

WASHINGTON STATE



Ways & Means Committee

**PROPOSED SENATE
2020
SUPPLEMENTAL
CAPITAL
BUDGET**

SENATE COMMITTEE

**SENATE WAYS & MEANS COMMITTEE
February 2020**

<http://www.leg.wa.gov/Senate/Committees/WM/Pages/default.aspx>

SENATE PROPOSED 2020 SUPPLEMENTAL CAPITAL BUDGET

Bond Capacity and Appropriations

Bond Capacity

A model administered by the State Treasurer's Office is used to calculate the available bond capacity for the current budgeting period and for future borrowing. The model calculates the actual debt service on outstanding bonds and estimates future debt service based on certain assumptions, including revenue growth, interest rates, rate of repayments, rate of bond issuance, growth of future capital budgets and other factors.

The 2019-21 biennium bond authorization is \$3.2 billion (Chapter 414, Laws of 2019, SHB 1101); the bond authority from this bill and capacity remaining from the 2017-19 biennium is \$3.261 billion. The bond capacity was \$2.93 billion in the 2017-19 biennium.

Appropriations for 2019-21 and the 2020 Supplemental Budget

The 2019-21 Enacted Capital Budget (Chapter 413, Laws of 2019, SHB 1101) appropriated \$3.183 billion. Substitute Senate Bill (SSB) 6248 appropriates \$60 million in bond proceeds for the 2020 supplemental capital budget. In addition, SSB 6248 authorizes \$131 million alternative financing for three projects including a Nursing Facility Replacement at Fircrest School for the Department of Social and Health Services. \$18.6 million in bond capacity remains from SSB 6248.

Human Services

Fircrest School -- Nursing Facility (\$120 million)

- \$118 million in alternative financing authority is provided to design and construct a 100-bed skilled nursing facility on the existing site of the adult training program on the Fircrest School campus.
- \$2.0 million in state bonds are appropriated to relocate the adult training program to a different location on the campus. DSHS is required to review all alternatives for the permanent relocation of the adult training program, including repurposing the existing nursing facility buildings once residents have been relocated to the new facility and report their findings and recommendations to the Governor and the Legislature by December 1, 2020.
- Legislative intent is expressed to further the recommendations of the December 2019 report from the William D. Ruckleshaus center to redesign the intermediate care facility to function as short-term crisis stabilization and intervention.
- DSHS is given authority to enter into a lease with the City of Shoreline for open space and other uses to generate revenue for the Dan Thompson Memorial Trust Account.
- DSHS and DNR are given authority to enter into long-term, revenue generating opportunities to benefit the Charitable, Educational, Penal, and Reformatory Trust for the benefit of the developmental disabilities community.

Rainier School

- \$2.1 million in bond funding is provided for roof repairs at Rainier School.

Behavioral Health (\$2 million)

- \$2 million is provided for upgrades and improvements to Parkside Place, an existing property in Wenatchee for 16 crisis stabilization beds and 16 adult residential treatment beds.
- \$20 million in savings attributable to not proceeding with mixed-use psychiatric facility in Auburn

Other Institutional Investments (\$5.4 million)

- \$3 million is provided for replacement of the main dock and docking system on McNeil Island to serve the DSHS Special Commitment Center
- \$2.4 million is provided for design of renovations at the Department of Corrections facilities at the Monroe Correctional Complex; construction funding in the 2021-23 biennium is projected to be \$21 million.

K-12 Education

The supplemental budget provides \$19.8 million in bond proceeds and \$53.5 million in other funds for K-12 school construction and modernization.

Major investments include:

- \$53.5 million from the Common School Construction Account for the School Construction Assistance Program (SCAP) to fund 65 construction and renovation projects in 39 school districts. Total biennium funding for the SCAP program is \$1.1 billion, of which \$879 million is bond proceeds.
- \$15 million to initiate a grant program to retrofit K-12 school buildings for seismic safety improvements.
- \$3.3 million for modernization grants to small school districts; the budget approves the list of projects selected by the Office of the Superintendent of Public Instruction consistent with the direction in the 2019-21 budget.
- \$1.8 million to the distressed schools grants program for two projects in Seattle, two projects in Tacoma, and one in Port Orchard.

