

Water and Land Resources Division

Business Plan

(2011)

December 2010



King County

Department of Natural Resources and Parks
Water and Land Resources Division

Water and Land Resources Division 2011 Business Plan

INTRODUCTION

The Water and Land Resources Division (WLR) is a division in the King County Department of Natural Resources and Parks (DNRP). The division, which has approximately 335 employees, was created in 1997 when the county combined the former King County Surface Water Management (SWM) program with portions of Metro's Water Pollution Control Division and the King County Resources and Natural Lands programs and Flood Hazard program. Today WLRD includes the SWM program, the Environmental Lab, portions of the King County Hazardous Waste program, River and Floodplain Management as well as programs that provide economic and technical support for forestry and agriculture, acquiring open space, restoring habitat and control of noxious weeds.

The 2011 Executive Proposed budget includes a WLR operating request of approximately \$63.49 million and a 2011 Capital budget of approximately \$65.89 million. WLR's budget includes six special revenue operating funds and eleven Capital Improvement Program (CIP) funds. This complex funding structure is supported by a wide array of revenue resources which include fees for services, interlocal agreements, federal and state grants, transfers from other county agencies for the provision of services, tax levies, and bonds.

As WLR began development of its 2011 budget it was faced with the following major issues:

- A net reduction of SWM revenue of about \$2.7 million as a result of annexations, with future projected annexation that would result in total SWM revenue reductions of about 38 percent by 2015.
- Ongoing NPDES permit requirements which continue to exert upward pressure on the costs of providing stormwater services.
- A possible reduction in WTD revenues for environmental monitoring as a result of rate pressures faced by the Wastewater Treatment Division.
- Elimination of WTD Category III (Culver funds) due to concerns over litigation regarding appropriate uses on Wastewater rate revenues.
- A possible levy suppression issue for the King County Flood Control District which may result in a 2011 levy revenue decrease of up to \$8.5 million.
- Significant reductions in rural programs due to concerns over appropriate use of SWM revenues and pressure to reduce SWM supported programs due to accelerating annexations and the need to meet legally mandated NPDES stormwater requirements.

As part of the 2011 Business Plan and budget development process, WLR undertook a rigorous review of financial plans for all operating and capital funds, associated staffing needs and possible efficiency reductions. This review indicated the division would require significant reductions in programs that support critical goals in the Countywide Strategic Plan.

In order to preserve critical program capacity in the SWM program, the Executive decided to pursue a SWM rate increase of \$32/residential parcel which would bring the King County rate up to the mean and median rates of other comparable local jurisdictions. This will result in an additional \$4.9 million of SWM revenue, of which approximately 75 percent is committed to capital projects. A portion of the SWM rate increase will be combined with ongoing WTD support to maintain high priority environmental monitoring programs. The division will also increase its annual General Fund allocation to approximately \$0.753 million which will enable it to maintain rural programs of a general government nature with appropriate revenues.

ELEMENT 1 – POLICY FRAMEWORK

Legal Basis for WLR Programs

There is a significant body of laws (RCW's) and ordinances (KCC) that provide broad policy direction for programs in the Water and Land Resources Division. The most relevant are summarized briefly below:

Surface Water Management – The King County Surface Water Management program was created in Title 9 of the King County Code. The statutory authority under which the county's program was established is in State RCW 36.89 which establishes broad authority to construct and manage storm water control facilities and provide necessary regulations to address storm water control. Related to this authority, King County must comply with legal mandates required under the current National Pollutant Discharge Elimination System (NPDES) permit, which is a federal requirement established under Federal Clean Water Act which is administered by the Washington State Department of Ecology.

Flood Hazards – The Water and Land Resources Division provides services to the King County Flood Control District on a contract basis. The District was established in 2007 by county ordinance under the authority provided by state RCW 85.15 and is governed by the Board of Supervisors who are also the members of the King County Council. The King County Flood Control District is responsible for implementing the King County Flood Hazard Management Plan.

Noxious Weed Control – King County's Noxious Weed Control program is part of the Water and Land Resources Division. The county's authority to control noxious weeds is granted by RCW 17.10. The County Noxious Weed Control Board provides policy oversight for the Noxious Weed Control program in WLRD.

Local Hazardous Waste – A portion of the county's Local Hazardous Waste program is included in the Water and Land Resources Division. The county program is part of a multi-jurisdiction program that encompasses the entire geographic area of King County. The Program is implemented through a multi-jurisdictional Management Coordination Committee (MCC). The MCC was enabled by the Seattle City Council (SMC 10.76) and the King County Board of Health (BOH Code 2.08.) It was also recognized as the Program governing entity by the Washington State Department of Ecology. The MCC sets the Programs strategic direction and

implementation policies and oversees the Programs operations including development of annual budgets and work plans.

Support to Wastewater Treatment Program - A significant portion of the Water and Land Resources Division is oriented toward providing scientific monitoring and laboratory services support to the King County Wastewater Treatment Division and to ensure compliance with the wastewater NPDES discharge permit requirements. The Metropolitan Water Pollution Abatement Advisory Committee, or MWPAAC, advises the King County Council and Executive on matters related to water pollution abatement. It was created by state law, RCW 35.58.210 and consists of representatives from cities and local sewer utilities that operate sewer systems with in King County.

