



METRO

Agenda

MEETING: METRO COUNCIL WORK SESSION
DATE: June 09, 2009
DAY: Tuesday
TIME: 2:00 p.m.
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

- | | | | |
|----------------|-----------|--|-----------|
| 2:00 PM | 1. | DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, JUNE 11, 2009/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS | |
| 2:15 PM | 2. | REVIEW OF FINAL BUDGET AMENDMENTS | Rutkowski |
| 2:45 PM | 3. | BREAK | |
| 2:50 PM | 4. | COLUMBIA RIVER CROSSING (CRC) PERFORMANCE MEASURES | Roberts |
| 3:50 PM | 5. | COUNCIL BRIEFINGS/COMMUNICATION | |
| 4:00 PM | 6. | EXECUTIVE SESSION | |

ADJOURN

Agenda Item Number 2.0

**REVIEW OF FINAL BUDGET
AMENDMENTS**

Metro Council Work Session
Tuesday, June 9, 2009
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: June 9, 2009 Time: 2 pm Length: 30 min

Presentation Title: **Final Budget Amendments; Metro Capital Improvement Plan and annual review of Metro Financial Policies**

Service, Office, or Center:

Finance and Regulatory Service

Presenters (include phone number/extension and alternative contact information):

Margo Norton, 1934 and Karen Feher, 1868

(Also list other department personnel or interested parties who should be invited & invite them.)

* In all categories, use additional sheets if necessary and attach supporting material.

ISSUE & BACKGROUND

Final budget amendments are due June 1, 2009, and will be distributed to Council by Friday, June 5. The June 9 work session will provide an opportunity to review and clarify any issues prior to final consideration on June 11, 2009. Approved amendments will be included in the FY 2009-10 Adopted Budget.

Technical Amendments include final carry forwards of projects underway but no longer expected to be completed by June 30. We are also including technical amendments to the Solid Waste Revenue Fund to incorporate the Council's rate ordinance decision. Technical amendments will not be presented individually but responded to if Council has questions.

Objective: Council will be prepared to vote on technical amendments in a block on Thursday, June 11. Amendments will be incorporated in the budget ordinance on June 25.

Two substantive amendments will be presented:

1. Blue Lake Nature and Golf Learning Center Interfund Loan with options for Financial and Full Faith and Credit Reserve

The amendment will establish a \$10.65 million interfund loan using the Solid Waste Revenue Fund as the lending fund, the Capital Fund as the receiving fund and the General Fund as the paying fund for the first year's interest payment. The interest payment is based on the same interest rate assumption (2.5%) as the budget, although the actual interest charged will be computed on the FY 2009-10 actual average earnings for the Metro investment portfolio.

The amendment will also propose options for establishing a Full Faith and Credit Obligation (FFCO) reserves account in the General Fund.

Objective: Council will be prepared to authorize the loan and will determine which FFCO option, if any, it wishes to include. The amendment will be voted on June 11 and incorporated in the budget ordinance on June 25.

2. Construction Excise Tax
Concurrent with amendment consideration, Council will be deciding whether to extend the Construction Excise tax. We will proposed a companion budget amendment increasing the anticipated receipts and expenditures of CET for an estimated 9 months in FY 2009-10 with a budget note indicating that the appropriations will not be available unless or until the CET ordinance becomes effective.

Objective: Council will determine whether to include a new CET appropriation, with our without instruction, in the FY 2009-10 budget. The amendment will be voted on June 11 and incorporated in the budget ordinance on June 25.

Capital Improvement Plan

During the budget approval process, Metro's five-year capital budget received close review, and the currently approved budget includes the appropriations for the first year of the five-year plan. Technical amendments considered on June 11 will further amend the plan.

An "A" version will be provided for adoption with the Budget that includes all approved budget amendments that impact the capital budget

While the budget includes first year appropriations, Council adopts the entire five-year plan by Resolution as a companion to the budget. This gives guidance to operating programs for known projects that may not begin until after Year 1. Any new projects may be added to the five-year plan by resolution at any time during the budget year.

Objective: Council will review the 5-year CIP and identify any issues for resolution prior to consideration of the resolution on June 25.

Financial Policies, including Capital Asset Policies

The five-year CIP resolution also serves to memorialize the annual required review of Metro's Comprehensive Financial Policies, including the Capital Asset Management Policies which are incorporated by reference.

The comprehensive financial policies were approved by resolution in 2004 and have been reviewed annually, more recently in conjunction with the budget adoption. The Capital Asset Management Policies (CAMP) were originally approved in 2001, incorporated into the financial policies in 2004, and reviewed annually. The financial policies were proposed originally by the predecessor of today's Finance Team, reviewed and discussed by a broader group of program staff and presented to the Senior Management team before coming to the Council. The CAMP policies had a similar development. The policies were enacted with the intent that they serve as strong guidelines for financial management, that they be both enduring over time yet flexible enough to provide exceptions when warranted. In those cases, it is understood that Council will be informed of the exceptions and the precipitating circumstances, usually during the budget process or the subsequent financial reports.

Objective: Council will raise any concerns about the current policies and provide direction prior to re-adopting them by resolution on June 25.

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION X Yes ___No
DRAFT IS ATTACHED X Yes ___No**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE) RESOLUTION NO. 09-4060
CAPITAL IMPROVEMENT PLAN FOR FISCAL) Introduced by Michael Jordan, Chief
YEARS 2009-10 THROUGH 2013-14; AND) Operating Officer with concurrence of
READOPTING METRO'S FINANCIAL POLICIES) the Council President

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

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

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2009-10 through 2013-14 that projects Metro's 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; and

WHEREAS, the Metro Council has reviewed the FY 2009-10 through FY 2013-2014 Capital Improvement Plan; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2009-10 budget including the FY 2009-10 through FY 2013-14 Capital Improvement Plan; and

WHEREAS, the Metro Council has reviewed its Comprehensive Financial Policies including the Capital Asset Management Policies in accordance with the provision calling for annual review and inclusion in the adopted budget; now therefore

BE IT RESOLVED that the Metro Council hereby authorizes the following:

1. That the FY 2009-10 through FY 2013-14 Capital Improvement Plan (CIP), summarized on Exhibit A, is hereby adopted.
2. That the FY 2009-10 capital projects from the FY 2009-10 through FY 2013-14 Capital Improvement Plan be included and appropriated in the FY 2009-10 budget.
3. That the Comprehensive Financial Polices, included as Exhibit B to this Resolution, are re- adopted and published in the FY 2009-10 budget.

ADOPTED by the Metro Council this ____ day of _____ 2009.

