Washington State
Public Works Board
1011 Plums ST SE / PO Box 42525
Olympia, Washington 98504-2525

AGENDA
PUBLIC WORKS BOARD MEETING
February 6, 2015 – 9:00 am

Meeting Location: **Columbia River Room, Bldg 5, First Floor, 1011 Plum ST SE, Olympia, WA 98504**

Agenda Item	Action	Page	Time
A) ADMINISTRATION			
1. Call to Order			9:00
2. Welcome and Introductions			9:02
3. Approve Agenda: *Cecilia Gardener*	**Action**	1	9:10
4. Meeting Minutes for January 22, 2015: *Barbara Smith*	**Action**	5	9:15
5. Assistant Director Update: *Mark Barkley*	verbal		9:20
6. Quarterly Budget Report: *Cindy Chavez*	**Action**	13	9:30
7. Proposed Division Organization Restructure: *Mark Barkley (handout at meeting)*	**Action**		10:00
BREAK			10:30
B) CONTRACTING			
1. Contracts Administration Unit - Quarterly Report: *Jill Nordstrom*	**Action**	19	10:45
2. Contracts Administration Unit - Extension Requests: *Jill Nordstrom*	**Action**	21	10:55
C) POLICY & PROGRAM DEVELOPMENT			
1. Legislative Update: *Cecilia Gardener*			11:10
a. Policy Bill: *Cecilia Gardener*		25	
b. Bills Being Tracked: *Cecilia Gardener*		39	
c. Local Government Champions Caucus: *Cecilia Gardener*		41	
d. Fund Update: *Cecilia Gardener*	verbal		
D) TECHNICAL & IMPACT ASSISTANCE			
1. Technical Assistance Activity: *Bruce Lund*		45	11:30
a. Training and Education			
b. Communications			
c. Direct Client Assistance			
2. Online Training Initiative Update: *Bruce Lund / Lynn Kohn*	verbal		11:40
3. South Sound Academy Update: *Jacki Skaught*		47	11:45
E) INFORMATION & OTHER ITEMS			
1. Board Committee Updates			
a. Executive Committee: *Stan Finkelstein*	verbal		11:50
b. Policy & Program Development Committee: *Scott Hutsell*	verbal		11:55
c. Technical Assistance Committee: *Jerry Cummins*		51	12:00
d. Communication Committee: *Ed Hildreth*	verbal		12:05
2. Board Member Updates	verbal		12:10

Note: ***Anticipated time of Adjournment is 12:15 p.m.***

NEXT BUSINESS MEETING SCHEDULED: March 6, 2015, in Olympia, WA.

Department of Commerce, 1011 Plum Street SE, Olympia, WA 98504-2525.
Contact the Public Works Board at (360) 725-2744 for further information.
This publication is available in alternative format upon request. Meetings sponsored by the Public Works Board shall be accessible to persons with disabilities. Accommodations may be arranged with 10 days' notice to the Public Works Board at (360) 725-2744.

TAB A

ADMINISTRATION

Washington State
Public Works Board
1011 Plum ST SE / PO Box 42525
Olympia, Washington 98504-2525

PUBLIC WORKS BOARD MEETING
January 22, 2015
Department of Commerce, Columbia Room, 1011 Plum Street SE, Olympia, WA 98504

Board Members		Guests Present:	Staff Present:
Present:	**Absent:**		
Stan Finkelstein, Chair	Lisa Wellman	Blair Burroughs, Washington Association of Sewer & Water Districts	Jacquie Andresen
JC Baldwin			Mark Barkley
Ted Carlson		Dave Dunn, Department of Ecology	Cindy Chavez
Pam Carter		Karen Klocke, Department of Health	Michael Copeland
Jerry Cummins		John Kounts, Washington Public Utility Districts Association	Steve Dunk
Mary Margaret Haugen			Chris Gagnon
Ed Hildreth			Cecilia Gardener
Scott Hutsell			Isaac Huang
Diane Pottinger *(via phone)*			Lynn Kohn
Matt Rasmussen			Bruce Lund
Bubba Scott			Jill Nordstrom
			Rodney Orr
			Cathi Read
			Jacki Skaught
			Barbara Smith

DRAFT

ADMINISTRATION

1) Call to order: Stan Finkelstein called the meeting to order at 9:00 am.
2) Welcome and Introductions.
3) **ACTION: Scott Hutsell moved to approve the agenda as presented. Jerry Cummins seconded the motion. MOTION APPROVED 10-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott).
4) **ACTION: Jerry Cummins moved to approve the December 5, 2014, meeting minutes as presented. Ed Hildreth seconded the motion. MOTION APPROVED 10-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott).
5) Assistant Director Update: Mark Barkley informed the Board that staff is looking at the sustainability of the current organizational structure. A lot of work has gone into building a new structure that reflects the realities of the governor's budget. Barkley will roll out a proposed structure for the Local Government Infrastructure Division at the February 6 Board meeting. Staff are looking at roles, functions, and how best to support the Board, state and federal programs. They see a lot of connectivity and energy that can be captured. They are trying to look holistically across the entire Division, starting with changing the division name to "Local Government." This is all due to funding reductions. Stan Finkelstein said that he applauds Barkley's efforts in the recent months in overcoming difficulties that arose in the previous year. Finkelstein said that he senses increased confidence and morale versus the October 2013 through October 2014 period, and he credits

Barkley with igniting that confidence in staff.

CONTRACTING

1) CAU Extension Requests: Jill Nordstrom presented three requests for contract extension:

   a) Lakehaven Utility District: Under the Drinking Water State Revolving Fund (DWSRF), Lakehaven Utility District seeks an extension on their Green River Water Treatment Plan Filtration Facility contract through December 31, 2015, to allow them to complete connection to second transmission line, security and punch list items. This is a multi-jurisdictional project, and includes 14 Public Works Board contracts. Project is 93% complete. **ACTION: Jerry Cummins moved to grant this extension until December 31, 2015 to Lakehaven Utility District. Matt Rasmussen seconded the motion. MOTION APPROVED 10-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott).

   b) City of Tacoma: Also under DWSRF, the City of Tacoma also seeks an extension on the same Green River Water Treatment Plan Filtration Facility project, through December 31, 2015, to complete final items. **ACTION: Scott Hutsell moved to grant this extension until December 31, 2015 to the City of Tacoma. Pam Carter seconded the motion. MOTION APPROVED 10-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott).

   c) Town of Creston: Under Public Works Trust Fund – Preconstruction, the Town of Creston seeks an extension until July 17, 2015 to complete design of the well pump replacement. The project is 90% complete. **ACTION: JC Baldwin moved to grant this extension until July 17, 2015 to the Town of Creston. Ed Hildreth seconded the motion. MOTION APPROVED 10-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott).

2) Drinking Water State Revolving Fund 2014 Funding List Updates**:** Michael Copeland presented a request to raise the loan rate for five DWSRF loans that were initially approved at 1%. These loans fall below the subsidy scale line, and should have been set at 1.5%. Staff at the Department of Health caught that they did not qualify for the subsidy rate. Scott Hutsell asked if the loan recipients know about this. Copeland replied that they were never notified in the first place what their rate would be. Stan Finkelstein asked about the City of Pateros loan, surely that is qualified due to their fire? Cecilia Gardener replied that although they have a high Affordability Index (AI), the subsidy has been used up, and they have to default to the 1.5% rate. Diane Pottinger asked staff to ensure that clients are notified of these things before they are brought before the Board. **ACTION: Ed Hildreth moved to approve this recommended rate change to 1.5%. Jerry Cummins seconded the motion. MOTION APPROVED 9-0** (Baldwin, Carlson, Carter, Cummins, Hildreth, Hutsell, Pottinger, Rasmussen, and Scott). Mary Margaret Haugen abstained.

POLICY & PROGRAM DEVELOPMENT

1) Public Works Board Action Plan: Cecilia Gardener presented the updated Public Works Board Action Plan.

