

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE) RESOLUTION NO. 13-4439
CAPITAL IMPROVEMENT PLAN FOR FISCAL) Introduced by Martha Bennett, Chief
YEARS 2013-14 THROUGH 2017-18, APPROVING) Operating Officer, with concurrence of
THE METROPOLITAN TOURISM OPPORTUNITY) the Council President
COMPETITIVENESS ACCOUNT PROJECTS AND)
RE-ADOPTING METRO'S FINANCIAL POLICIES)

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

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2013-14 through 2017-18 that projects Metro's major capital spending needs over the next five years;

WHEREAS, the Metro Council has reviewed the FY 2013-14 through FY 2017-18 Capital Improvement Plan; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2013-14 budget including the FY 2013-14 through FY 2017-18 Capital Improvement Plan; and

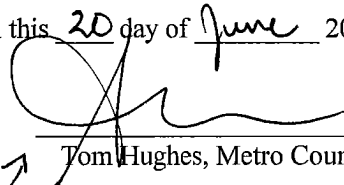
WHEREAS, the Metro Council approves projects funded by the Metropolitan Tourism Opportunity Competitiveness Account (MTOCA); and

WHEREAS, the Metro Council annually reviews and readopts its Comprehensive Financial Policies including the Capital Asset Management Policies; now therefore

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

1. That the FY 2013-14 through FY 2017-18 Capital Improvement Plan (CIP), summarized in Exhibit A, is hereby adopted.
2. That the FY 2013-14 capital projects from the FY 2013-14 through FY 2017-18 Capital Improvement Plan be included and appropriated in the FY 2013-14 budget.
3. That the Comprehensive Financial Policies, including the Capital Asset Management Policies, included as Exhibit B to this Resolution, are re-adopted and will be published in the FY 2013-14 budget.

ADOPTED by the Metro Council this 20 day of June 2013.

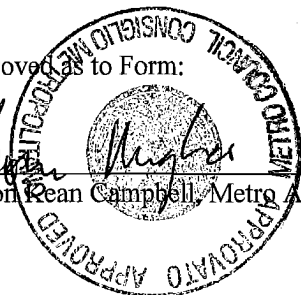


Tom Hughes, Metro Council President

Approved as to Form:



Alison Kean Campbell, Metro Attorney



Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Finance and Regulatory Services								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
SOLID WASTE GENERAL ACCOUNT								
Solid Waste Information System (SWIS)	65720	825,000	180,000	0	0	0	0	1,005,000
TOTAL SOLID WASTE GENERAL ACCOUNT		825,000	180,000	0	0	0	0	1,005,000
SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT								
Enforcement Vehicle Replacement	76856	60,000	60,000	30,000	30,000	30,000	30,000	240,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT		60,000	60,000	30,000	30,000	30,000	30,000	240,000
TOTAL FINANCE AND REGULATORY SERVICES		885,000	240,000	30,000	30,000	30,000	30,000	1,245,000
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	360,000	Total Number of Projects 2						

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance- Capital Reserve	825,000	180,000	0	0	0	0
Fund Balance- Renewal and Replacement	60,000	60,000	30,000	30,000	30,000	30,000
Total- Finance and Regulatory Services	885,000	240,000	30,000	30,000	30,000	30,000

Information Services								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
GENERAL FUND								
Metro Web	65663	160,175	431,930	0	0	0	0	592,105
TOTAL GENERAL FUND		160,175	431,930	0	0	0	0	592,105
GENERAL FUND RENEWAL AND REPLACEMENT								
Information Technology R&R Projects < \$100,000			176,003	269,722	285,913	195,704	432,301	1,359,643
Data Center	01514	206,200	80,300	0	0	0	0	286,500
Peoplesoft Upgrades (Regularly Scheduled)	65612	248,170	209,660	138,753	0	144,359	0	740,942
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT		454,370	465,963	408,475	285,913	340,063	432,301	2,387,085
TOTAL INFORMATION SERVICES		614,545	897,893	408,475	285,913	340,063	432,301	2,979,190
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	2,364,645	Total Number of Projects 4						

