#### AGENDA

# 600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736 TEL 503 797 1542 | FAX 503 797 1793



# Agenda

**MEETING:** 

METRO COUNCIL REGULAR MEETING – revised 3/18/05

DATE:

March 24, 2005

DAY: TIME: Thursday

I IIVIE:

2:00 PM

PLACE:

Metro Council Chamber

## CALL TO ORDER AND ROLL CALL

- 1. INTRODUCTIONS
- 2. CITIZEN COMMUNICATIONS
- 3. GOVERNMENT FINANCE OFFICERS ASSOCIATION DISTINQUISHED BUDGET PRESENTATION AWARD

Stringer

4. FIVE YEAR FINANCIAL OUTLOOK

Stringer

5. OUARTERLY FINANCIAL REPORT

Stringer

- 6. CONSENT AGENDA
- 6.1 Consideration of Minutes for the March 17, 2005 Metro Council Regular Meeting.
- 7. ORDINANCES FIRST READING
- 7.1 Ordinance No. 05-1075, Confirming the re-adoption of Metro Code 7.03 (Investment Policy)
- 8. ORDINANCES SECOND READING
- 8.1 Ordinance No. 05-1076, For the Purpose of Amending the FY 2004-05 Budget Newman And Appropriations Schedule by transferring \$90,250 from Contingency To Materials and Services in the Zoo Operating Fund for Expenses Associated With an Additional Concert.

## 9. RESOLUTIONS

9.1 Resolution No. 05-3529, For the Purpose of Allocating \$62.2 Million of Transportation Priorities Funding for the Years 2008 and 2009, Pending Air Quality Conformity Determination.

Burkholder

9.2 Resolution No. 05-3557, Authorizing the Chief Operating Officer to sign the second addendum to Metro's 2002 Intergovernmental Agreement with the Tualatin Basin Natural Resources Coordinating Committee.

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9.3 Resolution No. 05-3559, For the Purpose of Authorizing the Chief Operating Officer to Enter into an Intergovernmental Agreement Between Metro and TriMet for the Implementation for the Regional Funding Plan and A Multi-Year Funding Commitment of Metropolitan Transportation Improvement Program Funds.

Burkholder

9.4 Resolution No. 05-3560, For the Purpose of Appointing Wayne Kingsley, Charlie Gregorio, and David Whitehead as Members of the Ballot Measure 37 Task Force.

Liberty

9.5 Resolution No. 05-3564, For the Purpose of Reviewing the Decision of the Transit Oriented Development (TOD) Steering Committee for the North Flint Avenue Project (resolution available on 3/22/05).

Liberty

- 10. CONTRACT REVIEW BOARD
- 10.1 Resolution No. 05-3543, For the Purpose of Authorizing the Release of Request-for-Proposals No. 05-1142-SWR For Phase 2 of the Remedial Investigation and Feasibility Study of St. Johns Landfill.

Burkholder

10.2 Resolution No. 05-3534, For the Purpose of Authorizing the Chief Operating Officer to enter into a Contract with the Clackamas River Basin Council to Control Japanese Knotweed in the Clackamas River Basin.

Hosticka

- 11. OREGON LEGISLATIVE UPDATE
- 12. CHIEF OPERATING OFFICER COMMUNICATION
- 13. COUNCILOR COMMUNICATION

**ADJOURN** 

Clackamas, Multnomah and Washington counties, Vancouver, Wash. Channel 11 Community Access Network www.yourtvtv.org (503) 629-8534 2 p.m. Thursday, March 24 (live)	Washington County Channel 30 TVTV www.yourtytv.org (503) 629-8534 11 p.m. Saturday, March 26 11 p.m. Sunday, March 27 6 a.m. Tuesday, March 29 4 p.m. Wednesday, March 30
Oregon City, Gladstone Channel 28 Willamette Falls Television www.wftvaccess.com (503) 650-0275 Call or visit website for program times.	West Linn Channel 30 Willamette Falls Television www.wftvaccess.com (503) 650-0275 Call or visit website for program times.
Portland Channel 30 (CityNet 30) Portland Community Media www.pcatv.org (503) 288-1515 8:30 p.m. Sunday, March 27 2 p.m. Monday, March 28	

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, (503) 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website <a href="www.metro-region.org">www.metro-region.org</a> and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

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# Television schedule for March 24, 2005 Metro Council meeting

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Agenda Item Number 6.0

Auditor Report

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

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Agenda	nem	Number	7.1

Ordinance No. 05-1075, An ordinance Confirming the Re-Adoption of Metro Code 7.03 (Investment Policy).

First Reading

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

# BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AN ORDINANCE	ORDINANCE NO. 05-1075
CONFIRMING THE RE-ADOPTION OF METRO CODE 7.03 (INVESTMENT POLICY)	) Introduced by Michael Jordan, Chief Operating Office in concurrence with Council President Bragdon
WHEREAS, Metro Code Section 7.03 contrelated assets held by Metro; and	ains the investment policy which applies to all cash-
WHEREAS, the Investment Advisory Boar submission to Metro Council; and	d reviews and approves the Investment Policy for
WHEREAS, the Investment Advisory Boar the format recommended by the Oregon State Treas Association, and,	d recommends re-adoption of the Investment Policy in ury and the Government Finance Officers
WHEREAS, the Investment Advisory Boar	d proposes no change to the basic policy; and,
WHEREAS, the Investment Manager propo	ses no change to the basic policy; now therefore,
THE METRO COUNCIL ORDAINS AS F	OLLOWS:
That Metro Code Chapter 7.03 is re-adopted	l as written in Exhibit A.
ADOPTED by the Metro Council this	day of, 2005.
	David Bragdon, Council President
	,
Attest:	Approved as to Form:
Christina Billington, Recording Secretary	Daniel B. Cooper, Metro Attorney

#### CHAPTER 7.03

#### **INVESTMENT POLICY\*\***

SECTIONS	TITLE
7.03.010	Scope
7.03.020	General Objectives
7.03.030	Standards of Care
7.03.040	Safekeeping and Custody
7.03.050	Suitable and Authorized Investments
7.03.060	Investment Parameters
7.03.070	Reporting
7.03.080	Policy Adoption and Re-Adoption
7.03.090	List of Documents Used in Conjunction with this Policy

\*\*Former Chapter 2.06 (readopted April 9, 1998; amended December 10, 1998; readopted April 15, 1999; readopted April 27, 2000; readopted December 11, 2001; readopted October 3, 2002; renumbered by Ordinance No. 02-976, Sec. 1; readopted June 12, 2003).

Note: Shading indicates wording taken from the Oregon State Treasury's Sample Investment Policy, which is based on the Government Finance Officers Association Sample Investment Policy.

## 7.03.010 Scope

These investment policies apply to all cash-related assets included within the scope of Metro's audited financial statements and held directly by Metro.

Other than bond proceeds or other segregated revenues, the total of funds pooled for investments ranges from \$60 million to \$100 million with an average of \$80 million. Funds held and invested by trustees or fiscal agents are excluded from these policies; however, such funds are subject to the regulations established by the State of Oregon.

Funds of Metro will be invested in compliance with the provisions of ORS 294.035 to 294.048; ORS 294.125 to 294.145; ORS 294.810; and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. Investment of any tax-exempt borrowing proceeds and of any debt service funds will comply with the 1986 Tax Reform Act provisions and any subsequent amendments thereto.

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

## 7.03.020 General Objectives

Due to Metro's fiduciary responsibility, safety of capital and availability of funds to meet payment requirements are the overriding objectives of the investment program. Investment yield targets are secondary.

- 1) <u>Safety.</u> Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio and security of funds and investments The objective will be to mitigate credit risk and interest rate risk.
  - a) <u>Credit Risk.</u> Metro will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer, by:
    - Limiting exposure to poor credits and concentrating the investments in the safest types of securities
    - Pre-qualifying the financial institutions, broker/dealers, and advisers with which Metro will do business.
    - Diversifying the investment portfolio so that potential losses on individual securities will be minimized. For securities not backed by the full faith and credit of the federal government, diversification is required in order that potential losses on individual securities would not exceed the income generated from the remainder of the portfolio.
    - Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.
  - b) Interest Rate Risk. Metro will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:
    - Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell\_securities on the open market prior to maturity.
    - Investing operating funds primarily in shorter-term securities or short-term investment pools.
- 2) <u>Liquidity</u>. The investment officer shall assure that funds are constantly available to meet immediate payment requirements including payroll, accounts payable and debt service.
- 3) Yield. The investment portfolio shall be designed with the objective of regularly exceeding the average return on 90-day U.S. Treasury Bills. The investment program shall seek to augment returns above this level, consistent with risk limitations described in this policy and prudent investment principles.

This policy shall not preclude the sale of securities prior to their maturity in order to improve the quality, net yield, or maturity characteristic of the portfolio.

4) <u>Legality</u>. Funds will be deposited and invested in accordance with statutes, ordinances and policies governing Metro.

Ordinance No. 87-228, Sec. 3. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1.)

## 7.03.030 Standards of Care

1) Prudence. The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1.)

- 2) <u>Delegation of Authority</u>. The Chief Operating Officer is the investment officer of Metro. The authority for investing Metro funds is vested with the investment officer, who, in turn, designates the investment manager to manage the day-to-day operations of Metro's investment portfolio, place purchase orders and sell orders with dealers and financial institutions, and prepare reports as required.
- 3) <u>Investment Advisory Board (IAB)</u>. There shall be an investment advisory board composed of five (5) members.
  - a) <u>Terms of Service</u>. The term of service for citizens appointed to the IAB shall be three (3) calendar years. The term of appointment shall be staggered so that not more than two (2) members' terms expire in any calendar year.
  - b) <u>Appointment.</u> The investment officer shall recommend to the Council for confirmation, the names of persons for appointment to the IAB.
  - c) <u>Duties.</u> The IAB shall meet quarterly. The IAB will serve as a forum for discussion and act in an advisory capacity for investment strategies, banking relationships, the legality and probity of investment activities and the establishment of written procedures for the investment operations.
- 4) Quarterly Reports. At each quarterly meeting, a report reflecting the status of the portfolio will be submitted for review and comment by at least 3 members of the IAB. Discussion and comment on the report will be noted in minutes of the meeting. If concurrence is not obtained, notification will be given to the investment officer including comments by the IAB.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 94-538; Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, sec. 1.)

5) <u>Monitoring the Portfolio</u>. The investment manager will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in

credit quality, and benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly.

(Ordinance No. 97-684, Sec. 1. Amended by Ordinance No. 02-976, Sec. 1.)

6) <u>Indemnity Clause</u>. Metro shall indemnify the investment officer, chief financial officer, investment manager, staff and the IAB members from personal liability for losses that might occur pursuant to administering this investment policy.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported to the council as soon as practicable.

(Ordinance No. 87-228, Sec 1. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

7) Accounting Method. Metro shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies, including but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.040 Safekeeping and Custody

1) Authorized Financial Dealers and Institutions. The investment officer shall maintain a listing of all authorized dealers and financial institutions that are approved for investment purposes. Financial institutions must have a branch in Oregon. Any firm is eligible to apply to provide investment services to Metro and will be added to the list if the selection criteria are met. Additions or deletions to the list will be made by the investment officer and reviewed by the IAB. At the request of the investment officer, the firms performing investment services for Metro shall provide their most recent financial statements or Consolidated Report of Condition (call report) for review. Further, there should be in place, proof as to all the necessary credentials and licenses held by employees of the broker/dealers who will have contact with Metro as specified by but not necessarily limited to the National Association of Securities Dealers (NASD), Securities and Exchange Commission (SEC), etc. At minimum, the investment officer and the IAB shall conduct an annual evaluation of each firm's qualifications to determine whether it should be on the authorized list.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 97-684, Sec. 1; Ordinance No. 98-790, Sec. 1; Ordinance No. 02-976, Sec. 1.)

Securities dealers not affiliated with a Qualified Financial Institution, as defined in ORS 294.035, will be required to have headquarters located in the State of Oregon, Washington or Idaho and, if not headquartered in the State of Oregon, to have an office located in Oregon. Not withstanding the above, securities dealers who are classified as primary dealers with the New York Federal Reserve Bank are also eligible.

2) <u>Internal Controls</u>. The investment officer shall maintain a system of written internal controls, which shall be reviewed annually by the IAB and the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation or imprudent actions.

Metro's independent auditor at least annually shall audit investments according to generally accepted auditing standards and this ordinance.

(Ordinance No. 90-365. Amended by Ordinance No. 02-976, Sec. 1.)

- 3) <u>Delivery vs. Payment</u>. All securities purchased pursuant to this investment policy will be delivered by either book entry or physical delivery to a third party for safekeeping by a bank designated as custodian. Purchase and sale of all securities will be on a payment versus delivery basis. Delivery versus payment will also be required for all repurchase transactions and with the collateral priced and limited in maturity in compliance with ORS 294.035(11).
- 4) <u>Safekeeping</u>. The trust department of the bank designated as custodian will be considered to be a third party for the purposes of safekeeping of securities purchased from that bank. The custodian shall issue a safekeeping receipt to Metro listing the specific instrument, rate, maturity and other pertinent information.

Notwithstanding the preceding, an exception to the delivery versus payment policy is made when purchasing State and Local Government Series Securities (SLGS) from the United State Treasury's Bureau of Public Debt to satisfy arbitrage yield restriction requirements of the Internal Revenue Code for tax-exempt bond issues.

# 7.03.050 Suitable and Authorized Investments

(Definitions of terms and applicable authorizing statutes are listed in the "Summary of Investments Available to Municipalities" provided by the State Treasurer.)

- 1) <u>Investment Types</u>. The following investments are permitted by this policy and ORS 294.035 and 294.810.
  - a) U.S. Treasury Bills, Notes, Bonds, Strips (Separate Trading of Registered Interest and Principal of Securities) and/or State and Local Government Series Securities (SLGS)
  - b) Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises
  - c) Certificates of Deposit (CD) from commercial banks in Oregon and insured by the Federal Deposit Insurance Corporation (FDIC)
  - d) Repurchase Agreements (Repo's)
  - e) Banker's Acceptances (BA)

- f) Commercial Paper (CP) Issued by a financial institution, commercial, industrial or utility business enterprise.
- g) State of Oregon and Local Government Securities with A ratings or better
- h) State of Oregon Investment Pool
- i) Market Interest Accounts and Checking Accounts
- 2) <u>Collateralization</u>. Deposit-type securities (i.e., Certificates of Deposit) shall be collateralized through the state collateral pool as required by ORS 295.015 and ORS 295.018 for any amount exceeding FDIC coverage, recognizing that ORS 295.015 requires only 25 percent collateralization and ORS 295.018 requires 110 percent collateralization when the institution is notified by the state treasurer.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 01-932, Sec. 1; Ordinance No. 02-976, Sec. 1.)

# 7.03.060 Investment Parameters

Diversification by Maturity. Only investments which can be held to maturity shall be purchased.
 Investments shall not be planned or made predicated upon selling the security prior to maturity. This restriction does not prohibit the use of repurchase agreements under ORS 294.135(2).
 Maturity limitations shall depend upon whether the funds being invested are considered short-term or long-term funds. All funds shall be considered short-term except those reserved for capital projects (e.g., bond sale proceeds.)

## a) Short-Term Funds.

 a. Investment maturities for operating funds and bond reserves shall be scheduled to meet projected cash flow needs. Funds considered short-term will be invested to coincide with projected cash needs or with the following serial maturity:

25% minimum to mature under three months 75% minimum to mature under 18 months 100 % minimum to mature under five years

b. Investments may not exceed five years. Investment maturities beyond 18 months may be made when supported by cash flow projections which reasonably demonstrate that liquidity requirement will be met. Maturities beyond 18 months will be limited to direct U.S. Treasury obligations.

# b) Long-Term Funds

a. Maturity scheduling shall be timed according to anticipated need. ORS 294.135 permits investment beyond 18 months for any bond proceeds or funds

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accumulated for any purpose that the district is permitted by state law to accumulate and hold funds for a period exceeding one (1) year. The maturities should be made to coincide as nearly as practicable with the expected use of the funds.

b. Investment of capital project funds shall be timed to meet projected contractor payments. The drawdown schedule used to guide the investment of the funds shall evidence the approval of the investment officer and review of the Chief Financial Officer.

## 2) Diversification by Investment.

The investment officer will diversify the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities.

The maximum percentages of the portfolio and the maximum maturities for investments are as follows:

Security	Maximum Percent of Portfolio	Maximum Maturity
U.S. Treasury Bills, Notes, Bonds, Strips and/or State and Local Government Series (SLGS)	100%	
Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises	100%	
Certificates of Deposit (CD) Commercial Banks in Oregon Insured by FDIC	100%	
Repurchase Agreements (Repos)	50%	90 Day maturity
Bankers Acceptances (BA)	100%	
Commercial Paper (CP) – Issued by a financial institution, commercial, industrial, or utility business enterprise.	35%	
For a corporation headquartered in Oregon		A-1 and P-1 only, 90-day maturity; A-2 and P-2, A-1/P-2, or A-2/P1, 60-day maturity
For a corporation headquartered		A-1 and P-1 only; 90-day maturity

outside of Oregon		
State of Oregon and Local Government Securities with A ratings or better	25%	
State of Oregon Investment Pool	100%	
Market Interest Accounts and Checking Accounts	Minimum necessary for daily cash management efficiency	

## 3) Diversification by Financial Institution.

- a) Qualified Institutions. The investment officer shall maintain a listing of financial institutions and securities dealers recommended by the IAB. Any financial institution and/or securities dealer is eligible to make an application to the investment officer and upon due consideration and approval hold available funds.
  - A listing of the eligible institutions shall be held by the investment officer and provided any fiduciary agent or trustee.
- b) <u>Diversification Requirements</u>. The combination of investments in Certificates of Deposit and Banker's Acceptances invested with any one institution shall not exceed 25 percent of the total available funds or 15 percent of the equity of the institution.

The following limitations avoid over-concentration in securities from a specific issuer or business sector:

Type of Security	Limitation
U.S. Government Treasuries	No limitations
U.S. Government Agencies	Securities of U.S. Government Agencies and U.S.Government Sponsored Enterprises as defined under ORS 294.035 and/or 294.040. No more than 40 percent of the portfolio in any one agency.
Certificates of Deposit – Commercial Banks	No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.
Repurchase Agreements	May be purchased from any qualified institution provided the master repurchase agreement is effective and the safekeeping requirements are met. All repurchase agreements will be fully collateralized by general obligations of the U.S. Government, the agencies and instrumentalities of the United States or enterprises sponsored by the United States government, marked to

	market.			
	The investment officer shall not enter into any reverse repurchase agreements.			
Bankers Acceptances	Must be guaranteed by, and carried on the books of, a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.			
	Qualified institution means:			
	i) A financial institution that is located and licensed to do banking business in the State of Oregon; or			
	ii) A financial institution located in the states of California, Idaho, or Washington that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon.			
	No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.			
Commercial Paper	No more than 5 percent of the total portfolio with any one corporate entity.			
State and Local Government Securities	No more than 15 percent of the total portfolio in any one local entity.			
State of Oregon Investment Pool	Not to exceed the maximum amount established in accordance with ORS 294.810, with the exception of pass-through funds (in and out within 10 days)			

- 4) <u>Total Prohibitions</u>. The investment officer may not make a commitment to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement of the purchase or sale transaction, and may not agree to invest funds or sell securities for a fee other than interest. Purchase of standby or forward commitments of any sort are specifically prohibited.
- 5) Adherence to Investment Diversification. Diversification requirements must be met on the day an investment transaction is executed. If due to unanticipated cash needs, investment maturities or marking the portfolio to market, the investment in any security type, financial issuer or maturity spectrum later exceeds the limitations in the policy, the investment officer is responsible for bringing the investment portfolio back into compliance as soon as is practical.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 93-501: Ordinance No. 97-684, Sec. 1; Ordinance No. 98-734, Sec. 1; Ordinance No. 02-976, Sec. 1.)