David Bragdon, Metro Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Total Project Summary with Major Funding Source

Exhibit A to Resolution 09-4060

Priority
Fund
Dept

Information Services

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
All Funds								
1 Replace/Acquire Desktop Computers	\$539,966	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$939,966	Fund Balance - Capital Reserve
General Fund Capital Fund - 612								
0 Learning Management System	\$82,500	\$32,500	\$0	\$0	\$0	\$0	\$115,000	Fund Balance
1 Develop Enterprise Business Applications Software	\$334,528	\$150,000	\$0	\$0	\$0	\$0	\$484,528	Fund Balance - Capital Reserve
General Fund Renewal and Replacement Fund								
1 Net Appliance Alex File Server	\$0	\$0	\$132,600	\$0	\$0	\$0	\$132,600	Fund Balance - Renewal and Replacement
2 Upgrade of Business Enterprise Software (PeopleSoft)	\$114,805	\$133,365	\$71,101	\$67,652	\$73,973	\$70,385	\$531,281	Fund Balance - Renewal and Replacement
3 Enterprise Productivity Platform Upgrade and Licensi	\$407,260	\$205,167	\$209,270	\$10,824	\$0	\$0	\$832,521	Fund Balance - Renewal and Replacement
4 Information Technology R&R Projects	\$389,198	\$412,179	\$270,431	\$390,458	\$223,033	\$218,859	\$1,904,158	Fund Balance - Renewal and Replacement
Total - Information Services	\$1,868,257	\$1,013,211	\$763,402	\$548,934	\$377,006	\$369,244	\$4,940,054	

Yellow: New Projects \$ spent FY 2009-10
 Green: New Projects \$ spent after FY 2009-10
 Blue: Projects funded by Renewal and Replacement

Total Project Summary with Major Funding Source

Priority
Fund
Dept

Oregon Zoo

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
Zoo Infrastructure and Animal Welfare								
1 Construction Bond Issuance-Master Planning	\$50,000	\$600,000	\$1,250,000	\$1,100,000	\$1,100,000	\$1,300,000	\$5,400,000	GO Bonds Zoo
2 Veterinary Hospital	\$1,000,000	\$4,500,000	\$3,700,000	\$0	\$0	\$0	\$9,200,000	GO Bonds Zoo
3 Upgrading Zoo Facilities to Save Water and Energy	\$500,000	\$500,000	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$8,500,000	GO Bonds Zoo
4 Improving Elephants On Site Facilities	\$0	\$1,500,000	\$1,500,000	\$6,000,000	\$6,000,000	\$4,600,000	\$19,600,000	GO Bonds Zoo.
5 Penguin Filtration System Replacement	\$0	\$1,000,000	\$1,100,000	\$0	\$0	\$0	\$2,100,000	GO Bonds Zoo
6 More Humane Enclosures for Apes & Monkeys	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$3,300,000	\$3,300,000	\$15,600,000	GO Bonds Zoo
7 Conservation Education "Discovery Zone"	\$0	\$250,000	\$450,000	\$4,000,000	\$4,000,000	\$4,000,000	\$12,700,000	GO Bonds Zoo
8 Elephant Offsite Facility	\$0	\$0	\$5,000,000	\$5,000,000	\$2,000,000	\$0	\$12,000,000	GO Bonds Zoo
9 Polar Bear Space Renovation	\$0	\$0	\$0	\$0	\$0	\$4,500,000	\$4,500,000	GO Bonds Zoo
General Fund Renewal and Replacement Fund								
1 Zoo Renewal and Replacement Projects	\$550,000	\$639,647	\$584,262	\$386,002	\$467,209	\$766,942	\$3,394,062	Fund Balance - Renewal and Replacement
2 Zoo Micros POS System	\$0	\$183,600	\$0	\$0	\$0	\$0	\$183,600	Fund Balance - Renewal and Replacement
2 Perimeter USDA Fence	\$55,080	\$56,182	\$57,305	\$58,451	\$59,620	\$60,813	\$347,451	Fund Balance - Renewal and Replacement
3 Zoo Parking Lot Replacement	\$0	\$20,808	\$21,224	\$21,649	\$22,082	\$22,523	\$108,286	Fund Balance - Renewal and Replacement
4 Primate Building Roof Replacement	\$11,755	\$120,000	\$0	\$0	\$0	\$0	\$131,755	Fund Balance - Capital Reserve
4 Zoo Railroad Track Replacement	\$0	\$45,255	\$23,308	\$23,775	\$24,250	\$24,735	\$141,323	Fund Balance - Renewal and Replacement
5 750 kw Generator	\$0	\$0	\$149,630	\$0	\$0	\$0	\$149,630	Fund Balance - Renewal and Replacement
6 Roof Replacement Africafe	\$0	\$0	\$0	\$0	\$131,165	\$0	\$131,165	Fund Balance - Renewal and Replacement
Zoo Capital Projects Fund								
1 Predators of the Serengeti	\$3,175,000	\$1,950,000	\$0	\$75,000	\$0	\$0	\$5,200,000	Donations
3 Red Ape Reserve "Orangutan"	\$1,592,849	\$750,000	\$0	\$0	\$0	\$0	\$2,342,849	Fund Balance - Capital Reserve
Total - Oregon Zoo	\$6,934,684	\$15,115,492	\$18,335,729	\$21,664,877	\$19,104,326	\$20,575,013	\$101,730,121	

