

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE)
CAPITAL IMPROVEMENT PLAN FOR FISCAL)
YEARS 2004-05 THROUGH 2008-09)

RESOLUTION NO. 04-3454
Introduced by
Michael Jordan, Chief Operating
Officer with the concurrence of The
President of the Council

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

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

WHEREAS, Metro's Executive Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2004-05 through 2008-09 that projects Metro major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

WHEREAS, The Metro Council has reviewed the FY 2004-05 through FY 2008-09 Capital Improvement Plan; and

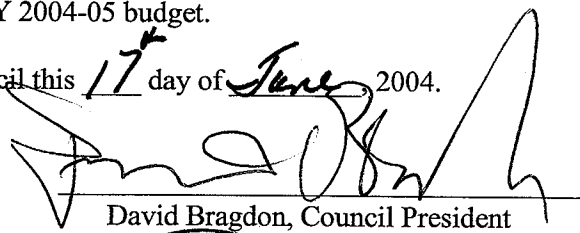
WHEREAS, The Council has conducted a public hearing on the FY 2004-05 through FY 2008-09 Capital Improvement Plan; now, therefore

BE IT RESOLVED,

1. That the FY 2004-05 through 2008-09 Capital Improvement Plan, included as Exhibit A to this Resolution, on file at the Metro offices, is hereby adopted.

2. That the FY 2004-05 capital projects from the FY 2004-05 through 2008-09 Capital Improvement Plan be included in the FY 2004-05 budget.

ADOPTED by the Metro Council this 17th day of June, 2004.


David Bragdon, Council President

Approved as to Form:


Daniel B. Cooper, Metro Attorney



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Improvement Plan**

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**Adopted Capital
Improvement Plan
FY 2004-05 through
FY 2008-09**



METRO

PEOPLE PLACES
OPEN SPACES

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User's Guide and CIP Calendar

This section describes the Capital Improvement Plan (CIP) process, as well as the structure of this portion of the budget document and the calendar established to prepare the agency's CIP.

Overview of Process

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

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

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

Phase 3: Chief Operating Officer Review and CIP Development. After the departments submit these project requests, the information is reviewed by the Chief Operating Officer. This includes:

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

Phase 4: Council Review and CIP Adoption. The Metro Council reviews the proposed capital projects and acts on the proposed CIP following a public hearing. Projects in the CIP for FY 2004-05 are included in the proposed budget.

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

Overview of Document

This CIP section contains Metro's plan for fiscal years 2004-05 through 2008-09. It also includes estimates for any project costs incurred prior to FY 2004-05. The document is divided into the following sections:

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

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

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

Current Projects Status Reports. This section presents information on the status of capital projects which were authorized previously and scheduled for completion by the end of FY 2003-04.

Appendices. Included in this section is information pertinent to the review and adoption of the CIP.

Previously, the major capital assets inventories and project details were included in this document. To conserve resources, this information is now available upon request. In addition, the project detail sheets, including detailed descriptions of each capital project, are now available upon request in a database.

Metro CIP Calendar

<i>Key Tasks</i>	<i>Task Completion</i>
• Financial Planning issues CIP Manual	September 15
• Departments submit Capital Project Requests, Current Projects Status Reports, and List of Unfunded Projects	October 15
• Financial Planning Division of Finance & Administrative Services Department completes evaluation of departmental requests and prepares financial projections.....	October—November
• Information Technology Steering Committee Review	November
• Chief Operating Officer and Council President review and discussion.....	November
• Council President finalizes recommended capital projects...	November
• Proposed CIP document forwarded to Council	January
• Budget review meetings	March—April
• Council holds public hearing and adopts CIP	June
• Adopted first year projects incorporated into FY 2004-05 adopted budget	June

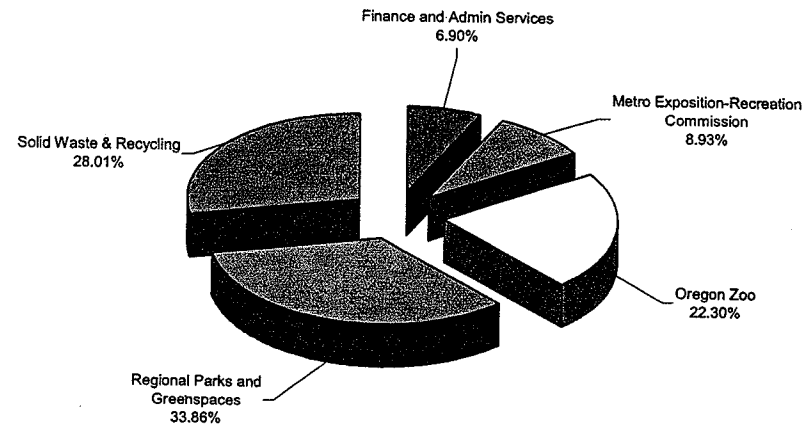
Overview and Summary

Capital projects are defined in the Capital Improvement Plan (CIP) as any physical asset acquired or constructed by Metro with a total capital cost of \$50,000 or more and a useful

life of at least five years. The proposed CIP for FY 2004-05 through FY 2008-09 includes 96 capital projects at a total cost of about \$49.6 million. The capital costs of these projects by fiscal year are presented by department in the summary table below. The shaded line shows costs for the five years of this CIP. The "Total" column represents the total project costs, including spending in prior years.

No single project dominates this year's CIP. In prior years, the CIP has been dominated by three large projects that are now winding down. Those projects are the Zoo's Great Northwest Project, Open Spaces' land acquisition, and the addition to the Oregon Convention Center. This CIP is comprised of regular renewal and replacement projects and the planned Regional Parks' development of certain of the properties acquired by the Open Spaces bond measure.

Percentage of Project Cost by Department



Project Cost Summary by Department/All Funds

Department	Total # of Projects	Prior Years	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	Total
Finance and Admin Services	11	2,316,301	387,000	961,500	768,000	492,000	811,000	5,735,801
Metro Exposition-Rec. Comm.	23	117,329,698	2,786,750	585,000	450,000	375,000	230,000	121,756,448
Oregon Zoo	14	6,300,990	3,178,988	3,600,000	2,940,000	735,000	600,000	17,354,978
Regional Parks and Greenspaces	15	127,992,652	5,331,029	7,208,809	2,108,500	656,000	1,480,000	144,776,990
Solid Waste and Recycling	33	1,226,886	2,689,000	2,554,800	3,318,000	2,553,900	2,768,000	15,110,586
Total Metro	96	255,166,527	14,372,767	14,910,109	9,584,500	4,811,900	5,889,000	304,734,803

Total FY 2004-2005 through FY 2008-2009: \$49,568,276
Total # of Projects: 96

The overall number of projects is six more than last year's adopted CIP, at 96. Of the 96 projects, 28 are new. Two Metropolitan Exposition-Recreation Commission (MERC) projects were in prior year CIPs but not in the most recent, so they are again listed as new.

Overall, the majority of the capital project expenditures during the five years are from three Metro departments: Regional Parks & Greenspaces at 33.9 percent, Solid Waste & Recycling at 28.0 percent, and the Oregon Zoo at 22.3 percent.

A reorganization of Metro departments moved Information Technology to Finance & Administrative Services (previously Administrative Services Department). In addition, Property Services, previously a division of Council, was moved to Finance & Administrative Services.

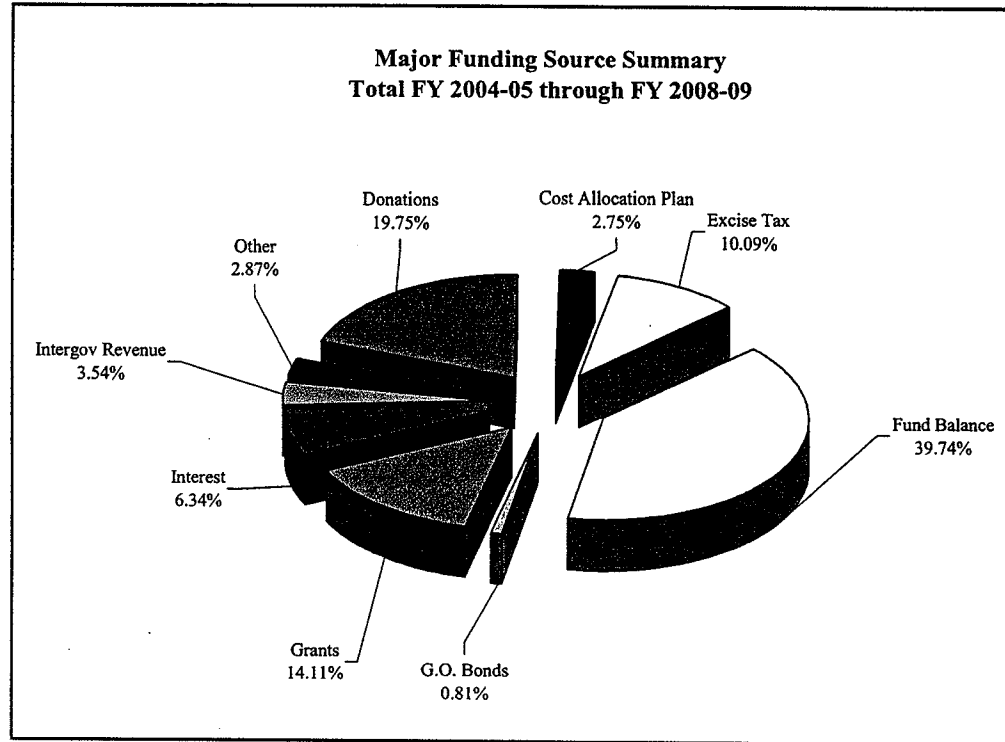
Sources of Funds

The financing sources for these capital projects vary by project and by department.

The Solid Waste & Recycling Department generally relies on Fund Balance or Capital Reserve accounts. Funding for their projects is included in the rate-setting process.

MERC and Zoo projects have typically been funded from Fund Balance. MERC, in this CIP, is funding many of PCPA's projects from Naming Rights sales. These funds are held in trust by the Oregon Community Foundation, as stipulated by the donors, and are transferred as needed. They therefore appear as donations. The Zoo also has an active fundraising arm in the Oregon Zoo Foundation and is relying on their fundraising efforts for almost 71 percent of their capital projects funding needs.

Regional Parks & Greenspaces is predominantly funded by grants (42 percent) and excise tax (30 percent). The land purchases and some major improvements were funded by general obligation bonds. This CIP anticipates expending renewal and replacement funds set aside from the "dollar per ton" dedicated excise tax and developing new parks from an additional \$1.50 per ton dedicated excise tax.



The Information Technology division of Finance & Administrative Services relies on the central services allocation of costs to the operating departments to fund its projects. Property Services proposes to utilize capital reserves and allocations for its projects. This department implemented in FY 2004-05 a renewal and replacement contribution that will even out the funding of projects for both Information Technology and Property Services projects.

1. **Fund Balance.** The largest source of funds for capital projects, about 40 percent of total funds, is fund balance. Departments' fund balances, in the form of reserves or unrestricted funds, represent Metro's major source of pay-as-you-go financing. This financing technique is particularly well-suited for small- to medium-sized projects with a useful life of less than 20 years.

**Major Funding Source Summary/All Funds
FY 2004-05 through FY 2008-09**

Source of Funds	Prior Years	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	Total
Donations	2,242,856	2,216,991	3,300,000	2,900,000	675,000	700,000	12,034,847
Cost Allocation Plan	437,000	225,000	454,000	256,000	267,000	159,000	1,798,000
Excise Tax	-	570,000	2,166,600	834,750	650,000	780,000	5,001,350
Fund Balance	7,548,283	5,598,448	3,698,800	3,908,000	3,044,900	3,448,000	27,246,431
G.O. Bonds	111,472,656	320,749	-	80,000	-	-	111,873,405
Grants	446,037	895,651	4,449,233	1,124,275	-	525,000	7,440,196
Interest	14,791,522	3,144,940	-	-	-	-	17,936,462
Intergovernment Revenue	107,285,176	920,000	583,976	169,475	-	80,000	109,038,627
Other	10,942,997	480,988	257,500	312,000	175,000	197,000	12,365,485
Total Metro	255,166,527	14,372,767	14,910,109	9,584,500	4,811,900	5,889,000	304,734,803

Because fund balance is used for operating as well as capital purposes and can be affected by fluctuations in operating revenues and expenditures, Financial Planning staff and departments prepared projections of fund balance available for capital projects for the five years spanning the CIP. In the *Project Detail Section*, departmental summaries show projections for those operating funds which will finance capital projects in whole or in part.

2. **Donations.** The majority of the donations are in the Zoo and MERC CIP submissions. Phase V of the Great Northwest, the Lion Exhibit, the California Condor Captive Breeding Facility, the Insect Zoo, the Elephant Museum Renovation, and the Primate Building at the Oregon Zoo are expected to be funded through donations from individual and group fund raising efforts. Nine of the MERC projects for the Portland Center for the Performing Arts (PCPA) are funded by donations (already sold naming rights).
3. **Grants.** Grants comprise about 14 percent of total funding for capital projects and are tied directly to specific projects. Regional Parks & Greenspaces Department has the majority of grants. The large increase

from last year is the identification of two projects funded by Metropolitan Transportation Improvement Program (MTIP) grant allocations.

4. **Excise Tax.** This category is general fund excise tax allocated for department use. In FY 2004-05, Council adopted an additional \$1.50 per solid waste disposed ton of garbage for the benefit of Regional Parks. This category makes up 10 percent of funding for Regional Parks projects.
5. **Interest.** This category is generally interest earned on bond proceeds and includes a large amount of interest for the Open Spaces Project and the Great Northwest Project. Interest can also be earnings on specified reserves for a project. This source makes up about 6 percent of overall project funding.
6. **Cost Allocation Plan.** This funding source is for central services projects, whose funding is derived from allocation to the operating departments. The category represents about 3 percent of project funding. With the depletion of existing reserves, Information Technology and Metro Regional Center will rely more heavily on this source for their capital project funding. The current year's budget institutes a contribu-

tion to Renewal and Replacement for both of these divisions. This action will smooth out department contributions.

