

2024 Supplemental Department Questions

Please answer the following questions in a word document and return to Council. The answers to these questions will be provided to council as supplemental information. While not part of the physical budget presentation to Council, departments should be prepared to answer questions Council may have on these supplemental questions. If you feel that you have provided an answer in a previous question, please don't repeat your answer, simply refer to the earlier question/answer.

Strategic Goals

1. Provide your 2024 strategic goals; how are they different from 2023? In what way, if at all, are your strategic changes demonstrated in your budget request?

This is a continuation of strategic goals from 2023. However, the overall funding outlook has worsened over the last twelve months with high-cost escalation stabilizing and revenues falling behind. The 2024 budget is less impacted by funding shortages due to one-time funding increases including a large property sale. But the 2025-onward outlook is looking more and more challenging from a funding standpoint.

Goals:

Find short- and long-term solutions for ongoing problems with waste export services (including capacity for future growth)

- Budget includes one new FTE to enhance Solid Waste planning efforts
- CIP includes Intermodal Yard expansion and improvements

Coordination for ST3/Light Rail Station planning

- Budget includes PW staff time and consultants in planning efforts:
 - More in-depth analysis building upon the East/West Corridor High-Capacity Transit Study underway as collaboration with Community Transit
 - The approved State Transportation budget included \$2 million to be spent in the 2023-2025 biennium for the 164th Street Overcrossing and WSDOT has requested Snohomish County take the lead on the study and predesign
 - Station area planning and Everett Link planning underway
 - In mid-2023, Sound Transit completed the Everett Link light Rail Extension Phase-1 Alternative Development
 - In 2023 -2025, they will be performing Phase 2 – Environmental (DEIS) and Conceptual Engineering which will include County participation

Upgrades to Road Maintenance and Solid Waste facilities

- Budget and/or CIP include:
 - Design for development of the Arlington Operations Center (2024 – 2026)
 - Solid Waste Intermodal Capacity Facility improvements (2024 – 2026)
 - North County Recycling and Transfer Station replacement (2027)

Deliver projects critical to overall transportation system, including:

- Granite Falls Bridge #102 replacement
- Ash Way /Gibson Rd Corridor improvements
- 43rd Ave SE Ph II
- Alderwood Mall Parkway

Implement funding strategies to deliver programs and meet the needs of growing County

- Currently evaluating various options to increase revenues for Road Fund and Solid Waste Management Fund
- Will consider proposals to increase revenues for 2024-onward

National, state and local landscape:

1. What are the federal, state and local issues facing your work? What risks or opportunities does that create for you in 2024 and beyond? What is your plan to leverage the opportunity or mitigate the risk? What support do you need?

Solid Waste risks:

- Waste export services and railroad capacity not meeting County needs
- Staff stretched thin by current workload and at higher risk of burnout and retention
- Solid Waste system stressed by continued growth and aging infrastructure
- Difficulty filling and retaining entry level laborers and site attendants
- Tip fees as is (unchanged since 2009), will not keep pace with cost escalation and system improvement needs

Road Fund risks:

- Staffing limitations for engineers and other specialized positions create challenges to delivering robust Transportation Improvement Program
- Consultant services more limited than prior years
- Growing challenges with timeliness of permitting processes
- Delays in project schedules due to new permitting and consultation requirements with Federal Government
- Revenue shortfalls:
 - 1% annual road levy increase not keeping pace with system needs and cost escalation
 - Fuel tax revenue flat (and at lower level than pre-COVID)
 - Traffic impact fee collections trending at historically low levels and well below funding needs
 - Timber harvest revenues currently at historic lows

2. What, if any, new mandates do you have impacting your work? Are they funded or unfunded? What is the plan for accomplishing the work?

Solid Waste mandates:

- State legislation could impose unfunded requirements on the solid waste system
 - E.g., requirements for more organics collection
 - E.g., shifts to how the system operates such as a comprehensive Extended Producer Responsibility law (e.g., plastics, batteries, packaging)
 - E.g., Addressing Greenhouse gas emissions and closed landfill monitoring requirements

Road Fund mandates:

- Growing NPDES mandates (unfunded)
 - Six additional FTEs added in 2023 to keep up with work
 - Cost of compliance growing, without any added funding
- Growth management and concurrency needs (funding shortfall)
 - See revenue shortfalls listed above under Road Fund risks
 - Comprehensive Plan update to highlight funding shortfall for system needs

Programs

1. List programs, projects and services within your department funded through federal COVID/ARPA funds. What, if any, of those programs are you recommending ongoing funding for and what is the source of ongoing funding?

\$50k ARPA funds anticipated for workforce development.

2. For programs funded by COVID/ARPA funds, detail the plan to close out and/or transition those programs to an ongoing funding source in 2025 and beyond.

N/A

3. What new programs are you launching for 2024? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?

New: Road Safety Plan implementation

- Apply systemic approach to safety to reduce the number and severity of collisions in the county road system
4. If different than #3, what are your areas of significant investment? What are you not doing because of that investment?