2) Governor's Budget: Cecilia Gardener discussed the Governor's Budget. Material provided was in an alternate format from previous version to accommodate member request. The Governor's Budget as outlined had the following impacts:

DRAFT

a) Reduced the Construction Loan Request from $170 M to $69.7 M which funds 19 projects. The original list of 49 projects was reviewed in priority order, water and sewer projects that could be paid for by the Clean Water SRF or the Drinking Water SRF programs were removed; this is how they came up with the 19 projects. Scott Hutsell asked where is that money? Gardener replied that some went to Growth Management and the Conservation Commission. The rest of it is due to OFM's belief that the fund needs to rest die to the diversions and revenue streams. They think the fund should rest to recoup resources. When we approved $1.75 million, it was not all cash, it included a modest acceleration.

b) No preconstruction resources were provided – the Board requested $25M.

c) Administrative Budget was reduced from $3.1M to $2.8M. Gardener stated that she is hoping to educate legislators that a large group of activities occurs despite not having a large loan list. This will result in a reduction of one FTE for the 15-17 biennium.

d) Growth Management Services unit within the Local Government Division was funded from the Public Works Assistance Account. This was traditionally funded out of the General Fund. The Budget funds all of their staff permanently, and an additional 6 FTE's are a one-time funding for the biennium to accommodate the Growth Management Act update process. Gardener stated that we could have funded two additional projects if we weren't funding Growth Management. Mary Margaret Haugen stated that she thinks this is bad policy. Mark Barkley offered to bring Jeff Wilson, Managing Director of the Growth Management unit to address the Board on February 6, if they would like more information on that.

e) Funding to administer the Drinking Water State Revolving Fund (DWSRF) program. This money funds the FTEs doing the work. There is $32,000 in the next section, which we are looking into this because, at this point, we are unclear what this is for.

f) The Conservation Commission was appropriated with $7.6 million from the PWAA for their voluntary stewardship program. Pam Carter asked what this was, and Scott Hutsell elaborated. Basically it pays for things like fences to keep cows out of the water. It is unclear at this point if this is a one-time appropriation, or an ongoing effort.

3) <u>PWAA Update</u>: Cecilia Gardener stated that there are several elements that are currently impacting the Fund at this time. Staff is working closely with OFM to determine next steps regarding these impacts.

a) Mass Amendments: The CAU is nearly complete with the process of amending over 835 contracts requested by OFM. On June 30, we are obligated to have a set amount of money in the fund for OFM to direct to the education legacy account. Approximately $20 million in loan repayments will not be received in June, because some clients have refused to modify their loan due date which means that that portion of anticipated receipts will not be in the fund on June 30.

b) Aggressive Draws: Our draws for October – January has been about 13% higher than expected. The impact of our clients taking advantage of a dry fall construction window, is that the bond resources ($158M) appropriated to us may be inadequate.

c) Permission from OFM: Staff will have to request a letter from OFM to have permission to cross the biennial line in the red. This will require us to borrow money from another account (to be determined by the Treasurer), which we will be required to pay back with interest.

Stan Finkelstein asked that when we have our Board Retreat, let's step back and ask how do we fund infrastructure in this state, and engage the other agencies. We've been in business for 30 years. We've had some real attacks on the fund in the last 7 years. This does not work for the citizenry, nor does it work for the local governments.

4) Legislative Update/Policy Bill/Loan List: Cecilia Gardener stated she will be shopping the Board's policy bill on the hill next week for signatures. This bill addresses the three key elements in the proviso language from 2013; maximizing the federal resources first, ranking the construction list, and using the bond market to set interest rates. Gardener hopes to have it dropped by the end of the month.

5) Legislative Meet & Greet Exercise: Cecilia Gardener stated since all of the Board members who were going out on the Legislative Meet & Greets were trained on this yesterday, and successfully went out on their meetings, that this was now unnecessary. Staff provided folders to each of the members who were not going out on Legislative meetings, so they could see what materials the Board members were providing to the Legislators.

TECHNICAL & IMPACT ASSISTANCE

1) Technical Assistance Activity: Bruce Lund provided an update of Technical Assistance unit activity.

2) Small Communities Initiative Quarterly Update: Cathi Read provided the Small Communities Initiative (SCI) Quarterly Update, even though SCI is no longer funded by PWAA. It's now funded by the Departments of Health and Ecology, and the Community Development Block Grant. Read stated that we have a budget for the next biennium. She reminded the Board of the 2015 IACC conference dates: October 20-22, 2015. Read is Chair of the conference planning committee this year, and looking for new and different sessions. She asked if Board members have any ideas, to contact herself or Dave Dunn at the Department of Ecology. Dunn is in charge of the sessions this year. Stan Finkelstein thinks an introductory session on "What is this all about?" would be helpful.

3) Public Works Online Training Concept: Bruce Lund presented on the Public Works Online Training Concept. This idea came out of a meeting Stan Finkelstein had with Brian Sims and Senator Honeyford. Lund asked Finkelstein to elaborate on the idea. Finkelstein stated that this idea came from Brian Sims. The concept is that this training would augment the activities that the staff is currently engaged in. The idea is to recognize that many of our smaller communities have staff that is really devoid of understanding of what it takes to manage – not operate – a system, such as a water system, sewer system, etc. All of a sudden they have to manage an enterprise. The intent is to partner with community colleges to offer an online training program to engage these smaller operators to access a modular style training program which would lead to a certification process, where they would be certified as Public Works Managers. The proposal is to also offer college credits. The cost would be defrayed by an additional appropriation by the legislature to cover both development costs for creating the program, as well as to cover the tuition. So, for example, if you are a Town Clerk in Carbonado, you wouldn't have to leave your home base. You could take this training online. It would be interactive, and then once or twice there would be regional get-togethers to enable people to network, and to gain a greater understanding of issues their peers are encountering. The initial stakeholder meeting was well received. The next step is to develop an Advisory Committee to help craft a curriculum. They need input from the practitioners who have an

understanding of what is needed. This is distinct and separate from the Operators Certification. There might be some overlap, but it is not intended to replace that. Finkelstein applauds Brian Sims' idea and thinks it's a great idea. The timetable is to spend next year developing the program, with the program starting in the second year of the biennium.

Mary Margaret Haugen stated that she supports the idea, unless it's funded out of PWAA. Pam Carter said the handout didn't make it clear that this isn't the technical operators course. Would this be open to private, non-governmental entities? Finkelstein replied that possibly we might charge those. Lund stated that the initial focus is toward communities under 5,000 and smaller systems. Mark Scott stated that we should link the operators certification course to this. Finkelstein reiterated that the intention isn't to replace anything already out there. It's to augment training for those unable to leave for training, at a much lower cost. Lund stated that Lynn Kohn is the project manager for this. Brian Sims has asked for the information by Mid-February. Developing the Advisory Committee is the next step. Preliminary work will be done between now and the end of session. Presuming the funding is in place, the design work will start in the next biennium. Kohn has put together a survey, which she handed out to Board members. This is intended for stakeholders to take back to their members. This is a draft, and she'd appreciate your feedback. Haugen stated that we shouldn't lead with the full scholarship. We should take that out until we know we have funding. Jerry Cummins asked to have a timeframe added to it, so people understand the time commitment. Lund stated that this is a top priority of the unit and the Board will get a monthly update on the project.

INFORMATION & OTHER ITEMS

1) Executive Committee Report: Stan Finkelstein reported that the Executive Committee met yesterday at 5 pm with Mark Barkley and Cecilia Gardener. The main issue for discussion was what the Local Government & Infrastructure Division will look like in 3 to 6 months in terms of the organizational structure. There are some major fiscal challenges. The current Governor's budget does not provide for all the current positions. The committee was open to what Barkley and Gardener. It is being looked at by the Director of the Agency and the management team, and this process is going forward. Irrespective of the fiscal issues, we need to look at the current structure of the division and decide if this is the appropriate structure going forward. John Kounts stated that within the stakeholder group there is some confusion as to the Governor's budget. Is there something you can provide to keep the visibility on this? Can you show us what this will mean? How this will impact? They need to know more about the consequences of losing funding. Cecilia Gardener stated that we did not receive the 3 FTE's we asked for to backfill existing staff. We also lost $300,000 in operating dollars. We have essentially 3 key functions that continue all year long, whether we get an appropriation or not. Housing Trust fund has used this model in the past, with OFM's blessing, so we are trying to follow that model.

