

**COUNCIL SUMMARY BACKGROUND BRIEFING:
KING COUNTY REGIONAL COMMITTEES AND OTHER ISSUES
*February 2019***

This briefing summarizes recent actions taken by the three regional committees formed as a result of the merger of King County and Metro. The three regional committees are the Regional Policy Committee, the Regional Water Quality Committee, and the Regional Transit Committee. Staff will also include updates on other regional issues (e.g., King County Flood Control District, King Conservation District) as appropriate. In addition, the Growth Management Planning Council (GMPC), was formed in the early 1990s to comply with the Growth Management Act requirements for collaboration of counties and their cities on countywide planning policies. The GMPC meets three to four times per year to consider amendments to the countywide planning policies and to monitor progress on implementation. This is intended as a summary briefing; staff can provide more details on any of the items below.

REGIONAL POLICY COMMITTEE (RPC)

The February 13 meeting of the RPC was cancelled.

The next meeting of the RPC is scheduled for February 27.

REGIONAL TRANSIT COMMITTEE (RTC)

The February 20 meeting of the RTC was cancelled.

The next meeting of the RTC is scheduled for March 20.

REGIONAL WATER QUALITY COMMITTEE (RWQC)

February 6 meeting summary:

- **Regional Water Quality Committee Work Plan.** The RWQC considered an initial list of topics for its 2019 Work Plan. The proposed 2019 Work Plan includes many topics carried over from the 2018 Work Plan, and some new topics such as capacity charge studies regarding low-income assistance, potential revisions to the rate structure and briefings regarding a potential new interlocal agreement for wastewater services. Priority topics for the City of Bellevue include: briefings regarding reclaimed water planning, systemwide planning, and resiliency (earthquake preparedness). The Committee will consider the work plan at its next meeting.
- **Capacity Charge Affordability and Customer Assistance Project.** The committee received a briefing regarding a recent King County review of the wastewater capacity charge to evaluate opportunities to provide relief for low-income customers and assist with housing affordability within the wastewater service area.

Background

The capacity charge is a connection fee collected by King County when new construction or previously un-sewered properties are connected to the regional wastewater system. The fee is assessed to help pay for the increased capacity required to serve the growing customer base.

In 2019, the capacity charge for a single-family home is \$11,610. The charge can be paid over 15 years at \$64.50 a month (\$774 a year) or it can be paid in a single lump sum payment with a 3% discount.

King County operates the regional wastewater system as a wholesaler, with cities and sewer districts providing the local retail service and billing monthly usage rates to wastewater customers. However, the capacity charge is collected directly by King County from property owners. Because of this direct customer billing relationship, King County focused on this fee when considering relief measures for low-income customers. King County currently offers a reduced capacity charge rate for senior housing, low-income and special purpose housing; this rate is approximately half of what is charged for market-rate multifamily housing.

Bellevue provides rate relief to qualified low-income seniors and disabled citizens to help with their monthly utility bill; this assistance does not include relief from the King County capacity charge bill.

King County's study documented and characterized wastewater customer income challenges and identified a range of assistance program options. King County worked with the Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) over the course of the study. Outreach for the study also included affordable housing development organizations. Based on the research and input received, four recommendations were identified:

1. Connect customers with community support services
2. Improve payment plans for customers experiencing a temporary hardship
3. Defer payment through property liens for qualified low-income homeowners
4. Expand the customer class of low-income housing that qualifies for the reduced capacity charge

King County has reported that the first two recommendations could be revenue neutral if implemented. The third and fourth recommendations are expected to have costs that would be spread across the broader customer base.

Bellevue Councilmember Conrad Lee asked for more information about how the proposals would affect rates and noted the importance of considering how the options under consideration fit in with the assistance that local jurisdictions, like Bellevue, already offer.

In response to a question about the cost of program implementation, King County staff noted that a reduction in revenue from those receiving a discount would have to be made up through an incremental increase in either the general sewer rate or the capacity charge. King County estimates the proposal could result in lost revenue of approximately \$2.25 million, which translates to an approximate \$0.25 per month increase in the sewer rate per residence, or an approximate \$1.00 per month increase in the capacity charge per new connection.

Councilmember Lee asked if the project team had considered an overall reduction in the capacity charge rate as it could reduce the cost of development for all customers and would be easy to administer. King County reported that they did not consider that option. The County Executive is expected to transmit the proposed recommendations, along with implementing legislation, as part of the Executive's proposed sewer rate for 2020.

