

2025-2026 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 2025-2026 strategic goals; How are they reflected in your budget request?

GOAL: To implement cuts/delays to sustain cashflow until new funding can be secured-

- Historic cost escalation combined with historically low revenue growth is creating a structural funding gap to delivering Public Works programs and services (see Issues section on page 2).
- Solid Waste:
 - CIP projects delayed to sustain cashflow.
 - Additional cuts and significant reductions to services will be required 2027 onward if new funding not achieved.
- County Road:
 - Significant reductions, delays, and cuts totaling \$100 million in proposed 2025 – 2030 TIP, to sustain cashflow (list of changes attached).
 - Increased position vacancy rate to 15% necessary to sustain cashflow (historically, vacancies hover around 10%).
 - Additional cuts and reductions will be required 2027 onward if new funding not achieved.

GOAL: To implement new funding strategies to overcome structural funding gaps and deliver programs to meet the needs of growing county-

- Proposals for new funding are not included in 2025-26 submitted budget, but Public Works is evaluating various options to increase revenues for Road Fund and Solid Waste Management in future year budget requests.
- Public Works plans to begin working with County Executive and County Council on funding solutions in early 2025.

GOAL: To achieve solutions to waste export problems (including capacity for future growth)-

- CIP includes Intermodal Yard expansion and improvements (2027 – 2029).
- Address deficiencies in the current waste export contract.

GOAL: To coordinate planning efforts for ST3/Light Rail Station-

- Budget includes PW staff time and consultants in planning efforts:
 - In-depth analysis building upon the East/West Corridor High-Capacity Transit Study underway in collaboration with Community Transit.
 - In mid-2023, Sound Transit completed the Phase 1 - Everett Link Light Rail Extension - Alternative Development. In 2023 -2025, Sound Transit is performing Phase 2 – Environmental (DEIS) and Conceptual Engineering which includes County participation.
 - 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 the County take lead on the study and pre-design.

GOAL: To improve aging Road Maintenance and Solid Waste facilities-

- Budget/CIP include:
 - Road Maintenance Arlington Operations Center (AOC) Design and Build (2025 - 2026).
 - Road Maintenance / Solid Waste Building Earthquake Retrofits (buildings/timing TBD).
 - Solid Waste Intermodal Facility improvements and BNSF Realignment (2027 - 2029).

- Solid Waste Moderate Risk Waste (MRW) Facility Replacement (2029).
- Solid Waste North County Recycling & Transfer Station (NCRTS) Replacement (2030).

GOAL: To deliver projects critical to overall transportation system-

TIP#	RC#	Project Name	2025 - 2026 Project Budget
B.01.18	1808	140 St NW / NE Overlay	\$2,424,000
B.01.20	XB0120	Ash Way Overlay: 164 St SW to Park & Ride	\$817,000
B.03	1572	ADA Transition Upgrades	\$252,000
B.03.12	1785	Beverly Park Rd ADA Upgrades at Fairmount Elem & Center Rd	\$290,000
B.03.13	1810	204 St SW ADA Upgrades	\$335,000
B.03.15	XB0315	ADA Sidewalk Improvements	\$424,000
B.26.01	XB2601	2026 Countywide Resurfacing: Contract Overlay	\$1,332,000
B.26.02	XB2602	2026 ADA Ramps (Overlay Program)	\$860,000
C.00.78	1789	18 Ave W Sidewalk: 151 St SW to Jefferson Way	\$288,000
C.00.81	1809	Puget Park Drive RRFBs	\$365,000
D.41.14	1767	Goodman Creek Culvert Flood Repair at MLH MP 46.5	\$4,921,000
D.67.02	1790	84 St NE / 123 Ave NE Intersection Safety Improvements	\$1,611,000
D.67.03	1801	84 St NE Corridor Spot Improvements	\$340,000
D.70	1816	2023 Countywide Spot Improvements	\$1,164,000
E.40.02	1783	36 Ave W / 35 Ave W Phase 1: 164 St SW to 156 St SW	\$400,000
E.40.03	1784	35 Ave W Phase 2: 156 St SW to SR 99	\$380,000
E.59.01	XE5901	43 Ave SE Phase 1: 188 St SE to 180 St SE and SR 524 Roundabout	\$5,690,000
F.01.18	1369	Jordan Creek Bridge #214 Replacement	\$3,893,000
F.51	1782	Red Bridge #537 (Mtn Loop Hwy) Preventative Maintenance	\$2,535,000
F.54	1420	Swamp Creek Bridge #503 Replacement	\$3,032,000
F.59	1781	Snohomish River Bridge #1 Scour Mitigation	\$5,600,000
G.02.09	7893	19 Ave NE Culvert Replacement near 6304 (Hibulb Crk) MP 0.09	\$760,000
G.02.20	XG0220	Elliott Rd Flood Reduction at Anderson Creek MP 0.48	\$1,030,000
G.02.22	XG0222	S Machias Rd Culvert Replacement near 2310 (Williams Crk)	\$305,000

National, state and local landscape:

1. What critical issues are you facing in your department/industry, and how are you addressing them?

Solid Waste issues-

- Revenue shortfalls (structural funding gap):
 - Tip fees as is (unchanged since 2009), are falling further behind growing costs and system improvement needs.
 - Facilities and railroad capacity stressed by continued growth and aging infrastructure.
 - \$130 million CIP expenditures planned by 2030, contingent upon updated rates.
 - Annual CPI increase for waste export services (costs) outpacing flat TIP fees revenue.
 - Waste Export contract end date approaching, with major hike in rates from vendor anticipated (anticipate spike in rates up to 50% based on recent contracts from neighboring counties).
- Staff stretched thin by current workload, creating retention concerns.
 - Relying on high overtime levels.
 - Additional 8 FTEs requested in 2025-26 budget.

