



The Muni News

November 2002 Volume 92, Issue 3

City Light Audit : Room for Change

By Bruce Carter

This issue of Muni News includes a special ballot insert to fill board vacancies. If you are a member of the League, please complete the ballot and mail it as directed to the Municipal League of King County.

If you have not yet paid your dues, just send a check along with your ballot!

Two recent investigations of Seattle City Light (SCL) have criticized its senior management's dubious performance.

The first investigations, carried out by the Municipal League in March 2002, questioned SCL's strategic planning as well as its management of risk and debt. The League narrowed its inquiry to the period after SCL's 1996 decision to participate actively in the electrical power markets, particularly in light of SCL's \$1.7 billion debt and recent 58% rate increase. This increase exceeded those of Tacoma City Light and Puget Sound Energy.

The facts reported by the League led to a second report conducted by the Seattle City Auditor. Here are some of the criticisms:

* SCL senior management is largely responsible for the deterioration of the utility's financial situation, which has left ratepayers saddled with heavy debt and higher rates.

* SCL senior management lacked "the most important background element-- electricity utility experience."

* The high number of SCL employees per customer seemed very high,

* SCL failed to reduce costs and the number of employees more in response to the financial crisis.

* SCL's culture lacked the "can-do" attitude and approach the level of a "fatal flaw" because of:

- (1) a defensive response to issues;
- (2) a limited or less than enthusiastic response to improvement initiatives;
- (3) a tendency to dismiss criticism and attack its source, even when such criticism appears to have at least some merit; and
- (4) a bent towards explaining away past problems as opposed to learning from them.

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Web Sites and Email Help Voters Decide

By David Bangs

This election season, our Website helped voters with information on candidates and issues. As usual, our site contained our issues reports, candidate ratings, and the written information submitted by each candidate for consideration in our rating process.

But we also did two new things this year.

First, we launched a separate Website, www.kingcountyvoter.net. Staffed entirely by volunteer high school students, the site augments the League's candidate ratings with information about positions and organizational endorsements.

Special thanks go to Rebecca Cooper, Jessica Tseng, other Shorecrest High School students and their advisor Mike Regnier, who all made this possible!

Second, our email alerts regularly announced debates, forums and election night parties.

If you were out of the e-mail loop this campaign season, you probably haven't subscribed yet!

Click www.munileague.org/email.htm to select the types of information you want.

It's easy!

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Put Barber in conversation with Jennie Keith, our CEC coordinator for the last three years. Jenny graduated earlier this year from UW and expects to continue her interest in good government.

Muni Officers Elected for 2003

Putnam Barber, Lucy Steers and Jennifer Piccolo have been elected officers of the Municipal League for the year starting in January.

Put Barber, who will serve as chair, is the president of The Evergreen State Society and an adjunct instructor in the Master of Public Administration program at Seattle University. A widely recognized expert on public policies affecting nonprofit organizations, he serves as the editor of The Internet Nonprofit Center (<http://www.nonprofits.org>) and writes and speaks about nonprofit issues frequently. He lives in Seattle

Lucy Steers will serve as vice chair while continuing her leadership of the League's work on issues and ballot

measures. She has been president of the League of Women Voters of Seattle and has been active in many other civic organizations and as a member of appointed and advisory bodies to state and local governments. She also consults with organizations on public involvement projects. She lives in Seattle's Mt. Baker neighborhood.

Jennifer Piccolo is the incoming secretary of the League. She has been a Candidate Evaluation Committee volunteer for the past four years, and served as chair of an evaluation panel for the past two years. She works with her husband in south county real estate activities and has volunteered at a number of local organizations to better her community. She lives in Kent.

Reflections of our outgoing Chair

By Tom Albro

Amazingly, my stint is drawing to a close. It has been my distinct privilege and honor to serve as chairman of this tremendous organization is since January of 2000. Thank you for giving me the opportunity.

These three years have been a difficult but successful period for the League. At the end of 1999 we were asking ourselves if we should continue to exist. Our membership roles and revenues were falling. Our Board of Trustees had become inwardly focused and discouraged.

But you don't just throw away a legacy of almost 90 years without a fight, and that is what we all did - fought for the survival of the League. The Board got down to the hard work of rebuilding the organization, starting with itself. Members and supporters answered the call, giving their money and time. We reorganized and re-energized ourselves. We re-

established member-based study committees, and standing committees overseeing all League activities. We embraced the Internet as an administration and communication tool. We renewed our commitment to empower local citizens in their cause of citizenship.

It hasn't been easy, but we have come a long way.

Our candidate rating effort (CEC) is stronger and more effective than ever. This year we rated judicial candidates for the first time in over 10 years. Our study committees are alive and well too. We engaged members and others early on with our 'Taking the Pulse' effort. We carefully examined the initiative process in our state ('Do You Want a Free Pony?'), asked some hard questions of Seattle City Light ('Seattle City Light and the Storm') calling for an independent audit, and have just launched an effort to shape the future of King County Government. Civic Awards is healthier than ever, with the 2002 luncheon our best and most

successful in years.

Coming in to 2003 we are well poised, clearly focused, and ably led by our Trustees under the keen leadership of incoming chair, Put Barber. The Municipal League of King County is continuing its legacy of effectively empowering local citizens in their cause of citizenship. 1999 sure seems like a long time ago.