Total Project Summary with Major Funding Source

Dept
Fund
Priority

Parks and Environmental Services

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
General Fund Renewal and Replacement Fund								
0 M. James Gleason - Parking Lot Repaving	\$0	\$0	\$0	\$337,500	\$0	\$0	\$337,500	Fund Balance - Renewal and Replacement
1 Regional Parks Renewal and Replacement	\$62,302	\$169,267	\$161,994	\$464,355	\$16,250	\$80,000	\$954,168	Fund Balance - Renewal and Replacement
2 M. James Gleason Boat Ramp - Phase III & IV	\$0	\$0	\$1,300,000	\$0	\$0	\$0	\$1,300,000	Grants - State Marine Board
2 Blue Lake Wetland, Pathway, Trail	\$0	\$0	\$0	\$0	\$0	\$211,719	\$211,719	Fund Balance - Renewal and Replacement
General Fund Renewal and Replacement Fund								
1 Carpet Replacement	\$54,000	\$125,040	\$106,121	\$120,150	\$0	\$0	\$405,311	Fund Balance - Renewal and Replacement
2 Parking Structure Waterproofing	\$0	\$125,000	\$0	\$0	\$0	\$0	\$125,000	Fund Balance - Renewal and Replacement
2 Council/COO Building Space Remodel	\$64,983	\$100,000	\$0	\$0	\$0	\$0	\$164,983	Fund Balance - Capital Reserve
2 Renewal and Replacement Property Services	\$63,085	\$220,396	\$26,530	\$17,935	\$84,361	\$194,141	\$606,448	Fund Balance - Renewal and Replacement
3 Council Chamber Audio/Visual Upgrades	\$152,418	\$0	\$0	\$0	\$140,851	\$0	\$293,269	Fund Balance - Renewal and Replacement
4 Metro Regional Center Roof Replacement	\$0	\$0	\$0	\$0	\$0	\$512,404	\$512,404	Fund Balance - Renewal and Replacement
Solid Waste General Account								
1 Metro Central - Chimney Removal	\$35,824	\$500,000	\$0	\$0	\$0	\$0	\$535,824	Fund Balance - Capital Reserve
2 Metro Central - Rainwater Harvesting	\$150,000	\$160,000	\$0	\$0	\$0	\$0	\$310,000	Fund Balance - Capital Reserve
3 Metro South - Wood Staging Structure	\$0	\$0	\$80,000	\$570,000	\$0	\$0	\$650,000	Fund Balance - Capital Reserve
4 Metro South - Wood Processing Capacity	\$53,500	\$0	\$60,000	\$595,000	\$150,000	\$0	\$858,500	Fund Balance - Capital Reserve
6 Metro South - New Operations Supervisors' Office	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000	Fund Balance - Capital Reserve
7 Metro Central - Tarping Station	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000	Fund Balance - Capital Reserve
8 Power Surge Protection for scalehouses at MSS & M	\$0	\$150,000	\$0	\$0	\$0	\$0	\$150,000	Fund Balance - Capital Reserve
9 Sort Line for Metro Central Station	\$0	\$0	\$864,000	\$0	\$0	\$0	\$864,000	Fund Balance - Capital Reserve
10 Expansion of MCS-HHW facility	\$0	\$0	\$0	\$0	\$863,000	\$0	\$863,000	Fund Balance - Capital Reserve
11 Improvements to Metro South truck entrance/exit	\$0	\$110,000	\$0	\$0	\$0	\$0	\$110,000	Fund Balance - Capital Reserve
12 Reader Board at MSS entrance	\$0	\$0	\$0	\$0	\$0	\$200,000	\$200,000	Fund Balance - Capital Reserve
15 Metro South - Install High Capacity Baler	\$0	\$0	\$255,000	\$375,000	\$0	\$0	\$630,000	Fund Balance - Capital Reserve
16 Metro South- Installation of Compactor for Public Un	\$0	\$0	\$200,000	\$680,000	\$0	\$0	\$880,000	Fund Balance - Capital Reserve
17 Future Master Facility Plan Improvements	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$1,000,000	Fund Balance - Capital Reserve
Solid Waste Landfill Closure								
1 St John's - Perimeter Dike Stabilization and Seepage	\$60,681	\$1,666,783	\$6,000	\$3,000	\$3,000	\$3,000	\$1,742,464	Grants
2 St. John's - Re-establish Proper Drainage	\$616,365	\$252,000	\$5,000	\$5,000	\$0	\$0	\$878,365	Fund Balance - Landfill Closure
3 St. John's - Landfill Remediation	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$3,000,000	Fund Balance - Landfill Closure
SW Renewal & Replacement Account								
0 SW Renewal and Replacement Acct Non CIP	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000	Fund Balance - Renewal and Replacement
1 Metro Central Bay 2 Concrete Floor	\$0	\$250,000	\$0	\$0	\$0	\$0	\$250,000	Fund Balance - Renewal and Replacement
2 Metro Central HHW - Roof replacement	\$0	\$0	\$150,000	\$0	\$0	\$0	\$150,000	Fund Balance - Renewal and Replacement
3 Metro Central - Truckwash	\$35,000	\$350,000	\$0	\$0	\$0	\$0	\$385,000	Fund Balance - Renewal and Replacement
4 Metro Central-HHW- Ventilation System Replacemen	\$75,000	\$65,000	\$0	\$0	\$0	\$0	\$140,000	Fund Balance - Renewal and Replacement
5 Metro South Transfer Station - Roof replacement	\$0	\$0	\$0	\$0	\$335,000	\$0	\$335,000	Fund Balance - Renewal and Replacement
6 Metro South - Compactor Replacement	\$3,638	\$600,000	\$600,000	\$0	\$0	\$0	\$1,203,638	Fund Balance - Renewal and Replacement
7 Metro South- Replace Ventilation System Component	\$0	\$140,000	\$0	\$0	\$0	\$0	\$140,000	Fund Balance - Renewal and Replacement
9 Metro Central Standby Power Generator	\$0	\$0	\$0	\$0	\$135,000	\$0	\$135,000	Fund Balance - Renewal and Replacement

Total Project Summary with Major Funding Source

Priority
Fund
Dept

Parks and Environmental Services

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
10 Metro Central - Replace metal wall system	\$0	\$0	\$0	\$170,000	\$0	\$0	\$170,000	Fund Balance - Renewal and Replacement
11 Metro Central - Baler Conveyor	\$0	\$0	\$0	\$220,000	\$0	\$0	\$220,000	Fund Balance - Renewal and Replacement
12 Metro Central - Scalehouse "C" Scale Replacement	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000	Fund Balance - Renewal and Replacement
13 Metro Central - Replace Slow Speed Shredder	\$0	\$0	\$0	\$0	\$600,000	\$0	\$600,000	Fund Balance - Renewal and Replacement
14 Metro Central Station - High Speed Shredder Replace	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000	Fund Balance - Renewal and Replacement
15 Metro South - Modify Entry Way to Operations Bld.	\$0	\$175,000	\$0	\$0	\$0	\$0	\$175,000	Fund Balance - Renewal and Replacement
Total - Parks and Environmental Services	\$1,426,796	\$5,558,486	\$5,014,645	\$4,657,940	\$4,427,462	\$1,601,264	\$22,686,593	

Total Project Summary with Major Funding Source

Priority
Fund
Dept

Research Center

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
Planning Fund								
1 Regional Land Information System (RLIS)	\$794,667	\$42,000	\$32,000	\$27,000	\$23,000	\$32,000	\$950,667	Other Capital Lease
2 Transportation Modeling Services Cluster Upgrade	\$25,000	\$80,000	\$25,000	\$68,200	\$25,000	\$25,000	\$248,200	Other
Total - Research Center	\$819,667	\$122,000	\$57,000	\$95,200	\$48,000	\$57,000	\$1,198,867	

Total Project Summary with Major Funding Source

Priority	Fund	Dept
----------	------	------

Sustainability Center

	Prior Years	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Grand Total	Funding Source
Natural Areas Fund								
1 Natural Areas Acquisition	\$33,724,753	\$40,937,532	\$35,682,296	\$36,005,264	\$21,292,644	\$0	\$167,642,489	G.O. Bonds - Open Spaces
Natural Areas Fund								
0 40-Mile Loop Trail Construction at Blue Lake Park	\$0	\$939,000	\$0	\$0	\$0	\$0	\$939,000	Grants
2 Graham Oaks Nature Park	\$577,818	\$2,843,080	\$0	\$0	\$0	\$0	\$3,420,898	G.O. Bonds - Open Spaces
3 Cooper Mountain Nature Park	\$2,478,188	\$400,000	\$75,000	\$0	\$0	\$0	\$2,953,188	G.O. Bonds - Open Spaces
4 Willamette Cove Nature Park	\$0	\$0	\$300,000	\$0	\$0	\$0	\$300,000	G.O. Bonds - Open Spaces
Regional Parks Capital Fund								
1 Nature and Golf Learning Center at Blue Lake Park	\$1,041,609	\$10,257,330	\$0	\$0	\$0	\$0	\$11,298,939	Other
Total - Sustainability Center	\$37,822,368	\$55,376,942	\$36,057,296	\$36,005,264	\$21,292,644	\$0	\$186,554,514	

Metro's Financial Policies

In 2004 the Metro Council voted unanimously in favor of Resolution No. 04-3465, "adopting comprehensive financial policies for Metro." The policies contained in this resolution are included below, in their entirety.

Each year as part of the annual budget adoption process the Metro Council reviews the financial policies which provide the framework for the overall fiscal management of the agency. Operating independently of changing circumstances and conditions, these policies are designed to help safeguard Metro's assets, promote effective and efficient operations and support the achievement of Metro's strategic goals.

These policies establish basic principles to guide Metro's elected officials and staff in carrying out their financial duties and fiduciary responsibilities. The Chief Financial Officer shall establish procedures to implement the policies established in this document.

