with increase	55,650,049.50	55,675,958.11	25,908.61
WLRD assumption		55,951,582*	

The effective levy rate in 2016 was .12980.

*May include new construction estimate.

FCD Resolution No. FCD2016-18: A resolution relating to the finances of the King County Flood Control Zone District; authorizing a property tax levy to implement the District’s 2017 budget; reserving banked capacity; and protecting up to \$0.25 per \$1,000 of assessed value of the District’s property tax from proration.

RCW 84.52.020 requires taxing districts to certify the amount to be raised through property taxation to the county legislative authority and the County Assessor. The certification should include the regular levy amount (expense), and if applicable, any temporary lid-lifts approved by the voters, the refund amount noted on your worksheet, all equaling the total amount for your regular levy.

RCW 84.55.120 requires all taxing districts to adopt a *separate* ordinance/resolution in order to realize *any increase* in their regular property tax levy other than increases due to new construction, improvements to property, increased value of state-assessed property, annexations, and refunds. State law requires the ordinance/resolution state *the dollar amount of the increase and the percentage increase over last year’s actual regular levy*.

FCD Resolution No. FCD2016-20: A resolution relating to the operations and finances of the District, adopting the 2017 budget and authorizing improvements.

Legal basis for projects and programs within the proposed budget

86.15 RCW A zone or participating zone may:

- (1) Exercise all the powers and immunities vested in a county for flood water or storm water control purposes under the provisions of chapters **86.12**, 86.13, 36.89, and **36.94** RCW: PROVIDED, That in exercising such powers, all actions shall be taken in the name of the zone and title to all property or property rights shall vest in the zone;
- (2) **Plan, construct, acquire, repair, maintain, and operate** all necessary equipment, facilities, improvements, and works to control, conserve, and remove flood waters and storm waters and to otherwise carry out the purposes of this chapter including, but not limited to, protection of the quality of water sources;
- (3) Take **action necessary to protect life and property within the district from flood water** damage, including in the context of an emergency, as defined in RCW **38.52.010**, using covered volunteer emergency workers, as defined in RCW **38.52.010** and **38.52.180(5)(a)**, subject to and in accordance with the terms of RCW **38.52.180**;
- (4) Control, conserve, retain, reclaim, and remove flood waters and storm waters, including waters of lakes and ponds within the district, and dispose of the same for beneficial or useful purposes under such terms and conditions as the board may deem appropriate, subject to the acquisition by the board of appropriate water rights in accordance with the statutes;
- (5) **Acquire necessary property, property rights, facilities, and equipment** necessary to the purposes of the zone by purchase, gift, or condemnation: PROVIDED, That property of municipal corporations may not be acquired without the consent of such municipal corporation;
- (6) Sue and be sued in the name of the zone;
- (7) **Acquire or reclaim lands when incidental to the purposes of the zone** and dispose of such lands as are surplus to the needs of the zone in the manner provided for the disposal of county property in chapter **36.34** RCW;
- (8) Cooperate with or join with the state of Washington, United States, another state, any agency, corporation or political subdivision of the United States or any state, Canada, or any private corporation or individual for the purposes of this chapter;
- (9) Accept funds or property by loan, grant, gift or otherwise from the United States, the state of Washington, or any other public or private source;
- (10) **Remove debris, logs, or other material which may impede the orderly flow of waters in streams or water courses**: PROVIDED, That such material shall become property of the zone and may be sold for the purpose of recovering the cost of removal: PROVIDED FURTHER, That valuable material or minerals removed from public lands shall remain the property of the state;
- (11) **Provide grant funds to political subdivisions** of the state that are located within the boundaries of the zone, so long as the use of the grant funds is within the purposes authorized under this chapter.

Budget Options Summary Table

Budget Category	2016 Approved	Advisory Committee Recommendation	Option 1	Option 2
		<p>Adds 1 FTE concerting Environmental Scientist TLT to FTE for Green River</p> <p>Adds storm damage repairs</p>	<p>Adds 5 FTE's Removes 1 FTE in Advisory Committee recommendation Environmental Scientist</p> <p>Adds Marine Unit equipment</p> <p>Adds flood prone road projects</p> <p>Adds Porter Road elevation project</p> <p>Adds alternatives analysis Signature Point Kent</p> <p>Accelerates Tukwila 205 acquisition</p> <p>Adds SR 169 flood reduction feasibility study</p>	<p>Adds 7 FTE's Including restoration of Advisory Committee recommendation</p> <p>Adds Marine Unit equipment</p> <p>Adds flood prone road projects</p> <p>Adds Porter Road elevation project</p> <p>Adds alternatives analysis Signature Point Kent</p> <p>Accelerates Tukwila 205 acquisition</p> <p>Adds SR 169 flood reduction feasibility study</p>
District Administration	671,932	692,090	692,090	692,090
Maintenance & Operations	9,937,300	10,688,665	10,685,495	10,745,927
Construction & Improvements	119,111,445*	54,471,030**	59,951,030	59,951,030
Total	129,720,677	65,851,785	71,328,615	71,389,047

* Includes Carry-forward from 2015. Projected expenditure is \$100 m

** Projected carry-forward from 2016 to 2017 is \$18.5 m

Summary of Differences between 2016 Budget, Advisory Committee Recommendation, and Options 1 and 2