2) Policy & Program Development Committee Report: Scott Hutsell reported that we had no meeting this month. Cecilia Gardener stated that we do have a policy bill that will run through session. Hans Dunshee has graciously offered to sponsor that bill. It almost mirrors last sessions' bill. The only modification in there is increased flexibility on interest rates. Mary Margaret Haugen asked about adding legislators to the board. Gardener replied that yes, that is in the bill. Gardener said it should drop this week. John Kounts asked if this would be giving the board

authority to fund Waster System Acquisition and Rehabilitation Program (WSARP) projects. Gardener says we can fund WSARP projects in existing criteria. But the bill we've put forward does not have grants in it. The Department of Health is gearing up for a title feasibility and consolidation.

3) Technical Assistance Committee Report: Jerry Cummins reported that the Technical Assistance Committee met today. They spent a long time talking about the online managers' certification program. If you want to be involved in this, talk to Bruce Lund or Lynn Kohn. They also talked about the February 4, 2015 funding webinar. Another will be held in August. These are being led by Lynn Kohn; if you have additional questions, please see Lynn. The committee also talked about holding a rate setting workshop in May, probably in the central Washington area. Steve Dunk is the person responsible for that. On February 10, Dunk is leading a Drinking Water workshop. Kohn also mentioned that another Academy will be held in March, but the date has not been set yet. Speakers are being lined up. This will be similar to the Bremerton Academy. Stan Finkelstein applauded the efforts of Jacki Skaught and Lynn Kohn. He thought the Bremerton Academy was excellent. Scott Hutsell also thought it was outstanding. Ed Hildreth thought that what really changed the dynamics was asking the speakers to make it interactive. Dave Dunn also thought it went really well. Jacki Skaught stated that this upcoming Academy is for King, Pierce and Thurston Counties. They are looking at holding it at the Pierce County Environmental Services Building in University Place, next door to Chambers Bay Golf Course. Finklestein thinks Lewis County should be folded in, as well, since it would be more accessible to them than the other academies. Skaught said they were invited to the first one in Clark County. Rodney Orr suggested that we should invite the Public Affairs Officer from JBLM to come down and talk about the force reduction. Thousands of soldiers and families are leaving, and it would be a good thing to have JBLM talk about how they are going to mitigate the impact.

4) Communication Committee Report: Ed Hildreth reported that the Communication Committee met today and will have another meeting right before the February 6 Board meeting.

3) Board Member Updates: Stan Finkelstein stated that the Board's annual Retreat is scheduled for June 5, 2015; however, Finkelstein has to be in the Midwest that weekend. Could we change the date? Usually the Retreats are a half day of regular Board meeting, plus a day and a half of Policy Retreat. Would members be amendable to changing the dates to July 9 and 10, and cancelling the June 5th Board meeting? Pam Carter asked if staff could send this out via an email poll, so people could check their calendars. Cecilia Gardener said staff would do this. **ACTION: Pam Carter moved that staff should send out an email to poll the board whether they were amendable to cancelling the June 5, 2015 meeting and moving the Retreat to July 9-10, 2015. Jerry Cummins seconded the motion. MOTION APPROVED 9-0** (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Rasmussen, and Scott).

Mary Margaret Haugen stated that Senator Steve Hobbs called her, and told her that the Board should work the Democrats, too.

Scott Hutsell stated that WSAC will be voting this afternoon on whether to endorse Snohomish County's bid to set up a county-only Public Works Revolving Account. This ability was authorized by the legislature in 2009, but so far no county has tried to do it. Snohomish County is wanting to act on this now. Hutsell said that he doesn't want to endorse this, and he doesn't think WSAC

will endorse it. He doesn't think WSAC needs to be endorsing it, because he thinks they are going to get the money.

Scott Hutsell stated that WSAC has a County candidate in the hopper. It is the same candidate as before. They send it to the Governor's office, and then it goes nowhere. Pam Carter asked if this has to be a county elected? Hutsell replied that since WSAC is in charge of the candidate process, a candidate could only come from a county commission or council. The candidate also has to come from the west side, since Hutsell is the representative from the east side of the mountains. Unfortunately, there just hasn't been any other candidate apply for the position.

ACTION: Scott Hutsell moved to adjourn the meeting. Jerry Cummins seconded the motion. MOTION APPROVED 9-0 (Baldwin, Carlson, Carter, Cummins, Haugen, Hildreth, Hutsell, Rasmussen, and Scott). **Meeting Adjourned at 11:27 am**

