

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
SHARING PAYMENT WITH THE ZOO FOR)
THE METRO CONSTRUCTION PROJECT)
MANAGER; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 94-514A

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of sharing payment with the Zoo for the Metro Construction Project Manager; transferring \$35,580 from the Support Service Fund Contingency to the Regional Facilities Department, Construction Manager division and transferring \$30,020 from the General Revenue Bond Fund Contingency to fund a share of the salary and benefits for the Construction Project Manager.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 27th day of January, 1994.



Judy Wyers, Presiding Officer

ATTEST:



Clerk of the Council

**Exhibit A
Ordinance No. 94-514A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<u>FOR INFORMATION ONLY</u>							
SUPPORT SERVICE FUND:Regional Facilities (Construction Support)							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.60	43,086		0	0.60	43,086
	Managers		0	0.40	25,056	0.40	25,056
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Assoc. Management Analyst	0.50	18,884		0	0.50	18,884
	Asst. Management Analyst	0.20	8,300		0	0.20	8,300
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	0.50	13,100		0	0.50	13,100
512000	FRINGE		42,419		10,524		52,943
Total Personal Services		2.30	152,599	0.40	35,580	2.70	188,179
Total Materials & Services			6,180		0		6,180
Total Capital Outlay			0		0		0
TOTAL EXPENDITURES		2.30	158,779	0.40	35,580	2.70	194,359

**Exhibit A
Ordinance No. 94-514A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICE FUND:Regional Facilities Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.80	57,448		0	0.80	57,448
	Managers	1.50	88,124	0.40	25,056	1.90	113,180
	Associate Program Supervisor	0.45	22,090		0	0.45	22,090
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Sr. Management Analyst	1.00	47,541		0	1.00	47,541
	Assoc. Management Analyst	1.00	37,768		0	1.00	37,768
	Asst. Management Analyst	0.50	16,446		0	0.50	16,446
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.50	14,090		0	0.50	14,090
	Accounting Clerk 1	1.00	22,800		0	1.00	22,800
	Building Operations Worker	0.50	13,250		0	0.50	13,250
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	1.50	39,166		0	1.50	39,166
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.50	9,000		0	0.50	9,000
	Temporary Administrative Support	0.25	4,000		0	0.25	4,000
511400	OVERTIME		3,168		0		3,168
512000	FRINGE		150,047		10,524		160,571
Total Personal Services		10.00	551,748	0.40	35,580	10.40	587,328
Total Materials & Services			312,436		0		312,436
Total Capital Outlay			5,000		0		5,000
TOTAL EXPENDITURES		10.00	869,184	0.40	35,580	10.40	904,764

SUPPORT SERVICE FUND:General Expenses

Total Interfund Transfers			579,671		0		579,671
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	* General		241,874		(35,580)		206,294
	* Builders License		23,165		0		23,165
599990	Unappropriated Fund Balance-Contractors License		151,566		0		151,566
Total Contingency and Unappropriated Balance			416,605		(35,580)		381,025
TOTAL EXPENDITURES		84.72	6,802,525	0.40	0	85.12	6,802,525

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Ordinance No. 94-514A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL REVENUE BOND FUND							
Construction Account							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Director	0.10	7,181		0	0.10	7,181
	Manager		0	0.34	21,141	0.34	21,141
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Assistant Management Analyst	0.25	10,375		0	0.25	10,375
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	0.20	5,240		0	0.20	5,240
512000	FRINGE		19,098		8,879		27,977
Total Personal Services		1.05	68,704	0.34	30,020	1.39	98,724
Total Materials & Services			145,740		0		145,740
Total Capital Outlay			809,457		0		809,457
TOTAL CONSTRUCTION ACCOUNT		1.05	1,023,901	0.34	30,020	1.39	1,053,921
Debt Service Account							
TOTAL DEBT SERVICE ACCOUNT			1,494,332		0		1,494,332
General Expenses							
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		503,891		(30,020)		473,871
599990	Unappropriated Balance		2,158,801		0		2,158,801
Total Contingency and Unapp. Balance			2,662,692		(30,020)		2,632,672
TOTAL FUND EXPENDITURES		1.05	5,180,925	0.34	0	1.39	5,180,925

Exhibit B
Schedule of Appropriations
Ordinance No. 94-514A

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,238,932	0	2,238,932
Materials & Services	794,941	0	794,941
Capital Outlay	77,891	0	77,891
Subtotal	3,111,764	0	3,111,764
Regional Facilities			
Personal Services	551,748	35,580	587,328
Materials & Services	312,436	0	312,436
Capital Outlay	5,000	0	5,000
Subtotal	869,184	35,580	904,764
Personnel			
Personal Services	534,856	0	534,856
Materials & Services	59,646	0	59,646
Capital Outlay	6,675	0	6,675
Subtotal	601,177	0	601,177
Office of General Counsel			
Personal Services	434,876	0	434,876
Materials & Services	23,715	0	23,715
Capital Outlay	1,500	0	1,500
Subtotal	460,091	0	460,091
Public Affairs			
Personal Services	669,686	0	669,686
Materials & Services	91,247	0	91,247
Capital Outlay	3,100	0	3,100
Subtotal	764,033	0	764,033
General Expenses			
Interfund Transfers	579,671	0	579,671
Contingency	265,039	(35,580)	229,459
Subtotal	844,710	(35,580)	809,130
Unappropriated Balance	151,566	0	151,566
Total Fund Requirements	6,802,525	0	6,802,525
GENERAL REVENUE BOND FUND			
Construction Account			
Personal Services	68,704	30,020	98,724
Materials & Services	145,740	0	145,740
Capital Outlay	809,457	0	809,457
Subtotal	1,023,901	30,020	1,053,921
Debt Service Account			
Debt Service	1,494,332	0	1,494,332
Subtotal	1,494,332	0	1,494,332

**Exhibit B
Schedule of Appropriations
Ordinance No. 94-514A**

	Current Appropriation	Revision	Proposed Appropriation
GENERAL REVENUE BOND FUND (continued)			
General Expenses			
Contingency	503,891	(30,020)	473,871
Subtotal	503,891	(30,020)	473,871
Unappropriated Balance	2,158,801	0	2,158,801
Total Fund Requirements	5,180,925	0	5,180,925

All Other Appropriations Remain As Previously Adopted

FINANCE COMMITTEE REPORT

ORDINANCE NO 94-514A AMENDING THE FY 1993-94 BUDGET AND SCHEDULE OF APPROPRIATIONS TO SHARE PAYMENT WITH THE ZOO FOR THE METRO CONSTRUCTION PROJECT MANAGER AND DECLARING AN EMERGENCY

Date: January 13, 1994

Presented By: Councilor Devlin

COMMITTEE RECOMMENDATION: At its January 12, 1994 meeting the Committee voted unanimously to recommend Council adoption of Ordinance No. 94-514A. All Committee members were present and voting.

COMMITTEE DISCUSSION/ISSUES: Mr. Doug Butler, Interim Regional Facilities Director, presented the Staff Report. He pointed out that the purpose of the ordinance is to amend the budget and appropriations schedule to provide expenditure authority for the Construction Manager position in the Regional Facilities Department to reflect accurately where and for what purposes he spends his time. The position was budgeted in the Zoo Capital Fund for the entire year but the person did not spend time working on Zoo Capital projects although the Zoo was charged for the expense. This ordinance moves funds from the General Revenue Bond Fund Contingency to Personal Services (\$30,020) and from the Support Service Fund Contingency to Personal Services in the Regional Facilities Construction Support Program (\$35,580). He pointed out that the Finance Department will reverse the charges to the Zoo Capital Fund for the non-occurring costs to that Fund during the first part of the fiscal year.

Mr. Butler pointed out that this ordinance was before the Regional Facilities Committee several times. That Committee amended it to leave the expenditure authority in the Zoo Capital Fund for the Construction Manager position. This action will provide more flexibility to the Zoo to acquire more time of the Construction Manager to work on Zoo Capital projects should the need arise during the remainder of the fiscal year. Council Staff pointed out that any unspent funds in the Construction Manager line item in the Zoo Capital Fund will be included in the ending fund balance at the end of the fiscal year.

Mr. Butler stated that he was reviewing the other positions in the Construction Support Program to determine whether or not additional budget adjustments are necessary. He indicated he would report back to the Committee as soon as he has completed that review.

REGIONAL FACILITIES COMMITTEE REPORT

ORDINANCE NO. 94-514A AMENDING THE FY 1993-94 BUDGET AND SCHEDULE OF APPROPRIATIONS TO SHARE PAYMENT WITH THE ZOO FOR THE METRO CONSTRUCTION PROJECT MANAGER AND DECLARING AN EMERGENCY

Date: January 6, 1994

Presented By: Councilor McFarland

COMMITTEE RECOMMENDATION: At its January 5, 1994 meeting the Committee voted unanimously to recommend Council adoption of Ordinance No. 94-514 as amended. Committee members present and voting were Councilors Gates, Hansen, McFarland, Moore and Washington.

COMMITTEE DISCUSSION/ISSUES: Don Rocks, Executive Assistant, and Doug Butler, Acting Regional Facilities Director, presented the Staff Report. Mr. Rocks pointed out that the purpose of the ordinance is to amend the Budget and Appropriations Schedule to more accurately reflect where the Construction Manager had spent his time during the first half of the current fiscal year. The Construction Manager position is currently budgeted in the Zoo Capital Fund but during the first six months of this fiscal year the Construction Manager has spent most of his time on work other than the Zoo related projects (completion of the Metro Regional Center project as well as Convention Center Capital Fund work). Personal Service costs for the Construction Manager have been charged to the Zoo Capital Fund.

Mr. Rocks reminded the Committee that the ordinance had been before the Committee at three earlier times -- November 3, November 17, and December 15, 1993. Prior to each of the meetings Council Staff had raised a number of questions about the Construction Support program particularly regarding the existing budget and cost allocations for construction support personnel. He stated the Administration had responded to all the questions through various memoranda and pointed out the responses have been somewhat slowed due to the recent resignation of Mr. Saling. He stated a revised Staff Report dated January 4, 1994 has been distributed to the Committee which recommends adoption of the ordinance as originally submitted.