Category	2016 Approved	Advisory Committee	Option 1 (compared to Advisory Committee proposal)	Option 2 (compared to Advisory Committee proposal)
District Administration	671,932	692,090 3% increase Accounting and Legal contracts	692,090 3% increase	696,090 3% increase
Maintenance & Operations	9,937,300	10,688,665 <u>7.6% increase over 2016</u> Converts Environmental Scientist TLT to FTE 15.5% increase in King County Administration and Overhead 9% increase maintenance 8.8% increase plans, studies, outreach 63.5% increase flood warning 14% increase management, supervision, finance 31% reduction program implementation 18.6% increase overhead/central costs District planning 0% change	10,685,495 <u>7.53% increase over 2016</u> Reduces plans, studies by \$150,000 Increases flood warning by \$15,000 for marine rescue Increases management, supervision by \$50,650 for administrative staff Increases program implementation \$10,295 Increases overhead by \$70,885 New capital position charged to capital budget	10,745,927 10,775,927 <u>8.14% 8.44% increase over 2016</u> Reduces plans, studies by \$150,000 Increases flood warning by \$15,000 for marine rescue Increases management, supervision by \$20,650 \$50,650 for administrative staff Increases program implementation \$45,599 Increases overhead by \$126,013 New capital position charged to capital budget
Construction & Improvements	119,111,445	54,471,030 11 Flood Damage repairs Construction cost updates 5 Interim SWIF projects	59,951,030 Increase \$5.48 m over Advisory Committee recommendation Duvall Bridge David Powell Road Woodinville-Duvall Bridge Raging River Bridge Cedar Corridor – SR 169 feasibility SE 162 nd at 266 th Ct Patton Bridge Porter Levee Signature Point Tukwila 205	59,951,030 Same as option 1
Total	129,720,677	65,851,785	71,328,615	71,389,047

Six-year CIP Key Issues:

Unallocated implementation funds:

Snoqualmie	5,470,094
South Fork Snoqualmie	7,228,441
Snoqualmie/Aldair	2,635,062
Tolt	8,145,674
Cedar	5,124,079
Countywide	27,738,359
Total unallocated	\$56,341,709

Representative sample of projects in early design, not fully funded, or anticipated cost increases:

- Willowmoor
- 272nd Street Revetment
- Lower Russell Road
- City of Pacific Right Bank
- Sinnema Quaale Close-out

Total Six year CIP

Advisory Committee Recommendation	Option 1	Option 2	Difference
321,258,939	329,922,720	329,922,720	8,663,781

New Positions Detail

Position Name	New # of FTE's	Fully Loaded Cost	Purpose	Advisory Committee Recommend	Option 1	Option 2
Administrative Specialist II	1	107,221	Administrative support for division		x	x
Capital Project Manager	1	169,475	Countywide Flood Damage Projects		x	x
Engineer 1	1	138,485	Countywide Flood Damage Projects		x	x
Project/Program Manager 2	1	150,557	Countywide Flood Damage Projects		x	x
Environmental Scientist 2	1	154,490	Countywide Flood Damage Projects			x
Supporting Engineer(s)	2	138,485 138,485	Countywide Flood Damage Project Support	TLT	TLT	TLT
Project/Program Manager 3	1	166,910	White River		x	x
Environmental Scientist III	1	169,475	Green River	x		x
Total FTE's	9			1	5	7
Total Fully Loaded Cost		1,333,583		169,475	732,648	1,056,613

Rationale:

WLR proposes that six of these positions be dedicated to flood damage repair projects and new capital projects. The 6-year CIP includes 14 active repair projects based on damages from 2011, January 2015 and November 2015. The proposal assumes that by dedicating a capital project group to flood damage repairs, it is possible to limit schedule impacts to regionally significant high priority public safety projects

The capital projects that may be added to the CIP as a result of the Corridor Planning efforts underway will either require new staff or will need to be programmed outside of the current six-year CIP. The draft 6-year investment strategies that have been discussed include approximately three large capital projects, five medium capital projects, one small repair, and five technical studies.

WLRD’s October 3, 2016 analysis states that \$20-30 million in capital projects could be delivered with the proposed new FTE’s. A different metric in WLRD’s October 3 memo states that the new FTE’s could implement four medium capital projects and one small repair.

Background:

To date, the WLR Division has completed 60 flood damage repair projects totaling over \$17 million in response to damages incurred in 2006, 2009 and 2011. The River and Floodplain Management Section currently has 48 FTE’s, plus 2 TLT’s. One TLT is vacant and another expires at the end of the year. Four FTE’s are vacant. Including the capital and administrative positions, the new FTE count would be 57 FTE’s.

Current FTE’s are as follows:

Position	# of FTES
Section Manager	1
Administrative Specialist III	1
Environmental Programs Manager	1
Managing Engineer	1
Engineer IV	5
Engineer III	9
Engineer II	6
Project/Program Manager III	8
Project/Program Manager II	1
Environmental Scientist III	6
Environmental Scientist II	1
Business and Finance Officer IV	1
Business and Finance Officer III	1
Contract Specialist III	1
Contract Specialist I	4
Communications Specialist III	1
Total Existing FTE’s	48