Government Operations

Homelessness Shelter Capacity and Preserving Housing Affordability (\$25 million)

\$25 million is provided for enhanced homeless shelters and affordable housing, including:

- \$15 million for grants to increase local enhanced shelter capacity, and;
- \$10 million to rapidly preserve housing that is at risk of losing affordability.

Local & Community Projects (\$13.2 million)

\$13.2 million is provided for the Department of Commerce to make grants to local governments and nonprofit organizations statewide for a broad range of 76 community-based projects.

Other State Facilities (\$5.6 million)

- \$3.4 million in bond funding is provided to complete the schematic design for the Irv Newhouse building replacement on the Capitol Campus. The building will be for the necessary program space required to support Senate offices and support.
- \$2.2 million in bond funding is provided for Capitol Lake Long-Term Management Planning to complete an environmental impact statement to include alternatives for a managed lake, a hybrid lake, and an estuary. The final environmental impact statement to include identification of the preferred alternative for Capitol Lake management must be submitted to legislative fiscal committees by June 30, 2022.

Community Economic Revitalization Board (\$10 million)

\$10 million is provided from the Public Facility Construction Loan Revolving Account for the Department of Commerce to make loans for economic development projects.

Natural Resources

Model Toxics Control Act (MTCA) funding for Toxics Cleanup and Stormwater (\$31.2 million)

The 2020 supplemental budget provides \$31.2 million for toxics clean up and stormwater assistance to local governments through Department of Ecology (DOE) programs. An additional cleanup project is funded through the Department of Natural Resources (DNR). The budget also makes \$8.3 million in savings on projects funded in previous biennia that are completed or have anticipated savings.

Major new investments in 2020 Supplemental include:

- Remedial Action Grants, DOE (\$23.7 million).
- Stormwater Financial Assistance Program, DOE (\$3.4 million).
- Eastern Washington Clean Sites Initiative, DOE (\$1 million).
- Whitmarsh (March Point) Landfill Site, DNR (\$3.1 million).

Pollution Liability Insurance Agency (\$4 million)

The Pollution Liability Insurance Agency receives an additional \$4 million for the Heating Oil Capital Financing Assistance Program.

State Conservation Commission (\$2.2 million)

Funding is provided through the State Conservation Commission for use by local Conservation

Districts as state match for the federal Regional Conservation Partnership Program.

Department of Fish and Wildlife (\$3.5 million)

Funding is provided for three projects at the Department of Fish and Wildlife, including \$1.8 million for a water filtration system at the Soos Creek Hatchery.

Department of Natural Resources (\$6.6 million)

Funding is provided for a variety of projects at the Department of Natural Resources, including:

- Forest Riparian Easement Program (\$1 million).
- Grouse Ridge Fish Barriers & RMAP Compliance (\$3.2 million).

Higher Education

The 2020 Supplemental capital budget has savings of \$28 million in higher education. This reflects the removal of \$36.6 million in construction funding for Shoreline: Allied Health, Science and Manufacturing Replacement in the Community and Technical College System.

Major projects include:

- \$20 million for the CTCs Spokane Falls: Fine and Applied Arts Replacement; the remainder of the total construction cost of \$37.1 million will be provided in the 2021-23 biennium
- A \$10 million certificate of participation (alternative financing) is provided for a Student Wellness and Fitness Center at South Seattle College
- \$4 million for design of the Life Sciences Building at Washington State University, Vancouver campus; construction in the 2021-23 biennium is projected to be \$52.6 million.
- \$1 million for predesign of the Magnuson Health Sciences Phase II Renovation/Replacement at the University of Washington; design in the 2021-23 biennium is projected to be \$5 million with construction in the 2023-25 biennium at \$54 million.