DRAFT

Date: January 8, 2015

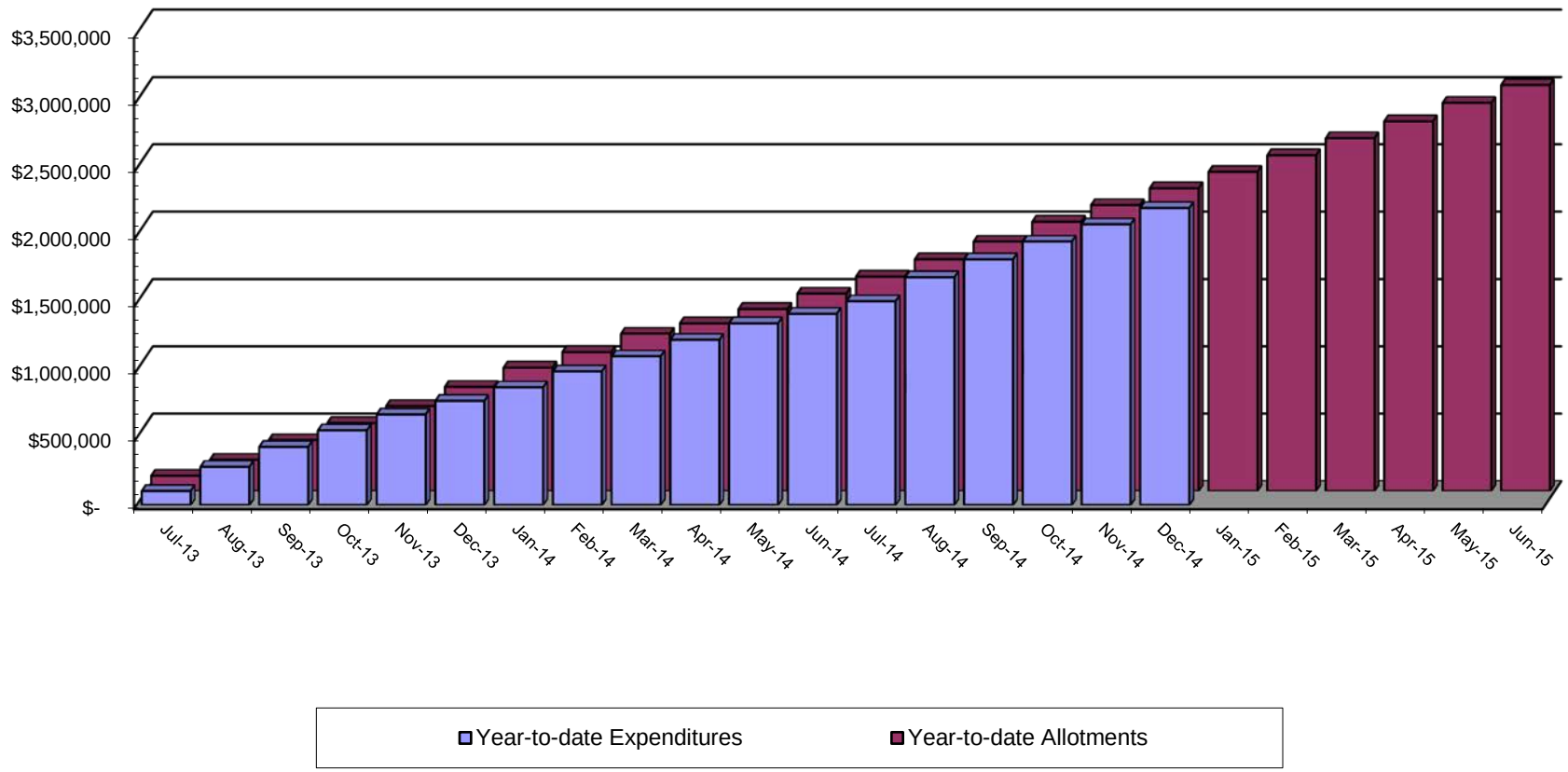
To: Public Works Board

From: Cindy Chavez, Budget Analyst

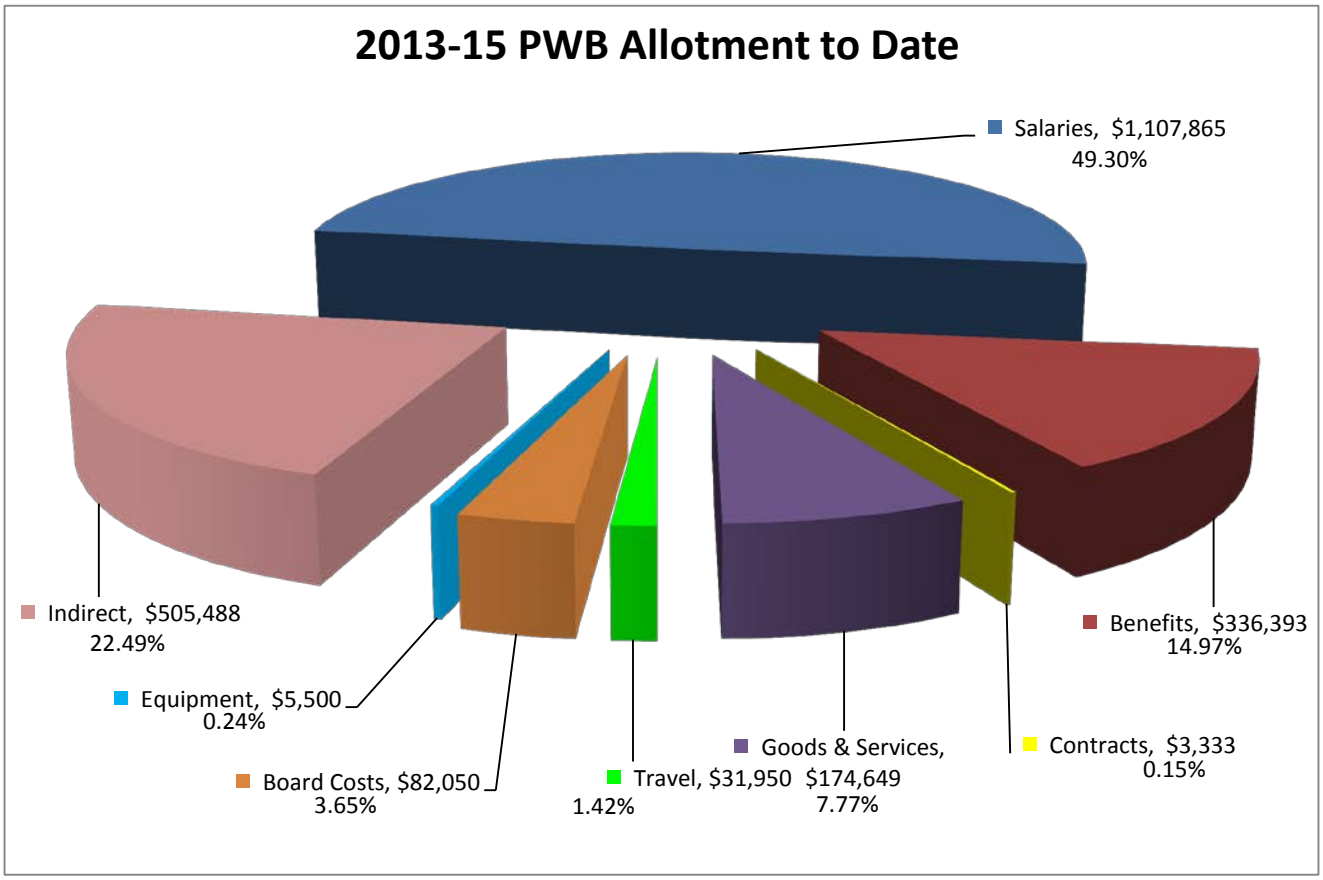
Subject: Quarterly Budget Report

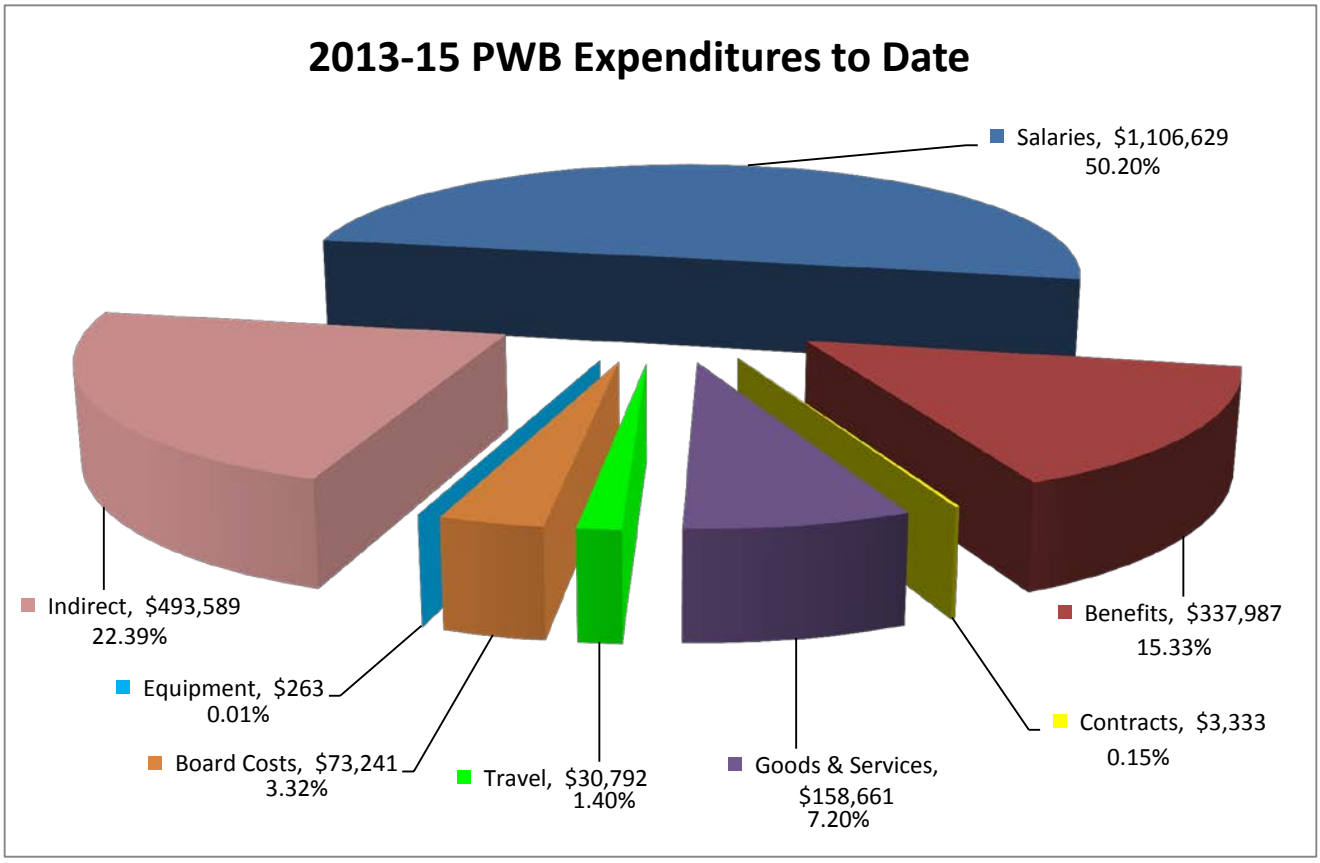
PWB OPERATING AND CAPITAL BUDGET REPORT AS OF 12/31/2014					
Beginning Cash Balance 7/1/2013				$12,739,779.00	
	2013-15 Biennial Budget	**FY14 Actual Expenditures Revenues (July 1, 2013-June 30, 2014)**	**FY15 Actual Expenditures Revenues to date (July 1, 2014-Dec. 31, 2014)**	**Balance Remaining**	**Comments**
Revenues					
Solid Waste Collection Tax	-	-	-	-	Estimated diversion $74,696,234
Public Utilities Tax	-	-	-	-	Estimated diversion $34,384,621
Real Estate Excise Tax	25,180,774	12,302,507		7,644,536	Estimated diversion $23,744,779
CERB loan repayments	361,243	180,512	113,058	67,673	
PWB Loan Repay Interest/Principal	231,990,662	114,291,787	305,418	117,393,457	Budget is based on average billing cycle of $115 million and estimated $29 million will not be received until July
Bond dollar backfill	158,000,000	74,717,194	63,839,677	19,443,129	Not actual revenue but showing here to offset contract payments coming from bond dollars
Capital Expenditures					
2013 PreConstruction	(2,700,000)	(1,038,780)	(893,568)	(767,652)	
Bond Backfill existing contracts	(158,000,000)	(74,717,194)	(63,839,677)	(19,443,129)	This offsets the bond backfill under revenue
Operating Transfers					
DWSRF State Match	-	-		-	$8.8 million from bond dollars
Ecology State Match	-	-		-	$15.5 billion from bond dollars
Education Legacy Account	(277,244,000)	(138,622,000)	-	(138,622,000)	Transfers occurs end of June each year
Operating					
Administration	(3,013,000)	(1,419,176)	(785,420)	(808,404)	Provides for 10.95 FTE
Projected Ending Cash Balance 6/30/2015				(36,826,189.00)	Projected cash balance on June 30th based on clients refusing to sign amendments to change repayment date from July to June