VISION/MISSION/GOALS/OBJECTIVES

II. VISION

Water and Land Resources Division - WLRD protects water and land resources by providing services that are legally required, that protect public health and safety, and that provide significant environmental benefits, supported by scientific data and monitoring.

III. MISSION

The Water and Land Resources Division is helping to protect King County's water and lands so that its citizens can enjoy them safely today, and for generations to come.

IV. 2011 GOALS, OBJECTIVES,

The Water and Land Resources Division goals closely align with the Countywide Strategic Plan and are the same goals as the Department of Natural Resources and Parks.

Countywide Strategic Plan Goal – Support Safe Communities.

DNRP Goal - Protect and improve human health, safety and wellness.

Division Objective

WLRD will maintain its FEMA Community Flood Insurance Rating.

Countywide Strategic Plan Goal – Safeguard and enhance King County's natural resources and environment.

DNRP Goal – Protect and restore habitats, ecological functions and aquatic conditions.

Division Objectives

WLRD will achieve 100% compliance with all NPDES stormwater requirements. This includes the current permit period which runs through February 2012 and subsequent requirements for the new five-year permit which will commence in 2012.

WLRD will continue to increase total acreage in stewardship and incentive programs. This will be accomplished through purchase of development rights and recruitment of private landowners into conservation and stewardship incentive programs.

WLRD will strive to ensure that environmental restoration, flood control and Stormwater capital projects are delivered on time and within budget.

Countywide Strategic Plan Goal – Exercise sound financial management and build King County’s long-term fiscal strength

DNRP Goal – Support King County’s economic development goals and ensure ratepayer value through effective, efficient and equitable program implementation.

Division Objectives

WLRD’s SWM program will meet or exceed its policy mandate of committing no less than 30% of annual SWM collections for capital construction.

WLRD will keep its annual SWM fee equal to or below the mean and median of rates charged by other comparable local jurisdictions.

Average annual costs for maintaining stormwater facilities will not exceed the rate of inflation from one year to the next.

**Water and Land Resources Division
Business Plan - Element 3 Base Budget Programs**

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
1210	Administration (Note: prior to 2010, IT Applications unit was located in Regional and Science, but not as separate org. If it had been located in F&A, Admin costs would have been approximately \$600,000 higher in each of those years.)	0741.2700	40.02	8,712,592	33.82	8,262,883	34.90	9,400,866	34.30	10,091,836
	Admin Costs - This includes administrative and overhead costs that are necessary to support the division. It includes the Div Director's Office, HR, IT, Finance, Accounting and Office Support. It also includes central department and county overhead charges. Expenditures in this section are supported proportionally by all programs in WLRD. Major cost drivers are existing labor contracts, countywide charges, and King County's policies for salary, benefits and retirement compensation. This latter driver affects all programs in WLR but is only mentioned in this transparency section.									
1210	Regional & Science	0741.3200	68.29	8,451,541	57.33	7,576,286	51.03	6,166,182	49.92	6,433,471
	WRIA's - This includes inter-jurisdictional staff in three watersheds or WRIA's (Snoqualmie, Lake Washington-Cedar-Sammamish, and Green-Duwamish) who are funded through regional cost shares, KCD, state and federal grants. Each of the three teams manage on behalf of King County, ~40 partner cities and Snohomish County the implementation of salmon recovery projects/programs identified in the Puget Sound Chinook Recovery Plan in their respective watersheds. Major cost driver is negotiation of cost shares among partner governments and federal, state and KCD grant acquisition.									
	Groundwater - This includes policy staff to manage groundwater quality and quantity on Vashon-Maury Island. Cost driver is SWM rate; major products are protection of sole source aquifer and community education.									
	KCD Grants - This includes all operating KCD grant revenues received by WLR staff to implement WRIA operations, programs, scientific monitoring and outreach. The major products are projects and programs that implement the Chinook Recovery Plans in King County's watersheds. Major cost driver is KCD annual assessment and policy guiding its distribution. This program would cease if KCD funds were frozen or not renewed. Major products									