2020 Supplemental Capital Budget
Senate Committee (SSB 6248)
Includes Alternatively Financed Projects
(Dollars in Thousands)

	Debt Limit Bonds	Other Bond Authority ¹	Other Funds	Total Funds
<i>2017-19 Remaining Bond Authority after 2019 Supplemental Prior Biennia Bond Authority</i>	\$61,299			
	\$8,986			
2017-19 Revised Bond Authority	\$70,285	\$40,000		
2019-21 Capital Budget Bond Authorization ²	\$3,200,926			
Transfers from Bonds	(\$9,000)			
TOTAL BOND AUTHORITY AFTER TRANSFERS	\$3,262,211	\$40,000		
2019-21 New Appropriations ³	\$3,183,211	\$40,000	\$1,473,888	\$4,697,099
2020 Supplemental New Appropriations ⁴	\$60,344		\$217,943	\$278,287
TOTAL NEW APPROPRIATIONS	\$3,243,555	\$40,000	\$1,691,831	\$4,975,386
REMAINING BOND AUTHORITY	\$18,656			

1. Chapter 3, Laws of 2018 (ESSHB 1080 General Obligation Bonds, includes Watershed Restoration and Enhancement Bonds)
2. Chapter 414, Laws of 2019, (SHB 1101 General Obligation Bonds)
3. Chapter 413, Laws of 2019 (SHB 1102 Capital Budget)
4. SSB 6248 (Capital Budget)

2020 Supplemental Capital Budget

Senate Committee (SSB 6248)

* Includes Projects Funded through Alternative Financing

(Dollars In Thousands)

New Appropriations	State Bonds	Total
Governmental Operations		
<i>Department of Commerce</i>		
1. 2019-21 Behavioral Health Capacity Grants	-18,031	-18,031
2. 2019-21 Community Economic Revitalization Board	0	10,000
3. 2019-21 Housing Trust Fund Program	7,000	7,000
4. 2020 Local and Community Projects	-510	-510
5. 2021 Local and Community Projects	13,254	13,254
6. Enhanced Shelter Capacity Grants	15,000	15,000
7. Pacific Tower Capital Improvements	356	356
8. Seattle Vocational Institute	1,300	1,300
Total	18,369	28,369
<i>Department of Enterprise Services</i>		
9. Capitol Lake Long-Term Management Planning	2,165	2,449
10. Chamber Skylights in the Legislative Building	500	500
11. Newhouse Replacement	3,370	3,370
Total	6,035	6,319
<i>Military Department</i>		
12. King County Area Readiness Center	455	455
<i>Department of Transportation</i>		
13. Telford Helipad	75	75
Total Governmental Operations	24,934	35,218
Human Services		
<i>WA State Criminal Justice Training Commission</i>		
14. Omnibus Minor Works	468	468
<i>Department of Social and Health Services</i>		
15. DOC/DSHS McNeil Island-Main Dock: Float & Dolphin Replacement	3,085	3,085
16. Eastern State Hospital Elevators	700	0
17. Fircrest School-Nursing Facilities: Replacement *	2,000	120,000
18. Minor Works Preservation Projects: Statewide 2019-21	605	605
19. Minor Works Program Projects: Statewide 2019-21	835	835
20. Rainier School-Multiple Buildings: Roofing Replacement & Repairs	2,100	2,100
Total	9,325	126,625
<i>Department of Veterans' Affairs</i>		
21. Minor Works Facilities Preservation	0	200
22. WSH - Life Safety Grant	175	500
Total	175	700
<i>Department of Children, Youth, and Families</i>		
23. Green Hill School: Baker Living Unit Renovation & Remodel	200	200