General policies

1. Metro's financial policies shall be reviewed annually by the Council and shall be published in the adopted budget.
2. Metro shall prepare its annual budget and Comprehensive Annual Financial Report consistent with accepted public finance professional standards.
3. The Chief Financial Officer shall establish and maintain appropriate financial and internal control procedures to assure the integrity of Metro's finances.
4. Metro shall comply with all applicable state and federal laws and regulations concerning financial management and reporting, budgeting and debt administration.

Accounting, auditing and financial reporting

1. Metro shall annually prepare and publish a Comprehensive Annual Financial Report including financial statements and notes prepared in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.
2. Metro shall maintain its accounting records on a basis of accounting consistent with the annual budget ordinance.
3. Metro shall have an independent financial and grant compliance audit performed annually in accordance with generally accepted auditing standards.

Budgeting and financial planning

1. As prescribed in Oregon budget law, total resources shall equal total requirements in each fund, including contingencies and fund balances. However, Metro considers a budget to be balanced whenever budgeted revenues equal or exceed budgeted expenditures. Beginning fund balances shall not be considered as revenue, nor shall contingencies or ending fund balances be considered expenditures, in determining whether a fund is in balance.
2. Metro shall maintain fund balance reserves that are appropriate to the needs of each fund. Targeted reserve levels shall be established and reviewed annually as part of the budget process. Use of fund balance to support budgeted operations in the General Fund, an operating fund, or a central service fund shall be explained in the annual budget document; such explanation shall describe the nature of the budgeted reduction in fund balance and its expected future impact. Fund balances in excess of future needs shall be evaluated for alternative uses.

3. Metro staff shall regularly monitor actual revenues and expenditures and report to Council at least quarterly on how they compare to budgeted amounts, to ensure compliance with the adopted budget. Any significant changes in financial status shall be timely reported to the Council.
4. Metro shall use its annual budget to identify and report on department or program goals and objectives and measures of performance.
5. A new program or service shall be evaluated before it is implemented to determine its affordability.
6. Metro shall authorize grant-funded programs and associated positions for a period not to exceed the length of the grant unless alternative funding can be secured.
7. Each operating fund will maintain a contingency account to meet unanticipated requirements during the budget year. The amount shall be appropriate for each fund.
8. Metro shall prepare annually a five-year forecast of revenues, expenditures, other financing sources and uses, and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Council.
9. Metro will annually prepare a cost allocation plan prepared in accordance with applicable federal guidelines to maintain and maximize the recovery of indirect costs from federal grants, and to maintain consistency and equity in the allocation process.

Capital asset management

1. Metro shall budget for the adequate maintenance of capital equipment and facilities and for their orderly replacement, consistent with longer-term planning for the management of capital assets.
2. The Council's previously-adopted policies governing capital asset management are incorporated by reference into these policies. [See note]

Cash management and investments

1. Metro shall maintain an investment policy in the Metro Code, which shall be subject to annual review and re-adoption.
2. Metro shall schedule disbursements, collections and deposits of all funds to ensure maximum cash availability and investment potential.
3. Metro shall manage its investment portfolio with the objectives of safety of principal as the highest priority, liquidity adequate to needs as the second highest priority and yield from investments as its third highest priority.

Debt management

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition, that cannot be readily financed from current revenues, or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.
3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.
5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized and Metro's access to credit is preserved.
6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs.

Revenues

1. Metro shall estimate revenues through an objective, analytical process.
2. Metro shall strive to maintain a diversified and balanced revenue system to protect it from short-term fluctuations in any one revenue source.
3. One-time revenues shall be used to support one-time expenditures or increase fund balance.
4. Metro shall pursue appropriate grant opportunities; however, before accepting any grant, Metro will consider the current and future implications of either accepting or rejecting it. The Chief Financial Officer may establish criteria to be used in evaluating the potential implications of accepting grants.

Note: On June 26, 2008, Metro Council readopted these financial policies to incorporate, by reference, a change in its capital asset management policies.

Capital Asset Management Policies

In FY 2000–01 the Metro Council raised concerns about the lack of comprehensive agency asset management policies. The Presiding Officer established a Systems Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations. 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 budget and the budget that will give the Council a clearer picture of the total capital needs of the agency.

In 2001 via Resolution No. 01-3113, Council approved the Metro Capital Asset Management Policies. During FY 2002–03, operating procedures were developed to ensure consistent application of these policies.

CAPITAL ASSET MANAGEMENT POLICIES

The following policies 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 and Replacement Reserve account for each operating fund responsible for major capital assets.
Ensuring that the public receives the maximum benefit for its investments in major facilities and equipment requires an ongoing financial commitment. A Renewal and 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 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 (hereto referred as the capital budget). 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 capital budget shall be included in the proposed budget.

The primary method for Metro departments to fulfill the need for multi-year planning is the capital budget process. The capital budget 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 \$100,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 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 and 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 and Replacement Reserve account should be evaluated and adjusted to reflect the greater of the average renewal and replacement project needs over the coming five years or two percent of the current facility replacement value.

6. The capital budget 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 capital budget 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 and 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 capital budget 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 and 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.

Note: Beginning with FY 2005-06, the Capital Improvement Plan (CIP) is referred to as the five-year capital budget.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 09-4060, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2009-10 THROUGH 2013-14; AND READOPTING METRO'S FINANCIAL POLICIES

Date: May 30, 2009

Presented by: Margo Norton, Director, Finance and Regulatory Services

BACKGROUND

A. The Capital Improvement Plan (CIP) for Fiscal Years 2009-10 through 2013-14 represents Metro's long-range capital planning process. 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. If a project comes up unexpectedly during the year, departments must follow an established amendment process to submit the project to Council for approval. The Council usually has given prior direction for the project, and the amendment comes forward in conjunction with a contract award or, if no contract is required, through a separate resolution.

Exhibit A provides a listing of the CIP projects and major funding source. The resolution approves the entire capital budget and directs that projects for FY 2009-10 be approved, and project expenditures for FY 2009-10 be appropriated, as amended, in the FY 2009-10 budget. New projects are highlighted. Yellow projects are new projects that have expenditures in FY 2009-10, green projects are new projects with expenditures after FY 2009-10 and blue projects are projects funded by renewal and replacement reserves. During the Fiscal Year 2008-09 budget process, Council approved raising the individual project amount needing Council approval from \$50,000 to \$100,000 and this CIP fully reflects that change. Of the 26 new projects, the majority are renewal and replacement (16). Of the remaining ten, nine are a result of the Zoo Infrastructure and Animal Welfare Bond; one is the grant funded 40-Mile Loop Trail Construction at Blue Lake Park. The fifty remaining projects received Council approval in prior years. The five year total for this CIP is \$268.2 million. Two areas dominate the CIP, the Zoo Bond expenditures of \$88.1 million and the Natural Area Bond expenditures of \$175.8 million

B. This resolution also provides for the annual review and re-adoption of Metro's financial policies, including the Capital Asset Management Policies which are incorporated by reference. The policies are attached as Exhibit B to the resolution.

