



KING COUNTY AUDITOR'S OFFICE

Capital Projects Oversight: 2022 Biennial Report

IMPROVING CAPITAL PROJECT PERFORMANCE AND ACCOUNTABILITY

The Capital Projects Oversight Program provides independent oversight of King County's large capital construction efforts. The program promotes accountability and improved performance of capital projects and programs, with a focus on high-risk projects, and provides timely and useful information to Councilmembers and other county decision-makers. All program costs are funded through the Capital Improvement Program budget.

Capital projects oversight in 2020 and 2021

The Capital Projects Oversight Program continued to focus on the County's highest risk capital projects and programs. In early 2020, we published the final quarterly status update for Metro Transit's 2019 capital program, highlighting how delays could affect Metro Transit's timeline for bus electrification. We communicated risks of increased capital costs at the Brightwater and West Point Treatment Plants, and we identified the likely reduction of funding available to the County's general fund from the sale of surplus county property adjacent to the Children and Family Justice Center project.






For 2021, we transitioned to identifying risks and developing guidance that could help ensure the County achieves its long-term goals for its capital programs. We published a technical paper outlining how agencies can use programmatic alternatives

analyses to focus limited resources on the activities that provide the most value toward achieving the County's goals. We also reviewed the planning process for the Clean Water Plan, which will guide billions of dollars in investments and affect wastewater utility rates for the next 40 years. We highlighted to the King County Council areas where increased transparency could be beneficial, such as regulatory impacts on investment options, project cost information, and program goals.

The Capital Projects Oversight Program continued to collaborate with the King County Office of Performance, Strategy and Budget to facilitate the risk scoring of current capital projects, and we worked together to initiate improvements to the County's process for identifying and monitoring projects facing the most risk.

Key results

Since 2020 we identified the following improvements promoted by our recommendations:

 <p>\$1.5 million in loan cost savings on the Children and Family Justice Center project</p>	 <p>Improved visibility of Solid Waste Division project costs and the impact of change orders on budgets</p>	 <p>Increased certainty of cost estimates and the likelihood of selecting a cost-effective alternative for the County's large wastewater treatment projects</p>	 <p>Development of a tool to capture institutional knowledge and ensure Road Services pavement preservation decisions are cost-effective</p>	 <p>Refined forecasts and increased budget and schedule transparency for the Puget Sound Emergency Radio Network (PSERN)</p>
---	---	--	---	---

100%
TOOK ACTION

Action toward implementation

Following up on our recommendations increases transparency and accountability and creates momentum for positive change. In the past two years, we followed up on 24 audit recommendations. We track recommendations until they are complete.



22
DONE



2
IN PROGRESS



Publications

Further information on these projects is available on the [Capital Projects Oversight](#) page of the King County Auditor’s Office website.

Oversight reports

- *Capital Projects Risk Scoring*
- *PSERN Schedule Slipping, Costs Increasing, Contingency Dwindling, Risk of Further Delays*
- *Significant Performance Issues at Brightwater and West Point, Costs to Increase Considerably*
- *Transit Capital Program Quarterly Monitoring Report: Q4 2019*
- *Clean Water Plan Strategies: Need for Increased Transparency around Costs, Risks, and Guiding Principles*
- *Children and Family Justice Center Flood Damage Being Repaired, Expected Surplus Reduced*

Technical papers

- *Maximizing Impact with Limited Resources—Programmatic Alternatives Analysis: Essential Concepts and Audit Criteria*

Follow-up reports

- Factoria Recycling and Transfer Station
- Puget Sound Emergency Radio Network (PSERN)
- Georgetown Combined Sewer Overflow Project
- Combined Sewer Overflow
- Children and Family Justice Center Project
- Road Services Division Pavement Preservation
- West Point Treatment Plant

Team

KyMBER Waltmunson · King County Auditor
Michael Bowers · Capital Projects Analyst
Grant Dailey · Auditor

Cindy Drake · Capital Projects Auditor
Ben Thompson · Deputy County Auditor
Zainab Nejadi · Principal Capital Analyst