



SEATTLE CITY COUNCIL

Legislative Summary

Res 31720

Record No.: Res 31720

Type: Resolution (Res)

Status: Adopted

Version: 1

Ord. no:

In Control: City Clerk

File Created: 11/01/2016

Final Action: 11/28/2016

Title: A RESOLUTION establishing a capital project oversight work program for the Budget Committee for 2017.

Notes:	Filed with City Clerk:	<u>Date</u> 11/28/2016
	Mayor's Signature:	11/28/2016
Sponsors: Burgess	Vetoed by Mayor:	
	Veto Overridden:	
	Veto Sustained:	

Attachments:

Drafter: patrick.wigren@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: Yes No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	11/01/2016	sent for review	Council President's Office			
	Action Text: The Resolution (Res) was sent for review. to the Council President's Office						
	Notes:						
1	Council President's Office	11/02/2016	sent for review	Select Budget Committee			
	Action Text: The Resolution (Res) was sent for review. to the Select Budget Committee						
	Notes:						
1	Full Council	11/07/2016	referred	Select Budget Committee			
1	Select Budget Committee	11/09/2016					
1	Select Budget Committee	11/16/2016	adopt				Pass
	Action Text: The Committee recommends that Full Council adopt the Resolution (Res).						
	Notes:						
	In Favor: 9 Chair Burgess, Member Bagshaw, Member Harrell, Member Herbold, Member Juarez, Member Johnson, Member González , Member O'Brien, Member Sawant						
	Opposed: 0						

CITY OF SEATTLE

RESOLUTION 31720

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5 A RESOLUTION establishing a capital project oversight work program for the Budget
6 Committee for 2017.

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8 WHEREAS, Capital Improvement Program (CIP) oversight is a critical function of the Seattle
9 City Council; and

10 WHEREAS, effective CIP oversight ensures transparent, accountable use of public dollars; and

11 WHEREAS, at times the Council has been constrained in its ability to exercise its full duty and
12 authority to oversee CIP projects, such as when the Council first receives large
13 appropriation requests for CIP projects where the project's scope has not been fully
14 defined and/or more design work is needed to fully understand total costs and potential
15 risks; and

16 WHEREAS, the Council's ability to perform effective capital oversight is dependent on access to
17 thorough information and the opportunity to review and process this information in a
18 timely manner; and

19 WHEREAS, City capital projects such as the Seawall Replacement and the utilities' New
20 Customer Information System ran millions of dollars over their original proposed budget
21 and Council's oversight would have been more effective with timely reporting and better
22 defined processes for reviewing available reports;

23 WHEREAS, oversight for the 2017-2022 Proposed CIP was improved via increased internal
24 Council staff review of changes to scope, schedule, and budget, including instituting an
25 additional supervisory review of proposed CIP budget actions, seeking information from

1 and holding conversations with some of the major departments on their project
2 management practices and contingency usage, and conducting internal staff meetings to
3 jointly discuss capital project issues across departments, all of which contributed to the
4 development of proposed Council amendments to scope and budget for projects and
5 imposition of capital controls via provisos; and

6 WHEREAS, there is significant opportunity to improve CIP reporting accountability to the
7 Council and to use the Council's budgeting authority to achieve better financial
8 oversight; and

9 WHEREAS, the Mayor agrees with and understands the importance and value of effective
10 executive management controls and Council oversight for projects that have a significant
11 financial, policy or programmatic impact on the City and its residents; NOW,

12 THEREFORE,

13 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
14 **MAYOR CONCURRING, THAT:**

15 Section 1. The Council and the Mayor are committed to improving Capital Improvement
16 Program (CIP) oversight and developing new approaches to project monitoring.

17 Section 2. The Budget Committee shall lead this improvement effort for the Council
18 through its 2017 work program by improving CIP accountability in the following ways:

19 A. Development of phased appropriation requirements for large CIP projects that provide
20 Council with the opportunity to oversee the development of a project's scope, schedule, and
21 budget, including development of a capital project risk assessment tool to inform phased
22 appropriation decision-making;

1 B. Establishment of requirements for Council authorization of large external capital grant
2 applications in situations such as grants that are sought by departments in advance of initial
3 Council appropriation for a CIP project; and

4 C. Institution of mechanisms to improve visibility of and budgetary control over use of
5 capital project contingency amounts.

6 Section 3. The Budget Committee will also institute requirements that improve the utility
7 of CIP information communicated to the Council, as follows:

8 A. Enhanced regular CIP reporting developed in conjunction with the City Budget Office,
9 including but not limited to quarterly reports to the Budget Committee on project scope,
10 schedule, or budget deviations from the Council-approved CIP and any subsequent mid-year
11 amendments;

12 B. Improved organization and content of departmental CIP information transmitted with
13 the 2018 Proposed Budget, developed in conjunction with the City Budget Office and
14 departments; and

15 C. Improved inter-branch communication on capital projects including coordination with
16 the Executive Capital Subcabinet and other cross-branch opportunities.

17 Section 4. An ad hoc panel of independent experts on capital budgeting and project
18 oversight shall be convened by the Council and Mayor to review current City practices and
19 capital projects and make recommendations for improvement.

20 Section 5. Through the actions identified in this resolution, the Council seeks to institute
21 new rigor in capital project oversight that will increase appropriate and timely oversight and
22 provide more transparency to the public.

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1 Adopted by the City Council the 21st day of November, 2016, and
2 signed by me in open session in authentication of its adoption this 21st day of
3 November, 2016.

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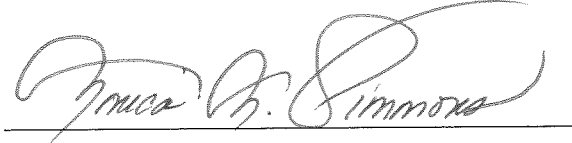
5 President _____ of the City Council

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7 The Mayor concurred the 28th day of November, 2016.

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10 Edward B. Murray, Mayor

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12 Filed by me this 28th day of NOVEMBER, 2016.

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15 Monica Martinez Simmons, City Clerk

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17 (Seal)