The current policies address six specific areas of financial management as well as a series of general policies. Several of these simply echo federal or state laws and regulations, or establish as policy certain practices that are currently being done. Highlights of those policies include:

- The policies will be reviewed annually by the Council and published in the adopted budget.
- The Chief Financial Officer will develop guidelines and procedures in a number of areas, including determination of fund balances appropriate to each major fund, determination of appropriate contingencies to be maintained, and internal controls.
- A definition of a balanced budget is one in which current year revenues meet or exceed current year expenditures.
- Any use of fund balance in an operating fund will be fully explained in the adopted budget document.

- A study to assess the affordability of any new program will be done before the program is implemented.
- The Council's existing capital asset management policies are incorporated into this document, by reference.
- One-time revenues will be used to pay for one-time costs or add to fund balance.

ANALYSIS/INFORMATION

1. **Known Opposition:** None
2. **Legal Antecedents:** Metro's adopted financial policies require the annual adoption of a Capital Improvement Plan and the annual review of Metro's Comprehensive Financial Policies.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the CIP covering the years FY 2010-2014.

Within the 76 projects planned during the five years covered by this CIP, 32 are projects for replacing or improving existing facilities (\$16.4 million); the remaining 44 projects purchase land, purchase equipment and create new facilities. The total cost for these projects during the five years is estimated to be \$268.2 million.

This Resolution is the formal instrument by which the five-year plan will be adopted. Projects with planned expenditures in FY 2009-10 will be incorporated into the Adopted Budget.

4. **Budget Impacts:** The plan's FY 2009-10 expenditures will be appropriated in the FY 2009-10 Adopted Budget.

RECOMMENDED ACTION

Resolution No. 09-4060 is an important component of the annual budget process. The Chief Operating Officer with the concurrence of the Council President recommends adoption.

Agenda Item Number 4.0

**COLUMBIA RIVER CROSSING (CRC)
PERFORMANCE MEASURES**

Metro Council Work Session
Tuesday, June 9, 2009
Metro Council Chamber



Project Sponsors Council Work Plan



This work plan was drafted to provide the Project Sponsors Council (PSC) with a framework to balance the requirements set forth by ESSB 5352 in Washington, the PSC's goal of identifying performance measures by January, and the ongoing responsibility of PSC to provide guidance on project development as outlined in the Governors' letter.

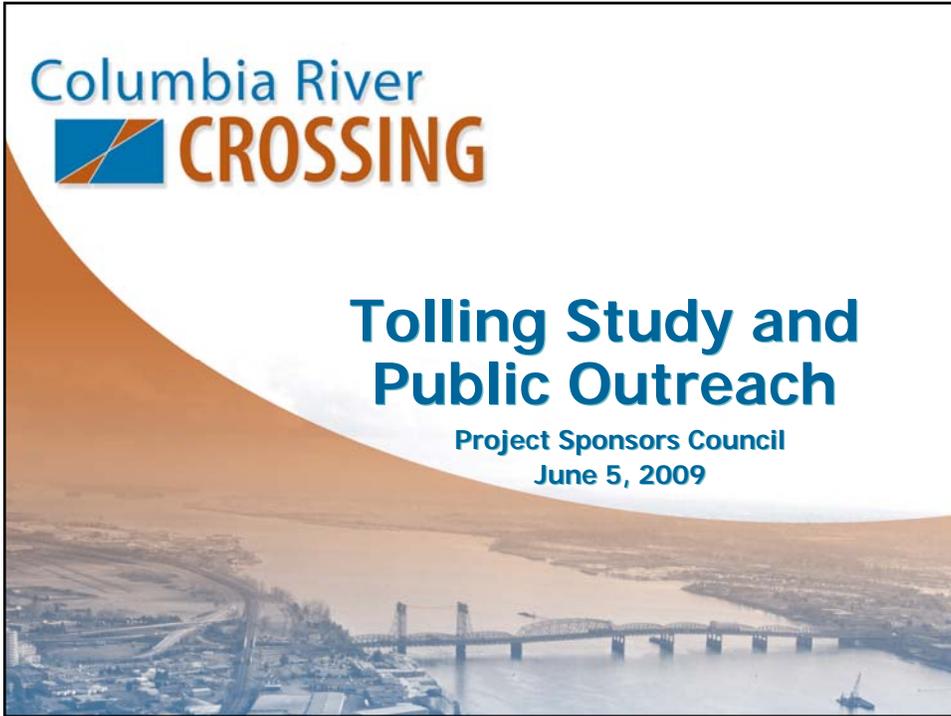
2009

2010

	May 4	June 5	July 17	September 4	October 2	November 6	December 4	January
FINANCIAL FRAMEWORK/ UPDATES	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Legislative update Discuss schedule and work plan Committee composition <p>ACTION Advise and recommendations on moving forward with CRC Tolling Study Committee</p>	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Preliminary summary of work to date Rates and structures for evaluation Tolling Study Committee <ul style="list-style-type: none"> Outreach schedule and preliminary plan 	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee – <i>status</i> <ul style="list-style-type: none"> Outreach schedule and plan – <i>status</i> Rates and structures for evaluation Discuss preliminary revenue projections <p>■ State and federal contribution assumptions</p>	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee – <i>status</i> <ul style="list-style-type: none"> Outreach schedule and plan – <i>status</i> <p>■ Preliminary financial plan outline</p> <ul style="list-style-type: none"> State and federal contribution assumptions 	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee – <i>status</i> <ul style="list-style-type: none"> Outreach schedule and plan – <i>status</i> Rates & structures being evaluated Discuss revenue projections 	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee – <i>status</i> <ul style="list-style-type: none"> Outreach schedule and plan – <i>status</i> Discuss tolling draft report Rates, structures and revenue projections Report on survey <p>■ Present Draft Financial Plan</p> <ul style="list-style-type: none"> State and federal contribution assumptions Toll rates structures with revenue projections <p>ACTION Advise and recommendations on Draft Financial Plan</p>	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee – <i>status</i> <ul style="list-style-type: none"> Outreach schedule and plan – <i>status</i> Open houses report Receive report 	<p>■ Tolling Work</p> <ul style="list-style-type: none"> Tolling Study Committee Financial Update
PERFORMANCE GOALS/ MEASURES	<ul style="list-style-type: none"> Preliminary discussion on technical committee membership Advise/concur at June 5 meeting 	<p>ACTION Advise/concur of technical committee membership</p> <ul style="list-style-type: none"> Present membership for technical committee 	<p>■ Technical committee – <i>status</i></p>	<p>■ Technical committee – <i>status</i></p>	<p>■ Technical committee – <i>status</i></p>	<p>■ Technical committee update</p> <ul style="list-style-type: none"> Goals agreed to by committee Performance measures agreed to by committee Advise/concur on goals/measures at December 4 meeting 	<p>■ Technical committee update</p> <ul style="list-style-type: none"> Goals agreed to by committee Performance measures agreed to by committee <p>ACTION Advise/concur on goals/measures for Mobility Council</p>	
PROJECT DESIGN		<ul style="list-style-type: none"> Bridge Type and Aesthetics <p>ACTION Advise on number of bridges</p> <ul style="list-style-type: none"> Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Bridge Type and Aesthetics <ul style="list-style-type: none"> Continued aesthetics discussion Transit alignments Interchanges Federal and state regulatory endorsement progress Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Highway Transit Federal and state regulatory endorsement progress Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Highway Transit Present project description going into FEIS Federal and state regulatory endorsement progress Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Highway Transit Federal and state regulatory endorsement progress Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Highway Transit Federal and state regulatory endorsement progress Schedule for FEIS, ROD and construction start 	<ul style="list-style-type: none"> Highway Transit Federal and state regulatory endorsement progress FEIS Schedule for FEIS, ROD and construction start
FUTURE MEETINGS	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>	<p>■ Schedule and topics</p>

Tolling Study and Public Outreach

Project Sponsors Council
June 5, 2009



CRC Tolling Assumptions

CRC analysis and planning is based upon two key tolling concepts:

1. Tolling will be an important source of funding, along with federal and state dollars, to pay for construction and maintenance.
2. Tolling will be implemented in a manner to help manage congestion.