7. **Intergovernmental.** Intergovernmental revenues are contributions from other governmental units in the region or State of Oregon.
8. **Other.** Other financing sources represent about 3 percent of total funds allocated to capital projects. This includes the financing of certain types of capital items using capital leases. To qualify for capital lease financing, equipment must have a unit cost greater than \$10,000 (except when purchasing as a component of a larger system) and an expected life greater than three years. The term of the lease may not exceed the life of the equipment.

Uses of Funds

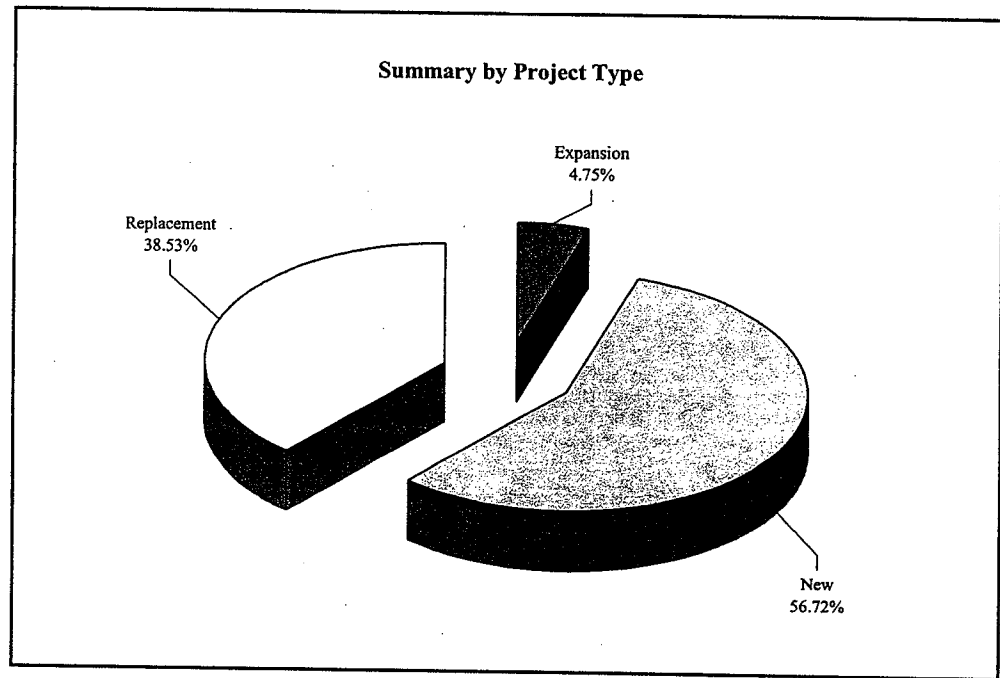
Capital projects in the proposed CIP consist of facilities (purchase, construction, or improvements), land acquisitions, and equipment purchases of \$50,000 or more. Of the 96 projects, 57 percent are new construction or acquisition, 5 percent are expansion or remodeling projects, and 38 percent are replacement projects. A brief review of each use is presented in the "Summary by Project Type" chart displayed here.

Facilities. About 78 percent of total funds is allocated to a variety of facility projects. These projects include the replacement, renovation, expansion or new construction of buildings, exhibits, roadways, trails, and other infrastructure. As with other capital projects, these capital assets must have a minimum useful life of five years to be considered within the CIP. This eliminates routine maintenance and repair projects, which are treated as operating expenses. Regional Parks & Greenspaces projects account for over 35 percent of the total projects in this category, followed by the Oregon Zoo at 29 percent, and Solid Waste & Recycling at 23 percent.

Equipment. Almost 16 percent of funds for capital projects is allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for CIP consideration if it costs \$50,000 or

more and has a useful life of five years or more. Equipment required for new facilities is reflected in the costs of those facilities. About 62 percent of the equipment category relates to Solid Waste & Recycling improvements. Information Technology projects are the next highest, at almost 28 percent.

Land. The remaining 6 percent of total funds in the CIP is allocated to land acquisition or improvements. This \$3.1 million amount is for Open Spaces Acquisition in the Regional Parks & Greenspaces Department. This program, financed with general obligation bonds, was approved by the Council and voters in FY 1994-95 and is scheduled to be complete in FY 2004-05.



**Summary by Project Type
FY 2004-05 through FY 2008-09**

Department	Total # of Projects	Prior Years	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	Total
Expansion	6	117,010,698	699,000	256,000	-	400,000	1,000,000	119,365,698
New	34	132,874,208	9,626,767	9,860,809	6,082,500	1,648,900	896,000	160,989,184
Replacement	56	5,281,621	4,047,000	4,793,300	3,502,000	2,763,000	3,993,000	24,379,921
Total Metro	96	255,166,527	14,372,767	14,910,109	9,584,500	4,811,900	5,889,000	304,734,803

Annual Operating Budget Impact Summary

Each department also projected the net impact on operating costs resulting from each capital project. The impact is shown in 2003 dollars for the first full year of operation after completion of the project. The table below is a summary by major budget category for all projects in the CIP. On a Metro-wide basis, the overall gross cumulative operating cost impact of almost \$40 million is somewhat offset by the projected growth in revenue sources of \$37 million.

The chart labeled "Annual Net Operating Impact by Project" lists the projects with operating impact by department. MERC's one project that increases resources does not completely cover the new cost of two other projects. The Oregon Zoo's two projects that increase revenues do not absorb the additional net operating cost of the California Condor Project. Regional Parks & Greenspaces projects are all a net cost to the department's operations, as is Solid Waste & Recycling's Leachate Pretreatment. Metro, overall, will have an additional cost of \$298,856 to \$840,345 per year from these projects.

Annual Operating Budget Impact Summary

Revenue and Cost By Major Budget Category	FY 2004-2005	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	Total
Revenues	7,281,500	7,286,000	7,338,000	7,432,000	7,459,500	36,797,000
Expenditures						
Personal Services	3,369,500	3,379,500	3,461,697	3,632,204	3,638,631	17,481,532
Materials and Services	4,160,483	4,257,603	4,304,126	4,364,798	4,360,926	21,447,936
Capital Outlay	-	10,000	10,000	10,000	10,000	40,000
Other Costs	50,373	57,889	115,016	265,342	262,667	751,287
Total Expenditures	7,580,356	7,704,992	7,890,839	8,272,344	8,272,224	39,720,755
Net Contribution (Cost)	(298,856)	(418,992)	(552,839)	(840,344)	(812,724)	(2,923,755)

Annual Net Operating Impact by Project

Project	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09
Metropolitan Exposition Rec. Comm.					
Keller Auditorium - Portico Upgrades	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)
Oregon Convention Center Expansion	(196,643)	(196,643)	(196,643)	(196,643)	(196,643)
OCC - Video Signage System	85,500	78,000	105,000	114,000	127,500
Total MERC	(118,643)	(126,143)	(99,143)	(90,143)	(76,643)
Oregon Zoo					
Lion Exhibit	-	-	5,000	5,000	5,000
Calif Condor Captive Breeding Facility	(135,000)	(135,000)	(135,000)	(135,000)	(135,000)
Cascade Grill and Sunset Room Remodel	-	-	-	25,000	50,000
Total Zoo	(135,000)	(135,000)	(130,000)	(105,000)	(80,000)
Regional Parks and Greenspaces					
M James Gleason Boat Ramp Phase I & II	-	-	-	(33,427)	(33,427)
Blue Lake Park - Lakefront Enhancement	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Mt Talbert Development	-	-	(187,112)	(192,725)	(198,506)
Gales Creek/Tualatin River Confluence	(40,173)	(33,525)	(12,260)	(10,000)	(10,000)
Oxbow Park - Picnic Shelters & Restrooms	(3,040)	(3,040)	(3,040)	(3,040)	
Wilsonville Tract Development	-	-	-	(271,250)	(279,389)
Trolley Trail Engr & Const Phase I	-	-	-	(13,476)	(13,475)
Water Play Area Blue Lake	-	(9,000)	(9,000)	(9,000)	(9,000)
Smith & Bybee Lakes Facility Imp	-	(10,284)	(10,284)	(10,284)	(10,284)
Total RP&G	(45,213)	(57,849)	(223,696)	(545,202)	(556,081)
Solid Waste and Recycling					
St Johns Leachate Pretreatment	-	(100,000)	(100,000)	(100,000)	(100,000)
Total SW&R	-	(100,000)	(100,000)	(100,000)	(100,000)
TOTAL METRO	(298,856)	(418,992)	(552,839)	(840,345)	(812,724)

**Capital
Improvement Plan
Department
Summaries**

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Department Summary and Analysis

The following is an overview of the CIP departmental submissions and the narrative discussing relevant issues relating to each department's CIP requests. The first item in this section is a full listing and prioritization of the

CIP requests by year, summarized in *Total Projects Summary by Year*.

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

Total Projects Summary—By Year. Each department section begins with a complete listing, in priority order, of the projects contained in the current CIP. This chart shows the expected expenditures by year. The shaded section under the chart shows the total number of projects and their expected cost during the five-year CIP period.

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

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

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

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

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

Fund Balance Projections. This subsection discusses the impact of these projects on the five-year Financial Forecast and the ability of the departments to both fund the projects and financially support the maintenance and renewal and replacement.

**Finance &
Administrative
Services
Department**

Total Projects Summary - By Year

Finance

Project No.	Priority		Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
Building Management Fund									
TEMP109	2	Metro Regional Center Roof Replacement	-	-	-	-	-	\$455,000	\$455,000
56180	3	Carpet Replacement	-	-	\$250,000	\$200,000	\$50,000	-	\$500,000
Total - Building Management Fund			-	-	\$250,000	\$200,000	\$50,000	\$455,000	\$955,000
Support Services Fund									
56130	1	Copier Replacement in Print Shop	\$50,000	-	-	\$65,000	-	-	\$115,000
56131	4	Satellite copier replacement	-	\$36,000	\$36,000	\$36,000	\$36,000	\$36,000	\$180,000
Total - Support Services Fund			\$50,000	\$36,000	\$36,000	\$101,000	\$36,000	\$36,000	\$295,000
All Funds									
IT1	3	Replace/Acquire Desktop Computers	\$310,237	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$885,237
Total - All Funds			\$310,237	\$115,000	\$115,000	\$115,000	\$115,000	\$115,000	\$885,237
Planning Fund									
94403/94404	5	Regional Land Information System (RLIS)	\$706,025	\$30,000	\$20,000	\$70,000	\$35,000	\$25,000	\$886,025
46903	6	Travel Forecasting System Computer Replacement	\$799,866	\$17,000	\$122,500	\$127,000	\$25,000	\$57,000	\$1,148,366
Total - Planning Fund			\$1,505,891	\$47,000	\$142,500	\$197,000	\$60,000	\$82,000	\$2,034,391
Support Services Fund									
56110	1	Server Management	\$281,965	\$84,000	\$313,000	\$80,000	\$126,000	\$98,000	\$982,965
56120	2	Upgrade Network Infrastructure	\$168,208	\$55,000	\$55,000	\$25,000	\$55,000	\$25,000	\$383,208
65612	4	Upgrade of Business Enterprise Software (PeopleSoft)	-	\$50,000	-	\$50,000	\$50,000	-	\$150,000
56137	7	Upgrade Desktop Operating Systems and Office	-	-	\$50,000	-	-	-	\$50,000
Total - Support Services Fund			\$450,173	\$189,000	\$418,000	\$155,000	\$231,000	\$123,000	\$1,566,173
Total - Finance			\$2,316,301	\$387,000	\$961,500	\$768,000	\$492,000	\$811,000	\$5,735,801

Total FY 2004-2005 through FY 2008-2009 \$3,419,500
 Total # of Projects 11

Information Technology Division, F&AS Department

The Information Technology division of the Finance & Administrative Services Department manages the information technology infrastructure and services of the agency. All projects throughout the agency related

to information technology, regardless of funding source, are grouped in this section of the CIP.

Overview of Projects

Two projects are related to maintenance of the network: Upgrade Network Infrastructure and Server Management. Both projects enable the department to maintain the computer infrastructure that is used by the entire agency by upgrading or replacing equipment and software. These changes are necessary to meet agency performance demands for daily operations.

The PeopleSoft financial and human resource systems are upgraded periodically as new versions of the software are released. This CIP anticipates periodic software upgrades enabling these systems to work more efficiently and to stay current with technology advancements in this area.

Two other projects call for planned upgrades to both the Regional Land Information System (RLIS) and the Travel Forecasting System. These projects are budgeted in the Planning Fund.

The remaining project, Replace/Acquire Desktop Computers, is a continuation of reporting the replacement costs of the agency for desktop computers. The annual amounts included in this project represent a three-year replacement cycle for all desktop systems. Costs are budgeted throughout the agency, but all purchases are coordinated by Information Technology.

The adopted CIP also includes ten projects on the unfunded list. Seven of the ten projects provide for new or greatly expanded information technology applications. Two projects provide for the upgrade or replacement of

the Oregon Zoo's outdated network equipment and infrastructure. The final project provides for the replacement of the specialized HVAC system in the Metro Regional Center's main computer room. The projects included on this list have been recognized as of benefit to the agency; however, funding has not yet been identified.

Major Changes from the FY 2003-04 through FY 2007-08 CIP

The FY 2004-05 through FY 2008-09 CIP includes seven projects, for a total of about \$2.2 million. This is a decrease of slightly over \$700,000 from last year's adopted CIP. There are a variety of project changes that contribute to the net decrease.

One project – the PeopleSoft Database Conversion – was completed in FY 2002-03 well ahead of the originally planned FY 2003-04 completion date. Also, the Solid Waste Database Consolidation project planned for FY 2003-04 was canceled. However, the single largest change is the elimination of the project to implement new enterprise application (PeopleSoft) software. The implementation of additional new financial management software modules (e.g., fixed asset management, time and labor) was considered of lower priority, and funds reserved for this project were redirected to projects with a higher need. This project has now been moved to the unfunded list.