In response to questions from Council Staff Mr. Rocks stated the Administration will correct the books for the erroneous charging of the Construction Managers time to the Zoo during the first six months of this fiscal year. Through the use of journal entries the Zoo Capital Fund will be adjusted to reflect the actual expenditures for the Construction Manager during the first six months. Also, the expenditures for his time will be charged to the appropriate funds for how he actually spent his time during the first six months.

Council Staff pointed out that the ordinance as proposed leaves \$23,349 in the Zoo Capital Fund for the Construction Managers time during the rest of the fiscal year. Since this amount is based on

an estimate of need, Council Staff suggested that if the part of the ordinance dealing with the Zoo Capital Fund is removed then the Zoo has greater flexibility in paying for the time of the Construction Manager if more time than estimated is actually needed. If this suggestion were approved, the result would be that the Personal Service category in the Zoo Capital Fund would retain its current budget and appropriation level (\$84,949) and overall the budget and appropriation for construction support activities will be increased by \$65,600 (\$35,580 in the Support Service Fund and \$30,020 in the General Revenue Bond Fund. Council Staff pointed out that any unspent funds in the Zoo Capital Fund Personal Services category at the end of the fiscal year would be carried over in the Ending Fund Balance.

In response to concern expressed by Committee members, Mr. Butler indicated his department would work with the Zoo to assure that the Zoo Capital Fund would be charged for only the construction support work his department provides. He also indicated he will report to the appropriate Council committee on whether or not additional budget adjustments are needed for other construction support personnel to more accurately reflect where work is actually performed. He said he would look into this matter as soon as possible and get information back to the appropriate committee as soon as possible.

The Committee amended the ordinance to remove the request to transfer \$65,600 from the Personal Services category in the Zoo Capital Fund to the Contingency category in that Fund.

REVISED STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 93-514 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE TO SHARE PAYMENT WITH THE ZOO FOR THE METRO CONSTRUCTION PROJECT MANAGER AND DECLARING AN EMERGENCY

Date: January 4, 1994

PROPOSED ACTION

This ordinance amends the Adopted FY 1993-94 Budget to transfer sufficient funds from the Support Services Fund Contingency and from the General Revenue Bond Fund, Construction Account Contingency, to share the cost of the Metro Construction Project Manager with the Metro Washington Park Zoo. This action more accurately reflects the manner in which time is apportioned between Metro construction projects.

The original staff report provides the detailed analysis and explanation for this action. This revised staff report responds to a variety of issues raised by the Council committee members and staff during previous consideration of this ordinance.

BACKGROUND AND ANALYSIS

At the Regional Facilities Committee meeting of December 15, 1993, Ordinance No. 93-514 was considered and tabled pending further information. Staff agreed to review the Casey Short/Don Carlson memo dated December 14, 1993, and to provide a more complete response to the questions and observations raised in the memo.

The Council action recommended by this staff report is the adoption of Ordinance No. 93-514 as it was originally presented to the Council. This action will proportionately reflect time and service devoted to various projects by Mr. Taylor, the Metro Construction Project Manager, and adjust departmental charges accordingly. The adjustment will include a re-allocation of time sheet charges for Mr. Taylor for the first six months of the fiscal year to reflect where time was actually spent. The re-adjustment of time sheets will reimburse the Zoo for time not spent on Zoo related projects. The Ordinance also includes an adjustment for future project requirements through the end of FY 1993-94 based on present circumstances.

The December 14, 1993 memo, also recommends an analysis of and adjustments in project time allocations for other members of the Construction Support Division. Adjustments in project time allocations have not been made for other department members at this time. While we do not anticipate major variations in these time allocations, this issue needs to be reviewed in conjunction with the recent change in management for the department. The Interim Director, hired December 27, 1993, should be provided the opportunity to review this issue and report back to the Council at a later date.

The Short/Carlson memo also appears to promote a change in the method by which the costs of the Construction Support Division are allocated from the current basis to that of a time tracking system. This is a significant change from the historical basis for charging out the costs of this activity through the cost allocation plan. There are several implications with this recommendation. The attached memo from the Finance & Management Information Department explains both the rationale and the basis of the current system as well as discussing the implications of the proposed change.

Several other points should be made in connection with the Short/Carlson memo of December 14, 1993.

1. The magnitude of the "problem" addressed by the ordinance (i.e., the difference between how Mr. Taylor was budgeted and how he actually spent his time), was unusually pronounced this year as a result of decisions made by the Council and Executive Officer both during and after the FY 1993-94 budget deliberations. This resulted in the appearance that the cost allocation and financial management systems are not adequate or accurate. The attached memo from Finance and Management Information addresses the cost allocation plan issues in further detail.
2. The observation that there should be a formal understanding between the Regional Facilities Department and the Zoo appears to arise from what was a simple misunderstanding. The Zoo anticipated receiving certain services from Mr. Taylor which require skills and training other than the civil engineering expertise he possesses. The services sought by the Zoo are highly specialized and best acquired through contracting. The misunderstanding has been corrected and need not give rise to formal directives from either the Council or the Executive Officer as suggested in the memo. Coordination and communication should be and will be the norm between departments.
3. An Interim Director of Regional Facilities has been in place as of December 27, 1993, and has just become aware of the issues involved. Under these circumstances, the new interim director should have the latitude and sufficient time to evaluate the existing systems and practices in concert with the Finance and Management Information Department before alterations are considered or imposed.
4. The upcoming budget process is the appropriate time for the Regional Facilities Department to respond in greater detail to the issues raised in the memo. The committee shall receive a report from the Interim Director during the course of the budget deliberations.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive officer recommends adoption of Ordinance No. 93-514.

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December 28, 1993

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Most of the projects have very specific time frames for the project and, very often, have restrictions placed on the funding sources for the project as a result of arbitrage and bond covenants. If a retrospective basis was used to allocate the Construction Support costs, there would be a delay of one to two years in the allocation of costs as a result of specific projects. By that time, the funding sources for the projects may have been exhausted. A prospective allocation basis requires a look into the future to predict what will happen. This prediction, however, is based upon some level of information -- that of proposed construction projects. Changing the allocation basis for this division from proposed construction projects to time sheet allocation would switch the focus of the allocation basis from a prospective look to a retrospective look. For the reasons listed above, especially those related to federal indirect rate requirements, it would be impossible to use proposed construction projects as the basis in the provisional plan, and then change it to actual time spent for the final cost allocation plan.

In addition to the issue of the allocation basis for the Construction Support Division, there is another significant issue with the cost allocation plan which involves all departments. The FY 1993-94 allocation plan was predicated on a July 1, 1993, transfer date of the Regional Parks and Expo from Multnomah County to Metro. The plan estimated a full year transfer amount for these functions and provided a reduction to all other departments which equaled the amount of transfer charged to the former County functions. The delay in the transfer of these functions from July 1, 1993, to January 1, 1994, significantly alters the assumptions of the FY 1993-94 provisional cost allocation plan. The Financial Planning Division intends to analyze the impact of this delay on department transfers. However, due to current demands on the Financial Planning Staff, especially as it prepares the FY 1994-95 budget to meet the Council submittal requirement, this analysis will not be prepared until after the FY 1994-95 budget is submitted to the Council. A re-evaluation of the Construction Support Division's allocation basis can be folded into the analysis of the Parks/Expo transfer delay and a report of the impact presented to the Council Finance Committee. An amended FY 1993-94 Provisional Indirect Cost Rate Proposal may need to be filed with Metro's cognizant federal agency as a result of this re-evaluation. We therefore recommend that action on the third recommendation be delayed until the full re-evaluation of the FY 1993-94 cost allocation plan occurs this Spring.

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cc: Dick Engstrom, Deputy Executive Officer
Doug Butler, Interim Regional Facilities Director
Jennifer Sims, Director of Finance & Management Information
Craig Prosser, Financial Planning Manager

BEFORE THE METRO COUNCIL

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WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of sharing payment with the Zoo for the Metro Construction Project Manager; transferring \$35,580 from the Support Service Fund Contingency to the Regional Facilities Department, Construction Manager division and transferring \$30,020 from the General Revenue Bond Fund Contingency to fund a share of the salary [~~and reducing the Personal Services appropriation in the Zoo Capital Fund by \$65,600~~] to reflect the sharing of costs for this position with other departments.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____,

199[3]4.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council



METRO

Date: December 28, 1993

To: Don Rocks, Executive Assistant

From: Kathy Rutkowski, ^{ilc} Principal Administrative Services Analyst

Re: METRO'S CONSTRUCTION PROGRAM - RESPONSES TO CASEY SHORT'S MEMO DATED DECEMBER 14, 1993

Casey Short's memo, dated December 14, 1993, provided further analysis of Metro's construction program for FY 1993-94, and listed three recommendations for the Regional Facilities Committee to consider in their review of Ordinance No. 93-514. The recommendations are summarized as follows:

1. Correct both the budget and Mr. Taylor's time sheets to reflect, as accurately as possible, the work Mr. Taylor has done and will be doing this fiscal year;
2. Craft the ordinance to assure that work on the two relevant Zoo projects is the highest priority for the Construction Manager (Mr. Taylor); and
3. Most accurately reflect the allocation of time and support for the Regional Facilities Director and the Principal Analyst in the Construction Support Division.

This memo addresses recommendations #1 and #3, as they pertain to the budget and cost allocation plan. Recommendation #2 is a management directive which needs to be coordinated between the Executive Office, the Regional Facilities Department, the Zoo, and the Council.