- **Capital Projects Briefing.** The Committee received an update from the Wastewater Treatment Division (WTD) regarding capital projects that are in the final design or under construction.

The regional wastewater treatment system's assets are valued at more than \$4 billion. To protect the region's investment in the existing wastewater system and ensure the system has flexibility and capacity for future demands, the WTD must maintain and periodically update its system assets. To that end, the WTD manages a Capital Improvement Program that plans, manages and constructs a wide variety of capital projects.

In 2017, the WTD spent \$192 million on capital project implementation. The WTD estimates capital project spending for 2018 at \$208 million and \$219.7 million in 2019.

Included in the WTD's presentation of capital projects were two projects completely or partially located within Bellevue: the Sunset and Heathfield Pump Stations Upgrade near Vasa Park, which is currently under construction, and the North Mercer/Enatai Interceptor Upgrade that is currently in design. This project includes line improvements from east Mercer Island to Bellevue in the area of Bellevue Way near the Mercer Slough. The WTD update provided costs and schedules for each of the capital projects. The Sunset Heathfield project has a total cost estimate of \$75 million and is estimated to be completed in early 2020. The North Mercer/Enatai Interceptor Upgrade project has an estimated cost of \$116 million and is estimated to be in construction from 2020 to 2023.

The next meeting of the RWQC is scheduled for March 6.

EASTSIDE RAIL CORRIDOR (ERC) REGIONAL ADVISORY COUNCIL (RAC)

January 25 meeting summary:

- **ERC Trail Funding Commission Report.** The ERC Trail Funding Commission is made up of 17 representatives from the private and non-profit sectors. The Funding Commission was

convened by the RAC last year to make funding recommendations for development of the ERC. During the meeting, the RAC received a briefing on the Funding Commission's final report. Major elements of the report include:

- Project prioritization. The Funding Commission urged a sequential approach to building the trail. An unpaved interim trail would be built along the entire corridor as soon as possible. After the interim trail is open for use, ERC stakeholders would make continuous progress toward widening and paving the entire trail. In the final phase, public gathering places, art, and amenities along the trail would be added.
- Role of the private sector. The Funding Commission recommendations leave the majority of the funding responsibility with the public sector. The Funding Commission suggests that the private sector take a leadership role on the final phase of implementation, when public gathering places, art, and amenities would be added to the trail.
- Land use policies and new funding tools. The Funding Commission recommended that the public-sector stakeholders implement additional land use policies and funding tools to support development of the ERC.
- Independent entity. The Funding Commission recommended creating an independent organization to advocate for the entire corridor, lead private-sector fundraising, and provide a full-corridor perspective on funding decisions and priorities for trail construction and enhancement. The independent entity would make recommendations regarding project funding, while the trail owners and the RAC would make the funding decisions.

The RAC members supported the Funding Commission's recommendations and asked the Funding Commission for more information about the proposed independent entity at the next meeting.

- **ERC Trail Branding and Name Options.** The King County Department of Parks and Natural Resources (DNRP) is leading an effort to establish a "brand" for the ERC and to build support and awareness around the multiuse trail. King County hired ICON, a creative agency out of Atlanta, Georgia to help the RAC and the broader group of ERC stakeholders build the brand for the ERC. King County, Bellevue, Kirkland, Redmond, Renton, Woodinville, Puget Sound Energy, Sound Transit, and the Eastside Greenway Alliance contributed funding to the branding consultant contract. The process will culminate in a new name and visual brand. To generate ERC name options, ICON interviewed ERC stakeholders and trail users, and conducted online surveys. Throughout the branding research process, Bellevue staff collaborated with King County and other stakeholders to guide the process and provide feedback to ICON. The four name options generated by ICON are:
 - The Eastrail
 - The Eastway
 - The 425
 - The E

“The Eastrail” and “the Eastway” received the most support from the public in an online survey and in focus groups. The RAC decided to provisionally move forward with logo development for “the Eastrail” before making a final decision at the next meeting. The RAC asked the King County Office of Equity and Social Justice to review the name to ensure that “the Eastrail” is accessible for people of diverse backgrounds and non-native English speakers.

The next meeting of the ERC RAC is scheduled for April 5.

KING COUNTY GROWTH MANAGEMENT PLANNING COUNCIL (GMPC)

The GMPC typically meets three to four times per year to consider amendments to countywide planning policies and to monitor progress on implementation.

The next meeting of the GMPC is scheduled for February 27.