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance	160,175	431,930	0	0	0	0
Fund Balance- Renewal and Replacement	454,370	465,963	408,475	285,913	340,063	432,301
Total- Information Services	614,545	897,893	408,475	285,913	340,063	432,301

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Parks and Environmental Services								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
MRC GENERAL FUND RENEWAL AND REPLACEMENT								
Property Services R&R Projects < \$100,000			177,916	134,137	0	123,100	77,600	512,753
PES Fleet	70001		105,037	144,268	26,994	79,255	336,752	692,306
Metro Regional Center Roof Replacement	01320	0	512,404	0	0	0	0	512,404
Central Environmental System	TBD	0	0	126,800	0	0	0	126,800
MRC Daycare Carpets	TBD	0	0	0	156,000	0	0	156,000
Rooftop Air Handler RAC 1	TBD	0	0	0	250,000	0	0	250,000
Rooftop Air Handler RAC 2	TBD	0	0	0	175,000	0	0	175,000
Rooftop Air Handler RAC 3	TBD	0	0	0	0	0	125,000	125,000
TOTAL MRC GENERAL FUND RENEWAL AND REPLACEMENT		0	795,357	405,205	607,994	202,355	539,352	2,550,263
REGIONAL PARKS SPECIAL ACCOUNTS FUND								
Oxbow Park Improvements	TBD	0	364,778	0	0	0	0	364,778
TOTAL REGIONAL PARKS SPECIAL ACCOUNTS FUND		0	364,778	0	0	0	0	364,778
REGIONAL PARKS CAPITAL FUND								
Glendoveer Golf Course Improvements	GF104	70,000	261,000	0	0	0	0	331,000
Oxbow Erosion Reconstruction	TBD	0	148,250	0	0	0	0	148,250
TOTAL REGIONAL PARKS CAPITAL FUND		70,000	409,250	0	0	0	0	479,250
PARKS GENERAL FUND RENEWAL AND REPLACEMENT								
Parks R&R Projects < \$100,000			538,984	992,202	183,893	81,580	173,491	1,970,150
Blue Lake Trail	70234	0	195,595	0	0	0	0	195,595
Oxbow Park Gravel Roads	TBD	0	0	303,250	0	0	0	303,250
Glendoveer Golf Cart Path	TBD	0	0	160,000	0	0	0	160,000
Wrought Iron Fencing at Lone Fir	TBD	0	0	102,000	0	0	0	102,000
Paving at Blue Lake Park	TBD	0	0	206,500	0	0	0	206,500
Chinook Landing Boarding Dock and Steel Pilings	TBD	0	0	0	140,599	0	0	140,599
Chinook Landing Asphalt Pavement (5.2 acres)	TBD	0	0	0	0	270,700	0	270,700
TOTAL PARKS GENERAL FUND RENEWAL AND REPLACEMENT		0	734,579	1,763,952	324,492	352,280	173,491	3,348,794
SOLID WASTE GENERAL ACCOUNT								
Solid Waste General Account Non CIP Projects			280,000	175,000	10,000	10,000	10,000	485,000
Metro Central Organics/Food Handling Area Improvements	76872	230,000	150,000	0	0	0	0	380,000
Metro Central Storm Water Improvements	76873	25,000	400,000	0	0	0	0	425,000
Improvements to Metro South truck entrance/exit	76840	0	100,000	0	0	0	0	100,000
Metro South Camera Expansion	77102	0	100,000	0	0	0	0	100,000
Metro South Rainwater Harvesting	77101	0	10,000	90,000	0	0	0	100,000
Metro South Storm Water Treatment	77104	0	50,000	250,000	0	0	0	300,000
Metro Central Camera Expansion	77106	0	100,000	0	0	0	0	100,000
Disposal System (Road Map) Software	65770		150,000	0	0	0	0	150,000
Reader Board at Metro South Entrance	76833	0	0	200,000	0	0	0	200,000
Future Master Facility Plan Improvements	TBD	0	0	400,000	1,000,000	1,000,000	1,000,000	3,400,000
TOTAL SOLID WASTE GENERAL ACCOUNT		255,000	1,340,000	1,115,000	1,010,000	1,010,000	1,010,000	5,740,000