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
	<p>Grants Support - This includes costs to manage and coordinate federal and state grant applications across all Division business lines, the Flood Control District sub-regional opportunity (SRO) fund grant program and remaining Waterworks and Wild Places grants. Major products are receipt of grant revenues to support WLR business lines and efficient management of the FCD SRO grant program. Cost drivers are the FCD assessment and division overhead distribution; the Waterworks grants are being phased out.</p>									
	<p>Water Quality & Risk Assessment - This includes costs to implement long-term water quality monitoring to assess if environmental conditions are getting better or worse over time, to conduct monitoring for capital projects to track environmental impacts and comply with permit requirements for WTD and Stormwater. Work pertains to the monitoring, reduction and evaluation of public and ecological risks associated with toxic chemicals in wastewater and stormwater. Major products are water quality data delivered to the public via the web, data reports presenting project results, and data reports for permit compliance. Major cost drivers are WTD rate, SWM rate, capital program needs and regulatory requirements for waste water and stormwater systems.</p>									
	<p>Watershed - Ecology - This includes costs to implement scientific and ecological studies, environmental evaluations and watershed assessments in support of salmon recovery efforts, King County regulations, agricultural programs, King County Comprehensive Plan, Flood Control District programs, CIP projects and other programs that need scientific expertise. Major products include documentation of best available science for King County regulations and programs, Environment Chapter updates for Comp Plan, technical reports for clients and funding agencies, field surveys and data collection, GIS maps and data layers and web sites with scientific data and/or summaries. Major cost drivers are SWM and WTD rates, support from other WLRD Sections, DNRP Divisions and other Departments, e.g., Roads, grant acquisitions, and contracts with other jurisdictions and agencies.</p>									
	<p>Groundwater & Hydrology - this includes scientific staff to monitor and model groundwater quality and quantity on Vashon-Maury Island and staff to monitor rainfall and hydrology and model current and future hydrologic conditions in King County surface waters. Major products are hydrology data delivered to the public via the web, development of design criteria for capital projects, and data reports for permit compliance. Major cost drivers for hydrology are WTD and SWM rates and grant acquisition; groundwater cost drivers are SWM rate and priority to protect sole source aquifer, and Solid Waste rates and needs regarding management of King County landfills.</p>									

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
1210	Environmental Lab	0741.4210M	69.27	7,609,963	71.52	7,749,769	69.52	7,388,223	70.52	7,752,976
	Environmental Lab – this includes costs to provide sampling, chemical and biological testing, and data management services to meet NPDES permit and other regulatory requirements for WTD, WLRD, SWD and other clients. In addition the Lab provides monitoring of fresh and marine water bodies in the region. The Lab collects and analyzes water, sediment, algae, fish, tissue, air and other matrices from a variety of environments. The major product is data used to demonstrate compliance with regulations, monitor recycled products such as Biosolids and reclaimed water, operate treatment plants, and inform plans to protect the environment and public health. Major cost drivers are the WTD, SWM and SWD rates, nature of capital needs particularly for WTD, legal and policy requirements for environmental monitoring and facility operational costs and prices of supplies and equipment.									
1210	Local Haz Waste	0741.4820M	29.44	3,546,702	28.67	3,740,270	28.67	4,109,898	28.50	4,282,222
	Local Haz Waste - This includes costs to reduce hazardous chemicals used and/or generated by businesses and schools to minimize hazardous substances in the wastewater and solid waste streams and to reduce human exposure to hazardous substances within the WTD and SWD service areas. Major products are increased water quality, improved health in the populations at risk, and the collection and removal of significant volumes of household hazardous waste from the environment. Major cost drivers are the WTD and SWD rates and the acquisition of state grants.									
1211	Central Services	0845.6958	1.50	7,875,014	1.50	7,302,895	1.50	7,539,518	1.50	8,077,923
	SWM Central Costs - This includes central costs necessary to support the SWM program. It includes management and maintenance of the SWM billing system and charges for division, department and central county support. It also includes transfers to Shared Services Fund 1210 for reimbursement for services provided to the SWM program. The major products are efficient management of the SWM billing system and management of the related financial systems.									
1211	Rural Programs	0845.6959	56.00	2,775,304	50.50	2,460,928	47.00	2,612,282	44.50	2,286,300

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
	Basin Stewardship - This includes costs to provide stewardship services in un-incorporated King County including facilitation, implementation of priority acquisitions, restoration projects and community capacity building to ensure the protection and restoration of ecological functions for priority salmon habitat, forest and rural lands damaged or at risk of damage by storm and surface water runoff and development. The major cost drivers are the SWM rate and the acquisition of federal, state and local grants.									
	Current Use Taxation - This includes costs to manage the Public Benefit Rating System and Timberlands current use taxation programs in incorporated and unincorporated King County to meet state and King County legislative requirements and deadlines for citizens who apply to enter the programs. It also includes costs to monitor existing properties within the two programs to ensure compliance with program requirements. The major product is the acceptance into these programs of new properties, re-distribution of the public tax burden and protection of public benefits associated with land conservation and forest cover. The major cost driver is the availability of General Fund.									
	Forestry - This includes costs to manage the Forest Commission, forests on King County owned Parks lands, the federally funded Firewise program, and to work with small lot forest owners to ensure that healthy forests are sustained in rural King County. It also includes revenues and costs for the management of commercial forest harvests on King County owned lands. The major products are the protection and restoration of King County owned forests and small lot private forests in rural King County and the on-going sustainability of healthy forests in King County. The major costs drivers are the SWM fund, Title III federal funds, and the acquisition of grants.									
	Agriculture - This includes revenues from a KCD King County grant and costs to facilitate permitting needs and effective management of storm and flood water on lands within the Agricultural Production District and to manage technical assistance and cost share grants to ensure compliance with water quality requirements for agricultural and livestock operations. The major products are improved ability of farmers in King County to meet regulatory requirements for water quality and environmental protection in an affordable manner while maintaining economically viable agricultural operations. The major cost drivers are the SWM rate and the annual KCD assessment allocation to local governments.									