Washington and Oregon Seek Public Input – Authorize Toll Study Committee

- Purpose: Develop and provide detailed tolling information for public review & comment including:
 - Evaluate potential diversion to other parts of the transportation system
 - Evaluate most advanced tolling technology and active traffic management technology to maintain travel time speed and reliability
 - Input from public and local/regional governing bodies assessing the impact tolls might have on the operation of the I-5 and I-205 corridors, diversion of traffic to local streets, funding and potential mitigation measures

Report public comments and findings January 2010

What We've Learned...



What We've Learned About Tolling...

- New technologies
 - Tolling made more convenient and efficient
 - Variable tolling now possible
- Travel patterns are affected by tolling options
 - People make different choices about their trip time, purpose, and mode
- Funding contribution from tolling is affected by tolling options
 - Toll revenue generation is related to traffic levels, toll rate, location and start date

All-Electronic Tolling

- Columbia River Crossing proposes 100 percent electronic tolling.
- Cash collection is expensive, costing more than electronic tolling.
- No additional right-of-way needed to erect toll booths.
- Regular users will use a transponder — toll deducted from their account.
- Those without transponders identified for payment by license plate.
- Transponders would work in Washington and Oregon.

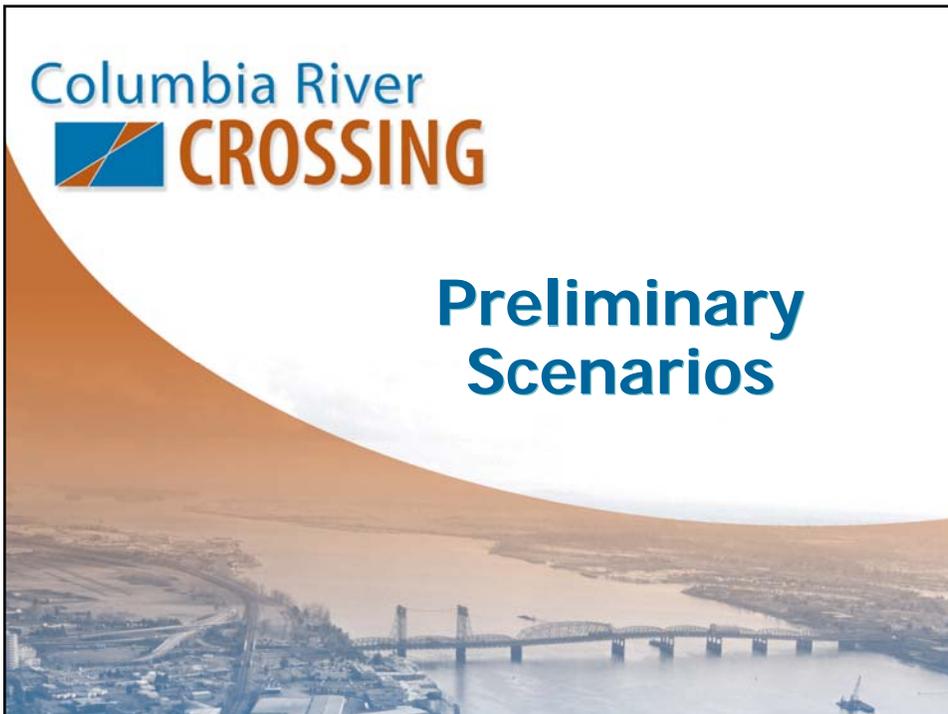


Variable Tolling

- CRC proposes variable tolling: tolls that vary by time of day according to a set schedule.
- Toll rates would be lower during non-peak hours, encouraging some drivers to change travel patterns.
 - Helps relieve congestion during peak hours
- Electronic toll collection makes variable tolling practical.
- The alternative to variable tolling is a fixed toll rate.
 - Toll amount doesn't change
 - No incentives to shift trips to off-peak times

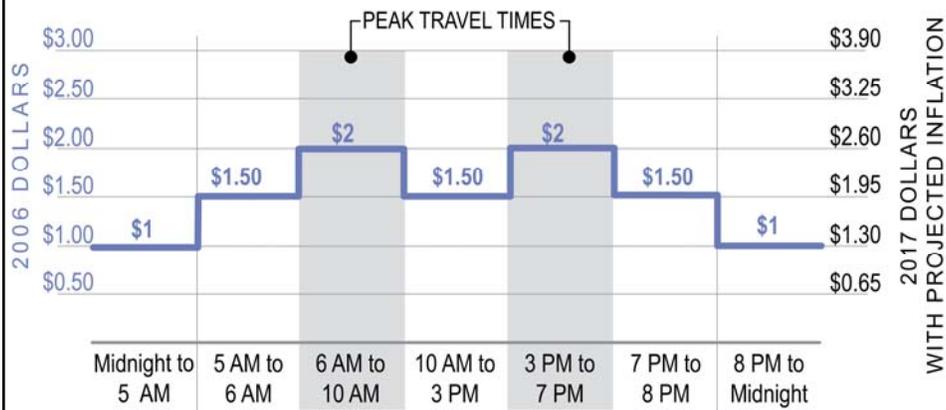


Preliminary Scenarios



Base Variable Toll Schedule — DEIS Tolls

Rates for I-5 weekday, one-way tolls (Scenario 1)