2013-15 PWB Expenditures to Date



PUBLIC WORKS BOARD
September 2014 Administrative Budget Report





TAB B

CONTRACTING

DATE: January 21, 2015

TO: Public Works Board

FROM: Jill Nordstrom, CAU Managing Director

SUBJECT: Contract Administrations Unit (CAU) Contract Status Report

This memo provides a quarterly status update to the Public Works Board and offers a snapshot of activities carried out by CAU. We hope this gives the Board a better understanding of the work that occurs after contract execution.

Number of Contracts Received from PWB from 10/1/2014 – 12/31/2014

PWTF	0
DWSRF	1
Other PWB Programs	4
Total	5

Number of Contracts in Open Status as of 12/31/2014

PWTF	120
DWSRF	139
Other PWB Programs	22
Total	281

Number of Contract Closed 10/1/2014 – 12/31/2014

PWTF	5
DWSRF	7
Other PWB Programs	2
Total	14

Dollars distributed to Clients 10/1/2014 – 12/31/2014

PWTF	$39,981,382
DWSRF	$39,010,163
Other PWB Programs	$ 3,810,373
Total	$82,801,918

DATE: January 20, 2015

TO: Public Works Board

FROM: Jill Nordstrom, CAU Managing Director

SUBJECT: Project Completion Extension Requests

STAFF RECOMMENDATION

Staff recommends extending the contract project completion dates as follows:

Program	Client	Contract No.	Project	Loan/Grant Amount	Available to Draw	Original Closeout Date	Current Closeout Date	Proposed Closeout Date
DWSRF	**Camano Cooperative Water and Power Company**	DP10-952-022	Weston Well and SW Camano Drive Water Main	$538,835	$57,128.17	3/29/15	**3/29/15**	**9/29/15**
Reason for Extension Request: Project delayed due to property acquisition process and weather delays. Additional time needed to complete construction and punch list items. Project is 50**%** complete**.**								

BACKGROUND
The clients have requested extensions to their project completion dates. Staff evaluated the requests through a staff peer review process. DOH has been consulted and agrees with extending the DWSRF projects.

TAB C

POLICY AND PROGRAM DEVELOPMENT

Washington State
Public Works Board

DATE: January 30, 2015

TO: Public Works Board

FROM: Cecilia Gardener, Managing Director, Policy and Program Development

SUBJECT: 2015 Legislative Update

Attached is a summary of the Public Works Board's policy bill that proposes to make the 2013 proviso permanent.

Z-0479/15 "Concerning Public Works"
Summary of z-bill: Codifies elements of the 2013-2015 Capital Budget Proviso language:

- Section 1 modifies RCW 43.155.030, the composition of the Public Works Board (Board) members to include 4 additional members drawn from the legislature:
  - 2 members from each of the two major caucuses from the House of Representatives
  - 2 members from each of the two major caucuses from the Senate
  - Allows for designees to act in place of the legislative Board members

  Language replicated from the Community Economic Revitalization Board (CERB) membership statute: RCW 43.160.030 and 43.160.035
- Section 2 modifies RCW 43.155.060, Board financing powers by:
  - Adding a section (item 1) stating that state priority policy objectives are served by investing financial and technical resources in these systems. It is further stated that the public works assistance account (PWAA) was created to strategically invest public funds as a priority policy objective.
  - Adding a section (item 2) requiring the Board to establish policies and procedures to manage the PWAA in such a way as to ensure sustainability of the account including the following in any order:
    - The average daily market interest rate for tax-exempt municipal bonds during the three-month period prior to the loan cycle when establishing loan interest rates,
    - The length of the loan repayment period,
    - Whether the loan applicant is experiencing financial hardship as measured by the affordability index or other similar standard,
    - Whether the loan applicant has a bond rating at time of loan application, and
    - For construction loans only: the life of the asset being constructed.
- Section 3 modifies RCW 43.155.065 by removing the phrase "low interest or interest free" as a modifier to the types of loans the Board may offer to local governments for emergency public works projects.
- Section 4 modifies RCW 43.155.068 by removing the phrase "low interest or interest free" as a modifier to the types of loans the Board may offer to local governments for preconstruction activities on public works projects.
- Section 5 modifies RCW 43.155.070(4) by requiring the Board to create a numerically ranked list of recommended for funding public works projects when developing the list of recommended for funding construction projects that is submitted for consideration by the Governor and Legislature.
- Section 5 modifies RCW 43.155.070(7) by requiring the Board to implement policies and procedures designed to maximize local government use of federal funds to finance local infrastructure projects (bottom of page 8).
- Section 6 is a new addition to RCW 43.155 that requires all preconstruction and construction loans that fund projects involving the repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade efficiency audit is obtainable, must include a condition that the loan recipients undertake such an audit. The cost of the audit is financeable as part of the loan.
- Section 7 is a new addition to RCW 43.155 that requires the Board to, in collaboration with federal and state organizations, advocate groups, and other stakeholders associated with infrastructure, provide the Governor and the appropriate committees of the legislature with a comprehensive assessment of local infrastructure needs and potential resources within the state to meet those needs.

BILL REQUEST - CODE REVISER'S OFFICE

BILL REQ. #: Z-0479.1/15

ATTY/TYPIST: AL:jcm

BRIEF DESCRIPTION: Concerning public works.

AN ACT Relating to public works; amending RCW 43.155.030, 43.155.060, 43.155.065, 43.155.068, and 43.155.070; and adding new sections to chapter 43.155 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 43.155.030 and 1999 c 153 s 58 are each amended to read as follows:

(1) The public works board is hereby created.