New Appropriations	State Bonds	Total
<i>Department of Corrections</i>		
24. MCC: SOU and TRU - Domestic Water and HVAC Piping System	400	400
25. MCC: WSR Clinic Roof Replacement	1,000	1,000
26. MCC: WSR Perimeter Wall Renovation	1,000	1,000
Total	2,400	2,400
Total Human Services	12,568	130,393
Natural Resources		
<i>Department of Ecology</i>		
27. 2017-19 Clean Up Toxic Sites – Puget Sound	0	-789
28. 2017-19 Remedial Action Grants	0	-5
29. 2017-19 Stormwater Financial Assistance Program	0	-66
30. 2019-21 Stormwater Financial Assistance Program	0	3,400
31. 2020 Eastern Washington Clean Sites Initiative	0	1,000
32. 2020 Remedial Action Grants	0	23,700
33. Centennial Clean Water Program	0	-1,242
34. Centennial Clean Water Program	0	-789
35. Clean Up Toxics Sites - Puget Sound	0	-6
36. Clean Up Toxics Sites - Puget Sound	0	-97
37. Clean Up Toxics Sites - Puget Sound	0	-125
38. Cleanup Toxics Sites - Puget Sound	0	-32
39. Eastern Washington Clean Sites Initiative	0	-1
40. Eastern Washington Clean Sites Initiative	0	-258
41. Leaking Tank Model Remedies	0	-153
42. Remedial Action Grant Program	0	-282
43. Remedial Action Grant Program	0	-549
44. Remedial Action Grants	0	-221
45. Remedial Action Grants	0	-2,859
46. Stormwater Financial Assistance Program	0	-866
Total	0	19,760
<i>Washington Pollution Liability Insurance Program</i>		
47. Heating Oil Capital Financing Assistance Program	0	4,000
<i>State Parks and Recreation Commission</i>		
48. Palouse to Cascade Trail - Crab Creek Trestle Replacement	250	250
49. Penrose Point Sewer Improvements	289	289
Total	539	539
<i>State Conservation Commission</i>		
50. 2019-21 Match for Federal RCPP	2,249	2,249
<i>Department of Fish and Wildlife</i>		
51. Soos Creek Hatchery Renovation	1,800	1,800
52. Wiley Slough Dike Raising	972	972
Total	2,772	2,772
<i>Department of Natural Resources</i>		
53. Cultural Resources Conservation Easement Program (CRCEP)	-1,000	-1,000
54. Emergent Environmental Mitigation Projects	0	320
55. Forest Riparian Easement Program (FREP)	1,000	1,000
56. Grouse Ridge Fish Barriers & RMAP Compliance	3,245	3,245

New Appropriations	State Bonds	Total
57. Whitmarsh (March Point) Landfill Site Cleanup	0	3,063
Total	3,245	6,628
Total Natural Resources	8,805	35,948
Higher Education		
<i>University of Washington</i>		
58. Magnuson Health Sciences Phase II- Renovation/Replacement	1,000	1,000
<i>Washington State University</i>		
59. WSU Vancouver - Life Sciences Building	4,000	4,000
<i>Eastern Washington University</i>		
60. Roof Repairs *	0	3,000
<i>Central Washington University</i>		
61. Campus Security Enhancements	0	3,283
62. Minor Works Preservation: 2019-21	3,283	0
Total	3,283	3,283
<i>The Evergreen State College</i>		
63. Historic Lord Mansion	300	300
<i>Community & Technical College System</i>		
64. COP for South Seattle Student Wellness and Fitness Center *	0	10,000
65. Shoreline: Allied Health, Science & Manufacturing Replacement	-36,642	-39,642
66. Spokane Falls: Fine and Applied Arts Replacement	20,000	20,000
Total	-16,642	-9,642
Total Higher Education	-8,059	1,941
Other Education		
<i>Public Schools</i>		
67. 2019-21 Distressed Schools	1,837	1,837
68. 2019-21 School Construction Assistance Program - Maintenance Lvl	0	52,691
69. 2019-21 School Seismic Safety Retrofit Program	15,000	15,000
70. 2019-21 Small District Modernization Grants	3,340	3,340
Total	20,177	72,868
<i>Washington State Arts Commission</i>		
71. Yakima Sun Dome Reflectors	97	97
<i>Washington State Historical Society</i>		
72. Minor Works - Preservation: 2019-21	1,063	1,063
<i>Eastern Washington State Historical Society</i>		
73. Minor Works - Preservation: 2019-21	759	759
Total Other Education	22,096	74,787
Statewide Total	60,344	278,287

2020 Supplemental Capital Budget
Senate Committee (SSB 6248)
Alternative Financed Projects
(Dollars In Thousands)

New Authority	Amount
Human Services	
<i>Department of Social and Health Services</i>	
1. Fircrest School-Nursing Facilities: Replacement	118,000
Higher Education	
<i>Eastern Washington University</i>	
2. Roof Repairs	3,000
<i>Community & Technical College System</i>	
3. COP for South Seattle Student Wellness and Fitness Center	10,000
Total Higher Education	<u>13,000</u>
Statewide Total	<u>131,000</u>

