

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE )  
NO. 93-487A REVISING THE FY 1993-94 )  
BUDGET AND APPROPRIATIONS )  
SCHEDULE FOR THE PURPOSE OF )  
TRANSFERRING CONTINGENCY TO FUND )  
REMAINING METRO REGIONAL CENTER )  
PROJECT COMMITMENTS; AND )  
DECLARING AN EMERGENCY )

ORDINANCE NO. 93-525

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

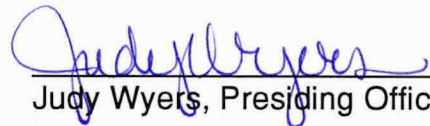
WHEREAS, Adequate funds exist for other identified needs; now, therefore,

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 transferring \$103,552 from the Construction Account Contingency to the Construction Account Capital Outlay to fund remaining Metro Regional Center Project commitments.

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. 93-525**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>GENERAL REVENUE BOND FUND</b>							
<b>Construction Account</b>							
<b>Total Personal Services</b>		<b>1.39</b>	<b>98,724</b>	<b>0.00</b>	<b>0</b>	<b>1.39</b>	<b>98,724</b>
<b>Total Materials &amp; Services</b>			<b>145,740</b>		<b>0</b>		<b>145,740</b>
<u>Capital Outlay</u>							
571300	Purchases-Buildings, Exhibits & Related		45,000		0		45,000
571500	Purchases-Office Furniture & Equipment		327,173		0		327,173
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		437,284		103,552		437,284
<b>Total Capital Outlay</b>			<b>809,457</b>		<b>103,552</b>		<b>809,457</b>
<b>TOTAL CONSTRUCTION ACCOUNT</b>		<b>1.39</b>	<b>1,053,921</b>	<b>0.00</b>	<b>103,552</b>	<b>1.39</b>	<b>1,053,921</b>
<b>Debt Service Account</b>							
<b>TOTAL DEBT SERVICE ACCOUNT</b>			<b>1,494,332</b>		<b>0</b>		<b>1,494,332</b>
<b>General Expenses</b>							
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	Construction Account		261,079		(103,552)		157,527
	Renewal & Replacement Account		212,792		0		212,792
599990	Unappropriated Balance						
	Debt Service Account						
	* Metro Regional Center		120,905		0		120,905
	* Parking Structure		230,348		0		230,348
	Debt Reserve		1,807,548		0		1,807,548
<b>Total Contingency and Unapp. Balance</b>			<b>2,632,672</b>		<b>(103,552)</b>		<b>2,529,120</b>
<b>TOTAL FUND EXPENDITURES</b>		<b>1.39</b>	<b>5,180,925</b>	<b>0.00</b>	<b>0</b>	<b>1.39</b>	<b>5,077,373</b>

**Exhibit B  
Schedule of Appropriations  
Ordinance No. 93-525**

	Current Appropriation	Revision	Proposed Appropriation
<b>GENERAL REVENUE BOND FUND</b>			
Construction Account			
Personal Services	98,724	0	98,724
Materials & Services	145,740	0	145,740
Capital Outlay	809,457	103,552	913,009
Subtotal	1,053,921	103,552	1,157,473
Debt Service Account			
Debt Service	1,494,332	0	1,494,332
Subtotal	1,494,332	0	1,494,332
General Expenses			
Contingency	473,871	(103,552)	370,319
Subtotal	473,871	(103,552)	370,319
Unappropriated Balance	2,158,801	0	2,158,801
<b>Total Fund Requirements</b>	<b>5,180,925</b>	<b>0</b>	<b>5,180,925</b>

**This Ordinance assumes adoption of Ordinance No. 93-514, sharing funding of the Construction Manager position with the Zoo**

**All Other Appropriations Remain As Previously Adopted**

## FINANCE COMMITTEE REPORT

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ORDINANCE NO. 93-525, REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF TRANSFERRING CONTINGENCY TO FUND REMAINING METRO REGIONAL CENTER PROJECT COMMITMENTS; AND DECLARING AN EMERGENCY.