(2) The board shall be composed of ((~~thirteen~~)) seventeen members appointed by the governor for terms of four years, except that five members initially shall be appointed for terms of two years. The board shall include: (a) Three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the association of Washington cities or its successor; (b) three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the Washington state association of counties or its successor; (c) three members appointed from a list of at least six persons nominated jointly by the Washington public utility districts association and a state association of water-sewer districts, or their successors; (d) one member from each of the two major caucuses of the house of

representatives to be appointed by the speaker of the house of representatives and one member from each of the two major caucuses of the senate to be appointed by the president of the senate: (i) Each member of the house of representatives who is appointed to the public works board under this chapter may designate another member from the house of representatives to take his or her place on the board for meetings at which the member will be absent, as long as the designated member belongs to the same caucus; the designee shall have all powers to vote and participate in board deliberations as have the other board members; (ii) each member of the senate who is appointed to the public works board under this chapter may designate another member from the senate to take his or her place on the board for meetings at which the member will be absent, as long as the designated member belongs to the same caucus; (iii) the designee shall have all powers to vote and participate in board deliberations as have the other board members; and ((~~(d)~~)) (e) four members appointed from the general public. In appointing the four general public members, the governor shall endeavor to balance the geographical composition of the board and to include members with special expertise in relevant fields such as public finance, architecture and civil engineering, and public works construction. The governor shall appoint one of the general public members of the board as chair. The term of the chair shall coincide with the term of the governor.

(3) Staff support to the board shall be provided by the department.

(4) Members of the board shall receive no compensation but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

(5) If a vacancy on the board occurs by death, resignation, or otherwise, the governor shall fill the vacant position for the unexpired term. Each vacancy in a position appointed from lists provided by the associations under subsection (2) of this section shall be filled from a list of at least three persons nominated by the relevant association or associations. Any members of the board, appointive or otherwise, may be removed by the governor for cause in accordance with RCW 43.06.070 and 43.06.080.

Sec. 2. RCW 43.155.060 and 1988 c 93 s 2 are each amended to read as follows:

(1) The legislature finds that while local governments are responsible for creating and maintaining local infrastructure systems, state priority policy objectives are served by investing financial and technical resources in these systems. The public works assistance account was created to strategically invest public funds as a priority policy objective.

(2) The board must establish policies and procedures designed to manage the public works assistance account in such a way as to ensure sustainability of the account. In order to aid the financing of public works projects, the board may:

((~~(1)~~)) (a) Make ((~~low-interest or interest-free~~)) loans to local governments from the public works assistance account or other funds and accounts for the purpose of assisting local governments in financing public works projects. ((~~The board may require such terms and conditions and may charge such rates of interest on its loans as it deems necessary or convenient to carry out the purposes of this chapter.~~)) When establishing loans interest rates for loan programs authorized under this statute, the board must take into consideration the following in any order: (i) The average daily market interest rate for tax-exempt municipal bonds as published in the bond buyer's index for the three-month period prior to the loan cycle; (ii) the length of the loan repayment period; (iii) for construction loans, the life of the asset being constructed; (iv) whether or not the loan applicant is experiencing financial hardship as measured by the affordability index, or other similar standard measure of financial hardship; and (v) whether or not the loan applicant has a bond rating at time of application. Money received from local governments in repayment of loans made under this section shall be paid into the public works assistance account for uses consistent with this chapter.

((~~(2)~~)) (b) Pledge money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects. The board shall not pledge any amount greater than the sum of money in the public works assistance account plus money to be received from the payment of the debt service on loans made from that account, nor shall the board pledge the faith and credit or the taxing power of the state or any agency or subdivision thereof to the repayment of obligations issued by any local government.

((~~(3)~~)) (c) Create such subaccounts in the public works assistance account as the board deems necessary to carry out the purposes of this chapter.

((~~(4)~~)) (d) Provide a method for the allocation of loans and financing guarantees and the provision of technical assistance under this chapter.

(3) All local public works projects aided in whole or in part under the provisions of this chapter shall be put out for competitive bids, except for emergency public works under RCW 43.155.065 for which the recipient jurisdiction shall comply with this requirement to the extent feasible and practicable. The competitive bids called for shall be administered in the same manner as all other public works projects put out for competitive bidding by the local governmental entity aided under this chapter.

Sec. 3. RCW 43.155.065 and 2001 c 131 s 3 are each amended to read as follows:

The board may make ((~~low-interest or interest-free~~)) loans to local governments for emergency public works projects. Emergency public works projects shall include the construction, repair, reconstruction, replacement, rehabilitation, or improvement of a public water system that is in violation of health and safety standards and is being operated by a local government on a temporary basis. The loans may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following sources: (1) Federal disaster or emergency funds, including funds from the federal emergency management agency; (2) state disaster or emergency funds; (3) insurance settlements; or (4) litigation.

Sec. 4. RCW 43.155.068 and 2001 c 131 s 4 are each amended to read as follows:

(1) The board may make ((~~low-interest or interest-free~~)) loans to local governments for preconstruction activities on public works projects before the legislature approves the construction phase of the project. Preconstruction activities include design, engineering, bid-document preparation, environmental studies, right-of-way acquisition, and other preliminary phases of public works projects as determined by the board. The purpose of the loans authorized in this section is to accelerate the completion of public works projects by

allowing preconstruction activities to be performed before the approval of the construction phase of the project by the legislature.

(2) Projects receiving loans for preconstruction activities under this section must be evaluated using the priority process and factors in RCW 43.155.070((~~(2)~~)) (4). The receipt of a loan for preconstruction activities does not ensure the receipt of a construction loan for the project under this chapter. Construction loans for projects receiving a loan for preconstruction activities under this section are subject to legislative approval under RCW 43.155.070 ((~~(4)~~)) (7) and ((~~(5)~~)) (8). The board shall adopt a single application process for local governments seeking both a loan for preconstruction activities under this section and a construction loan for the project.

Sec. 5. RCW 43.155.070 and 2013 2nd sp.s. c 19 s 7032 are each amended to read as follows:

(1) To qualify for financial assistance under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 may not receive financial assistance under this chapter unless it has adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving financial assistance under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 that has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 may apply for and receive financial assistance under this

chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before executing a contractual agreement for financial assistance with the board.

(3) In considering awarding financial assistance for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) The board must develop a priority process for numerically ranking public works projects as provided in this section. The intent of the numerically ranked priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board must attempt to assure a geographical balance in assigning ((~~priorities~~)) numerical ranking to projects. The board must consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Except as otherwise conditioned by RCW 43.155.110, whether the entity receiving assistance is a Puget Sound partner, as defined in RCW 90.71.010;

(c) Whether the project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(e) Whether the applicant's permitting process has been certified as streamlined by the office of regulatory assistance;

(f) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007;

(g) The cost of the project compared to the size of the local government and amount of loan money available;

(h) The number of communities served by or funding the project;

(i) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(j) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water

system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

(k) Except as otherwise conditioned by RCW 43.155.120, and effective one calendar year following the development of model evergreen community management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

(l) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

(m) Other criteria that the board considers advisable.

(5) For the 2013-2015 fiscal biennium, in place of the criteria, ranking, and submission processes for construction loan lists provided in subsections (4) and ((~~(7)~~)) (8) of this section:

(a) The board must develop a process for numerically ranking applications for construction loans submitted by local governments. The board must consider, at a minimum and in any order, the following factors in assigning a numerical ranking to a project:

(i) Whether the project is critical in nature and would affect the health and safety of many people;

(ii) The extent to which the project leverages nonstate funds;

(iii) The extent to which the project is ready to proceed to construction;

(iv) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(v) Whether the project promotes the sustainable use of resources and environmental quality;

(vi) Whether the project consolidates or regionalizes systems;

(vii) Whether the project encourages economic development through mixed-use and mixed income development consistent with chapter 36.70A RCW;

(viii) Whether the system is being well-managed in the present and for long-term sustainability;

(ix) Achieving equitable distribution of funds by geography and population;

(x) The extent to which the project meets the following state policy objectives:

(A) Efficient use of state resources;

(B) Preservation and enhancement of health and safety;

(C) Abatement of pollution and protection of the environment;

(D) Creation of new, family wage jobs, and avoidance of shifting existing jobs from one Washington state community to another;

(E) Fostering economic development consistent with chapter 36.70A RCW;

(F) Efficiency in delivery of goods and services, public transit, and transportation;

(G) Avoidance of additional costs to state and local governments that adversely impact local residents and small businesses; and

(H) Reduction of the overall cost of public infrastructure; and

(xi) Other criteria that the board considers necessary to achieve the purposes of this chapter.