In FY 1993-94, all of Mr. Taylor's salary and benefits are budgeted in the Zoo Capital Fund, however, he has been performing work which benefits other areas of Metro. The objective of the first recommendation is to correct this situation by amending the FY 1993-94 budget to reflect the proper funding sources for the work performed and to amend Mr. Taylor's time sheets to reimburse the Zoo for time not spent on Zoo projects. Ordinance 93-514, as it is presented to the Council, will meet this objective. The ordinance will provide appropriation authority in the Construction Support division and the General Revenue Bond Fund to allow for the re-coding of Mr. Taylor's time to those areas. Once the ordinance is approved, Mr. Taylor's time sheets for the first part of FY 1993-94 will be re-coded to reflect the work he has performed. The re-coding of the time sheets will be accomplished through journal entries prepared by the

Accounting division. The posting of the journal entries will reimburse cash to the Zoo for the amount of time Mr. Taylor spent on non-Zoo related projects. It is not necessary to show in the budget an actual transfer of cash to the Zoo as the correction of the problem is occurring in the same fiscal year as the inaccuracy, and Ordinance 93-514 and its subsequent implementation will provide for the reimbursement to the Zoo.

The objective of recommendation #3 is to most accurately reflect the allocation of time and support the Regional Facilities Director and the Principal Analyst in the Construction Support Division provide to the departments. This is an issue of the cost allocation plan and not one of re-coding or re-budgeting time allocations. The salaries and benefits of the staff budgeted in the Construction Support Division are allocated to the departments through the cost allocation plan. At issue is whether the basis used in the cost allocation plan to allocate these costs accurately reflects the support provided to the departments.

The cost allocation plan attempts to prospectively allocate the costs of the Construction Support division. It is the only division of the central services in which a prospective basis is used. All other services are allocated based on historical usage. There are problems inherent in using a prospective allocation basis -- primarily that the allocation basis is fluid and will change numerous times during and after the budget deliberations. A change in any one allocation basis adjusts not only the allocation for that division to all departments, but also the allocations of several other areas for all departments. This has the effect of altering the federal indirect rate which is the rate which determines the amount of overhead which may be recovered from grants. Because of these problems, it has been past practice that once the allocation bases are determined early on in the preparation of the Executive Officer's Proposed Budget, they are not changed through out the budget deliberation process. In addition, because the cost allocation plan is also used as the federal indirect cost rate proposal, changes in allocation bases between the provisional and final plans for any given fiscal year would require a re-approval of the agency's plan for that year.

The basis of allocation used for the Construction Support Division is the value of the proposed construction projects anticipated for the ensuing year. These values are determined from the budgets submitted by the departments to the Executive Officer. The Financial Planning Division recognizes the significant variation that has occurred for FY 1993-94 between the time the values were set and today, as a result of decisions made by both the Executive and Council. For example, the allocation basis anticipated the construction of the Wilsonville Solid Waste Transfer Station. If the re-evaluation of the Council's September, 1993 action reaffirms the decision not to build the station, this is a significant change in the allocation basis.

A prospective allocation basis is used for the Construction Support Division for a variety of reasons. Construction requirements change significantly from year to year.

DRAFT

InterOffice Memo

To: Don Rocks, Executive Assistant
From: Glenn J. Taylor, Construction Projects Manager
Date: December 17, 1993
Subject: Construction Manager and Engineer functions on Metro projects

Typically on a Metro project, a project manager is assigned to manage, direct, and administer a project. On design and construction projects, an engineer, planner, or management analyst is usually assigned as project manager. The project manager writes the RFP and contract for the design consultant and works with the consultants and any departments or personnel on the design team. The construction projects manager provides technical input, attends design review meetings, and performs constructability reviews of the preliminary and final designs. The project manager writes the construction bid documents for advertisement, obtains the appropriate department approvals, and obtains Council approval. The construction projects manager reviews the construction bid documents for the appropriate sections and their wording for agency wide consistency and appropriateness to the particular project, such as type of schedule, cost proposal format, types of submittals required, and the claims process. The project manager then advertises the project for bid and is the point of contact for all bidders questions and/or meetings. The amount of involvement by the construction projects manager is dependent of the complexity and size of the project as well as the knowledge and ability of the project manager.

After the construction contract is executed by Metro, a construction coordinator is usually assigned to manage the construction contract on a daily basis and negotiate any changes to the contract necessary to maintain the schedule, correct design deficiencies, or implement owner scope changes. The construction coordinator works under the oversight and direction of the construction projects manager. The construction projects manager attends weekly construction progress meetings (at least until the project record keeping procedures are implemented and the project is running smoothly) and basically trains and advises the construction coordinator(s). On some projects, such as the Metro Headquarters, the project manager along with the construction projects manager acts as the construction coordinator.

On the most recent MERC project, the Truck Marshalling Lot under the I-5 freeway, the MERC construction manager had no experience in handling a design and construction project of this magnitude, so the construction projects manager acted as the project manager through the bidding process and turned the project over to MERC to manage the construction. The construction projects manager also acted as the project manager of the

Oregon Convention Center computerized lighting control design and has nearly completed the construction contract for that project.

The Elephant Front Yard Renovation project for the Zoo was managed by the Zoo director, but the construction projects manager wrote the construction contract. The construction projects manager also attended all design review meetings and reviewed the documents for constructability. The construction projects manager is scheduled to act as the construction coordinator on the Zoo Elephant Front Yard Renovation and the Research Building Remodel project during the 3rd and 4th quarters of this fiscal year.

The Zoo Director had requested that the construction projects manager manage the Oregon I Exhibit project design, which would include determining the types of exhibits that would be built (conceptual design) and doing research on the types of plants and animals that would be appropriate to be included in such exhibits. It was decided that the project manager should be someone from the Zoo with more knowledge of Zoo exhibits, since the construction projects manager is a civil engineer that has specialized in construction management. The Zoo Director decided to assign herself as the project manager for this project. Hopefully she will obtain the services of a consultant such as a landscape architect and biologist with the necessary knowledge and experience to provide this type of information.

Engineers at Metro do not design projects, they determine what designs need to be done for the agency and then hire and manage design consultants to actually do the conceptual design and construction drawings. I am not sure how many types of engineers are employed by Metro, however, I know that Solid Waste has at least 3 civil engineers, one chemical engineer, and a mechanical engineer.

C:



METRO

Date: December 15, 1993

To: Don Carlson, Council Administrator

From: Jennifer Sims, Director of Finance and Administration
Neil Saling, Director of Regional Facilities

Through: Kathy Rutkowski, Principal Administrative Services Analyst

Re: FOLLOW-UP QUESTIONS ON CONSTRUCTION SUPPORT

The following has been prepared in response to your memo dated November, 29, 1993, asking further questions on the Construction Support Division of the Regional Facilities Department.

- 1. Is the cost allocation plan adjusted after the Council approves the budget in May? If so, should it not reflect the proposed construction projects approved after the Council has dealt with the Executive's proposed budget?*

The dollar amounts allocated in the cost allocation plan are adjusted throughout the budget process to reflect adjustments made by the Council during deliberations. However, once set, the allocation bases are not adjusted. In almost all cases, the bases of allocation take a retrospectively look at the level of service provided. Since this uses historical information which does not change, the allocation bases are not adjusted during the process. The Construction Support Division allocation basis is an exception to the retrospective allocation. This costs for this division are intended to be allocated prospectively, using the proposed construction project budgets submitted by the departments at the time the budgets are due to the Executive Officer. Any allocation basis that takes a prospective look to allocate costs probably should be adjusted throughout the process. This further complicates the cost allocation plan by increasing the number of details and adjustments which need to continually be made, and is one of the reasons why most cost allocation plans use retrospective allocation bases. Further, because Metro's cost allocation plan also serves as the federally approved indirect cost rate proposal to determine the overhead rate which may be applied to grants, the allocation bases may not change from the time Metro prepares its "provisional" plan based on adopted budget amounts to the time it prepares its "final" plan for the same year based on actual expenditures.

2. *What is included in the allocation for the Metro Regional Center construction project in the Construction Support Division? You brought this out in your answer as if it is an important part of the work of the Construction Support Division. The Adopted Budget includes 1.05 FTE in the General Revenue Bond Fund for staff support of the Metro Regional Center project. Included in this FTE are supervisory time for the Director, project time from the Project Manager, support time from an Assistant Management Analyst and an Administrative Secretary. My understanding of the Adopted Budget is that the work of the Construction Support Division is in support of other construction activities of the District, particularly those that are not direct charged in another fund such as is the case of the Metro Regional Center project. The only exception to this would be that part of the work of the Labor Compliance Office which would result in an allocation to the Metro Regional Center project in the Support Service Fund.*

The Construction Support Division, as configured by the Council in the FY 1993-94 Adopted Budget, provides oversight over all construction projects being undertaken by Metro, including MERC projects. Each project has staff which are funded directly from the particular project fund. While the same individuals are listed in both the General Revenue Bond Fund Construction Account and the Construction Support Division, the activities are not redundant. An example is the Principal Administrative Services Analyst who is allocated 50 percent to the Metro Regional Center Project and 50 percent to Construction Support. The latter share represents time to be allocated primarily to assisting MERC with its capital projects.

You indicated our previous response which stated the inclusion of the Metro Regional Center project as part of the Construction Support Division's allocation basis, seemed an important part of the work of the Construction Support Division. That information was provided merely as further explanation of the method by which the division costs are allocated. The portion of the allocation basis that is related to the Metro Regional Center project represents only 4 percent of the total allocation basis.