6) <u>Competitive Selection of Investment Instruments.</u> Before the investment officer invests any surplus funds, a competitive offering solicitation shall be conducted orally. Offerings will be requested from financial institutions for various options with regards to term and instrument. The investment officer will

accept the offering, which provides the highest rate of return within the maturity required and within the prudent investor rule. Records will be kept of offerings and the basis for making the investment decision.

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

# 7.03.070 Reporting

1) Methods. A transaction report shall be prepared by the investment manager not later than one business day after the transaction, unless a trustee, operating under a trust agreement, has executed the transaction. The trustee agreement shall provide for a report of transactions to be submitted by the trustee on a monthly basis.

Quarterly reports shall be prepared for each regular meeting of the IAB to present historical information for the past 12-month period. Copies shall be provided to the Chief Operating Officer and the Metro Council.

((Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 076, Sec. 1.)

2) <u>Performance Standards</u>. The overall performance of Metro's investment program is evaluated quarterly by the IAB using the objectives outlined in this policy. The quarterly report which confirms adherence to this policy shall be provided to the Metro Council as soon as practicable.

The performance of Metro's portfolio shall be measured by comparing the average yield of th3e portfolio at month-end against the performance of the 90-day US Treasury Bill issue maturing closest to 90 days from month-end and the Local Government Investment Pool's monthly average yield.

(Ordinance No. 90-365, Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.030.080 Policy Adoption and Re-adoption.

1) The investment policy must be reviewed by the IAB and the Oregon Short-Term Fund Board prior to adoption by the Metro Council. Adoption of this policy supersedes any other previous Council action or policy regarding Metro's investment management practices.

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

2) This policy shall be subject to review and re-adoption annually by the Metro Council in accordance with ORS 294.135.

(Ordinance No. 90-365. Readopted by Ordinance No. 93-501; Ordinance No. 94-555, Sec. 1; Ordinance No. 97-684, Sec. 1; Ordinance No. 98-734, Sec. 1; Ordinance No. 99-799, Sec. 1; Ordinance No. 00-856, Sec. 1; Ordinance No. 01-932, Sec. 1; Ordinance No. 02-961. Amended by Ordinance No. 02-976, Sec. 1.)

7.030.090 List of Documents Used in Conjunction with this Policy

The following documents are used in conjunction with this policy and are available from the investment manager upon request:

- List of Authorized Brokers and Dealers
- List of Primary Dealers
- Calendar of Federal Reserve System Holidays
- Calendar of Local Government Investment Pool Holidays
- Broker/Dealer Request for Information
- Oregon State Treasury's Summary of Liquid Investments Available to Local Governments for Short-Term Fund Investment
- Oregon State Treasury's U.S. Government and Agency Securities for Local Government Investment Under ORS 294.035 and 294.040
- Oregon State Treasury's List of Qualified Depositories for Public Funds
- Attorney General's letter of advice: Certificates of Deposit, ORS 294.035 and ORS 295
- Oregon Revised Statute Chapter 294 County and Municipal Financial Administration
- Oregon Revised Statute Chapter 295 Depositories of Public Funds and Securities
- Government Finance Officers Association Glossary of Cash Management Terms

#### CHAPTER 7.03

#### **INVESTMENT POLICY\*\***

SECTIONS	TITLE
7.03.010	Scope
7.03.020	Objectives
7.03.030	Responsibility
7.03.040	Prudence
7.03.050	Investment Diversification
7.03.060	Competitive Selection of Investment Instruments
7.03.065	Monitoring the Portfolio
7.03.070	Qualifying Institutions
7.03.090	Safekeeping and Collateralization
7.03.100	Indemnity Clause
7.03.110	Controls
7.03.120	Accounting Method
7.03.130	Reporting Requirements
7.03.140	Performance Evaluation
7.03.150	Policy Adoption
7.03.160	Policy Readoption

<sup>\*\*</sup>Former Chapter 2.06 (readopted April 9, 1998; amended December 10, 1998; readopted April 15, 1999; readopted April 27, 2000; readopted December 11, 2001; readopted October 3, 2002; renumbered by Ordinance No. 02-976, Sec. 1; readopted June 12, 2003).

Code Reference in 2005 Readoption

## 7.03.010 Scope

These investment policies apply to all cash-related assets included within the scope of Metro's audited financial statements and held directly by Metro. Other than bond proceeds or other segregated revenues, the total of funds pooled for investments ranges from \$60 million to \$100 million with an average of \$80 million. Funds held and invested by trustees or fiscal agents are excluded from these policies; however, such funds are subject to the regulations established by the State of Oregon.

7.03.010

Funds of Metro will be invested in compliance with the provisions of ORS 294.035 through 294.048; ORS 294.125 through 294.155; ORS 294.810; and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. Investment of any tax exempt borrowing proceeds and of any debt service funds will comply with the 1986 Tax Reform Act provisions and any subsequent amendments thereto.

7.03.010

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

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# Page 2 of 11 7.03.020 Objectives

- (a) <u>Safety</u>. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio and security of funds and investments. For securities not backed by the full faith and credit of the federal government, diversification is required in order that potential losses on individual securities would not exceed the income generated from the remainder of the portfolio.
- (b) <u>Liquidity</u>. The investment officer shall assure that funds are constantly available to meet immediate payment requirements including payroll, accounts payable and debt service.
- (c) <u>Yield</u>. The investment portfolio shall be designed with the objective of regularly exceeding the average return on 90-day U.S. Treasury Bills. The investment program shall seek to augment returns above this level, consistent with risk limitations described in this policy and prudent investment principles.

Due to Metro's fiduciary responsibility, safety of capital and availability of funds to meet payment requirements are the overriding objectives of the investment program. Investment yield targets are secondary.

(d) <u>Legality</u>. Funds will be deposited and invested in accordance with statutes, ordinances and policies governing Metro.

7.03.020

Ordinance No. 87-228, Sec. 3. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1.)

#### 7.03.030 Responsibility

(a) <u>Investment Officer</u>. The Chief Operating Officer is the investment officer of Metro. The authority for investing Metro funds is vested with the investment officer, who, in turn, designates the investment manager to manage the day-to-day operations of Metro's investment portfolio, place purchase orders and sell orders with dealers and financial institutions, and prepare reports as required.

7.03.030, 2)

- (b) <u>Investment Advisory Board (IAB)</u>. There shall be an investment advisory board composed of five (5) members.
  - (1) <u>Terms of Service</u>. The term of service for citizens appointed to the IAB shall be three (3) calendar years. The term of appointment shall be staggered so that not more than two (2) members' terms expire in any calendar year.
  - (2) <u>Appointment</u>. The investment officer shall recommend to the Council for confirmation, the names of persons for appointment to the IAB.
  - (3) <u>Duties</u>. The IAB shall meet at least quarterly. The IAB will serve as a forum for discussion and act in an advisory capacity for investment strategies, banking

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relationships, the legality and probity of investment activities and the establishment of written procedures for the investment operations.

7.03.030, 3)

(c) <u>Quarterly Reports</u>. At each quarterly meeting, a report reflecting the status of the portfolio will be submitted for review and comment by at least 3 members of the IAB. Discussion and comment on the report will be noted in minutes of the meeting. If concurrence is not obtained, notification will be given to the investment officer including comments by the IAB.

7.03.030, 4)

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 94-538; Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, sec. 1.)

#### 7.03.040 Prudence

The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

7.03.030, 1)

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1.)

#### 7.03.050 Investment Diversification

(Definitions of terms and applicable authorizing statutes are listed in the "Summary of Investments Available to Municipalities" provided by the State Treasurer.) The investment officer will diversify the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

(a) <u>Diversification by Investment</u>

Percent of Portfolio (Maximum)

100%

- (1) U.S. Treasury Bills, Notes, Bonds, Strips and/or State and Local Government Series (SLGS)
- (2) Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises

100%

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## Page 4 of 11 Certificates of Deposit (CD) 100% (3) Commercial Banks in Oregon insured by FDIC (4) Repurchase Agreements (Repo's) 50% Maximum 90-day maturity (5) Banker's Acceptances (BA) 100% (6) Commercial Paper (CP) 35% Issued by a financial institution, commercial, industrial or utility business enterprise. For a corporation headquartered in Oregon; A-1 and P-1 only, maximum 90-day maturity; A-2 and P-2, A-1/P-2, or A-2/P-1 only, maximum 60-day maturity. For a corporation headquartered outside Oregon; A-1 and P-1 only; maximum 90-day maturity **(7)** State of Oregon and Local Government 25% Securities with A ratings or better (8) State of Oregon Investment Pool 100%

(9) Market Interest Accounts and Checking Accounts Minimum necessary for daily cash management efficiency

7.03.060, 2)

## (b) <u>Diversification by Financial Institution</u>

(1) Qualified Institutions. The investment officer shall maintain a listing of financial institutions and securities dealers recommended by the IAB. Any financial institution and/or securities dealer is eligible to make an application to the investment officer and upon due consideration and approval hold available funds.

7.03.060, 3)a)

A listing of the eligible institutions shall be held by the investment officer and provided any fiduciary agent or trustee.

(2) <u>Diversification Requirements</u>. The combination of investments in Certificates of Deposit and Banker's Acceptances as outlined individually at 7.03.050(b)(2)(A) and (C) invested with any one institution shall not exceed 25 percent of the total available funds or 15 percent of the equity of the institution.

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# (A) Certificates of Deposit - Commercial Banks

No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.

#### (B) Repurchase Agreements

May be purchased from any qualified institution provided the master repurchase agreement is effective and the safekeeping requirements are met. All repurchase agreements will be fully collateralized by general obligations of the U.S. Government, the agencies and instrumentalities of the United States or enterprises sponsored by the United States government, marked to market.

The investment officer shall not enter into any reverse repurchase agreements.

## (C) Banker's Acceptances

Must be guaranteed by, and carried on the books of, a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.

#### Qualified institution means:

- (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or
- (ii) A financial institution located in the States of California, Idaho, or Washington that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon.

No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.

## (D) Commercial Paper

No more than 5 percent of the total portfolio with any one corporate entity.

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(E) State and Local Government Securities

No more than 15 percent of the total portfolio in any one local entity.

(F) State of Oregon Investment Pool

Not to exceed the maximum amount established in accordance with ORS 294.810, with the exception of pass-through funds (in and out within 10 days).

(G) U.S. Government Agencies

Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises as defined under ORS 294.035 and/or 294.040. No more than 40 percent of the total portfolio in any one agency.

(H) U.S. Government Treasuries

No limitations

7.03.060, 3)

(c) <u>Diversification by Maturity</u>. Only investments which can be held to maturity shall be purchased. Investments shall not be planned or made predicated upon selling the security prior to maturity. This restriction does not prohibit the use of repurchase agreements under ORS 294.135(2).

7.03.060, 1)

This policy shall not preclude the sale of securities prior to their maturity in order to improve the quality, net yield, or maturity characteristic of the portfolio.

7.03.020, 3)

Maturity limitations shall depend upon whether the funds being invested are considered short-term or long-term funds. All funds shall be considered short-term except those reserved for capital projects (e.g., bond sale proceeds).

7.03.060, 1)

#### (1) Short-Term Funds

(A) Investment maturities for operating funds and bond reserves shall be scheduled to meet projected cash flow needs. Funds considered short-term will be invested to coincide with projected cash needs or with the following serial maturity:

25% minimum to mature under three months 75% minimum to mature under 18 months 100% minimum to mature under five years

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(B) Investments may not exceed five years. Investment maturities beyond 18 months may be made when supported by cash flow projections which reasonably demonstrate that liquidity requirements will be met. Maturities beyond 18 months will be limited to direct U.S. Treasury obligations.

7.03.060, 1)a)

## (2) Long-Term Funds

- (A) Maturity scheduling shall be timed according to anticipated need. ORS 294.135 permits investment beyond 18 months for any bond proceeds or funds accumulated for any purpose which the district is permitted by state law to accumulate and hold funds for a period exceeding one (1) year. The maturities should be made to coincide as nearly as practicable with the expected use of the funds.
- (B) Investment of capital project funds shall be timed to meet projected contractor payments. The drawdown schedule used to guide the investment of the funds shall evidence the approval of the investment officer and review of the Chief Financial Officer.

7.03.060 1)b)

(d) <u>Total Prohibitions</u>. The investment officer may not make a commitment to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement of the purchase or sale transaction, and may not agree to invest funds or sell securities for a fee other than interest. Purchase of standby or forward commitments of any sort are specifically prohibited.

7.03.060, 4)

(d) Adherence to Investment Diversification. Diversification requirements must be met on the day an investment transaction is executed. If due to unanticipated cash needs, investment maturities or marking the portfolio to market, the investment in any security type, financial issuer or maturity spectrum later exceeds the limitations in the policy, the Investment Officer is responsible for bringing the investment portfolio back into compliance as soon as is practical.

7.03.060, 5)

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 93-501: Ordinance No. 97-684, Sec. 1; Ordinance No. 98-734, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.060 Competitive Selection of Investment Instruments

Before the investment officer invests any surplus funds, a competitive offering solicitation shall be conducted orally. Offerings will be requested from financial institutions for various options with regards to term and instrument. The investment officer will accept the offering which provides the highest rate of return within the maturity required and within the prudent investor rule. Records will be kept of offerings and the basis for making the investment decision.

7.03.060, 6)

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(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

# 7.03.065 Monitoring the Portfolio

The investment manager will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in credit quality, and benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly.

7.03.030, 5)

(Ordinance No. 97-684, Sec. 1. Amended by Ordinance No. 02-976, Sec. 1.)

## 7.03.070 Qualifying Institutions

The investment officer shall maintain a listing of all authorized dealers and financial institutions which are approved for investment purposes. Written procedures and criteria for selection of financial institutions will be established by the investment officer. Financial institutions must have a branch in Oregon. Any firm is eligible to apply to provide investment services to Metro and will be added to the list if the selection criteria are met. Additions or deletions to the list will be made by the investment officer and reviewed by the IAB. At the request of the investment officer, the firms performing investment services for Metro shall provide their most recent financial statements or Consolidated Report of Condition (call report) for review. Further, there should be in place, proof as to all the necessary credentials and licenses held by employees of the broker/dealers who will have contact with Metro as specified by but not necessarily limited to the National Association of Securities Dealers (NASD), Securities and Exchange Commission (SEC), etc. At minimum, the investment officer and the IAB shall conduct an annual evaluation of each firm's qualifications to determine whether it should be on the authorized list.

Securities dealers not affiliated with a Qualified Financial Institution, as defined in ORS 294.035, will be required to have headquarters located in the State of Oregon, Washington or Idaho and, if not headquartered in the State of Oregon, to have an office located in Oregon. Not withstanding the above, seccurities dealers who are classified as primary dealers with the New York Federal Reserve Bank are also eligible.

7 03 040 1

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 90-365; Ordinance No. 97-684, Sec. 1; Ordinance No. 98-790, Sec. 1; Ordinance No. 02-976, Sec. 1.)

# 7.03.090 Safekeeping and Collateralization

All securities purchased pursuant to this investment policy will be delivered by either book entry or physical delivery to a third party for safekeeping by a bank designated as custodian. Purchase and sale of all securities will be on a payment versus delivery basis. The trust department of the bank designated as custodian will be considered to be a third party for the purposes of safekeeping of securities purchased from that bank. The custodian shall issue a safekeeping receipt to Metro listing the specific instrument, rate, maturity and other pertinent information.

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Delivery versus payment will also be required for all repurchase transactions and with the collateral priced and limited in maturity in compliance with ORS 294.035(11).

7.03.040, 3), 4)

Notwithstanding the preceding, an exception to the delivery versus payment policy is made when purchasing State and Local Government Series Securities (SLGS) from the United State Treasury's Bureau of Public Debt to satisfy arbitrage yield restriction requirements of the Internal Revenue Code for tax-exempt bond issues.

7.03.040, 4)

Deposit-type securities (i.e., Certificates of Deposit) shall be collateralized through the state collateral pool as required by ORS 295.015 and ORS 295.018 for any amount exceeding FDIC coverage, recognizing that ORS 295.015 requires only 25 percent collateralization and ORS 295.018 requires 110 percent collateralization when the institution is notified by the state treasurer.

7.03.050, 2)

(Ordinance No. 87-228, Sec. 1. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 01-932, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.100 Indemnity Clause

- (a) Metro shall indemnify the investment officer, chief financial officer, investment manager, staff and the IAB members from personal liability for losses that might occur pursuant to administering this investment policy.
- (b) The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported to the council as soon as practicable.

7.03.030, 6)

(Ordinance No. 87-228, Sec 1. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.110 Controls

The investment officer shall maintain a system of written internal controls, which shall be reviewed annually by the IAB and the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation or imprudent actions.

Metro's independent auditor at least annually shall audit investments according to generally accepted auditing standards and this ordinance.

7.03.040, 2)

(Ordinance No. 90-365. Amended by Ordinance No. 02-976, Sec. 1.)

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# 7.03.120 Accounting Method

Metro shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies, including but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

7.03.030, 7)

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.130 Reporting Requirements

- (a) A transaction report shall be prepared by the investment manager not later than one business day after the transaction, unless a trustee, operating under a trust agreement, has executed the transaction. The trustee agreement shall provide for a report of transactions to be submitted by the trustee on a monthly basis.
- (b) Quarterly reports shall be prepared for each regular meeting of the IAB to present historical investment information for the past 12-month period. Copies shall be provided to the executive officer and the Metro Council.

7.03.070, 1)

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 076, Sec. 1.)

#### 7.03.140 Performance Evaluation

The overall performance of Metro's investment program is evaluated quarterly by the IAB using the objectives outlined in this policy. The quarterly report which confirms adherence to this policy shall be provided to the Metro Council as soon as practicable.

The performance of Metro's portfolio shall be measured by comparing the average yield of the portfolio at month-end against the performance of the 90-day U.S. Treasury Bill issue maturing closest to 90 days from month-end and the Local Government Investment Pool's monthly average yield.

7.03.070, 2)

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

#### 7.03.150 Policy Adoption

This investment policy must be reviewed by the IAB and the Oregon Short-Term Fund Board prior to adoption by the Metro Council. Adoption of this policy supersedes any other previous Council action or policy regarding Metro's investment management practices.