(b) Before November 1, 2014, the board must develop and submit to the appropriate fiscal committees of the senate and house of representatives a ranked list of qualified public works projects which have been evaluated by the board and are recommended for funding by the legislature. The maximum amount of funding that the board may recommend for any jurisdiction is ten million dollars per biennium. For each project on the ranked list, as well as for eligible projects not recommended for funding, the board must document the numerical ranking that was assigned.

(6) Existing debt or financial obligations of local governments may not be refinanced under this chapter. Each local government applicant must provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(7) <u>The board must implement policies and procedures designed to maximize local government use of federal funds to finance local infrastructure projects.</u>

<u>(8)</u> Before November 1st of each even-numbered year, the board must develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection ((~~(10)~~)) <u>(11)</u> of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list must include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and

unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list must also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.

((~~(8)~~)) (9) The board may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature may not change the order of the priorities recommended for funding by the board.

((~~(9)~~)) (10) Subsection ((~~(8)~~)) (9) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection ((~~(10)~~)) (11) of this section.

((~~(10)~~)) (11) Loans made for the purpose of capital facilities plans are exempted from subsection ((~~(8)~~)) (9) of this section.

((~~(11)~~)) (12) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

((~~(12)~~)) (13) After January 1, 2010, any project designed to address the effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

((~~(13)~~)) (14) During the 2013-2015 fiscal biennium, for projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade efficiency audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its public works assistance account program loan.

((~~(14)~~)) (15)(a) For public works assistance account application rounds conducted during the 2013-2015 fiscal biennium, the board must

implement policies and procedures designed to maximize local government use of federally funded drinking water and clean water state revolving funds operated by the state departments of health and ecology. The board, department of ecology, and department of health must jointly develop evaluation criteria and application procedures that will increase access of eligible drinking water and wastewater projects to the public works assistance account for short-term preconstruction financing and to the federally funded state revolving funds for construction financing. The procedures must also strengthen coordinated funding of preconstruction and construction projects.

(b) For all construction loan projects proposed to the legislature for funding during the 2013-2015 fiscal biennium, the board must base interest rates on the average daily market interest rate for tax-exempt municipal bonds as published in the bond buyer's index for the period from sixty to thirty days before the start of the application cycle. For projects with a repayment period between five and twenty years, the rate must be sixty percent of the market rate. For projects with a repayment period under five years, the rate must be thirty percent of the market rate. The board must also provide reduced interest rates, extended repayment periods, or forgivable principal loans for projects that meet financial hardship criteria as measured by the affordability index or similar standard measure of financial hardship.

(c) By December 1, 2013, the board must recommend to the appropriate committees of the legislature statutory language to make permanent these new criteria, procedures, and financing policies.

NEW SECTION. **Sec. 6.** A new section is added to chapter 43.155 RCW to read as follows:

All preconstruction and construction loans that fund projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade efficiency audit is obtainable, must include a condition that the loan recipient undertake an investment grade efficiency audit. The loan recipient may finance the costs of the audit as part of the loan.

NEW SECTION. **Sec. 7.** A new section is added to chapter 43.155 RCW to read as follows:

Every four years, the board shall, in collaboration with other federal and state organizations, advocate groups, and other stakeholders associated with infrastructure, provide the governor and the appropriate committees of the legislature with a comprehensive assessment of local infrastructure needs and potential resources within the state to meet those needs.

--- END ---

DATE: January 30, 2015

TO: Public Works Board

FROM: Cecilia Gardener, Managing Director, Policy and Program Development

SUBJECT: 2015 Legislative Update

WEEK # 3 Date: January 30, 2015

BILL NUMBER	SHORT TITLE - PRIME SPONSOR	Sponsor	DESCRIPTION	NOTES / COMMENTS / STATUS	Legislative Action Taken
SB 5251	Public Water System Assistance	Honeyford, Keiser	Transferring public water system financial assistance activities from the public works board and the department of commerce to the department of health.	Transition will take place over a four year period	General Government and Information Technology Committee – Hearing Room C – JLO Building. 3:30 pm – 5:30 pm
HB 1464	Public Water System Assistance	Hudgins, MacEwen, Senn, S. Hunt	Transferring public water system financial assistance activities from the public works board and the department of commerce to the department of health.	Transition will take place over a four year period	Senate Agriculture, Water & Rural Economic Development Committee Cherberg Building Hearing Room 3 8:00 am – 9:00 am
HJR 4205	Requiring all revenues from any state taxes levied for the purpose of funding local government public infrastructure to be paid into the state treasury, deposited into the public works assistance account, and used exclusively for funding local government public works projects.	Pike, Reykdal, Klippert, Manweller, Rodne, Hayes, Buys, Vick, Johnson, Stanford, Berquist, Condotta	Proposes an amendment to the state Constitution to require revenues from state taxes levied for the purpose of funding local government public infrastructure to be paid into the state treasury, deposited into the public works assistance account, and used exclusively for funding local government public works projects.	Protects the revenue streams and the fund from further redirections	Nothing scheduled
HB 1661	Restoring resources to the capital budget	Pike, Manweller, Johnson, Reykdal, Rodne	Restores resources to the capital budget beginning with the 2015-2017 biennium.	Restores dedicated revenue streams to the PWAA next biennium	Nothing Scheduled

					WEEK # 3 Date: January 30, 2015
SB 5624	Concerning financing Essential public infrastructure	Keiser, Honeyford, Conway	Allows access and reliability to low-cost financing for essential public infrastructure projects by providing credit enhancements and pooling access to private market capital. Takes effect January 1, 2016, if the proposed amendment to Article VIII, section 1 of the state Constitution, guaranteeing the obligation of debt for essential public infrastructure, is approved by the voters at the next general election.	Allows additional authority to the Board, but may replace the traditional PWB Construction loans.	Senate Ways and Means Committee Cherberg Building Senate Hearing Room 4 3:30 pm – 5:30 pm
SFR 8204	Amending the Constitution to allow the state to guarantee debt issued on behalf of a political subdivision for essential public infrastructure	Keiser, Honeyford, Conway	Proposes an amendment to the state Constitution to allow the state to guarantee debt issued on behalf of a political subdivision for essential public infrastructure.	Allows additional authority to the Board.	Senate Ways and Means Committee Cherberg Building Senate Hearing Room 4 3:30 pm – 5:30 pm

Legislative Meetings to Date	
Senator Jim Honeyford	Rep. Hans Dunshee
Senator Karen Fraser	Rep. Jeff Holy
Senator Karen Keiser	Rep. Richard DeBolt
Sen. Judy Warnick	Rep. Derek Stanford
Sen. Kevin Ranker	Rep. Sam Hunt
Sen. Jim Hargrove	Rep. Linda Kochmar
Senator Andy Hill	Rep. Luanne Van Werven
Sen. Linda Evans Parlette	Rep. Marcus Riccelli
Sen. Michael Baumgartner	Rep. Maureen Walsh
Sen. Braun	Rep. Steve Bergquist
Sen. Ann Rivers	

Legislative Advocacy

PUBLISHED ON FRIDAY, JANUARY 23, 2015

City needs are bringing legislators together

Declaring "this is the year we move forward on local government," Reps. Chris Reykdal (D-Tumwater) and Cary Condotta (R-East Wenatchee) filmed this message for you. In it, they appeal to city officials and explain how you can help what they, and others in the House, are doing to provide tools to get communities back on their feet. The legislators reflect on how they and 30 or more other House members came to realize that great schools can't thrive without great communities, and that there are several bi-partisan common ground solutions they will promote to help cities thrive.

Their efforts and enthusiasm are mirrored across the capitol rotunda where Sens. Ann Rivers (R-La Center) and Mark Mullet (D-Issaquah) are working to band together their colleagues in a similar fashion.

These collective efforts on behalf of cities and counties are unprecedented, but not by accident. These legislators and their colleagues have heard from city and county officials around the state over the past months. The need for action on things like shared liquor and marijuana revenue needed for public safety, infrastructure funding to maintain and enhance economic vitality, and respect for local control are resonating.