3. *What are the projects that are to be worked on by people in the Construction Support Division that result in the allocated costs?*

As indicated above, all Metro and MERC capital projects may be "worked on" by people in the Construction Support Division. At the present time this oversight includes:

- Truck Parking Area (MERC)
- Lighting System Revisions (MERC)
- Interior Signage (MERC)

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- Metro Regional Center
- Research Center Renovation (Zoo)
- Elephant Front Yard (Zoo)
- Revenue Parking Lot (Zoo)
- Oregon I Design (Zoo)
- St. Johns Landfill Closure (Solid Waste)
- Preview Center (End of the Oregon Trail - proposed)

cc: Dick Engstrom
Casey Short

kr:ord93-94:constmgr:FOLLOW.DOC



METRO

DATE: December 14, 1993

TO: Regional Facilities Committee
Finance Committee

FROM: Casey Short *CS* Council Analyst *CS*
Donald E. Carlson, Council Administrator

RE: Metro's Construction Program

This memo is to provide further analysis of Metro's construction program as it exists in FY 1993-94 and as it is projected for FY 1994-95, to assist you in your consideration of Ordinance No. 93-514. That ordinance would transfer funds to adjust the allocation of costs for the Construction Projects Manager, who is budgeted full time in the Zoo Capital Fund but who has spent little time working on Zoo projects in the first half of the fiscal year.

The central issue posed by Ordinance 93-514 is whether the allocation of the Construction Projects Manager's time and costs to the activities in the ordinance is the best policy decision for the agency. In addressing the specific issue of the Construction Projects Manager, however, the rest of the construction program must be examined to determine how all the pieces fit together.

Attached to this memo is a breakdown of current construction projects, showing their budgeted costs, funding sources, level of staff support needed, and status.

BACKGROUND AND DISCUSSION

Metro has construction activity and budgeted construction support staff in four departments: Zoo; Solid Waste; MERC; and Regional Facilities. The operating departments work on projects specific to the department, while the central construction support staff in Regional Facilities has a broader function. The Regional Facilities staff assists the operating departments in preparing and reviewing construction documents and settling claims when requested, as well as managing specific agency-wide projects such as construction of Metro Regional Center. That central staff effectively consists of two full-time people, the Construction Projects Manager (Glenn Taylor) and Principal Analyst (Berit Stevenson), with assistance from the Department Director (Neil Saling) and support staff in Regional Facilities.

Construction support staff in the departments is at varying levels, and those people use the central staff resource in different ways. The Zoo has a Project Coordinator who is managing some 12 smaller projects, including construction of the Center for Species Survival, which is the largest of these projects. The Construction Manager is budgeted at the Zoo, to be responsible for managing larger projects, including assistance in development of the Entrance/Oregon I project. MERC has a Construction/Capital Projects Manager, who is budgeted 50% in the OCC Capital Fund and 50% in MERC Administration. He receives considerable support from the central staff in the design and bidding of certain projects at the Convention Center. Solid Waste has 10 FTE in its Engineering & Analysis Division, of whom 6.75 are budgeted on the St. Johns Landfill Closure project.

There is a relatively high level of construction activity in FY 1993-94, with the expectation that this level will be significantly reduced next year. The Zoo has budgeted its construction activity to be done this year, and virtually all the projects will be completed by the summer of 1994: the Zoo Capital Fund will be nearly exhausted at the end of this year, except for effort and funding for the major expansion contemplated in the Entrance/Oregon I project. At MERC, the level of activity next year should be slightly less than this year. Solid Waste's construction activity should be about the same, with its focus on closure of the St. Johns Landfill. The central staff in Regional Facilities will have completed its major project very soon, with the final work on Metro Regional Center.

OBSERVATIONS

The summary of projects and our research produces the following observations:

1. Ordinance No. 93-514 proposes to allocate Mr. Taylor's time for the remainder of the fiscal year to include 45% dedication to Zoo projects. Zoo staff is concerned that establishing such a percentage may not provide adequate commitment to ensuring that the work on the Zoo's projects is done adequately and in a timely manner.
2. Planning and design work for the Oregon I/Entrance project is not to the point where construction staff should be allocated to the project. Therefore, no additional staff time is recommended for it; any needed design review staff should be considered in the context of the 1994-95 budget deliberations.

3. Solid Waste utilizes the central Construction Support personnel only as needed for settlement of claims. This point illustrates not only that Solid Waste has just the one major contract and doesn't utilize the review and consultation services provided centrally, but also points to an equity issue. Solid Waste contributes a majority of funds for the Construction Support program through the Cost Allocation Plan, but does not appear to receive a commensurate benefit. (See point #9, below.)

4. MERC has a number of projects in various stages. There is some disagreement between MERC construction staff and the Regional Facilities Department as to the amount of central support required. Council staff concludes that some central construction support is advisable, but the proper level should be determined jointly by MERC and Regional Facilities.

5. Following completion of Metro Regional Center, there is little commitment for work to be directly managed by the Regional Facilities construction support staff. The End of the Oregon Trail preview center would keep some of the staff busy for the remainder of the fiscal year if that project were to be managed by Metro, but it does not yet have commitments, much less Council approval.

6. Dedication of budgeted FTE in the Construction Support program in Regional Facilities does not appear to reflect actual use of staff time to date. The budget provides for 60% of the Department Director's time, none of the Construction Manager's time, and 50% of the Principal Analyst's time to be dedicated to this program. The Principal Analyst, however, is budgeted here through a direct transfer from the OCC Capital Fund, so her time should be dedicated to activities in that Fund.

7. A significant contributing factor to the difficulties we have encountered in researching Metro's construction support program lies in the diversity of funding sources for construction. Funds that contribute staff support for construction management include:

Zoo Operating	Small scale Zoo capital projects
Zoo Construction	Large Zoo capital projects
OCC Capital	OCC capital projects, tied to the bond issue
Spectator Facilities	PCPA and Stadium capital projects
Gen. Revenue Bond	Metro Regional Center
Regional Parks/Expo	Expo Center capital projects
Solid Waste Revenue	St. Johns Landfill Closure
Support Services	Projects and general support

The system of spreading costs throughout the operating and capital funds provides the benefit to line departments of being able to exercise direct supervision over construction staff. The departmental efforts are to be supported by the central staff, at varying levels of involvement. In addition, the central staff has been given management responsibility for projects as they arise, most notably the construction of Metro Regional Center. The End of the Oregon Trail preview center might become another example of this. (It should also be noted that the construction support staff in Regional Facilities is, to a large extent, an outgrowth of the Convention Center Project, which was its own department during OCC construction.)

The diversity of programs, projects, and lines of responsibility and accountability have contributed to the current confusion over who should be doing what.

8. The allocation of construction support staff in the Adopted Budget does not conform with the agency's needs through the first half of the fiscal year. Ordinance No. 93-514 adjusts the allocation of one staff person's time and support, where the opportunity is present to adjust the allocation of the two remaining central construction support personnel (the Department Director and Principal Analyst).

9. The Cost Allocation Plan places an inordinately high burden on the Solid Waste Revenue Fund for indirect support of the Construction Support program. Solid Waste contributes 56% of the total Construction Support costs, and 73% of the indirect costs of the program (excluding the \$37,132 in direct costs from the OCC Capital Fund for support of the Principal Analyst). As this report shows, Solid Waste uses the central staff only on an as-needed basis and does not require a majority of their time.

The Cost Allocation Plan bases the distribution of costs for the Construction Support program on the size of departments' construction budget requests. There is little direct connection between the size of a construction budget and the amount of central support that may be needed during the year. The inequity that appears in this year's formula for support of the Construction Support program points to a need to revisit the basis for determining those costs in the Cost Allocation Plan.

RECOMMENDATIONS

1. Direct Regional Facilities and Finance & Management Information to correct Mr. Taylor's time sheets to reflect, as accurately as possible, the work he has done so far this fiscal year. The corrections should indicate the projects worked on and

the proper funding sources. Amend the ordinance pursuant to the corrections. This action should also include a review of Mr. Saling's and Ms. Stevenson's time sheets as well, and if corrections are required, those corrections should also be made. Such actions will probably require some transfer between funds.

This action would retroactively correct inaccuracies made to date. The first thing to do here is clean the slate so we can look toward future actions without worrying about the past.

2. Direct staff to craft the ordinance to assure that work on the two relevant Zoo projects is the highest priority for the Construction Manager.

The ordinance outlines an allocation of the Construction Manager's time for the two final quarters of the fiscal year, which calls for 40% of his time in the third quarter and 50% in the fourth quarter to be dedicated to the Zoo. Zoo staff has a concern that this amount of time may not be adequate to ensure the most timely completion of those projects.

In assigning the Construction Manager position to the Zoo in the 1993-94 budget process, the Council gave some assurance to the Zoo that its construction management needs would be adequately addressed. Zoo staff has counted on having the resources available to complete their projects as soon as possible, based on their budgeted allocation of staff. A mechanism should be included in the ordinance to ensure that completion of the Zoo projects is the Construction Manager's top priority, and will take precedence over other work.

As a related piece of this recommendation, there should be a discussion of the alternatives for budgeting a portion of the position in the Zoo Capital, General Revenue Bond, and Support Services Funds. The ordinance as proposed would budget 26% of the position in the Zoo Capital Fund, with the remainder in the other two funds. If the Council decides to establish priorities among the work outlined, what are the alternatives for budgeting the position and the funds to support it in order to ensure that the priorities are observed?

3. Request the Administration to prepare amendments to Ordinance No. 93-514 which most accurately reflect the allocation of time and support for the Regional Facilities Director and the Principal Analyst in that department.

The Adopted Budget allocates the three central staff in the Construction Support program as follows:

<u>FUND</u>	<u>Director (Saling)</u>	<u>Manager (Taylor)</u>	<u>Analyst (Stevenson)</u>
Gen. Rev. Bond	10%	0%	50%
Zoo Capital	0%	100%	0%
Support Services			
Construction	60%	0%	0%
Other	20%	0%	0%
Building Management	10%	0%	0%
OCC Capital	0%	0%	50% *

(* This portion of this position is budgeted in the Construction Support program in Regional Facilities, but is funded through a direct transfer from the OCC Capital Fund.)

Neither work done to date nor work projected for the second half of the fiscal year is consistent with the budgeted staffing levels. While some variance with the budget is to be expected in this program, the degree of variance in 1993-94 is too large to be considered equitable or prudent, and should be adjusted to reflect actual work.