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
SOLID WASTE LANDFILL CLOSURE ACCOUNT								
St. Johns - Perimeter Dike Stabilization and Seepage Control	76986	763,283	3,000	3,000	0	0	0	769,283
St. Johns - Landfill Remediation	76995	0	1,000,000	1,000,000	0	0	0	2,000,000
SJLF- adapting flares to lower gas flow rates	77001	0	5,000	100,000	0	0	0	105,000
SJLF- Replace PLC and data device	77002	0	45,000	0	0	0	0	45,000
TOTAL SOLID WASTE LANDFILL CLOSURE ACCOUNT		763,283	1,053,000	1,103,000	0	0	0	2,919,283
SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT								
SW Renewal and Replacement Acct Non CIP			675,595	300,000	380,000	300,000	300,000	1,955,595
Metro Central - Replace Slow Speed Shredder	76889	0	50,000	550,000	0	0	0	600,000
Metro South - Modify Entry Way to Ops Bldg.	76842	0	175,000	0	0	0	0	175,000
Metro Central- Floor Repairs	76898	0	150,000	0	0	0	0	150,000
Metro South HHW Roof	76876	0	0	175,000	0	0	0	175,000
Metro South Bays -1 & 2 Ventilation System	76836	0	0	0	105,000	0	0	105,000
Metro Central - Compactor #3	TBD	0	0	0	0	1,400,000	0	1,400,000
Metro South - Compactor #2	TBD	0	0	0	0	1,000,000	0	1,000,000
Metro Central - Compactor #1	TBD	0	0	0	0	0	1,400,000	1,400,000
Metro Central- Conveyor #1	TBD	0	0	0	0	0	400,000	400,000
Metro South - Compactor #1	TBD	0	0	0	0	0	1,000,000	1,000,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT		0	1,050,595	1,025,000	485,000	2,700,000	3,100,000	8,360,595
TOTAL PARKS AND ENVIRONMENTAL SERVICES		1,088,283	5,747,559	5,412,157	2,427,486	4,264,635	4,822,843	23,762,963
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	22,674,680			Total Number of Projects 45				

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance- Renewal and Replacement	0	2,580,531	3,194,157	1,417,486	3,254,635	3,812,843
Grants	0	73,250	0	0	0	0
Fund Balance- Capital Reserve	325,000	2,040,778	1,115,000	1,010,000	1,010,000	1,010,000
Fund Balance- Landfill Closure	763,283	1,053,000	1,103,000	0	0	0
Total- Parks and Environmental Services	1,088,283	5,747,559	5,412,157	2,427,486	4,264,635	4,822,843

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Sustainability Center								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
NATURAL AREAS FUND								
Natural Areas Acquisition		82,830,000	20,000,000	5,000,000	5,000,000	4,000,000	0	116,830,000
40 Mile Loop Trail Construction	71730	0	1,087,760	0	0	0	0	1,087,760
Natural Areas Information System (Terramet) Phase III	52004	650,000	350,000	0	0	0	0	1,000,000
TOTAL NATURAL AREAS FUND		83,480,000	21,437,760	5,000,000	5,000,000	4,000,000	0	118,917,760
REGIONAL PARKS CAPITAL FUND								
Canemah Bluff Phase I (Carryforward)	70494	44,000	75,000	0	0	0	0	119,000
Canemah Bluff Phase II	TBD	0	139,681	0	0	0	0	139,681
TOTAL REGIONAL PARKS CAPITAL FUND		44,000	214,681	0	0	0	0	258,681
TOTAL SUSTAINABILITY CENTER		83,524,000	21,652,441	5,000,000	5,000,000	4,000,000	0	119,176,441
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	35,652,441		Total Number of Projects 5					