7.03.080, 1)

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(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1.)

# 7.03.160 Policy Readoption

This policy shall be subject to review and readoption annually by the Metro Council in accordance with ORS 294.135.

7.03.080, 2)

(Ordinance No. 90-365. Readopted by Ordinance No. 93-501; Ordinance No. 94-555, Sec. 1; Ordinance No. 97-684, Sec. 1; Ordinance No. 98-734, Sec. 1; Ordinance No. 99-799, Sec. 1; Ordinance No. 00-856, Sec. 1; Ordinance No. 01-932, Sec. 1; Ordinance No. 02-961. Amended by Ordinance No. 02-976, Sec. 1.)

#### STAFF REPORT

# IN CONSIDERATION OF ORDINANCE NO. 05-1075 FOR THE PURPOSE OF CONFIRMING THE RE-ADOPTION OF METRO CODE 7.03 (INVESTMENT POLICY)

Date: March 10, 2005

Prepared by: Brian Williams

#### BACKGROUND

Metro Code, Chapter 7.03 contains the Investment Policy that applies to all cash-related assets held by Metro. This Investment Policy is being submitted to Council for review and re-adoption in accordance with Section 7.03.160 of Metro Code. The proposed policy is shown as Exhibit A.

No change to investment policy is proposed as a part of this re-adoption.

The layout of the policy, however, has been changed. Some sections and their respective headings have been modified. This has been done because Metro has re-formatted its investment policy to conform to Oregon State Treasury's Sample Investment Policy for Local Governments. Oregon Treasury's Sample Policy is, in turn, patterned after the Government Finance Officers Association's (GFOA) Sample Investment Policy. Although Oregon Treasury does not require local governments to adopt this format, it suggests the standardized format be adopted at a local government's convenience. Except where noted by shading in Schedule A, the wording of this policy was copied verbatim from existing policy.

For reference, Metro's current Investment Policy is shown as Exhibit B. At the right hand margin are code numbers that reference where the sections appear in the proposed re-adoption.

The re-formatting will provide future value. Metro's policy will be able to be readily compared to investment policies of other local governments that have adopted the same GFOA format. The Oregon Short-Term Fund Board, which under Oregon Statute must review Metro's investment policy prior to any policy change, encourages Oregon municipalities to adopt the GFOA format.

Some wording from GFOA's Sample Investment Policy was incorporated into this document but only when it mirrored existing Metro procedure. The Investment Advisory Board, the citizens oversight committee that reviews Metro's investment policies and procedures, supports Metro's re-adoption of investment policies in the GFOA format.

#### ANALYSIS/INFORMATION

1. Known Opposition: None.

2. Legal Antecedents: N/A

3. Anticipated Effects: N/A

4. Budget Impacts: N/A

**RECOMMENDED ACTION:** The Chief Operating Officer recommends re-adoption of Metro Code Chapter 7.03 by Ordinance No. 05-1075.

Ordinance No. 05-1076, For the Purpose of Amending the FY 2004-05 Budget And Appropriations Schedule by transferring \$90,250 from Contingency To Materials and Services in the Zoo Operating Fund for Expenses Associated With an Additional Concert.

Second Reading

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

# BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS	) ORDINANCE NO. 05-1076
SCHEDULE BY TRANSFERRING \$90,250	) Introduced by Mike Jordan, Chief Operating
FROM CONTINGENCY TO MATERIALS AND	) Officer, with the concurrence of Council
SERVICES IN THE ZOO OPERATING FUND	) President Bragdon
FOR EXPENSES ASSOCIATED WITH AN	)
ADDITIONAL CONCERT	)
	ed and considered the need to transfer appropriations
within the FY 2004-05 Budget; and	
	1.450 provides for transfers of appropriations within a , if such transfers are authorized by official resolution local jurisdiction; and
WHEREAS, the need for the transfer of app	propriation has been justified; and
WHEREAS, adequate funds exist for other	identified needs; now, therefore,
THE METRO COUNCIL ORDAINS AS F	FOLLOWS:
the column entitled "Revision" of Exhibits	of Appropriations are hereby amended as shown in A and B to this Ordinance for the purpose of naterials and services in the Zoo Operating Fund for cert.
ADOPTED by the Metro Council this day	of, 2005.
	David Bragdon, Council President
Attest:	Approved as to Form:
Christina Billington, Recording Secretary	Daniel B. Cooper, Metro Attorney

# Exhibit A Ordinance No. 05-1076

			Current <u>Budget</u>	Res	vision_		mended Budget
ACCT	DESCRIPTION	FTE	Amount	FTE	Amount	FTE	Amount
		oo Opera	ating Fund - Exp	enditures			
<u> </u>							
Total	Personal Services	150.85	\$12,341,572	0.00	\$0	150.85	\$12,341,572
<u>Mater</u>	ials & Services						
GOODS	Goods						
5201	Office Supplies		77,385		0		77,385
5205	Operating Supplies		1,182,688		1,750		1,184,438
5210	Subscriptions and Dues		28,621		0		28,621
5214	Fuels and Lubricants		40,000		0		40,000
5215	Maintenance & Repairs Supplies		277,335		0		277,335
5220	Food		980,481		12,750		993,231
SVCS	Services				0		
5240	Contracted Professional Svcs		743,140		67,750		810,890
5245	Marketing		163,500		0		163,500
5251	Utility Services		2,016,245		0		2,016,245
5255	Cleaning Services		37,630		0		37,630
5260	Maintenance & Repair Services		103,845		0		103,845
5265	Rentals		141,320		0		141,320
5280	Other Purchased Services		509,378		8,000		517,378
5290	Operations Contracts		1,575,402		0		1,575,402
CAPMN	TCapital Maintenance						
5262	Capital Maintenance - Non-CIP		392,040		0		392,040
<i>IGEXP</i>	Intergov't Expenditures						·
	Payments to Other Agencies		18,385		0		18,385
	FOther Expenditures						•
5450	Travel		44,690		0		44,690
5455	Staff Development		17,570		0		17,570
5490	Miscellaneous Expenditures		75,100		0		75,100
Total	Materials & Services		\$8,424,755		\$90,250		\$8,515,005
Total	Capital Outlay		\$285,700		\$0		\$285,700
Total	Interfund Transfers		\$2,790,366		\$0		\$2,790,366
<u>Contin</u>	ngency and Ending Balance						
	Contingency						
5999	Contingency						
	* General contingency		1,000,000		(90,250)		909,750
	* Prior Year PERS Reserve		550,000		0		550,000
	* Current Year PERS Reserve		480,595		0		480,595
UNAPP	Unappropriated Fund Balance		,				•
5990	Unappropriated Fund Balance						
	* Ending Balance		4,482,095		0		4,482,095
Total	Contingency and Ending Balanc	e	\$6,512,690		(\$90,250)		\$6,422,440
TOTAL	REQUIREMENTS	150.85	\$30,355,083	0.00	\$0	150.85	\$30,355,083

Exhibit B
Ordinance No. 05-1076
FY 2004-05 SCHEDULE OF APPROPRIATIONS

	Current <u>Appropriation</u>	Revision	Amended Appropriation
ZOO OPERATING FUND			
Operating Expenses (PS & M&S)	\$20,766,327	\$90,250	\$20,856,577
Capital Outlay	285,700	0	285,700
Interfund Transfers	2,790,366	0	2,790,366
Contingency	2,030,595	(90,250)	1,940,345
Unappropriated Balance	4,482,095	0	4,482,095
Total Fund Requirements	\$30,355,083	\$0	\$30,355,083

All Other Appropriations Remain as Previously Adopted

#### STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 05-1076, FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$90,250 FROM CONTINGENCY TO MATERIALS AND SERVICES IN THE ZOO OPERATING FUND FOR EXPENSES ASSOCIATED WITH AN ADDITIONAL CONCERT

Date: March 17, 2005 Prepared by: Tony Vecchio

#### **BACKGROUND**

The Oregon Zoo has a fantastic slate of concerts planned for the summer of 2005. In addition to the nine premium shows and the nine regular concerts scheduled for the summer series, there is a unique opportunity to produce an additional high-impact concert. Lyle Lovett is available for a June 2005 show. He is a very popular entertainer, especially in the Northwest. According to industry professionals, this show is expected to have strong ticket sales and will likely sell out. The break-even point for this show is 50% capacity, which is expected to be reached in pre-sale tickets alone.

While the Zoo has ample appropriation for the costs associated with the production and marketing of the summer concert series in the FY 2005-2006 proposed budget, additional FY 2004-2005 appropriation will be required to hold this lucrative June concert. The costs of the artist fee, production, marketing, food, and labor total \$90,250. The expected admission and food revenue for the show is \$133,000. The summer 2004 premium concert series netted the Zoo \$346,272 for nine shows, with revenue exceeding \$1,000,000 (that's an average of \$38,475 per show).

## ANALYSIS/INFORMATION

- 1. Known Opposition None known.
- 2. **Legal Antecedents** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
- 3. Anticipated Effects Will allow the Zoo to take advantage of a revenue generating activity and generate money to help fund Zoo programs.
- 4. **Budget Impacts** Will increase the materials and services budget appropriation by \$90,250 in the Zoo Operating Fund and decrease the contingency appropriation in that fund by \$90,250 in the FY 2004-2005 budget.

#### RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this ordinance.

# Agenda Item Number 9.1

Resolution No. 05-3529, For the Purpose of Allocating \$62.2 Million of Transportation Priorities Funding for the Years 2008 and 2009, Pending Air Quality Conformity Determination.

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

#### BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ALLOCATING \$62.2	)	RESOLUTION NO. 05-3529
MILLION OF TRANSPORTATION PRIORITIES	)	
FUNDING FOR THE YEARS 2008 AND 2009,	)	
PENDING AIR QUALITY CONFORMITY	)	
DETERMINATION.	)	Introduced by Councilor Rex Burkholder

WHEREAS, approximately \$62.2 million is forecast to be appropriated to the Metro region through the federal Surface Transportation Program (STP) and Congestion Mitigation – Air Quality (CMAQ) transportation grant programs, and

WHEREAS, the Metro Council and Joint Policy Advisory Committee on Transportation (JPACT) are designated by federal legislation as authorized to allocate these funds to projects and programs in the metropolitan region through the Transportation Priorities process, and

WHEREAS, the Metro Council and Joint Policy Advisory Committee on Transportation (JPACT) have provided policy guidance to Metro staff and the Transportation Policy Alternatives Committee (TPAC) on the type and balance of projects and programs that are a priority for these funds through Metro Resolution No 04-3431 For the Purpose of Adopting the Policy Direction, Program Objectives, Procedures and Criteria for the Priorities 2006-09 Metropolitan Transportation Improvement Program (MTIP) and Allocation of Regional Flexible Funds, adopted March 18, 2004 and further refined at the Metro Council work session of January 11, 2005, and the JPACT meeting of January 20, 2005, and

WHEREAS, Metro received approximately \$130 million in project and program applications, and

WHEREAS, those applications have been evaluated by technical criteria within one of twelve modal categories, by a summary of qualitative factors and by a summary of public comments, and

WHEREAS, an extensive public process has provided an opportunity for comments on the merit and potential impacts of the project and program applications between October 15th and December 6<sup>th</sup>, 2004 and at a public hearing before the Metro Council to respond to a staff and TPAC recommendation of proposed projects and programs to allocate funding, and

WHEREAS, TPAC has provided recommendations to JPACT and the Metro Council on a list of projects and programs to allocate funding in response to the policy direction provided, considering the technical evaluation, qualitative factors, and public comments provided as shown in the staff report Attachment 1, and

WHEREAS, a public hearing was conducted by JPACT and the Metro Council February 17<sup>th</sup>, 2005 to solicit comments on the TPAC recommendation, and

WHEREAS, JPACT took action on the TPAC recommendation March 17th, 2005, and

WHEREAS, receipt of these funds are conditioned on completion of requirements listed in staff report Attachment 5, and

WHEREAS, the recommended list of projects and programs, along with all of the projects and programs expected to receive federal funding in the 2006 through 2009 fiscal years was analyzed for

conformity with the State Implementation Plan for air quality and adopted within the Metropolitan Transportation Implementation Plan (MTIP); now therefore

BE IT RESOLVED that the Metro Council adopt the recommendation of JPACT on the project and programs to be funded through the Transportation Priorities 2006-09 process as shown in staff report Attachment 1.

ADOPTED by the Metro Council this 24th day of March 2005

	David Bragdon, Council President	
Approved as to Form:		

#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3529, FOR THE PURPOSE OF ALLOCATING \$62.2 MILLION OF TRANSPORTATION PRIORITIES FUNDING FOR THE FEDERAL FISCAL YEARS 2008 AND 2009 PENDING AIR QUALITY CONFORMITY DETERMINATION.

Date: March 3, 2005 Prepared by: Ted Leybold

#### **BACKGROUND**

The Transportation Priorities 2006-09; Investing in the 2040 Growth Concept program allocates transportation funding to Metro area transportation agencies from two federal grant programs; the Surface Transportation and Congestion Mitigation/Air Quality programs. The Metro region is forecast to receive \$62.2 million from these sources in the federal fiscal years of 2008 and 2009. Previous allocations have identified projects and programs to receive funds during the fiscal years of 2006 and 2007.

Prior to the application process, an outreach process identified a general policy direction for the allocation of these funds. The primary objective of the program as adopted by the Metro Council is to leverage economic development through investments that support Region 2040 centers, industrial areas and urban growth boundary expansion areas that have completed concept plans. Other policy objectives include emphasizing modes that do not have other sources of dedicated revenue, completing gaps in modal systems and developing a multi-modal transportation system.

Metro expects to distribute approximately \$62.2 million in regional flexible funds during the Transportation Priorities process. Table 1 demonstrates the new funds forecast to be available for projects and programs.

Table 1: New Regional Flexible Funds Available for Programming

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	2006	2007	2008	2009
STP			\$16,800,000	\$16,800,000
CMAQ			\$13,400,000	\$13,500,000
Interstate Transfer	\$1,728,000			
Total	\$1,728,000		\$30,200,000	\$30,300,000

More than 70 project and program applications were received requesting more than \$130 million. A technical ranking of projects was completed for the project applications within twelve modal categories. This technical analysis, along with qualitative considerations was used to inform a decision process to select a first cut of project and program applications for public comment. Public comments were received for all applications and the first cut list between October 15th and December 16<sup>th</sup> 2004.

Further policy direction was provided by the Metro Council and JPACT to direct staff on how to narrow the First Cut List to a draft staff recommended Final Cut List. The direction included honoring past commitments for these funds and continuing funding of Metro planning. The direction also included funding projects in all 2040 mixed-use and industrial land areas and emphasizing non-road or bridge projects in mixed-use areas to maximize development and multi-modal objectives. Finally, all projects and programs were to be screened based on their relationship to the implementation of mixed-use and/or

industrial area plans and development using the 2040 technical score and qualitative issues identified in project applications or through public comments.

Attached are the following updated Transportation Priorities 2006-2009 documents:

Attachment 1 summarizes the list of candidate applications recommended by Metro staff as best meeting program goals and objectives (a "base package" representing 85% of forecasted revenues) and the recommendations of TPAC of two options that fully allocate all forecasted revenues.

Attachment 2 is a summary of program policy goals and objectives and policy direction from Metro Council and JPACT to technical staff on how to narrow the First Cut List to a Final Cut List balanced against expected revenues.

Attachment 3 is an explanation of the TPAC Recommendations as it relates to the program policy goals and objectives.

Attachment 4 is a draft recommendation outlining the conditions to be met to allow obligation of Transportation Priorities funds for each project or program recommended for funding.

#### ANALYSIS/INFORMATION

- 1. Known Opposition None known at this time.
- 2. Legal Antecedents This resolution allocates transportation funds in accordance with the federal transportation authorizing legislation (currently known as the Transportation Equity Act for the 21<sup>st</sup> Century or TEA-21). The allocation process is intended to implement the Transportation Priorities 2006-09 program policies as defined by Metro Resolution No. 04-3431.
- 3. Anticipated Effects Adoption of this resolution would instigate an air quality conformity analysis of the effects of implementing these projects and programs for compliance with the State Implementation Plan for air quality.
- 4. Budget Impacts Adoption of the resolution would begin staff analysis of the air quality impacts of implementing the list of projects and programs as provided for in the Unified Work Program. Grant funds allocated to Metro planning require a match totaling 10.27% of project costs. Current options under consideration would include \$203,400 over the fiscal years 2008 and 2009. Metro would also negotiate with other transportation agencies for responsibility of a portion of \$419,200 of required local match for other regional planning activities over the course of the 2006 2009 time period.

#### RECOMMENDED ACTION

Approve the resolution as recommended.