A FINAL THOUGHT ON CENTRALIZATION

There has been considerable discussion in the past couple of years on the issue of centralization/decentralization of Metro's construction program. The current system is a mix of the centralized and decentralized models, with a central staff supported by indirect transfers to the Support Services Fund and departmental construction staffs whose size and work loads vary with the amount of construction. There are three basic alternatives available for the Council to consider in determining how to structure this program.

The first would be a centralized program in which all construction support staff would be housed centrally and paid for through transfers. The advantages to this approach would be the ability to centrally coordinate work; ability to establish consistent standards for construction work, specifications, etc.; and having a single point of accountability for all Metro's construction programs. The disadvantages would include decreased flexibility for departments to adjust their work schedules with their own staffs; decreased accountability at the department level; and perhaps a difficulty in adjusting staff size in the central department to account for the fluctuation in work load. There would also likely be concerns with equity in the assessment of departmental financial support.

The second alternative would be to continue along current lines. The advantages include: continuity is less disruptive to current operations; ability to have central support and oversight while preserving departments' ability to exercise direct supervision over project staff. Disadvantages include: some inequity in the financial support system; potential for problems in assuring that standards are uniformly maintained throughout the central and departmental operations; and some lack of clarity as to accountability.

The third alternative would be to establish a decentralized system. This would have the advantages of increased flexibility for the departments to manage their own projects; elimination of the issue of the equity of transfers to the central operation; and probably would make it somewhat easier to adjust staff levels to reflect project work. The disadvantages would probably outweigh the advantages in this model: it would be difficult to establish consistent agency-wide standards without a central operation; there would not be a clear line of responsibility for agency-wide projects that did not fall within the purview of a particular department; and there would not be a central support staff to provide advice, review of plans, and settle claims that couldn't be resolved within the department.

This report does not advocate any significant changes from the current system. Council staff does not support the establishment of a pure decentralized system, because there is a need for some central support to ensure that standards are established and a forum for impartial review and arbitration is maintained. We also hesitate to recommend a stronger central function. The main purposes of such a change would be to establish a central point of accountability and preserve a core construction support staff in a period of reduced construction activity. This would have the immediate effect, however, of pulling the relevant Solid Waste staff into a central operation without much justification for the change.

In the coming year, the construction support program is expected to decrease. There will likely be continuation of the Capital and Construction Manager at MERC to manage MERC's capital projects (with assistance as needed from a central staff), and there will continue to be a need for staff to manage the St. Johns Landfill closure project. There will probably be a reduced justification for Zoo construction staff, and there will continue to be some central presence. The size, makeup, and work program of the central staff is yet to be determined, and will have to be the subject of debate in the budget process.

Metro Construction Program

December 14, 1993

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The direction we do recommend for this program is that a central construction support program be maintained, with the flexibility to continue providing technical support and manage projects as required. This model, however, will require careful supervision to ensure that the centralized function satisfactorily meets the needs of the departments for which services are provided. Service should be commensurate with the financial support received.

METRO CONSTRUCTION ACTIVITY
Projects in progress or anticipated

ZOO

Project: Elephant Front Yard Remodel
Summary: Rebuild the elephant front yard to provide better sight lines for visitors and a better environment for the animals.
Cost: \$850,000
Fund: Zoo Capital Fund
Status: Design contract has been let, and design is nearly complete. Construction bids expected to be issued in December and work is scheduled to begin in early February. Completion is expected by late summer 1994.
Support: The Zoo's Construction Manager will have responsibility to manage the construction contract, which will occupy 60 - 70% of his time; there will be little or no coordination by Regional Facilities. The Regional Facilities staff would only have involvement in this project in case of claims that couldn't be resolved by Zoo staff.

Project: Center for Species Survival construction
Summary: Design and build the Center for Species Survival facility, for research purposes.
Cost: \$650,000
Fund: Zoo Capital
Status: Project is underway, with completion expected by February, 1994.
Support: Project is managed by Zoo Design Services staff; no support from Regional Facilities anticipated.

Project: Research Building Remodel
Summary: Remodel and expand the Zoo's research building to repair structural damage, improve veterinary facilities, and remodel office spaces.
Cost: \$475,000
Fund: Zoo Capital
Status: Design is complete, and the RFP for construction is expected to be awarded in early January. Substantial completion is scheduled for late June, 1994.
Support: Project management and construction oversight is the responsibility of the Zoo's Construction Manager, and will occupy some 30-40% of his time.

Project: Entrance/Oregon I
Summary: Design new Zoo entrance near light rail station, and design Oregon Exhibit as first phase of implementing

Zoo Master Plan.
Cost: \$934,000 budgeted for design in 1993-94; total cost of project, if fully implemented, will be \$20 million. Design costs will be approximately \$2.8 million. Size and cost of project is as yet undetermined, and is dependent on funding.
Fund: Zoo Capital
Status: Little progress has been made on this project this year. No RFP for design has been issued, and the project's funding is still unresolved.
Support: The Zoo Director expects to take a lead role in this project. Design work will probably be contracted. There will be little participation by the Zoo Construction Manager or Regional Facilities staff until the construction phase of the project.

MERC

Project: Construct truck staging/parking area.
Summary: Design and pave the area immediately west of the Convention Center (under I-5), for use as a staging area and parking lot for trucks.

Cost: \$400,000
Fund: OCC Capital
Status: Project has been designed and bid. Construction is underway; completion expected in February, 1994.
Support: MERC Capital/Construction Manager is managing the project, with the Regional Facilities Construction Manager clarifying bid specifications when needed.

Project: OCC Lighting Controls
Summary: Upgrade master lighting controls for OCC, permitting better coordination and flexibility.
Cost: \$245,000
Fund: OCC Capital
Status: Project is designed. The problem with this job is finding a 60-day period when the Convention Center is relatively free of bookings, to allow the work to be done. Until time for the project is set aside, there is no pressure to finish the bid documents.
Support: The Construction Manager in Regional Facilities is responsible for preparing the bid documents. MERC's Capital/Construction Manager will manage after award of the contract, with assistance from OCC's Operations Manager and electrician.

Project: ADA Signage and Retrofit
Summary: Design and construct new signage at OCC that meets guidelines of the Americans with Disabilities Act; design and construct modifications to OCC for ADA

compliance.
Cost: \$240,000 in budget; actual amount will vary depending
*on amount of work done.
Fund: OCC Capital
Status: RFP responses for signage are in; decision on award of
contract hasn't yet been made. Project completion
expected by spring 1994. Retrofit work for restrooms
and concession stands can be awarded through the
informal bid process. The only aspect of the retrofit
that would have to go through the RFP process would be
installation of an elevator to the Skyview Terrace;
this may or may not be done, depending on demand and
Skyview use.
Support: Regional Facilities' Principal Analyst is responsible
for the signage RFP, and will develop the RFB for the
elevator if that is to be done. MERC's
Capital/Construction Manager will manage the projects
following contract award.

Project: Tiered Seating purchase and assembly.
Summary: Purchase portable tiered seating for OCC (2300 seats);
assemble after delivery.
Cost: \$790,000
Fund: OCC Capital
Status: Bid has been awarded, and MERC is awaiting delivery.
Delivery expected early December; project should be
complete mid-January.
Support: MERC's Capital/Construction Manager will supervise the
remaining work to be done on this project.

Project: Safety and Code Compliance work at Expo
Summary: A number of improvements at the Expo Center are
necessary in order for the facility to meet existing
safety standards. These include emergency generator
and emergency lighting replacements; ADA modifications;
and restroom remodeling, partly ADA-related. Multnomah
County will pay for this work.
The Expo Center requires a long-range look to determine
its role in the market, its profitability, and the
scope of enhancements to make it best fit its niche.
MERC is proposing that it not undertake capital work in
1994-95, beyond any essential safety projects; there is
only \$150,000 in the Expo capital budget for 1994-95.
MERC wants to operate the facility for a year or so
before deciding how to proceed on the capital side.
Cost: Approximately \$250,000
Fund: Multnomah County
Status: Unclear. It is expected that this work will be done
this fiscal year, but I'm not sure where these projects
are as to design, plans for timing, etc.

Support: A determination has yet to be finally made as to which agency will supervise the work to be done in 1993-94. If Metro/MERC manages the work, there will be some small amount of oversight from the central construction support operation. This will most likely be review of RFP's and assistance as needed in coordinating projects.

Project: ADA Compliance (PCPA)
Summary: The principal capital item projected for PCPA is restroom upgrading, particularly at Civic Auditorium.
Cost: PCPA has \$180,000 budgeted for Capital in 1993-94, which includes restroom remodel and several minor capital items (including carpet replacement).
Fund: Spectator Facilities Operating Fund
Status: Restroom remodel has been designed; decision on amount of work to be done is pending, dependent on budget issues.
Support: Project managed by MERC Capital/Construction Manager.

Project: AAA Baseball (Civic Stadium)
Summary: Several improvements to the Stadium have been promised if Calgary's Pacific Coast League franchise is to move to Portland. These include dugout relocation, concession upgrades, scoreboard replacement, clubhouse improvements, sound system upgrade, construction of an elevator to the press box, and press box renovation.
Cost: Approximately \$200,000 without scoreboard replacement. The scoreboard would have to be funded through a sponsorship, with the cost reimbursed through advertising revenues.
Fund: Spectator Facilities Operating Fund
Status: Not contemplated for FY 1993-94. This work would be done in 1994-95 if approved in the budget; this is dependent on obtaining a AAA baseball team.
Support: MERC has indicated it can manage the Stadium projects with in-house resources; some review of RFP's and specifications might be requested of the central staff in Regional Facilities.

SOLID WASTE

Project: St. Johns Landfill Closure
Summary: Close the St. Johns Landfill according to requirements, including full cover and installation of gas recovery lines.
Cost: \$40 million
Fund: Solid Waste Revenue Fund (Landfill Closure Account)

Status: Closure of St. Johns Landfill was separated into closure of 5 individual sub-areas. The first sub-area closure is done; the next two are nearing completion; and most of the bids are in for the last two. Completion is projected for mid-1996.