All other projects are of an ongoing or recurring nature. Replacement or upgrade of information technology hardware is proposed according to the existing replacement schedule, usually 3-5 years. Each year as the projects are updated costs may increase or decrease depending on the replacement cycle. Historically, the Travel Forecasting computer system was replaced every three years, financed with 5-year capital leases. The department has now developed a replacement schedule which allows for replacement of components as needed. The development of reserves allows for an annual pay-as-you-go financing structure. In addition, IT reevaluated the estimated annual cost for replacement and/or acquisition of desktop computers and lowered the cost by \$35,000.

Project Funding

Historically, large projects included for the Planning Fund were financed through capital leases. Grants and other resources in the Planning Fund provided the resources to cover the debt service. However, a re-evaluation of replacement schedules now allows for expenses related to both the Travel Forecasting and the Regional Land Information System to be financed on a pay-as-you-go basis. Costs are passed along to the users of the system through computer billing charges.

The FY 2004-05 budget established, for the first time, a renewal and replacement reserve for information technology projects. The reserve was seeded with discretionary fund balance that has accumulated over a period of years from the Contractor’s License program. Annual contributions to the reserve will be made from allocations to departments through the cost allocation plan (estimated at \$150,000 annually), and from profits of the Contractor’s License program (annual estimate of \$50,000). Ongoing replacement projects approved in the capital improvement plan will be funded from this reserve.

Major Funding Source Detail

Information Technology

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Fund Balance - Capital Reserve	\$185,902	-	-	-	\$50,000	-
Other - Cost Allocation Plan	\$287,000	\$189,000	\$418,000	\$155,000	\$231,000	\$123,000
Other	\$430,058	\$162,000	\$257,500	\$312,000	\$175,000	\$197,000
Other Capital Lease	\$1,263,341	-	-	-	-	-
Total - Finance	\$2,266,301	\$351,000	\$675,500	\$467,000	\$456,000	\$320,000

**Property Services
Division,
F&AS Department**

The Property Services Division of the Finance & Administrative Services Department is responsible for the operations and maintenance of the Metro Regional Center, the attached parking garage, and the

operation of the print shop at Metro.

Overview of Projects

There are four CIP projects included in the Property Services Division this year. The first of the four projects is for the replacement of the carpet at the Metro Regional Center. The current carpet has been in place since 1993, and is showing signs of wear in the higher traffic areas. The replacement of the carpet will be done over a three-year period and is to be funded out of a Renewal and Replacement Reserve in the General Revenue Bond Fund.

Replacement of the roof at the Metro Regional Center is a project that was added to the CIP last year. The roof is currently ten years old and has an estimated life of twenty years. Although the anticipated replacement of the roof falls outside the five-year window of the CIP, it is included in the 2008-09 fiscal year because it is such a large project and will require replenishing the Renewal and Replacement Reserve to fund it. Beginning in FY 2004-05, the replenishment of the reserve is included in the budget.

The replacement of the copiers in the Print Shop is an ongoing project and represents the routine replacement of equipment that is nearing the end of its useful life. Replacement of these copiers is charged to the departments that use the Print Shop's services through the agency's central service cost allocation plan.

The final project in the Property Services Division for this year's CIP is the replacement of satellite copiers. These copiers are located throughout the Metro Regional Center and are used by all of the Departments in the building. Although satellite copier replacement is ongoing, this project is included because it represents a change in the technology. New copiers that are able to print, fax, and scan, in addition to copy, operate at a much lower cost-per-page than the printers currently being used in the departments. Replacement of these copiers is funded by charging the departments that use them through the agency's central service cost allocation plan.

Major Changes from FY 2003-04 through FY 2007-08 CIP

Prior years' CIPs included a project for partial carpet replacement at the Metro Regional Center. This is the first CIP to include the complete carpet replacement. The complete carpet replacement was decided on for reasons of aesthetics and for safety.

This is the first CIP to include the satellite copier replacement project. Although copier replacement is ongoing, this represents a change in the technology.

Major Funding Source Detail

Property Services

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Fund Balance - Capital Reserve	-	-	\$250,000	\$200,000	-	\$455,000
Other - Cost Allocation Plan	\$50,000	\$36,000	\$36,000	\$101,000	\$36,000	\$36,000
Total - Finance	\$50,000	\$36,000	\$286,000	\$301,000	\$36,000	\$491,000



METRO

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**Metro Exposition-
Recreation
Commission**

Total Projects Summary—By Year

Metro Exposition-Recreation Commission

Project No.	Priority		Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
MERC Pooled Capital Fund									
57300	1	ASCH - West Entry Remodel	\$200,000	\$180,000	-	-	-	-	\$380,000
57420	2	ASCH - Carpet	-	\$300,000	-	-	-	-	\$300,000
57310	3	ASCH - Main Street Tents	-	\$400,000	-	-	-	-	\$400,000
TEMP115	4	ASCH - Dressing Tower Elevator	-	-	-	\$100,000	-	-	\$100,000
TEMP32	5	ASCH - Fore Stage Lift Replacement	-	-	-	-	-	\$80,000	\$80,000
TEMP31	6	ASCH - Sound System Replacement	-	-	-	-	-	\$100,000	\$100,000
Total - MERC Pooled Capital Fund			\$200,000	\$880,000	-	\$100,000	-	\$180,000	\$1,360,000
MERC Pooled Capital Fund									
57110	1	Keller Auditorium - Portico Upgrades	\$110,000	\$95,000	-	-	-	-	\$205,000
TEMP136	2	Keller - Pit Lifting System	-	\$100,000	-	-	-	-	\$100,000
57108	3	Keller Auditorium - Lobbies Upgrade	\$406,000	\$40,000	-	-	-	-	\$446,000
TEMP116	4	Keller - ASCH Fire Alarm Upgrade	-	-	-	\$150,000	-	-	\$150,000
TEMP118	5	Keller - Roof Replacement	-	-	-	-	\$175,000	-	\$175,000
Total - MERC Pooled Capital Fund			\$516,000	\$235,000	-	\$150,000	\$175,000	-	\$1,076,000
MERC Pooled Capital Fund									
57165	1	NTB (Winningstad) - Replace Seat Risers	-	\$100,000	-	-	-	-	\$100,000
TEMP43	2	NTB - Stage Floor Replacement (Newmark Theatre)	-	-	\$100,000	-	-	-	\$100,000
TEMP119	3	NTB - Interior Painting	-	-	\$300,000	-	-	-	\$300,000
Total - MERC Pooled Capital Fund			-	\$100,000	\$400,000	-	-	-	\$500,000
MERC Pooled Capital Fund									
57600	1	Oregon Convention Center - Expansion	\$116,573,698	\$450,000	-	-	-	-	\$117,023,698
TEMP170	2	OCC - Replace Sound Proofing in Oregon Ballroom	-	\$55,000	-	-	-	-	\$55,000
57740	3	OCC - Video Signage System	-	\$266,750	-	-	-	-	\$266,750
TEMP113	4	OCC - Garbage Compactors	-	-	\$70,000	-	-	-	\$70,000
TEMP165	5	OCC - Replace Glass in Exterior Canopies in MLK &	-	-	\$65,000	-	-	-	\$65,000
TEMP112	6	OCC - Six Foot Round Tables	-	-	-	\$150,000	-	-	\$150,000
TEMP166	7	OCC - Resurface Exhibit Hall Moveable Partitions	-	-	-	-	\$150,000	-	\$150,000
Total - MERC Pooled Capital Fund			\$116,573,698	\$771,750	\$135,000	\$150,000	\$150,000	-	\$117,780,448
MERC Pooled Capital Fund									
57025	1	Expo - Parking Lot Maintenance	\$40,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$290,000
Temp183	2	Expo - In-House Electrical	-	\$750,000	-	-	-	-	\$750,000
Total - MERC Pooled Capital Fund			\$40,000	\$800,000	\$50,000	\$50,000	\$50,000	\$50,000	\$1,040,000
Total - Metro Exposition-Recreation Commission			\$117,329,698	\$2,786,750	\$585,000	\$450,000	\$375,000	\$230,000	\$121,756,448

Total FY 2004-2005 through FY 2008-2009 \$2,786,750
 Total # of Projects 23

Metro Exposition-Recreation Commission

The Metropolitan Exposition-Recreation Commission (MERC) manages the operations of the Oregon Convention Center (OCC) and the Portland Exposition Center (Expo) for Metro. The Portland Center for the Performing Arts

(PCPA) is managed by Metro, through an intergovernmental agreement with the City of Portland that owns this facility. The PCPA facilities are: Arlene Schnitzer Concert Hall (ASCH); Keller Auditorium; and New Theatre Building (NTB), which houses the Winningstad and Newmark theaters.

Overview of Projects

The Oregon Convention Center Expansion was completed in April 2003. This five-year plan turns its focus to capital renewal and replacement to ensure the continuation of attractive public facilities.

Funding for projects in the last several years has been from bond proceeds. Beginning in FY 2004-05, PCPA projects will be funded by drawing on the \$3.5 million in donated capital held in trust for PCPA improvements.

Major Changes from the FY 2003-04 through FY 2007-08 CIP

The Oregon Convention Center Expansion project, along with the upgrading of the current facility, completed much of OCC's ongoing renewal and replacement projects. This CIP marks the beginning of a new renewal and replacement cycle on the renovated facility.

One of the two previously approved projects, OCC—Six-Foot Round Tables, is moved out two years, and the estimated cost is increased based on the anticipated need for additional tables.

Four of the five new projects, spread over the five-year CIP window, reflect MERC's stated renewal and replacement focus. Those projects are:

- Replace Sound Proofing in Oregon Ballroom, 2004-2005
- Replace Glass in Exterior Canopies, 2005-2006

- Replace Tables in Inventory, 2006-2007
- Resurface Exhibit Hall Movable Partitions, 2007-2008

The new Video Signage System project included for OCC is expected to generate additional revenue, as well as offering an additional amenity to the users of this facility.

In addition to completing the Convention Center Expansion, other projects scheduled for completion in FY 2002-03 that benefited both the new addition and the existing facility were completed either inside the larger project or separately. They include the following: Boiler, Energy System Upgrade, Security System, Systems Upgrade and Expansion, Primary Power Feed, Concession and Kitchen Tenant Improvements, and Cooling Water System.

OCC has eight projects totaling \$2.2 million on the unfunded list.

In FY 2004-05, PCPA begins expending the funds donated in previous years for naming rights of facilities. In prior years, MERC has experienced difficulties in working projects into the busy schedules of the PCPA facilities. This year's CIP reflects a revised schedule for many projects to accommodate those scheduling issues. The following ten projects are delayed from original completion dates. The total expected cost of one of those projects, ASCH—Fore Stage Lift Replacement, was reduced from \$500,00 to \$80,000, as the lift will be repaired rather than replaced. Projects with changed completion dates:

- ASCH—Fore Stage Lift Replacement, from FY 2006-07 to 2008-09
- ASCH—Sound System Replacement, from FY 2004-05 to 2008-09
- ASCH—Dressing Tower Elevator, from FY 2004-05 to 2006-07
- ASCH—Carpet, from FY 2002-03 to 2004-05
- ASCH—Main Street Tent, from FY 2002-03 to 2004-05
- Keller-ASCH—Fire Alarm Upgrade, from FY 2005-06 to 2006-07
- Keller—Roof Replacement, from FY 2004-05 to 2007-08
- Keller—Pit Lifting System, from FY 2002-03 to 2004-05
- NTB—Stage Floor (Newmark), from FY 2003-04 to 2005-06
- NTB (Winningstad)—Replace Seat Risers, from FY 2002-03 to 2004-05
- NTB—Interior Painting, from FY 2006-07 to FY 2005-06

Two PCPA projects were completed as scheduled: Keller–Elevator Code Compliance and NTB–Carpet Replacement.

PCPA has nine unfunded projects totaling \$2.8 million.

The largest new, identified, single project is the Expo project to realign the South Access Drive, creating 400 more parking spaces expected to generate an additional \$96,000 in annual revenue. This project is added to the unfunded list. Also included on the unfunded list is the replacement of Halls A, B, and C. Expo is currently completing a feasibility study of the newly proposed In-House Electrical project, which will replace outdated electrical service for shows. The project to replace Expo's bleachers has been deferred.

Fund Balance Projections

The OCC and Expo projects are primarily funded on a pay-as-you-go basis from operations. A one-time expenditure of TriMet money paid for the parking lot at Expo is the exception. The PCPA's funding is a combination

of contributions from the City of Portland and a drawdown of the approximately \$3.5 million balance held by the Oregon Community Foundation. All CIP projects are budgeted in the MERC Pooled Capital Fund. This analysis looks at the ability of the facilities to transfer funds to the Pooled Capital Fund to pay for proposed expenditures.

As noted in the five-year forecast, OCC does not have sufficient funding in the final two years of the forecast for the proposed project. At the current level of forecasted funding, OCC reaches a negative fund balance by the end of FY 2007-08. While the projects proposed for the five years of the CIP are relatively small on a yearly basis, they constitute a draw of approximately \$500,000 over the five-year CIP window.

Expo's five year forecast indicates a slow build-up of fund balance after paying for planned projects.

Funding for the PCPA projects is derived from prior year naming rights sales and do not impact operational cash flow.