2019-21 Capital Budget -- 2020 Supplemental
SSB 6248 Senate Committee
2021 Local and Community Projects
(Dollars In Thousands)

Project Title	Amount
Al Chief Seattle Club (Seattle)	200
Academy Smokestack Preservation (Vancouver)	103
African Refugee & Immigrant Housing (Tukwila)	200
AG Tour Train Ride (Reardan)	125
ASUW Shell House (WWI Hanger/Canoe House) (Seattle)	100
Ballinger Park-Hall Creek Restoration (Mountlake Terrace)	200
Brewing Malting & Distilling System (Tumwater)	112
Cathlamet Pioneer Center Restoration (Cathlamet)	55
Centro Cultural Mexicano (Redmond)	80
City of Fircrest Meter Replacement (Fircrest)	200
Columbia Dance Down Payment for Building Purchase (Vancouver)	100
Columbia Heritage Museum Repairs (Ilwaco)	150
Community Hub Public Safety Initiative (Walla Walla)	200
Community Pedestrian Safety (Tukwila)	100
Conconully Fire & Rescue (Riverside)	179
Creative Districts (Statewide)	200
EL 79.2 Distribution System Design (Othello)	175
El Centro de la Raza (Seattle)	500
Emergency Lockdown Shelter for Outdoor Preschool (various)	24
Emergency Shelter Project (Skykomish)	20
Emergency Structural Repairs 1902 Van Marter Building (Lind)	25
Everett Recovery Cafe Renovation Project (Everett)	200
Filipino Community Center (Seattle)	1,000
George Schmid Ball Field #3 and Lighting Phase 3 (Washougal)	200
Harlequin State Theater (Olympia)	88
Home At Last (Tacoma)	200
If You Could Save Just One (Spokane)	100
Index Water Line Replacement and Repair (Index)	105
Institute for Community Leadership (Kent)	46
Islands' Oil Spill Association (Friday Harbor)	232
Issaquah School District Early Learning Center (Issaquah)	155
King County Emergency Training Facility (Fall City)	1,000
Kingston Coffee Oasis (Kingston)	150
Kitsap Filipino American Community Center (Bremerton)	93
Lacey Food Bank (Lacey)	193
Lake WA Loop Trail Bicycle Safety Improvements (Kenmore)	200
Magnuson Park Center for Excellence Building 2 (Seattle)	78

Project Title	Amount
Morrow Manor (Poulsbo)	250
Mount Zion Housing (Seattle)	250
Mukilteo Solar Panels (Mukilteo)	40
New Arcadia (Auburn)	100
New Beginnings House (Puyallup)	150
Non-motorized Bridge at Bothell Landing (Bothell)	155
Port of Quincy Intermodal Terminal Infrastructure (Quincy)	100
Port Susan Trail (Stanwood)	200
Puyallup Food Bank Facility Expansion (Puyallup)	217
Puyallup VFW Orting Civil War Medal of Honor Monument (Orting)	7
Ramstead Regional Park (Everson)	200
Redondo Fishing Pier (Des Moines)	275
Replacement Hospice House (Richland)	200
Restroom Renovation (Ilwaco)	35
Ridgefield Library Building Project (Ridgefield)	500
Safety Driven Replacement (Lake Stevens)	125
Salvation Army Community Resource Center (Yakima)	200
School and Transit Connector Sidewalk (Kirkland)	120
School District & Comm Emergency Preparedness Center (Carbonado)	200
Shelton-Mason County YMCA (Shelton)	200
Shore Aquatic Center Expansion (Port Angeles)	200
Sign Reinstallation at Maplewood Elementary (Puyallup)	5
Sky Valley Emergency Generators (Sultan)	75
Sno Valley Kiosk (North Bend)	20
Snohomish Boys and Girls Club (Snohomish)	125
Snoqualmie Valley Shelter Service Resource (Snoqualmie)	200
South Yakima Conservation District Groundwater Mgmt (Yakima)	45
Spokane Sportsplex (Spokane)	200
Spokane Valley Museum (Spokane Valley)	70
Stevens Elementary Solar Panels (Seattle)	120
Sullivan Park Waterline Installation (Spokane Valley)	130
Trail Lighting - Cross Kirkland Corridor (Kirkland)	200
Transitions TLC Transitional Housing Renovations (Spokane)	100
Triumph Treatment Child Care & Behavioral Health Exp (Yakima)	180
Vashon Food Bank Site Relocation (Vashon)	36
Vashon Youth and Family Services (Vashon)	86
Washington State Horse Park and Covered Arena (Ellensburg)	375
Wenatchee Valley Museum and Cultural Center (Wenatchee)	200
Yakima County Care Campus Conversion Project (Yakima)	275
Statewide Total	13,254