Support: The project is managed by Solid Waste staff, with a contractor (Parametrix) performing construction management. There are 6.75 FTE budgeted for this project. The central staff in Regional Facilities is called upon to resolve claims and disputes as they may arise. To date, there have been none on this project, although one may arise in the near future. Solid Waste staff appreciates this support, citing an instance with construction of Metro South in which the Regional Facilities Director and Construction Manager spent 2.5 person-months resolving a major claim.

REGIONAL FACILITIES

Project: Completion of Metro Regional Center

Summary: Finish follow-on work and manage current office space expansion project.

Cost: \$300,000 for office space build-out on first floor.

Fund: General Revenue Bond Fund

Status: All bond proceeds must be spent by December 18, 1993, so the work has to be very nearly done by then. After the bond funds are spent and the expansion project is completed, the Metro Regional Center project should become the responsibility of the building management staff, replacing the construction support staff.

Support: Central support from the construction support staff should no longer be needed after December.

Project: Zoo Parking Lot

Summary: The Zoo's parking lot needs to be reconfigured to accommodate light rail and to make it a fee lot, to generate the \$2 million of Metro's share for the Zoo light rail stop. The project includes reaching agreement with the City of Portland on managing the lot and allocating proceeds from parking; designing the lot, which might include rerouting of SW Knights Blvd.; designing the pay-to-park system; and building the lot.

Cost: Approximately \$2 million

Fund: Zoo Revenue Bond Fund

Status: Negotiations are proceeding with the City. Until agreement is reached on lot management, design work and other work will not proceed.

Support: The Regional Facilities Director is designated as the liaison from the department. It is uncertain how much time will be required on this project.

Project: Predicate Study

Summary: The City of Portland is sponsoring a multi-jurisdictional study to determine the extent of past racial and gender inequity in the construction business. Metro has been asked to participate in the study.

Cost: Total cost of the study is in the \$375,000 - \$500,000 range; Metro has been asked to contribute \$100,000.

Fund: General and Support Service Funds, split evenly.

Status: Metro's participation is under consideration by the Council.

Support: The Regional Facilities Director is proposing that a portion of the Principal Administrative Service Analyst's time be dedicated to this project. The extent of this involvement has yet to be determined.

Project: End of the Oregon Trail Preview Center

Summary: The City of Oregon City and the End of the Oregon Trail Foundation have received a federal grant to construct a preview center commemorating the End of the Oregon Trail. Pursuant to a request from the Foundation Metro has submitted a proposal for Metro to manage the Preview Center's construction. The project will take approximately six months to construct.

Cost: Approximately \$2 million

Fund: HUD grant will be routed through the Support Services Fund; project would be paid for without Metro funds.

Status: Metro's proposal has been preliminarily accepted by the Foundation. Discussions are underway to determine how to structure an agreement.

Support: The Regional Facilities Director estimates this project would take half of the Construction manager's time and half the Principal Analyst's time for the six months of construction. There would also be some small allocation of the Director's and Associate Management Analyst's time.

**METRO**

Date: November 4, 1993

To: Don Carlson, Council Administrator
Casey Short, Council Analyst

From: Neil Saling, ~~Director~~ Director of Regional Facilities

Re: Metro Construction Program

To follow up on the directions of Councilor McFarland as a result of the discussion of Ordinance No. 93-514 last night, I would like to comment on your memorandum to the committee and outline some parameters for examining the Metro Construction Program.

The assignment of Mr. Taylor to the Zoo through the budget process was done over my objection and that of the Executive Officer. The identical savings could have been achieved by deleting the Construction Coordinator position in the Zoo budget and directing me to support agency construction using the optimum combination of available assets. As you recall, the budget testimony process provided inadequate time to discuss the merits of centralized versus decentralized control of construction assets. Returning to the Council in July proposing an immediate change to their adopted budget would have been folly. However, we now have an opportunity to take a thoughtful look at the issue.

Your Appendix C purports to list the agency's construction assets. In review of the Solid Waste Budget, I find Bob Martin authorized under an "Administration Account". Is he considered a construction or engineering asset because he was previously the Chief of the Solid Waste Engineering and Analysis Division? If not, why should I be so considered? In the case of Berit Stevenson, she is a Principal Administrative Services Analyst acting as a Project Manager for the Metro Regional Center Project. This Project Manager is a designation similar to that of Kay Rich at the Zoo as Project Manager for the Research Center Improvements. Are these designations a basis for inclusion as a construction asset? In my view, designation as Project Manager does not make the recipient a construction asset. I believe we will be far better off to take the approach of creating a team to address each capital project as opposed to counting "Construction FTEs".

Your reference to sanctions for using an employee for purposes outside the budgeted position sounds like an invitation to open an unnecessary squabble between the Council and the Executive Officer. This Ordinance was brought forward because the budget as adopted did not match the agency requirements. I believe Councilor McFarland's directions give us an opportunity to not only resolve the proper allocation of assets for the remainder of this fiscal year, but also to set the parameters for next year's budget.

In terms of the long range look at Metro capital projects suggested by Councilor Hansen, I visualize a fairly busy program through the end of this fiscal year. The projects may include (but also may not):

- St. John's Landfill
- Oregon Convention Center
 - Lighting Controls
 - Exhibitor Parking Lot
- Zoo
 - Research Building Renovation
 - Elephant Front Yard
 - Thirteen (13) Small Projects
- End of the Oregon Trail Preview Center
- Metro Regional Center Completion

Next fiscal year and beyond is a big unknown. There will be continued coordination between the Zoo and TriMet on the Revenue Parking Lot, but the Zoo Capital Projects budget will be tapped out. Construction on Oregon I is dependent on finding a fund source. The Expo Center will require improvements and MERC cannot handle them alone. The questions are timing and availability of funds to do the Expo Center upgrade. St. John's Landfill work will continue. We need to find out what other capital projects are planned by Parks and Solid Waste. Expansion of the Oregon Convention Center will occur, but exactly when is a question which may be answered in part by the MERC Business Plan.

Councilor Hansen's point on retaining an experienced cadre of construction personnel bears close examination in the context of the entire agency. We may find that increased centralization of Metro's technical assets may be the most cost effective means of achieving this goal.

Please let me know when we can convene to discuss the response to the Regional Facilities Committee.

cc: Councilor McFarland
Dick Engstrom
Glenn Taylor
Berit Stevenson



METRO

DATE: November 3, 1993

TO: Regional Facilities Committee

FROM: Casey Short, Council Analyst
Donald E. Carlson, Council Administrator

RE: Ordinance No. 93-514

Ordinance No. 93-514 proposes to amend the budget to reallocate resources dealing with the funding of a Construction Manger position. This memo will provide additional background for your discussion of the issue.

BUDGET PROCESS

The Executive's Proposed Budget contained a full-time Construction Projects Manager in the Regional Facilities Department and a full-time Construction Coordinator position in the Zoo Capital Fund. The Construction Projects Manager was proposed to spend his time in four separate program areas:

- Construction Support (40%)
- Convention Center Capital (40%)
- Metro Regional Center (10%)
- Program Development (10%)

The Construction Coordinator at the Zoo was to supervise capital projects in the Capital Fund. The budget notebook contains the following narrative relevant to this position:

"A temporary Project Coordinator will be funded through this line item until the Entrance/Oregon Phase I project begins and a Construction Coordinator is hired."

The Council's Adopted Budget differs significantly from the Proposed. In an effort to save money, clarify roles and responsibilities, and streamline operations while retaining qualified employees, the Adopted Budget eliminated the Construction Projects Manager position in Regional Facilities. The Construction Coordinator position at the Zoo was upgraded to a Construction Manager to allow the incumbent in Regional Facilities to continue as a Metro employee if he desired this other position. The management of the Convention Center Capital Fund was transferred to MERC, with 0.50 FTE of MERC's Construction/Capital Projects Manager position funded in this

Fund. The Regional Facilities Director was increased from 0.20 to 0.60 FTE in the Construction Support program, and the Construction Coordinator had her time increased in the General Revenue Bond Fund to work on finishing the Metro Regional Center project.

CURRENT STATUS

Through October 31, the Construction Projects Manager has been paid by the Zoo out of the Capital Fund. (It should be noted, however, that through July his time was originally allocated in three Funds and subsequently the payroll was amended to reflect full-time payment by the Zoo. The original charges were split among the Zoo Capital Fund (40%), General Revenue Bond Fund (50%), and the Convention Center Capital Fund (10%.) The Construction Coordinator was on maternity leave until mid-September, and her time has been evenly allocated between the General Revenue Bond Fund and the Support Services Fund.

The action requested in Ordinance 93-514 is to transfer funds from the contingency accounts of the Support Services and General Revenue Bond funds to cover the personnel costs of the Construction Projects Manager through the remainder of the fiscal year. There would be a corresponding reduction in expenditures from the Zoo Capital Fund to reflect a decreased level of this position's participation in Zoo Capital projects. The action would cover both past and anticipated activity.

ISSUES

There are three issues for the Council to consider in acting on this ordinance.

1. What is the needed level of construction support for the agency?

Exhibit A (attached) outlines the construction support positions that were proposed and those adopted in the 1993-94 budget. The reduction and reallocation of construction-related positions were done to reflect Metro's decreasing level of construction activity, and to more clearly identify and segregate such positions in order to adjust position levels as projects are completed.

Have circumstances changed which would call for the Council to revisit its budget decisions? What is the appropriate level of construction support to be provided centrally, through the Support Services Fund, versus activity specific to the departments? How should a decision reached for the remainder of this fiscal year reflect anticipated construction activity in future years?