Six Preliminary Toll Scenarios Analyzed

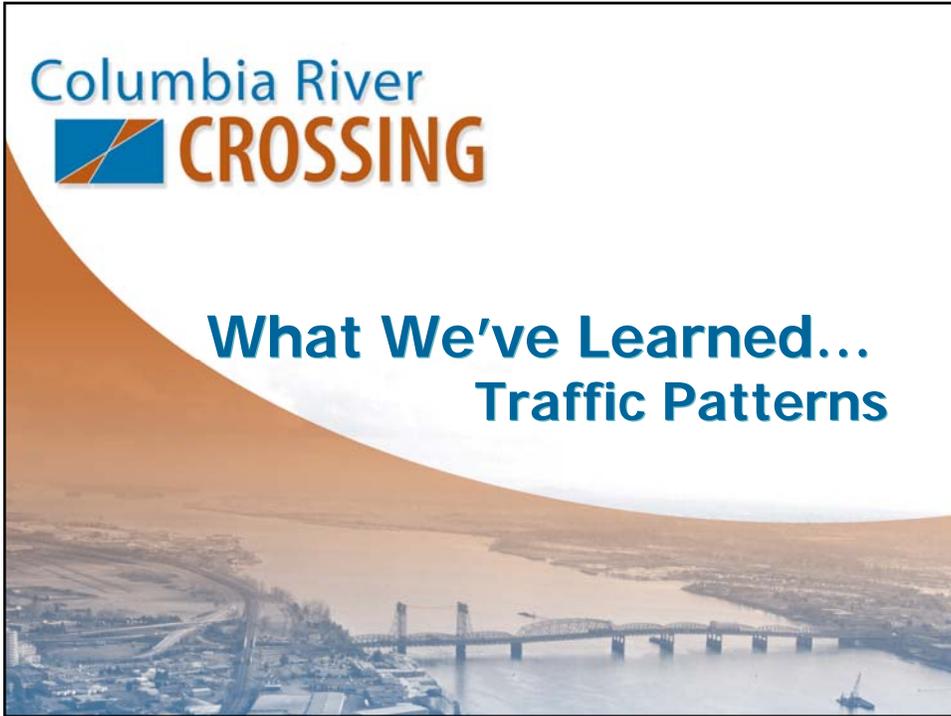
Toll I-5

1. **DEIS toll:** Uses the base toll structure from the Draft EIS.
2. **Directionally tailored toll:** Toll rates differ by travel direction; e.g. northbound PM peak toll would be higher than southbound PM peak toll.
3. **2x DEIS toll:** All tolls are twice the DEIS rates.
4. **3x DEIS toll:** All tolls are triple the DEIS rates.

Toll I-5 and I-205

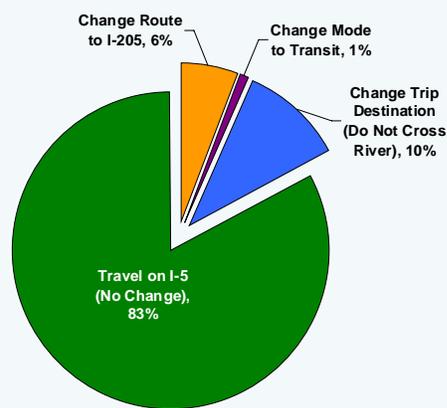
5. **DEIS toll on I-5 and I-205:** DEIS tolls on both bridges, with the round-trip toll amount collected southbound only.
6. **2x DEIS toll on I-5 and I-205:** Double the DEIS tolls on both bridges, with the round-trip toll amount collected southbound only.

What We've Learned... Traffic Patterns



What happens to travel behavior if I-5 is tolled?

- The majority of I-5 bridge trips stay on I-5
- Some people will choose to change their trip destination to avoid crossing the river
- Some people will choose to change their route to the I-205 bridge
- Some people will choose to use transit instead
- Some people may choose to carpool to share the toll cost
- Some may choose to change the time of their trip to pay a lower toll



Toll Diversion Estimates for DEIS Tolls on I-5 (2030)

What happens to travel patterns if both I-5 and I-205 are tolled?

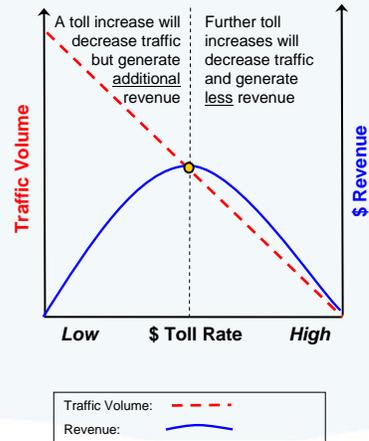
- No diversion from one bridge to another
- The majority of trips remain on I-5 and I-205 bridges
- Some people will choose a different trip destination to avoid crossing the river
- Some people will choose to use transit instead
- Some people may choose to change the time of their trip to pay a lower toll
- Some people may choose to carpool to share the toll cost

What We've Learned... Funding Contribution

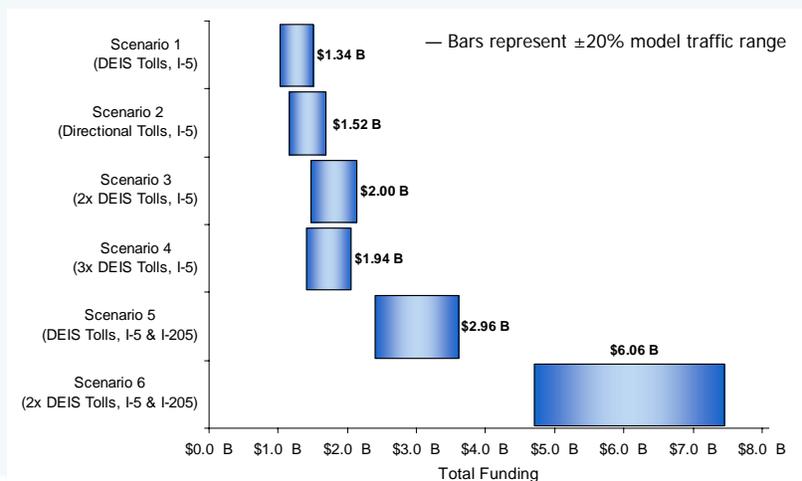


Toll Rates Affect Traffic and Revenue

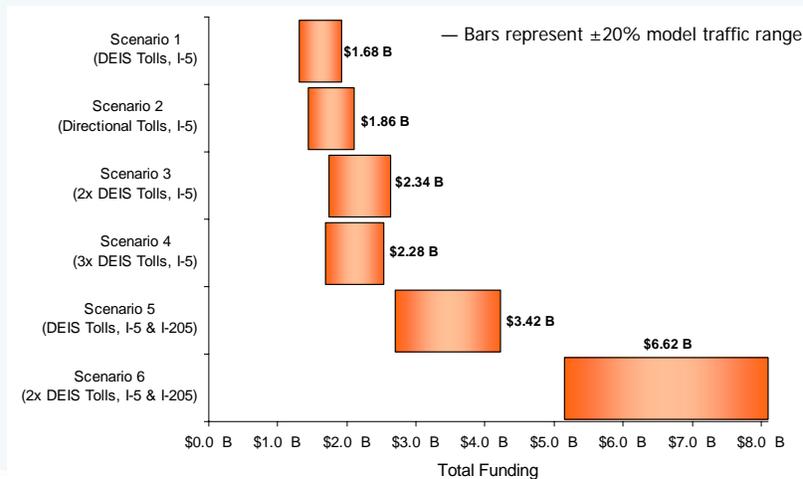
- A toll increase will decrease traffic but generate additional revenue up to a point.
- Past that point, further toll increases will decrease traffic and generate less revenue.
- The maximum revenue point may be different by time of day and direction of travel.