Hearing about, and organizing to act on these needs, is one thing. Following through can be very difficult, especially with all of the other budget and policy issues facing them and their colleagues. With two weeks of a fifteen-week legislative session under their belts, legislators are beginning to focus in on their own priorities and deciding how and where to channel their energy. That's why Reps. Reykdal and Condotta have asked you to help now – either from home or when you come to Olympia.

- If you haven't already, contact your own legislators in the next few days.
- Share that there's this quite amazing bi-partisan thing happening at the Capitol.
- If they're a part of the new Local Government Champions Caucus, thank and encourage them!
- If they're not, encourage them to become part of it by contacting leads in their Caucus (Reps. Reykdal(D)/Condotta(R) and Sens. Rivers(R)/Mullet(D)).

AWC's success this session will be measured by the progress we can achieve on the issues these Champions are promoting. Having them on our side and in the lead only works with support and encouragement from home!

Categories: From the Government Relations Director

Like 0 Tweet 0

Legislative Bulletin

Media Time

BillTracker

Legislative issues

From the Government Relations Director

Budget and Finance

Environment and Land Use

Federal

General Government

Infrastructure

Law and Justice

Marijuana

Personnel

Open Government

Take Action

Transportation

Legislative Bulletin archives & pdf version

View Video on AWC's channel on YouTube
https://www.youtube.com/user/MyAWCVideos
"Legislative Update: Local Government Champions Caucus"

TAB D

TECHNICAL AND IMPACT ASSISTANCE

Date: January 29, 2015

To: Public Works Board

From: Bruce Lund, Managing Director

Subject: PWB Technical Assistance Performance Metrics for 2015 State Fiscal Year Quarter 2

Background

At the May, 2014 PWB meeting, Board members indicated concerns that existing performance measures did not adequately capture the desired outcomes and were too complicated. Staff were directed to assess ways that activities could be captured that are easily understandable and demonstrates activities and outcomes that are achieved. We solicited the assistance of Commerce's Economist, who has broad experience in generating data driven measures. He was extremely helpful working with staff to revise and refine measures that 1) are not overly cumbersome to capture and are reduced in number to be manageable; 2) capture the work that the technical assistance staff perform within the TA arena; and 3) provide information that will help us to do a better job.

Current Status

The first performance report was provided to you at the November, 2014 Board meeting. This report compiles data encompassing the second quarter of the state fiscal year, October 1 – December 31, 2014. The document is attached for your review.

Analysis

Each measure is coded green, yellow, or red.

- Green indicates that the during the last quarter, the goal has been met if reported quarterly, or is on track to be met if reported annually
- Yellow indicates that the measure is behind or needs to be watched during the next quarter for potential further action, but at this point no action is warranted.
- Red means that the outcome is not meeting expectations. Some sort of action needs to be undertaken to start moving the measure towards green.

This quarter, I have placed two measures in yellow status. One measure, the number of project and program collaborative efforts made, far exceeded expectations. This is due to some assumptions made as to the activities that would fall within this category. We expected approximately four efforts or events to happen on a quarterly basis. However, this does not reflect the day-to-day work of staff that relies on significant collaboration between units within the division, the agency, and across other state, federal and nonprofit programs. Over the next couple of quarters we will be monitoring these efforts to develop a revised, more accurate target number.

The second measure in yellow status is the % of exit interviews for completed projects. The target for this measure is 100%. Due to the holidays and other factors, staff did not have the ability to fully visit these clients. We expect to catch up during the next quarter.

RSC Measures

1. RSC's provide funding information to clients ***so that*** *clients* can pursue funding ***so that*** *i*nfrastructure will get fixed so ***that clients*** will be happy, fish will be happy and agencies will be happy.

Target	Annual	Quarter 1: July 1 – Sept. 30	Quarter 2: Oct. 1 – Dec. 31st	Variance *From Annual*
# of tech teams conducted or attended	30	22	4	-4
# of funding forums	2	1	0	-1
# of web hits on Resource Catalogue database	600 1st quarter: 0 2nd quarter: 100 3rd quarter: 200 4th quarter: 300	Inactive	622	0
# of project and program collaborative efforts made	16 1st quarter: 4 2nd quarter: 4 3rd quarter: 4 4th quarter: 4	4	80 *These include all staff inter- and intra-agency collaborative efforts. Will track over the next quarter and consider revising targets*	+68

2. RSCs offer clients resources and training on capital facility planning, asset management and how to conduct rate studies so ***that clients*** will be assisted in planning for and managing their infrastructure systems ***so that*** clients will be better able to finance their projects internally and/or be better positioned to apply for state or federal funding.

Target	Annual	Quarter 1: July 1 – Sept. 30	Quarter 2: Oct. 1 – Dec. 31st	Variance *From Annual*
# of trainings provided	8	2	5	-1
# of clients attended training	400 1st quarter: 100 2nd quarter: 100 3rd quarter: 100 4th quarter: 100	115	210	+125

3. RSCs will develop and maintain client relationships and obtain knowledge of local issues ***so that*** RSCs and the Board will be appraised of future projects and can provide updated financing information, and gather process improvement ideas ***so that*** the Board may adjust their policies and procedures.

Target	Annual	Quarter 1: July 1 – Sept. 30	Quarter 2: Oct. 1 – Dec. 31st	Variance *From Annual*
% of exit interviews for completed projects conducted within 90 days of notification from CAU	100%	Inactive	68% *Several projects completed late in period. Will catch up next quarter*	-32%
# of site visits / one on one consultations	*300* 1st quarter: 75 2nd quarter: 75 3rd quarter: 75 4th quarter: 75	72	91	+13

Washington State Department of Commerce
Public Works Board

Save the Date! April 22
South Sound Academy

King, Pierce and Thurston County's Local Governments Infrastructure Academy!

Rates
Budgets

Energy
Efficiency

Sustainable
Funding

Learn About Best Practices in
Infrastructure Financing and Management

Pierce County Environmental Services Building
9850 64th St. West (near Chambers Bay Golf Course)
University Place, Washington
April 22th 8:30-4:00

For More Information, contact:
Jacki Skaught, Regional Service Coordinator
360.725.3161
jacki.skaught@commerce.wa.gov

TAB E

INFORMATION AND OTHER ITEMS

Public Works Board
Technical Assistance Committee Meeting

Thursday, January 22, 2015 7:30 AM
Building 5, 2nd Floor large conference room
Meeting notes

Welcome

Review/approve agenda

Review/approve 12.5.2014 meeting notes

Attendees:

Jerry, Stan, Mark (Bubba). Absent Matt.
Staff: Bruce, Lynn, Steve, Jacki, Chris, Isaac

PWB/Community Colleges Online certification program

Bruce and Stan introduced the PWB/Community Colleges Online Certification Program. Stan and Cecilia Gardener had a meeting with Senator Honeyford and Brian Sims where Brian suggested that the PWB work with Community Colleges to develop an on-line training program for public works managers and potential managers.

Board subcommittee members and staff discussed various elements of the program and provided suggestions and recommendations on additional perspectives to be considered:

- Work with additional organizations to provide Continuing Education Credits (CEU)
- Work with Dept. of Health to ensure that they will accept program involvement as part of their CEU credits
- May want to look at adding additional modules for continuing education.
- Timeline for the project was discussed. It is expected that if funding falls into place that coursed would start summer of 2016.
- Community College folks will estimate costs based upon 12 sessions. Options: 12 sessions with 6 basic courses and 6 electives. Second option: Add a capstone event at beginning and end in addition to 12 online courses.
- Classes will likely be offered at no charge to the student
- Might want to review FEMA training site, which has a number of free training modules with certificates awarded at the conclusion.

South Sound Academy

- Will target Pierce, Thurston, King County local governments
- The organization and curriculum will be similar to the Kitsap Olympic Academy.
- The Academy will likely be held in March or April (Note: due to scheduling conflicts, the Academy will likely be held in late April.

Other trainings to be offered:

- Funding Webinar Scheduled Feb. 4th
- Rate Setting Workshop - May
- DWSRF Update – Webinar – Feb. 10

Adjourn