#### ATTACHMENTS:

Attachment 1: Funding Recommendations

Attachment 2: Transportation Priorities 2006-09 Policy Objectives

Attachment 3: Transportation Priorities 2006-09: Investing in the 2040 Growth Concept (Explanation of Metro Staff Project/Program Recommendations)

Attachment 4: Transportation Priorities 2006-09: Investing in the 2040 Growth Concept (Conditions of Program Approval)

		Metro Staff Recommendation		TPAC Recommendation <sup>3</sup>	
Project code	Project name	Base package recommendation (millions of \$) <sup>1</sup>	Potential Adds <sup>2</sup>	Option A funding amounts	Option B funding amounts
Planning		ar .	<u> </u>		
PI0005	Regional Freight Planning: region wide	\$0.300		\$0.300	\$0.300
P10001	MPO Required Planning: region wide	\$1.731		\$1.731	\$1.731
PI1003	Milwaukie LRT Supplemental EIS: Portland central city to Milwaukie town center	, \$2.000		\$2.000	\$2.000
PI5053	Multi-Use Master Plans: Lake Oswego to Milwaukie, Tonquin Trail, Mt. Scott -Scouter's Loop	\$0.300		\$0.300	\$0.300
PI0002	Next Priority Corridor Study	\$0.500		\$0.500	\$0.500
PI1017	Willamette Shoreline - Hwy 43 Transit alternatives analysis: Portland South Waterfront to Lake Oswego	\$0.688	<u> </u>	\$0.688	\$0.688
P18000	Bike Model and Interactive Map: region wide		\$0.201		\$0.201
P10004	Livable Streets Update: region wide		\$0.200		
3ike/Trail	·				
Bk1009	Springwater Trail-Sellwood Gap: SE 19th to SE Umatilla	\$1.629		\$1.629	\$1.629
BK4011	Marine Dr. Bike Lanes & Trail Gaps: 6th Ave. to 185th	\$0.966	\$0.685	\$1.651	\$0.966
Bk2055	Springwater Trailhead at Main City Park	\$0.310		\$0.310	\$0.310
Bk2052	MAX Multi-use Path: Cleveland Station to Ruby Junction	\$0.890		\$0.890	\$0.890
Bk5026	Trolley Trail: Arista to Glen Echo (Segments 5-6)	\$0.742		\$0.742	
Bk3012	Rock Creek Trail: Orchard Park to NW Wilkens	\$0.675		\$0.675	\$0.675
Bk3072	Powerline Trail (north): Schuepback Park to Burntwood Dr. (ROW)		\$0.600	\$0.600	\$0.600
Bk5110	Jennifer St:16th to 122nd		\$0.550		
Pedestrian				<del> </del>	
Pd3163	Forest Grove Town Center Pedestrian Improvements	\$0.660		\$0.660	\$0.660
Pd5054	Milwaukie Town Center: Main/Harrison/21st	\$0.450		\$0.450	\$0.450
Pd2105	Rockwood Ped to MAX: 188th Avenue and Burnside		\$1.400	\$0.900	
Pd1227	Tacoma St: 6th to 21st		\$1.402		
Pd1202	SW Capitol Highway (PE): Multnomah to Taylors Ferry		\$0.538	\$0.538	

		Metro Staff Recom	mendation	TPAC Reco	mmendation <sup>3</sup>
Project code	Project name	Base package recommendation (millions of \$) <sup>1</sup>	Potential Adds <sup>2</sup>	Option A funding amounts	Option B funding amounts
Regional Tra					
n/a	Program management & administration	\$0.340		\$0.340	\$0.340
n/a	Regional marketing program	\$2.960		\$2.960	\$2,460
n/a	Regional evaluation	\$0.300		\$0.300	\$0.300
n/a	1 TravelSmart project	\$0.500		\$0.500	\$0.500
n/a	1 TravelSmart project		\$0.500		
	nted Development				
TD8005	Regional TOD LRT Station Area Program	\$3.000		\$3.000	\$2.500
TD0002	Regional TOD Urban Center Program	\$1.000	\$0.500	\$1.000	\$1.500
TD0003	Site acquisition: Beaverton regional center	\$2.000	\$1.000	\$2.650	\$2.000
TD0004	Gateway Transit Center Redevelopment		\$0.500	\$0.500	
Transit					
Tr1001	I-205 LRT, Commuter Rail, S Waterfront Streetcar	\$16.000		\$16.000	\$16.000
Tr1002	I-205 Supplemental	\$2.600		\$2.600	\$2.600
Tr8035	Frequent Bus Capital program	\$2.750		\$2.750	\$2.750
Tr1106	Eastside Streetcar (Con)		\$1.000	\$1.000	
Tr5126	South Metro Amtrak Station: Phase II		\$1.150	\$1.150	\$1.000
Road Capaci	ity				
RC6014	SW Greenburg Road: Washington Square Dr. to Tiedeman	\$1.000		\$1.000	\$1.000
RC1184	Beaverton-Hillsdale Hwy/Oleson/Scholls Ferry intersection (PE)		\$1.411		\$1.000
RC7000	SE 172nd Ave: Phase I; Sunnyside to Hwy 212 (ROW + \$1.0m)		\$2.000		\$2.000
RC6127	Boones Ferry Road at Lanewood Street		\$1.400		
RC2110	Wood Village Blvd: Arata to Halsey		\$0.815		
Road Recon	struction				
RR1053	Naito Parkway: NW Davis to SW Market		\$3.840		
Fr3166	10th Avenue at Highway 8 intersections		\$0.837		
RR2035	Cleveland St: NE Stark to SE Powell		\$1.540		\$1.000

		Metro Staff Recommendation		TPAC Reco	mmendation <sup>3</sup>
Project code	Project name	Base package recommendation (millions of \$) <sup>1</sup>	Potential Adds <sup>2</sup>	Option A funding amounts	Option B funding amounts
Boulevard					
Bd3020	Rose Biggi extension: Crescent St. to Hall (PE)	\$0.580	\$1.140	\$0.580	\$0.580
Bd1051	Burnside Street: Bridge to E 14th (PE)	\$1.650		\$1.650	\$1.650
Bd1260	Killingsworth: N Commercial to NE MLK (PE)	\$0.400		\$0.400	\$0.400
Freight					
Fr4063	N Lombard: Slough over crossing	\$2.210		\$2.210	\$2.210
Fr3016	SW Tualatin-Sherwood Road ATMS: I-5 to Highway 99W	\$0.341		\$0.341	\$0.341
Fr4087	N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.	\$0.900	\$0.900	\$0.900	\$1.800
Fr6086	Kinsman Road extension: Barber to Boeckman	\$1.400		\$1.400	\$1.400
Fr8008	Freight Data Collection Infrastructure and Archive System: Approximately 50 interchanges region wide	\$0.179		\$0.179	\$0.179
Large Bridge	)	· -		l	
RR1012	Sellwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental	\$1.500	\$1.000	\$1.500	\$2.000
Green Street	s				
GS1224	NE Cully Boulevard: Prescott to Killingsworth	\$2.457		\$2.457	\$2.457
GS2123	Beaver Creek Culverts: Troutdale, Cochran, Stark	\$1.000		\$1.000	\$1.000
	Total	\$56.908	\$25.109	\$62.931	\$62.867

<sup>&</sup>lt;sup>1</sup> Base Package: Project and program funding that best meet policy objectives and direction from a technical evaluation perspective.

: Reduction from Base Package recommendation

<sup>&</sup>lt;sup>2</sup> Potential Adds: Projects and program funding that meet policy objectives and direction, but not as definitively as the Base Package recommendation. Need policy-level determination of which projects/programs to include in the final funding package.

<sup>&</sup>lt;sup>3</sup> Options A & B: Transportation Policy Alternative Committee (TPAC) recommendation options for public comment and JPACT/Metro Council consideration.

# **Transportation Priorities 2006-09 Policy Objectives**

The primary policy objective for the Transportation Priorities 2006-09 program is to leverage economic development in priority 2040 land-use areas through investments that support:

2040 Tier I and II mixed-use areas (central city, regional centers, town centers, main streets and station communities)

2040 Tier I and II industrial areas (regionally significant industrial areas and industrial areas), and

2040 Tier I and II mixed-use and industrial areas within UGB expansion areas with completed concept plans

Other policy objectives include:

- emphasize modes that do not have other sources of revenue
- complete gaps in modal systems
- develop a multi-modal transportation system with a strong emphasis on funding bicycle, boulevard, freight, green street demonstration, pedestrian, regional transportation options, transit oriented development and transit projects and programs
- meet the average biennial requirements of the State Implementation Plan for air quality for the provision of pedestrian and bicycle facilities (5 miles of bicycle improvements and 1.5 miles of pedestrian improvements, independent of road/bridge capacity or reconstruction projects)

#### Implementation of Program Policy Objectives For Narrowing To Final Cut List

1. Support economic development in priority land use areas.

In addition to the quantitative technical summary, provide information in the staff report on how each project or modal category of projects addresses:

- link to retention and/or attraction of traded-sector jobs,
- transportation barrier to development in 2040 priority land use areas
- support of livability and attractiveness of the region.
- 2. Emphasize priority modal categories in the following manner:
  - A. Emphasize projects in the bicycle, boulevard, freight, green street demonstration, pedestrian, regional transportation options, transit oriented development and transit categories by:

- proposing the top-ranked projects at clear break points in technical scoring in all of the emphasis categories (with limited consideration of qualitative issues and public comments).
- B. Nominate projects in the road capacity, reconstruction or bridge categories when the project competes well within its modal category for 2040 land use technical score and over all technical score, and the project best addresses (relative to competing candidate projects) one or more of the following criteria:
  - project leverages traded-sector development in Tier I or II mixed-use and industrial areas;
  - funds are needed for project development and/or match to leverage large sources of discretionary funding from other sources;
  - the project provides new bike, pedestrian, transit or green street elements that would not otherwise be constructed without regional flexible funding (new elements that do not currently exist or elements beyond minimum design standards).
- C. When considering nomination of applications to fund project development or match costs, address the following:
  - Strong potential to leverage discretionary (competitive) revenues.
  - Partnering agencies illustrate a financial strategy (not a commitment) to complete construction that does not rely on large, future allocations from Transportation Priorities funding.
  - Partnering agencies demonstrate how dedicated road or bridge revenues are used within their agencies on competing road or bridge priorities.
- 3. As a means of further emphasis on implementation of Green Street principles, the following measures should also be implemented:
  - Staff may propose conditional approval of project funding to further review of the feasibility of including green street elements, particularly interception and infiltration elements.
  - Strong consideration will be given to funding the Livable Streets Update application in the Planning category. This work would document the latest research and further the training and education of green street implementation in the region.

# Transportation Priorities 2006-09: *Investing in the 2040 Growth Concept*

# **Explanation of Metro Staff Project/Program Recommendations**

Following is a summary of the rational used by Metro staff to implement the policy direction provided by JPACT and the Metro Council in developing a Final Cut List recommendation as shown in Attachment 2 to the staff report. The summary is organized by mode category.

#### Bike/Trail

- The top six technically ranked projects were nominated for inclusion in the final cut list base package. The fourth, fifth and sixth ranked projects had similar technical scores while there is a more pronounced break point between the sixth and seventh ranked project.
- The Marine Drive trail gaps project was initially reduced in recommended funding in the Base package by the amount that project was thought likely to receive through the state Transportation Enhancement (TE) funding program. Subsequent communication with the TE staff indicates the project is not likely to receive funding through that program. TPAC recommended this funding be restored in the Option A add package.
- The Trolley Trail project was reduced in recommended funding in the Base package by half to allow coordination with the area sewer districts for the potential use of the trail right-of-way for a sewer trunk line. Slowing the rate of funding for this project would allow better construction coordination and the potential for shared construction costs. The Option B package would eliminate all funding consideration for this project in this funding cycle.
- Right-of-way for the Powerline Trail from Schuepback Park to Burntwood Drive is included in the Option A package to help secure the undeveloped Mt. Williams property where the project is located prior to the expiration of a purchase option owned by a consortium seeking to secure the property for park and trail use.
- The projects included in the Base package will meet progress needed on air quality Transportation Control Measures of 5 miles per biennium. Option A proposed projects would provide 7.6 miles of new bicycle facilities. Option B proposed projects would provide a total of 5.5 miles of new bicycle facilities. However, the location of the 2.3 miles of MAX multi-use path project is located in the Gresham regional and Rockwood town centers and therefore is eligible to meet required pedestrian improvements. As proposed funding for the Pedestrian improvements may not meet air quality TCM requirements (further definition is needed for the Forest Grove Town Center project) a portion of the MAX path project may be needed to meet the pedestrian projects need.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the bicycle modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas None of the projects in the bicycle/trail category remove or reduce a congestion barrier that is preventing development in a 2040 priority land use area. However, all of the projects, other than the Springwater Trailhead project, would provide an alternative mode option to priority land use areas that have or are forecast to have congestion.
- Support livability and attractiveness of the region.

  The development of a regional bike system and bike access to 2040 priority land use areas contribute to the economic vitality of the region by increasing bike trips that do not require more land intensive and costly auto parking spaces in those areas where efficient use of land is most critical. The provision of a well-designed network of bicycle facilities also contributes to the

overall livability and attractiveness to both companies and work force to locate in the region.

#### Emphasize modes that do not have other sources of revenue

On-street bicycle projects, outside of vehicle capacity or reconstruction projects that are required to build bike facilities, only have the dedicated funding of a state program that allocates approximately \$2.5 million per year to bicycle and pedestrian projects on state facilities. Offstreet trails are one of several eligible project types that compete for statewide Transportation Enhancement grants of approximately \$4 million per year. Additionally, one percent of state highway trust fund monies passed through to local jurisdictions must be spent on the construction or maintenance of bicycle or pedestrian facilities.

#### Complete gaps in modal systems

The bicycle projects recommended for further consideration all complete gaps in the existing bicycle network. While the Springwater Trailhead project does not strictly complete a gap in the provision of a bike trail or lane, it does provide needed user facilities on the trail system that do not exist today.

# Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan
The bicycle and trail projects recommended for further consideration would provide 8.65 miles
of a required 5 miles of new bicycle facilities for the two-year funding period. This assumes the
MAX multi-use path project in Gresham would be applied to meeting requirements for the
provision of pedestrian facilities and is included in the calculation of that category.

#### **Boulevard**

• The top three technically ranked projects were nominated for further consideration, as there is a clear break point between the third and fourth ranked projects.

- As the Rose Biggi project is adjacent to the TOD acquisition site in Beaverton that is also recommended for funding, only preliminary engineering is recommended in the base package to reserve availability of resources for other areas of the region. PE is the minimum effort necessary to sustain momentum on the extension of the road north to Hall Boulevard.
- The Burnside Street project may receive a federal earmark that would complete PE funding for this project phase.
- Recommended funding for the Killingsworth project is reduced by the amount the project is likely to receive through the state Transportation Enhancement funding program. This recommendation may be revisited as the TE funding award process progresses. PE funding is recommended for the remaining segment between N Commercial and NE MLK Boulevard.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the boulevard modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- The Boulevard projects recommended support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.
- Address transportation barrier to development in 2040 priority land use areas

  None of the projects in the boulevard category remove or reduce a congestion barrier that is
  preventing development in a 2040 priority land use area. However, all of the projects would
  enhance the trip end experience for users of alternative modes to access priority land use areas
  that have or are forecast to have congestion.
- Support livability and attractiveness of the region.

The recommended projects are a direct investment in priority 2040 mixed land use areas and support further economic development in those areas by providing the facilities and amenities necessary to support higher densities of development, a mix of land use types and higher percentage of trips by alternative modes and by enhancing land values in the vicinity of the project.

Emphasize modes that do not have other sources of revenue

While elements of Boulevard projects are eligible for different sources of transportation funding, they have no source of dedicated funding to strategically implement these types of improvements in priority 2040 land use areas.

### Complete gaps in modal systems

The recommended projects add new or enhance existing pedestrian and some bike facilities to the regional network. The Rose Biggi project would construct a new collector level motor vehicle connection within a regional center to meet regional guidance on street connectivity.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan The Boulevard projects recommended for further consideration would only provide preliminary engineering funds and therefore not contribute to the required 5 miles of new bicycle facilities and 1.5 miles of pedestrian facilities for the two-year funding period.

# Large Bridge

- The Sellwood Bridge type, size and location study and preliminary environmental work is proposed for funding in the base package in the amount of \$1.5 million.
- The recommendation for this project is based on this project best meeting the policy direction for inclusion of projects in the non-emphasis categories. The project has the potential for regional flexible funds to seed local and state project development funds that could then leverage a large allocation from federal and state Bridge Replacement funds to reconstruct the Sellwood Bridge. ODOT Region One is proposing \$1.5 million in STIP funding for this project with the County providing \$2.1 million of matching funds. These funds will be used to solicit \$12.8 million additional funds, currently under recommendation by the state bridge committee to the Oregon Transportation Commission for PE and right-of-way costs. The total effort will be used to solicit additional HBRR and other federal funds in the future to complete construction of the project.
- An additional \$500,000 is recommended in the Option B package to solicit discussion on the need for additional Transportation Priorities funding to secure the \$12.8 million of HBRR Local Bridge funds.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the large bridge modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Sellwood Bridge project supports the redevelopment of the South Waterfront and Tacoma main street and the greater North Milwaukie industrial area. Industrial, office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.

- Address transportation barrier to development in 2040 priority land use areas. Due to bridge cracking, the Sellwood Bridge is currently closed to all vehicles greater than 10,000 lbs gross vehicle weight. This represents a significant barrier to the attractiveness for any business development in the vicinity of the bridge that would rely on truck access.
- Support livability and attractiveness of the region.

With one 4-foot sidewalk occluded by light and sign posts, narrow travel lanes and no bike lanes, the current bridge is a significant barrier to access to the network of multi-use paths and bicycle lanes in the area. A new bridge provide greater connectivity between the east and west sides of the Willamette River.

# Emphasize modes that do not have other sources of revenue

Bridge projects receive dedicated sources of revenue from federal and state funding sources. Award of these funds is done on a competitive process and allocation of regional flexible funds would be intended to develop enough project detail to effectively compete for those sources of revenue.

#### Complete gaps in modal systems

Meets the narrowing policy objectives of and providing new pedestrian and bicycle facilities that do not exist and are not likely to be constructed without programming of regional flexible funds. The project would also reopen the bridge to freight and transit traffic that is currently rerouted to the Ross Island Bridge approximately 2.5 miles to the north.

#### Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, a new bridge would provide new bicycle lanes, replace a single side substandard sidewalk, provide local freight access and serve two regional bus routes that can no longer use the current bridge.

Meet the average annual requirements of the State air quality implementation plan As a replacement or reconstruction project, this project does not address this policy goal.

#### **Green Streets**

- The top technically ranked green street demonstration projects for street and culvert retrofits are recommended for the final cut list base package. While these were the only candidate applicants in these categories, both are strong projects and worthy of funding.
- The Cully Boulevard project will provide improvements in a 2040 mixed-use main street located in a low-income and minority community and will provide technical data on water quantity/quality improvements associated with green street techniques.
- The Beaver Creek Culverts project will support recovery of endangered species, removing barriers associated with transportation facilities and will leverage a large local match and state restoration grant (70% of total project cost). To balance the program, funding is recommended to be reduced by \$470,000 to a regional share of \$1,000,000. The reduction would need to be made up from other sources or by a reduction in work scope such as reconstructing 2 of the 3 culverts or constructing lower-cost retrofit options.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the green street modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Cully Street project would support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure. Additionally, green street design principals and the removal of fish barrier culverts are part of the region's management plan to address the listing of several native fish species under the federal endangered species act. Demonstrating programmatic implementation of the management plan is important to staying in compliance with the act and preventing lawsuits or federal actions that could hinder future ability to attract traded sector jobs to the region.

- Address transportation barrier to development in 2040 priority land use areas Neither of the applications address a specific transportation congestion barrier to development in a 2040 priority land use area. However, the Cully project would provide on-street parking, sidewalks and bicycle lanes that are lacking today and deter access and investment in the area.
- Support livability and attractiveness of the region.

The Cully Street demonstration project supports the economic development of a mixed-use main street. As a demonstration project for innovative stormwater management techniques in the public right-of-way, the project has the potential to promote a less costly, environmentally sensible means of managing stormwater runoff region wide. The Beaver Creek culverts retrofit project support economic development by supporting the provision of wildlife within an urban area, increasing its attractiveness to companies and work force to locate in the area.

Emphasize modes that do not have other sources of revenue.

There are no sources of dedicated revenue to support the demonstration of innovative stormwater management techniques in the public right-of-way. There are state grants available through the Oregon Water Enhancement Board to restore stream habitat, including retrofit or replacements of culverts. However, these grants require local match funds and are competitive relative to the needs and range of project eligibility.

Complete gaps in modal systems.

As a demonstration project category, Green Streets projects do not directly address this policy.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan. As a demonstration project category, Green Streets projects do not directly address this policy.