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
G.O. Bonds- Natural Areas	83,480,000	20,602,050	5,000,000	5,000,000	4,000,000	0
Fund Balance- Capital Reserve	44,000	214,681	0	0	0	0
Grants	0	835,710	0	0	0	0
Total- Sustainability Center	83,524,000	21,652,441	5,000,000	5,000,000	4,000,000	0

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

VISITOR VENUES- MERC

Oregon Convention Center

	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
MERC FUND								
OCC - Original Roof Replacement	8R031	100,000	1,180,000	1,500,000	0	0	0	2,780,000
OCC - Replacement Dance Floors	8R051	0	126,000	0	0	0	0	126,000
OCC - Audio/Visual Equipment	8N022	0	100,000	0	0	0	0	100,000
OCC - Portland Ballroom Can Lighting Replacement	8R053	0	112,000	0	0	0	0	112,000
OCC - Process Loop Piping Replacement	8R054	0	185,000	0	0	0	0	185,000
OCC - Replace Chrome Entry Doors- Original Side	8R033	0	225,000	0	0	0	0	225,000
OCC - CCTV Replacement (Carryforward)	8R032	0	248,005					
OCC - Carpet Replacement	TBD	0	0	85,000	2,100,000	0	0	2,185,000
OCC - Upgrade Two-Way Radio System	TBD	0	0	275,000	0	0	0	275,000
OCC - Telecommunications VOIP Upgrade	TBD	0	0	185,000	0	0	0	185,000
OCC - Meeting Room Chair Replacement	TBD	0	0	0	960,000	0	0	960,000
OCC - HVAC Replacement Design and Engineering	TBD	0	0	0	200,000	0	0	200,000
OCC - Chiller Units Replacement	TBD	0	0	0	0	1,500,000	0	1,500,000
OCC - Cooling Tower (4) Replacement	TBD	0	0	0	0	725,000	0	725,000
OCC - Boiler Replacement (2)	TBD	0	0	0	0	500,000	0	500,000
OCC - Lobby Areas Furniture Replacement	TBD	0	0	0	0	400,000	0	400,000
OCC - Exhibit Hall Folding Chair Replacement	TBD	0	0	0	0	0	1,000,000	1,000,000
OCC - Table Replacement (Expansion Side)	TBD	0	0	0	0	0	475,000	475,000
OCC - Roof Replacement (Expansion Side)	TBD	0	0	0	0	0	1,800,000	1,800,000
TOTAL OREGON CONVENTION CENTER		100,000	2,176,005	2,045,000	3,260,000	3,125,000	3,275,000	13,733,000
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	13,633,000			Total Number of Projects 19				

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance- Renewal and Replacement	100,000	1,741,005	2,045,000	3,260,000	3,125,000	3,275,000
TLT Capital Reserves		435,000	0	0	0	0
Total- Oregon Convention Center	100,000	2,176,005	2,045,000	3,260,000	3,125,000	3,275,000

