



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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CORRECTED VERSION

February 26, 2022

TO: Honorable David Frockt, Vice Chair, Capital
Honorable Jim Honeyford, Ranking Member, Capital
Senate Ways & Means Committee

Honorable Steve Tharinger, Chair
Honorable Mike Steele, Ranking Member
House Capital Budget Committee

FROM: David Schumacher
Director

A handwritten signature in blue ink, appearing to be "DS", written over the printed name and title of David Schumacher.

SUBJECT: OFM CONCERNS WITH 2022 SUPPLEMENTAL CAPITAL BUDGETS

We appreciate your efforts in developing your 2022 supplemental capital budgets. Though there are differences, the Senate, House, and governor's budgets include similar approaches and priorities. The purpose of this memorandum is not to identify every difference in the budgets, but to communicate our most pressing concerns for your consideration as you work toward agreement on a final budget.

Senate and House Capital Budgets

Department of Health

Facility needs assessment and energy efficiency projects

Please consider funding the needs of the Public Health Laboratory, including a facility needs assessment and projects to increase energy efficiency. These projects are important to modernize the laboratory and help the department meet greenhouse gas emissions targets.

Senate Capital Budget

Department of Commerce

Weatherization Plus Health

The Weatherization Plus Health program rehabilitates and repairs homes for low-income Washington residents and enhances healthy home measures. Please add state funding to the current federal expenditure authority in the Senate budget. The state funds are used to address allergies, asthma and other environmental justice-related concerns when homes are weatherized.

Departments of Corrections, Social and Health Services, and Veterans Affairs

State agency compliance with clean buildings law

Additional funds are needed for agencies to complete sub-metering and energy audits to comply with the enacted clean buildings law. This funding will allow these agencies with large facilities to better target future improvements to reduce greenhouse gas emissions.

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Department of Veterans Affairs

ARPA federal funds and state match

We appreciate that the Senate increased funding for the HVAC system at the Washington Veterans Home in Retsil; however, the House level is necessary to prevent a delay in the project. A delay will cause veterans living there to spend another summer with air quality and temperature issues.

Department of Corrections

Coyote Ridge Corrections Center: Sage Unit to Airway Heights Corrections Center

Please consider funding for better health care access for the aging, infirm, and special needs population at the Coyote Ridge Corrections Center. Relocating these incarcerated individuals from the CRCC Sage Unit to Airway Heights allows for closer hospital care for our most vulnerable incarcerated population.

Office of Financial Management

Emergency pool

The OFM emergency pool is a tool to assist agencies in addressing unexpected building or grounds failures that impact public health and safety and the day-to-day operations of state facilities. In the last biennium, emergencies addressed by the pool included fire sprinkler failures, leaking roofs, and interior flooding due to frozen water pipes. Please increase funding in this pool to align with the House level.

House Capital Budget

Department of Social and Health Services // Department of Corrections

Investments in McNeil Island and Special Commitment Center

We ask that you increase your investments for transportation to McNeil Island and the HVAC units at the Special Commitment Center (SCC). The transportation barge and passenger ferry fleet for McNeil Island are aging and at risk of losing Coast Guard certification. Failure of these vessels or loss of certification would pose significant risks to the state and our ability to safely operate the SCC. In addition, the current HVAC units in the secure housing units at the SCC are beyond their useful life. This impacts the state's ability to provide treatment programs and creates unsafe conditions for staff and residents when temperatures increase.

Department of Social and Health Services

Western State Hospital-Building 29: CMS certification

Western State Hospital lost Centers for Medicaid and Medicare Services (CMS) certification in 2018. The funding requested by the governor is based on a consultant's bid for a study that would identify the areas in Building 29 at Western State Hospital that are not in compliance with CMS certification standards. The partial funding in the House budget would not enable DSHS to contract for this study.

Thank you for your consideration. My staff and I are available to discuss these items in greater detail, and we look forward to further collaboration as you work toward a final capital budget.

cc: Honorable Christine Rolfes, Chair, Senate Ways & Committee
Honorable Lynda Wilson, Ranking Member, Senate Ways & Means Committee
Michael Bezanson, Capital Budget Coordinator, Senate Ways & Means Committee
Susan Howson, Senior Staff Coordinator, Senate Ways & Means Committee
Kelci Karl-Robinson, Staff Coordinator, House Capital Budget Committee
Jen Masterson, Senior Budget Assistant for Capital Budget, OFM
Nona Snell, Assistant Director for Budget, OFM
Jamila Thomas, Chief of Staff, Office of the Governor