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
	Ecological Services Unit - This includes cost to supervise and operate the ecosystem restoration element of the surface water management capital program. Products are the implementation of ecological restoration project in un-incorporated King County. The major cost driver is the SWM rate, permitting requirements and market pricing of equipment and materials.									
1211	SWM Operating	0845.6961	60.96	6,185,921	56.90	7,799,985	60.90	7,444,937	58.80	6,978,331
	Stormwater Services - This includes costs to manage all operations required to meet requirements of the NPDES permit Stormwater Management Program (SWMP), including controlling and reducing existing and development related runoff and water quality impacts from stormwater in un-incorporated King County. It also includes costs to respond to drainage complaints and to manage the King County municipal stormwater NPDES permit. The major products are NPDES municipal stormwater permit compliance and protection of water quality and drainage in un-incorporated King County. The major cost driver is the SWM rate and the NPDES requirements.									
	Capital Projects Support (Surface Water Engineering Services) - This includes costs to supervise and operate the public safety element of the surface water management program and the shared SWM support needed for capital projects for survey, CADD and contracts management. Products are the implementation of public safety projects including stormwater facility retrofits in un-incorporated King County. The major cost driver is the SWM rate, permitting requirements and market pricing of equipment and materials.									
	City SWS Maintenance Contracts - This includes city contract revenue and costs to provide service water management services to five cities. Major products are efficient provision of contract services typically including SWM billing and facilities maintenance. The major cost drivers are city contracts.									
1211	SWM Transfer to CIP	0845.6915	-	5,170,475	-	5,293,742	-	5,451,115	-	8,442,736
	Transfers - This includes the annual SWM CIP PAYG transfer as well as the dept service payment on Stormwater bonds.									
1311	Noxious Weeds - This includes all costs to manage the countywide noxious weed program in compliance with state law. The major product is identification and technical assistance to eradicate noxious weeds in King County. The major cost drivers are the Noxious Weed rate and the acquisition of grants.	0384	12.51	1,461,200	12.51	1,514,596	12.84	1,727,817	12.84	1,929,735

Fund	Section	Transparency Code	2008 Actual		2009 Actual		2010 Adopted		2011 Base Request	
			FTE	Exp	FTE	Exp	FTE	Exp	FTE	Exp
1561	King Co FCD -This includes all operations and programmatic services provided by WLR to the countywide Flood Control District including implementation of the 2006 Flood Plan, staff that loan out to complete the FCD capital program, and all inter-jurisdictional coordination, operations and maintenance of flood facilities throughout King County and operation and management of the Flood Warning Center. The major products are increased public safety associated with mainstem river flooding, the maintenance of river facilities, the continuation of high level Community Rating System scores to reduce flood insurance costs, the effective operations of the Flood Warning Center and emergency response. The major cost drivers are the annual FCD assessment, permitting requirements and market pricing of land acquisition, equipment and materials.	0561.9561	33.00	4,607,769	33.00	5,399,826	34.00	6,499,520	34.00	7,109,501
1050	River Improvements	0740	-	769,187	-	124,015	-	15,000	-	64,000
	River Improvement Fund - This includes residual delinquent collections that are deposited in the River Improvement Fund. There is no longer a current RIF levy. All proceeds are transferred to the KC FCD.									
1820	Intercounty RIF	0760	-	67,000	-	60,943	-	50,000	-	50,000
	Intercounty RIF - This program is supported by the Intercounty RIF levy which is a countywide levy dedicated to maintenance activities in White River basin.									
	Grand Totals		370.99	57,232,668	345.75	57,286,138	340.36	58,405,358	334.88	63,499,031

Change Drivers

The key change drivers affecting WLR in 2011 are the following:

- 1. Annexations** – The 2010 budget included adopted SWM fee revenues of about \$19.93 million. Based on the current \$111/residential parcel rate and annexation and incorporation schedules from OMB (which includes annexations already approved for Kent/Panther Lake, Burien/North Highline, Kirkland/Juanita-Finn Hill- Kingsgate, and North Bend) SWM revenues will decline by about \$2.7 million in 2011. By 2015, WLR anticipates that annexations will reduce annual SWM revenues by a total of ~ \$8.55 million or about 38 percent relative to 2010. (While the dollar impacts of the proposed rate increase are different from the original discussion above, the SWM program will continue to be challenged by future revenue reductions due to annexations.)

The impacts of this change driver are most significant for services that help WLR transition to address the needs of the long term unincorporated rural and suburban service area and to sustain natural resources in King County. WLR uses SWM fees to support many regionally important watershed services that have benefits to both unincorporated areas and cities. Loss of SWM revenue from annexations directly impacts WLR's ability to support regional watershed services including proportional cost-shares for the regional WRIA salmon recovery partnerships, which are being subsidized by SWM fees from urban Potential Annexation Areas (PAA's). Other critical environmental services are also impacted including basin stewardship, implementation of unincorporated King County capital projects for the Puget Sound federally approved salmon recovery plan; support of Puget Sound Partnership initiatives and acquisition of regionally important open space, environmental monitoring, and technical assistance to ensure county landscapes will be protected and restored for the benefit of future generations.