Cumulative Net Impact on Operating Costs

Metro Exposition-Recreation Commission

Annual Net Impact on Operating Costs	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Revenues	\$7,270,500	\$7,275,000	\$7,302,000	\$7,311,000	\$7,324,500
Personal Services	\$3,244,500	\$3,244,500	\$3,244,500	\$3,244,500	\$3,244,500
Materials and Services	\$4,144,643	\$4,156,643	\$4,156,643	\$4,156,643	\$4,156,643
Total Expenditures	\$7,389,143	\$7,401,143	\$7,401,143	\$7,401,143	\$7,401,143
Net Contribution (Cost) Metro Exposition-Recreation	(\$118,643)	(\$126,143)	(\$99,143)	(\$90,143)	(\$76,643)

Major Funding Source Detail

Metro Exposition-Recreation Commission

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Donations	\$110,000	\$895,000	\$400,000	\$150,000	\$175,000	\$100,000
Other - City of Portland	\$606,000	\$220,000	-	\$100,000	-	\$80,000
Donations - MERC	-	\$188,000	-	-	-	-
Fund Balance - Capital Reserve	\$5,340,000	\$1,033,750	\$185,000	\$200,000	\$200,000	\$50,000
Intergov Rev - COP	\$100,796,809	\$450,000	-	-	-	-
Intergov Rev - PDC	\$4,968,141	-	-	-	-	-
Multnomah County	\$710,726	-	-	-	-	-
Other	\$4,798,022	-	-	-	-	-
Total - Metro Exposition-Recreation Commission	\$117,329,698	\$2,786,750	\$585,000	\$450,000	\$375,000	\$230,000

**5 Year Financial Forecast Total MERC
as of October, 2003**

MERC Operating Fund	2003-04		Projections				
	Adopted	Est. Actual	2004-05	2005-06	2006-07	2007-08	2008-09
<i>Estimated Beginning Fund Balance</i>	\$9,986,094	\$9,787,303	\$10,806,747	\$9,722,877	\$8,466,195	\$6,660,909	\$4,773,695
Projected Operating Revenues	\$34,254,811	\$32,494,173	\$31,296,564	\$31,915,428	\$31,942,624	\$32,515,960	\$33,100,105
Less Operating Expenditures	(\$35,141,609)	(\$31,474,730)	(\$32,380,434)	(\$33,172,110)	(\$33,747,910)	(\$34,403,174)	(\$34,892,733)
Ending Fund Balance Prior to CIP	\$9,099,296	\$10,806,746	\$9,722,877	\$8,466,195	\$6,660,909	\$4,773,695	\$2,981,067
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	\$9,099,296	\$10,806,746	\$9,722,877	\$8,466,195	\$6,660,909	\$4,773,695	\$2,981,067

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

**5 Year Financial Forecast OCC Only
as of October, 2003**

MERC Operating Fund	2003-04		Projections				
	Adopted	Est. Actual	2004-05	2005-06	2006-07	2007-08	2008-09
<i>Estimated Beginning Fund Balance</i>	\$4,485,334	\$4,176,519	\$4,328,256	\$3,585,658	\$2,671,003	\$1,174,201	(\$401,268)
Projected Operating Revenues	\$19,298,410	\$17,734,961	\$17,453,261	\$17,806,279	\$17,564,495	\$17,863,597	\$18,168,157
Less Operating Expenditures	(\$20,645,856)	(\$17,583,224)	(\$18,195,859)	(\$18,720,934)	(\$19,061,297)	(\$19,439,066)	(\$19,674,391)
Ending Fund Balance Prior to CIP	\$3,137,888	\$4,328,256	\$3,585,658	\$2,671,003	\$1,174,201	(\$401,268)	(\$1,907,502)
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	\$3,137,888	\$4,328,256	\$3,585,658	\$2,671,003	\$1,174,201	(\$401,268)	(\$1,907,502)

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



METRO

PEOPLE PLACES
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Oregon Zoo

Total Projects Summary—By Year

Oregon Zoo

Project No.	Priority		Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
General Revenue Bond Fund (Zoo)									
TEMP188	15	Washington Park Parking Lot Renovation	\$4,376,576	\$178,988	-	-	-	-	\$4,555,564
Total - General Revenue Bond Fund (Zoo)			\$4,376,576	\$178,988	-	-	-	-	\$4,555,564
Zoo Capital Projects Fund									
512151	1	Introduction to the Forest & Remote Forest (GNW IV)	-	\$2,200,000	-	\$2,500,000	-	-	\$4,700,000
ZOO2	2	Lion Exhibit	-	-	\$1,900,000	-	-	-	\$1,900,000
ZCON	3	California Condor Captive Breeding Facility	\$1,200,000	\$800,000	\$1,000,000	-	-	-	\$3,000,000
TEMP9	4	Refurbish Tree Tops Area	-	-	\$400,000	-	-	-	\$400,000
Z004	6	Insect Zoo	-	-	-	\$250,000	-	-	\$250,000
ZOO5	7	Primate Building	\$724,414	-	-	-	\$500,000	\$500,000	\$1,724,414
TEMP122	8	Admission Ticketing System Upgrade	-	-	\$200,000	-	-	-	\$200,000
TEMP15	9	Steller Cove Upgrades	-	-	\$100,000	-	-	-	\$100,000
TEMP121	10	AfriCafe Terrace Permanent Cover	-	-	-	\$100,000	-	-	\$100,000
TEMP13	11	Administration Building Upgrades	-	-	-	-	\$135,000	-	\$135,000
TEMP123	12	Cascade Grill and Sunset Room Remodel	-	-	-	-	\$100,000	-	\$100,000
TEMP120	13	Elephant Museum renovation	-	-	-	-	-	\$100,000	\$100,000
Total - Zoo Capital Projects Fund			\$1,924,414	\$3,000,000	\$3,600,000	\$2,850,000	\$735,000	\$600,000	\$12,709,414
Zoo Operating Fund									
TEMP92	14	Elevator Replacements	-	-	-	\$90,000	-	-	\$90,000
Total - Zoo Operating Fund			-	-	-	\$90,000	-	-	\$90,000
Total - Oregon Zoo			\$6,300,990	\$3,178,988	\$3,600,000	\$2,940,000	\$735,000	\$600,000	\$17,354,978

Total FY 2004-2005 through FY 2008-2009: \$17,354,978
 Total # of projects: 14

Oregon Zoo

There is a wide variety of capital projects for the Oregon Zoo in this CIP. There is a mix of new facility construction projects like the Phase V of the Great Northwest Project, and renewal and replacement projects such as

the upgrades to Steller Cove. The preceding summary table lists each capital project by fiscal year.

Overview of Projects

The single largest project at the Zoo is the \$40 million Great Northwest Project (formerly called the Oregon Project). The overall project is funded by a \$28.8 million bond measure approved by the region's voters in September 1996. A transfer of \$2.8 million from the Zoo Operating Fund, another \$5 million in donations, and \$3.4 million in interest earnings supply the additional funding needed. The first major phase of the project opened in September 1998 with the new entrance facilities and the mountain goat exhibit. Other phases include the Steller Cove and the Eagle Canyon exhibits. Phase V of the Great Northwest project is the "Introduction to the Forest and Remote Forest," which is scheduled to continue into FY 2006-07.

Other projects are planned to rehabilitate existing facilities, such as the Primate Facility, the Tree Tops area of the Africa exhibit, and the Elephant Facility. New facilities include the Lion Exhibit and the Condor Creek Conservation Facility. There is also an elevator project to maintain the facilities and ensure employee safety, and a new project to make parking lot improvements using funds remaining from the parking lot remodel that was done in conjunction with Westside MAX and the opening of the Great Northwest. The Washington Park parking lot renovation was completed several years ago; the residual funding is available for debt reduction or parking lot improvements.

Major Changes from the FY 2003-04 through FY 2007-08 CIP

The Great Northwest Project has expanded due to higher than anticipated interest earnings over the last two years, coupled with an additional \$2.5 million in contributions. This enables the project managers to add enhancements to the exhibit that were set aside due to funding constraints.

The Zoo was chosen to join the California Condor Recovery Team. The construction of a breeding facility to enable the Zoo to participate in this project began in 2003; six pairs of birds arrived in November 2003 and have already produced the first California Condor chick in Oregon in 100 years. Later phases are for construction of additional breeding facilities and a flight cage at the Condor Creek Conservation Facility, and for an exhibit of a nonbreeding pair at the Zoo.

A number of Zoo projects that were in last year's CIP have been moved to the unfunded list, due to a shortage of funds to pay for them. See the Unfunded List for details. One new project, the Insect Zoo, has been added. This project replaces a small building that has reached the end of its useful life, and will be funded by donations.

Fund Balance Projections

With the exception of the Great Northwest Project, projects will be financed largely by donations and fund balance remaining from prior years' transfers from the Zoo Operating Fund. Based on the financial projections, the fund balance in the operating fund is adequate to finance these capital projects. This was achieved by moving many projects to the unfunded list. In addition to these unfunded projects, the Zoo has an outdated information technology system (see Information Technology). Funding for future renewal and replacement needs remains problematic, requiring additional revenue beyond what is anticipated in the five-year projection.

Cumulative Net Impact on Operating Costs

Oregon Zoo

Annual Net Impact on Operating Costs	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Revenues	-	-	\$25,000	\$50,000	\$75,000
Personal Services	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Materials and Services	\$10,000	\$10,000	\$30,000	\$30,000	\$30,000
Total Expenditures	\$135,000	\$135,000	\$155,000	\$155,000	\$155,000
Net Contribution (Cost) Oregon Zoo	(\$135,000)	(\$135,000)	(\$130,000)	(\$105,000)	(\$80,000)

Major Funding Source Detail

Oregon Zoo

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Donations	\$1,200,000	\$1,100,000	\$2,900,000	\$2,750,000	\$500,000	\$600,000
Fund Balance - Capital Reserve	\$724,414	\$1,852,000	\$700,000	\$190,000	\$235,000	-
Other	\$4,376,576	\$178,988	-	-	-	-
Other - Interest Earnings	-	\$48,000	-	-	-	-
Total - Oregon Zoo	\$6,300,990	\$3,178,988	\$3,600,000	\$2,940,000	\$735,000	\$600,000

**Five-Year Financial Forecast
as of March 2004**

Zoo Operating Fund	2003-04		Projections				
	Adopted	Est. Actual	2004-05	2005-06	2006-07	2007-08	2008-09
<i>Estimated Beginning Fund Balance</i>	\$5,202,233	\$5,902,342	\$6,005,062	\$6,032,095	\$6,052,857	\$5,813,317	\$5,296,588
Projected Current Revenues	\$23,302,316	\$21,871,793	\$24,038,921	\$24,530,000	\$25,114,000	\$25,706,000	\$26,310,000
Less Operating Expenditures	(\$24,253,312)	(\$21,769,073)	(\$25,011,888)	(\$24,509,238)	(\$25,353,540)	(\$26,222,729)	(\$27,122,827)
Ending Fund Balance Prior to CIP	\$4,251,237	\$6,005,062	\$5,032,095	\$6,052,857	\$5,813,317	\$5,296,588	\$4,483,761
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$4,251,237</i>	<i>\$6,005,062</i>	<i>\$5,032,095</i>	<i>\$6,052,857</i>	<i>\$5,813,317</i>	<i>\$5,296,588</i>	<i>\$4,483,761</i>
Ending Fund Balance Breakdown							
Reserves	\$0	\$550,000	\$550,000	\$4,321,000	\$4,356,000	\$4,392,000	\$4,429,000
Unrestricted Fund Balance	\$4,251,237	\$5,455,062	\$4,482,095	\$1,731,857	\$1,457,317	\$904,588	\$54,761

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

**Five-Year Financial Forecast
as of March 2004**

Zoo Capital Fund	2003-04		Projections				
	Adopted	Estimated	2004-05	2005-06	2006-07	2007-08	2008-09
<i>Estimated Beginning Fund Balance</i>	\$6,110,661	\$6,407,567	\$3,698,288	\$1,779,281	\$1,028,076	\$860,961	\$552,740
Projected Revenues	\$2,122,213	\$1,330,402	\$1,155,474	\$2,927,000	\$2,765,000	\$513,000	\$508,000
Less Operating Expenditures	\$596,819	\$96,819	\$574,481	\$328,205	\$332,115	\$336,221	\$340,532
Ending Fund Balance Prior to CIP	\$7,636,055	\$7,641,150	\$4,279,281	\$4,378,076	\$3,460,961	\$1,037,740	\$720,208
Proposed Capital Projects	(\$4,742,862)	(\$3,942,862)	(\$3,000,000)	(\$3,600,000)	(\$2,850,000)	(\$735,000)	(\$600,000)
<i>Ending Fund Balance After CIP</i>	<i>\$2,893,193</i>	<i>\$3,698,288</i>	<i>\$1,279,281</i>	<i>\$778,076</i>	<i>\$610,961</i>	<i>\$302,740</i>	<i>\$120,208</i>

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



METRO

PEOPLE PLACES
OPEN SPACES

**Planning
Department**

Planning Department

The Planning Department serves as the metropolitan region's transportation planning organization and is responsible for urban growth management and land use planning. The Technical Service division of the department

consists of two sections – Travel Forecasting and the Data Resource Center.

The work performed by the Travel Forecasting Section provides the base data used by Metro and local jurisdictions in the region for developing transportation alternatives. The department uses a sophisticated system of interconnected servers and workstations for the development and application of travel demand forecasting models. In FY 2001-02, the department replaced the existing computer system with a new, more powerful modeling system called TRANsportation SIMulationS (TRANSIMS). This travel modeling system requires very large amounts of processing power. The financing mechanism for the project was a three-year internal loan from a Metro department. The department plans to replace components of this system every year, with a replacement schedule ranging from two to three years, depending on the component. Historically, large capital computer purchases for the Planning Department have been financed with three-year capital leases or loans. However, beginning in FY 2003-04, the department is attempting to fund a capital replacement reserve. The reserve, if fully funded, would finance the component purchases, with the department replenishing the reserve over the life of the equipment. Debt or reserve payments are allocated to users and individual projects through a billing system. Approximately 9 percent of the annual payments are funded with excise tax.

The Data Resource Center operates a network of computers to provide the forecasting, mapping and decision-making tools needed for Metro departments, local governments and private-sector subscribers. The Regional Land Information System (RLIS) is the heart of the planning and mapping services provided by Metro. This technology supports the enterprise applications of the Geographic Information System (GIS). To keep up with the demand for sophisticated land-use planning tools, the department replaces

portions of the RLIS system each year. The replacement schedule covers GIS work stations, plotters, specialized printers, etc., and may include some network infrastructure items as needed to support high end data exchanges between the Data Resource Center and Metro partners. All costs are allocated to the users and contracting agencies through a billing system. Historically, approximately 31 percent is funded with excise tax.