Date: December 23, 1993

Presented by: Councilor Devlin

**COMMITTEE RECOMMENDATION:** At its December 22, 1993 meeting the Finance Committee voted 5-0 to recommend Council adoption of Ordinance No. 93-525. All committee members were present and voted in favor.

**COMMITTEE DISCUSSION/ISSUES:** The committee first considered this ordinance on December 8, 1993, at which time the vote was 2-2 to recommend Council adoption. Councilors Kvistad and Van Bergen objected to work being done to build office space for the Regional Parks Department prior to Council's taking action to approve the transfer of regional parks from Multnomah County; Councilor Devlin was absent.

The ordinance was again considered on December 22. Council Analyst Casey Short summarized the content of the ordinance. Councilor Van Bergen asked what balance this would leave in the General Revenue Bond Fund. Mr. Short said he understood that this action would exhaust available funds, with money remaining to cover debt service and some \$200,000 dedicated for renewal and replacement. Approximately \$30,000 of the existing contingency is the subject of another ordinance (93-514), which is pending before Regional Facilities. Councilor Van Bergen asked if that \$30,000 could become available to help pay off the bonds. Mr. Short said that if that money is not spent, it would be in the 1994-95 beginning fund balance and could be available for debt service. Councilor Van Bergen expressed concern about the use of funds and assignment of construction support staff. Councilor McFarland discussed the issues before Regional Facilities.

Executive Assistant Don Rocks said the addition of Parks staff and an Auditor underscored the need to add to office space in Metro Regional Center.

Councilor Wyers asked for clarification of the proposed use of office space. Berit Stevenson of the Regional Facilities Department outlined the office allocations. It was explained that the City of Portland is paying for tenant improvements in their community policing space, and Solid Waste is to pay for tenant improvements for the Refuse Police area.

Chair Monroe opened a public hearing, and no one testified.

## REGIONAL FACILITIES COMMITTEE REPORT

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ORDINANCE NO. 93-525, REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF TRANSFERRING CONTINGENCY TO FUND REMAINING METRO REGIONAL CENTER PROJECT COMMITMENTS; AND DECLARING AN EMERGENCY.

Date: December 7, 1993

Presented by: Councilor Gardner

**COMMITTEE RECOMMENDATION:** At its December 1, 1993 meeting the Regional Facilities Committee voted 5-0 to recommend Council adoption of Ordinance No. 93-525. All committee members were present and voted in favor.

**COMMITTEE DISCUSSION/ISSUES:** Regional Facilities Director Neil Saling presented the staff report. He discussed the background to the Metro Regional Center project, and summarized the project's funding sources and expenditures. He said the General Revenue Bond Fund contingency contains some \$133,000, and the ordinance would move \$103,000 of that to the Fund's construction account in order for it be available for expenditure. (The remaining \$30,000 is proposed to be transferred in Ordinance No. 93-514 to pay for personnel costs related to the Regional Facilities Construction Manager.)

Council Analyst Casey Short pointed out to the committee that there is less money in contingency than is budgeted, and that difference is due to more money being spent on the project in 1992-93 than was anticipated when the budget was approved. Mr. Short asked Mr. Saling to explain the proposed uses for \$212,000 in contingency in a Renewal & Replacement Account. Mr. Saling said that money became available early in the project, following a correction in project management billings. Those funds are not included in the transfers contained in the ordinance, and are expected to be in the 1994-95 budget for renewal and replacement.

Mr. Short asked what would happen if the ordinance doesn't pass. Mr. Saling said he would have to issue a stop work order for work now being done on the first floor. He said he didn't think he had committed funds beyond those available without using the contingency. Mr. Short asked how the contract for current work was structured, to see whether there was flexibility to stop the work without incurring financial liability. Mr. Saling said the current work is part of a change order, and he could stop work if it were necessary. He added he would not like to do so because it would leave work unfinished, which is needed for office space.

Councilor Gardner asked Mr. Saling to distinguish among items in Attachment 1, to note which had been committed to vs. those which are just anticipated. He went over those items, and said several of them, totaling over \$200,000, would not be done. Most of the remainder had been paid or committed. He added that there have been changes to work anticipated since the attachment was

prepared, so it does not accurately reflect commitments or work still planned.