Toll Funding Contribution Ranges — Tolling starts mid 2017 (FY 2018)



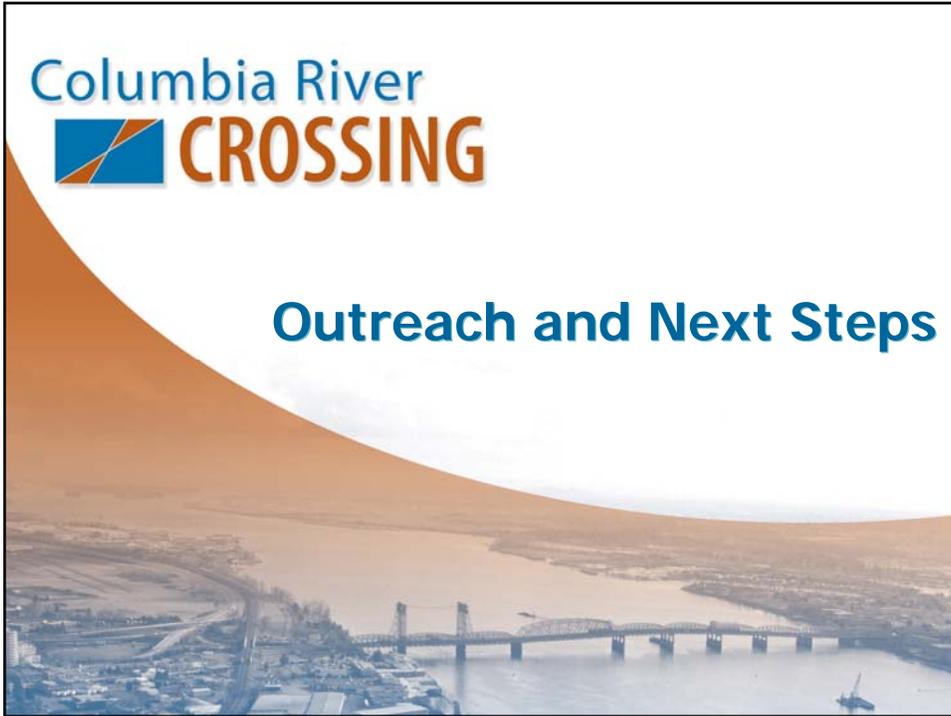
Toll Funding Contribution Ranges with Tolling During Construction — I-5 Tolling starts mid 2012 (FY 2013)



What we've learned so far....

- Technology: electronic tolling is faster, less expensive, more convenient
- Variable tolling can help manage congestion
 - Tolls that are higher during peak times will help reduce congestion
 - Lower off-peak tolls will encourage some trips to shift from peak times
- Funding Contribution
 - Tolling both bridges doubles the funding contribution of tolls
 - There is a tipping point beyond which higher tolls reduce revenue

Outreach and Next Steps



What do we hope to accomplish from this process?

- Provide information about opportunities, benefits, costs and tradeoffs
- Learn from the public about additional issues that need to be studied
- Engage the public and host discussions about tolling tradeoffs and scenarios
- Gather opinion and evaluate how to best meet the needs of residents of Oregon and Washington, users of the bridge and adjacent communities

Tolling Study Public Outreach Schedule



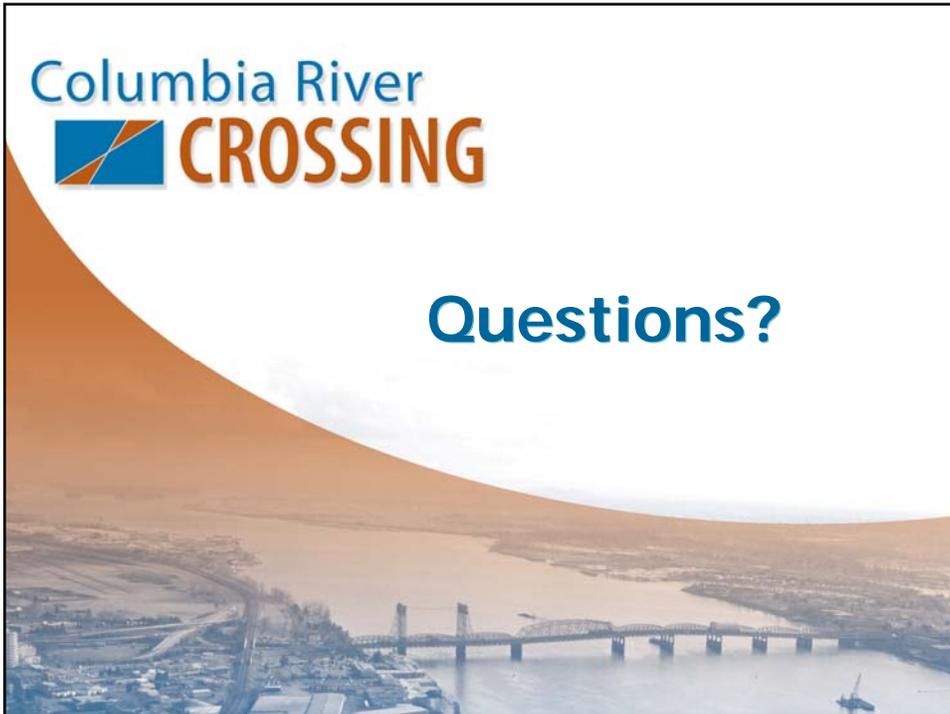
Open Houses, Listening Sessions, Public Input

- Project Open Houses
 - June 23, 2009 – Jantzen Beach SuperCenter, Portland
 - June 24, 2009 – Red Lion at the Quay, Vancouver
- Tolling Listening Sessions with the Tolling Study Committee
 - June 30, 2009 – WSDOT SW Region, Vancouver
 - July 1, 2009 - Jantzen Beach SuperCenter, Portland
 - Additional listening sessions in late summer/fall

How can the public provide feedback?

- Attend listening sessions, open houses
- Email
 - feedback@columbiarivercrossing.org
- Mail
 - 700 Washington Street, Suite 300, Vancouver WA 98660
- Web
 - <http://tolling.columbiarivercrossing.org>
- Web survey
 - Begins summer 2009

Questions?



June 3, 2009

TO: Project Sponsors Council
FROM: Richard Brandman, ODOT Director
Doug Ficco, WSDOT Director
SUBJECT: Performance Measures Advisory Group Membership

The purpose of this memo is to provide a status report on the membership for the Performance Measures Advisory Group (PMAG). The Project Sponsors Council approved the draft charter for the performance measures group at the May 4, 2009 meeting and requested approval of the membership before the group's first meeting.

CRC asked each of the member agencies to name their representative as well as suggest potential facilitators and national experts in performance measures. Following are the list of agency members which results in a good mix of technical and policy experts in performance measures.

- Port of Portland: Susie Lahsene
- Port of Vancouver: Katy Brooks
- City of Portland: Peter Hurley
- City of Vancouver: Phil Wuest
- TriMet: Eric Hesse
- C-TRAN: Scott Patterson
- Metro: Andy Cotugno
- RTC: Dean Lookingbill
- ODOT: Scott Chalkley
- WSDOT: Rob Fellows

In addition, we are evaluating a long list of national technical experts with the goal of narrowing the names to three who will be part of PMAG. Experts that provide a range of knowledge related to performance measures will be sought in the following areas:

- Expert: Tolling/Pricing Dynamics
- Expert: Transit Performance Measures
- Expert: Highways Performance Measures

CRC is recommending Steve Pickrell, Senior Vice President at Cambridge Systematics, as the PMAG facilitator. Mr. Pickrell brings unique performance measurement skills as well as facilitating skills, so his availability will influence final selection of the national experts. His resume is attached and we are meeting with him on Monday, June 8 to confirm his availability to meet the ambitious schedule ahead.

CRC plans to hold the first PMAG meeting in late June with final recommendations to be provided to PSC in December, 2009. Progress reports will be provided at each PSC meeting.