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Portland Center for the Performing Arts								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
MERC FUND								
PCPA - AHH HVAC & Lighting Controls Updates	8N062	0	250,000	250,000	0	0	0	500,000
PCPA - AHH EIFS Replacement Phase II	8N063	0	175,000	0	0	0	0	175,000
PCPA - Keller Cooling Tower & Associated Piping	8R069	0	10,000	250,000	0	0	0	260,000
PCPA - Newmark Lighting Overhaul	8R072	0	56,000	42,000	130,000	0	0	228,000
PCPA - AHH Boilers	TBD	0	0	150,000	0	0	0	150,000
PCPA - ASCH Chiller and Associated Piping	TBD	0	0	10,000	350,000	0	0	360,000
PCPA - Keller Roof and Drains Replacement	TBD	0	0	250,000	300,000	300,000	0	850,000
PCPA - Keller Fore Stage (Pit) Elevator Lift	TBD	0	0	250,000	250,000	0	0	500,000
PCPA - Keller Front of House and Backstage Elevators	TBD	0	0	100,000	0	0	0	100,000
PCPA - AHH Elevators- Controllers and Interiors	TBD	0	0	0	150,000	150,000	0	300,000
PCPA - ASCH HVAC Controls Updates	TBD	0	0	0	262,000	0	0	262,000
PCPA - ASCH Portland Sign Renewal	TBD	0	0	0	100,000	100,000	0	200,000
PCPA - Keller Main Speakers	TBD	0	0	0	125,000	0	0	125,000
PCPA - Newmark Stage Floor	TBD	0	0	0	100,000	0	0	100,000
PCPA - AHH Roof	TBD	0	0	0	0	200,000	0	200,000
PCPA - ASCH Elevators Overhaul and Interiors	TBD	0	0	0	0	300,000	0	300,000
PCPA - AHH EIFS Replacement Phase III	TBD	0	0	0	0	0	350,000	350,000
PCPA - Keller HVAC Control Upgrades	TBD	0	0	0	0	0	350,000	350,000
PCPA - Keller Carpet Front of House	TBD	0	0	0	0	0	150,000	150,000
TOTAL PCPA		0	491,000	1,302,000	1,767,000	1,050,000	850,000	5,460,000
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	5,460,000	Total Number of Projects 19						

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance- Renewal and Replacement	0	491,000	1,302,000	1,767,000	1,050,000	850,000
Total- PCPA	0	491,000	1,302,000	1,767,000	1,050,000	850,000

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Portland Expo Center								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
MERC FUND								
Expo - Portable Bleacher Replacement	8R007	130,000	50,000	0	0	0	0	180,000
Expo - Parking Lot Asphalt Maintenance/Replacement	8R040	100,000	50,000	50,000	50,000	60,000	60,000	370,000
Expo - Roof Repair - Hall D , Hall C	8R039/043	0	265,000	0	0	0	0	265,000
Expo - Hall D Lobby and Meeting Room Upgrades	8R042	0	100,000	0	0	0	0	100,000
Expo - Lighting Efficiency Improvements	8R044	0	384,003	0	0	0	0	384,003
Expo - Roof Repair - Hall E Lobby/Mtg Rooms	TBD	0	0	100,000	0	0	0	100,000
Expo - Electrical Upgrade - Halls A/B	TBD	0	0	140,000	0	0	0	140,000
Expo - Roof Repair - Hall D (Barrel)	TBD	0	0	0	200,000	0	0	200,000
Expo - Update Phone System	TBD	0	0	0	100,000	0	0	100,000
Expo - Roof Repair - Hall E Loading Dock/Storage	TBD	0	0	0	0	200,000	0	200,000
Expo - Roof Repair - Hall E (Barrel)	TBD	0	0	0	0	0	350,000	350,000
TOTAL EXPO CENTER		230,000	849,003	290,000	350,000	260,000	410,000	2,389,003
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18	2,159,003	Total Number of Projects 11						

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Fund Balance- Renewal and Replacement	230,000	465,000	290,000	350,000	260,000	410,000
Grants	0	284,003	0	0	0	0
TLT Capital Reserves	0	100,000	0	0	0	0
Total- Expo Center	230,000	849,003	290,000	350,000	260,000	410,000