Significant investment:

- ACP/TIP/CIP
- Upgrading aging facilities (e.g., solid waste facilities, sidewalk repairs, ADA upgrades, drainage infrastructure, culvert repair backlog, and new fish passage)
- Sound Transit preparation and engagement (ST update on page one)

- Keeping up with system preservation and maintenance

Currently, unable to fund growing needs. As a result, projects inevitably will be delayed based on available funding.

Internal Operations

1. What is your department doing to streamline processes or deliver services in a new way? How do your budget allocation requests play into these innovations? Are there ways which a different budget approach, e.g. several departments sharing a resource, could achieve the same or better results in a more cost-effective way?

Innovative solutions/Continuous Improvement:

- Cartegraph asset maintenance management expand to enterprise
 - Automated Vehicle Location (AVL) RFP for new system
 - Customer Relationship Management (CRM) implementation
 - UKG/Kronos upgrades
 - Web page improvements to enhance customer service
 - Public facing records depository implementation
 - Traffic review with PDS and OPEX – process improvements project
2. What, if any, hiring challenges are you experiencing? How is that affecting your level of service or internal operations? How are you mitigating those operational challenges and/or what is your plan for recruitment?

Hiring - challenges:

- Competitive labor market for hiring experienced and specialized workers
- Job market shortages for certain critical positions:
 - Seasonal road workers and litter wranglers
 - Entry level Solid Waste laborers and site attendants
 - Senior level engineers
 - Specialty positions such as electricians, traffic signal technicians, geologists, etc.

Hiring - impacts:

- Slower delivery of capital projects and improvements
- Backlog of road system maintenance (deferred maintenance can lead to more expensive system improvement needs later)
- High overtime and staff burnout can lead to turnover and retention issues
- Daily staffing issues at solid waste disposal locations

- **Hiring - solutions:**

- Actively recruit, advertise, and network open positions
- Class and comp adjustments, especially for hard-to-fill positions
- Fill staffing gaps with consultants, as able
- Provide training for new and emerging leaders
- Conduct exit-interviews to get feedback from separating employees

- Participate in Pathway to Jobs program
 - Promote OSJ efforts and DEI training opportunities
 - Attend recruiting fairs in person and bring large equipment
3. To help inform Council on experiences around hiring and retention, please provide a list of all vacant position titles, position codes, FTE amount (1.0, 0.5, etc.), date vacated, and date first posted. Template spreadsheet attached for convenience and conformity; if already tracking information in another format, that is acceptable as well. Please list each vacancy separately.

See attached list of vacant positions

4. What effect has the increase of inflation and/or supply chain issues had on your department? What, if any, services, or projects have you had to adjust to accommodate for this? (i.e. moving to outside contracted services, delaying of project starts and/or purchasing, redistribution of workload, etc.)

Supply chain:

- Heavy equipment and associated parts procurement delays

Inflation:

- Increased costs for labor, materials, services, fuel, and equipment reduces purchasing power for programs and projects
- Cost escalation (combined with lagging revenues) is forcing delays to capital projects and capital improvements

5. When was the last time your department implemented a fee increase? Do you have any plans to increase fees?

Solid Waste TIP fees:

- Tip fees as is (unchanged since 2009 except for vector waste), will not keep pace with cost escalation and system improvement needs.
- It is important to assess/study options and impacts of updating Tip fees model. This work will begin in Q4 of 2023 and will continue through 2024.

Road Fund revenues:

- Funding sources and structure have remained mostly unchanged. However, expense growth has outpaced revenue growth creating a funding shortfall for County Road Fund.
- It is important to evaluate options for increasing and expanding Road Fund revenue sources, as the 2025-onward financial outlook is looking problematic. This funding assessment is currently underway and will continue into 2024.

6. Do you have any plans to do a rate/fee study? Are your current fees established based on a full cost recovery model?

Rate study or assessment:

- Yes, assessment of rates and revenue options is needed. see explanation in question 5.

Successes

1. Take this opportunity to share one significant success in your department over this past year. What made it a success?

● **Recent successes:**

- Recent and ongoing success securing large transportation grants
- Progress in reducing position vacancies, and filling certain key positions that took a long time to fill
- Approval of the Solid Waste comp plan
- Under construction in 2023:
 - Pioneer Highway Rural Road Preservation
 - Index Galena Flood Repair
 - Mann Road and Ben Howard Road Improvements
 - Advanced Mitigation Site Development
 - SR524 Widening at Yew Way
- Advertising later in 2023 (for 2024 construction):
 - 132 St SE/134 Pl SE/Cathcart Way Overlay: Seattle Hill Road to SR9
 - 164 St SW overlay: Spruce Way to Ash Way
 - Larch Way/Logan Rd and Locust Way Intersection
 - 84th St NE / 163 Ave NE Intersection Improvement
 - 36 Ave W / 35 Ave W: 164th St SW to SR 99
 - Swamp Creek Bridge #503