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

**Regional Parks
& Greenspaces
Department**

Total Projects Summary—By Year

Regional Parks and Greenspaces

Project No.	Priority		Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
Open Spaces Fund									
TEMP4	1	Open Spaces Land Acquisition	\$126,538,978	\$3,096,940	-	-	-	-	\$129,635,918
Total - Open Spaces Fund			\$126,538,978	\$3,096,940	-	-	-	-	\$129,635,918
Regional Parks Capital Fund									
70170	1	M. James Gleason Boat Ramp Renovation Phase I & II	\$756,540	\$300,000	\$9,000	\$600,000	\$6,000	-	\$1,671,540
70180	2	Oxbow Park - Picnic Shelters & Restrooms	\$380,000	\$30,000	-	-	-	-	\$410,000
70167	3	Blue Lake Park - Lakefront Enhancement	\$213,884	\$25,000	-	-	-	-	\$238,884
TEMP187	4	Mt. Talbert Development	-	\$150,000	\$1,341,600	-	-	-	\$1,491,600
TEMP184	5	Wilsonville Tract Development	-	\$75,000	\$825,000	\$684,750	-	-	\$1,584,750
TEMP185	6	Cooper Mountain Park Development	-	-	-	\$150,000	\$650,000	\$780,000	\$1,580,000
TEMP146	7	Three Bridges on the Springwater	-	-	\$4,691,000	-	-	-	\$4,691,000
TEMP99	8	Trolley Trail Engineering & Construction - Phase I	-	-	\$342,209	\$673,750	-	-	\$1,015,959
TEMP191	9	Glendoveer Golf Course Fence Repair	-	\$90,000	-	-	-	-	\$90,000
TEMP193	10	Gales Creek/Tualatin River Confluence Project	-	\$367,740	-	-	-	-	\$367,740
TEMP190	11	Road Resurfacing	-	\$255,000	-	-	-	-	\$255,000
TEMP148	12	Water Play Area - Blue Lake Park	-	\$140,000	-	-	-	-	\$140,000
TEMP147	13	M James Gleason Boat Ramp - Phase III	-	-	-	-	-	\$700,000	\$700,000
Total - Regional Parks Capital Fund			\$1,350,424	\$1,432,740	\$7,208,809	\$2,108,500	\$656,000	\$1,480,000	\$14,236,473
Smith and Bybee Lakes Fund									
71780	1	Smith & Bybee Lakes Facility Improvements	\$103,250	\$801,349	-	-	-	-	\$904,599
Total - Smith and Bybee Lakes Fund			\$103,250	\$801,349	-	-	-	-	\$904,599
Total - Regional Parks and Greenspaces			\$127,992,652	\$5,331,029	\$7,208,809	\$2,108,500	\$656,000	\$1,480,000	\$144,776,990

Total FY 2004-2005 through FY 2008-2009 \$16,784,338
 Total # of Projects 15

Regional Parks & Greenspaces Department

the Open Spaces Program) include:

Regional Parks and Facilities

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

Natural Areas

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

The department also maintains 14 pioneer cemeteries.

The 15 projects listed in the preceding summary are included in the adopted CIP and eight other projects are included on the department's List of Unfunded Projects. The List of Unfunded Projects addresses those projects that are currently components of existing facility master plans. It also includes an initial estimate for a second phase of acquisition of sites that were not included in the original Open Spaces Bond measure.

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

Overview of Projects

The Open Spaces, Parks and Streams bond measure passed in 1995 provided \$110.4 million for the acquisition of regionally significant open space properties. With the bond funds and the addition of interest earnings, grants and donations, the department has secured approximately 8,000 acres with a value of over \$127 million. It is anticipated that by the end of FY 2004-05, financial resources for regional acquisitions will be substantially depleted and this program will terminate. Acquisitions comprise about 18 percent of the \$16.8 million in Regional Parks' capital expenditures included in the CIP for fiscal years 2004-05 through 2008-09.

Two new trail projects are included in the FY 2004-05 through FY 2008-09 CIP. Both projects are being done in partnership with other local jurisdictions. These projects also receive significant funding through Metro Transportation Improvement Program (MTIP) grant allocations. (The MTIP prioritizes and allocates available federal, state, and local grant funds to projects in the Regional Transportation Plan.) These two projects account for 34 percent of capital expenditures in the five-year CIP.

The FY 2004-05 through FY 2008-09 capital improvement plan also includes three new projects to develop lands purchased under the open spaces, parks and streams bond measure into regional parks accessible to the general public. Funding for these projects will come from an increase in the per ton excise tax levy on solid waste. The funding will provide for the development of four new regional parks built out over an eight-year period (the fourth project begins after the five-year planning window of this CIP). These three projects account for 28 percent of capital expenditures during the five-year period.

Renewal and replacement, capital maintenance, and land restoration projects are included in the CIP if they are over \$50,000. Three new projects in the FY 2004-05 through FY 2008-09 CIP fall into this category. Funding for these projects is from a combination of excise tax provided to the department for renewal and replacement needs or grants received for specific land restoration projects. These three projects account for slightly over four percent of capital expenditures during the five-year period.

The remaining projects are financed, in large part, by specific grants or other intergovernmental revenues associated with individual capital pro-

jects. Additional funding has been provided through the Multnomah County portion of the local share monies from the Open Spaces bond measure.

Major Changes from the FY 2003-04 through FY 2007-08 CIP

The FY 2004-05 through FY 2008-09 CIP includes 15 projects, for a total of \$16.8 million. This is an increase of \$9.3 million from last year's adopted CIP. There are a variety of project changes that contributed to the net increase.

One project is expected to be completed in FY 2003-04—the Smith & Bybee Lakes Dam Removal. One project from last year's CIP, the Oxbow Park Environmental Education Center, has been moved to the unfunded list. Fundraising opportunities for this project were uncertain. The project will be reevaluated at a future time.

Ten projects, totaling slightly over \$11.9 million, are new to the CIP. The majority of funding for these projects, over \$6.7 million, is derived from grants or other intergovernmental revenue. The ten projects include the Trolley Trail, Three Bridges on the Springwater Corridor Trail, the Water Play Area at Blue Lake Park, M. James Gleason Boat Ramp Renovations Phase III, the Mt. Talbert development, the Wilsonville Tract development, the Cooper Mountain Park development, the Glendoveer Golf Course Fence Repair, the Gales Creek/Tualatin River Confluence Restoration, and Road Resurfacing at various regional parks. The two trail projects are being done in partnership with the North Clackamas Parks & Recreation District and the City of Portland, respectively. The restoration project at Gales Creek will be done in partnership with Ducks Unlimited.

The remaining projects are continuations from the previous year's CIP. The Smith & Bybee Lakes Facility Improvements shows a significant increase in total costs of \$209,000, or about 35 percent. The increase reflects additional dedicated funding received in donations and State grants.

Fund Balance Projections

Beginning in FY 2004-05, a Regional Parks Capital Fund was created. All capital improvement projects, as well as all renewal and replacement reserves, will be accounted for in this new fund. CIP projects funded through the Regional Parks Capital Fund during the five-year planning window total \$12.9 million. Federal, state and local grants, or other intergovernmental revenues provide almost \$7.5 million, or 58 percent, of the funding. Another \$4.7 million, or approximately 36 percent, comes from the new excise tax levy on solid waste. Other funding for capital projects comes from the local share portion of the Open Spaces bonds that has been allocated to Multnomah County projects (\$150,000) and dedicated renewal and replacement reserves (\$605,000).

The new excise tax levy will be managed through the Regional Parks Operating Fund. The levy provides not only capital funding, but it also provides for existing operating costs as well as future operating costs associated with the newly developed capital projects. As projects are completed, funding will be transitioned from capital to operations.

The Regional Parks Operating Fund five-year forecast on the last page of this subsection shows the projected fund balance for capital project funding as well as operations (shown in the Unrestricted Fund Balance). The operating impact of the newly developed projects is included in the forecast. The forecast shows a build up of fund balance over the five-year period. The fund balance built up in these years will be used to complete capital development through FY 2011-12. The forecast indicates that funding will be sufficient for both capital development and operations for some time in the future.

Cumulative Net Impact on Operating Costs

Regional Parks and Greenspaces

Annual Net Impact on Operating Costs	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Revenues	\$11,000	\$11,000	\$11,000	\$71,000	\$60,000
Personal Services	-	-	\$82,197	\$252,704	\$259,131
Materials and Services	\$5,840	\$10,960	\$37,483	\$98,155	\$94,283
Other Costs	\$50,373	\$57,889	\$115,016	\$265,342	\$262,667
Total Expenditures	\$56,213	\$68,849	\$234,696	\$616,201	\$616,081
Net Contribution (Cost) Regional Parks and Greenspaces	(\$45,213)	(\$57,849)	(\$223,696)	(\$545,201)	(\$556,081)

Major Funding Source Detail

Regional Parks and Greenspaces

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Donations	\$932,856	\$33,991	-	-	-	-
Excise Tax	-	\$570,000	\$2,166,600	\$834,750	\$650,000	\$780,000
Fund Balance - Capital Reserve	\$50,508	\$23,698	-	-	-	-
Fund Balance - Renewal and Replacement	\$50,573	-	\$9,000	-	\$6,000	\$175,000
G.O. Bonds - Local Share	\$872,656	\$320,749	-	\$80,000	-	-
G.O. Bonds - Open Spaces	\$110,600,000	-	-	-	-	-
Grants	\$141,100	\$371,437	-	-	-	-
Grants - Land & Water Cons. Fund	\$66,000	-	-	-	-	-
Grants - MTIP	-	-	\$4,449,233	\$604,275	-	-
Grants - OR Fish & Wildlife	\$40,000	-	-	-	-	-
Grants - State Marine Board	\$128,937	\$230,000	-	\$520,000	-	\$525,000
Grants - State Parks	\$40,000	\$294,214	-	-	-	-
Interest on Bond	\$14,791,522	\$3,096,940	-	-	-	-
Intergov Rev - Army Corp of Eng.	-	\$50,000	-	-	-	-
Milwaukie	-	-	\$28,000	-	-	-
Multnomah County	\$120,000	-	-	-	-	-
NCPRD	-	-	\$102,209	\$69,475	-	-
Other - GSR Contribution	\$75,000	\$70,000	-	-	-	-
Other - RACC	\$10,000	\$190,000	-	-	-	-
Other - Transfer	-	\$70,000	-	-	-	-
Other Gov Cont	\$73,500	-	-	-	-	-
Port of Portland	-	\$10,000	-	-	-	-
Portland	-	-	\$453,767	-	-	-
Total - Regional Parks and Greenspaces	\$127,992,652	\$5,331,029	\$7,208,809	\$2,108,500	\$656,000	\$1,480,000

**5-Year Financial Forecast
as of February 2004**

Regional Parks Operating Fund	FY 2003-04		Proposed 2004-05	Projections			
	Adopted	Est. Actual		2005-06	2006-07	2007-08	2008-09
<i>Estimated Beginning Fund Balance</i>	\$3,596,309	\$3,612,336	\$3,551,811	\$3,325,477	\$3,567,587	\$4,242,749	\$4,140,653
Projected Operating Revenues	\$7,087,864	\$7,087,864	\$7,961,005	\$9,271,033	\$9,605,282	\$9,693,638	\$9,818,637
Less Operating Expenditures	(\$6,564,534)	(\$6,363,469)	(\$8,187,339)	(\$9,028,923)	(\$8,930,120)	(\$9,795,734)	(\$9,734,628)
Ending Fund Balance Prior to CIP	\$4,119,639	\$4,336,731	\$3,325,477	\$3,567,587	\$4,242,749	\$4,140,653	\$4,224,662
Proposed Capital Projects	(\$898,311)	(\$898,311)	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	\$3,221,328	\$3,438,420	\$3,325,477	\$3,567,587	\$4,242,749	\$4,140,653	\$4,224,662
Ending Fund Balance Breakdown							
Reserves	\$2,163,660	\$2,306,660	\$2,136,660	\$2,136,660	\$2,136,660	\$2,136,660	\$2,136,660
Unrestricted Funds Balance	\$1,057,668	\$1,131,760	\$1,188,817	\$1,430,927	\$2,106,089	\$2,003,993	\$2,088,002