- 2. NPDES permit requirements** – Under the current five year National Pollutant Discharge Elimination System (NPDES) municipal stormwater permit (2007 – 2011), the requirements for unincorporated King County are largely prescriptive and do not change regardless of the size of the service area. Specifically the mapping elements and the business audits for source control require additional expenditures to meet permit requirements in 2011. While 2011 is the last full year of the current permit, King County will be subject to a new five year stormwater permit starting February 2012 (2012 – 2016) which are likely to include new and additional costs for the Surface Water Management program.
- 3. Loss of SWM Fund Buying Power** - The SWM fee was last increased in 2007 from \$102 to \$111. (The \$102 rate had been in place since 2002). The 2007 rate increase was intended to address inflationary impacts of the **prior** five years. While overall inflation has been modest since 2007, WLR, like other county

agencies has been faced with labor and benefit increases above standard CPI inflation rates.

4. **Rate Pressure on WTD Funded Activities** – WLR provides scientific, discharge permit and environmental monitoring services to Wastewater Treatment Division. In order to minimize the impact of a proposed rate increase for 2011, WTD and WLR staff were directed to carefully scrutinize funding for all WTD-funded programs in WLR for 2011 and beyond. In addition, due to concerns associated with pending litigation regarding appropriate uses of WTD rate revenues, WLR was directed to eliminate approximately \$1.5 million of WTD operating Category III (Culver) revenues which were used to support discretionary programs in WLR.

5. **Hope VI Phase 2 Stormwater funding** – Prior Executive Triplett signed a Memorandum of Understanding (MOU) in late 2009 committing approximately \$6 M. to the King County Housing Authority for Phase 2 of the Hope VI housing development, Seola Gardens, located in the North Highline PAA. This commitment includes an estimate of 494,100 in SWM capital funds which is included in the SWM rate increase proposal. WLR is still paying off ~ \$1 M. in SWM obligation from contribution to Greenbridge, the Phase 1 Hope VI project. The remaining payments constitute 8 percent of the total annual (2010) SWM capital program. The last payment for Phase 1 will be in 2013.

6. **Property Tax Limitation (levy suppression):** The Office of Economic & Financial Forecasts (OEFF) is working with the Assessor's Office and OMB to explore whether dropping assessed valuations (AV) countywide, and in particular in the unincorporated area of the county, could trigger a suppression of junior taxing districts (including the countywide Flood District) in 2011 as a result of the statutory limitation in RCW 84.52.043. This statute limits the aggregate level of certain taxing districts to \$5.90 per \$1,000 AV; and since the Flood District is a "junior" taxing district under this statute, its levy rate would be adversely impacted if the aggregate approaches the limit. Since the levy codes and special districts most sensitive to the \$5.90 lid are in the unincorporated area, this assessment is also significantly impacted by AV changes to the unincorporated area resulting from annexations and the policy decisions of the county in setting the level of the Road Levy in 2011. In light of the sensitivity of this issue to OEFF forecasts and interdependent policy choices on the Road Levy, we will continue to work with OMB on what to assume with respect to Flood District revenues in 2011 and beyond.

Countywide Strategic Plan Alignment
Alignment of What WLR Delivers with Strategic Plan at Transparency Code Level

	Goal/Objectives/Strategies	Regional	Rural Program	Science and Environ Lab	Local Haz Waste	SWM Operating	SWM CIP Transfer	Noxious Weeds	Flood Control District (incl. RIF and Intercounty RIF)
Goal	Support Safe Communities								
Objective 4	Decrease Damage or Harm re. Regional Crisis								
Strategy a	Emergency planning, preparedness, education, and coordination	NA	NA	NA	NA	P↑	NA	NA	P?*
Strategy b	Direct response to crises incl. floods and severe weather	NA	NA	NA	NA	P↑	NA	NA	P?*
Goal	Promote opportunities for all communities and individuals								
Objective 2	Protect Health of Communities								
Strategy c	Monitor and improve environmental quality and reduce exposure to hazardous materials	NA	NA	P↑	P↑	NA	NA	NA	NA
Goal	Encourage a growing and diverse King County economy								
Objective 4	Character of Rural Comm.								
Strategy b	Rural Stewardship	S↑+	P↑+	NA	NA	NA	NA	S↑	NA
Strategy c	Sustain Rural Lifestyles	S↑+	P↑*	NA	NA	NA	P↑+	S↑	NA
Strategy d	Rural Econ Development	S↑*	P↑*	NA	NA	NA	NA	NA	NA
Goal	Safeguard and enhance King county's natural resources and environment								
Objective 1	Protect and Restore								
All strategies	Focus development; promote desirable env. Practices; support open space and nat. areas; reduce, dispose and create resources from WW and SW; protect water quality; restore Puget Sound; control pollution at source; encourage low impact development	P↑+	P↑	P↑+	P↑	P↑	P↑+	P↑	P?*
Objective 2	Sustainable Ag and Forestry								
All strategies	Utilize landowner incentives to keep land in agriculture and forestry use; provide incentives, tech assistance and streamlined permitting to minimize environmental impacts	S↑	P↑*+	S↑	NA	S↑	NA	S↑	S?*