I would like to offer my most sincere thanks to all of the members, volunteers, contributors and Trustees who have provided so much support to the League over the years, including these last three. I especially want to recognize this year's outgoing Trustees. Each has done an incredible job and will be missed on the Board: David Bangs, Jim Greenfield, George Scott, Deborah Dollard, Gary McLean, Bruce Bradburn, David Thompson, and Deryl Brown-Archie.

Thank you and farewell.

King County Future Committee Hard At Work

By Rita Brogan and Jennifer Piccolo

Did you know?

King County –

- Has 2,134 square miles of diverse terrain?
- Has almost 1.7 million people, 39 cities, and over 100 other taxing districts?
- Has over 500 elected officials?
- Is currently facing a \$52 million deficit for 2003 and a shortfall of \$110 million through 2005?

With a growing number of annexations and incorporations, King County finds itself with a shrinking revenue base, a growing sense of competition with cities for decreasing financial resources and a growing inability to fund services it has historically delivered to its residents.

The last issue of Muni News reported the formation of a new Muni League issues committee to review the Future of King County. The first phase of the study is a fact finding effort.

To that end, our 22-member committee has been busy reviewing past studies and interviewing those who are at the center of King County's decision-making. In the last two months, the committee met with King County Executive Ron Sims and with Councilmembers Julia Patterson and

Kathy Lambert, who have proposed a commission to study the governance of King County. Our committee also set a representative to the Chamber's annual leadership conference in October, which had a major focus on regional governance.

The committee is continuing this fact-finding stage of the study. To get involved, contact interim co-chairs Elma Borbe at eborbe@attbi.com or Jennifer Piccolo at Jennifer@callalillies.com.

The Future of King County committee has diverse membership including members of the Municipal League board, League of Women Voters, and other individuals who have broad experience in local government and civic life.

Board Studies and Recommends on Ballot Issues

By Rita Brogan

Each year, the Municipal League's ballot issues committee interviews experts and delves deeply into the intricacies of statewide and local ballot issues to assess the likely impacts of each measure. Committee members are selected for balance and to represent a variety of perspectives on the proposed ballot measures.

The committee produces Ballot Issue Reports, used by the League's Board in considering a position on each measure. The League only takes a position on measures with a significant impact on King County. A 2/3 supermajority is required to take a position on any issue. The League took the following positions on issues that were on the November 5th ballot. More detailed rationale are provided on the League's website.

Supported R-51 (Transportation Funding)

Rationale: The need to address transportation infrastructure has reached a crisis condition. R-51 does not completely solve this crisis, but is an important first step.

Opposed Seattle Proposition 1 (Monorail)

Rationale: Because the building of the monorail "Green Line" would commit a high proportion of the city's available resources for transportation improvements to the construction of a facility that addresses a relatively minor part of the need.

Opposed I-776 (\$15 License Tabs)

Rationale: This initiative invites voters statewide to overturn local decisions to support transit, transportation improvements, and other services through local taxes.

Opposed I-790 (LEOFF Pension Administration)

Rationale: The proposal gives too much authority to the beneficiaries of the program over the setting of benefit levels and would significantly increase costs to local governments.

The League also **supported** the **Seattle Housing Levy**, which appeared on the September 17 primary election ballot.

Rationale: The need for low income housing assistance has become increasingly acute, previous levy administration has been prudent and effective, and the proposed levy was developed carefully with broad input.

Many thanks to the Ballot Issues Committee!

Co-chairs Eric Laschever and Kathy Elias, and Karen Bean, Pat Bowman, Pat Clark, Mike Doubleday, and Jan O'Connor, Patrick Soricone

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All You Need to Know About the Legislature...Without Getting Elected

Former State Representative and Senator George Scott will be leaving the Muni League's board next month, having served a precedent-setting nine years. A historian by training, George has just completed *A Majority of One: Legislative Life*, based on his 14 years of service in Olympia, including as chair of the Ways and Means Committee in the recession of 1981-83. "The \$2 billion

deficit we are now staring at is not yet as severe as the \$1.3 billion one we have then," he notes, "Those who think we will not again have to trim and tax in about equal measure are fantasizing."

George's new book is available at www.CivitasPress.com. Municipal League members can enter an "ML" code to get special price of \$20.

City Light (cont'd from page one)

The report also found that Mayor Greg Nickels and Seattle City Council, as overseers, did not hold SCL accountable for creating and sustaining effective management systems. They include strategic and financial planning and risk management.

The auditor's report stated that the responsibility for solving these problems should be worked out within the existing governance structure, but also recommended an independent Office of Utility Oversight, whose employees would not be subject to removal by the Council or the Mayor.

The fate of SCL senior management is now up to Mayor Nickels, who hires or fires the SCL superintendent, and the City Council, which could hold reconfirmation hearings to determine whether Superintendent Zarker should be confirmed for a new term.

The City Auditor's report, compiled by Vantage Consulting, and SCL Superintendent Gary Zarker's response can be reached on-line through the Municipal League Website at <http://munileague.org>.

About Our Organization...

The Muni News is published by the Municipal League Foundation, a 501(c) 3 non-profit organization that works in conjunction with the Municipal League of King County to provide the voters and citizens of King County with the resources they need to make informed

decisions about civic issues.

The Municipal League is nonpartisan and welcomes all points of view. If you have any questions or would like information on joining the Municipal League call 206.622.8333 or send an e-mail to muni@munileague.org.

Thanks to CEC
Members and all
League Volunteers!

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