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Oregon Zoo								
	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
ZOO INFRASTRUCTURE AND ANIMAL WELFARE BOND FUND								
Elephant Habitat and Related Infrastructure	ZIP002	17,000,000	23,710,221	16,013,285	0	0	0	56,723,506
Remote Elephant Center	ZIP003	40,000	500,000	1,000,000	2,500,000	1,386,194	0	5,426,194
Condor Habitat	ZIP007	2,169,000	545,171	0	0	0	0	2,714,171
Education Center (CDZ)	ZIP006	860,000	144,725	1,479,310	10,665,513	517,233	0	13,666,781
Campus and Habitat Interpretive Design	ZIP013	426,000	101,225	1,231,489	710,912	313,683	510,530	3,293,839
One-percent for Art Design and Installation	ZIP012	97,795	107,575	107,575	107,575	107,575	107,575	635,668
Polar Bear Habitat	ZIP004	0	0	0	1,776,274	9,417,825	8,364,467	19,558,566
Primate and Rhino Habitats	ZIP005	0	0	0	0	670,558	2,753,931	3,424,489
TOTAL ZOO INFRASTRUCTURE AND ANIMAL WELFARE BOND FUND		20,592,795	25,108,917	19,831,659	15,760,274	12,413,068	11,736,503	105,443,215
ZOO CAPITAL FUND								
Bearwalk Remodel	ZBW06		45,000	0	0	0	0	45,000
Bond Commitment Elephant Lands	ZIP002	0	1,965,000	0	0	0	0	1,965,000
OZF Bond Commitment Remote Elephant Center	Zoo39	0	1,400,000	0	0	0	0	1,400,000
Stage Phase 1 Improvements	ZVS10	40,000	310,000	0	0	0	0	350,000
Cascade Grill Improvements	ZVS06	0	150,000	0	0	0	0	150,000
Commissary Modifications	ZVS08	200,000	100,000	0	0	0	0	300,000
Guest Amenities TBD	TBD	0	100,000	0	0	0	0	100,000
TOTAL ZOO CAPITAL FUND		240,000	4,070,000	0	0	0	0	4,310,000
GENERAL FUND RENEWAL AND REPLACEMENT								
Zoo R&R Projects < \$100,000			1,222,068	775,899	929,450	554,928	840,318	4,322,663
1500 kw Generator	ZRW052	0	1,000,000	0	0	0	0	1,000,000
Africa Interpretive Graphics	ZR37	0	108,856	0	0	0	0	108,856
Africafe Roof	ZRW001	8,000	203,000	0	0	0	0	211,000
Stellar Cove Ozone System	ZRW047	0	100,000	0	0	0	0	100,000
Zoo Parking Lot Renewal	ZR17	21,224	21,648	22,081	22,523	22,974	23,433	133,883
Zoo Railroad Track Replacement	ZR19	23,080	47,555	24,493	24,983	25,483	25,992	171,586
Perimeter USDA Fence 5 Replacement	Zoo24	59,620	60,813	62,029	63,270	64,535	65,826	376,093
Telephone System	TBD	0	0	259,543	0	0	0	259,543
Africafe Kitchen Elevator	TBD	0	0	120,000	0	0	0	120,000
Flooded Forest Interpretives	TBD	0	0	160,500	0	0	0	160,500
Swamp Building and Aviary Roof Replacement	TBD	0	0	102,600	0	0	0	102,600
Railroad Roundhouse Roof	TBD	0	0	0	128,883	0	0	128,883
Pig Holding and Exhibit Roof	TBD	0	0	0	0	0	131,286	131,286
Stellar Cove Digital Control System	TBD	0	0	0	0	0	121,899	121,899
Vet Medical Center X-Ray Machine	TBD	0	0	0	0	0	211,482	211,482
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT		111,924	2,763,940	1,527,145	1,169,109	667,920	1,420,236	7,660,274
TOTAL OREGON ZOO		20,944,719	31,942,857	21,358,804	16,929,383	13,080,988	13,156,739	117,413,488
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18		96,468,769	Total Number of Projects 31					

Total Project Summary with Major Funding Source

Exhibit A
Resolution 13-4439

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
G.O. Bonds- Zoo	20,592,795	25,108,917	19,831,659	15,760,274	12,413,068	11,736,503
Donations	240,000	3,525,000	0	0	0	0
Fund Balance- Capital Reserve	0	545,000	0	0	0	0
Fund Balance- Renewal and Replacement	111,924	2,763,940	1,527,145	1,169,109	667,920	1,420,236
Total- Oregon Zoo	20,944,719	31,942,857	21,358,804	16,929,383	13,080,988	13,156,739