# Freight

- All or a portion of the top five technically ranked projects are recommended for further consideration by Metro staff in the freight category. There was a clear break point in the technical score between the fifth and sixth ranked projects.
- The Base package proposes to split with the Port of Portland the increase in project costs discovered subsequent to application for and the proposed award of OTIA III funds to the N Leadbetter railroad over crossing project. Option B restores full funding of the cost increase to the project.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the freight modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Lombard Slough over crossing project is the central freight connector through the region's largest regionally significant industrial area with 190 companies and 8,000 industrial jobs. If the Lombard Slough over crossing is weight limited in the future, it would require an 11 mile out-of-direction travel between South Rivergate, where many traded-sector companies are located, and Terminal 6, the region's only inter-modal container terminal. The Leadbetter extension project would provide grade-separated access over a rail spur from a large traded-sector employer (Columbia Sportswear) and developing industrial land to the entrance of Terminal 6, extending the capacity of the existing warehouse facility and number of potential employees located there.

- Address transportation barrier to development in 2040 priority land use areas Without the Lombard Slough bridge improvement, a 113 acre vacant parcel, one of 25 industrial sites of statewide significance identified by the Governor's Industrial lands Task Force and the potential for an additional 1,000 new jobs (scenario of recent Vestas proposal), would not be able to fully develop. The Leadbetter extension project would increase attractiveness to three developable parcels in the vicinity by creating an alternative to increasing number and length of delays caused by rail traffic blockage. The Tualatin-Sherwood ATMS project would improve operating efficiencies of a congested major freight route connecting a large industrial area, including several hundred acres of vacant industrial land brought into the UGB in 2002 and 2004, with I-5 and 99W. The Kinsman Road project would create a new extension from an existing regional freight road connector and provide new access for 175 acres of vacant industrial land in west Wilsonville that is awaiting development until local concurrency requirements for road capacity can be met.
- Support livability and attractiveness of the region. By supporting the retention and expansion of traded-sector companies that can grow jobs independent of local economic conditions and supply high-wage jobs, freight projects as a category support the livability and attractiveness of the region.

The freight data collection infrastructure would provide data that would allow more accurate tracking and forecasting of truck movements to better understand freight transportation needs in the region.

Emphasize modes that do not have other sources of revenue

The five recommended freight projects are road capacity, reconstruction or operations projects. These projects are eligible for funding through state trust fund and pass through revenues. The OTIA III process has also dedicated \$100 million of statewide funding to these types of projects.

# Complete gaps in modal systems

The Lombard slough over-crossing project would prevent the closure of freight traffic on the regional freight system. The Kinsman Road and Leadbetter projects would provide new connections to the motor vehicle system.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan As capacity, reconstruction or operational projects, this project category does not address this policy goal.

# **Planning**

#### On-Going

- MPO Required Planning is recommended for funding. This funding continues the practice of previous allocations (adjusted 3% annually for inflation) to the Metro planning department for the provision of regional transportation planning services necessary to carry out MPO functions. Use of regional flexible funds for this purpose began as an alternative to collection of dues from local transportation agencies.
- Regional Freight Planning is recommended for funding. Funding for regional freight planning services began in FFYs 2004 and 2005 as freight and economic development became prominent regional and political issues. This allocation would fund these services for 2006 through 2009.

#### **Corridor Planning**

- The Milwaukie light rail Supplemental EIS is recommended for funding at \$2.0 of its \$3.725 million cost from regional flexible funds. This effort is needed to make the project eligible to receive federal funds.
- The Willamette Shoreline Highway 43 Transit alternatives analysis is proposed fro funding. Preliminary engineering phase is not recommended at this time but should await further development of a strategy for corridor improvements through the AA process.
- Three of the four Multi-Use master plans (Lake Oswego to Milwaukie, Tonquin Trail, and the Mt. Scott to Scouter's Loop trail) are recommended for funding. These trail projects span multiple local jurisdictions that need technical support to prepare trails to enter preliminary

engineering and continue efforts provided at Metro to developing regional trail projects through implementation of the Greenspaces bond measure. The Sullivan's Gulch trail is not recommended for funding as it was not indicated as a local priority to the city of Portland and to the degree of cooperation and effort that will be needed to complete master planning work for this project.

• The Next Priority Corridor analysis is recommended for funding. This work would address the fourth corridor from regional flexible funds of the 18 corridor plans the state Department of Land Conservation and Development requires the region to complete as part of the adoption of the Regional Transportation Plan. JPACT has requested ODOT also contribute to the completion of a second corridor study in this time frame conditioned on regional funding of one corridor study.

#### Planning Enhancements

• The Bicycle Interactive Map and Model Update is recommended for funding in the Option 2 package.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the planning category addresses the following policy guidance.

- Link to retention and/or attraction of traded-sector jobs

  None of the candidate planning activities claimed a direct link to the retention or attraction of a specific traded-sector business to the region. However, planning activities are necessary to ensure federal funding eligibility and adequate transportation services to the region, both essential to retaining and attracting traded-sector businesses to the region in general.
- Address transportation barrier to development in 2040 priority land use areas The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of which is the availability of frequent transit service. The Milwaukie LRT Supplemental EIS and the Willamette Shoreline AA are steps in providing reliable frequent transit service to the Central City and Milwaukie and Lake Oswego town centers, key pieces of investment to ensuring the allowance of future development to proceed in those areas. Other planning activities proposed for funding support economic development by ensuring the 2040 priority land use areas are adequately served by transportation services and that requirements are met to allow state and federal funding to be allocated to projects serving those areas.
- Support livability and attractiveness of the region.

  Transportation planning activities support the livability and attractiveness of the region by ensuring the transportation system adequately serves the comprehensive land use plans of the region and local communities.

Emphasize modes that do not have other sources of revenue

General planning transportation activities, but not specific corridor planning activities, are supported through limited federal planning revenues, though not enough to cover planning services provided to the region.

Complete gaps in modal systems

Planning activities identify and direct funding to projects that complete gaps in modal systems.

Develop a multi-modal transportation system

Planning activities identify and direct funding to projects that develop multi-modal systems. This is an emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan While used to develop, coordinate and report on the implementation of the annual requirements, planning does not construct new facilities to meet State air quality plan requirements.

#### Pedestrian

- The top two technically ranked projects are recommended for funding on the final cut list base package as there is a clear break in the technical scoring between the second and third ranked projects and no clear break between the third and fifth ranked projects.
- \$900,000 is recommended for the Rockwood Pedestrian to MAX project is in the Option A package.
- The Capitol Highway (PE) pedestrian project is recommended for funding in the Option A package.
- The ODOT Preservation Supplement request is a result of regional policy request to ODOT. The funding amount from regional flexible funds would provide cost sharing with ODOT Region One from funding proposed in the draft STIP outside of their preservation program to provide pedestrian and potentially bicycle and transit improvements in conjunction with their preservation work. It appears at this time that ODOT will be able to provide pedestrian improvement treatments on the two urban preservation projects (Powell Boulevard: 50thto I-205, and NW Yeon) with existing STIP revenues. A preliminary cost analysis of adding bicycle lanes on SE Powell between 71st and 82nd Avenues, consistent with the Portland TSP, was cost prohibitive at between \$5 and \$7 million as a preservation supplement project.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the pedestrian modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Pedestrian projects recommended support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.

- Address transportation barrier to development in 2040 priority land use areas The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of which is the availability of a well-connected local street system to support walking trips within the mixed-use area. The Forest Grove and Milwaukie town center pedestrian projects are steps in providing pedestrian access on their well connected downtown street networks, key pieces of investment to ensuring the allowance of future development to proceed in those areas.
- Support livability and attractiveness of the region.

The pedestrian projects recommended contribute to the economic vitality of the Forest Grove and Milwaukie mixed-use areas by providing access by users who would not require more land intensive and costly auto parking spaces.

# Emphasize modes that do not have other sources of revenue

Pedestrian projects outside of vehicle capacity or reconstruction projects that are required to build bike facilities only have dedicated funding limited to a state program that allocates approximately \$2.5 million per year or as one of several eligible project types that compete for statewide Transportation Enhancement grants of approximately \$4 million per year. Additionally, one percent of state highway trust fund monies passed through to local jurisdictions must be spent on the construction or maintenance of bicycle or pedestrian facilities.

#### Complete gaps in modal systems

The pedestrian projects recommended for further consideration all complete gaps, either with new facilities or upgrading substandard facilities, in the existing pedestrian network.

#### Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan
The pedestrian projects recommended for further consideration would provide .26 miles (+
Forest Grove – still confirming length of project) of a required 1.5 miles of new pedestrian
facilities within mixed-use areas for the two-year funding period. The MAX multi-use path
project, evaluated in the Bike/Trail category could contribute a portion of its 2.32 miles of
pedestrian improvement to meet air quality plan requirements for the provision of pedestrian
facilities as it is located in the Gresham regional and Rockwood town centers.

#### **Road Capacity**

• The SW Greenberg Road project in the Washington Square regional center is recommended for funding as the top tier road capacity project with a clear break point in project score between it and the next tier of projects (#2 through #5). The \$1 million request would complete project

funding of local resources and prior regional award of PE funds for a total project cost of \$5 million.

- The Beaverton-Hillsdale/Scholls Ferry/Oleson Road intersection project is located in the Raleigh Hills town center. Funding is recommended for a portion of the PE costs in the Option B package. Funding would be conditioned on the completion of some planning work for the large portion of the town center area to be impacted by the right-of-way acquisition process. The county is seeking to use progress on PE work to solicit state and federal funds for right-of-way and construction.
- Right-of-way acquisition costs of \$2 million is recommended for funding of the 172nd Avenue project in the Option B package. This would address the \$1.0 million estimated right-of-way costs and a start on construction costs. This project is located in the newly expanding urban area on the east side of Happy Valley. The application will leverage \$10 million of County funds to complete construction of the project. The County has begun master planning of the area surrounding this project and anticipates designating much of it as Regionally Significant Industrial Area to serve as a job base for Happy Valley. This is also the only project proposed for funding in the recently expanded urban growth boundary area, which when master planning is completed, is one of the priority land use emphasis areas. This funding is recommended to be conditioned on completion of the Damascus master plan and for the project design to be consistent with implementation of the master plan.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the road capacity modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The SE 172<sup>nd</sup> Avenue project will provide the primary arterial access to the future Rock Creek industrial area. Forecasts of expected traded-sector jobs will be available upon completion of the Damascus concept plan.

The B-H/Scholls project would support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure. No specific link to the retention or attraction of traded-sector jobs was provided by the project applicant.

• Address transportation barrier to development in 2040 priority land use areas Upon completion of the Damascus concept plan, the SE 172<sup>nd</sup> Avenue project will address the primary urban infrastructure need to development of the future Rock Creek industrial area. The Beaverton-Hillsdale/Scholls Ferry/Oleson intersection project, if tied to the development of a Raleigh Hills town center planning effort, is of a scale and impact to provide significant redevelopment opportunities in that area. The Wood Village Boulevard project would provide new access and development opportunity in the Wood Village town center.

• Support livability and attractiveness of the region.

#### Emphasize modes that do not have other sources of revenue

Road capacity projects are supported through pass through state trust fund revenues to local jurisdictions, system development charges and some local taxes or improvement districts. However, some jurisdictions have maintenance needs that are larger than state pass-through revenues and which generally take priority over capacity projects.

# Complete gaps in modal systems

Other than the Wood Village Boulevard project, which would complete a gap in the motor vehicle street system between Halsey and Arata Road, these projects expand existing motor vehicle connections. New connections to complete gaps in the pedestrian and bicycle system would be provided with these projects, however.

# Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, all of these projects would provide new or upgrade substandard pedestrian and bicycle facilities on these roads (current Greenburg Road has existing sidewalks but no bike lanes).

Meet the average annual requirements of the State air quality implementation plan These projects do not address this policy goal.

#### **Road Reconstruction**

• The Cleveland Street project is recommended for funding at \$1 million in the Option B package. If funded, it would be necessary to work with the City of Gresham to define a phase of the project that could be completed with this amount or additional sources secured. This project demonstrated strong connections to the development of the Gresham regional center and adds sidewalk, bicycle and transit elements that are currently missing from the existing facility. It also strongly incorporates green street elements, providing another demonstration project for the region.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the road reconstruction modal category addresses the following policy guidance.

- Link to retention and/or attraction of traded-sector jobs
- The Cleveland Street project would support the redevelopment of adjacent properties in the regional center to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.
- Address transportation barrier to development in 2040 priority land use areas

• Support livability and attractiveness of the region.

#### Emphasize modes that do not have other sources of revenue

Road reconstruction projects are supported through pass through state trust fund revenues to local jurisdictions, system development charges and some local taxes or improvement districts. However, some jurisdictions have maintenance needs that are larger than state pass-through revenues and which generally take priority over reconstruction projects.

#### Complete gaps in modal systems

The recommended project does not complete gaps in the existing motor vehicle system but provides new pedestrian and bicycle facilities, completing gaps in those modal systems.

#### Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, the project would provide new or upgrade substandard pedestrian and bicycle facilities.

Meet the average annual requirements of the State air quality implementation plan These projects do not address this policy goal.

# Regional Travel Options

- The Regional Travel Options program is recommended for further consideration at the level of funding needed to implement the programs strategic plan, with the exception of providing vanpool capital assistance, in the base funding package.
- \$500,000 is recommended to be eliminated from the RTO Program in the Option B package. No specific guidance on which portion of the program to eliminate was provided.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the regional travel options category addresses the following policy guidance.

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas The RTO program is regional in scope and therefore markets and provides travel option services, reducing congestion region wide.
- Support livability and attractiveness of the region.

Emphasize modes that do not have other sources of revenue

These programs are not supported by other sources of dedicated transportation revenues although they do leverage funding from private Transportation Management Associations and other grants.

Complete gaps in modal systems

The RTO program does not construct projects and therefore does not address this policy goal.

Develop a multi-modal transportation system

This is a policy emphasis category for the Transportation Priorities program. RTO projects contribute to the development of a multi-modal system by educating and providing incentives to reduce trips or use existing pedestrian, bicycle and public transit facilities.

Meet the average annual requirements of the State air quality implementation plan While the RTO programs promote use of the facilities provided by the requirements, it does not specifically address this policy goal.

#### **Transit Oriented Development (TOD)**

- The TOD rail station area and urban centers programs are recommended for funding equal to the previous allocation.
- The Beaverton TOD site acquisition project is also recommended for funding at \$2 million, equal to the previous allocation to the Gresham Civic station site in the previous allocation. This would be a \$1 million cut from the requested amount. It is recommended that the City of Beaverton investigate use of other sources to match the large regional contribution to the project. \$650,000 of this cut would be restored in the Option A package.
- The Gateway TOD site would be funded for \$500,000 in the Option 1 package.
- The urban centers program is recommended for an additional \$500,000 in the Option B package but the same \$500,000 is recommended to be eliminated from the TOD category, with no specific recommendation on what project or program to reduce, in the Option B package.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the transit oriented development category addresses the following policy guidance.

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas The TOD program and recommended projects address market development barriers to development in 2040 priority mixed-use land use areas.

• Support livability and attractiveness of the region.

The TOD program and recommended projects support implementation of regional and local comprehensive plans by supporting mixed-use development at densities and with amenities beyond what the current market will bear in emerging mixed-use areas.

Emphasize modes that do not have other sources of revenue

While urban renewal and other programs facilitate new development, transit oriented development projects are specifically designed to increase the efficiency of the regions investment in the transit system and is not supported by other sources funding.

Complete gaps in modal systems

The TOD program and projects do not address this policy goal.

Develop a multi-modal transportation system

This is a modal policy emphasis category for the Transportation Priorities program. TOD projects contribute to the development of a multi-modal system by increasing the density and design of development in areas well served by existing pedestrian, bicycle and public transit facilities. This increases the use of those facilities and makes them more cost-effective.

Meet the average annual requirements of the State air quality implementation plan While the TOD programs promote use of the facilities provided by the requirements, it does not specifically address this policy goal.

#### **Transit**

- The existing commitments (by Metro Resolution) to rail transit projects in the region are recommended for funding.
- The Frequent Bus program is recommended for funding at a rate equal to the previous allocation amount.
- The Eastside Streetcar is recommended for funding in the Option A package.
- The South Metro Amtrak station is recommended for funding at \$1.15 million in the Option A package and for \$1 million in the Option B package.

#### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the transit modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

Office and commercial space in the mixed-use areas served by these transit projects may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.

- Address transportation barrier to development in 2040 priority land use areas
  The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when
  motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of
  which is the availability of frequent transit service. The existing rail commitments and the
  Frequent Bus capital improvement program are steps in providing reliable frequent transit
  service to mixed-use and industrial areas region-wide, key pieces of investment to ensuring the
  allowance of future development to proceed in those areas.
- Support livability and attractiveness of the region.

The development of a comprehensive regional transit system with frequent and reliable access to 2040 priority land use areas contribute to the economic vitality of the region by increasing trips that do not require more land intensive and costly auto parking spaces in those areas where efficient use of land is most critical. The provision of a well-designed network of transit facilities also contributes to the overall livability and attractiveness to both companies and work force to locate in the region.

# Emphasize modes that do not have other sources of revenue

The existing rail commitments and the Eastside Streetcar fund applications are used to leverage large federal grants to construct those projects. Currently, TriMet general fund revenues are committed to transit service as a means of not having to cut bus service hours and to start new light rail service during the on-going recession. While this was a resource allocation choice, on-street capital improvements for the Frequent Bus program now come solely from the Transportation Priorities program. The south Amtrak station improvements are not eligible for any other source of transportation revenues.

#### Complete gaps in modal systems

The rail commitments and Eastside Streetcar projects extend high frequency service to new areas consistent with the RTP and local Transportation System Plans, however, they do not strictly fill in gaps within the existing rail network. Frequent Bus improvements will allow new frequent bus service connecting gaps in the existing system.

# Develop a multi-modal transportation system

This is a modal policy emphasis category for the Transportation Priorities program. Transit projects contribute to the development of a multi-modal system by providing higher efficiency transit service in the corridors served by those projects.

Meet the average annual requirements of the State air quality implementation plan While the rail commitment and Frequent Bus program do not result directly in the provision of additional service hours as required by the air quality implementation plan, they do contribute to service efficiencies that can then be reallocated to providing additional transit service.

# Transportation Priorities 2006-09: Investing in the 2040 Growth Concept

# **Conditions of Program Approval**

#### Bike/Trail

All projects will meet Metro signage and public notification requirements.

(Bk2052) The MAX multi-use path project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Hispanic and low-income populations in the vicinity of the project.

(Bk3072) The Powerline Trail (Schuepback Park to Burntwood Drive) funding is conditioned on the execution of the purchase option of the Mt. Williams property for use of right-of-way for the project. If the purchase option is not executed, Metro may rescind the funds for future reallocation.

#### **Boulevard**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guide book (Metro; 2<sup>nd</sup> edition; June 2002).

All projects will incorporate stormwater design solutions (in addition to street trees) consistent with Section 5.3 of the *Green Streets* guide book and plant street trees consistent with the planting dimensions (p 56) and species (p 17) of the *Trees for Green Streets* guide book (Metro: 2002).

(Bd3020) The Rose Biggi project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Hispanic and low-income populations in the vicinity of the project.

(Bd1051) The E Burnside project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of low-income population in the vicinity of the project.

(Bd1260) The Killingsworth project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black and low-income populations in the vicinity of the project.

