HOUSE BILL 1167

State of Washington 56th Legislature 1999 Regular Session

By Representatives Murray, Mitchell, Radcliff and Kenney; by request of Governor Locke

Read first time 01/18/1999. Referred to Committee on Capital Budget.

AN ACT Relating to the capital budget; amending 1997 c 235 ss 113, 392, 501, and 624 (uncodified); 1998 c 347 s 53 (uncodified); making appropriations and authorizing expenditures for capital improvements; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** 1997 c 235 s 113 (uncodified) is amended to read as 7 follows:

8 FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

9 Public works trust fund (94-2-001)

10 The appropriation in this section is subject to the following 11 conditions and limitations:

12 \$15,646,000 of the reappropriation in this section is provided 13 solely for the preconstruction program.

14	Reappropriation:	
15	Public Works Assistance Account	
16	State \$	((108,746,982))
17		<u>106,698,661</u>
18	Appropriation:	

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1 Public Works Assistance Account --2 State \$ ((180,977,328)) 3 207,499,016 4 Prior Biennia (Expenditures) . . \$ ((287,953,301)) 5 629,199,299 Future Biennia (Projected Costs) \$ 820,000,000 6 7 _____ \$ ((1,397,677,611)) 8 TOTAL 9 1,134,197,677

10 **Sec. 2.** 1997 c 235 s 392 (uncodified) is amended to read as 11 follows:

12 FOR SPECIAL LAND PURCHASES AND COMMON SCHOOL CONSTRUCTION

13 Special land purchases and common school construction (98-2-015)

14 The appropriation in this section is subject to the following 15 conditions and limitations:

(1) The appropriation is provided to the department of natural resources solely for the purposes of transferring from trust status certain trust lands of state-wide significance to state park, wildlife habitat, natural area preserve, natural resources conservation area, open space, or recreation purposes, acquiring replacement timber trust lands, and providing funding for common school construction.

(2) The appropriation in this section is provided solely for the
transfer of the following list of trust properties to the identified
agency:

(a) Iron Horse/Bandera, King county, to the state parks andrecreation commission;

(b) Kitsap Forest, Kitsap county, to the department of naturalresources for natural area preserve purposes;

(c) Upper Sultan Basin, Snohomish county, to the department of
 natural resources for natural resource conservation area purposes;

(d) West Tiger Mountain, King county, to the department of natural
 resources for natural resource conservation area purposes;

33 (e) Hendrickson Canyon, Wahkiakum county, to the department of 34 natural resources for natural area preserve purposes;

35 (f) Klickitat Wildlife Area, Klickitat county, to the department of 36 fish and wildlife; 1 (g) Point Lawrence, San Juan county, to the state parks and 2 recreation commission.

3 The department shall transfer the ((first)) trust ((property and 4 then allocate the remaining funds to the remaining)) properties ((in 5 roughly equal shares)) in the order listed.

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6 (3) Land and timber transferred under this section shall be 7 appraised and transferred at full market value. The department of 8 natural resources shall attempt to maintain a minimum aggregate ratio 9 of 85:15 timber-to-land value in these transactions. The value of the 10 timber transferred shall be deposited by the department of natural resources in the same manner as timber revenues from other common 11 school trust lands, except that no deduction shall be made for the 12 13 resource management cost account. The value of the land transferred, not to exceed \$3,000,000, shall be deposited in the natural resources 14 15 real property replacement account to be used for the acquisition of replacement timber lands solely to benefit the common school trust. 16

(4) All reasonable costs incurred by the department of natural resources to implement this section may be paid out of this appropriation, except that the costs of acquiring replacement timber lands shall be paid out of appropriations from the natural resources real property replacement account.

(5) The department shall use intergrant exchanges between common school and other trust lands of equal value to effect the purposes of this section if the exchange is in the interest of each trust, as determined by the board of natural resources.

(6) The department of natural resources and receiving agencies shall work in good faith to carry out the intent of this section. However, the board of natural resources or a receiving agency may reject a transfer of property if it is determined that the transfer is not in the interest of either the common school trust or the receiving agency.

(7) ((On June 30, 1999)) Upon completion of these transfers, the state treasurer shall transfer all remaining uncommitted funds from this appropriation to the common school construction fund ((and the appropriation in this section shall be reduced by an equivalent amount)).

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Appropriation:

1	Prior Biennia (Expenditures) \$	0
2	Future Biennia (Projected Costs) \$	132,000,000
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3 4	TOTAL	166,500,000

5 **Sec. 3.** 1997 c 235 s 501 (uncodified) is amended to read as 6 follows:

7 FOR THE STATE BOARD OF EDUCATION

8 Public school building construction (98-2-001)

9 The appropriations in this section are subject to the following 10 conditions and limitations:

(1) From the appropriation in this section the state board shall fund one hundred percent of the cost for a required standard value engineering study on all projects exceeding 50,000 gross square feet in size. On an annual basis, the board shall report to the legislative fiscal committees and the office of financial management the results of these studies including but not limited to the amounts of each study and the accepted savings achieved due to the studies.