Parks and Natural Areas Levy

	ID	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Total
PARKS LEVY FUND								
Parks Levy R&R < \$100,000			315,000	560,000	555,000	90,000		1,520,000
Blue Lake Entry Drive/Booth Renovation	TBD	0	200,000	0	0	0	0	200,000
Blue Lake Boat Concession Renovation	TBD	0			125,000			125,000
Blue Lake Native Landscaping Upgrades	TBD	0	100,000					100,000
Blue Lake Sports Feature Renovations	TBD	0		200,000				200,000
Blue Lake Traffic/Parking Improvements	TBD	0		200,000				200,000
Blue Lake Playground/Restroom Renovations	TBD	0		850,000				850,000
Blue Lake Office/Maintenance Bldg. Renovations	TBD	0		500,000				500,000
Blue Lake Pathway Renovations	TBD	0			150,000			150,000
Blue Lake Solar Power Installation	TBD	0			100,000			100,000
Blue Lake Utility Replacements	TBD	0			350,000			350,000
Blue Lake Swim Beach/Restroom Renovation	TBD	0			350,000			350,000
Blue Lake Additional Permanent Shelters	TBD	0			250,000			250,000
Blue Lake Drainage Improvements	TBD	0				100,000		100,000
Oxbow Play Area Renovations	TBD	0	200,000					200,000
Oxbow Maintenance Area Reconfiguration	TBD	0		250,000				250,000
Oxbow Office/Residence Renovation	TBD	0		200,000				200,000
Oxbow Restroom Construction	TBD	0		125,000				125,000
Oxbow Fire Road Repairs	TBD	0			100,000			100,000
Oxbow Cabins	TBD	0			200,000			200,000
Oxbow Additional Group Camp	TBD	0				125,000		125,000
Howell Shelter	TBD	0			120,000			120,000
Gleason- Broughton Beach Improvements	TBD	0			100,000			100,000
Gleason Entrance Booth/Gate	TBD	0			100,000			100,000
Sauvie Island Boat Ramp Dock Replacement	TBD	0		125,000				125,000
Smith and Bybee Ramp and Pathway Renovations	TBD	0		100,000				100,000
Sustainability Center Projects, TBD	TBD	0	750,000	750,000	750,000	750,000	750,000	3,750,000
TOTAL PARKS LEVY		0	1,565,000	3,860,000	3,250,000	1,065,000	750,000	10,490,000
FIVE YEAR TOTAL, FY 2013-14 THROUGH FY 2017-18		10,490,000		Total Number of Projects 27				

Major Funding Sources

	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Local Options Levy	0	1,565,000	3,860,000	3,250,000	1,065,000	750,000
Total- Parks and Natural Areas Levy	0	1,565,000	3,860,000	3,250,000	1,065,000	750,000

FINANCIAL POLICIES

In 2004 the Metro Council enacted Resolution No. 04-3465, “adopting comprehensive financial policies for Metro.” 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. Recently the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Metro Council to make certain policy decisions regarding the use of resources and classifications of fund balance. In June 2010 the Metro Council took action to amend Metro’s Comprehensive Financial Policies to incorporate the GASB Statement No. 54 principles and to re-approve the policies. These changes are reflected in Budget and Financial Planning, section 2. These financial 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.
 - a. The Metro Council delegates to the Chief Operating Officer the authority to assign (and un-assign) additional amounts intended to be used for specific purposes more narrow than the overall purpose of the fund established by Council. A schedule of such assignments shall be included within the adopted budget document.
 - b. Metro considers restricted amounts to have been spent prior to unrestricted (committed, assigned, or unassigned) amounts when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Within unrestricted amounts, committed amounts are considered to have been spent

first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

- c. The following information shall be specified by Council in the establishment of Stabilization Arrangements as defined in GASB Statement No. 54: a) the authority for establishing the arrangement (resolution or ordinance), b) the requirements, if any, for additions to the stabilization amount, c) the specific conditions under which stabilization amounts may be spent, and d) the intended stabilization balance.
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.

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.

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 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 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 \$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.¹
A clear threshold ensures that the major needs are identified and incorporated in financial plans.