# Large Bridge

(RR1012) Funding of the Sellwood Bridge project is contingent on the programming \$1.5 million of STIP funding and Multnomah County prioritizing the Sellwood Bridge as the first

priority large bridge project for receipt of HBRR funds after completion of the Sauvie Island Bridge in 2007.

#### Freight

(Fr4063): Funding of the N Lombard project is contingent on the demonstration of a financial strategy that does not rely on large (> \$2 m) future contributions from the Transportation Priorities process.

(Fr4087): Funding for the Ledbetter over crossing project is contingent on the programming of \$6 million in ODOT OTIA III funding and \$2 million of local match by the Port of Portland to the project.

The N Lombard and N Ledbetter over crossing project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black population in the vicinity of the project.

#### **Green Streets**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* and *Green Streets* guidebooks (Metro; June 2002).

(GS1224): The Cully Boulevard project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black, Hispanic and low-income populations in the vicinity of the project. It is also conditioned on provision of results of the water quantity and quality testing as described in the project application.

#### **Planning**

(Pl0002): The RTP Corridor Plan – Next Priority Corridor is conditioned on a project budget and scope being defined in the appropriate Unified Work Program.

#### Pedestrian

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

#### **Road Capacity**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

(RC7001) The 172<sup>nd</sup> Avenue project funding is conditioned on a project design that implements the transportation implementation strategies and recommendations of the Damascus/Boring concept plan. Based on the recommendations of the plan, the County may request, in coordination with the cities of Damascus and Happy Valley, a different arterial improvement location or scope.

(RC 1184) The Beaverton-Hillsdale/Scholls Ferry/Oleson Road intersection PE funding is conditioned on the provision of a redevelopment plan being completed for the area encompassed by the project construction impacts in conjunction with PE activities. A general scope for such redevelopment plan will be further defined prior to the March 17<sup>th</sup> JPACT meeting. Demonstration of a financial strategy (not a commitment) for funding of right-of-way and construction that does not rely on large future allocations from regional flexible funds is also required prior to programming of awarded funds.

#### Road Reconstruction

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

(RR2035) Cleveland Avenue is conditioned on the provision of green street elements as described in the project application.

#### Transit Oriented Development (TOD)

All projects will meet Metro signage and public notification requirements.

(TD8005): Upon completion of a full funding grant agreement, station areas of the I-205 MAX and Washington County commuter rail are eligible for TOD program project support.

#### **Transit**

Capital projects will meet Metro signage and public notification requirements.

(TR1106) The Eastside Streetcar project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of low-income population in the vicinity of the project. It is also conditioned on the securing of other funding to complete the preliminary design and engineering costs of the project.

# Agenda Item Number 9.2

Resolution No. 05-3557, Authorizing the Chief Operating Officer to sign the second addendum to Metro's 2002 Intergovernmental Agreement with the Tualatin Basin Natural Resources Coordinating Committee.

> Metro Council Meeting Thursday, March 24, 2005 Council Chamber

# BEFORE THE METRO COUNCIL

DEI OND THE METRO CO	OTTOIL
AUTHORIZING THE CHIEF OPERATING OFFICER TO SIGN THE SECOND ADDENDUM TO METRO'S 2002 INTERGOVERNMENTAL AGREEMENT WITH THE TUALATIN BASIN NATURAL RESOURCES COORDINATING COMMITTEE	) Resolution No. 05-3557 ) Introduced by Councilors Hosticka and ) McLain )
WHEREAS, the Regional Framework Plan and Urban ("UGMFP") state that Metro will undertake a program for prote	
WHEREAS, the Title 3, Section 5 of the UGMFP sets f anticipated that Metro would take in identifying, considering an wildlife habitat conservation areas; and	
WHEREAS, on May 16, 2002, the Metro Council adopt the former Executive Officer to enter into an intergovernmental the Tualatin Basin Natural Resource Coordinating Committee ('became effective on May 22, 2002; and	agreement with the newly formed entity
WHEREAS, one of the purposes of the IGA between M on the economic, social, environmental and energy ("ESEE") and habitat conservation called for in the UGMFP and as described in Exhibit A to Resolution No. 02-3195; and	nalysis and program for fish and wildlife
WHEREAS, on May 15, 2003, the Metro Council adopt the Chief Operating Officer to sign the First Addendum to the IC of the program until December 2004; and	
WHEREAS, the schedule for concluding Metro's progra	am is now estimated to be by May 2005;
WHEREAS, Metro and the TBNRCC desire to amend t and to make other amendments to clarify the schedule for imple the IGA; now, therefore,	
BE IT RESOLVED:	
The Council authorizes the Chief Operating Officer to e Intergovernmental Agreement TBNRCC/Metro Regional Resourt form attached as Exhibit A.	
ADOPTED by the Metro Council this day of March	1, 2005.
David Bragdon, C	Council President

Daniel B. Cooper, Metro Attorney

# SECOND ADDENDUM TO INTERGOVERNMENTAL AGREEMENT TBNRCC/METRO REGIONAL RESOURCE PLANNING PROJECT

This Addendum Agreement is entered into between the Tualatin Basin Natural Resources Coordinating Committee ("TBNRCC"), an ORS Chapter 190 intergovernmental association, and the Portland Metropolitan Service District ("Metro").

#### WHEREAS:

- 1. Metro and TBNRCC have entered into an intergovernmental agreement, approved by the Metro Council by Resolution No. 02-3195 on May 16, 2002, and by TBNRCC on June 10, 2002, and amended by a First Addendum approved by the Metro Council by Resolution 03-3332 on May 15, 2003, and by TBNRCC on May 5, 2003 ("Metro-TBNRCC IGA").
- 2. The Metro-TBNRCC IGA established a schedule based on Metro's expectation to conclude the Metro fish and wildlife habitat protection and restoration program work by December 2004.
- 3. Metro's schedule to complete Metro fish and wildlife habitat protection and restoration program has changed.
- 4. Metro has established a new schedule that contemplates completion of the Metro Metro fish and wildlife habitat protection and restoration program work by May 2005.
- 5. Metro and TBNRCC now desire to amend the Metro-TBNRCC IGA pursuant to its Paragraph 10 to reflect these new dates for action by TBNRCC, and otherwise to affirm the principles and processes set forth in that Agreement.

#### NOW, THEREFORE, IT IS AGREED:

1. Paragraph 4 of the Metro-TBNRCC IGA is amended as follows:

TBNRCC will adopt recommended programs for the regional resource sites identified by the Metro Council in its draft inventory of Goal 5 regional resources either at the TBNRCC meeting on March 28, 2005, or at its meeting on April 4, 2005. TBNRCC will submit its adopted recommended programs, together with supporting ESEE analyses, to Metro no later than three days after TBNRCC adopts its recommended programs.

2. Paragraph 5 of the Metro-TBNRCC IGA is amended as follows:

The Metro Council will consider and conclude review of the TBNRCC recommended programs and supporting record, and take action on the recommended programs and supporting ESEE analyses, within a total of 120 days of submission. As part of its review, Metro shall initiate solicitation of public comments and solicit comment from

appropriate advisory committees including the Metro Policy Advisory Committee ("MPAC"), Metro Technical Advisory Committee ("MTAC"), Water Resources Policy Advisory Committee ("WRPAC"), and Goal 5 Technical Advisory Committee ("G5TAC") consistent with Metro's citizen involvement program.

Consistent with the Tualatin Basin Approach document, Metro shall apply the "overall goal" (quoted in full in this paragraph) of the Streamside CPR Program Outline — Purpose, Vision, Goal Principles and Context" ("Vision Statement") recommended to the Metro Council by MPAC on October 4, 2000 as the standard for determining whether to include the TBNRCC's recommended programs and supporting ESEE analyses in the Urban Growth Management Functional Plan. The entire Vision Statement is attached as Exhibit "C" to this document to provide context for understanding the terms of the following "overall goal" standard:

"The overall goal is to conserve, protect and restore a continuous ecologically viable streamside corridor system, from the streams' headwaters to their confluence with other streams and rivers, and with their floodplains in a manner that is integrated with the surrounding urban landscape. This system will be achieved through conservation, protection and appropriate restoration of streamside corridors through time."

If, after receiving comment from the public and Metro advisory committees, the Metro Council concludes that the TBNRCC's recommended programs comply or substantially comply with the above standard, Metro shall complete the process to adopt the recommended programs and supporting ESEE analyses, in substantially the same form as submitted, as its functional plan element for the regional resource sites identified in the recommendations. Metro review for compliance with the above standard will evaluate the program for potential to improve regional resource conditions basin-wide, addressing the entire Tualatin Basin system, as well as addressing each regional resource site identified by the Metro Council in its draft inventory of Goal 5 regional resources within the jurisdiction of the Basin governments.

3. Paragraph 6 of the Metro-TBNRCC IGA as amended by its First Addendum is further amended to delete references to taking action within the time-frames and as set forth in the agreement forming the TBNRCC and to establish a new time-frame for such action, incorporating the process set forth in the agreement forming the TBNRCC, and shall now read as follows:

"If Metro adopts the TBNRCC recommendations in its adopted functional plan in substantially the same form as submitted by TBNRCC, the city and county members of TBNRCC shall initiate, provide notice, and hold hearings on proposed ordinances amending their comprehensive plans and land use regulations to implement the Metro functional plan provisions submitted by the TBNRCC. Each city and county TBNRCC member will conclude hearings and adopt, adopt with amendments, or reject the proposed ordinances to amend comprehensive plans and land use regulations within one year after

the Metro Council's final decision adopting the TBNRCC decisions as part of the Metro functional plan, or within 60 days after acknowledgement of Metro's functional plan provisions, whichever is later, or as soon as possible thereafter if its charter or other notice and hearing requirements prevent final action at such time. Each member of TBNRCC shall take final action adopting or rejecting any other program or regulation necessary to implement the adopted Metro functional plan provisions submitted by the TBNRCC within one year after the Metro Council's final decision, or within 60 days after acknowledgement of Metro's functional plan provisions, whichever is later, or as soon as possible thereafter if its charter or other notice and hearing requirements prevent final action at such time. Nothing in this Agreement shall obligate any TBNRCC member to adopt the proposed ordinances or other programs or regulations necessary to implement the adopted Metro functional plan provisions for the Tualatin Basin. However, each Basin government shall adopt findings explaining its decision to reject or vary from ordinances, programs, or other actions necessary to implement the adopted Metro functional plan provisions submitted by TBNRCC. Failure to adopt ordinances or other programs or actions necessary to implement the Metro functional plan provisions submitted by TBNRCC may result in a determination by Metro that plans or land use regulations do not substantially comply with the Metro functional plan."

4. Paragraph 15 of the Metro-TBNRCC IGA is amended as follows:

This Agreement shall terminate December 31, 2007, unless first extended by the parties.

5. To the extent the schedules contemplated by "The Basin Approach" document that is attached as Exhibit B to the Metro-TBNRCC IGA are at variance with the schedules of this Addendum, this Addendum shall control.

TUALATIN BASIN NATURAL
RESOURCES COORDINATING
COMMITTEE

#### **METRO**

Ву:	Ву:
Title:	Title:
Date:	Date:

#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION 05-3557 AUTHORIZING THE CHIEF OPERATING OFFICER TO SIGN THE SECOND ADDENDUM TO METRO'S 2002 INTERGOVERNMENTAL AGREEMENT WITH THE TUALATIN BASIN NATURAL RESOURCES COORDINATING COMMITTEE

Introduced by Councilors McLain and Hosticka

Date: March 11, 2005 Prepared by: Chris Deffebach

#### **BACKGROUND**

The Regional Framework Plan and Urban Growth Management Functional Plan ("Functional Plan") state that Metro will undertake a program for protection of fish and wildlife habitat. Title 3, Section 5 of the Functional Plan sets forth actions that the Metro Council anticipated that Metro would take in identifying, considering and protecting regionally significant fish and wildlife habitat conservation areas. Metro is applying State Goal 5 administrative rule as the framework for identifying regionally significant fish and wildlife habitat areas and developing a habitat protection program.

The jurisdictions in the Tualatin Basin, under their responsibilities and authority under State law and/or local charters, are also responsible for developing a program for protection of fish and wildlife habitat. These jurisdictions have formed Tualatin Basin Natural Resource Coordinating Committee and are coordinating their efforts to develop a protection program for the Basin. To coordinate their program with Metro's program, Metro and Tualatin Basin Natural Resource Coordinating Committee have entered into an intergovernmental agreement, approved by the Metro Council by Resolution No. 02-3195 on May 16, 2002, and by Tualatin Basin Natural Resource Coordinating Committee on June 10, 2002.

In 2003, Metro Council approved the first amendment to the Tualatin Basin IGA with adoption of Resolution No. 03-3332. This agreement revised the date for the Tualatin Basin Natural Resource Coordinating Committee to adopt programs for regional resource sites identified by the Metro Council in its draft inventory of Goal 5 regional resources and submit them, together with supporting the economic, social, environmental and energy analysis, to Metro. The revised intergovernmental agreement calls for this submission from the Tualatin Basin Natural Resource Coordinating Committee to Metro by August 16, 2004.

The first amendment to the IGA also extended the termination date for the Metro-Tualatin Basin Natural Resource Coordinating Committee agreement from June 1, 2004 to December 31, 2005.

#### ANALYSIS/INFORMATION

Resolution No. 05-3557 revises the date for the Tualatin Basin Natural Resource Coordinating Committee to submit its program to Metro from August 16, 2004 to March 31, 2005 (if the TBNRCC approves the program on March 28, 2005) or on April 7 (if the TBNRCC approves the program on April 4, 2005) in the Intergovernmental Agreement between the Tualatin Basin Natural Resource Coordinating Committee and

Metro. This schedule allows Metro to incorporate the Tualatin Basin Approach into the staff recommended Functional Plan and Framework Plan amendments for the Fish and Wildlife Habitat Program for release for public review and comment beginning on April 6 (if submitted on March 31) at MTAC. If the later date is submitted, it will delay the start of the public review and comment period, but not affect the current public hearing and Council consideration schedule of April 28 and May 12.

The revised IGA gives Metro Council 120 days, after submission by the Tualatin Basin, to take action on the recommended program and supporting ESEE analysis. References to limiting public review to the first 60 days of that period are eliminated. Instead, Metro will review the Tualatin Basin submission as part of the review of its own proposed program. The revised IGA eliminates reference to review by ETAC because ETAC no longer exists.

Resolution No. 05-3557 also revises the date for all of the Tualatin Basin jurisdictions for compliance with the Metro Functional Plan. The revised date is for compliance within one year from the time of Metro Council approval. The old agreement called for compliance within six months. The extended time is intended to give local jurisdictions more time given the reduced resources and increased demands many planning departments are now facing.

The revised IGA modifies the process set forth for consideration by Tualatin Basin members as not obligating any TBNRCC member to adopt the proposed ordinances or other programs or regulations necessary to implement the adopted Metro functional plan provisions.

Finally, the resolution revises the termination date from December 31, 2005 to December 31, 2007.

- 1. Known Opposition: None.
- 2. Legal Antecedents: This resolution amends the existing intergovenrmental agreement between Metro and Tualatin Basin Natural Resource Coordinating Committee.
- 3. Anticipated Effects: Resolution No. 05-3557 will promote coordination between the Tualatin Basin jurisdictions and Metro in the development and adoption of fish and wildlife habitat protection plans.
- 4. Budget Impacts: None.

#### RECOMMENDED ACTION

Approval of Resolution No. 05-3557.

#### Agenda Item Number 9.3

Resolution No. 05-3559, For the Purpose of Authorizing the Chief Operating Officer to enter into an Intergovernmental Agreement between Metro and TriMet for the Implementation for the Regional Funding Plan and a Multi-Year Funding Commitment of Metropolitan Transportation Improvement Program Funds.

Metro Council Meeting Thursday, March 24, 2005 Metro Council Chamber

#### BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE	)	RESOLUTION NO. 05- 3559
CHIEF OPERATING OFFICER TO ENTER INTO	)	
AN INTERGOVERNMENTAL AGREEMENT	)	Introduced by Rex Burkholder
BETWEEN METRO AND TRIMET FOR THE		
IMPLEMENTATION OF THE REGIONAL		
FUNDING PLAN AND A MULTI-YEAR		
FUNDING COMMITMENT OF		
METROPOLITAN TRANSPORTATION		
IMPROVEMENT PROGRAM FUNDS		

WHEREAS, on January 23, 1997, the Metro Council adopted Resolution No. 96-2442 For the Purpose of Endorsing a Regional Position on Reauthorization of the Intermodal Surface Transportation Efficiency Act (ISTEA) that established a multi-year commitment of Metropolitan Transportation Improvement Program (MTIP) funds totaling \$55 million over the period of FY 1999-2009 for the South/North LRT Project; and

WHEREAS, on June 24, 1999, the Metro Council adopted Resolution No. 99-2804A For the Purpose of Endorsing the Interstate Max Light Rail (LRT) Project and South Corridor Financing Strategy and Amending the MTIP that added \$12.5 million to the multi-year commitment of MTIP funds; making a total allocation of MTIP funds of \$67.5 million available for the "North LRT/South Corridor Financing Strategy;" and

WHEREAS, on March 20, 2003, the Metro Council adopted Resolution No. 03-3290 For the Purpose of Endorsing a Multi-Year Commitment of MTIP Funds for a Regional Funding Plan that added \$50.0 million over the period of Fiscal Year (FY) 2006-2015 to the multi-year commitment of MTIP funds; making a total allocation of MTIP funds of \$117.5 million available for a regional funding plan consisting of the Interstate MAX, South Corridor, Commuter Rail, and North Macadam projects; and

WHEREAS, on July 15, 2004, the Metro Council adopted Resolution 04-3468 For the Purpose of Endorsing a Supplemental Multi-Year Funding Commitment of Metropolitan Transportation Improvement Program Funds for the I-205/Mall LRT Project and Endorsing a Refined Regional Funding Plan and the Exhibit A Regional Funding Plan set forth in Resolution 04-3468 ("Regional Funding Plan") supplemented the multi-year commitment made in Metro Resolution No. 03-3290 with a \$10.4 million additional commitment of MTIP funds, making a total of \$127.9 million of MTIP funds available to the Interstate MAX, South Corridor (I-205/Mall LRT), Commuter Rail, and North Macadam Projects, of which \$41.5 million was applied to the Interstate MAX Project. The Regional Funding Plan set forth in Exhibit A to Resolution 04-3468 also delineated certain requirements and authorities regarding the use of the MTIP funds that superseded certain requirements and authorities in Resolution No. 03-3290; and

WHEREAS, Resolution 04-3468 included a Refined Regional Funding Plan that included \$48.5 million for the I-205/Mall LRT Project, \$10 million for the Commuter Rail Project and for North Macadam Projects and Exhibit A describes the need for the preparation of an Intergovernmental Agreement between TriMet and Metro; and

WHEREAS, TriMet has requested an intergovernmental agreement between TriMet and Metro for the purpose of documenting the commitment of MTIP funds and describing conditions for the Regional Funding Plan and that an agreement has been developed and is included in Exhibit A; and

WHEREAS, JPACT has reviewed and approved the IGA, and JPACT has authorized Metro to commit future MTIP funds in the amounts and in accordance with the provisions set forth in the IGA; now therefore

BE IT RESOLVED that the Metro Council hereby:

Authorizes Metro's Chief Operating Officer to enter into an intergovernmental agreement with TriMet that is substantially similar to the intergovernmental agreement included in Exhibit A for a multi-year commitment of MTIP funds to be used by TriMet for the Regional Funding Plan.