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

**Solid Waste
& Recycling
Department**

Total Projects Summary—By Year

Solid Waste and Recycling

Project No.	Priority		Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
Solid Waste General Account									
76927	1	Metro South- Relocate Latex Paint Operations	-	\$320,000	-	-	-	-	\$320,000
76928	2	Metro South- Latex Building/Public Area Lunch Room	\$10,000	\$50,000	-	-	-	-	\$60,000
76947	3	Metro Central - Expansion of Hazardous Waste Facility	\$47,000	\$150,000	\$150,000	-	-	-	\$347,000
76929	4	Metro South - Install High Capacity Baler	-	\$50,000	\$400,000	\$325,000	-	-	\$775,000
76955	5	Metro Central - Office Addition	-	\$19,000	\$106,000	-	-	-	\$125,000
76954	6	Metro Central - Woodroom Improvements	\$20,000	\$216,000	-	-	-	-	\$236,000
76963	7	Metro Central - Seismic Cleanup	-	\$25,000	\$175,000	-	-	-	\$200,000
76931	8	Metro South - Wood Processing Capacity	-	\$60,000	\$595,000	\$150,000	-	-	\$805,000
TEMP78	9	Metro Central - Chimney Removal	-	-	\$10,000	\$165,000	-	-	\$175,000
TEMP103	10	Metro South- Installation of Compactor for Public	-	-	-	\$200,000	\$680,000	-	\$880,000
TEMP173	11	Metro Central - Install New Scale at Scalehouse "C"	-	-	\$25,000	\$252,000	-	-	\$277,000
TEMP80	12	Metro Central - Rainwater Harvesting	-	-	-	\$310,000	-	-	\$310,000
TEMP175	13	Future Master Facility Plan Improvements	-	-	-	-	\$400,000	\$1,000,000	\$1,400,000
Total - Solid Waste General Account			\$77,000	\$890,000	\$1,461,000	\$1,402,000	\$1,080,000	\$1,000,000	\$5,910,000
Solid Waste Landfill Closure									
76987	1	St. John's - Leachate Pretreatment	\$419,074	\$105,000	-	-	-	-	\$524,074
76984	2	St. John's - Groundwater Monitoring Wells	-	\$200,000	\$10,800	-	-	-	\$210,800
76986	3	St Johns - Perimeter Dike Stabilization and Seepage	\$1,578	\$60,000	\$211,000	\$442,000	\$6,000	\$6,000	\$726,578
76982	4	St. John's - Re-establish Proper Drainage	\$604,482	\$5,000	\$5,000	\$5,000	\$5,000	\$252,000	\$876,482
TEMP101	5	St. John's - Landfill Bridge Repairs	-	-	\$30,000	\$120,000	-	-	\$150,000
TEMP158	6	St. Johns Landfill Remediation	-	-	-	\$500,000	\$500,000	\$500,000	\$1,500,000
76985	7	St. John's - Native Vegetation on the Cover Cap	\$87,752	\$15,000	\$15,000	\$10,000	\$15,000	\$10,000	\$152,752
Total - Solid Waste Landfill Closure			\$1,112,886	\$385,000	\$271,800	\$1,077,000	\$526,000	\$768,000	\$4,140,686
SW Renewal & Replacement Account									
76926	1	Metro South - Convert Mechanical Room to Lockers	\$37,000	\$320,000	-	-	-	-	\$357,000
76961	2	Metro Central - Rebuild Compactor No. 2	-	\$400,000	-	-	-	-	\$400,000
76962	3	Metro Central - Replace Compactor #2 Feed Conveyor	-	\$385,000	-	-	-	-	\$385,000
76930	4	Metro South - Install Sidewalk on Washington Street	-	\$250,000	-	-	-	-	\$250,000
76945	5	Metro Central - Replace Compactor #3 Feed Conveyor	-	\$59,000	\$325,000	-	-	-	\$384,000
76944	6	Metro Central - Woodline	-	-	\$400,000	\$472,000	-	-	\$872,000
76921/76953	7	Replace Computer Network Components	-	-	\$67,000	\$67,000	-	-	\$134,000
TEMP152	8	Metro Central - Truckwash	-	-	\$30,000	\$150,000	-	-	\$180,000
TEMP153	9	Metro South - Compactor Replacement	-	-	-	\$150,000	\$750,000	\$750,000	\$1,650,000
TEMP178	10	Metro South - Repair Commercial Tip Floor	-	-	-	-	\$197,900	-	\$197,900
TEMP155	11	Metro Central-HHW- Ventilation System Replacement	-	-	-	-	-	\$100,000	\$100,000
TEMP157	12	Metro South-Replace Dust Suppression System	-	-	-	-	-	\$50,000	\$50,000
TEMP156	13	Metro South- Replace Ventilation System Components	-	-	-	-	-	\$100,000	\$100,000
Total - SW Renewal & Replacement Account			\$37,000	\$1,414,000	\$822,000	\$839,000	\$947,900	\$1,000,000	\$5,059,900
Total - Solid Waste and Recycling			\$1,226,886	\$2,689,000	\$2,554,800	\$3,318,000	\$2,553,900	\$2,768,000	\$15,110,586

Solid Waste & Recycling Department

The Solid Waste & Recycling Department (SW&R) is responsible for regional solid waste management. The primary goals of the department are:

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

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

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

Overview of Projects

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

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

The projects financed through the Renewal and Replacement Account are replacements of equipment and rehabilitation of facilities needed to realize the optimal lifespans of capital components. Under bond covenants, Metro is required to maintain adequate reserves to finance capital asset replacements. Every three years, the department contracts with an engineering firm to assess the condition of equipment and facilities and calculate annual contribution amounts to the Renewal and Replacement Account. The latest renewal and replacement study was completed in October 2001. This CIP includes the replacement of assets as recommended in that study. With the completion of the update to the Renewal and Replacement Plan, the scope and timeline changed many of the existing projects. A new study will be completed October of 2004.

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

Major Changes from the FY 2003-04 through FY 2007-08 CIP

One large project, the Northern Tip Floor Renovation at Metro South, listed in last year's General Account Capital Reserve, is being completed during FY 2003-04. A new project at Metro Central has been added to improve seismic conditions at that facility. Adjustments to scheduling change the timing of some projects. The total amount dedicated to General Account Capital Reserve projects has declined over \$200,000.

The dollar value of projects in the Renewal and Replacement Account is scheduled to decline by approximately \$1.8 million from the previous CIP, while the number of projects is increasing by three. The dollar value

decline reflects removal from the CIP of the roof replacement project at Metro Central that was completed in FY 2003-04. There are six new projects dealing with the replacement of ventilation, dust suppression, and computer systems, in addition to one that renovates the truck wash at Metro Central.

Two projects funded by the Landfill Closure Account, involving a major phase of the dike stabilization and construction of the maintenance facility at the landfill, have been completed. A new project dealing with landfill remediation requirements is added to the CIP. Metro will be required to undertake remediation projects as a result of the remedial investigation currently underway. This investigation is required by DEQ as part of the closure permit.

Fund Balance Projections

The financing for the above projects is derived from a combination of tip fee contributions and capital reserves. The final table in this section shows the projected fund balance available for capital projects for the fiscal years covered by the CIP. The reserve amounts shown for Capital, Renewal and Replacement, and Landfill Closure are net of the amounts allocated for the capital projects financed from those reserves. The projections currently show that a combination of fund balance and rate support is available to finance all of the department's capital projects.

Cumulative Net Impact on Operating Costs

Solid Waste and Recycling

Annual Net Impact on Operating Costs	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Personal Services	-	\$10,000	\$10,000	\$10,000	\$10,000
Materials and Services	-	\$80,000	\$80,000	\$80,000	\$80,000
Capital Outlay	-	\$10,000	\$10,000	\$10,000	\$10,000
Total Expenditures	-	\$100,000	\$100,000	\$100,000	\$100,000
Net Contribution (Cost) Solid Waste and Recycling	-	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)

Major Funding Source Detail

Solid Waste and Recycling

Major Funding Source Category	Prior Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Fund Balance - Capital Reserve	\$77,000	\$890,000	\$1,461,000	\$1,402,000	\$1,080,000	\$1,000,000
Fund Balance - Landfill Closure	\$1,082,886	\$385,000	\$271,800	\$1,077,000	\$526,000	\$868,000
Fund Balance - Renewal and Replacement	\$37,000	\$1,414,000	\$822,000	\$839,000	\$947,900	\$900,000
Grants	\$30,000	-	-	-	-	-
Other	-	-	-	-	-	-
Total - Solid Waste and Recycling	\$1,226,886	\$2,689,000	\$2,554,800	\$3,318,000	\$2,553,900	\$2,768,000

Five-Year Financial Forecast as of March 2004

Solid Waste Revenue Fund	2003-04		Projections				
	Adopted	Est. Actuals	2004-05	2005-06	2006-07	2007-08	2008-09
Estimated Beginning Fund Balance	\$31,239,138	\$34,800,955	\$29,421,392	\$28,081,165	\$26,386,426	\$24,968,845	\$25,313,295
Projected Operating Revenues	\$50,770,072	\$49,840,182	\$49,690,371	\$51,290,845	\$53,954,899	\$56,265,394	\$56,225,860
Less Operating Expenditures	(62,431,273)	(50,913,145)	(\$48,732,598)	(\$50,536,784)	(\$52,054,480)	(\$53,367,044)	(\$56,704,064)
Ending Fund Balance Prior to CIP	\$19,577,937	\$33,727,992	\$30,379,165	\$28,835,226	\$28,286,845	\$27,867,195	\$24,835,091
Proposed Capital Projects	(\$4,560,600)	(\$4,306,600)	(\$2,298,000)	(\$2,448,800)	(\$3,318,000)	(\$2,553,900)	(\$2,768,000)
Ending Fund Balance after CIP	\$15,017,337	\$29,421,392	\$28,081,165	\$26,386,426	\$24,968,845	\$25,313,295	\$22,067,091
Ending Fund Balance Breakdown							
Debt Service Reserve	\$1,376,733	\$2,486,946	\$3,556,946	\$3,556,947	\$3,556,947	\$4,595,397	\$2,349,000
Renewal & Replacement Reserve	\$0	5,220,866	4,516,881	4,284,062	4,101,485	3,805,990	3,452,666
Capital Reserve	\$3,196,768	3,636,280	2,871,280	1,516,280	1,200,000	1,200,000	1,200,000
Rate Stabilization	\$1,738,898	2,437,070	2,440,971	2,440,971	2,440,971	2,440,971	2,440,971
Working Capital	\$5,759,668	8,169,770	8,169,771	8,169,770	8,169,770	8,169,770	8,169,770
Reserves (Metro Central)	\$2,945,270	0	0	0	0	0	0
Business Assistance Account	\$0	700,000	0	0	0	0	0
Landfill Closure	\$0	6,770,459	6,525,316	6,418,396	5,499,672	5,101,167	4,454,684
Remaining Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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



METRO
PEOPLE PLACES
OPEN SPACES

Unfunded Projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the CIP for one of the following reasons: 1) sufficient funds are not available to finance the pro-

ject, 2) scope of the project requires further definition, or 3) alternatives need to be explored. As funds become available or projects are refined, departments may request their inclusion in the CIP.

Key To Unfunded Lists

Project Title – Name given to project by the department.

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

Prepared By – Department staff person preparing report.

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

Estimated Project Cost – Preliminary estimate of capital costs for the project expressed in 2003 dollars. A blank field here means the cost is unknown.

List of Unfunded Projects

Department

Project Title	Type	Prepared By	Dept Priority	Estimated Cost
Finance				
Information Technology				
Zoo Network Equipment Replacement	New	David Biedermann	High \$	120,000
Zoo Network Infrastructure Upgrade	Expansion	David Biedermann	High \$	233,000
Webcasting of Public Meetings (primarily Metro Council)	New	David Biedermann	Medium \$	100,000
Connect PeopleSoft Accounts Payable and TRIM	New	David Biedermann	Medium \$	100,000
Zoo food cart network integration for central cash management	New	David Biedermann	Medium \$	100,000
Connect MERC Concentrics Event Management System	New	David Biedermann	Medium \$	100,000
Eagle Salmon Infrastructure	New	David Biedermann	Medium \$	116,000
Replace main computer room specialized HVAC systems	Replacement	David Biedermann	Low \$	25,000
Zoo Point of Sales System	Expansion	David Biedermann	Low \$	200,000
Develop Enterprise Business Applications Software	Expansion	David Biedermann	Low \$	434,333
Property Services				
Signs on Metro Regional Center	New	Brian Phillips	Medium \$	65,000
Air Rights (Housing) Project over Metro Parking Garage (no cost to Metro)	New	Brian Phillips	Low \$	25,000,000
Department Total				\$ 26,593,333

Metro Exposition-Recreation Commission

OCC - Finishes in Existing Lobbies and Meeting Rooms	Replacement	Pam Krecklow	High \$	250,000
ASCH - Interior Painting	Replacement	Pam Krecklow	High \$	300,000
Keller Auditorium - Ceiling and Wall Painting	Replacement	Pam Krecklow	High \$	300,000
Expo - Replacement of Halls A,B & C	New	Pam Krecklow	High \$	34,621,000
Expo - South Property Development	New	Marilyn Shaw	High \$	2,000,000
OCC - Chiller Retrofit	Replacement	Pam Krecklow	High \$	500,000
Keller Auditorium - Rehearsal Hall Modernization	Replacement	Pam Krecklow	High \$	700,000
OCC - Volume Air Handler Upgrade	Replacement	Pam Krecklow	High \$	80,000
OCC - Install Electronic Locking System in Meeting & Ballrooms	New	Pam Krecklow	High \$	300,000
OCC - Chiller Room Ventilation	New	Pam Krecklow	High \$	90,000
OCC - Improvements to Existing Administration Area	Replacement	Pam Krecklow	High \$	600,000
OCC - Air Wall Upgrade in Halls A,B & C	Replacement	Pam Krecklow	High \$	200,000
OCC - Lobby Furniture	New	Marilyn Shaw	High \$	150,000
NTB - Restaurant Kitchen	Replacement	Cynthia Hill	High \$	80,000
Keller - HVAC Control	Replacement	Cynthia Hill	High \$	85,000
Keller - Chiller Replacement	Replacement	Cynthia Hill	High \$	200,000
ASCH - Boiler	Replacement	Cynthia Hill	High \$	80,000
NTB - Lobby Bar	New	Cynthia Hill	High \$	85,000
ASCH - Electro-Acoustical Sound Enhancements	New	Marilyn Shaw	Medium \$	1,000,000
Department Total				\$ 41,621,000

List of Unfunded Projects, continued

Department

Project Title	Type	Prepared By	Dept Priority	Estimated Cost
Oregon Zoo				
Asia Exhibit	New	Sarah Chisholm	High	\$ 45,000,000
Masai Hut and Pygmy Goat Barn	Replacement	Sarah Chisholm	Medium	\$ 70,000
Elephant Electrical Upgrades	Replacement	Sarah Chisholm	Medium	\$ 50,000
Asphalt Roads Path Repair and Replacement	Replacement	Sarah Chisholm	Medium	\$ 200,000
Elephant Museum Reroof	Replacement	Sarah Chisholm	Medium	\$ 100,000
BearWalk Café Restroom Upgrades	Replacement	Sarah Chisholm	Medium	\$ 50,000
Elephant Walls/Structural Upgrades	Replacement	Sarah Chisholm	Medium	\$ 100,000
Musk Ox Fencing	Replacement	Sarah Chisholm	Low	\$ 83,500
Wolf Yard Renovations	Replacement	Sarah Chisholm	Low	\$ 75,000
Department Total				\$ 45,728,500
Regional Parks and Greenspaces				
Blue Lake Park Improvements Phase 1	New	Heather Nelson Kent	High	\$ 8,900,000
Open Spaces Land Acquisition - Second Phase	New	Jim Desmond	High	\$ 50,000,000
Blue Lake Park Improvements Phase 2	New	Heather Nelson Kent	Medium	\$ 3,000,000
Oxbow Park - Diack Environmental Education Center	New	Heather Nelson Kent	Medium	\$ 1,767,645
Howell Territorial Park - Wildlife Interpretive Trail	New	Heather Nelson Kent	Low	\$ 172,000
Oxbow Park Capital Improvements	Expansion	Heather Nelson Kent	Low	\$ 3,400,000
Howell Territorial Park - Phase I and II Improvements	Expansion	Heather Nelson Kent	Low	\$ 1,075,000
Blue Lake Park - Eastside Wetlands Enhancement	New	Heather Nelson Kent	Low	\$ 205,000
Department Total				\$ 68,519,645
Grand Total Unfunded Projects				\$ 182,462,478

Current Projects Status Reports

The *Current Projects Status Report* is used to report on the progress toward completion of existing projects and to assist with preparing the CIP. Included are previously approved projects that were expected to be completed by the end of FY 2003-04.