Road Fund issues-

- Revenue shortfalls (structural funding gap):
 - Historic cost escalation combined with historically low revenue growth is creating a structural funding gap:
 - Over a three-year period, Road Fund operating revenue grew only 4.9%, well below cost escalation (local CPI up 18% and local construction CPI up 28%).
 - 1% annual road levy increase not keeping pace with system needs and higher baseline for operating and capital costs.
 - Fuel tax revenue flat and expected to decline.
 - Traffic impact fee collections trending at historically low levels and well below funding needs for growing county.
 - Impacts of funding shortfalls to Road Fund:
 - ***Decrease in maintenance and preservation.***
 - Pavement condition, bridges, culverts, guardrails, sidewalks, etc.
 - ***Increase in claims due to lack of repairs.***
 - Potholes, sidewalk failures, etc.
 - ***Cuts, delays, and reductions to capital improvements.***
 - ~30 projects/programs with cuts in proposed TIP (see attached list).
 - ***Increase in failing infrastructure.***
 - \$40M+ in failed culvert backlog and growing.
 - ***Growing safety risks.***
 - Increased fatal and serious traffic injuries for all road users from 6% to 10%.
 - ***Reduced pavement condition (PCI).***
 - Current Pavement Condition Index (PCI) is 78 for overall network (goal of 70 minimum for each road segment). PCI will decline over time if unable to invest more local dollars into program. As PCI declines, the cost to repair roads will grow substantially.
 - ***Reduced ability to pursue grants and need to return grants due to lack of local dollars.***
 - Inability to leverage local dollars towards grants will reduce size and scale of ACP/TIP and prohibit ability to apply and accept grant awards that require local match.
 - ***Reduced staffing levels.***
 - Increasing vacancy rate from 10% to 15% will hinder ability to deliver projects, programs, and services on time.
2. Are there federal, state, and local issues/mandates that will impact your department, operationally and/or fiscally. Please address what it is, the anticipated impact, and how you plan to mitigate it.

Solid Waste mandates-

- State legislation could impose unfunded requirements on the solid waste system:
 - Landfill gas management (PSCAA and Ecology)
 - Stormwater treatment (NPDES)
 - Leachate pretreatment (IWDP)
 - Product stewardship and extended producer responsibility programs (Legislature)
 - Organics management (OML)

Road Fund mandates-

- Growing NPDES mandates (unfunded mandate)
- Growing backlog of failed culverts (funding shortfall)
- Growth management and concurrency needs (funding shortfall)
- Project permitting delays, e.g., environmental / tire dust (project delays and cost increases)

Programs

1. With ARPA funding ending, what programs/services will be impacted and how? What is your plan for mitigating the impacts?

No applicable ARPA impacts to Public Works.

2. What new programs are you proposing for 2025-2026? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?

There are limited opportunities to add or expand programs due to funding shortfalls.

3. Are there departmental change requests not in the Executive's Recommended Budget that you feel Council should consider including? If so, please provide the change request number and justification for the inclusion of the request.

No.

Internal Operations

1. Please explain how you intended to meet the Executive's 3% Resource Alignment request.

Resource Alignment requirement not applicable to Public Works.

However, significant cuts, delays, and reductions to capital projects, paired with increased staffing vacancy rate, will be necessary to sustain cashflow over 2025 – 2026 period.

2. How are increasing Internal Service Rates impacting your department/programs?

Across the board rising costs of labor, services, materials, equipment, and construction have created structural funding gaps for Road Fund and Solid Waste Management. Internal service rates are passing on similar increases related to the cost of doing business. The current funding models are unable to adjust (catch up) to historic inflation experienced in recent years. Outdated funding models need to be adjusted to meet higher baseline for cost of delivering programs, projects, and services.

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 Public Works positions.

4. When was the last time your department implemented a fee increase? Do you have any plans to increase fees? Are your current fees established based on a full cost recovery model?

Solid Waste Tip fees unchanged since 2009-

- Solid Waste TIP fees do not recover costs and are falling further and further behind. The last MSW fee increase was in January 2009.
- The 2024 rates Study provides recommendation/options which will be share with the County Council in early 2025 including a full cost recovery model:
 - County Council approved updated Solid Waste fee schedule for Residual Reclamation Waste, Vactor Waste, Moderate Risk Waste, and Illegal Dumping programs effective Q1 2025.
 - ***Solid Waste to engage with County Executive and County Council in early 2025 on options to address funding/rates shortfall.***

County Road fund revenues limited by outdated funding models-

- County Road Fund revenues do not recover costs and are falling further and further behind.
- Analysis of various funding options underway (Levy Lid Lift, Transportation Benefit District, Traffic Impact Fees update, Franchise Right of Way Rental Fee).
 - ***Public Works (Roads) to engage with County Executive and County Council in early 2025 on options to address funding shortfall.***

Title 13 Roads and Bridges, Chapter 13.110 Fees and Charges

- Application and permit fees have not been reviewed and updated in many years. Public Works is not recovering its costs to review applications, issue permits, and ensure permit conditions are being met.