APPROVED by JPACT on March 17, 2005			
	Rex Burkholder, JPACT Chair		
ADOPTED by the Metro Council this day of March 24, 2005			
	David Bragdon, Council President		
Approved as to Form:	David Bragdon, Council President		
Daniel B. Cooper, Metro Attorney			

## Intergovernmental Agreement To Provide and Utilize MTIP Funds to Implement the Regional Funding Plan for the South Corridor, Commuter Rail, and North Macadam Projects

THIS Intergovernmental Agreement To Provide and Utilize MTIP Funds to Implement the Regional Funding Plan for the South Corridor, Commuter Rail, and North Macadam Projects ("AGREEMENT") is made and entered into by and between Metro and the Tri-County Metropolitan Transportation District of Oregon ("TriMet"). This Agreement is effective as of the last date of signature below.

#### RECITALS

- 1. On January 23, 1997, the Metro Council adopted Resolution No. 96-2442 For the Purpose of Endorsing a Regional Position on Reauthorization of the Intermodal Surface Transportation Efficiency Act (ISTEA) that established a multi-year commitment of Metropolitan Transportation Improvement Program (MTIP) funds totaling \$55 million over the period of FY 1999-2009 for the South/North LRT Project; and
- 2. On June 24, 1999, the Metro Council adopted Resolution No. 99-2804A For the Purpose of Endorsing the Interstate Max Light Rail (LRT) Project and South Corridor Financing Strategy and Amending the MTIP that added \$12.5 million to the multi-year commitment of MTIP funds; making a total allocation of MTIP funds of \$67.5 million available for the "North LRT/South Corridor Financing Strategy;" and
- 3. On March 20, 2003, the Metro Council adopted Resolution No. 03-3290 For the Purpose of Endorsing a Multi-Year Commitment of MTIP Funds for a Regional Funding Plan that added \$50.0 million over the period of Fiscal Year (FY) 2006-2015 to the multi-year commitment of MTIP funds; making a total allocation of MTIP funds of \$117.5 million available for a regional funding plan consisting of the Interstate MAX, South Corridor, Commuter Rail, and North Macadam projects; and
- 4. On July 15, 2004, the Metro Council adopted Resolution 04-3468 For the Purpose of Endorsing a Supplemental Multi-Year Funding Commitment of Metropolitan Transportation Improvement Program Funds for the I-205/Mall LRT Project and Endorsing a Refined Regional Funding Plan. The Exhibit A Regional Funding Plan set forth in Resolution 04-3468 ("Regional Funding Plan") supplemented the multi-year commitment made in Metro Resolution No. 03-3290 with a \$10.4 million additional commitment of MTIP funds, making a total of \$127.9 million of MTIP funds available to the Interstate MAX, South Corridor (I-205/Mall LRT), Commuter Rail, and North Macadam Projects, of which \$41.5 million was applied to the Interstate MAX Project. The Regional Funding Plan set forth in Exhibit A to Resolution 04-3468 also delineated certain requirements and authorities regarding the use of the MTIP funds that superseded certain requirements and authorities in Resolution No. 03-3290; and.
- 5. The Parties have determined that a formal agreement regarding the commitment, schedule, and utilization of MTIP funds set forth in the Regional Funding Plan adopted by Resolution No.

04-3468 is required to successfully and effectively implement said Regional Funding Plan. This Agreement was authorized by the Joint Policy Advisory Committee on Transportation ("JPACT") on March 17, 2005 and by the Metro Council on March 24, 2005, pursuant to Resolution No. 05-3559; and.

6. TriMet intends to issue revenue bonds that are secured in part by a pledge of the amounts described in this Agreement. These initial bonds, together with any bonds that are issued to refund the initial bonds, and any obligations of TriMet to the providers of credit enhancement or derivative products in connection with the initial bonds and any refunding bonds (and any renewals or replacements thereof), are referred to collectively in this Agreement as the "TriMet Bonds." Timely receipt by TriMet of the amounts described in Section 2.1, below, is essential to permit TriMet to pay the TriMet Bonds and to preserve the ability of TriMet to borrow for other regional transportation projects.

NOW THEREFORE, the premises being in general as set forth in the foregoing recitals, it is agreed by and between the parties hereto as follows:

#### TERMS OF AGREEMENT

1. This Agreement sets forth a commitment by Metro and TriMet to provide and utilize certain MTIP funds, as defined in Section 2.2(a) below, to implement the "Regional Funding Plan for the South Corridor, Commuter Rail, and North Macadam Projects" set forth in Exhibit A to Metro Resolution No. 04-3468, dated July 15, 2004 (the "Regional Funding Plan"), which is attached hereto, incorporated herein, and fully made part of this Agreement. In case of conflict between Sections 1 through 9 this Agreement and the Regional Funding Plan, the provisions in Section 1 though 9 of this Agreement shall govern. This Agreement shall be effective on the date it is executed and shall terminate when the total multi-year commitment of MTIP funds provided herein is fulfilled and expended or as otherwise provided in accordance with and for the purposes set forth herein.

#### 2. Metro shall:

As the Portland region's Metropolitan Planning Organization (MPO) and regional 2.1 government, take all actions under its control (including, without limitation, programming the annual amounts of certain MTIP funds shown below for use by TriMet for the purposes permitted hereunder), subject to the exceptions set forth in this Agreement, to facilitate TriMet's receipt of the full annual amounts of MTIP funds set forth below, together with any additional amounts described in Section 2.3, on the dates shown below, subject only to reauthorization of MTIP funds and the provisions set forth in herein:

> Federal Fiscal Year 2006

**Committed Schedule** of MTIP Funds to be made Available to TriMet \$ 4,000,000

Federal Fiscal	Committed Schedule of MTIP Funds to be made		
Year	Available to TriMet		
2007	\$ 8,000,000		
2008	\$ 9,300,000		
2009	\$ 9,300,000		
2010	\$ 9,300,000		
2011	\$ 9,300,000		
2012	\$ 9,300,000		
2013	\$ 9,300,000		
2014	\$ 9,300,000		
2015	\$ 9,300,000		
TOTAL	\$86,400,000		

- 2.2 (a) Metro's funding commitment set forth in this Agreement shall be fulfilled solely through (i) programming of MTIP funds and (ii) taking such other actions as may be necessary under federal and regional rules and procedures to facilitate TriMet's receipt of the annual amounts of MTIP funds due to TriMet under this Agreement. As used everywhere in this Agreement, the term "MTIP funds" shall mean Surface Transportation Program (STP) funds, Congestion Mitigation/Air Quality (CMAQ) funds, and funds provided under any successor or comparable federal urban transportation funding programs that are authorized for distribution solely by Metro as the Portland MPO to projects in the Portland MPO area.
- (b) Metro shall program and prioritize in project selection the annual committed amounts to TriMet as shown Section 2.1 in a given year, conditioned solely on (i) Federal authorization of MTIP funds to the Portland MPO, (ii) an annual appropriation of MTIP funds to the Portland MPO in an amount equal to or greater than the annual committed amount shown in Section 2.1 for such year, and (iii) an annual allocation of obligational authority for MTIP funds to the Portland MPO in an amount equal to or greater than the amount shown in Section 2.1 for such year. In any year in which (i) MTIP funds are not authorized or are not appropriated to the Portland MPO in an amount equal to or greater than the amount shown in Section 2.1 of this Agreement for such year, or (ii) insufficient obligational authority is allocated to the Portland MPO for MTIP funds for such year, the difference between the annual amount of MTIP funds TriMet receives from the Portland MPO under this Agreement in such year and the annual amount committed to TriMet in Section 2.1 for such year shall be reprogrammed for TriMet as described in Section 2.3.
- 2.3 (a) If for any reason (except in cases caused by the acts or omissions of TriMet) the full amount of MTIP funds provided to TriMet by the Portland MPO under this Agreement in any Federal Fiscal Year is less than that shown in the schedule set forth in Section 2.1 of this Agreement, the amount of funds due under Section 2.1 for the Federal Fiscal Year first following the year in which such a Difference occurs shall be increased by 105% of that Difference. The Difference is defined as the annual amount actually provided to TriMet under this Agreement for a Federal Fiscal Year and the

applicable annual amount for the Federal Fiscal Year as set forth in Section 2.1 as it may be adjusted from time to time under this paragraph. The schedule shown in Section 2.1 shall be adjusted in each year as provided in this paragraph if the full amount due in any Federal Fiscal year, after adjustment under this paragraph, is not paid to TriMet.

- (b) The intent of this Section 2.3 is to ensure that TriMet receives a total amount of MTIP funds under this Agreement that has a present value equal to the present value (as of the start of fiscal year 2006) of funds anticipated by the initial schedule of MTIP funds shown in Section 2.1, based on a five (5) percent discount rate. In the event that TriMet does not receive the full amount of MTIP funds from Metro as the Portland MPO due in any year, Metro shall take all necessary actions, including without limitation the reprogramming of MTIP funds as defined in this Agreement, to facilitate TriMet's receipt of the amounts described in Section 2.1, after those amounts are adjusted pursuant to this Section 2.3.
- (c) The parties recognize and agree that this may cause Metro's payment schedule to TriMet to extend beyond the dates set forth in Section 2.1. This Agreement shall terminate when TriMet receives all monies due to TriMet under this Agreement, or on the date that Metro is no longer designated as the Portland MPO.
- (d) The parties also recognize and agree that if the federal government ceases to authorize, appropriate or allocate MTIP funds to Metro as the Portland MPO, Metro shall not be liable in any way for funding the amounts described in Section 2.1, except from MTIP funds as set forth above, and that in such case of federal cancellation of MTIP funds, TriMet will be solely responsible for fulfilling any obligations it undertakes as a result of this Agreement.
- 2.4 Diligently fulfill the duties assigned to Metro in the Regional Funding Plan, including without limitation, providing such assurances, legal opinions, or agreements reasonably requested by TriMet to effectuate the financing strategy required to implement the Regional Funding Plan.

#### 3. TriMet shall:

- 3.1 Take all actions in a timely manner that are required of grantees by the Federal Highway Administration (FHWA) and/or the Federal Transit Administration (FTA) for receipt of said MTIP funds;
- 3.2 Diligently fulfill the duties assigned to TriMet in the Regional Funding Plan, including without limitation:
  - (a) Preparing and undertaking the financing program(s) required to implement the Regional Funding Plan:

(b) Use the funds provided under this Agreement in the manner described in the Regional Funding Plan to make the following amounts available to the Commuter Rail, I-205/Mall LRT and North Macadam Projects:

Project	Millions
I-205/Mall LRT Project	\$48.5
Commuter Rail Project	\$10.0
North Macadam Project	\$10.0

- (c) Providing to the I-205/Mall LRT, Commuter Rail, and North Macadam Projects the amounts shown in Section 3.2(b) above, regardless of the borrowing costs incurred in implementing the Regional Funding Plan. TriMet will neither be provided additional MTIP funds nor be required to reimburse MTIP funds in the event borrowing costs differ from those assumed in the Regional Funding Plan. In the event that interest rates do not permit MTIP-backed bonds to provide the full \$68.5 million anticipated in Section 3.2(b) from the multi-year commitment of MTIP funds under this Agreement, TriMet will provide the difference and, if borrowing is necessary to provide the difference, will secure such borrowing with other TriMet revenues or TriMet's general fund to provide the difference to the applicable project(s).
- (d) In the event that one or more of the projects described in the Regional Funding Plan do not proceed to construction, the difference between the actual expenses incurred on those projects and the amounts shown in section 3.2(b) herein shall be made available by TriMet for reallocation to other regional projects through a regional process agreed to by the TriMet General Manager and the JPACT Chair. In such event, Metro as the Portland MPO shall continue to provide to TriMet the revenue stream from MTIP funds as set forth in Section 2 herein, with TriMet providing the funds to the regional process for reallocation from the terminated project(s).
- (e) Work with Metro each year to determine the appropriate annual mix of STP, CMAQ, or any successor or comparable federal urban transportation funding programs that comprise MTIP funds will be utilized to provide the total amounts of MTIP funds committed to TriMet under Section 2 of this Agreement.
- 4. The Parties acknowledge and agree that:
  - (a) Metro shall not be considered to have failed to comply with its obligations under this Agreement if the amounts received by TriMet are less than those required by Section 2.1 and the shortfall results from an insufficient federal authorization or appropriation of MTIP funds to Metro as the Portland MPO or an insufficient state suballocation of MTIP obligation authority to Metro as the Portland MPO

- below the amounts described in Section 2.1, and not from any action or omission by Metro;
- (b) The funding commitments by the other state, regional and local contributors, as contemplated in the Regional Funding Plan have been obtained, all requirements in the Regional Funding Plan for such commitments have been satisfied, and the City of Portland has made a sufficient commitment of funds for the I-205/Mall LRT Project to fulfill the prerequisite described in the Regional Funding Plan for City's receipt of funds from TriMet for the North Macadam Project;
- (c) TriMet will rely on the commitment of MTIP funds made hereunder, as well as other TriMet funds if TriMet so chooses, when it issues the TriMet bonds to provide the project funding set forth in Section 3.2(b) of this Agreement; and
- (d) TriMet will have sole responsibility for determining the validity and security of any bonds it issues or causes to be issued related to this Agreement.
- 5. Metro and TriMet agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be invalid, unenforceable, illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the agreement did not contain the particular term or provision held to be invalid.
- 6. Metro and TriMet agree that neither party shall assign any of the responsibilities under this Agreement without the written consent of the other party, that Metro and TriMet are the only parties entitled to enforce the terms of this Agreement, and that nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right to any third person or party, except as provided in Section 7 of this Agreement.
- 7. Notwithstanding Section 6 of this Agreement, the parties acknowledge that the owners of the TriMet Bonds and their representatives (including any TriMet Bond trustees) and any providers of credit enhancement for the TriMet Bonds shall be third party beneficiaries to the representations and agreements set forth in this Agreement.
- 8. If a dispute arises between the parties, Metro agrees that, so long as the TriMet Bonds are outstanding, it shall not take any action that would reduce the amounts that are to be paid to TriMet under this Agreement as a set-off for damages Metro may claim it is owed. To the extent that Metro is entitled to any damages for any breach by TriMet of the terms of this Agreement, Metro shall seek payment of those damages solely from funds of TriMet that are not pledged to pay the TriMet Bonds.
- 9. This Agreement constitutes the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements or representations, oral or written, not specified herein regarding this agreement. No waiver, consent, modification, or change of terms of this Agreement shall bind either party unless in writing and signed by both parties and all necessary approvals have been obtained. Such waiver, consent,

modification or change, if made, shall be effective only in the specific instance and for the specific purpose given.

IN WITNESS WHEREOF, the parties hereby acknowledge that they have the authority granted by their respective governing body to execute this agreement and hereto have set their hands and affixed their seals as of the day and year hereinafter written.

APPROVED BY METRO	APPROVED AS TO FORM BY METRO
By Michael Jordan, Chief Operating Officer	By
Date:	Date:
APPROVED BY TRIMET	APPROVED AS TO FORM BY TRIMET
By Fred Hansen, General Manager	By M. Brian Playfair, TriMet General Counsel
Date	Date

Attached Hereto and Incorporated Herein: Exhibit A to Metro Resolution No. 04-3468 "Regional Funding Plan for the South Corridor, Commuter Rail, and North Macadam Projects."

## Exhibit A to Resolution No. 04-3468 Regional Funding Plan for the South Corridor, Commuter Rail, and North Macadam Projects

#### 1. Multi-Year Commitment of MTIP Funds to Regional Funding Plan

1.1 Metro hereby supplements the multi-year commitment of Metropolitan Transportation Improvement Program (MTIP) funds set forth in Resolution No. 03-3290, and amends the MTIP, as follows:

Fiscal Year	CURRENT  Multi-Year Commitment of MTIP Funds under Resolution No. 03-3290	PREVIOUS  MTIP Funds Applied to Interstate MAX Project	PROPOSED Supplemental Multi-Year Commitment of MTIP Funds to Refined Regional Funding Plan  TOTAL Multi-Year Commitment of MTIP I-205/Mall LRT, Commuter Rail, No. Macadam Projects	
FY '99	\$1,500,000	\$1,500,000	\$ -	\$ -
FY '00	\$6,000,000	\$6,000,000	\$ -	\$ -
FY '01	\$6,000,000	\$6,000,000	\$ -	\$ <b>-</b>
FY '02	\$6,000,000	\$6,000,000	\$ -	\$ -
FY '03	\$6,000,000	\$6,000,000	\$ -	\$ -
FY '04	\$6,000,000	\$6,000,000	\$ -	\$ -
FY '05	\$6,000,000	\$6,000,000	\$ -	\$ -
FY '06	\$8,000,000	\$4,000,000	\$ -	\$4,000,000
FY '07	\$8,000,000	\$ -	\$ -	\$8,000,000
FY '08	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY '09	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY'10	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY'11	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY '12	\$8,000,000	\$ -	\$1,300,000	· \$9,300,000
FY '13	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY '14	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
FY '15	\$8,000,000	\$ -	\$1,300,000	\$9,300,000
Total	\$117,500,000	\$41,500,000	\$10,400,000	\$86,400,000

As used in this Regional Funding Plan, the term MTIP funds includes Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds, or any successor federal transportation funding programs allocated by formula to metropolitan regions.

1.2 TriMet will prepare and implement a financing program to use, through direct federal grants to projects and/or a borrowing strategy, the MTIP funds committed in Section 1.1 to provide the following amounts, net of borrowing costs, to the following projects:

Project	Millions
I-205/Mall LRT Project	\$48.5
Commuter Rail Project	\$10.0
North Macadam Project	\$10.0

TriMet may employ the multi-year commitment of MTIP funds to provide the amounts shown to the respective projects in any manner that facilitates its funding and borrowing program. TriMet may pledge any portion of the multi-year commitment of MTIP funds to any borrowing or borrowings it deems necessary or desirable to achieve the purpose of this Regional Funding Plan. TriMet may employ any portion of the multi-year commitment of MTIP funds to pay preventative maintenance or capital costs required to make TriMet general funds available to provide the amounts shown above to the respective projects.