Legend

- P = Primary Intent of Services is to support this Strategy
- S = Secondary Intent of Services is to support this Strategy
- ↓ = 2011 Financial Capacity is diminished
- ↑ = 2011 Financial Capacity is equivalent or enhanced

- * = 2011 Financial capacity - Levy Suppression - depends on amount and final budget decisions
- + = 2011 Financial Capacity with SWM rate increase is enhanced
- * = 2011 Financial Capacity with GF appropriation is enhanced

Countywide Strategic Plan Alignment

The business lines in the Water and Land Resources Division align tightly with the “what we deliver” Health and Human Potential, Economic Growth and Built Environment and Environmental Sustainability goals of the Countywide Strategic Plan. In addition, to the extent that financial resources have been available, WLR has a culture of meeting the “how we deliver” goals for service excellence, financial stewardship, public engagement and quality workforce.

The table on the following page shows a visual summary of how WLR’s major program areas align with relevant Goals, Objectives and Strategies which are included in the Countywide Strategic Plan Alignment.

In the 2011 budget, the ability of WLR programs to maintain or increase their capacity to support Strategic Plan Goals, Objectives and Strategies are directly related to the proposed SWM fee increase and increased General Fund support.

As shown in the attached table, the SWM rate increase is essential in order for WLR to maintain or increase program support for strategies in the Strategic Plan which support the goals of **“Encouraging a growing and diverse King County economy “** and **“Safeguard and enhance King County’s Natural Resources and Environment”**. Without a SWM rate request WLRs’ capabilities to support these objectives would be eroded.

The attached table also highlights the positive impact of an increase of the General Fund allocation to Rural Programs. The General Fund allocation will be used to support programs which are not appropriate for use of SWM funds due to legal and financial limitations of the SWM fund. These include Current Use Taxation, Farmlands Preservation, support to the Agriculture and Forestry Commissions, and agricultural economic assistance. These activities also support the goals of **“Encouraging a growing and diverse King County economy “**and **“Safeguard and enhance King County’s Natural Resources and Environment”**. Without the General Fund allocation included in the Executive request WLRs’ capabilities to support these objectives would be reduced or eliminated.

Budget Changes and Prioritization Criteria

The 2011 Executive Proposed budget for WLR includes an increase in the SWM fee as well as an increase in the amount of General Fund revenues. However, before committing to the rate increase and increased General Fund support, the Executive and OMB required that WLR undertake a rigorous review of existing programs and budgets in WLR. As pointed out in the introduction, WLR was faced with: Major reductions of SWM revenues due to annexations; increasing costs associated with NPDES permit requirements; possible reductions in WTD revenues due to pressures to minimize the 2011 WTD rate increase; and a possible levy suppression for the King County Flood Control District. As part of the budget development process the division committed to the following prioritization criteria, which are shown in priority order:

1. **Loss of area-specific SWM services due to annexations** – In order to offset SWM revenue losses due to annexations, WLR will first eliminate direct services in those areas. Direct service costs are ~ 60 percent of revenues collected in PAA's. Remaining reductions would then be focused on area-wide services.
2. **Efficient Provision of Service** – WLR will review all programs to determine if further efficiencies can be achieved. This may include asking if some services might be better provided by another entity. It also includes streamlining the ADAP program and shifting the work to the Stormwater Services section. All administrative staffing will be evaluated for more reductions, noting major cuts in 2008.
3. **Legally Required Activities** – WLR should preserve SWM and WTD-funded programs that are legally mandated. The primary legal mandates funded by SWM revenue are the programs required by the NPDES municipal stormwater permit for unincorporated King County. However, this means that other programs currently funded by SWM and WTD fees may be proposed for reduction if a SWM fee increase is not feasible. This could include reductions in programs that are consistent with the statutory purposes of the SWM or wastewater authority but that are not specific legal requirements of NPDES permits.
4. **Strategic Plan Priorities** – After addressing the above criteria, WLR will prioritize programs that most strongly support the goals, objectives and strategies of the King County Strategic Plan. Both the SWM and WTD supported programs in WLR have many components that support Strategic Plan goals of Health and Human Potential, Economic Growth and Built Environment and Environmental Sustainability.

If the Executive Proposed budget did not include a SWM rate increase and an increase in General Fund revenues, the 2011 Executive request would have included significant program reductions which may have included many or all of the following programs:

- Reductions in support for WRIA Forums and implementation of salmon habitat capital projects that would slow the timeline of recovery of listed Chinook and related species.
- A reduction in the rate of implementation of stormwater retrofits in old urban areas (PAAs) and in discretionary drainage complaint services that would result in a reduction in customer service in unincorporated King County.
- Reductions in agriculture services that support the economic sustainability of farms in King County.
- Reduction in SWM fund support and reduced service levels for IT, Visual Communications, GIS, and Web that would result in some impacts to desktop support and reduced presentation quality for WLR reports and maps.
- Possible reductions in lower value NPDES Compliance activities which would require notification to the Department of Ecology.
- Reductions in fresh and saltwater environmental monitoring programs, scientific studies and expertise. This reduction would place additional limits on the availability of scientific information to inform natural resource policy, regulation and management.
- The potential merger of the WRIA 8 Salmon Recovery Forum and the Cedar River Council. Both groups include elected officials and citizens and have some, but not complete overlap in both membership and interest areas.
- Reduction in administrative and financial and supervisory support in SWM funded service levels will result in lower support services for professional staff which will be partially offset by computer desktop technology available for all staff; additional reductions in financial staff may be offset by Accountable Business Transactions (ABT) efficiencies.