(2) ((No more than \$138,000,000 of this appropriation, excluding
 reappropriations, may be obligated in fiscal year 1998 for school
 district project design and construction.

(3) Total cash disbursed from the common school construction fund
 may not exceed the available cash balance.

(4))) The reappropriation from the state building construction account shall serve as full compensation to the common school trust for the transfer of land to the Washington State University Lind Dryland Research Unit under Substitute House Bill No. 1016 or Senate Bill No. 5174.

28 (((+5))) (3) No more than \$7,110,000 of this appropriation may be allocated by the state board to provide up to ninety percent of the 29 30 total project cost for the renovation of facilities operating as 31 interdistrict cooperative centers providing vocational skill programs. The remaining portion of the project cost shall be a match from local 32 33 sources. As a condition to receiving an allocation from this 34 appropriation or any other appropriation for a vocational skill center provided after calendar year 1996, the recipient facility must maintain 35 36 a separate capital account, into which the participating districts make 37 deposits, to pay for all future minor repair and renovation costs for

the vocational skill center. For purposes of this subsection, a future
 minor repair and renovation cost is a capital project costing less than
 forty percent of the value of the building.

4	Reappropriation:
5	St Bldg Constr AcctState \$ 18,329,671
6	Common School Constr FundState \$ 109,115,719
7	
8	Subtotal Reappropriation \$ 127,445,390
9	Appropriation:
10	Common School Constr Fund
11	State
12	289,548,712
13	Prior Biennia (Expenditures) \$ ((302,821,218))
14	719,815,320
15	Future Biennia (Projected Costs) \$ 801,600,000
16	
17	TOTAL \$ ((1,507,665,320))
18	<u>1,521,415,320</u>
19	Sec. 4. 1997 c 235 s 624 (uncodified) is amended to read as

20 follows:

21 FOR ((THE JOINT CENTER FOR HIGHER EDUCATION)) WASHINGTON STATE
22 UNIVERSITY

Health Sciences Building: To ((design)) construct the complete (((phase I and II))) health science building. (((98-2-001))) (98-2-903)

The appropriation in this section is subject to the following conditions and limitations:

(1) The appropriation in this section is subject to the review andallotment procedures under section 712 of this act.

(2) No money from this appropriation may be expended that would be
 inconsistent with the recommendations of the higher education
 coordinating board.

(3) Design <u>and construction</u> of this building shall accommodate at
 least 240 additional student full-time equivalents on the Riverpoint
 campus.

35 (((4) \$1,000,000 of the state building construction account 36 appropriation shall be held in reserve until January 1, 1999. 1 (5) Design of this building, when used in conjunction with the 2 building authorized in section 702(1)(b) of this act, shall accommodate 3 all the academic programs offered by Eastern Washington University and 4 Washington State University that are currently in leased space in the 5 city of Spokane.))

6	Reappropriation:
7	St Bldg Constr AcctState\$ 1,310,000
8	Appropriation:
9	St Bldg Constr AcctState\$ 1,375,375
10	<u>St H Ed Constr AcctState</u> <u>\$</u> <u>36,300,000</u>
11	Prior Biennia (Expenditures) \$ 0
12	Future Biennia (Projected Costs) \$ ((29,219,025))
13	<u>0</u>
14	
15	TOTAL
16	<u>38,985,375</u>

17 Sec. 5. 1998 c 347 s 53 (uncodified) is amended to read as follows: ACQUISITION OF PROPERTIES AND FACILITIES 18 THROUGH FINANCIAL 19 CONTRACTS. The following agencies may enter into financial contracts, paid for from operating revenues, for the purposes indicated and in not 20 more than the principal amounts indicated, plus financing expenses and 21 22 required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical 23 financial contract option available, including long-term leases, lease-24 purchase agreements, lease-development with option to purchase 25 agreements or financial contracts using certificates of participation. 26 27 The director of general administration shall ensure that the clustering of state facilities and the collocation and consolidation of state 28 agencies take place where such configurations are economical and 29 30 consistent with agency space needs. Agencies shall assist the department of general administration with facility collocation and 31 32 consolidation efforts.

33 State agencies may enter into agreements with the department of 34 general administration and the state treasurer's office to develop 35 requests to the legislature for acquisition of properties and

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facilities through financial contracts. The agreements may include
 charges for services rendered.

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(1) Department of general administration:

4 (a) Enter into a financing contract in the amount of \$8,804,000
5 plus financing expenses and required reserves pursuant to chapter 39.94
6 RCW, to purchase an existing office building and associated land in
7 Yakima for use by the department of social and health services.

8 (b) Enter into a financing contract in the amount of \$2,874,100 9 plus financing expenses and required reserves pursuant to chapter 39.94 10 RCW, to purchase and renovate the old federal building and associated 11 land in Olympia for use by the secretary of state.