Councilor Monroe said he wants to ensure that funds haven't been committed prior to approval for the expenditures being given.

Council Administrator Don Carlson asked if the work being done now was based on current appropriation, and whether any unanticipated work would be subject to a change order and subsequent Council approval. Mr. Saling said that of some \$300,000 budgeted for the downstairs office space project, about half of the work had been completed. A reason for requesting the funds from contingency is to make available sufficient funds to complete the project. He said he would provide information to show whether any unappropriated contingency funds had been committed.

Councilors McFarland, Washington, and Gardner agreed that the principal issue was whether any funds had been appropriated prior to Council approval. Councilor Gardner added his opinion that the proposed use of the funds was appropriate. Mr. Saling said he agreed that the issue was timing, and that this ordinance would have been more timely if it had been filed a month earlier.

Date: December 6, 1993

To: Casey Short, Council Analyst

From: Neil Salinger, Director of Regional Facilities

Re: Supplemental Information - Ordinance No. 93-525

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The above Ordinance was presented to the Council Regional Facilities Committee on December 1, 1993. Following that meeting, I indicated that I would provide to you supplemental information on project funds and projected fund uses based upon a reconciliation of project funds being conducted by the Finance and Management Information Department.

Attached is the latest summary of Sources and Uses of Metro Regional Center Project Funds. Setting aside the issue of the division of Mr. Taylor's time which is the subject of Ordinance No. 93-514 now under consideration by the Council, funds available total \$397,062.75.

The original Hoffman Contract plus Change Orders 1 through 18 totals \$12,735,974 for which payments of \$12,519,001 have been made, leaving an amount contractually due of \$216,973.

I anticipate an additional Change Order 19 in the amount approximating \$66,000 for additional work on the Parking Garage and Parks/Greenspaces Department tenant improvements. Of this amount, \$35,000 is work in place while \$31,000 of work remains to be done. After Change Order 19, the fund balance would be \$114,089.

The following are projected uses for the remaining funds:

Taylor Salary	\$30,020
Interior Signage	7,233
Parking Garage Signage	5,000
Parking Garage Entry Devices	10,000
Child Care Center Improvements	5,000
Plaza Retail Finishes	46,836
Community Policing Office	10,000

None of the above projected uses represent contractual commitments.

Enclosure

**METRO REGIONAL CENTER  
SOURCES AND USES  
12/2/93 15:54**

**RESOURCES**

**BONDS**

Par	\$22,990,000.00	
Less Original Issue Discount	(\$93,960.95)	
Plus Accrued Interest	\$78,867.48	
Subtotal		\$22,974,906.53

**OTHER RESOURCES RECEIVED**

FinAnswer	\$293,672.00	
Ballast Rebate	\$12,556.00	
Interest (Including Accrual)	\$773,014.22	
Street Light Rebate	\$124,238.00	
Resourceful Renovation	\$33,209.00	
Subtotal		\$1,236,689.22

**OTHER RESOURCES EXPECTED**

Refuse Disposal Police		\$35,000.00
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Total

\$24,246,595.75

**USES**

**ALREADY DISBURSED**

Underwriter's Discount	\$277,742.00	
Accrued Interest @ Issuance of Bonds	\$78,867.00	
Reserve Account Deposit	\$1,807,548.00	
Requisitions 1 through 28	\$21,053,922.00	
Debt Service Payment	\$604,527.00	
Expenses Not On Requisitions	\$26,387.22	
Furniture Refunds	(\$27,161.00)	
PDI PCB & Asbestose	(\$13,096.00)	
Misc Refunds	(\$248.00)	
		\$23,808,488.22

**ADDITIONAL PAYROLL COMMITMENTS**

Per Adopted Budget Less Requisitions	\$41,044.78	
Glen Taylor 1/2 year	\$43,318.00	
		\$84,362.78

**AVAILABLE**

For Commitments Beyond Uses Shown Above		\$353,744.75
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Total

\$24,246,595.75

**Notes:**

Recycling chute rebate not shown as a resource or an expense. It did not appear in the requisitions but was paid directly from the Building Management fund to the Contractor.



## STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 93-525 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF TRANSFERRING CONTINGENCY TO FUND REMAINING METRO REGIONAL CENTER PROJECT COMMITMENTS AND DECLARING AN EMERGENCY

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Date: November 17, 1993

Presented by: Neil Saling

## PROPOSED ACTION

This ordinance would release funds for construction of the Metro Regional Center now budgeted as contingency to complete the final elements of that project.

## BACKGROUND AND ANALYSIS

The net amount of funds made available from the sale of Revenue Bonds for the reconstruction of the Sears Building as the Metro Regional Center totaled \$23,627,906 including estimated interest income. To this amount has been added \$487,040 from outside sources, primarily the PP&L FinAnswer loan of \$293,672.

Reports estimate that \$446,444 of project funds remain unexpended. A detailed reconciliation of all project expenditures is being completed and will be available at a later date. These remaining funds are from outside sources as all bond funds and interest on bond funds have been expended.

Estimated commitments and projections for the reconstruction project presently total \$433,790 which will fully exhaust all project resources. A summary of these commitments is attached.

In preparing the FY 1993-94 budget, it was necessary to provide sufficient appropriation authority to cover the actual amount of the beginning fund balance including all bond proceeds and other resources. Financial Planning and Regional Facilities staff prepared a detailed estimate of what the FY 1993-94 beginning fund balance would be if all expenditures were made on time. This estimate was slightly over \$1 million. In addition, the staff recognized the possibility for delay in certain payments at the end of FY 1992-93. The possibility for delay would increase the beginning fund balance over the \$1 million estimate. As a result, the amount budgeted for the beginning fund balance for the Construction Account was set at \$1.3 million -- the estimated beginning balance plus an amount allowing for any delay of expenditures. The amount of the budgeted beginning balance that was in excess of the original estimate was placed in Contingency. The actual audited beginning balance for the General Revenue Bond Fund, Construction Account is \$1,142,473. Because the actual balance is less than the amount budgeted, the actual amount of Contingency in the Construction Account which is funded is \$133,572.

Ordinance 93-514, currently under consideration by the Council, transfers \$30,020 of the funded Contingency to Personal Services to pay for the General Revenue Bond Fund's share of the Construction Manager. The remaining funded Contingency after transfer for the Construction Manager is \$103,552. Thus, to fund remaining commitments and projections for the Metro Regional Center Project as they are known at this time requires release of all remaining Contingency funds for the Construction Account.

This action would transfer \$103,552 from the Construction Account Contingency to the Construction Account Capital Outlay thereby making it possible to draw down the Construction Account to zero.

#### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 93-525.

kr:ord93-94:genbond:SR.DOC

ATTACHMENT 1

Commitments and Projections  
(Unexpended)

Project Management	\$49,433
Project Management (Mr. Taylor)	30,020 <sup>1</sup>
Brokers Fee	67,000
Tenant Improvement Design	5,263
Parks/Greenspaces/Exhibit	130,341
Interior Signage	7,233
Plaza Retail Finishes	75,000
Child Care Center Improvements	5,000
Community Policing Office	10,000
Parking Garage Improvements	49,500
Parking Garage Signage	<u>5,000</u>
	\$433,790

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<sup>1</sup> Action pending on Ordinance No. 93-514 which would withdraw this amount from the Construction Account Contingency.



## METRO

DATE: December 29, 1993  
TO: Rena Cusma, Executive Officer  
FROM: Paulette Allen, Clerk of the Council  
RE: TRANSMITTAL OF ORDINANCE NOS. 93-524A and 93-525

Attached for your consideration are true copies of the ordinances referenced above adopted by the Council on December 23, 1993.

If you wish to veto any of the ordinances referenced above, I must receive a signed and dated written veto message from you no later than 5:00 p.m., Thursday, December 30, 1993. 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, these ordinances will be considered finally adopted.

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I, Walter Morley, received this memo and true copies of Ordinance Nos. 93-524A and 93-525 from the Clerk of the Council on

Dec 29, 1993.