After reviewing the above possible program reductions the Executive agreed to a SWM rate increase. The criteria which were used to prioritize items that are included in the increase were as follows:

1. Programs or activities which are one-time in nature, or of limited duration. This criterion recognized the reality that projected annexations would continue to erode the SWM revenue base. Consistent with this criterion, approximately 75 percent of the rate increase revenue in 2011 will be committed to high priority SWM CIP needs.
2. Programs that are critical to maintaining organization capacity to measure and provide critical information on the efficacy of projects and programs, especially in the rural unincorporated areas of the SWM service area. Consistent with the criterion, \$2 of the proposed \$32 rate increase was committed to preserve environmental monitoring programs in the Science and Environmental Lab sections.
3. Programs which are essential for a service area that will become increasingly rural as annexations occur. Consistent with this criterion, about \$2 of the rate increase

was allocated to preserving WLR's WRIA Forum support and Stewardship in predominantly rural areas.

In addition to the SWM rate increase, the 2011 Executive Proposed budget commits an increased amount of General Fund support to portions of the Agriculture, Forestry and Incentives programs in WLR. Programs which will receive increased General Fund support are those which are of a general government nature and as such, not an appropriate use of SWM revenues. The specific programs include Farmlands Preservation, Current Use Taxation, support to the Agriculture and Forestry Commissions, support to Cooperative Extension and agriculture economic support.

Performance Measures

Environmental Measures

NPDES Municipal Stormwater Permit Compliance

This measure is a critical means by which WLR and King County ensure that the water quality goals of the Clean Water Act as defined within the National Pollutant Discharge Elimination System (NPDES) municipal permit are being achieved.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
100%	100%	100%	NA	100%	100%	64%	100%	NA

Rural Stewardship Measures

The following suite of measures encompass annual gauges of the extent to which WLR is contributing to the protection and enhancement of King County's natural resources and environment. The measures encompass a variety of protective tools including direct acquisition, purchase of development rights, and recruitment of private landowners into conservation and stewardship incentive programs. Together these tools enable WLR to leverage limited public dollars to ensure the highest priority lands, that have critical ecological or resource value are protected at least cost.

Number of rural acres recruited into stewardship and incentive programs

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
2500 acres	2500 acres	2500 acres.	2500 acres per year	5000 acres per year	2726 acres	5001 acres	4539 acres	NA

Number of New Public and Private Rural Acres recruited in permanent conservation programs

This measure tracks the acreage outside of the Urban Growth Area (UGA) and outside the Forest Production District (FPD). As such, the 2009 actual figure did not include about 4,800 acres for two easements in the UGA and FPD.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
500 acres	651 acres	463 acres	196 acres	NA				

Acres added to Farmland Preservation Program

The target for this measure is updated each year based on the number of priority acquisitions, and an estimate of the amount of potential grant funding which may be available. Grant sources are cyclical and vary from year to year.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	NA	NA	25% of targeted priority properties	50% of targeted priority properties	13,208 acres	13,208 acres	13,215 acres	NA

Percent of Easement Acres acquired by Transfer of Development Rights (TDR) that score “medium-high” or “high” in one or more Greenprint Categories.

This measure tracks the quality of lands protected by Transfer of Development Rights (TDR) according to the Greenprint for King County. The Greenprint is a Geographic Information System (GIS)-based model that predicts the “value” of a parcel or parcels in each of four natural resource categories: Ecological, Farm, Flood, and Forest. Successfully meeting targets for this measure will ensure King County funds are directed toward permanent protection of lands with long-term benefits to residents of King County.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
80%	NA	80%	80%	80%	90.7%	71%	100%	NA

Number of Flood Projects Implemented

This measure is a critical means of assessing the relative increase in protecting public safety from the impacts of severe floods. The flood projects are all identified in the 2006 King County Flood Management Plan and are prioritized based on relative risk to public safety. Thus, each year the most critical projects comprise the target. The measure is aligned with technical change item TA-01 in Fund 1561. The Business Plan and 2011 budget request assume status quo funding for the flood program. **However, if assessed valuations result in levy suppression in 2011, this performance measure may be negatively impacted and public safety and increase risks.**

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	NA	25	24	* TBD	NA	26	26	NA

*The 2011 target will depend on final budget action regarding levy suppression.