12 (c) Enter into a financing contract in the amount of \$6,990,000 13 plus financing expenses and required reserves pursuant to chapter 39.94 14 RCW, to buy out the lease and make improvements to the old Thurston 15 county courthouse for use by the office of attorney general. The 16 department of general administration shall advise and assist the office 17 of attorney general on space and functional planning to improve the 18 efficient use of the facility.

19 (2) Liquor control board:

20 Enter into a long-term lease for a headquarters office in Thurston 21 County for approximately 46,000 square feet.

22 (3) Department of corrections:

(a) Enter into a long-term ground lease for ((17 acres in the 23 24 Tacoma tide flats property from the Puyallup Nation)) approximately 12 25 acres with a purchase option for development of the 400-bed Tacoma 26 prerelease facility for approximately \$360,000 per annum. ((Prior to entering into the lease, the department shall obtain written 27 28 confirmation from the city of Tacoma and Pierce county that the 29 prerelease facility planned for the site meets all land use, 30 environmental protection, and community notification requirements that 31 would apply to the facility if the land was not owned by the Puyallup nation.)) 32

33 (b) Enter into a financing contract on behalf of the department of 34 corrections in the amount of \$14,736,900 plus financing expenses and 35 required reserves pursuant to chapter 39.94 RCW to construct a 400-bed 36 Tacoma prerelease facility. The department of corrections shall comply 37 with all land use, environmental protection, and community notification 38 statutes, regulations, and ordinances in the construction and operation 39 of this facility. (c) Lease-develop with the option to purchase or lease-purchase
 approximately 100 work release beds in facilities throughout the state
 for \$5,000,000.

4 (d) Enter into a financing contract on behalf of the department of 5 corrections in the amount of \$396,369 plus financing expenses and 6 required reserves pursuant to chapter 39.94 RCW to construct a dairy 7 barn at the Monroe farm.

8 (e) Enter into a financing contract on behalf of the department of 9 corrections in the amount of \$2,100,000 plus financing expenses and 10 required reserves pursuant to chapter 39.94 RCW to purchase or 11 construct a correctional industries transportation services warehouse. 12 (4) Community and technical colleges:

(a) Enter into a financing contract on behalf of Whatcom Community College in the amount of \$800,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop a childcare center costing \$2,410,000. The balance of project cost will be a combination of local capital funds and nonstate funds provided through private gifts or contributions.

(b) Enter into a financing contract on behalf of Pierce College in the amount of \$750,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop a new classroom building on the Lakewood campus costing \$1,816,665. The balance of project cost will be provided through a combination of local capital funds and existing minor works appropriation to replace relocatable classrooms that are at the end of their useful lives.

(c) Enter into a financing contract in behalf of Bellingham Technical College in the amount of \$350,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for construction of a new classroom addition to the diesel/heavy equipment instructional shop costing \$411,309.

(d) Enter into a financing contract on behalf of Green River Community College in the amount of \$1,526,150 plus financing expenses and reserves pursuant to chapter 39.94 RCW for remodel of the Lindbloom student center building.

(e) Enter into a financing contract on behalf of Edmonds Community College in the amount of \$2,787,950 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to develop a 10,000 square foot music building on the college campus.

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1 (f) Enter into a financing contract on behalf of Highline Community 2 College in the amount of \$2,070,613 plus financing and required 3 reserves pursuant to chapter 39.94 RCW for the purchase of the Federal 4 Way Center, currently being leased by the college.

5 (g) Enter into a financial contract on behalf of Green River 6 Community College in the amount of \$100,000 plus financing and required 7 reserves pursuant to chapter 39.94 RCW to purchase approximately 1.5 8 acres of land adjacent to the westside parking lot.

9 (h) Enter into a financial contract on behalf of South Puget Sound 10 Community College in the amount of \$619,210 plus financing and required 11 reserves pursuant to chapter 39.94 RCW to expand and redevelop the main 12 campus parking lot A.

(i) Enter into a financial contract on behalf of South Puget Sound
 Community College in the amount of \$5,500,000 plus financing and
 required reserves pursuant to chapter 39.94 RCW to develop a \$6,500,000
 student union facility.

(j) Enter into a financial contract on behalf of Wenatchee Valley Relege in the amount of \$500,000 plus financing and required reserves pursuant to chapter 39.94 RCW to purchase two buildings and property contiguous to the college campus.

21 (5) State parks and recreation:

Enter into a financing contract on behalf of state parks and 22 recreation in the amount of \$2,012,000 plus financing expenses and 23 24 required reserves pursuant to chapter 39.94 RCW, to construct cabin and lodge facilities at Cama Beach, develop new campsite electrical 25 26 hookups, develop new recreational facilities, and expand campsites at 27 Ocean Beach/Grayland. It is the intent of the legislature that debt service on all projects financed under this authority be paid from 28 29 operating revenues.

30 (6) Washington state patrol:

Enter into a financing contract for \$600,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase the Washington state patrol Port Angeles detachment office.

34 <u>NEW SECTION.</u> Sec. 6. This act is necessary for the immediate 35 preservation of the public peace, health, or safety, or support of the

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- 1 state government and its existing public institutions, and takes effect
- 2 immediately.

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