2. What is the appropriate level of construction support for capital projects at the Zoo?

In the Executive's Proposed Budget for 1993-94, the Zoo requested a full-time Construction Coordinator based on anticipated need; as noted, that position was upgraded to a Construction Manager in the budget process. The proposal in the ordinance under consideration would reduce that full-time position to one with 26.25% dedicated to Zoo activities. Is this adequate for the Zoo's needs? Is the position of Projects Manager the appropriate level needed for Zoo construction oversight, or are there alternatives that would better suit the Zoo's needs?

3. What action should be taken to remedy the lack of compliance with the budget ordinance in this matter?

The budget adopted by the Council establishes Metro policy, and has the force of law. As discussed in the staff report accompanying the ordinance, the Construction Project Manager "had minimal involvement with project construction at the Zoo." The staff report further discusses the work done during the first four months of the fiscal year by the Construction Project Manager, which does not include Zoo activity. During this time, he was paid by the Zoo, out of the Zoo Capital Fund. What sanctions, if any, are available to the Council, and what would be an appropriate sanction in this case?

EXHIBIT A

METRO CONSTRUCTION MANAGEMENT FUNCTION

A. PROPOSED FY 93-94 BUDGET

DEPT.	POSITION	FTE	NOTES
RF	Director (Saling)	0.50	Position included in four funds. Construction related activities as follows: 0.20 FTE budgeted in Support Service Fund for General Support; 0.20 FTE budgeted in Conv. Ctr. Capital Fund for supervision of Capital Projects; and, 0.10 FTE budgeted in General Revenue Bond Fund for supervision of Headquarters Project close out. Non-construction activities include supervision of 1) Program Development Program (0.20 FTE); 2) Procurement Program (0.20 FTE), and 3) Building Management Program (0.10 FTE).
RF	Construction Mgr. (Taylor)	1.00	Position included in three funds. Construction related activities as follows: 0.50 FTE budgeted in Support Service Fund for General Support and End of Oregon Trail Review; 0.40 FTE budgeted in Conv. Ctr. Capital Fund for work on Capital Projects; 0.10 FTE budgeted in Gen. Rev. Bond Fund for work on Headquarters Project.
RF	Construction Coordin. (Stevenson)	0.70	Position included in three funds. Construction related activities as follows: 0.50 FTE budgeted in Gen. Rev. Bond Fund for close out work on Headquarters Bldg.; and , 0.20 FTE budgeted in Conv. Ctr. Capital Fund for work on Capital Projects. Non-construction activity includes work on Child Care Program and Parking Garage Program (0.30 FTE), both in the Building Management Fund
Zoo	Construction Coordin. (Vacant)	1.00	Position included in the Zoo Capital Fund. Major Capital Projects identified for work are: 1) Elephant Yard improvements - design and construction; 2) Entrance / Oregon Exhibit - design; and, 3) Research Building repairs - design and construction.
Zoo	Project Coordin. (Moeller)	1.00	Position included in the Zoo Operating Fund. Capital projects supervised include: 1) Center for Species Survival - construction; 2) Banquet Kitchen improvements - design and construction; 3) People Mover Station - design and construction; 4) ten small projects included in Zoo Operating Fund.
Solid Waste	Construction Coordin. (Hillman)	1.00	Position included in the Solid Waste Revenue Fund. Major Capital Projects identified include: St. John's Landfill closure.
MERC	Capital Project Mgr. (Hunter)	1.00	Position included in MERC Administration Fund. Capital Projects identified include: 1) OCC Office remodel; 2) OCC raised seating; 3) Stadium rest room remodel; 4) Stadium concert stage and concessions equipment purchase; and 5) PCPA improvements.

B. ADOPTED FY 93-94 BUDGET

DEPT.	POSITION	FTE	NOTES
RF	Director (Saling)	0.70	Position included in three funds. Construction related activities as follows: 0.60 FTE budgeted in Support Service Fund for General Support; and, 0.10 FTE budgeted in General Revenue Bond Fund for supervision of Headquarters Project close out. Non-construction activities include supervision of 1) Procurement Program (0.20 FTE), and 2) Building Management Program (0.10 FTE).
RF	Construction Coordin. (Stevenson)	1.00	Position included in two funds. Construction related activities as follows: 0.50 FTE budgeted in Gen. Rev. Bond Fund for close out work on Headquarters Bldg.; and, 0.50 FTE budgeted in Support Services Fund for General Construction Support.
Zoo	Construction Mgr. (Taylor)	1.00	Position included in the Zoo Capital Fund. Major Capital Projects identified for work are: 1) Elephant Yard improvements - design and construction; 2) Entrance / Oregon Exhibit - Design; and, 3) Research Building repairs - design and construction.
Zoo	Project Coordin. (Moeller)	1.00	Position included in the Zoo Operating Fund. Capital projects supervised include: 1) Center for Species Survival Construction; 2) Banquet Kitchen improvements - design and construction; 3) People Mover Station - design and construction; 4) ten small projects included in Zoo Operating Fund.
Solid Waste	Construction Coordin. (Hillman)	1.00	Position included in the Solid Waste Revenue Fund. Major Capital Projects identified include: St. John's Landfill closure.
MERC	Capital Project Mgr. (Hunter)	1.00	Position included in two funds. Construction related activities as follows: 0.50 FTE budgeted in MERC Administration Fund for 1) OCC Office remodel; 2) OCC raised seating; 3) Stadium rest room remodel; 4) Stadium concert stage and concessions equipment purchase; and 5) PCPA improvements; and, 0.50 FTE budgeted in Conv. Ctr. Capital Fund for work on Capital Projects.

C. SUMMARY

DEPT.	POSITION	CONSTRUCTION FTE	
		<u>Proposed</u>	<u>Adopted</u>
RF	Director	0.50	0.70
RF	Construction Mgr.	1.00	-0-
RF	Construction Coord.	0.70	1.00
Zoo	Construction Coord./Mgr.	1.00	1.00
Zoo	Project Coord.	1.00	1.00
SW	Construction Coord.	1.00	1.00
MERC	Capital Proj. Mgr.	1.00	1.00
	TOTAL	6.10	5.70

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BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
SHARING PAYMENT WITH THE ZOO FOR)
THE METRO CONSTRUCTION PROJECT)
MANAGER; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 93-514

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of sharing payment with the Zoo for the Metro Construction Project Manager; transferring \$35,580 from the Support Service Fund Contingency to the Regional Facilities Department, Construction Manager division and transferring \$30,020 from the General Revenue Bond Fund Contingency to fund a share of the salary; and reducing the Personal Services appropriation in the Zoo Capital Fund by \$65,600 to reflect the sharing of costs for this position with other departments.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1993.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

**Exhibit A
Ordinance No. 93-514**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<u>FOR INFORMATION ONLY</u>							
SUPPORT SERVICE FUND:Regional Facilities (Construction Support)							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.60	43,086		0	0.60	43,086
	Managers		0	0.40	25,056	0.40	25,056
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Assoc. Management Analyst	0.50	18,884		0	0.50	18,884
	Asst. Management Analyst	0.20	8,300		0	0.20	8,300
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	0.50	13,100		0	0.50	13,100
512000	FRINGE		42,419		10,524		52,943
Total Personal Services		2.30	152,599	0.40	35,580	2.70	188,179
Total Materials & Services			6,180		0		6,180
Total Capital Outlay			0		0		0
TOTAL EXPENDITURES		2.30	158,779	0.40	35,580	2.70	194,359

**Exhibit A
Ordinance No. 93-514**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICE FUND:Regional Facilities Department							
<u>Personal Services</u>							
51121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.80	57,448		0	0.80	57,448
	Managers	1.50	88,124	0.40	25,056	1.90	113,180
	Associate Program Supervisor	0.45	22,090		0	0.45	22,090
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Sr. Management Analyst	1.00	47,541		0	1.00	47,541
	Assoc. Management Analyst	1.00	37,768		0	1.00	37,768
	Asst. Management Analyst	0.50	16,446		0	0.50	16,446
51122	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.50	14,090		0	0.50	14,090
	Accounting Clerk 1	1.00	22,800		0	1.00	22,800
	Building Operations Worker	0.50	13,250		0	0.50	13,250
51125	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	1.50	39,166		0	1.50	39,166
51123	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.50	9,000		0	0.50	9,000
	Temporary Administrative Support	0.25	4,000		0	0.25	4,000
51140	OVERTIME		3,168		0		3,168
51200	FRINGE		150,047		10,524		160,571
Total Personal Services		10.00	551,748	0.40	35,580	10.40	587,328
Total Materials & Services			312,436		0		312,436
Total Capital Outlay			5,000		0		5,000
TOTAL EXPENDITURES		10.00	869,184	0.40	35,580	10.40	904,764

SUPPORT SERVICE FUND:General Expenses

Total Interfund Transfers			579,671		0		579,671
<u>Contingency and Unappropriated Balance</u>							
59999	Contingency						
	* General		241,874		(35,580)		206,294
	* Builders License		23,165		0		23,165
59990	Unappropriated Fund Balance-Contractors License		151,566		0		151,566
Total Contingency and Unappropriated Balance			416,605		(35,580)		381,025
TOTAL EXPENDITURES		84.72	6,802,525	0.40	0	85.12	6,802,525

**Exhibit A
Ordinance No. 93-514**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL REVENUE BOND FUND							
Construction Account							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Director	0.10	7,181		0	0.10	7,181
	Manager		0	0.34	21,141	0.34	21,141
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Assistant Management Analyst	0.25	10,375		0	0.25	10,375
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	0.20	5,240		0	0.20	5,240
512000	FRINGE		19,098		8,879		27,977
Total Personal Services		1.05	68,704	0.34	30,020	1.39	98,724
Total Materials & Services			145,740		0		145,740
Total Capital Outlay			809,457		0		809,457
TOTAL CONSTRUCTION ACCOUNT		1.05	1,023,901	0.34	30,020	1.39	1,053,921
Debt Service Account							
TOTAL DEBT SERVICE ACCOUNT			1,494,332		0		1,494,332
General Expenses							
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		503,891		(30,020)		473,871
599990	Unappropriated Balance		2,158,801		0		2,158,801
Total Contingency and Unapp. Balance			2,662,692		(30,020)		2,632,672
TOTAL FUND EXPENDITURES		1.05	5,180,925	0.34	0	1.39	5,180,925