- 1.3 TriMet will enter binding agreements with FTA and local governments committing TriMet to provide the amounts shown in Section 1.2 to the respective projects. To provide such amounts, TriMet will enter loan agreements relying on receipt of the annual amounts shown in Section 1.1 to help repay such obligations. Accordingly, the annual amounts shown in Section 1.1 are fully committed to TriMet; subject only to authorization and appropriation of MTIP funds.
- 1.4 TriMet will provide to the I-205/Mall LRT, Commuter Rail, and North Macadam Projects the amounts shown in Section 1.2, above, regardless of the borrowing costs incurred in implementing this regional funding plan. TriMet will neither be provided additional MTIP funds nor be required to reimburse MTIP funds in the event borrowing costs differ from those assumed in preparing this plan. In the event that interest rates do not permit MTIP-backed bonds to provide the full \$68.5 million anticipated in Section 1.2 from the multi-year commitment of MTIP funds, TriMet will employ general fund borrowing to provide the difference to the applicable project(s). Because the multi-year commitment of MTIP funds will be used directly or in a revenue-bonding or borrowing strategy in accordance with the finance plans for these Projects, Metro will provide assurances, legal opinions, or enter into appropriate IGA¹s reasonably requested by TriMet that are requested by third parties to effectuate the bonding strategy and that are consistent with the purposes set forth in this Exhibit A.
- 1.5 A mix corresponding to the needs of TriMet's financing program of Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds will be used to fulfill the multi-year commitment of MTIP funds. Representatives of Metro and TriMet will cooperatively determine the appropriate mix of CMAQ and STP funds to be used to fulfill the multi-year commitment of MTIP funds.

#### 2. I-205/Mall LRT Project

2.1 The finance plan for Final Design and construction of the I-205/Mall LRT Project is currently anticipated to be as follows:

Funding Source	\$Millions
Federal Sec. 5309 Funds (3)	\$296.2
MTIP (TriMet bonds)	\$48.50
TriMet General Fund	\$25.33
Clackamas County	\$35.33
ODOT (4)	\$23.00
City of Portland (2)	\$65.33
Total Project Revenues (1)	\$493.70

Note 1: Does not include contributions for Preliminary Engineering

Note 2: Includes \$2 million for shelter replacement on Mall.

Note 3: Includes\$3million for shelter replacement on Mall.

Note 4: Does not include more than \$10 million in Project savings

resulting from the purchase of ODOT ROW.

This finance plan is preliminary, and subject to change due to Preliminary Engineering, Final Design, Full Funding Grant Agreement negotiations with FTA, and other future adjustments. The funding plan is based on an assumed schedule for receiving Section 5309 and local funds. The finance plan contemplates interim borrowing costs resulting from the unavailability of federal funds when required by the construction schedule. In the event federal funds are appropriated to the project at a slower rate than assumed or local funds are not received when scheduled, interim borrowing costs and the total project cost may be higher than anticipated in the finance plan. Any such cost increase will be counter-balanced by either additional local funding contributions or cost reductions from project scope reductions.

- 2.2 The commitment of MTIP funds to the I-205/Mall LRT Project is subject to funding commitments by the other state, regional and local contributors, as contemplated in the finance plan, as it may be amended from time to time.
- 2.3 FTA procedures require that Final Design be between 60 and 100 percent complete prior to commencing Full Funding Grant Agreement (FFGA) negotiations. The finance plan anticipates that about \$35 million of Final Design and related engineering and administration costs will be incurred prior to executing a FFGA, and that such cost will be paid with proceeds from MTIP-backed bonds and/or MTIP grant funds. MTIP will not be repaid or reimbursed for such expenditures, should the project not proceed to construction.
- 2.4 In the event that the City of Portland cannot commit sufficient funds to construct a mall segment, the \$10 million (net of borrowing costs) allocated to the North Macadam Project in Section 1.2 will be reallocated to the I-205/Mall LRT Project. In the event that even with the addition of this \$10 million there remains insufficient funding to construct a mall segment, a FFGA for a minimum operable segment between Gateway and the Clackamas Regional Center will be sought, and the finance plan adjusted accordingly.
- 2.5 The proposed ODOT \$3M supplemental commitment to the project, raising ODOT's contribution from \$20 million to \$23 million, presumes that the region will assist ODOT in seeking replacement federal funds for the I-205 auxiliary lane project. The \$23 million contribution to the project from ODOT requires amending the FY'04 FY'07 MTIP and STIP to ensure that the funding is available in a timely manner.

#### 3. Commuter Rail Project

- 3.1 \$10 million, net of debt service, will be provided to the Commuter Rail Project in accordance with the finance plan set forth in the *Definitive Agreement* between Washington County and TriMet, as may be amended by the FFGA. The County will provide a sufficient amount of County funds and state lottery bond proceeds to achieve a 50 percent local share of total capital costs for the Commuter Rail Project.
- 3.2 The portion of the multi-year commitment of MTIP funds required to provide \$10 million (net of borrowing cost) to the Commuter Rail project is currently fully committed to TriMet, and is currently being spent to pay the costs of Final Design for the Commuter Rail project. MTIP will not be repaid or reimbursed for such expenditures, should the Commuter Rail project not proceed to construction.

#### 4. North Macadam Project

- The South Waterfront Central District Project Development Agreement among the Portland Development Commission, Oregon Health & Science University, and several private entities sets forth a \$102.9 million program of public transportation, infrastructure, greenway, housing, research facility, neighborhood, and parks improvements; and a finance plan to accomplish this program. A key element of the improvement program is the extension of the Portland Streetcar between SW Moody and SW Gibbs; which is currently estimated to cost \$15.8 million. The finance plan for this project consists of \$5.8 million in tax increment and LID funds, and \$10 million provided by TriMet as a result of the multi-year commitment of MTIP funds shown in Section 1.1. As part of managing the overall program budget, the TriMet funds may be made available to other projects in the improvement program, provided the recipient project is an eligible project under TriMet statutes.
- 4.2 The obligation to provide to TriMet the portion of the multi-year commitment of MTIP funds required to provide \$10 million (net of borrowing cost) to North Macadam improvements is subject only to the City of Portland's binding commitment of \$60 million (assuming the mall to PSU option) to pay a share of the capital costs of the I-205/Mall LRT Project. Subject to such a binding commitment, TriMet will borrow funds relying on this portion of the multi-year commitment of MTIP funds and, in FY2006, provide to PDC \$10 million to design and build North Macadam improvements. Such funds will be provided to PDC independent of whether the I-205/Mall LRT Project advances to Final Design or construction. In the event the City of Portland is unable to provide such a binding commitment, the \$10 million will be reallocated to the I-205/Mall LRT Project.

#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3559 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT BETWEEN METRO AND TRIMET FOR THE IMPLEMENTATION OF THE REGIONAL FUNDING PLAN AND A MULTI-YEAR FUNDING COMMITMENT OF METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM FUNDS

Date: March 24, 2005

Prepared by: Andy Cotugno
Dave Unsworth

#### BACKGROUND

The purpose of this resolution is to authorize the Chief Operating Officer to enter into an intergovernmental agreement (IGA) between TriMet and Metro. In this agreement, Metro will provide a multi-year commitment of Metropolitan Transportation Improvement Program (MTIP) Funds that totals \$86.4 million and TriMet will provide \$48.5 million to the I-205/Portland Mall Project, \$10 million to the Commuter Rail Project and \$10 million to the North Macadam projects. TriMet intends to use the MTIP funds to provide a revenue stream for the issuance of bonds. These bond proceeds will be used to provide early funding for these transit projects. Exhibit A to Resolution 04-3486 identifies the need for an IGA to formalize the funding commitments and to facilitate the flow of bond revenue funds to the I-205/Portland Mall, Commuter Rail and North Macadam projects. The IGA included in Exhibit A addresses this need. On an annual basis, the distribution of the amounts detailed in Section 2.1 of Exhibit A and shown in the table below, will have first priority over other MTIP funding needs.

Federal Fiscal	Committed Schedule of MTIP Funds to be made		
Year	Available to TriMet		
2006	\$ 4,000,000		
2007	\$ 8,000,000		
2008	\$ 9,300,000		
2009	\$ 9,300,000		
2010	\$ 9,300,000		
2011	\$ 9,300,000		
2012	\$ 9,300,000		
2013	\$ 9,300,000		
2014	\$ 9,300,000		
2015	\$ 9,300,000		
TOTAL	\$86,400,000		

Previously, Metro has allocated flexible MTIP funds to provide funds for the South/North LRT Project and Interstate Max Project and plans to use these funds for future transit projects. The Metro Council and JPACT have approved a number of resolutions that address the use of MTIP funds for Regional Funding Plan in support of major transit projects. The IGA in Exhibit A, provides more definition to the

conditions related to the transfer of funds and is consistent with Resolution 04-2486 approved by the Metro Council on July 15, 2004.

The IGA indicates that Metro will commit the MTIP funds described in Section 2.1 of the IGA. The sole reason for not providing these funds as described by this schedule is if actual Federal authorization and appropriations are less than the schedule of committed funds described in Section 2.1 and in the table above. If this shortfall occurs, in the next federal fiscal year that the federal authorization and appropriations of MTIP funds are available in an adequate amount, Metro will make up this deficit plus an annual rate of five percent multiplied to the deficit, plus the amount scheduled for that year. This interest rate will come from the MITP funds.

This IGA was reviewed and approved by JPACT and JPACT has authorized the Metro to commit future MTIP dollars as outlined in the IGA.

#### ANALYSIS/INFORMATION

- 1. Known Opposition There is no known opposition to this resolution
- 2. Legal Antecedents Metro is vested with the authority to implement MTIP by the State of Oregon through the requirements of the Statewide Transportation Planning Rule. Metro has the legal authority to enter into an IGA with TriMet.
- 3. Anticipated Effects This resolution would authorize an IGA that would provide the mechanism to formalize the transfer of MTIP dollars to TriMet and the funding of the Regional Funding Plan.
- 4. Budget Impacts Commitments for these funds have been previously approved by JPACT and the Metro Council. MTIP funds allocated to TriMet through this IGA and described in Exhibit A will be the first priority of MTIP funds. Allocations less than current levels may affect Metro's ability to allocate MTIP funds for Metro planning activities.

#### RECOMMENDED ACTION

Metro Council approve Resolution 05- 3559

Resolution No. 05-3543, For the Purpose of Authorizing the Release of Request-for-Proposals No. 05-1142-SWR for Phase 2 of the Remedial Investigation and Feasibility Study of St. Johns Landfill

Contract Review Board.

Metro Council Meeting Thursday, March 24, 2005 Metro Council Chamber

#### BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING THE	)	RESOLUTION NO. 05-3543
RELEASE OF REQUEST-FOR-PROPOSALS NO.	)	
05-1142-SWR FOR PHASE 2 OF THE	)	Introduced by Michael Jordan, Chief
REMEDIAL INVESTIGATION AND	)	Operating Officer, with the concurrence of
FEASIBILITY STUDY OF ST. JOHNS	)	David Bragdon, Council President
LANDFILL	)	

WHEREAS, Chapter 465 of the Oregon Revised Statutes requires that the Oregon Department of Environmental Quality (DEQ) develop and maintain a list of facilities where a release of hazardous substances to the environment has been confirmed, and an inventory of facilities that need further investigation, removal, remedial action, long-term environmental controls or institutional controls to assure protection of present and future public health, safety, welfare, or the environment, and

WHEREAS, in 1995 DEQ added the St. Johns Landfill to both the Confirmed Release List and Inventory, and

WHEREAS, based on these listings and rules promulgated to address them, in October 2003 DEQ and Metro signed a consent order requiring a Remedial Investigation (RI) to determine the nature and extent of the release of hazardous substances from the landfill, including assessment of risks posed to human health and the environment, and a Feasibility Study (FS) of options for managing risks, and

WHEREAS, the RI-FS is structured in three Phases, including development of an RI Proposal and an RI Work Plan (Phase 1), implementation of the RI Work Plan (Phase 2), and the Feasibility Study (Phase 3), and

WHEREAS, following a competitive procurement Metro contracted with Hart Crowser, Inc. to carry out Phase 1, with options to either negotiate contract amendments or to procure a new contract through a competitive process, for Phases 2 and 3, and

WHEREAS, Phase 1 is nearing completion and will result in a DEQ-approved RI Work Plan, and Metro staff believes that a new contract procured through a competitive process would be the most effective approach for Phase 2, and

WHEREAS, the Metro Code, Section 2.04.026 requires Metro Council approval of all multi-year contracts which commit Metro to expenditures beyond the current fiscal year, and

WHEREAS, the Metro Council identified the funds for these contracts in the Metro Budget as having a "Significant Impact", thereby requiring Council approval prior to release of the Request for Proposal; now, therefore

#### BE IT RESOLVED

- 1. That the Metro Council authorizes the release of RFP 05-1142-SWR for Phase 2 of the Remedial Investigation and Feasibility Study of St. Johns Landfill, and
- 2. That the Metro Council, pursuant to Section 2.04.026 of the Metro Code, authorizes the Chief Operating Officer to execute a contract with the most responsive proposer for Phase 2, and

3. That the Metro Council directs staff to complete Phase 2 and then return to the Metro Council either for authorization to amend the contract with the selected consultant for the purpose of implementing Phase 3, or to issue a new RFP for Phase 3.

ADOPTED by the Metro Contract Review Board this 24th day of March, 2005

	David Bragdon, Council President
Approved as to Form:	
Daniel B. Cooper, Metro Attorney	
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#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3543, FOR THE PURPOSE OF AUTHORIZING THE RELEASE OF REQUEST-FOR-PROPOSALS 05-1142-SWR FOR PHASE 2 OF THE REMEDIAL INVESTIGATION AND FEASIBILITY STUDY OF ST. JOHNS LANDFILL

Date: March 9, 2005 Prepared by: Paul Vandenberg

#### BACKGROUND

In October 2003 the Oregon Department of Environmental Quality (DEQ) renewed for 10 years the solid waste disposal site closure permit for St. Johns Landfill, along with a consent order for a Remedial Investigation and Feasibility Study (RI-FS) of the landfill. The basis for the consent order was the listing of St. Johns Landfill among other sites in the state that require further investigation of the nature and extent of environmental contamination, and possible cleanup actions or long-term engineered or institutional controls to protect public health or the environment, consistent with Chapter 465 of the Oregon Revised Statutes.

The consent order requires that Metro contract for the professional services of a qualified consultant to carry out the RI-FS. Based on the approved findings of the RI-FS, DEQ will issue a Record of Decision (ROD) that will establish remediation, long-term monitoring, and related requirements for St. Johns Landfill. The process leading to the ROD is estimated to take up to three years.

The RI-FS involves 3 distinct phases, including preparation of an RI Proposal and an RI Work Plan (Phase 1), implementation of the RI Work Plan (Phase 2), and the FS (Phase 3). Through an RFP process implemented after issuance of the consent order in 2003, Hart Crowser, Inc. was contracted to perform Phase 1, which is nearing completion. The Hart Crowser contract allowed Metro to negotiate amendments for Phases 2 and 3, or to procure a new contract for such through a competitive process.

Staff believes that the most effective approach to Phase 2 is to procure a new contract through a competitive process. If approved, the contract would require implementation of a DEQ-approved RI Work Plan, involving a detailed investigation and assessment of risks posed by landfill-related hazardous substances. The contract would include a provision that allows Metro to either amend the contract for Phase 3 (FS) services, or to procure a new contract for Phase 3 through a competitive process.

Based on several meetings of the DEQ and Metro project teams during Phase 1, a stepwise decision framework has been incorporated into the RI Work Plan. This framework provides a clear structure and direction for the RI. However, workscope detail for many tasks, beyond several discrete "starting point" tasks, will not be known until the results of preceding tasks have been thoroughly reviewed, and DEQ and Metro achieve agreement on their meaning. As such, the RFP will instruct respondents to propose costs only for the starting-point tasks, and to also provide hourly rates and overhead information, that would be used in developing the scope and budget for the later tasks.

Staff will contain project costs through contracted hourly rates applicable to the contract term, contracted costs for the starting-point tasks, tracking all expenses through detailed invoicing, and negotiating scope and cost for tasks that stem from the implementation of the decision framework, as necessary to fulfill requirements of the consent order. Implementing any negotiated task would require Metro authorization to transfer money from a contingency sum established by the contract. That sum would be the difference between the total contract amount and the total cost of the starting point tasks. Staff recommends a total contract amount of \$650,000, which would serve as a not-to-exceed sum for Phase 2. The St. Johns Landfill Closure Account is the funding source for all RI-FS-related work.

#### ANALYSIS/INFORMATION

#### 1. Known Opposition

There is no known opposition to this authorization request.

#### 2. Legal Antecedents

Metro Code 2.04.026 requires Council authorization of a request for proposals (RFP) that would result in a contract that has been designated as having a significant impact on Metro, prior to release of the RFP. The St. Johns Landfill RI-FS has been designated as a significant impact contract.

#### 3. Anticipated Effects

The anticipated effect of this authorization is a 3-year personal services agreement for Phase 2 of the RI-FS, with a potential amendment to the contract for implementation of Phase 3. If Metro exercises its right to issue a new RFP for Phase 3, in lieu of a contract amendment, an additional personal services agreement would be executed to complete the RI-FS. Staff will consult with the Metro Council prior to moving forward with Phase 3.

#### 4. Budget Impacts

The amount budgeted in the St. Johns Landfill Closure Account for RI-related services for FY 2004-2005 is \$178,800. The amount proposed for RI-FS-related services for the FY 2005-006 budget is \$321,400. As a result of the required approval by DEQ of work products during the course of the RI-FS, the work scope will evolve as the project progresses. On that basis, future budget impacts cannot be accurately estimated at this time. The current balance of the Closure Account is approximately \$6.6 million.

#### RECOMMENDED ACTION

- 1. Authorize the release of RFP 05-1142-SWR for Phase 2 of the RI-FS.
- 2. Pursuant to Section 2.04.026 of the Metro Code, authorize the Chief Operating Officer to execute a contract with the most responsive proposer for Phase 2 of the RI-FS, and
- 3. Direct staff to complete Phase 2 and then return for authorization to either amend the contract with the selected consultant for the purpose of implementing Phase 3, or to issue a new RFP for Phase 3.

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# Request for Proposals

for

St. Johns Landfill Remedial Investigation and Feasibility Study (Phase 2)

RFP #05-1142-SWR

## Prepared by: METRO

Solid Waste and Recycling Department Engineering & Environmental Services Division

> 600 NE Grand Ave. Portland, OR 97232-2736 (503) 797-1650 Fax (503) 797-1795 www.metro-region.org

March 2005



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#### **APPENDIX A: STANDARD AGREEMENT**

• EXHIBIT A:

**SCOPE OF WORK** 

ATTACHMENT 1:

**ATTACHMENT 2:** 

CONSENT ORDER

REMEDIAL INVESTIGATION WORK PLAN

**ATTACHMENT 3:** 

SELECTED REFERENCES

**ATTACHMENT 4:** 

**CONFIRMED RELEASE LIST** 

ATTACHMENT 5:

SECTION 5.4.1 OF ENVIRONMENTAL MONITORING PLAN

(Note: All attachments are on located on a compact disk included with this RFP document.)

#### REQUEST FOR PROPOSALS

For

### Remedial Investigation and Feasibility Study (Phase 2)

#### I. INTRODUCTION

The Solid Waste and Recycling Department of Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, is requesting written proposals for Phase 2 of the Remedial Investigation and Feasibility Study (RI-FS) of St. