

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ) RESOLUTION NO. 02-3240  
CAPITAL IMPROVEMENT PLAN FOR FISCAL ) Introduced by  
YEARS 2003-04 THROUGH 2007-08 ) Mike Burton, Executive Officer

WHEREAS, Metro recognizes the need to prepare a long-range plan estimating the timing, scale and cost of its major capital projects & equipment purchases;

WHEREAS, Metro departments have inventoried existing major capital assets, prepared status reports on current capital projects and assessed future capital needs;

WHEREAS, Metro's Executive Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2003-04 through 2007-08 that projects Metro major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

WHEREAS, The Metro Council has reviewed the FY 2003-04 through FY 2007-08 Capital Improvement Plan; and

WHEREAS, The Council has conducted a public hearing on the FY 2003-04 through FY 2007-08 Capital Improvement Plan; now, therefore

BE IT RESOLVED,

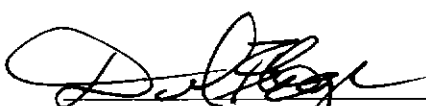
1. That the FY 2003-04 through 2007-08 Capital Improvement Plan, included as Exhibit A to this Resolution, on file at the Metro offices, is hereby adopted.

2. That the Metro Council President is requested to include the FY 2003-04 capital projects from the FY 2003-04 through 2007-08 Capital Improvement Plan in the proposed FY 2003-04 budget.

ADOPTED by the Metro Council this 14<sup>th</sup> day of November 2002.

  
Carl Hosticka, Presiding Officer

Approved as to Form:

  
Daniel B. Cooper, General Counsel

# Proposed Capital Improvement Plan

Fiscal Years 2003-2004 through 2007-2008

MetroCIP



**METRO**  
PEOPLE PLACES  
OPEN SPACES

Prepared by:  
**Financial Planning Division**  
**Administrative Services Department**

EXHIBIT A



**METRO**

PEOPLE PLACES

OPEN SPACES

# Proposed Capital Improvement Plan

## Fiscal Year 2003-04 through 2007-08

**November 2002**

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prepared by

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*Information Technology* – David Biedermann  
*Metro Exposition-Recreation Commission* – Bryant Enge  
*Oregon Zoo* – Kathy Kiaunis  
*Planning* – Jenny Kirk  
*Regional Environmental Management* – Chuck Geyer  
*Regional Parks and Greenspaces* – Jeff Tucker

### **Office of the Executive Officer**

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Janice Larson, Creative Services Manager  
Marlon Warren, Graphic Designer

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# Executive Officer's Message

To the citizens of the region and members of the Metro Council:

I take pleasure in presenting Metro's seventh Capital Improvement Plan (CIP) for your consideration. Since I instituted the CIP process beginning in 1996, the Council and the public have had a sound basis for forecasting Metro's capital needs, balancing the needs with available revenue, and maximizing the opportunity for long-term cost savings.

Metro's capital improvement planning process provides the opportunity to:

- Review and consider all proposed capital projects at the same time
- Evaluate projects' operating costs
- Coordinate projects that might affect the costs of other projects
- Prepare a comprehensive assessment of Metro's fiscal capacity to fund capital projects and programs
- Coordinate the actual financing of capital projects

## Notable Successes

Notable successes include the following large projects, which were delivered on-time and -budget:

- Purchase of 7,700 acres of open space
- Expansion of the Oregon Convention Center
- Construction of the latex paint recovery facility
- Reconstruction of Expo Hall D
- Construction of Peninsula Crossing Trail
- Implementation of the Transportation Simulation System (TRANSIMS)

## Continuous Improvement

In each of the past seven years, Metro has refined and improved its capital improvement planning process. This year, we introduce two new elements:

- Incorporation of the Council's Capital Asset Management Policies, improving the agency's ability to protect the public's investments in Metro's facilities
- Release of the Executive Officer's Capital Project Management Manual, which establishes a uniform framework for planning, executing, reporting, and evaluating Metro's capital projects

## Proposed Capital Program

The five-year capital program outlined in this document represents the outcome of several months of work by each department in assessing its capital needs. It proposes 85 individual projects over the next five years, at a total cost of \$41.3 million. Compared to the previous CIP, the number of projects decreased by 18, and the total cost decreased by almost half. The decrease in cost reflects the planned completions of the Oregon Convention Center Project and the Regional Parks Open Spaces Program. Sixty of the proposed projects are continued from the prior year's CIP and will be completed in future years as planned. New projects include:

- Projects resulting from Regional Environmental Management's Master Plan update and completion of a new Renewal and Replacement Plan, including a proposal to relocate the Latex Paint Operation
- MERC upgrades to PCPA and OCC

- Various Zoo repairs and upgrades to existing facilities, including adding modular classrooms and the construction of a condor preservation project
- Administrative Services' new project to replace the roof for Metro Regional Center

Collectively, these projects represent the investment in physical infrastructure that makes it possible for Metro to carry out its mission to provide regional services and create livable communities.

### **Capital Project Financing**

Funding is available for the projects in the proposed capital plan for FY 2003-04. For those projects that are partially funded by excise taxes, each has been ranked as a high priority by individual departments for funding in future years. It is important to note, however, that long-term, unmet funding issues in some program areas must be resolved, and that long-range funding issues must continue to be an important part of Metro's financial planning agenda over the next few years.

I encourage the Council and people of this region to use this plan as a means to evaluate how well Metro has met its mandates and what course is needed to provide the foundation for the agency to continue to meet its mission.

Sincerely,



Mike Burton  
Executive Officer

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# User's Guide

This section of the document describes the Capital Improvement Plan (CIP) process, as well as the structure of this document. It is followed by the calendar established to prepare the agency's Capital Improvement Plan.

## Overview of Process

Metro's CIP process involves the four phases described below and detailed in the accompanying CIP calendar.

**Phase 1: Departmental Submissions.** The foundation for the CIP is the departments' capital project requests. To develop these requests, departments inventory existing capital assets, prepare a status report on current capital projects, and assess future capital needs. The capital project requests, status report, list of unfunded projects, and major assets inventory comprise a department's CIP submission.

**Phase 2: Financial Forecasts.** The departments and the Financial Planning Division prepare five-year financial forecasts that are used to evaluate the department's funding capacity for the capital projects requested.

**Phase 3: Executive Office Review and CIP Development.** After the departments submit these project requests, the information is reviewed by the Executive Office.

- Technical review by Financial Planning and Council staff of projects submitted by departments, including an assessment of Metro's capacity to fund the requested projects based on the five-year forecasts.
- Review of projects by the Chief Operating Officer and Cabinet.
- Presentation to the Chief Executive Officer of recommended projects for final decision and inclusion in the proposed CIP.

**Phase 4: Council Review and CIP Adoption.** The Metro Council reviews the proposed capital projects and acts on the proposed CIP following a public hearing. Projects in the adopted CIP for FY 2003-04 are included in the proposed budget.

Because appropriations for projects are included in the annual budget, capital projects included in the first year of the CIP are reviewed again as the Council considers the proposed budget.

## Overview of Document

This CIP document contains Metro's proposed plan for fiscal years 2003-04 through 2007-08. It also includes estimates for any project costs incurred pre-FY 2003-04. The document is divided into the following sections:

**Executive Officer Message.** The Executive Officer describes his goals for the CIP.

**CIP Overview and Summary.** This section presents summary information on capital project funding sources and uses.

**Departmental Summary and Analysis.** The departmental summary and analysis of the department's funding capacity for the requested capital projects are found in this section.

**Lists of Unfunded Projects.** Those projects that were not included in the Plan for lack of funding, insufficient details or further needs assessment are presented in this section. Departments may request that these projects be included in future plans as funding becomes available or project scope is further defined.

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**Current Projects Status Reports.** This section presents information on the status of capital projects which were authorized previously and scheduled for completion by the end of FY 2002-03.

**Major Capital Assets Inventories.** These inventories are available upon request.

**Project Detail.** Prior to this year, the project detail sheets were included in this document. That information is now in a database, available upon request. These sheets include detailed descriptions of each capital project. The *Projects* address all projects included in Metro's five-year capital improvement plan.

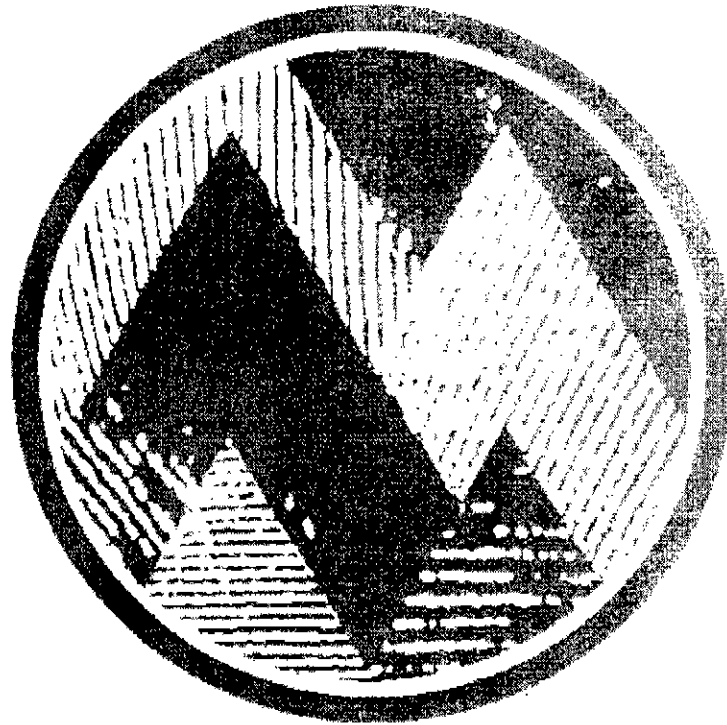


# Metro CIP Calendar

## Key Tasks

## Task Completion

- Financial Planning issues CIP Manual ..... July 10, 2002
- Departments submit Capital Project Requests,  
Current Projects Status Reports and List of Unfunded Projects ..... August 30, 2002
- Administrative Services Department completes evaluation  
of departmental requests and prepares financial projections ..... September 16, 2002
- Chief Operating Officer and Cabinet review and discussion ..... October 16, 2002
- Executive Officer finalizes recommended capital projects ..... October 16, 2002
- Information Technology Steering Committee Review ..... October 2002
- Proposed CIP document forwarded to Council ..... November 2002
- Budget and Finance Committee Review of CIP ..... November 13, 2002
- Council holds public hearing and adopts CIP ..... November 21, 2002
- Adopted first year projects incorporated into FY 2003-04 proposed budget ..... January 2003



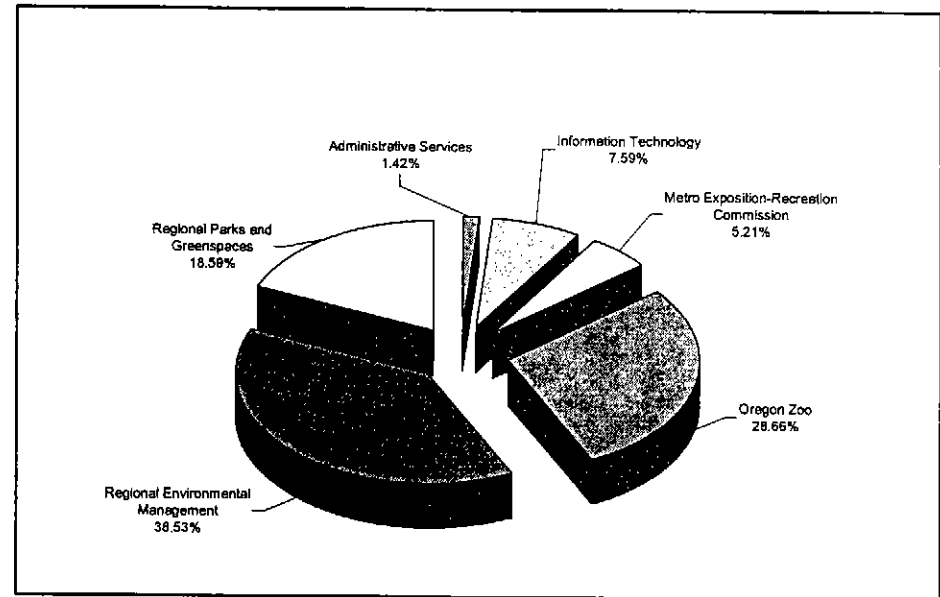
**METRO**

# Overview and Summary

Capital projects are defined in this Capital Improvement Plan (CIP) as any physical asset acquired or constructed by Metro with a total capital cost of \$50,000 or more and a useful life of at least five years. The proposed CIP for FY 2003-04 through FY 2006-07 includes 83 capital projects at a total cost of about \$40.2 million. The capital costs of these projects by fiscal year are presented by department in the summary table below. The shaded line shows the five-year plan costs. The total column represents the total project costs, including the years before the five-year planning window.

This CIP is the first year that no one major project is in progress. The largest single project is the balance of the Great Northwest project at the Zoo, with approximately \$4.5 million budgeted to be spent in the first two years of the proposed CIP. This project represents 11.1% of the CIP. Nine of the projects exceed \$1 million.

Percentage of Project Cost by Department



Project Cost Summary by Department/All Funds

Department	Total # of Projects	Prior Years	FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	Total Project
Administrative Services	2	-	50,000	-	-	65,000	455,000	570,002
Information Technology	9	2,627,141	670,000	660,000	748,000	500,000	470,000	5,675,150
Metro Exposition-Recreation Commission	13	114,977,000	391,000	755,000	95,000	825,000	25,000	117,068,013
Oregon Zoo	23	33,693,278	4,937,862	2,814,323	2,510,000	750,000	500,000	45,205,486
Regional Environmental Management	30	3,050,175	4,560,600	2,754,800	3,389,000	2,689,900	2,080,000	18,524,505
Regional Parks and Greenspaces	6	126,930,248	4,009,381	907,000	2,549,500	-	-	134,396,135
<b>Total Metro</b>	<b>83</b>	<b>\$281,277,842</b>	<b>\$14,618,843</b>	<b>\$7,891,123</b>	<b>\$9,291,500</b>	<b>\$4,829,900</b>	<b>\$3,530,000</b>	<b>\$321,439,208</b>

Total FY 2003-04 through FY 2007-08: \$40,161,366 Total Number of Projects: 83

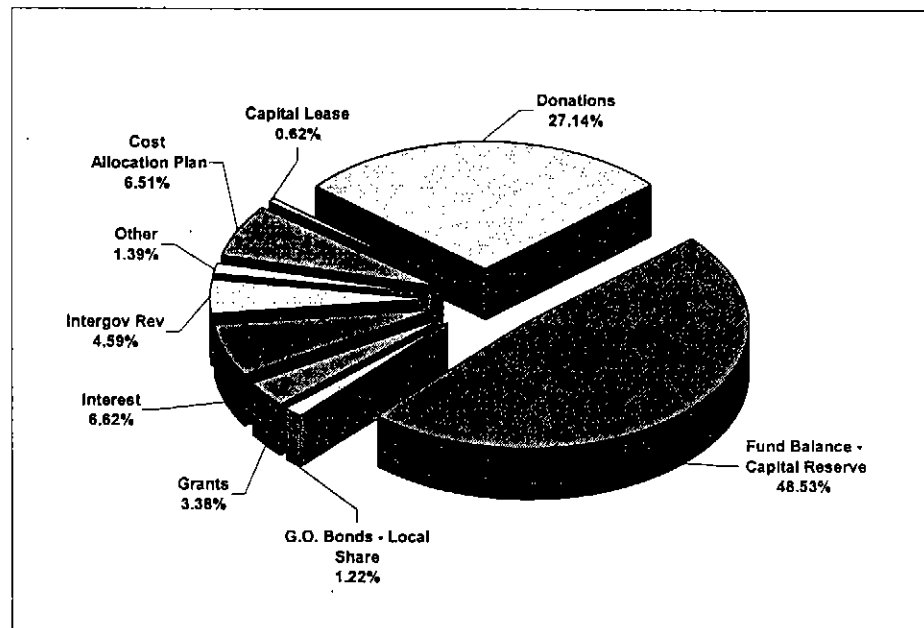
The overall number of projects declined from 103 to 83. This decline is due to the completion of the Oregon Convention Center (OCC) projects upgrading the existing facility, and the revised schedule for projects to be completed at the Portland Center for the Performing Arts. A small dollar amount is budgeted in FY 2003-04 for the OCC expansion, anticipating some small project carry-over. The Portland Center for the Performing Arts extended the completion of several projects. This extension is due to the difficulty finding down-time at the facilities to perform the capital improvements.

Overall, the majority of the capital project expenditures are from three Metro departments: Regional Environmental Management at 38.5 percent, the Oregon Zoo at almost 28.7 percent, and Regional Parks and Greenspaces at about 18.6 percent.

**Sources of Funds**

The financing sources for these capital projects vary by project and by department. With few exceptions, projects typically rely on a single source of funds. Three Metro departments – Metropolitan Exposition-Recreation Commission, Oregon Zoo, and Regional Environmental Management – rely on fund balance for all their capital projects except major new initiatives, such as the expansion of the Oregon Convention Center and the Great Northwest Project at the Zoo. The three departments that rely most heavily on excise tax funding are Administrative Services, Information Technology, and Planning. These departments utilize excise tax to fund a portion of their projects, most of which are to be paid in full when completed. The exception is major computer equipment purchases, which are financed through capital lease. A summary table and synopsis of major funding sources is presented on the following page.

**Major Funding Source Summary**  
Total FY 2003-04 through FY 2007-08



## Major Funding Source Summary/All Funds

FY 2003-04 through FY 2007-08

Source of Funds	Prior Years	FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	Total Project
<b>Donations</b>	932,856	4,337,231	1,011,532	4,449,500	600,000	500,000	11,831,119
<b>Cost Allocation Plan</b>	512,033	575,000	630,000	478,000	495,000	435,000	3,125,033
<b>Capital Lease</b>	1,263,341	0	0	250,000	0	0	1,513,341
<b>Fund Balance</b>							
Fund Balance - Capital Reserve	7,566,163	1,379,118	3,205,550	2,359,000	1,417,000	1,480,000	17,406,831
Fund Balance - Landfill Closure	2,213,175	981,600	704,800	739,000	450,000	80,000	5,168,575
Fund Balance - Ren and Rep	605,000	2,729,000	975,000	996,000	997,900	1,000,000	7,302,900
<b>G.O. Bonds</b>							
G.O. Bonds - Local Share	496,745	408,311	80,000	0	0	0	985,056
G.O. Bonds - Open Spaces	110,600,000	0	0	0	0	0	110,600,000
G.O. Bonds - Zoo & MERC	28,827,273	0	0	0	0	0	28,827,273
<b>Grants</b>							
Grants	30,000	0	0	0	0	0	30,000
Grants - OR Fish & Wildlife	40,000	0	0	0	0	0	40,000
Grants - State Marine Board	125,000	230,000	520,000	0	0	0	875,000
Grants - State Parks	0	168,570	0	0	0	0	168,570
Grants / Donations	0	438,500	0	0			438,500
<b>Interest</b>							
Interest on Bond	14,371,639	2,431,000	0	0	0	0	16,802,639
Other - Interest Earnings	3,340,259	97,513	129,241	0	0	0	3,567,013
<b>Intergovernmental Revenue</b>							
Intergov Rev - Army Corp of Eng.	0	63,000	0	0	0	0	63,000
Intergov Rev - COP	99,188,818	65,000	0	0	0	0	99,253,818
Intergov Rev - PDC	4,968,141	0	0	0	0	0	4,968,141
Multnomah County	830,726	0	0	0	0	0	830,726
Port of Portland	0	10,000	0	0	0	0	10,000
City of Portland	0	300,000	605,000	0	800,000	0	1,705,000
Other Gov Cont	73,500	0	0	0	0	0	73,500
<b>Other</b>							
Other	5,293,173	145,000	30,000	20,000	70,000	35,000	5,593,173
Education Program Revenues	0	60,000	0	0	0	0	60,000
Other - RACC	0	200,000	0	0	0	0	200,000
<b>Total Metro</b>	<b>\$281,288,842</b>	<b>\$15,372,843</b>	<b>\$8,336,123</b>	<b>\$9,241,500</b>	<b>\$4,829,900</b>	<b>\$3,530,000</b>	<b>\$321,439,208</b>

1. **Fund Balance.** The largest source of funds for capital projects, about 49 percent of total funds, is fund balance. Fund balance, in the form of reserves or unrestricted funds, represents Metro's major source of pay-as-you-go financing. This financing technique is particularly well-suited for small- to medium-sized projects with a useful life of less than 15 to 20 years.  
Because fund balance is used for operating as well as capital purposes and can be affected by fluctuations in operating revenues and expenditures, Financial Planning staff and departments prepared projections of fund balance available for capital projects for the five years spanning the CIP. In the *Project Detail Section*, departmental summaries show projections for those operating funds which will be used to finance capital projects in whole or in part.
2. **Donations.** The Lion Exhibit, the California Condor Captive Breeding Facility, and the Primate Building at the Oregon Zoo, as well as the Diack Nature Center at Oxbow Park are expected to be funded through donations from individual and group fund raising efforts. This category also includes funds raised for the Great Northwest Project at the Oregon Zoo.
3. **Interest.** This category is generally interest earned on bond proceeds, and includes a large amount of interest for the Open Spaces Project and the Great Northwest Project. Interest can also be earnings on specified reserves for a project. This source makes up over 6 percent of overall project funding.
4. **Cost Allocation Plan.** This funding source is for central services projects, whose funding is derived from allocation to the operating departments. The category represents over 6 percent of project funding. With the depletion of existing reserves, Information Technology and Metro Regional Center will rely more heavily on this source for its capital project funding.

5. **Intergovernmental.** Intergovernmental revenues are contributions from other governmental units in the region or State of Oregon.
6. **Grants.** Grants comprise about 3 percent of total funding for capital projects. The majority of the grants is in the Regional Parks and Greenspaces Department. The grants are tied directly to specific projects.
7. **Other.** Other financing sources represent about 1 percent of total funds allocated to capital projects. This includes the financing of certain types of capital items using capital leases. To qualify for capital lease financing, equipment must have a unit cost greater than \$10,000 (except when purchasing as a component of a larger system) and an expected life greater than three years. The term of the lease may not exceed the life of the equipment. Metro's only source of general-purpose revenue, excise tax, represents a relatively small portion of the total funding for CIP projects. Like other general-purpose sources for other governments, however, competition for excise tax funding is considerable.

## Uses of Funds

Capital projects in the proposed CIP consist of facilities, land acquisitions, and equipment purchases of \$50,000 or more. Of the 83 projects, over 56 percent are new construction or acquisition, over 36 percent are expansion or remodeling projects, and 7 percent are replacement projects. A brief review of each use is presented below.

**Facilities.** Over 70 percent of total funds is allocated to a variety of facility projects. These projects include the replacement, renovation, expansion or new construction of buildings, exhibits, roadways, trails, and other infrastructure. As with other capital projects, these capital assets must have a minimum useful life of five years to be considered within the CIP. This eliminates

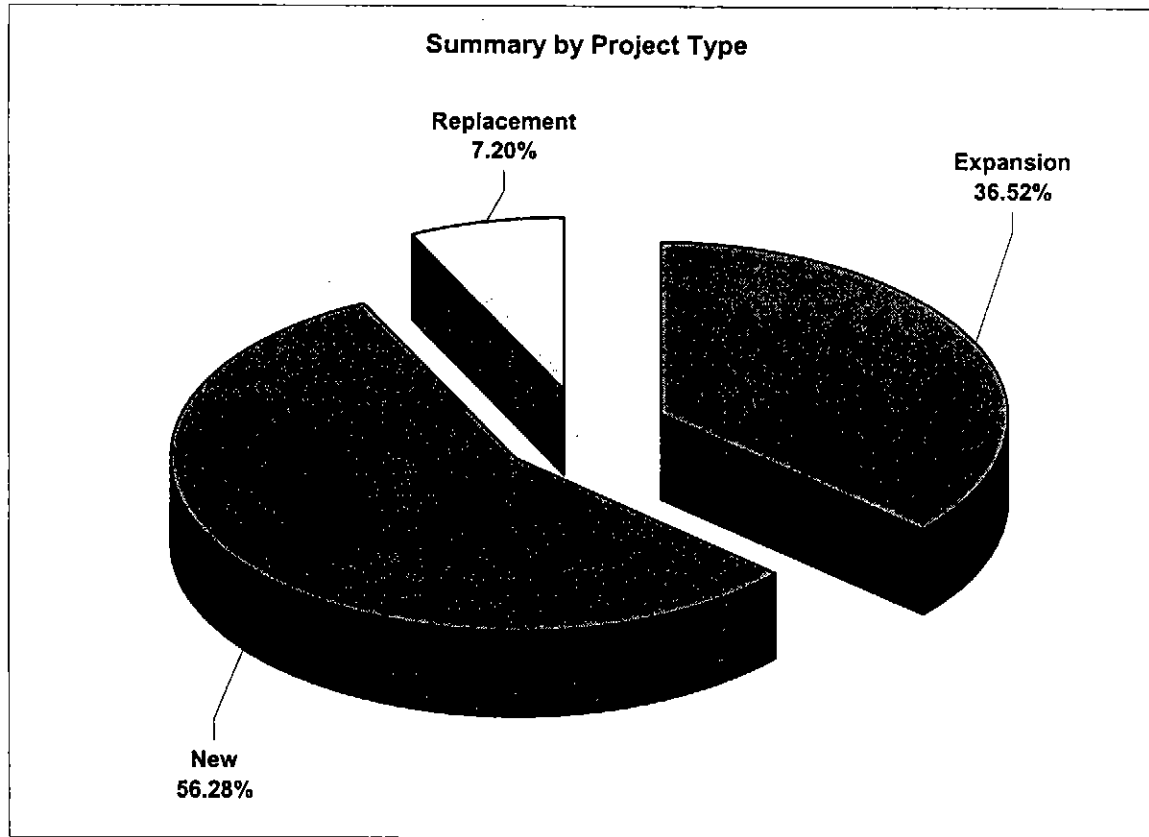
routine maintenance and repair projects, which are treated as operating expenses. Regional Environmental Management's projects represent over 36 percent of the facilities improvements; the Oregon Zoo's projects total almost 40 percent; followed by Regional Parks and Greenspaces, at almost 18 percent.

**Equipment.** Over 23 percent of funds for capital projects is allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for CIP consideration if it costs \$50,000 or more and has a useful life of five years or more. Equipment required for new facilities is reflected in the costs of those facilities. About 55 percent of the equipment category relates to Regional Environmental Management improvements. Information Technology projects are the next highest, at 32 percent.

**Land.** The remaining 6 percent of total funds in the CIP is allocated to land acquisition or improvements. This \$2.4 million amount is for Open Spaces Acquisition in the Regional Parks and Greenspaces Department. This program, financed with general obligation bonds, was approved by the Council and voters in FY 1994-95 and is scheduled to be complete in FY 2003-04.

### Summary by Project Type FY 2003-04 through FY 2007-08

Project Type	Total # of Projects	Prior Years	FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	Total Project
Expansion	6	115,192,000	670,000	414,000	120,000	0	1,000,000	117,396,000
New	26	161,223,684	8,916,032	3,515,323	4,922,500	2,239,900	80,000	180,897,439
Replacement	51	4,862,158	5,032,811	3,961,800	4,249,000	2,590,000	2,450,000	23,145,769
<b>Total Metro</b>	<b>83</b>	<b>\$281,277,842</b>	<b>\$14,618,843</b>	<b>\$7,891,123</b>	<b>\$9,291,500</b>	<b>\$4,829,900</b>	<b>\$3,530,000</b>	<b>\$321,439,208</b>





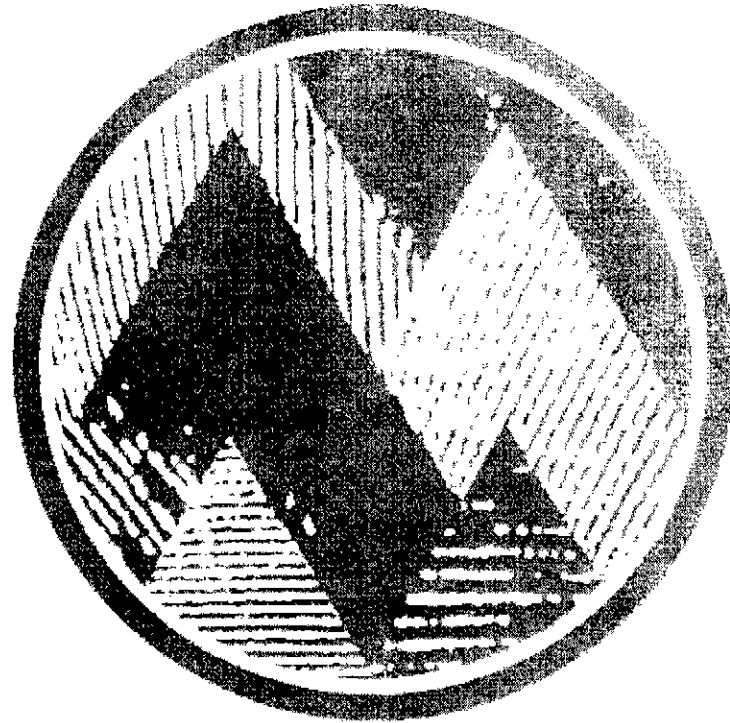
## Annual Operating Budget Impact Summary

Each department also projected the net impact on operating costs resulting from each capital project. The impact is shown in 2002 dollars for the first full year of operation after completion of the project. The table below is a summary by major budget category for all projects in the CIP. On a Metro-wide basis, the overall gross cumulative operating cost impact of over \$53.7 million is offset by the projected growth in two major revenue sources.

Enterprise revenue at the Oregon Zoo is projected to increase by \$15.5 million over the five-year period and, with the expansion of the Oregon Convention Center, additional enterprise revenue is projected at \$28.7 million over the same time period. Total revenue is slated to grow \$52.4 million, resulting in a net cost of about \$1.3 million.

## Annual Operating Budget Impact Summary

Cost By Major Budget Category	FY 2003-2004	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	Total
Revenues	10,277,000	10,413,490	10,473,490	10,633,490	10,633,490	52,430,960
Expenditures						
Personal Services	4,445,000	4,638,000	4,748,495	4,847,551	4,853,051	23,532,097
Material Services	5,822,678	5,880,542	5,903,174	5,938,774	5,938,774	29,483,942
Capital Outlay	22,875	22,875	22,875	22,875	22,875	114,375
Other Costs	60,000	77,934	111,234	169,864	169,864	588,896
Total Expenditures	10,350,553	10,619,351	10,785,778	10,979,064	10,984,564	53,719,310
<b>Net Contribution (Cost)</b>	<b>(\$73,553)</b>	<b>(\$205,861)</b>	<b>(\$312,288)</b>	<b>(\$345,574)</b>	<b>(\$351,074)</b>	<b>(\$1,288,350)</b>



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# Department Summary and Analysis

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# Department Summary and Analysis

The following is an overview of the CIP departmental submissions and the narrative discussing relevant issues relating to each department's CIP requests. The first item in this section is a full listing and prioritization of the CIP requests by year, summarized in *Total Projects Summary by Year*.

A short narrative for each department addresses the following: operating budget impact, funding source analysis, and the five-year financial forecast. In addition, there are two subsections, an Overview of the Projects and Major Changes from the Prior Year.

**Operating Budget Impact.** An *Annual Operating Budget Impact Summary* chart at the end of the narrative details the combined impact on operations that the new projects will have, as addressed in the department narrative.

**Funding Source Analysis.** A *Funding Source Summary* chart at the end of the narrative details the combined funding sources for the projects included in the department's CIP submission. The narrative discusses these funding sources including their adequacy.

**Five-Year Financial Forecast.** A *Five-Year Financial Forecast* chart is included at the end of the narrative for operating departments. This forecast reflects the ending fund balance for a five-year period. This is a summary of a detailed five-year financial forecast that includes all expected revenues and expenditures overlaid with the proposed CIP projects and the resulting impact on ending fund balance. A discussion of the adequacy of funding as demonstrated in this financial forecast is included in the narrative.

**An Overview of the Projects.** This subsection of the narrative discusses the proposed projects, including their intended purpose and reasons for inclusion in the CIP.

**Major Changes from the Prior Year.** This subsection of the narrative discusses major changes from the prior year's CIP.

**Administrative  
Services  
Department**

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**Total Projects Summary - By Year**

Administrative Services			Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>Support Services Fund</b>									
56130	1	Copier Replacement in Print Shop	\$0	\$50,000	\$0	\$0	\$65,000	\$0	\$115,000
<b>Total - Support Services Fund</b>			\$0	\$50,000	\$0	\$0	\$65,000	\$0	\$115,000
<b>Building Management Fund</b>									
TEMP109	2	Metro Regional Center Roof Replacement	\$0	\$0	\$0	\$0	\$0	\$455,000	\$455,000
<b>Total - Building Management Fund</b>			\$0	\$0	\$0	\$0	\$0	\$455,000	\$455,000
<b>Total - Administrative Services</b>			\$0	\$50,000	\$0	\$0	\$65,000	\$455,000	\$570,000

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## **Administrative Services Department**

The Administrative Services Department, which provides financial management and property services to the agency, submitted capital projects that focus on the maintenance of the Metro Regional Center and the print shop at Metro.

The replacement of the roof at the Metro Regional Center (MRC) will be funded by renewal and replacement reserves held in the General Revenue Bond Fund for the MRC. A transfer of these funds will be made to the Building Management Fund to fund this project.

The replacement of the copier in the print shop is funded through the cost allocation plan. The cost allocation plan charges departments for the costs of central service programs. Because some of the benefitting departments are funded by excise tax, approximately 30 percent of the funding for this project is from excise tax dollars.

### **Overview of Projects**

The replacement of the roof at the Metro Regional Center is planned for FY 2007-08. This project will be funded from the renewal and replacement reserve in the General Revenue Bond Fund.

The project to replace the copier in the Print Shop represents the routine replacement of equipment that is nearing the end of its useful life. The copier replacement has been included in past CIPs. Due to technological improvements, the cost for this equipment has steadily decreased over the past several years.

### **Major Changes from the FY 2002-03 through FY 2006-07 CIP**

The addition of the MRC Roof Replacement Project in FY 2007-08 is the only change from the previous year's CIP. It is a significant project, because it will deplete the MRC Renewal and Replacement Account. This account will need to be replenished in the intervening years.

### Cumulative Net Impact on Operating Costs

Administrative Services		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Annual Net Impact on Operating Costs</b>						
Material Services		(\$5,600)	(\$5,600)	(\$5,600)	(\$5,600)	(\$5,600)
	<b>Total Expenditures</b>	(\$5,600)	(\$5,600)	(\$5,600)	(\$5,600)	(\$5,600)
<b>Net Contribution (Cost) Administrative Services</b>		\$5,600	\$5,600	\$5,600	\$5,600	\$5,600

### Major Funding Source Detail

Administrative Services		Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Major Funding Source Category</b>							
Other - Cost Allocation Plan		\$0	\$50,000	\$0	\$0	\$65,000	\$0
Fund Balance - Capital Reserve		\$0	\$0	\$0	\$0	\$0	\$455,000
<b>Total - Administrative Services</b>		\$0	\$50,000	\$0	\$0	\$65,000	\$455,000



**Information  
Technology  
Department**

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**Total Projects Summary - By Year**

Information Technology		Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>All Funds</b>								
IT1	2	Replace/Acquire Desktop Computers	\$287,937	\$150,000	\$150,000	\$150,000	\$150,000	\$1,037,937
<b>Total - All Funds</b>			\$287,937	\$150,000	\$150,000	\$150,000	\$150,000	\$1,037,937
<b>Planning Fund</b>								
94403/94404	7	Regional Land Information System (RLIS)	\$706,025	\$60,000	\$30,000	\$20,000	\$70,000	\$921,025
46903	8	Travel Forecasting System Computer Replacement	\$710,666	\$0	\$0	\$250,000	\$0	\$960,666
<b>Total - Planning Fund</b>			\$1,416,691	\$60,000	\$30,000	\$270,000	\$70,000	\$1,881,691
<b>Solid Waste General Account</b>								
65210	9	Database Consolidation	\$0	\$85,000	\$0	\$0	\$0	\$85,000
<b>Total - Solid Waste General Account</b>			\$0	\$85,000	\$0	\$0	\$0	\$85,000
<b>Support Services Fund</b>								
56137	1	Upgrade Desktop Operating Systems and Office Software	\$180,000	\$0	\$0	\$50,000	\$0	\$240,000
56136	3	PeopleSoft Database Conversion	\$137,338	\$50,000	\$0	\$0	\$25,000	\$212,338
56135	4	Upgrade PeopleSoft Applications Software	\$197,002	\$150,000	\$185,000	\$100,000	\$100,000	\$832,002
56120	5	Upgrade Network Infrastructure	\$198,208	\$25,000	\$55,000	\$55,000	\$25,000	\$413,208
56110	6	Server Management	\$199,965	\$150,000	\$240,000	\$123,000	\$130,000	\$972,965
<b>Total - Support Services Fund</b>			\$922,513	\$375,000	\$480,000	\$328,000	\$280,000	\$2,670,513
<b>Total - Information Technology</b>			\$2,627,141	\$670,000	\$660,000	\$748,000	\$500,000	\$5,675,141

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# Information Technology Department

The Information Technology Department (IT) was created from the former Information Management Services Division of the Administrative Services Department (ASD). The reorganization was in recognition of the importance of technology in supporting Metro operations and to increase visibility of the IT function in the organization.

The projects included in this CIP for the Information Technology Department follow this reorganization. All of the projects that are related to information technology for the entire agency are grouped in this section of the CIP.

## Overview of Projects

Three projects are related to improvements to the network: Upgrade Desktop Operating Systems and Office Software; Upgrade Network Infrastructure; and Server Management. All three projects enable the department to maintain the computer infrastructure that is used by the entire agency by upgrading or replacing equipment and software. These changes are necessary to meet agency performance demands for daily operations.

The PeopleSoft financial and human resource systems are upgraded and improved by two projects: PeopleSoft Database Conversion; and Upgrade PeopleSoft Application Software. These two projects will enable the financial and human resource systems to work more efficiently and to stay current with technology advancements in this area.

The two remaining projects call for planned upgrades and (to some extent) improvements to both the Regional Land Information System (RLIS) and the Travel Forecasting System. In past years, these projects were shown in the Growth Management and Transportation departments. These projects will be budgeted in the Planning Fund.

The Database Consolidation project in the Solid Waste Revenue Fund is a new project to consolidate the individual databases within the department, making them accessible to all.

The remaining project, Replace/Acquire Desktop Computers, is a continuation of reporting the replacement costs of the agency for desktop computers. The annual amounts included in this project represent a three-year replacement cycle for all desktop systems. The computers are purchased by IT and funded by transfers from the departments.

## Major Changes from the FY 2002-03 through FY 2006-07 CIP

Most of these projects existed in the previous CIP; however, the total cost and the timing of some of the projects has changed. The Travel Forecasting System (TRANSIMS) project is expanded. The project includes the eventual replacement of the Travel Demand Modeling System with a more powerful, sophisticated computer system. This project is being done in cooperation with other jurisdictions throughout the region and federal agencies. The Upgrade PeopleSoft Applications Software has been increased to include modules that were not installed at the time of original installation due to lack of funding. The inclusion of these modules in this project is under review by the internal advisory team. The timing and the priority for those modules will change as the review progresses.

## Project Funding

Transfers, as determined by the cost allocation plan, fund the agency-wide projects that are budgeted within the Information Technology budget. In the past, these transfers were supplemented by fund balance carryovers from the original InfoLink (PeopleSoft) project that installed the enterprise software. Those

funds have been expended. The projects planned in the Support Services Fund will now be fully funded by transfers from other departments. The full impact of this change will not be known until the proposed budget for FY 03-04 is prepared. For the most part, the projects included for the Planning Fund are purchased through capital leases. The debt service on the capital lease for the RLIS project is paid through charges to users of the DRC (Data Resource Center) computer system. Grants and other resources in the Planning Fund provide the resources to cover the debt service for the TRANSIMS project.

### Cumulative Net Impact on Operating Costs

<b>Information Technology</b>					
Annual Net Impact on Operating Costs	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Personal Services	\$0	\$68,000	\$140,000	\$144,000	\$148,500
Material Services	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$68,000</b>	<b>\$140,000</b>	<b>\$144,000</b>	<b>\$148,500</b>
<b>Net Contribution (Cost) Information Technology</b>	<b>\$0</b>	<b>(\$68,000)</b>	<b>(\$140,000)</b>	<b>(\$144,000)</b>	<b>(\$148,500)</b>

### Major Funding Source Detail

<b>Information Technology</b>						
Major Funding Source Category	Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Fund Balance - Capital Reserve	\$625,909	\$0	\$0	\$0	\$0	\$0
Other	\$225,858	\$145,000	\$30,000	\$20,000	\$70,000	\$35,000
Other - Cost Allocation Plan	\$512,033	\$525,000	\$630,000	\$478,000	\$430,000	\$435,000
Other Capital Lease	\$1,263,341	\$0	\$0	\$250,000	\$0	\$0
<b>Total - Information Technology</b>	<b>\$2,627,141</b>	<b>\$670,000</b>	<b>\$660,000</b>	<b>\$748,000</b>	<b>\$500,000</b>	<b>\$470,000</b>

**Metro  
Exposition-  
Recreation  
Commission**

## Total Projects Summary - By Year

Metro Exposition-Recreation Commission			Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>MERC Pooled Capital Fund</b>									
TEMP29	1	ASCH - West Entry Remodel	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
TEMP115	2	ASCH - Dressing Tower Elevator	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP31	3	ASCH - Sound System Replacement	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP32	4	ASCH - Fore Stage Lift Replacement	\$0	\$0	\$80,000	\$0	\$0	\$0	\$80,000
TEMP117	6	ASCH - Electro-Acoustical Sound Enhancements	\$0	\$0	\$0	\$0	\$500,000	\$0	\$500,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$0</b>	<b>\$200,000</b>	<b>\$280,000</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$980,000</b>
<b>MERC Pooled Capital Fund</b>									
TEMP116	1	KELLER - ASCH Fire Alarm Upgrade	\$0	\$0	\$150,000	\$0	\$0	\$0	\$150,000
TEMP118	2	Keller-Roof Replacement	\$0	\$0	\$175,000	\$0	\$0	\$0	\$175,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$0</b>	<b>\$0</b>	<b>\$325,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$325,000</b>
<b>MERC Pooled Capital Fund</b>									
TEMP43	1	NTB - Stage Floor Replacement (Newmark Theatre)	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
TEMP119	2	NTB-Interior Painting	\$0	\$0	\$0	\$0	\$300,000	\$0	\$300,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$400,000</b>
<b>Convention Center Capital Fund</b>									
MERC1	1	Oregon Convention Center - Expansion	\$114,935,000	\$65,000	\$0	\$0	\$0	\$0	\$115,000,000
<b>Total - Convention Center Capital Fund</b>			<b>\$114,935,000</b>	<b>\$65,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$115,000,000</b>
<b>MERC Pooled Capital Fund</b>									
TEMP112	1	OCC - Six Foot Round Tables	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP113	2	OCC - Garbage Compactors	\$0	\$0	\$0	\$70,000	\$0	\$0	\$70,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$70,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$170,000</b>
<b>MERC Pooled Capital Fund</b>									
TEMP111	1	Expo - Parking Lot Maintenance	\$42,000	\$26,000	\$50,000	\$25,000	\$25,000	\$25,000	\$193,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$42,000</b>	<b>\$26,000</b>	<b>\$50,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$25,000</b>	<b>\$193,000</b>
<b>Total - Metro Exposition-Recreation Commission</b>			<b>\$114,977,000</b>	<b>\$391,000</b>	<b>\$755,000</b>	<b>\$95,000</b>	<b>\$825,000</b>	<b>\$25,000</b>	<b>\$117,068,000</b>

## Metro Exposition- Recreation Commission

The Metropolitan Exposition-Recreation Commission (MERC) manages the operations of the Oregon Convention Center (OCC) and the Portland Exposition Center (Expo) for Metro, and the Portland Center for the Performing Arts (PCPA) through an intergovernmental agreement with the City of Portland that owns this facility. In this CIP the department has several major projects planned.

### Overview of Projects

The major project for MERC is the final stages of the expansion of the Oregon Convention Center, that will nearly double the square footage of the existing building. This \$115 million project, scheduled for completion in the spring of 2003 and expected to increase revenue and attendance by 60 percent, will have minor wrap-up issues in FY 2003-04.

The expected Operating Impact of the proposed projects is primarily a cost to the Oregon Convention Center of about \$200,000. This cost is offset by the millions of dollars in positive regional economic impact the expanded facility is expected to generate.

### Major Changes from the FY 2002-03 through FY 2006-07 CIP

In addition to the final completion of the Oregon Convention Center expansion, new projects proposed include:

- OCC – Six-Foot Round Tables
- OCC – Garbage Compactors

The PCPA continues to fund high priority deferred projects from City of Portland issued bonds and \$3 million in private donations received over the past several years. Eight new proposed projects are included in this CIP:

- New Theater Building – Interior Painting
- Arlene Schnitzer Concert Hall – West Entry Remodel

- Arlene Schnitzer Concert Hall – Dressing Tower Elevator
- Arlene Schnitzer Concert Hall – Sound System
- Arlene Schnitzer Concert Hall – Fore Stage Left
- Arlene Schnitzer Concert Hall – Electrical-Acoustical
- Keller Auditorium – Fire Alarm
- Keller Auditorium – Roof Replacement

Two projects for PCPA were moved to the unfunded list:

- Keller Auditorium – Rehearsal Hall Modernization
- Keller Auditorium – Ceiling and Wall Painting

One new, ongoing project has been included for the EXPO Center:

- EXPO – Parking Lot Maintenance

### Fund Balance Projections

The major project of the MERC CIP, the OCC Expansion, is funded through the Convention Center Project Fund and is financed by a combination of fund balance, revenue bonds sold by the City of Portland, and a contribution from the Portland Development Commission.

The financial projections for the MERC Operating Fund were not available at this printing.

All CIP projects are planned and budgeted in MERC Pooled Capital Fund or the Convention Center Project Capital Fund. This move was made in Fiscal Year 2001-02 to maintain the integrity of the operating functions and to track and identify projects that are funded through donations and other dedicated funding sources.

MERC will be transferring necessary funding from the MERC Operating Fund to the MERC Pooled Capital Fund to cover the cost of the listed projects.



### Cumulative Net Impact on Operating Costs

<b>Metro Exposition-Recreation Commission</b>					
Annual Net Impact on Operating Costs	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Personal Services	\$3,237,000	\$3,237,000	\$3,237,000	\$3,237,000	\$3,238,000
Material Services	\$4,144,643	\$4,144,643	\$4,145,643	\$4,145,643	\$4,145,643
<b>Total Expenditures</b>	<b>\$7,381,643</b>	<b>\$7,381,643</b>	<b>\$7,382,643</b>	<b>\$7,382,643</b>	<b>\$7,383,643</b>
Revenues	\$7,185,000	\$7,185,000	\$7,185,000	\$7,185,000	\$7,185,000
<b>Net Contribution (Cost) Metro Exposition-Recreation Commission</b>	<b>(\$196,643)</b>	<b>(\$196,643)</b>	<b>(\$197,643)</b>	<b>(\$197,643)</b>	<b>(\$198,643)</b>

### Major Funding Source Detail

<b>Metro Exposition-Recreation Commission</b>						
Major Funding Source Category	Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Other - City of Portland	\$0	\$300,000	\$605,000	\$0	\$800,000	\$0
Fund Balance - Capital Reserve	\$5,082,000	\$26,000	\$150,000	\$95,000	\$25,000	\$25,000
Intergov Rev - COP	\$99,188,818	\$65,000	\$0	\$0	\$0	\$0
Intergov Rev - PDC	\$4,968,141	\$0	\$0	\$0	\$0	\$0
Multnomah County	\$710,726	\$0	\$0	\$0	\$0	\$0
Other	\$5,027,315	\$0	\$0	\$0	\$0	\$0
<b>Total - Metro Exposition-Recreation Commission</b>	<b>\$114,977,000</b>	<b>\$391,000</b>	<b>\$755,000</b>	<b>\$95,000</b>	<b>\$825,000</b>	<b>\$25,000</b>

### Five Year Financial Forecast

The update was not available at the time of printing.

## Oregon Zoo

## Total Projects Summary - By Year

Oregon Zoo			Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>Zoo Capital Projects Fund</b>									
51110	1	Great Northwest Project	\$32,958,864	\$2,707,862	\$1,769,323	\$0	\$0	\$0	\$37,436,049
ZOO5	2	Primate Building	\$724,414	\$0	\$0	\$0	\$500,000	\$500,000	\$1,724,414
TEMP9	3	Refurbish Tree Tops Area	\$0	\$0	\$400,000	\$0	\$0	\$0	\$400,000
TEMP10	4	Wolf Yard Renovations	\$0	\$0	\$75,000	\$0	\$0	\$0	\$75,000
TEMP139	5	California Condor Captive Breeding Facility	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
TEMP11	6	Elephant Walls/Structural Upgrades	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
ZOO2	7	Lion Exhibit	\$0	\$0	\$0	\$1,900,000	\$0	\$0	\$1,900,000
TEMP13	8	Administration Building Upgrades	\$0	\$0	\$0	\$135,000	\$0	\$0	\$135,000
TEMP14	10	Elephant Electrical Upgrades	\$0	\$0	\$0	\$75,000	\$0	\$0	\$75,000
TEMP15	12	Steller Cove Upgrades	\$0	\$0	\$0	\$100,000	\$0	\$0	\$100,000
TEMP124	14	Modular Education Classrooms	\$0	\$70,000	\$0	\$0	\$0	\$0	\$70,000
TEMP122	18	Admission Ticketing System Upgrade	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000
TEMP121	19	AfriCafe Terrace Permanent Cover	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP123	20	Cascade Grill and Sunset Room Remodel	\$0	\$0	\$0	\$100,000	\$0	\$0	\$100,000
TEMP120	21	Elephant Museum renovation	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
<b>Total - Zoo Capital Projects Fund</b>			<b>\$33,683,278</b>	<b>\$4,777,862</b>	<b>\$2,644,323</b>	<b>\$2,310,000</b>	<b>\$600,000</b>	<b>\$500,000</b>	<b>\$44,515,463</b>
<b>Zoo Operating Fund</b>									
TEMP19	9	Asphalt Roads Path Repair and Replacement	\$0	\$0	\$100,000	\$100,000	\$0	\$0	\$200,000
TEMP20	11	Elephant Museum Reroof	\$0	\$0	\$0	\$100,000	\$0	\$0	\$100,000
TEMP18	13	Masai Hut and Pygmy Goat Barn	\$0	\$0	\$70,000	\$0	\$0	\$0	\$70,000
TEMP85	15	Penguin Filtration Replacement	\$0	\$80,000	\$0	\$0	\$0	\$0	\$80,000
TEMP86	16	Bear/Walk Café Restroom Upgrades	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
TEMP87	17	Generator Replacement	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000
TEMP92	22	Elevator Replacements	\$0	\$0	\$0	\$0	\$90,000	\$0	\$90,000
ZOO8	23	Musk Ox Fencing	\$10,000	\$0	\$0	\$0	\$60,000	\$0	\$70,000
<b>Total - Zoo Operating Fund</b>			<b>\$10,000</b>	<b>\$160,000</b>	<b>\$170,000</b>	<b>\$200,000</b>	<b>\$150,000</b>	<b>\$0</b>	<b>\$690,000</b>
<b>Total - Oregon Zoo</b>			<b>\$33,693,278</b>	<b>\$4,937,862</b>	<b>\$2,814,323</b>	<b>\$2,510,000</b>	<b>\$750,000</b>	<b>\$500,000</b>	<b>\$45,205,463</b>

## Oregon Zoo

There is a wide variety of capital projects for the Oregon Zoo in this CIP. There is a mix of new facility construction projects like the Great Northwest Project, and renewal and replacement projects such as the Primates Exhibit. The following summary table lists each capital project by fiscal year.

### Overview of Projects

The single largest project at the Zoo is the remaining portion of the \$37.4 million Great Northwest Project (formerly called the Oregon Project). The project is funded by a \$28.8 million bond measure approved by the region's voters in September 1996. A transfer of \$2 million from the Zoo Operating Fund, another \$2 million in donations, and \$4.6 million in interest earnings supply the additional funding needed. The first major phase of the project opened in September 1998 with the new entrance facilities and the mountain goat exhibit. Other phases include the Steller Cove and the Eagle-Salmon exhibits. The work on this project is scheduled to continue through FY 2004-05.

Other projects are planned to rehabilitate existing facilities, such as the Primate Facility, the Tree Tops area, and the Elephant Facility. New facilities include the Lion Exhibit and the California Condor Breeding Facility. There are also projects to maintain the facilities and make the visitor's experience an exciting and safe one.

### Major Changes from the FY 2002-03 through FY 2006-07 CIP

The Great Northwest Project has expanded due to higher than anticipated interest earnings over the last two years. This enables the project managers to add enhancements to the exhibit that were set aside due to funding constraints.

The construction of the Lion Exhibit has been moved to FY 2005-06 to allow for the completion of the Great Northwest Project and to better coincide with the expected receipt of donations for this project.

The Zoo was recently chosen to join the California Condor Recovery Team. This necessitates the construction of a breeding facility to implement this project.

Additionally, several projects have been added that cover general maintenance and refurbishment of the facility. These projects include: replacement of the penguin filtration system, replacing and repairing elevators, restroom upgrades, and roofing buildings as needed.

### Fund Balance Projections

With the exception of the Great Northwest Project, projects will be financed largely by transfers from the Zoo Operating Fund and donations. Based on the financial projections, the fund balance in the operating fund is adequate to finance these capital projects and still have sufficient funds available to satisfy operating needs. Funding for future renewal and replacement needs, however, will depend upon the success of the Great Northwest Project and other projects in increasing attendance and associated revenues.

### Cumulative Net Impact on Operating Costs

Oregon Zoo		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Annual Net Impact on Operating Costs</b>						
Revenues		\$3,092,000	\$3,228,490	\$3,228,490	\$3,278,490	\$3,278,490
Personal Services		\$1,198,000	\$1,323,000	\$1,323,000	\$1,323,000	\$1,323,000
Material Services		\$1,599,000	\$1,653,744	\$1,653,744	\$1,673,744	\$1,673,744
Other Costs		\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
	<b>Total Expenditures</b>	<b>\$2,867,000</b>	<b>\$3,036,744</b>	<b>\$3,036,744</b>	<b>\$3,056,744</b>	<b>\$3,056,744</b>
	<b>Net Contribution (Cost) Oregon Zoo</b>	<b>\$235,000</b>	<b>\$191,746</b>	<b>\$191,746</b>	<b>\$221,746</b>	<b>\$221,746</b>

### Major Funding Source Detail

Oregon Zoo		Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Major Funding Source Category</b>							
Donations		\$0	\$4,337,231	\$704,532	\$1,900,000	\$600,000	\$500,000
Fund Balance - Capital Reserve		\$1,525,746	\$503,118	\$1,980,550	\$810,000	\$150,000	\$0
G.O. Bonds - Zoo & MERC		\$28,827,273	\$0	\$0	\$0	\$0	\$0
Other - Interest Earnings		\$3,340,259	\$97,513	\$129,241	\$0	\$0	\$0
	<b>Total - Oregon Zoo</b>	<b>\$33,693,278</b>	<b>\$4,937,862</b>	<b>\$2,814,323</b>	<b>\$2,510,000</b>	<b>\$750,000</b>	<b>\$500,000</b>

**Five-Year Financial Forecast  
as of October, 2002**

Zoo Capital Fund	2002-03		Projections				
	Adopted	Estimated	2003-04	2004-05	2005-06	2006-07	2007-08
<i>Estimated Beginning Fund Balance</i>	\$5,581,045	\$6,880,061	\$6,056,776	\$3,899,914	\$1,852,591	\$1,488,591	\$1,425,591
Projected Revenues	\$583,715	\$583,715	\$2,621,000	\$597,000	\$1,946,000	\$537,000	\$536,000
Less Operating Expenditures	(\$500,000)	\$0	\$0	\$0	\$0	\$0	\$0
Ending Fund Balance Prior to CIP	\$5,664,760	\$7,463,776	\$8,677,776	\$4,496,914	\$3,798,591	\$2,025,591	\$1,961,591
Proposed Capital Projects	(\$1,407,000)	(\$1,407,000)	(\$4,777,862)	(\$2,644,323)	(\$2,310,000)	(\$600,000)	(\$500,000)
<i>Ending Fund Balance After CIP</i>	<i>\$4,257,760</i>	<i>\$6,056,776</i>	<i>\$3,899,914</i>	<i>\$1,852,591</i>	<i>\$1,488,591</i>	<i>\$1,425,591</i>	<i>\$1,461,591</i>

**NOTE: This forecast is used for determining funding capacity of requested capital improvement projects only.**

**Five Year Financial Forecast  
as of October, 2002**

Zoo Operating Fund	2002-03		Projections				
	Adopted	Est. Actual	2003-04	2004-05	2005-06	2006-07	2007-08
<i>Estimated Beginning Fund Balance</i>	\$6,314,624	\$6,370,681	\$5,033,414	\$4,153,414	\$3,428,414	\$2,755,414	\$2,282,414
Projected Current Revenues	\$22,300,379	\$22,303,910	\$23,439,000	\$24,431,000	\$25,473,000	\$26,563,000	\$27,707,000
Less Operating Expenditures	(\$24,491,858)	(\$23,501,177)	(\$24,159,000)	(\$24,986,000)	(\$25,946,000)	(\$26,886,000)	(\$28,020,000)
Ending Fund Balance Prior to CIP	\$4,123,145	\$5,173,414	\$4,313,414	\$3,598,414	\$2,955,414	\$2,432,414	\$1,969,414
Proposed Capital Projects	(\$140,000)	(\$140,000)	(\$160,000)	(\$170,000)	(\$200,000)	(\$150,000)	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$3,983,145</i>	<i>\$5,033,414</i>	<i>\$4,153,414</i>	<i>\$3,428,414</i>	<i>\$2,755,414</i>	<i>\$2,282,414</i>	<i>\$1,969,414</i>

**NOTE: This forecast is used for determining funding capacity of requested capital improvement projects only.**

## **Planning Department**

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## Planning Department

The Planning Department serves as the metropolitan region's transportation planning organization and is responsible for urban growth management and land use planning. The Technical Service division of the department consists of two sections – Travel Forecasting and the Data Resource Center.

The work performed by the Travel Forecasting Section provides the base data used by Metro and local jurisdictions in the region for developing transportation alternatives. The department uses a sophisticated system of interconnected servers and workstations for the development and application of travel demand forecasting models. In FY 2001-02, the department replaced the existing computer system with a new, more powerful modeling system called TRANsportation SIMulationS (TRANSIMS). This travel modeling system requires very large amounts of processing power. The replacement also involved the upgrade of the heating/cooling system to accommodate the increased load of the replacement computer system, a large uninterruptible power source to allow for managed shutdown in case of loss of power to the building, and the purchase of a backup power generator for the building itself. The financing mechanism for the project was a three-year internal loan from a Metro department. The department plans for replacement of this equipment every three years. Historically, large capital computer purchases for the Planning Department have been financed with three-year capital leases or loans. However, the agency is discussing the creation of a capital replacement reserve. The reserve would finance the computer purchase, with the department replenishing the reserve over the life of the equipment. Debt or reserve payments are allocated to users and individual projects through a billing system. Approximately 9 percent of the annual payments are funded with excise tax.

The Data Resource Center operates a network of computers to provide the forecasting, mapping and decision-making tools

needed for Metro departments, local governments and private-sector subscribers. The Regional Land Information System (RLIS) is the heart of the planning and mapping services provided by Metro. This technology supports the enterprise applications of the Geographic Information System (GIS). To keep up with the demand for sophisticated land-use planning tools, the department replaces portions of the RLIS system each year. The replacement schedule covers GIS work stations, plotters, specialized printers, etc., and may include some network infrastructure items as needed to support high end data exchanges between the Data Resource Center and Metro partners. All costs are allocated to the users and contracting agencies through a billing system. Historically, approximately 31 percent is funded with excise tax.

All computer projects are included in a consolidated information technology proposal. Refer to the Information Technology Department for detail of the projects.



**Regional  
Environmental  
Management  
Department**

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## Total Projects Summary - By Year

Regional Environmental Management			Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>Solid Waste General Account</b>									
76001	1	Metro South - Northern Tip Floor Renovation	\$200,000	\$544,000	\$0	\$0	\$0	\$0	\$744,000
TEMP105	2	Metro South- Relocate Latex Paint Operations	\$25,000	\$225,000	\$0	\$0	\$0	\$0	\$250,000
TEMP104	3	Metro South- Latex Building/Public Area Lunch Room Con	\$10,000	\$50,000	\$0	\$0	\$0	\$0	\$60,000
76002	4	Metro South - Install High Capacity Baler	\$0	\$0	\$375,000	\$400,000	\$0	\$0	\$775,000
76955	5	Metro Central - Office Addition	\$0	\$11,000	\$114,000	\$0	\$0	\$0	\$125,000
76947	6	Metro Central - Expansion of Hazardous Waste Facility	\$47,000	\$0	\$300,000	\$120,000	\$0	\$0	\$467,000
TEMP77	7	Metro South - Wood Processing Capacity	\$0	\$0	\$60,000	\$744,000	\$0	\$0	\$804,000
TEMP103	8	Metro South- Installation of Compactor for Public Unloadin	\$0	\$0	\$0	\$200,000	\$680,000	\$0	\$880,000
TEMP78	9	Metro Central - Chimney Removal	\$0	\$0	\$10,000	\$165,000	\$0	\$0	\$175,000
76954	10	Metro Central - Woodroom Improvements	\$0	\$20,000	\$216,000	\$0	\$0	\$0	\$236,000
76005	11	Metro Central - Install New Scale at Scalehouse "C"	\$0	\$0	\$0	\$25,000	\$252,000	\$0	\$277,000
TEMP80	12	Metro Central - Rainwater Harvesting	\$0	\$0	\$0	\$0	\$310,000	\$0	\$310,000
76007	13	Future Master Facility Plan Improvements	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000
<b>Total - Solid Waste General Account</b>			<b>\$282,000</b>	<b>\$850,000</b>	<b>\$1,075,000</b>	<b>\$1,654,000</b>	<b>\$1,242,000</b>	<b>\$1,000,000</b>	<b>\$6,103,000</b>
<b>Solid Waste Landfill Closure</b>									
76986	1	St Johns - Perimeter Dike Stabilization and Seepage Cont	\$1,455,000	\$0	\$635,000	\$709,000	\$80,000	\$80,000	\$2,959,000
76981	2	St. John's - Maintenance Building	\$319,075	\$233,600	\$0	\$0	\$0	\$0	\$552,675
TEMP26	3	St. John's - Re-establish Proper Drainage	\$96,000	\$550,000	\$0	\$0	\$250,000	\$0	\$896,000
76987	4	St. John's - Leachate Pretreatment	\$300,000	\$150,000	\$0	\$0	\$0	\$0	\$450,000
TEMP27	5	St. John's - Groundwater Monitoring Wells	\$0	\$43,000	\$10,800	\$0	\$0	\$0	\$53,800
76985	6	St. John's - Native Vegetation on the Cover Cap	\$113,100	\$5,000	\$59,000	\$0	\$0	\$0	\$177,100
TEMP101	7	St. John's - Landfill Bridge Repairs	\$0	\$0	\$0	\$30,000	\$120,000	\$0	\$150,000
<b>Total - Solid Waste Landfill Closure</b>			<b>\$2,283,175</b>	<b>\$981,600</b>	<b>\$704,800</b>	<b>\$739,000</b>	<b>\$450,000</b>	<b>\$80,000</b>	<b>\$5,238,575</b>
<b>SW Renewal &amp; Replacement Account</b>									
TEMP81	1	Metro South - Convert Mechanical Room to Lockers	\$35,000	\$357,000	\$0	\$0	\$0	\$0	\$392,000
76921/53	2	Metro Central - Replace Metal Roof and Ventilation Syste	\$450,000	\$2,372,000	\$0	\$0	\$0	\$0	\$2,822,000
TEMP82	3	Metro Central - Replace Light Fixtures	\$0	\$0	\$150,000	\$0	\$0	\$0	\$150,000
76010	4	Metro Central - Replace Compactor #3 Feed Conveyor	\$0	\$0	\$325,000	\$59,000	\$0	\$0	\$384,000
76944	5	Metro Central - Woodline	\$0	\$0	\$400,000	\$472,000	\$0	\$0	\$872,000
76011	6	Metro Central - Replace Compactor #2 Feed Conveyor	\$0	\$0	\$0	\$385,000	\$0	\$0	\$385,000
TEMP83	7	Metro South - Install Sidewalk on Washington Street	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
76012	8	Metro South - Repair Commercial Tip Floor	\$0	\$0	\$0	\$0	\$197,900	\$0	\$197,900
TEMP106	9	Metro Central - Replace Compactor No. 2	\$0	\$0	\$0	\$80,000	\$800,000	\$0	\$880,000
TEMP84	10	Future Renewal and Replacement Projects	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000
<b>Total - SW Renewal &amp; Replacement Account</b>			<b>\$485,000</b>	<b>\$2,728,000</b>	<b>\$975,000</b>	<b>\$996,000</b>	<b>\$997,900</b>	<b>\$1,000,000</b>	<b>\$7,182,900</b>
<b>Total - Regional Environmental Management</b>			<b>\$3,050,175</b>	<b>\$4,560,600</b>	<b>\$2,754,800</b>	<b>\$3,389,000</b>	<b>\$2,689,900</b>	<b>\$2,080,000</b>	<b>\$18,524,475</b>

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## Regional Environmental Management Department

The Regional Environmental Management Department (REM) is responsible for regional solid waste management. The primary goals of the department are:

- Reduce the toxicity and amount of solid waste generated and disposed
- Develop an efficient, economical, and environmentally sound solid waste disposal system

In carrying out these responsibilities, the department operates Metro's two transfer stations and two hazardous waste facilities; maintains two closed landfills; arranges for disposal at landfills and other facilities; develops and administers a solid waste management plan for the region as part of Metro's planning responsibilities; and promotes waste reduction and recycling activities.

The projects included in the plan are shown in the summary table on the preceding page. These projects are grouped into the three restricted accounts available within the Solid Waste Revenue Fund to finance capital projects: General Capital Reserve Account, Renewal and Replacement Account, and St. Johns Landfill Closure Account.

### Overview of Projects

The projects to be financed through the General Capital Reserve Account are typically new capital assets designed to increase the efficiency and effectiveness of Metro's two transfer stations: Metro Central and Metro South. The projects are designed to improve safety, improve customer service, meet growing public customer base, or increase resource recovery rates. The majority of these projects have been outlined in detail in a Master Facility Plan for the transfer stations, originally completed in April 1998, and updated early in fiscal year 2001-02. With the completion of the Master Facility Plan update, many projects were changed in

scope and timeline. The projects proposed in the Master Facility Plan and this CIP were based on the following goals:

- Improve waste recovery and recycling
- Reduce traffic congestion and improve site safety
- Maximize station efficiencies
- Improve facilities for Metro and station operator personnel

The projects financed through the Renewal and Replacement Account are replacements of equipment and rehabilitation of facilities needed to realize the optimal lifespans of capital components. Under bond covenants, Metro is required to maintain adequate reserves to finance capital asset replacements. Every three years, the department contracts with an engineering firm to assess the condition of equipment and facilities and calculate annual contribution amounts to the Renewal and Replacement Account. The latest renewal and replacement study was completed in October 2001. This CIP includes the replacement of assets as recommended in that study. With the completion of the update to the Renewal and Replacement Plan, the scope and timeline has changed on many of the existing projects.

St. Johns Landfill Account is restricted to financing capital projects needed to close the St. Johns Landfill. The projects in the CIP represent a series of improvements that are needed to minimize erosion damage, provide wastewater pretreatment, repair the cover systems, and provide adequate facilities for staff.

### Major Changes from the FY 2002-03 through FY 2006-07 CIP

In the General Capital Reserve Account three projects in the CIP have been added. They are:

- Metro South – Relocate latex paint operation

- Metro South – Latex building/public area
- Metro South – Install compactor for public unloading

Overall, General Account projects have declined \$1,043,000 from the last CIP.

One new project has been added to the Renewal and Replacement Account:

- Metro Central – Replace compactor No. 2

The remaining projects are those planned for completion in future years and are still being carried over into this CIP.

Based upon the update of the Renewal and Replacement Plan and project-costing evaluations, there is a net increase of \$301,000 to the Renewal and Replacement Projects from the last CIP.

One new project has been added to the St. Johns Landfill closure account:

- Landfill Bridge repairs

The St. Johns Landfill Closure Account projects are primarily those that had been planned for completion in future years and are still being carried over into this CIP. DEQ has not completed its closure permit and the consent order for the St. Johns Landfill, but indicates it will prior to the end of FY 2002-03. Once the DEQ permit is issued, REM will embark on a two- to three-year risk assessment process to determine total closure needs.

### **Fund Balance Projections**

The financing for the above projects is derived from a combination of tip fee contributions and capital reserves. The final table in this section shows the projected fund balance available for capital projects for the fiscal years covered by the CIP. The

reserve amounts shown for Capital, Renewal and Replacement, and Landfill Closure are net of the amounts allocated for the capital projects financed from those reserves. The projections currently show that a combination of fund balance and rate support is available to finance all of the department's capital projects.

### Cumulative Net Impact on Operating Costs

Regional Environmental Management		2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Annual Net Impact on Operating Costs</b>						
Personal Services		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Material Services		\$84,635	\$84,635	\$84,635	\$84,635	\$84,635
Capital Outlay		\$22,875	\$22,875	\$22,875	\$22,875	\$22,875
	<b>Total Expenditures</b>	<b>\$117,510</b>	<b>\$117,510</b>	<b>\$117,510</b>	<b>\$117,510</b>	<b>\$117,510</b>
	<b>Net Contribution (Cost) Regional Environmental Management</b>	<b>(\$117,510)</b>	<b>(\$117,510)</b>	<b>(\$117,510)</b>	<b>(\$117,510)</b>	<b>(\$117,510)</b>

### Major Funding Source Detail

Regional Environmental Management		Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
<b>Major Funding Source Category</b>							
Fund Balance - Capital Reserve		\$282,000	\$850,000	\$1,075,000	\$1,854,000	\$1,242,000	\$1,000,000
Fund Balance - Landfill Closure		\$2,213,175	\$981,600	\$704,800	\$739,000	\$450,000	\$80,000
Fund Balance - Renewal and Replacement		\$485,000	\$2,729,000	\$975,000	\$996,000	\$997,900	\$1,000,000
Grants		\$30,000	\$0	\$0	\$0	\$0	\$0
Other		\$40,000	\$0	\$0	\$0	\$0	\$0
	<b>Total - Regional Environmental Management</b>	<b>\$3,050,175</b>	<b>\$4,560,600</b>	<b>\$2,754,800</b>	<b>\$3,389,000</b>	<b>\$2,689,900</b>	<b>\$2,080,000</b>

**Five-Year Financial Forecast  
as of October, 2002**

Solid Waste Revenue Fund	2002-03		Projections				
	Adopted	Est. Actuals	2003-04	2004-05	2005-06	2006-07	2007-08
<b>Estimated Beginning Fund Balance</b>	<b>\$38,081,459</b>	<b>\$39,834,386</b>	<b>\$32,574,968</b>	<b>\$28,101,014</b>	<b>\$26,260,051</b>	<b>\$24,481,225</b>	<b>\$23,950,312</b>
Projected Operating Revenues	\$50,865,849	\$50,106,968	\$54,309,742	\$56,627,283	\$58,985,230	\$61,522,705	\$63,334,479
Less Operating Expenditures	(66,169,765)	(53,344,779)	(\$54,223,096)	(\$55,713,447)	(\$57,375,056)	(\$59,363,718)	(\$60,378,547)
Ending Fund Balance Prior to CIP	\$22,777,543	\$36,596,575	\$32,661,614	\$29,014,851	\$27,870,225	\$26,640,212	\$26,906,244
Proposed Capital Projects	(\$7,094,607)	(\$4,021,607)	(\$4,560,600)	(\$2,754,800)	(\$3,389,000)	(\$2,689,900)	(\$2,080,000)
<b>Ending Fund Balance after CIP</b>	<b>\$15,682,936</b>	<b>\$32,574,968</b>	<b>\$28,101,014</b>	<b>\$26,260,051</b>	<b>\$24,481,225</b>	<b>\$23,950,312</b>	<b>\$24,826,244</b>
<b>Ending Fund Balance Breakdown</b>							
Debt Service Reserve	\$1,373,613	\$1,373,613	\$1,376,733	\$1,379,693	\$1,377,488	\$1,380,238	\$2,452,816
Renewal & Replacement Reserve	\$0	6,368,167	4,370,553	4,076,474	3,753,511	3,492,036	3,221,383
Capital Reserve	\$3,083,513	4,046,768	3,196,768	2,121,768	1,200,000	1,200,000	1,200,000
Rate Stabilization	\$2,513,495	2,513,495	2,513,496	2,513,496	2,513,496	2,513,496	2,513,496
Working Capital	\$5,759,667	8,058,964	8,058,964	8,058,964	8,058,964	8,058,964	8,058,964
Reserves (Metro Central)	\$2,844,502	2,945,270	2,945,270	2,945,270	2,945,270	2,945,270	2,945,270
Business Assistance Account	\$108,146	186,054	190,705	195,473	200,360	205,369	210,503
Landfill Closure	\$0	6,075,544	5,448,525	4,968,913	4,432,136	4,154,939	4,223,812

**NOTE: This forecast is used for determining funding capacity of requested capital improvement projects only.**

**Regional Parks  
and  
Greenspaces  
Department**

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## Total Projects Summary - By Year

Regional Parks and Greenspaces			Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Total
<b>Open Spaces Fund</b>									
TEMP4	1	Open Spaces Land Acquisition	\$125,977,995	\$2,431,000	\$0	\$0	\$0	\$0	\$128,408,995
<b>Total - Open Spaces Fund</b>			\$125,977,995	\$2,431,000	\$0	\$0	\$0	\$0	\$128,408,995
<b>Regional Parks Fund</b>									
71772	1	Oxbow Park - Diack Environmental Education Center	\$0	\$60,000	\$307,000	\$2,549,500	\$0	\$0	\$2,916,500
70170	2	M. James Gleason Boat Ramp Renovation Phase I & II	\$752,603	\$300,000	\$600,000	\$0	\$0	\$0	\$1,652,603
TEMP100	3	Blue Lake Park - Lakefront Enhancement	\$160,000	\$188,311	\$0	\$0	\$0	\$0	\$348,311
<b>Total - Regional Parks Fund</b>			\$912,603	\$548,311	\$907,000	\$2,549,500	\$0	\$0	\$4,917,414
<b>Smith and Bybee Lakes Fund</b>									
70280	1	Smith & Bybee Lakes Dam Removal	\$0	\$438,500	\$0	\$0	\$0	\$0	\$438,500
71780	2	Smith & Bybee Lakes Facility Improvements	\$39,650	\$591,570	\$0	\$0	\$0	\$0	\$631,220
<b>Total - Smith and Bybee Lakes Fund</b>			\$39,650	\$1,030,070	\$0	\$0	\$0	\$0	\$1,069,720
<b>Total - Regional Parks and Greenspaces</b>			\$126,930,248	\$4,009,381	\$907,000	\$2,549,500	\$0	\$0	\$134,396,129



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# Regional Parks and Greenspaces Department

The goal of the Regional Parks and Greenspaces Department is to establish and maintain a regional system of interconnected natural areas, parks, trails and greenways. Specific facilities (not including properties acquired under the Open Spaces Program) include:

## Regional Parks and Facilities

Mason Hill  
Sauvie Island Boat Ramp  
Howell Territorial Park  
M. James Gleason Boat Ramp  
Broughton Beach  
Glendoveer Golf Course  
Blue Lake Regional Park  
Oxbow Regional Park  
Chinook Landing Marine Park

## Natural Areas

Bell View Point  
Beggar's-tick  
Gary and Flagg Island  
Indian John Island  
Larch Mountain Corridor  
Smith and Bybee Lakes

The department also maintains 14 pioneer cemeteries.

The six projects listed on the cover are included in the proposed CIP and ten other projects are included on the department's List of Unfunded Projects. The List of Unfunded Projects addresses those projects that are currently components of existing facility master plans. It also includes an estimate of the amount necessary to plan for, and ultimately provide, future public access to landbanked sites acquired under the Open Spaces Program. The unfunded list includes an initial estimate for a second phase of

acquisition of sites that were not included in the original Open Spaces Bond measure.

## Overview of Projects

The Open Spaces, Parks and Streams bond measure passed in 1995 requires the purchase of lands throughout the Metro region to be used as open spaces. Acquisitions comprise about 32 percent of the \$7.5 million in Parks' capital expenditures included in the CIP for fiscal years 2003-04 through 2007-08. The adopted master plan for Oxbow Park includes a new educational facility to be located near the Park's old growth forest. A fundraising campaign has begun to raise construction funds for the project, as well as to provide an endowment fund for operations. Construction of the Oxbow Park Diack Nature Center account for another 39 percent of the department's CIP. The remaining four projects are financed, in large part, by specific grants or other intergovernmental revenues associated with individual capital construction projects. Additional funding has been provided through the Multnomah County portion of the local share monies from the Open Spaces bond measure.

## Major Changes from the FY 2002-03 through FY 2006-07 CIP

The FY 2003-04 through FY 2007-08 CIP includes six projects for a total of \$7.5 million. This is an increase of slightly over \$600,000 from last year's adopted CIP. There are a variety of project changes that contributed to the increase.

Two projects are anticipated to be completed in FY 2002-03 – the Oxbow Park Picnic Shelters and Restrooms project and the Glendoveer Golf Course contract project. One new project, the Blue Lake Park Lakefront Enhancement project, is expected to be added to the CIP during the current year, FY 2002-03. This

project will address some much needed deferred maintenance work at Blue Lake Park and has been made possible through additional excise tax funding provided to the department during the FY 2002-03 budget process. All other projects are continuations or extensions of previously approved projects. Only one project, the Smith & Bybee Lakes Facility Improvements, shows a significant increase in project costs of \$273,000, or about a 73 percent increase in total costs. The increase reflects additional dedicated funding. Monies received from the Regional Arts and Culture Council are limited to artistic projects; funds from the Corp of Engineers can only be used for environmental mitigation or enhancement uses. The specific projects chosen will be consistent with the adopted management plan and will further completion of the facility improvements.

### **Fund Balance Projections**

The CIP projects funded through the Regional Parks Fund are, for the most part, funded by grants or donations received for specific capital projects. The total funding from this source is slightly over \$3.6 million during fiscal years 2003-04 through 2007-08. Other funding for capital projects comes from the local share portion of the Open Spaces bonds that has been allocated to Multnomah County projects (\$298,000) and dedicated reserves (\$180,000).

The 5-Year Financial Forecast on the last page of this subsection shows the projected fund balance available for capital projects for the fiscal years covered by the CIP. Despite the shortfall that is projected to begin after FY 2004-05, the capital program outlined in the CIP is fully funded through grants or other dedicated funding sources. However, the projects will add to existing operating costs, placing additional demands on fund balance. The forecast points out the need for additional sources of operating revenue.

## Cumulative Net Impact on Operating Costs

<b>Regional Parks and Greenspaces</b>					
Annual Net Impact on Operating Costs	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Revenues	\$0	\$0	\$60,000	\$170,000	\$170,000
Personal Services	\$0	\$0	\$38,495	\$133,551	\$133,551
Material Services	\$0	\$3,120	\$24,752	\$40,352	\$40,352
Other Costs	\$0	\$17,934	\$51,234	\$109,864	\$109,864
<b>Total Expenditures</b>	\$0	\$21,054	\$114,481	\$283,767	\$283,767
<b>Net Contribution (Cost) Regional Parks and Greenspaces</b>	\$0	(\$21,054)	(\$54,481)	(\$113,767)	(\$113,767)

## Major Funding Source Detail

<b>Regional Parks and Greenspaces</b>						
Major Funding Source Category	Prior Years	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Donations	\$932,856	\$0	\$307,000	\$2,549,500	\$0	\$0
Education Program Revenues	\$0	\$60,000	\$0	\$0	\$0	\$0
Fund Balance - Capital Reserve	\$50,508	\$0	\$0	\$0	\$0	\$0
Fund Balance - Renewal and Replacement	\$120,000	\$0	\$0	\$0	\$0	\$0
G.O. Bonds - Local Share	\$496,745	\$408,311	\$80,000	\$0	\$0	\$0
G.O. Bonds - Open Spaces	\$110,600,000	\$0	\$0	\$0	\$0	\$0
Grants - OR Fish & Wildlife	\$40,000	\$0	\$0	\$0	\$0	\$0
Grants - State Marine Board	\$125,000	\$230,000	\$520,000	\$0	\$0	\$0
Grants - State Parks	\$0	\$168,570	\$0	\$0	\$0	\$0
Interest on Bond	\$14,371,639	\$2,431,000	\$0	\$0	\$0	\$0
Multnomah County	\$120,000	\$0	\$0	\$0	\$0	\$0
Other Gov Cont	\$73,500	\$0	\$0	\$0	\$0	\$0
Grants / Donations	\$0	\$438,500	\$0	\$0	\$0	\$0
Intergov Rev - Army Corp of Eng.	\$0	\$63,000	\$0	\$0	\$0	\$0
Other - RACC	\$0	\$200,000	\$0	\$0	\$0	\$0
Port of Portland	\$0	\$10,000	\$0	\$0	\$0	\$0
<b>Total - Regional Parks and Greenspaces</b>	\$126,930,248	\$4,009,381	\$907,000	\$2,549,500	\$0	\$0

**5 Year Financial Forecast  
as of October 2002**

Regional Parks Fund	FY 2002-03		Projections				
	Adopted	Est. Actual	2003-04	2004-05	2005-06	2006-07	2007-08
<i>Estimated Beginning Fund Balance</i>	\$3,565,847	\$3,377,221	\$2,799,518	\$1,736,566	\$0	\$0	\$0
Projected Operating Revenues	\$6,767,092	\$6,767,092	\$6,449,438	\$5,442,350	\$7,058,373	\$4,687,574	\$4,760,403
Less Operating Expenditures	(\$6,393,503)	(\$6,149,254)	(\$6,964,079)	(\$7,125,082)	(\$7,244,925)	(\$7,368,343)	(\$7,495,452)
Ending Fund Balance Prior to CIP	\$3,939,436	\$3,995,059	\$2,284,877	\$53,834	(\$186,552)	(\$2,680,769)	(\$2,735,049)
Proposed Capital Projects	(\$1,195,541)	(\$1,195,541)	(\$548,311)	(\$907,000)	(\$2,549,500)	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$2,743,895</i>	<i>\$2,799,518</i>	<i>\$1,736,566</i>	<i>(\$853,166)</i>	<i>(\$2,736,052)</i>	<i>(\$2,680,769)</i>	<i>(\$2,735,049)</i>
<b>Ending Fund Balance Breakdown</b>							
Reserves	\$1,117,660	\$1,117,660	\$1,117,660	\$1,117,660	\$1,117,660	\$1,117,660	\$1,117,660
Investment Fund Balance	\$1,626,235	\$1,681,858	\$618,906	(\$1,970,826)	(\$4,853,712)	(\$3,798,429)	(\$3,852,709)

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# Lists of Unfunded Projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the adopted CIP for one of the following reasons: 1) sufficient funds are not available to finance the project, 2) scope of the project requires further definition, or 3) alternatives need to be explored. As funds become available or projects are refined, departments may request their inclusion in the CIP.

## Key To Unfunded Lists

**Project Title** – Name given to project by the department.

**Type of Project** – Indicates whether project is a “New” capital asset, or an “Expansion” or “Replacement” of an existing asset.

**Prepared By** – Department staff person preparing report.

**Department Priority** – Indicates whether the project is a “High,” “Medium,” or “Low” priority relative to other projects.

**Estimated Project Cost** – Preliminary estimate of capital costs for the project expressed in 2002 dollars. A blank field here means the cost is unknown.

<b>Project Title</b>	<b>Type</b>	<b>Prepared By</b>	<b>Department Priority</b>	<b>Estimated Cost</b>
* Air Rights (Housing) Project over Metro Parking Garage (no cost to Metro)	New	Sarah Chisholm	Low	\$25,000,000
* Remodel of Metro Regional Center	New	Sarah Chisholm/Scott Moss	Low	

<b>Project Title</b>	<b>Type</b>	<b>Prepared By</b>	<b>Department Priority</b>	<b>Estimated Cost</b>
* Zoo Network Infrastructure Upgrade	Expansion	David Biedermann	High	\$233,000
* Zoo Network Equipment Replacement	New	David Biedermann	High	\$120,000
* Zoo food cart network integration for central cash management	New	David Biedermann	Medium	\$100,000
* Eagle Salmon Infrastructure	New	David Biedermann	Medium	\$116,000
* Connect PeopleSoft Accounts Payable and TRIM	New	David Biedermann	Medium	\$100,000
* Webcasting of Public Meetings (primarily Metro Council)	New	David Biedermann	Medium	\$100,000
* Single Uninterruptible Power Source (UPS) for Computer Room	New	David Biedermann	Medium	\$30,000
* Connect MERC Concentrics Event Mgmt Sys and PeopleSoft	New	David Biedermann	Medium	\$100,000
* Zoo Point of Sales System	Expansion	David Biedermann	Low	\$300,000
* Replace main computer room specialized HVAC systems	Replacement	David Biedermann	Low	\$25,000

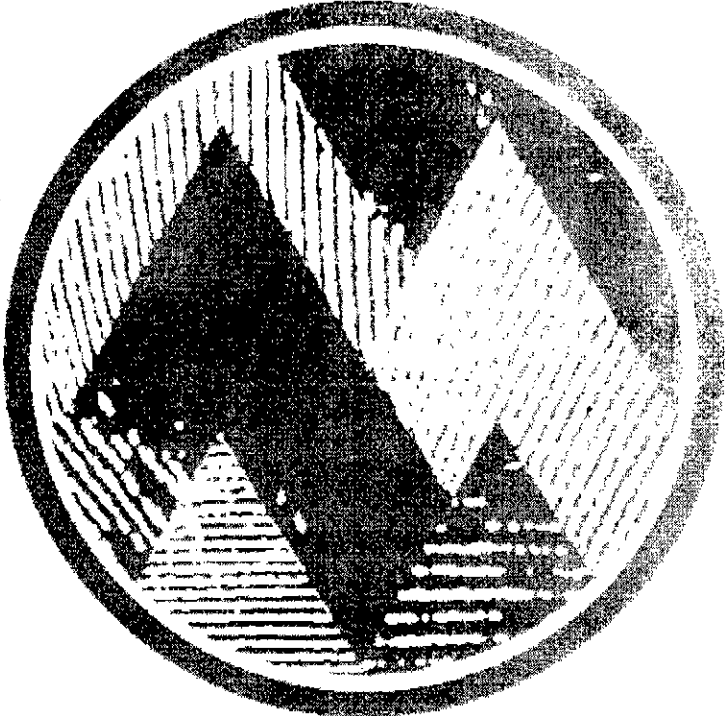
Project Title	Type	Prepared By	Department Priority	Estimated Cost
* ASCH - Interior Painting	Replacement	Pam Krecklow	High	\$300,000
* Expo - South Property Development	New	Pam Krecklow	High	\$2,000,000
* Expo-Replacement of Hall's A,B & C	New	Pam Krecklow	High	\$30,000,000
* OCC-Chiller Retrofit	Replacement	Pam Krecklow	High	\$500,000
* Keller Auditorium - Rehearsal Hall Modernization	Replacement	Pam Krecklow	High	\$175,000
* Expo - Hall A-B Lighting Retrofit	Replacement	Pam Krecklow	High	\$57,000
* Keller Auditorium - Ceiling and Wall Painting	Replacement	Pam Krecklow	High	\$300,000
* OCC-Chiller Room Ventilation	New	Pam Krecklow	High	\$90,000
* OCC-Finishes in Existing Lobbies and Meeting Rooms	Replacement	Pam Krecklow	High	\$500,000
* OCC-Lobby Furniture	New		High	\$150,000
* OCC-Concession and Kitchen Tenant Improvements	Replacement	Pam Krecklow	High	\$600,000
* OCC-Improvements to Existing Administration Area	Replacement	Pam Krecklow	High	\$600,000
* OCC-Install Electronic Locking System in Meeting & Ballrooms	New	Pam Krecklow	High	\$300,000



<b>Project Title</b>	<b>Type</b>	<b>Prepared By</b>	<b>Department Priority</b>	<b>Estimated Cost</b>
* OCC-Volume Air Handler Upgrade	Replacement	Pam Krecklow	High	\$150,000
* OCC-Seal Concrete In Parking Garage	New	Pam Krecklow	High	\$130,000
* OCC-Air Wall Upgrade in Hall's A,B & C	Replacement	Pam Krecklow	High	\$200,000
* OCC-Eco Roof System	New	Pam Krecklow	Medium	\$180,000
* Expo - Electronic Reader Board	New	Pam Krecklow	Medium	\$200,000

Project Title	Type	Prepared By	Department Priority	Estimated Cost
* Asia Exhibit	New	Kathy Kiaunis	High	\$45,000,000

<b>Project Title</b>	<b>Type</b>	<b>Prepared By</b>	<b>Department Priority</b>	<b>Estimated Cost</b>
* Trolley Trail Construction	New	Jeff Tucker	High	\$2,000,000
* Open Spaces Land Acquisition - Second Phase	New	Jeff Tucker	High	\$50,000,000
* Blue Lake Park Improvements Phase 2	New	Heather Nelson Kent	High	\$3,000,000
* Blue Lake Park Improvements Phase 1	New	Heather Nelson Kent	High	\$8,900,000
* Open Space Sites for Public Use	New	Heather Nelson Kent	High	\$22,000,000
* M. James Gleason Boat Ramp Phase 3	Replacement	Dan Kromer	High	\$2,200,000
* Howell Territorial Park - Wildlife Interpretive Trail	New	Heather Nelson Kent	High	\$172,000
* Oxbow Park Capital Improvements	Expansion	Heather Nelson Kent	High	\$3,400,000
* Blue Lake Park - Eastside Wetlands Enhancement	New	Heather Nelson Kent	High	\$205,000
* Howell Territorial Park - Phase I and II Improvements	Expansion	Heather Nelson Kent	High	\$1,075,000



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# Current Projects Status Reports

The *Current Projects Status Report* is used to report on the progress toward completion of existing projects and to assist with preparing the CIP. Included are previously approved projects that are expected to be completed by the end of FY 2002-03. Status reports are grouped by department.

## Key to Status Reports

**Project Title.** Title by which the project was referenced in the last budget.

**FY First Authorized.** The fiscal year in which funds were first appropriated for the project.

**Project Status.** The status of the project is identified by the following: *Completed, Incomplete, Canceled.*

**Completion Date.** The actual completion date for projects designated as *Completed*, or the expected completion date for projects designated as *Incomplete*.

**Original Cost Estimate.** Estimate of total project costs when the project was first authorized.

**Revised Cost Estimate.** The most recent estimate of total project costs.

**Expenditures.** The total funds expended for the project as of June 30, 2002.

<b>Project ID</b>	<b>Project Title</b>	<b>FY First Authorized</b>	<b>Project Status</b>	<b>Completion Date</b>	<b>Original Cost Estimate</b>	<b>Revised Cost Estimate</b>	<b>Expenditures</b>
56160	Security System	2002-03	Complete	10/1/2002	\$50,000	\$40,000	\$0
56180	Partial Carpet Replacement	2002-03	Incomplete	11/1/2002	\$60,000	Unchanged	\$0
56190	Emergency Generator	2002-03	Incomplete	12/1/2002	\$75,000	Unchanged	\$15,000

Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Expenditures
TEMP134	ASCH - Stage Lighting Fixtures	2002-03	Cancelled	6/30/2003	\$55,000	\$0	\$0
TEMP135	ASCH - Main Street Tents	2002-03	Incomplete	6/30/2003	\$200,000	Unchanged	\$0
TEMP30	ASCH - Elevator Code Compliance	2001-02	Incomplete	6/1/2003	\$90,000	\$45,000	\$0
TEMP33	ASCH - Balcony Level Safety Railing	2001-02	Incomplete	6/1/2003	\$75,000	\$8,000	\$0
TEMP136	Keller - Pit Lifting System	2002-03	Incomplete	6/30/2003	\$100,000	Unchanged	\$0
TEMP36	Keller Auditorium - Restroom Expansion	2000-01	Incomplete	12/1/2002	\$275,000	\$395,000	\$6,000
TEMP38	Keller Auditorium - Exterior Signage	2000-01	Incomplete	6/30/2003	\$110,000	Unchanged	\$0
TEMP39	Keller Auditorium - HVAC Control Replacement	2000-01	Incomplete	6/30/2003	\$85,000	\$110,000	\$0
TEMP40	Keller Auditorium - Elevator Code Compliance	2001-02	Incomplete	6/30/2003	\$90,000	\$50,000	\$0
TEMP71	Keller Auditorium - Lighting Dimmer System	2002-03	Incomplete	6/1/2003	\$100,000	\$150,000	\$0
TEMP73	Keller Auditorium - Lobbies Upgrade	2001-02	Incomplete	6/1/2003	\$400,000	\$600,000	\$6,000
TEMP46	NTB - Elevator Code Compliance	2001-02	Incomplete	6/1/2003	\$90,000	\$45,000	\$0
TEMP47	NTB - Carpet Replacement		Incomplete	6/30/2003	\$550,000	\$325,000	\$0
TEMP48	NTB - Replace Seats (Winningstad Theatre)	2001-02	Incomplete	6/1/2003	\$85,000	\$40,000	\$0
TEMP114	OCC - Concession Stand B	2002-03	Incomplete	11/30/2002	\$345,000	Unchanged	\$33,787
TEMP55	OCC - Hall "D" and "E" Electrical System	2002-03	Incomplete	6/1/2003	\$150,000	Unchanged	\$0
TEMP56	OCC - Fire/Evacuation Enunciation	2002-03	Incomplete	6/30/2003	\$375,000	Unchanged	\$0
TEMP57	OCC - Operations Office Remodel	2002-03	Incomplete	6/1/2003	\$600,000	Unchanged	\$0
TEMP59	OCC - Audio/Visual Systems Upgrade	2002-03	Incomplete	6/1/2003	\$600,000	Unchanged	\$0
TEMP60	OCC - Interior/Exterior Signage Program	2002-03	Incomplete	6/1/2003	\$660,000	Unchanged	\$0
TEMP61	OCC - Existing Carpet Replacement	2002-03	Incomplete	6/1/2003	\$991,000	Unchanged	\$0

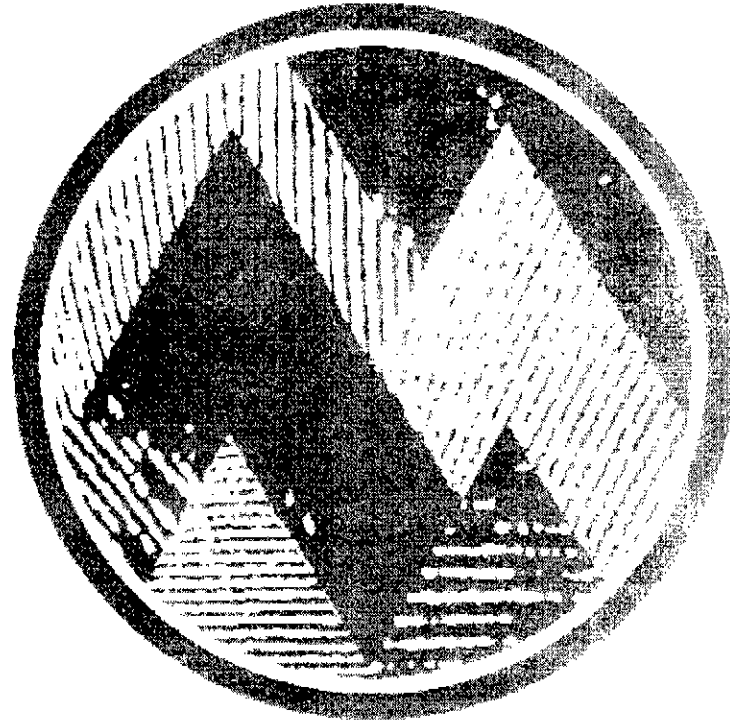
Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Expenditures
TEMP62	OCC - Telecom Upgrade	2002-03	Incomplete	6/1/2003	\$92,000	Unchanged	\$0
TEMP63	OCC - Dishwasher	2002-03	Incomplete	6/1/2003	\$50,000	\$68,500	\$0



Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Expenditures
TEMP12	Quarantine Building Refurbishment	2001-02	Incomplete	6/2/2003	\$120,000	Unchanged	\$0
TEMP21	Treetops Railing and Siding		Cancelled	11/1/2002	\$122,000	\$0	\$0
TEMP8	Elephant Museum Exhibit	2002-03	Cancelled	10/1/2002	\$83,100	\$0	\$0
Z003	Wallaby Walk-Through		Cancelled	5/1/2003	\$75,000	\$0	\$0
Z004	Insect Zoo		Incomplete	6/1/2003	\$125,000	Unchanged	\$0
ZBE01	Polar Bears West		Complete	4/1/2003	\$285,500	\$86,000	\$86,000
Zoo10	AfriCafe Interior Refurbishment	1998-99	Incomplete	6/30/2003	\$162,000	Unchanged	\$0

<b>Project ID</b>	<b>Project Title</b>	<b>FY First Authorized</b>	<b>Project Status</b>	<b>Completion Date</b>	<b>Original Cost Estimate</b>	<b>Revised Cost Estimate</b>	<b>Expenditures</b>
76003	Metro South - Install Directional Signs	1999-00	Cancelled	9/1/2002	\$77,000	\$80,000	\$0
76946	Metro Central - Structural Modifications	1998-99	Incomplete	12/1/2002	\$550,000	\$295,000	\$295,000
76956	Metro Central - Equipment Improvements	1998/99	Incomplete	12/1/2002	\$352,700	\$396,000	\$230,000
TEMP76	Metro South - Sanitary Sewer Improvements	2002-03	Incomplete	4/1/2003	\$166,000	\$94,998	\$69,448
TEMP79	Metro Central - Relocate Scale B to Scale A Vicinity	2002-03	Incomplete	6/1/2003	\$126,000	Unchanged	\$0

Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Expenditures
71314	Glendoveer Golf Course Contract Projects	1999-00	Incomplete	11/1/2002	\$1,000,000	Unchanged	\$710,727
70180	Oxbow Park - Picnic Shelters & Restrooms	2002-03	Incomplete	6/30/2003	\$410,000	Unchanged	\$0

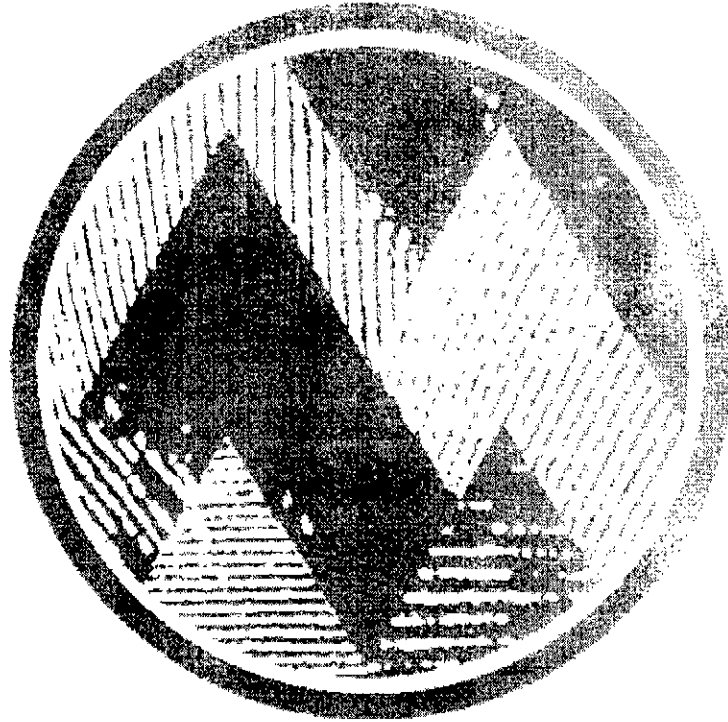


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# Appendices

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# Capital Asset Management Policies

During the Council's FY 2000-01 budget review process, concern was raised about the lack of comprehensive agency asset management policies. In response to this concern, the Presiding Officer established a Systems Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations to the Council. The major finding of the task force was a need to have capital management policies for three principal reasons:

- to provide a general framework for capital asset management
- to provide minimum standards and requirements related to capital asset management for all Metro departments
- to have established written policies against which the Council can review the capital asset management programs of individual departments; these policies also require additional fiscal information be included in the capital improvement plan and the budget that will give the Council a clearer picture of the total capital needs of the agency

On October 18, 2001 via Resolution No. 01-3113, Council approved the Metro Capital Asset Management Policies as follows. During FY 2002-03, operating procedures are being developed by a joint effort of Agency finance and facility staff to ensure consistent application of these policies.