**Exhibit A
Ordinance No. 93-514**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
ZOO CAPITAL FUND							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Construction Manager	1.00	62,640	(0.74)	(46,197)	0.26	16,443
512000	FRINGE		26,309		(19,403)		6,906
Total Personal Services		1.00	88,949	(0.74)	(65,600)	0.26	23,349
Total Capital Projects			3,199,000		0		3,199,000
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		150,000		65,600		215,600
599990	Unappropriated Balance		107,330		0		107,330
Total Contingency and Unappropriated Balance			257,330		65,600		322,930
TOTAL REQUIREMENTS		1.00	3,545,279	(0.74)	0	0.26	3,545,279

Exhibit B
Schedule of Appropriations
Ordinance No. 93-514

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,238,932	0	2,238,932
Materials & Services	794,941	0	794,941
Capital Outlay	77,891	0	77,891
Subtotal	3,111,764	0	3,111,764
Regional Facilities			
Personal Services	551,748	35,580	587,328
Materials & Services	312,436	0	312,436
Capital Outlay	5,000	0	5,000
Subtotal	869,184	35,580	904,764
Personnel			
Personal Services	534,856	0	534,856
Materials & Services	59,646	0	59,646
Capital Outlay	6,675	0	6,675
Subtotal	601,177	0	601,177
Office of General Counsel			
Personal Services	434,876	0	434,876
Materials & Services	23,715	0	23,715
Capital Outlay	1,500	0	1,500
Subtotal	460,091	0	460,091
Public Affairs			
Personal Services	669,686	0	669,686
Materials & Services	91,247	0	91,247
Capital Outlay	3,100	0	3,100
Subtotal	764,033	0	764,033
General Expenses			
Interfund Transfers	579,671	0	579,671
Contingency	265,039	(35,580)	229,459
Subtotal	844,710	(35,580)	809,130
Unappropriated Balance	151,566	0	151,566
Total Fund Requirements	6,802,525	0	6,802,525
GENERAL REVENUE BOND FUND			
Construction Account			
Personal Services	68,704	30,020	98,724
Materials & Services	145,740	0	145,740
Capital Outlay	809,457	0	809,457
Subtotal	1,023,901	30,020	1,053,921
Debt Service Account			
Debt Service	1,494,332	0	1,494,332
Subtotal	1,494,332	0	1,494,332

**Exhibit B
Schedule of Appropriations
Ordinance No. 93-514**

	Current Appropriation	Revision	Proposed Appropriation
GENERAL REVENUE BOND FUND (continued)			
General Expenses Contingency	503,891	(30,020)	473,871
Subtotal	503,891	(30,020)	473,871
Unappropriated Balance	2,158,801	0	2,158,801
Total Fund Requirements	5,180,925	0	5,180,925
ZOO CAPITAL FUND			
Personal Services	88,949	(65,600)	23,349
Capital Outlay	3,199,000	0	3,199,000
Contingency	150,000	65,600	215,600
Unappropriated Balance	107,330	0	107,330
Total Fund Requirements	3,545,279	0	3,545,279

NOTE: This Ordinance assumes the adoption of Ordinance No. 93-518, funding Office of General Counsel personal computers

All Other Appropriations Remain As Previously Adopted

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 93-514 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF AMENDING THE FY 1993-94 BUDGET TO SHARE PAYMENT WITH THE ZOO FOR THE METRO CONSTRUCTION PROJECT MANAGER AND DECLARING AN EMERGENCY

Date: October 15, 1993

Presented by: Neil Saling

PROPOSED ACTION

This ordinance amends the Adopted FY 1993-94 Budget to transfer sufficient funds from the Support Services Fund contingency and from the General Revenue Bond Fund, Construction Account, to share the cost of the Metro Construction Projects Manager with the Metro Washington Park Zoo.

BACKGROUND AND ANALYSIS

The Executive Officer proposed budgeting the Metro Construction Projects Manager in the Regional Facilities Department during FY 1993-94 to be funded from the Support Services Fund (0.30 FTE), the General Revenue Bond Fund (0.10 FTE) and the Convention Center Project Capital Fund (0.40 FTE). In adopting the budget the Council transferred the Oregon Convention Center Capital Fund to the Metro E-R Commission allowing MERC to hire 0.50 FTE Capital Projects Manager. The Metro Construction Projects Manager was transferred by the Council into the Zoo Capital Fund replacing the Construction Coordinator proposed by the Zoo. The added cost to the Zoo was approximately \$32,416.

The Metro Washington Park Zoo has planned and budgeted work on sixteen (16) capital projects during FY 1993-94. Thirteen (13) of these projects are currently being managed by the Zoo Project Coordinator who is a part of the Design Services Division. The three (3) remaining projects are shown below with their FY 1993-94 budgeted funding:

- Elephant Yard Improvements
 - Architectural Services \$15,000
 - Construction 690,000

- Research Building Repairs
 - Architectural Services \$50,000
 - Construction 425,000

- Entrance/Oregon I
 - Architectural Services \$934,000

Staff Report
Ordinance No. 93-514

An architectural firm has been selected to undertake the Research Building design, and work has commenced. The RFP to obtain architectural services for the Elephant Yard Improvements was brought before the Council Regional Facilities Committee on September 15, 1993 for release authorization. The RFP for the Oregon I Project has not yet been prepared.

During the period July 1993 through September 1993, the Metro Construction Projects Manager (MCPM) has maintained general oversight of the construction projects at the Zoo and in the Solid Waste Department (St. Johns Landfill and HHW Facility). In addition, he has coordinated the transfer of Oregon Convention Center projects to the new MERC Capital Projects Coordinator, including the preparation of a new set of Model General Conditions which adapt Metro's format to the MERC procurement system.

Of significance, the Metro Construction Project Manager assumed responsibility as Project Manager of the Metro Regional Center construction in the absence of the Project Manager, Berit Stevenson. This responsibility included managing punch list completion, parking garage improvements and planning for the buildout of approximately 8000 square feet of new office space on the first floor for Metro staff and tenants. These latter activities will continue through the end of 1993.

During the first quarter FY 1993-94, the Metro Construction Project Manager had minimal involvement with project construction at the Zoo. During this period all active construction was managed by the Zoo Project Coordinator, Jim Moeller. This period also saw the production of the RFP for architectural services for the Elephant Yard and the Research Building Repairs; Sherry Sheng and McKay Rich have been appointed Project Managers respectively. No work has been done on the RFP for Oregon I architectural services. The Zoo Director has chosen to also act as Project Manager for this key project. Coordination of planning activities for the future revenue parking lot will continue to be the responsibility of the Director of Regional Facilities.

The foregoing summary of activities is important in that the Metro Construction Project Manager begins to impact a capital project after the designation of the departmental Project Manager and after the selection of the project architect. Thus, the preoccupation of the Metro Construction Project Manager so far this fiscal year with residual construction responsibilities unrelated to the Zoo should have had *no* impact on Zoo capital project planning. This relationship will change when some form of constructability review is required late in the project design process and continue during actual construction when the physical presence of the Metro Construction Project Manager on the construction site is desirable.

Alternatively, the Zoo has paid the salary of the Metro Construction Project Manager while he has been engaged in non-Zoo related activities. This situation will continue unless the fund sources can be balanced to reflect the actual division of support.

Staff Report
Ordinance No. 93-514

The following best represents the actual and projected utilization of the Metro Construction Project Manager for FY 1993-94:

First Quarter:	General Support including MERC	50%
	Metro Regional Center	50%
	Zoo	0%
Second Quarter:	General Support	10%
	Metro Regional Center	75%
	Zoo	15%
Third Quarter:	General Support	50%
	Metro Regional Center	10%
	Zoo	40%
Fourth Quarter:	General Support	50%
	Zoo	50%

On an annual basis, this pattern of utilization equates to the following support:

General Support	40.00%
Metro Regional Center	33.75%
Zoo	26.25%

The funding for the Metro Construction Project Manager contained in the Zoo Capital Fund totals \$88,949 including salary and fringe. No supporting materials and services are budgeted. Applying the rates above results in the following split of the Metro Construction Project Manager funding based on a best estimate of FY 1993-94 utilization.

Support Services Fund	\$35,580
General Revenue Bond Fund	30,020
Zoo Capital Fund	23,349

Accordingly, the Zoo Capital Fund should be reduced by a total of \$65,600 to reflect that portion of the salary now supported by the Support Services Fund and the General Revenue Bond Fund to pay for services not rendered to the Zoo.

BUDGET IMPACT

In summary, this action requests the following changes to the FY 1993-94 Adopted Budget:

1. Transfer \$35,580 from the Support Service Fund Contingency to Personal Services in the Regional Facilities Department, Construction Support Division.

Staff Report
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2. Transfer \$30,020 from the General Revenue Bond Fund Contingency to Personal Services in the Construction Account.
3. Reduce Zoo Capital Fund Personal Services by \$65,600 and place increase the Zoo Capital Fund Contingency by the same amount.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 93-514.



METRO

DATE: January 31, 1994
TO: Rena Cusma, Executive Officer
FROM: Paulette Allen, Clerk of the Council *PA*
RE: TRANSMITTAL OF ORDINANCE NO. 94-514A

Attached for your consideration is a true copy of the ordinance referenced above adopted by the Council on January 27, 1994.

If you wish to veto the ordinance referenced above, I must receive a signed and dated written veto message from you no later than 5:00 p.m., Thursday, February 3, 1994. The veto message, if submitted, will become part of the permanent record. If no veto message is received by the time and date stated above, this ordinance will be considered finally adopted.

I, *Unette Worley*, received this memo and a true copy of Ordinance No. 93-~~5~~14A from the Clerk of the Council on *1-31-94*.