Percent of Stormwater Projects Implemented

This measure evaluates the extent to which the highest priority existing problems impacting drainage and water quality are fixed on an annual basis. It is aligned with technical change item RB-01 in Fund 1211. RB-01 reflects the annual Pay-As-You-Go (PAYG) transfer to Stormwater CIP. The proposed rate increase will increase the PAYG transfer by 2.45 million over the 2010 adopted transfer, of which approximately 41 percent is allocated to these projects. **This measure will be adversely impacted if the SWM rate increase request is not approved.**

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
		80%	100%	100%			100%	NA

Percent of Restoration Projects Implemented

This measure determines how many of the top priority capital projects identified by the Salmon Recovery Forums for King County implementation on an annual basis are constructed. It is aligned with technical change item RB-01 in Fund 1211. RB-01 reflects the annual Pay-As-You-Go (PAYG) transfer to Stormwater CIP. The proposed rate increase will increase the PAYG transfer by \$2.45 million over the 2010 adopted transfer, of which approximately 57 percent is allocated to these projects. **This measure will be adversely impacted if the SWM rate increase request is not approved.**

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	NA	80%	80 % of 6 year CIP Funded and Completed	80 % of 6 year CIP Funded and Completed	NA	NA	29%	NA

Percent of Business Sites Maintained in Compliance with Water Quality

This measure evaluates the extent to which pollutant generation at business sites in the SWM service area are being controlled. It is aligned with direct service change item DS-02 in Fund 1211. None of the reductions in this change item will negatively impact this performance measure. While current targets assume WLR projects will increase compliance from 2010 to 2011, actual measures will demonstrate if the service strategy is working.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	NA	50%	50%	75%	NA	NA	65%	NA

People and Communities Measures

Community Flood Insurance Program / FEMA Rating System

This measure gauges the extent to which King County implements the various regulatory and programmatic elements of the Community Flood Insurance rating system. The lower the number the more consistent are King County's regulations and programs with national standards that reduce flood risk in flood hazard areas. It is aligned with technical change item TA-01 in Fund 1561. The Business Plan and 2011 budget request assume status quo funding for the flood program. Even if assessed valuations result in levy suppression in 2011, it is unlikely this performance measure will be negatively impacted in the short term.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
Rating of 2	2	2	2	NA				

The following measures are new for the year 2011

Customer Satisfaction Survey Results

WLR has not had the capacity to measure its ability to meet customer service expectations in the past over a broad range of its services. In prior years, customer service measures have only covered drainage complaint response. The 2007 and 2008 figures below include only drainage complaint response data. In 2011 WLR intends to build capacity to include a broader array of its customers including, in addition to drainage complaints, at least the following customers: water quality, noxious weeds, acquisitions, science and environmental laboratory, and cities to whom both salmon recovery and flood control services are provided. The WLR Customer Satisfaction measure will require each section to define the customer(s) for these services and determine the measure target during year 2011 for implementation and customer surveys to be conducted in 2012.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
90%	90%	90%	Build Capacity in 2010 and implement in 2011	90%	93.33%	90.74%	96.0%	NA
Favorable	Favorable	Favorable		Favorable	Favorable	Favorable	Favorable	

Environmental Monitoring Samples

The second measure is new and will be a combined measure between the Environmental Laboratory and the Science and Technical Support Section that intends to assess in a simple way the relative number of environmental monitoring samples processed in a given year. The measure will require the sections to

jointly define their customer(s) and determine the measure target during year 2011 for implementation and customer survey during 2012.

Number of Samples Taken and Processed

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	NA	NA	Build Capacity in 2010 and implement in 2011	TBD				NA

Fiscal and Economic Measures

The following two measures provide two perspectives on the economic impact of the King County Surface Water Management (SWM) fee. The first compares the SWM fee to the rate of inflation; the second compares the King County SWM fee to rates charged by other local jurisdictions.

Stormwater Rate Compared to Inflation

This measures the SWM fee compared to inflation. Historically, the SWM rate has not kept up with inflation and has been increased at irregular intervals. The \$32/parcel increase which is included in the 2011 Executive request will clearly be well above the rate of inflation in 2011. This increase is due in to meet increased NPDES permit requirements which are not related to inflation, and also the need to address an approximate \$37 million list of SWM capital construction needs in the coming years.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
Equal to or less than Inflation	Equal to or less than Inflation	Less than Inflation	Less than Inflation	Greater than Inflation	Less than Inflation	Less than Inflation	Less than Inflation	NA

Stormwater Rate Compared to Other Agencies

The second measures the fee relative to the amounts charged by other local jurisdictions. Since 2006, King County's SWM fee has been below the mean of other jurisdictions, and since 2007 below the mean and median.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
Below other Agency Mean or Median	At or Below other Agency Mean or Median	Lower than	Lower than	Lower than	NA			

The following measure tracks improvements in service delivery for maintenance.

Maintenance Cost / Surface Water Management Facilities

This measures the average annual maintenance costs of maintaining SWM flow control and water quality facilities. 2009 amount was related to increased costs for major storm clean-up. WLR will reevaluate whether annual targets should take into account inflationary costs and the complexity of maintaining facilities due to evolving regulatory requirements.

Target					Actual Performance			
2007	2008	2009	2010	2011	2007	2008	2009	Q1-2010
NA	\$1200	\$1255	\$1225	\$1225	NA	\$1184	\$1518	NA