Status reports are grouped by department.

Key to Status Reports

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

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

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

Completion Date. The actual completion date for projects designated as *Completed*, or the expected completion date for projects designated as *Incomplete*. The date listed for canceled projects is the original date projected for completion.

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

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

Expenditures. The total funds expended for the project as of June 30, 2003.

Current Projects Status Report

Department

Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Actual Expend.
Information Technology							
65210	Database Consolidation	2003-04	Canceled	6/1/2004	85,000		
Metro Exposition-Recreation Commission							
TEMP142	PCPA - All Theaters - Power Distribution Panels	2002-03	Complete	7/30/2003	55,000		59,511
TEMP33	ASCH - Balcony Level Safety Railing	2001-02	Complete	12/30/2003	75,000	8,000	6,955
TEMP145	Expo - Canopy and Walkway for Tri - Met Station	2002-03	Complete	6/30/2004	675,000		321,349
Oregon Zoo							
TEMP85	Penguin Filtration Replacement	2001-02	Canceled	6/1/2004	60,000		
TEMP87	Generator Replacement	2001-02	Complete	6/1/2004	50,000	27,500	27,500
TEMP124	Modular Education Classrooms	2003-04	Canceled	6/30/2004	70,000		
TEMP189	Primate HVAC Replacement	2003-04	Complete	6/30/2004	110,000		90,000
Regional Parks and Greenspaces							
70280	Smith & Bybee Lakes Dam Removal	2000-01	Complete	12/31/2003	436,000	494,000	590,770
Solid Waste and Recycling							
76924	Metro South - Northern Tip Floor Renovation	1998/99	Complete	1/31/2004	875,000	1,064,600	1,094,169
76957	Metro Central - Replace Metal Roof and Ventilation System	1998/99	Complete	1/31/2004	1,530,650	1,891,394	1,845,251
76959	Metro Central - Organics Recovery	2002-03	Canceled	9/1/2003	600,000		
76981	St. John's - Maintenance Building	1998-99	Complete	11/1/2003	311,000	408,914	389,886
TEMP176	Metro South - Office and Facilities Improvements	2000-01	Canceled	4/1/2004	647,000	308,000	
TEMP23	Metro South - Replace Metal Siding	2002-03	Canceled	9/1/2003	224,147		

**Capital
Improvement Plan
Appendices**

Capital Asset Management Policies..... H-51

Glossary H-54

Adopting Resolution..... H-55

Capital Asset Management Policies

During the Council's FY 2000-01 budget review process, concern was raised about the lack of comprehensive agency asset management policies. In response to this concern, the Presiding Officer established a Systems

Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations to the Council. The major finding of the task force was a need to have capital management policies for three principal reasons:

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

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

Capital Asset Management Policies

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

ancial planning process and can lead to improvement in bond ratings and lower cost of capital.

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

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

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

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

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

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

Metro. The first year of the adopted CIP shall be included in the Proposed Budget.

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

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

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

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

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

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

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

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

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

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

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

9. Debt (including capital leases) may only be used to finance capital, including land acquisition, not ongoing operations. Projects that are

financed through debt must have a useful service life at least equal to the debt repayment period.

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

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects other legally permissible funding sources, such as systems development charges should be considered.
11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal & Replacement Reserve policy for the asset to ensure resources are adequate to meet future major maintenance needs.

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

Glossary

Capital Improvement Plan (CIP) – The CIP is a long-range plan prepared annually to identify the capital projects to be funded over a five-year period. It identifies each planned project, the year in which it will be started or acquired, the

amount to be expended on the project each year and the proposed method of financing these expenditures. The CIP is reviewed and approved by the Executive Officer and the Council. Projects approved for the first year of the plan become part of the agency's budget for the ensuing year, where they may be modified. Projects in years two through five of the plan are subject to revision in subsequent CIPs.

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

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

CIP Document – The official document presenting Metro's five-year capital improvement plan. It also contains information on Metro's capital funding capacity, an inventory of existing major capital assets, unfunded capital needs and a status report on current capital projects. Like the annual operating budget document, the CIP document is presented to the Council by the Executive Officer for its consideration and adoption. Appropriations for capital projects continue to be made through the annual budget.

Prior CIP – The capital improvement plan for FY 2003-04 through FY 2007-08 adopted by the Metro Council on November 14, 2002.

**Adopting
Resolution**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE
CAPITAL IMPROVEMENT PLAN FOR FISCAL
YEARS 2004-05 THROUGH 2008-09

)
)
)

RESOLUTION NO. 04-3454
Introduced by
Michael Jordan, Chief Operating
Officer with the concurrence of The
President of the Council

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

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

WHEREAS, Metro's Executive Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2004-05 through 2008-09 that projects Metro major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

WHEREAS, The Metro Council has reviewed the FY 2004-05 through FY 2008-09 Capital Improvement Plan; and

WHEREAS, The Council has conducted a public hearing on the FY 2004-05 through FY 2008-09 Capital Improvement Plan; now, therefore

BE IT RESOLVED,

1. That the FY 2004-05 through 2008-09 Capital Improvement Plan, included as Exhibit A to this Resolution, on file at the Metro offices, is hereby adopted.

2. That the FY 2004-05 capital projects from the FY 2004-05 through 2008-09 Capital Improvement Plan be included in the FY 2004-05 budget.

ADOPTED by the Metro Council this 17 day of June 2004.

[Signature]
David Bragdon, Council President

Approved as to Form:

[Signature]
Daniel B. Cooper, Metro Attorney





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Finance and Administrative Services

Priority	Project	Exp thru FY 2002-03	FY 2003-04 Budget	Total Prior Years	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-09	FY 2008-09	Grand Total	Funding Source
Property Services											
Building Management Fund											
2	Metro Regional Center Roof Replacement	-	-	-	-	-	-	-	455,000	455,000	Fund Balance Capital Reserve
3	Carpet Replacement	-	-	-	-	250,000	200,000	50,000	-	500,000	Fund Balance Capital Reserve
	Total Building Management Fund	-	-	-	-	250,000	200,000	50,000	455,000	955,000	
Support Services Fund											
1	Copier Replacement in Print Shop	-	50,000	50,000	-	-	65,000	-	-	115,000	Cost Alloc Plan
4	Satellite copier replacement	-	-	-	36,000	36,000	36,000	36,000	36,000	180,000	Cost Alloc Plan
	Total Support Service Fund	-	50,000	50,000	36,000	36,000	101,000	36,000	36,000	295,000	
	Total Property Services	-	50,000	50,000	36,000	286,000	301,000	86,000	491,000	1,250,000	
Information Technology											
All Funds											
3	Replace/Acquire Desktop Computers	160,237	150,000	310,237	115,000	115,000	115,000	115,000	115,000	885,237	Fund Balance Capital Reserve
	Total All Funds	160,237	150,000	310,237	115,000	115,000	115,000	115,000	115,000	885,237	
Planning Fund											
5	Regional Land Information System (RLIS)	706,025	-	706,025	30,000	20,000	70,000	35,000	25,000	886,025	Capital Lease/Enterprise Rev
6	Travel Forecasting System Computer Replacement	710,666	89,200	799,866	17,000	122,500	127,000	25,000	57,000	1,148,366	Capital Lease/Enterprise Rev
	Total Planning Fund	1,416,691	89,200	1,505,891	47,000	142,500	197,000	60,000	82,000	2,034,391	
Support Services Fund											
1	Server Management	149,965	132,000	281,965	84,000	313,000	80,000	126,000	98,000	982,965	Cost Alloc Plan/Cap. Lease/Cap Res.
2	Upgrade Network Infrastructure	143,208	25,000	168,208	55,000	55,000	25,000	55,000	25,000	383,208	Cost Alloc Plan/Cap. Lease/Cap Res.
4	Upgrade of Business Enterprise Software (PeopleSoft)	-	-	-	50,000	-	50,000	50,000	-	150,000	Cost Alloc Plan
7	Upgrade Desktop Operating Systems and Office Software	-	-	-	-	50,000	-	-	-	50,000	Cost Alloc Plan
	Total Support Services Fund	293,173	157,000	450,173	189,000	418,000	155,000	231,000	123,000	1,566,173	
	Total Information Technology	1,870,101	396,200	2,266,301	351,000	675,500	467,000	406,000	320,000	4,485,801	
	Total Finance and Administrative Services	1,870,101	446,200	2,316,301	387,000	961,500	768,000	492,000	811,000	5,735,801	

Total FY 2004-05 through FY 2008-09 3,419,500
Total Number of Projects 11

Yellow - new projects budgeted to begin in FY 2004-05
 Green - new projects budgeted to begin in FY 2005-06 and beyond

Metro Exposition-Recreation Commission

Priority	Project	Exp thru FY 2002-03	FY 2003-04 Budget	Total Prior Years	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-09	FY 2008-09	Grand Total	Funding Source
MERC Pooled Capital Fund											
1	ASCH - West Entry Remodel	-	200,000	200,000	180,000	-	-	-	-	380,000	City of Portland
2 *	ASCH - Carpet	-	-	-	300,000	-	-	-	-	300,000	Donation
3	ASCH - Main Street Tents	-	-	-	400,000	-	-	-	-	400,000	Donation
4	ASCH - Dressing Tower Elevator	-	-	-	-	-	100,000	-	-	100,000	City of Portland
5	ASCH - Fore Stage Lift Replacement	-	-	-	-	-	-	-	80,000	80,000	City of Portland
6	ASCH - Sound System Replacement	-	-	-	-	-	-	-	100,000	100,000	Donation
	Total MERC Pooled for ASCH	-	200,000	200,000	880,000	-	100,000	-	180,000	1,360,000	
MERC Pooled Capital Fund											
1	Keller - Portico Upgrades	-	110,000	110,000	95,000	-	-	-	-	205,000	Donation
2 *	Keller - Pit Lifting System	-	-	-	100,000	-	-	-	-	100,000	Donation
3	Keller - Lobbies Upgrade	-	406,000	406,000	40,000	-	-	-	-	446,000	Donation
4	Keller - ASCH Fire Alarm Upgrade	-	-	-	-	-	150,000	-	-	150,000	Donation
5	Keller - Roof Replacement	-	-	-	-	-	-	175,000	-	175,000	Donation
	Total MERC Pooled for Keller	-	516,000	516,000	235,000	-	150,000	175,000	-	1,076,000	
MERC Pooled Capital Fund											
1 *	NTB (Winnigstad) - Replace Seat Risers	-	-	-	100,000	-	-	-	-	100,000	Donation
2	NTB - Stage Floor Replacement (Newmark Theatre)	-	-	-	-	100,000	-	-	-	100,000	Donation
3	NTB - Interior Painting	-	-	-	-	300,000	-	-	-	300,000	Donation
	Total MERC Pooled for NTB	-	-	-	100,000	400,000	-	-	-	500,000	
MERC Pooled Capital Fund											
1	OCC - Expansion	114,748,698	1,825,000	116,573,698	450,000	-	-	-	-	117,023,698	Bond/Fund Balance Cap Reserve
2	OCC - Replace Sound Proofing in Oregon Ballroom	-	-	-	55,000	-	-	-	-	55,000	Fund Balance Capital Reserve
3	OCC - Video Signage System	-	-	-	266,750	-	-	-	-	266,750	Fund Balance Capital Reserve
4	OCC - Garbage Compactors	-	-	-	-	70,000	-	-	-	70,000	Fund Balance Capital Reserve
5	OCC - Replace Glass-Ext Canopies, MLK & Holladay	-	-	-	-	65,000	-	-	-	65,000	Fund Balance Capital Reserve
6	OCC - Six Foot Round Tables	-	-	-	-	-	150,000	-	-	150,000	Fund Balance Capital Reserve
7	OCC - Resurface Exhibit Hall Moveable Partitions	-	-	-	-	-	-	150,000	-	150,000	Fund Balance Capital Reserve
	Total MERC Pooled for OCC	116,573,698	1,825,000	116,573,698	771,750	135,000	150,000	150,000	-	117,780,448	
MERC Pooled Capital Fund											
1	Expo - Parking Lot Maintenance	-	40,000	40,000	50,000	50,000	50,000	50,000	50,000	290,000	Fund Balance Capital Reserve
2	Expo - In-House Electrical	-	-	-	750,000	-	-	-	-	750,000	Fund Balance Capital Reserve
	Total MERC Pooled for EXPO	-	40,000	40,000	800,000	50,000	50,000	50,000	50,000	1,040,000	
	Total MERC	116,573,698	117,329,698	117,329,698	2,786,750	585,000	450,000	375,000	230,000	121,756,448	

Total FY 2004-05 through FY 2008-09 4,426,750
Total Number of Projects 23

Yellow - new projects budgeted to begin in FY 2004-05
 Green - new projects budgeted to begin in FY 2005-06 and beyond

* These projects were in prior-year CIPs, but not last year's.