## Capital Asset Management Policies

The following policies establish the framework for Metro's overall capital asset planning and management. They provide guidance for current practices and a framework for evaluation of proposals for future projects. These policies also seek to improve Metro's financial stability by providing a consistent approach to fiscal strategy. Adopted financial policies show the credit rating industry and prospective investors (bond buyers) the agency's

commitment to sound financial management and fiscal integrity. Adherence to adopted policies ensures the integrity and clarity of the financial planning process and can lead to improvement in bond ratings and lower cost of capital.

1. Metro shall operate and maintain its physical assets in a manner that protects the public investment and ensures achievement of their maximum useful life.

*Ensuring the maximum useful life for public assets is a primary agency responsibility. Establishing clear policies and procedures for monitoring, maintaining, repairing and replacing essential components of facilities is central to good management practices. It is expected that each Metro department will have written policies and procedures that address:*

- *Multi-year planning for renewal and replacement of facilities and their major components;*
- *Annual maintenance plans.*

2. Metro shall establish a Renewal & Replacement Reserve account for each operating fund responsible for major capital assets.

*Ensuring that the public receives the maximum benefit for their investments in major facilities and equipment requires an ongoing financial commitment. A Renewal & Replacement Reserve should initially be established based on the value of the asset and consideration of known best asset management practices. Periodic condition assessments should identify both upcoming renewal and replacement projects and the need to adjust reserves to support future projects. If resources are not sufficient to fully fund the Reserve without program impacts, the Council will be consider alternatives during the annual budget process.*

*Establishing and funding the Reserve demonstrates Metro's ongoing capacity and commitment to these public investments.*

3. Metro shall prepare, adopt and update at least annually a five-year Capital Improvement Plan (CIP). The Plan will identify and set priorities for all major capital assets to be acquired or constructed by Metro. The first year of the adopted CIP shall be included in the Proposed Budget.

*The primary method for Metro departments to fulfill the need for multi-year planning is the Capital Improvement Planning process. The CIP allows a comprehensive look at Metro's capital needs for both new facilities and renewal and replacement of existing ones, and allows the Council to make the necessary decisions to ensure financial resources match forecasted needs.*

4. Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$50,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$50,000 or more that have a useful life of at least five years.

*A clear threshold ensures that the major needs are identified and incorporated in financial plans.*

5. An assessment of each Metro facility will be conducted at least every five years. The report shall identify repairs needed in the coming five years to ensure the maximum useful life of the asset. This information shall be the basis for capital improvement planning for existing facilities and in determining the adequacy of the existing Renewal & Replacement Reserves.

*A foundation step for capital planning is an understanding of the current conditions of Metro facilities. It is expected*

*that Metro departments have a clear, documented process for assessing facility condition at least every five years. The assessment processes may range from formal, contracted engineering studies to in-house methods such as peer reviews. The assessment should identify renewal and replacement projects that should be done within the following five years. The Renewal & Replacement Reserve account should be evaluated and adjusted to reflect the greater of the average renewal & replacement project needs over the coming five years or 2% of the current facility replacement value.*

6. The Capital Improvement Plan will identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance.

*Using the information provided by facility assessments, Metro departments should use the CIP process to identify the resources necessary to keep facilities in an adequate state of repair. In situations where financial resources force choices between programs and facility repair, the annual budget process should highlight these policy choices for Council action.*

7. A five-year forecast of revenues and expenditures will be prepared in conjunction with the capital budgeting process. The forecast will include a discussion of major trends affecting agency operations, incorporate the operating and capital impact of new projects, and determine available capacity to fully fund the Renewal & Replacement Reserve.

*Incorporation of capital needs into Agency five-year forecasts ensures that problem areas are identified early enough that action can be taken to ensure both the maintenance of Metro facilities and integrity of Metro services.*



8. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund Balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements.

*Preparing a CIP and incorporating it into five-year forecasts enables Metro to plan needed capital spending within foreseeable revenues. This minimizes the more costly use of debt for capital financing and ensures renewal and replacement of facility components takes place without undue financial hardship to operations.*

9. Debt (including capital leases) may only be used to finance capital, including land acquisition, not ongoing operations. Projects that are financed through debt must have a useful service life at least equal to the debt repayment period.

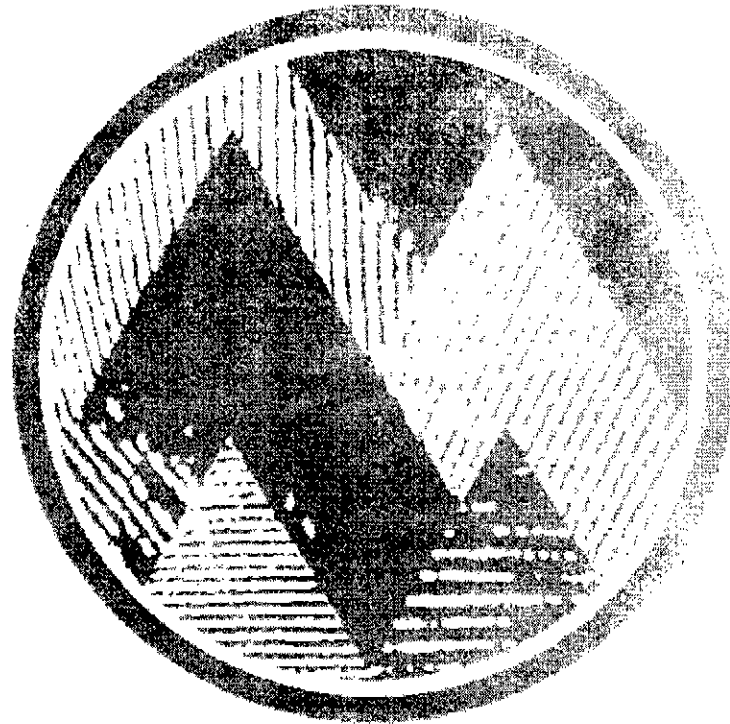
*Because interest costs impact taxpayers and customers, debt financing should be utilized only for the creation or full replacement of major capital assets.*

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects other legally permissible funding sources, such as systems development charges should be considered.

11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal & Replacement Reserve policy for the asset to

ensure resources are adequate to meet future major maintenance needs.

*New Metro facilities should be planned within the overall business and service objectives of the agency. To ensure that the public gains the maximum utility from the new facility or capital asset, Metro should identify the full cost of building and operating the facility throughout its useful life. Resources generated from its operation or other sources should be identified to meet these needs.*



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# Glossary

**Capital Improvement Plan (CIP)** – The CIP is a long-range plan prepared annually to identify the capital projects to be funded over a five-year period. It identifies each planned project, the year in which it will be started or acquired, the amount to be expended on the project each year and the proposed method of financing these expenditures. The CIP is reviewed and approved by the Executive Officer and the Council. Projects approved for the first year of the plan become part of the agency's budget for the ensuing year, where they may be modified. Projects in years two through five of the plan are subject to revision in subsequent CIPs.

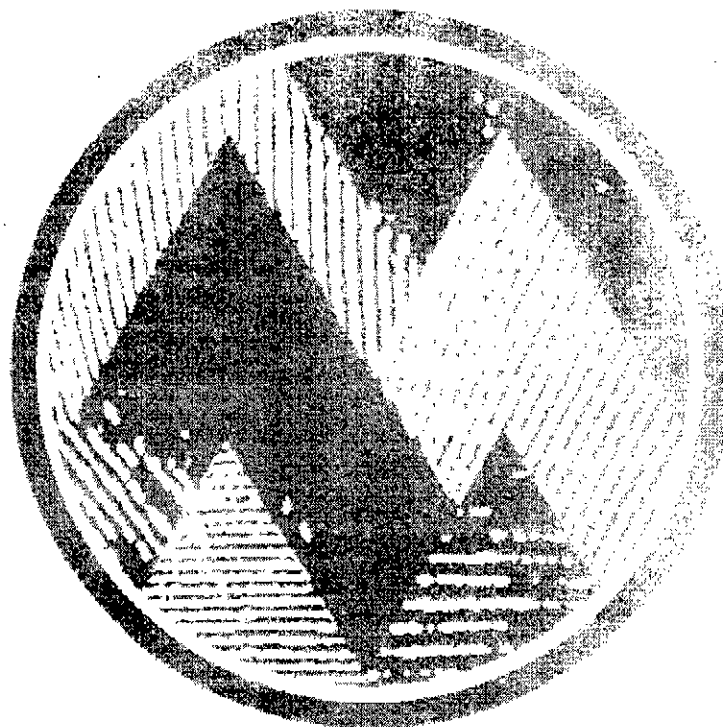
**Capital Project** – A capital project is any physical asset acquired, constructed, or financed by Metro, with a total capital cost of \$50,000 or more and a useful life of at least five years. It can include land, facilities, trails, roads, other infrastructure, major equipment and parts thereof. It can include replacement and renewal projects as well as new acquisitions and construction projects.

Acquisition or construction of a capital project may be staged over several years. All elements of the original project are included in the total project costs even if individual elements do not meet the cost and useful life criteria. For example, the acquisition of a computer system may involve the purchase of individual workstations over several years, each of which cost less than \$50,000 each and have a useful life of less than five years. The project cost of the computer system includes the acquisition of all individual workstations originally planned as part of the system.

**CIP Document** – The official document presenting Metro's five-year capital improvement plan. It also contains information on Metro's capital funding capacity, an inventory of existing major capital assets, unfunded capital needs and a status report on

current capital projects. Like the annual operating budget document, the CIP document is presented to the Council by the Executive Officer for its consideration and adoption. Appropriations for capital projects continue to be made through the annual budget.

**Prior CIP** – The capital improvement plan for FY 2002-03 through FY 2006-07 adopted by the Metro Council on November 29, 2001.



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## **BUDGET AND FINANCE COMMITTEE REPORT**

### **CONSIDERATION OF ORDINANCE NO. 02-3240, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2003-04 THROUGH 2008-08**

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Date: November 19, 2002

Presented by: Councilor McLain

**Committee Recommendation:** At its November 13 meeting, the Budget and Finance Committee voted 3-0 to recommend Council adoption of Resolution 02-3240. Voting in favor: Councilors Atherton, McLain and Chair Burkholder. Voting against: None. Absent: Councilors Bragdon and Monroe.

**Background:** Since 1996, Metro has developed and the Council has adopted a Capital Improvement Plan (CIP) that covers a five-year planning period. The development and adoption of the plan has been refined over time to provide the Council with improved estimates of project timing and costs and the ability of Metro or an individual department to fund the various projects that have been proposed. This year, for the first time, the review of proposed projects included both the Financial Planning and Council staff.

**Committee Issues/Discussion:** Executive Officer Mike Burton and Council Analyst presented the staff report. Mr. Burton's remarks focused on past successes and statistical data related to the proposed plan. He noted that the number of projects had declined from 103 to 83 largely due to completion of many projects related to the OCC expansion. He also noted that the overall cost of all of the proposed projects would decline by \$34.6 million. Burton explained that there were nine projects that will cost over \$1 million, including three at the zoo, two in the Parks and Greenspaces Department and four REM projects.

Mr. Houser focused on policy issues that were identified during the review process. Most of these issues related to the ability of particular departments to fund the creation of project renewal and replacement reserves as outlined in the adopted capital asset management policies.

Committee members had no questions.

**Key Public Testimony:** None.

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 02-3240, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2003-04 THROUGH 2007-08

Date: October 25, 2002

Presented by: Mike Burton, Executive Officer  
Jennifer Sims, Chief Financial Officer

## BACKGROUND

The Proposed Capital Improvement Plan for Fiscal Years 2003-04 through 2007-08 represents the seventh year of Metro's long-range capital improvement planning process. Over the past six years, Metro has established a sound base to forecast the agency's capital needs and balance those needs with available resources. As a result, Metro has been able to coordinate the financing and timing of its capital improvements in a way that maximizes the benefits to the public and provides opportunities to save money.

## ANALYSIS/INFORMATION

**Known Opposition:** None

**Legal Antecedents:** There is no legal requirement for Metro to prepare a Capital Improvement Plan.

**Anticipated Effects:** The resolution signifies the Council has reviewed and approved the Capital Improvement Plan covering the years FY2004 – FY2008.

Within the 85 projects planned during the five years covered by this CIP are projects for replacing or improving existing facilities, projects purchasing new equipment, and projects that create new facilities. The total cost for these projects during the five years is estimated to be \$41.3 million.

This Resolution is the formal instrument by which the plan will be adopted. Final action to adopt the plan should occur by December 1, 2002, to allow sufficient time to incorporate the plan's FY 2003-04 capital projects into the proposed FY 2003-04 budget. Exhibit A is the Proposed Capital Improvement Plan. An Adopted Capital Improvement Plan will include all the proposed information.

**Budget Impacts:** The plan's FY 2003-04 capital projects are the proposed FY 2003-04 CIP capital requests. The financial impacts of the projects are described in detail and in summary form in the Capital Improvement Plan.

## RECOMMENDED ACTION

The Executive Officer recommends adoption of Resolution No. 02-3240