¹ Effective July 1, 2009, capital asset threshold was increased from \$50,000 to \$100,000 in accordance with Metro Resolution 08-3941A. This reflected a State of Oregon definition of a public improvement project.

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 2 percent 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 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 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 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.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 13-4439, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2013-14 THROUGH 2017-18, APPROVING THE METROPOLITAN TOURISM OPPORTUNITY COMPETITIVENESS PROJECTS AND RE-ADOPTING METRO’S FINANCIAL POLICIES

Date: June 6, 2013 Presented by: Tim Collier, Interim Director, Finance and Regulatory Services

BACKGROUND

A. The Capital Improvement Plan (CIP) for Fiscal Years 2013-14 through 2017-18 represents Metro’s long-range capital planning process. Metro has established a sound base to forecast the agency’s capital needs and balances those needs with available resources. If a project comes up unexpectedly during the year, departments must follow an established amendment process to submit the project to Council for approval.

Exhibit A provides a listing of the CIP projects and their major funding sources. The resolution approves the entire five-year capital plan and directs that projects for FY 2013-14 be approved, and project expenditures for FY 2013-14 be appropriated, as amended, in the FY 2013-14 budget.

The table below shows the number of projects by department or fund; Exhibit A to the Resolution shows the individual projects by department or fund. This year’s CIP remains dominated by bond projects.

	Total Projects	Prior Years	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Five-Year Total	Total
Finance and Regulatory Svcs	2	885,000	240,000	30,000	30,000	30,000	30,000	360,000	1,245,000
Information Services	4	614,545	897,893	408,475	285,913	340,063	432,301	2,364,645	2,979,190
Parks and Environmental Svcs	45	1,088,283	5,747,559	5,412,157	2,427,486	4,264,635	4,822,843	22,674,680	23,762,963
Sustainability Center	5	83,524,000	21,652,441	5,000,000	5,000,000	4,000,000	0	35,652,441	119,176,441
Visitor Venues- MERC	49	330,000	3,516,008	3,637,000	5,377,000	4,435,000	4,535,000	21,500,008	21,830,008
Visitor Venues- Oregon Zoo	31	20,944,719	31,942,857	21,358,804	16,929,383	13,080,988	13,156,739	96,468,769	117,413,488
Parks and Natural Areas Levy	27	0	1,565,000	3,860,000	3,250,000	1,065,000	750,000	10,490,000	10,490,000
TOTAL	163	107,386,547	65,561,758	39,706,436	33,299,782	27,215,686	23,726,883	189,510,544	296,897,091

B. This resolution also provides for the annual review and re-adoption of Metro’s financial policies, including the Capital Asset Management Policies that are incorporated by reference. The policies are attached as Exhibit B to the resolution. No changes are recommended.

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 in place. 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.

C. This action also approves the Metro Tourism Opportunity and Competitiveness Account (MTOCA) projects at the Oregon Convention Center for FY 2013-14. The MTOCA funds (\$418,633) are appropriated in the General Fund and transferred to MERC as part of the annual budget process. This year the funds are utilized for a single non-capital project to develop options for satisfying the need for a minimum 500 hotel room block.

ANALYSIS/INFORMATION

1. **Known Opposition:** None.
2. **Legal Antecedents:** Metro's adopted financial policies require the annual adoption of a Capital Improvement Plan.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the CIP covering FYs 2013-14 through 2017-18.

The cost of the 163 projects planned during the five years covered by this CIP is estimated to be \$189.5 million.

This resolution is the formal instrument by which the five-year plan will be adopted. Projects with planned expenditures in FY 2013-14 will be incorporated into the adopted budget.

This resolution is the formal instrument to approve the Metro Tourism Opportunity and Competitiveness Account project for FY 2013-14.

4. **Budget Impacts:** The plan's FY 2013-14 expenditures (\$65.6 million) will be appropriated in the FY 2013-14 Adopted Budget.

RECOMMENDED ACTION

Resolution No. 13-4439 is an important component of the annual budget process. The Chief Operating Officer recommends adoption.