2020 Supplemental Capital Budget
LEAP Capital Document No. 2020-51
Developed February 12, 2020
2019-21 Small District Modernization Grants - Prioritized Project List
Dollars in Thousands

Project Priority	Approved by Legislature	School District Applicant	Brief Project Description	Planning Grant Awarded	Project Funding	Estimated Project Cost	Local Funding Resources
Planning Grant and Project Grant Awarded							
1		Oakville	Kitchen Modernization, HVAC, Roof	50	4,613	4,613	0
2		Kahlotus	Roof, Hot Water, Lighting	25	706	706	0
3		Washtucna	Roof, Asbestos Removal, Windows	30	3,006	3,006	0
4		Index	Windows, Siding, Communications	3	89	89	0
5		Lamont	HVAC, Roofing, Electrical	34	2,875	2,875	0
6		Green Mountain	HVAC, Electrical, Plumbing	14	976	976	35
7		Harrington	Roof, HVAC	14	3,245	3,245	0
8		Skamania	Roof, HVAC, Electrical	14	3,818	3,818	0
9		Endicott	HVAC, Boiler	33	2,170	2,170	0
10		Centerville	Electrical, Walls	10	728	728	0
Planning Grant Awarded (Alternates)							
11		Lake Quinault	Electrical, Water, Boiler	22	Alternate	5,556	0
12		St. John	HVAC, Security, Fire Alarm	38	Alternate	2,332	0
13		Tekoa	HVAC, Electrical, Fire Alarm	42	Alternate	3,210	0
14		Chewelah	Boiler Replacement	34	Alternate	3,351	0
15		Mansfield	Water Drainage, ADA issues, Fire Alarm	25	Alternate	986	36
16		Soap Lake	HVAC, Security	5	Alternate	303	0
17		Garfield	Electrical, HVAC	30	Alternate	4,955	0
18		Boistfort	Lighting, Asbestos Removal	10	Alternate	470	0
19		Bridgeport	Roof, Security, Cooling	10	Alternate	853	0
20		Thorp	HVAC, Electrical, Roof	50	Alternate	2,848	0
21		Grand Coulee	HVAC, Roof, Asbestos Removal	20	Alternate	2,795	0
22		Palouse	HVAC, Roofing, Electrical	50	Alternate	4,391	0
23		Creston	HVAC, Lighting, Hot Water	25	Alternate	4,759	0
24		Brewster	Mold Abatement, Walls, Playground Structure	10	Alternate	885	0
25		Oroville	Electrical, Kitchen Modernization, Foundation	50	Alternate	1,575	0
26		Keller	HVAC, Lighting	25	Alternate	1,846	0
27		Napavine	Boiler Replacement	11	Alternate	350	50
28		Grapeview	Heating, Cooling, Security	20	Alternate	1,331	0
29		Evergreen (Stevens)	Fencing, Lighting, Insulation	15	Alternate	78	0
30		Mary Walker	Modernize Gym, Replace Drywall	10	Alternate	751	0
31		Mabton	Electrical, Communications	10	Alternate	456	0
32		Wahkiakum	Security, ADA Doors	10	Alternate	326	0
33		Mossyrock	Kitchen Remodel	40	Alternate	888	0
34		Davenport	HVAC, Electrical, Piping	35	Alternate	1,805	0
35		Rainier	HVAC, Upgrade Pneumatic Systems	5	Alternate	283	0
36		Naselle-Grays River	Roof, Electrical, Windows	50	Alternate	4,032	400
37		Orondo	HVAC, Fire Alarm	42	Alternate	1,456	0
38		Inchelium	Electrical, Plumbing	20	Alternate	4,602	0