Oregon Zoo

Priority	Project	Exp thru FY 2002-03	FY 2003-04 Budget	Total Prior Years	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-09	FY 2008-09	Grand Total	Funding Source
General Revenue Bond Fund (Zoo)											
15	Washington Park Parking Lot Renovation	4,376,576	-	4,376,576	178,988	-	-	-	-	4,555,564	Donations/Fund Bal Cap Reserve
	Total General Revenue Bond Fund	4,376,576	-	4,376,576	178,988	-	-	-	-	4,555,564	
Zoo Capital Projects Fund											
1	Introduction to the Forest & Remote Forest (GNW V)	-	-	-	2,200,000	-	2,500,000	-	-	4,700,000	Donations/Fund Bal Cap Reserve
2	Lion Exhibit	-	-	-	-	1,900,000	-	-	-	1,900,000	Donations
3	California Condor Captive Breeding Facility	-	1,200,000	1,200,000	800,000	1,000,000	-	-	-	3,000,000	Donations
4	Refurbish Tree Tops Area	-	-	-	-	400,000	-	-	-	400,000	Fund Balance Capital Reserve
6	Insect Zoo	-	-	-	-	-	250,000	-	-	250,000	Donations
7	Primate Building	724,414	-	724,414	-	-	-	500,000	500,000	1,724,414	Donations/Fund Bal Cap Reserve
8	Admission Ticketing System Upgrade	-	-	-	-	200,000	-	-	-	200,000	Fund Balance Capital Reserve
9	Steller Cove Upgrades	-	-	-	-	100,000	-	-	-	100,000	Fund Balance Capital Reserve
10	AfriCafe Terrace Permanent Cover	-	-	-	-	-	100,000	-	-	100,000	Fund Balance Capital Reserve
11	Administration Building Upgrades	-	-	-	-	-	-	135,000	-	135,000	Fund Balance Capital Reserve
12	Cascade Grill and Sunset Room Remodel	-	-	-	-	-	-	100,000	-	100,000	Fund Balance Capital Reserve
13	Elephant Museum renovation	-	-	-	-	-	-	-	100,000	100,000	Donations
	Total Zoo Capital Projects Fund	724,414	1,200,000	1,924,414	3,000,000	3,600,000	2,850,000	735,000	600,000	12,709,414	
Zoo Operating Fund											
14	Elevator Replacements	-	-	-	-	-	90,000	-	-	90,000	Fund Balance Capital Reserve
	Total Zoo Operating Fund	-	-	-	-	-	90,000	-	-	90,000	
	Total Zoo	5,100,990	1,200,000	6,300,990	3,178,988	3,600,000	2,940,000	735,000	600,000	17,354,978	

Total FY 2004-05 through FY 2008-09 11,053,988
Total Number of Projects 14

Yellow - new projects budgeted to begin in FY 2004-05
 Green - new projects budgeted to begin in FY 2005-06 and beyond

Regional Parks and Green Regional Parks and Greenspaces

Priority	Project	Exp thru FY 2002-03	FY 2003-04 Budget	Total Prior Years	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-09	FY 2008-09	Grand Total	Funding Source
Open Spaces Fund											
1	Open Spaces Land Acquisition	124,414,468	2,124,510	126,538,978	3,096,940	-	-	-	-	129,635,918	GO Bonds/Interest/Donations
	Total Open Spaces Fund	124,414,468	2,124,510	126,538,978	3,096,940	-	-	-	-	129,635,918	
Regional Parks Fund											
1	M. James Gleason Boat Ramp Renovation Phase I & II	756,540	-	756,540	300,000	9,000	600,000	6,000	-	1,671,540	Grants/ Fund Bal Capital Reserve
2	Oxbow Park - Picnic Shelters & Restrooms	380,000	-	380,000	30,000	-	-	-	-	410,000	
3	Blue Lake Park - Lakefront Enhancement	213,884	-	213,884	25,000	-	-	-	-	238,884	
4	Mt. Talbert Development	-	-	-	150,000	1,341,600	-	-	-	1,491,600	Excise Tax
5	Wilsonville Tract Development	-	-	-	75,000	825,000	684,750	-	-	1,584,750	Excise Tax
6	Cooper Mountain Park Development	-	-	-	-	-	150,000	650,000	780,000	1,580,000	Excise Tax
7	Three Bridges on the Springwater	-	-	-	-	4,691,000	-	-	-	4,691,000	Grants/Government Contribution
8	Trolley Trail Engineering & Construction - Phase I	-	-	-	-	342,209	673,750	-	-	1,015,959	Grants/Local Share
9	Glendoveer Golf Course Fence Repair	-	-	-	90,000	-	-	-	-	90,000	Excise Tax
10	Gales Creek/Tualatin River Confluence Project	-	-	-	367,740	-	-	-	-	367,740	Grants/Donations
11	Road Resurfacing	-	-	-	255,000	-	-	-	-	255,000	Excise Tax
12	Water Play Area - Blue Lake Park	-	-	-	140,000	-	-	-	-	140,000	Grants/Fund Bal Capital Reserve
13	M James Gleason Boat Ramp - Phase III	-	-	-	-	-	-	-	700,000	700,000	Grants/Fund Bal Capital Reserve
	Total Regional Parks Fund	1,350,424	-	1,350,424	1,432,740	7,208,809	2,108,500	656,000	1,480,000	14,236,473	
Smith and Bybee Lakes Fund											
1	Smith & Bybee Lakes Facility Improvements	80,714	22,536	103,250	801,349	-	-	-	-	904,599	Grants/Gov Cont/Fund Balance
	Total Smith and Bybee Lakes Fund	80,714	22,536	103,250	801,349	-	-	-	-	904,599	
	Total Regional Parks	125,845,606	2,147,046	127,992,652	5,331,029	7,208,809	2,108,500	656,000	1,480,000	144,776,990	

Total FY 2004-05 through FY 2008-09 16,784,338
Total Number of Projects 15

Yellow - new projects budgeted to begin in FY 2004-05
 Green - new projects budgeted to begin in FY 2005-06 and beyond

Solid Waste and Recycling Solid Waste and Recycling

Priority	Project	Exp thru FY 2002-03	FY 2003-04 Budget	Total Prior Years	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-09	FY 2008-09	Grand Total	Funding Source
Solid Waste General Account											
1	Metro South- Relocate Latex Paint Operations	-	-	-	320,000	-	-	-	-	320,000	Fund Balance Capital Reserve
2	Metro South- Latex Bldg/Public Lunch Room Conversion	-	10,000	10,000	50,000	-	-	-	-	60,000	Fund Balance Capital Reserve
3	Metro Central - Expansion of Hazardous Waste Facility	47,000	-	47,000	150,000	150,000	-	-	-	347,000	Fund Balance Capital Reserve
4	Metro South - Install High Capacity Baler	-	-	-	50,000	400,000	325,000	-	-	775,000	Fund Balance Capital Reserve
5	Metro Central - Office Addition	-	-	-	19,000	106,000	-	-	-	125,000	Fund Balance Capital Reserve
6	Metro Central - Woodroom Improvements	-	20,000	20,000	216,000	-	-	-	-	236,000	Fund Balance Capital Reserve
7	Metro Central - Seismic Cleanup	-	-	-	25,000	175,000	-	-	-	200,000	Fund Balance Capital Reserve
8	Metro South - Wood Processing Capacity	-	-	-	60,000	595,000	150,000	-	-	805,000	Fund Balance Capital Reserve
9	Metro Central - Chimney Removal	-	-	-	-	10,000	165,000	-	-	175,000	Fund Balance Capital Reserve
10	Metro South- Install Compactor for Public Unloading Area	-	-	-	-	-	200,000	680,000	-	880,000	Fund Balance Capital Reserve
11	Metro Central - Install New Scale at Scalehouse "C"	-	-	-	-	25,000	252,000	-	-	277,000	Fund Balance Capital Reserve
12	Metro Central - Rainwater Harvesting	-	-	-	-	-	310,000	-	-	310,000	Fund Balance Capital Reserve
13	Future Master Facility Plan Improvements	-	-	-	-	-	-	400,000	1,000,000	1,400,000	Fund Balance Capital Reserve
Total Solid Waste Operating Account		47,000	30,000	77,000	890,000	1,461,000	1,402,000	1,080,000	1,000,000	5,910,000	
Solid Waste Landfill Closure											
1	St. John's - Leachate Pretreatment	224,074	195,000	419,074	105,000	-	-	-	-	524,074	Fund Balance Capital Reserve
2	St. John's - Groundwater Monitoring Wells	-	-	-	200,000	10,800	-	-	-	210,800	Fund Balance Capital Reserve
3	St Johns - Perimeter Dike Stabilization & Seepage Control	1,578	-	1,578	60,000	211,000	442,000	6,000	6,000	726,578	Fund Balance Capital Reserve
4	St. John's - Re-establish Proper Drainage	54,482	550,000	604,482	5,000	5,000	5,000	5,000	252,000	876,482	Fund Balance Capital Reserve
5	St. John's - Landfill Bridge Repairs	-	-	-	-	30,000	120,000	-	-	150,000	Fund Balance Capital Reserve
6	St. Johns Landfill Remediation	-	-	-	-	-	500,000	500,000	500,000	1,500,000	Fund Balance Capital Reserve
7	St. John's - Native Vegetation on the Cover Cap	82,752	5,000	87,752	15,000	15,000	10,000	15,000	10,000	152,752	Fund Balance Capital Reserve
Total Solid Waste Landfill Closure Account		362,886	750,000	1,112,886	385,000	271,800	1,077,000	526,000	768,000	4,140,686	
SW Renewal & Replacement Account											
1	Metro South - Convert Mechanical Room to Lockers	-	37,000	37,000	320,000	-	-	-	-	357,000	Fund Balance Capital Reserve
2	Metro Central - Rebuild Compactor No. 2	-	-	-	400,000	-	-	-	-	400,000	Fund Balance Capital Reserve
3	Metro Central - Replace Compactor #2 Feed Conveyor	-	-	-	385,000	-	-	-	-	385,000	Fund Balance Capital Reserve
4	Metro South - Install Sidewalk on Washington Street	-	-	-	250,000	-	-	-	-	250,000	Fund Balance Capital Reserve
5	Metro Central - Replace Compactor #3 Feed Conveyor	-	-	-	59,000	325,000	-	-	-	384,000	Fund Balance Capital Reserve
6	Metro Central - Woodline	-	-	-	-	400,000	472,000	-	-	872,000	Fund Balance Capital Reserve
7	Replace Computer Network Components	-	-	-	-	67,000	67,000	-	-	134,000	Fund Balance Capital Reserve
8	Metro Central - Truckwash	-	-	-	-	30,000	150,000	-	-	180,000	Fund Balance Capital Reserve
9	Metro South - Compactor Replacement	-	-	-	-	-	150,000	750,000	750,000	1,650,000	Fund Balance Capital Reserve
10	Metro South - Repair Commercial Tip Floor	-	-	-	-	-	-	197,900	-	197,900	Fund Balance Capital Reserve
11	Metro Central-HHW- Ventilation System Replacement	-	-	-	-	-	-	-	100,000	100,000	Fund Balance Capital Reserve
12	Metro South-Replace Dust Suppression Sys Components	-	-	-	-	-	-	-	50,000	50,000	Fund Balance Capital Reserve
13	Metro South- Replace Ventilation System Components	-	-	-	-	-	-	-	100,000	100,000	Fund Balance Capital Reserve
Total Solid Waste Renewal & Replacement		-	37,000	37,000	1,414,000	822,000	839,000	947,900	1,000,000	5,059,900	
Total Solid Waste and Recycling		409,886	817,000	1,226,886	2,689,000	2,554,800	3,318,000	2,553,900	2,768,000	15,110,586	

Total FY 2004-05 through FY 2008-09 13,883,700
 Total Number of Projects 33

Yellow - new projects budgeted to begin in FY 2004-05
 Green - new projects budgeted to begin in FY 2005-06 and beyond

Grand Total Metro 249,800,281 121,989,944 255,166,527 14,372,767 14,910,109 9,584,500 4,811,900 5,889,000 304,734,803

Total FY 2004-05 through FY 2008-09 49,568,276
 Total Number of Projects 96

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 04-3454, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2004-05 THROUGH 2008-09

Date: May 13, 2004

Presented by: William Stringer, Chief Financial Officer

BACKGROUND

The proposed Capital Improvement Plan for Fiscal Years 2004-05 through 2008-09 represents the eighth year of Metro's long-range capital improvement planning process. Over the past seven years, Metro has established a sound base to forecast the agency's capital needs and balance those needs with available resources. As a result, Metro has been able to coordinate the financing and timing of its capital improvements in a way that maximizes the benefits to the public and provides opportunities to save money.

ANALYSIS/INFORMATION

Known Opposition: None

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

Anticipated Effects: The resolution signifies the Council has reviewed and approved the Capital Improvement Plan covering the years FY 2005 – FY 2009.

Within the 96 projects planned during the five years covered by this CIP are projects for replacing or improving existing facilities, projects purchasing new equipment, and projects that create new facilities. The total cost for these projects during the five years is estimated to be \$49.6 million.

This Resolution is the formal instrument by which the plan will be adopted. Final action to adopt the plan should occur by June 17th, to incorporate the first year of the Plan into the Adopted Budget. Exhibit A is the Proposed Capital Improvement Plan and Exhibit B is a listing of all the projects that will be incorporated, as amended, into the Adopted CIP. An "A" version of the Resolution will be provided at the time of approval if there are any further technical changes to the CIP. Exhibit B is a listing of the projects that are incorporated into the Approved Budget document.

Budget Impacts: The plan's FY 2004-05 capital projects are the FY 2004-05 Budget's CIP capital requests. The financial impacts of the projects are described in detail and in summary form in the Capital Improvement Plan.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Resolution No. 04-3454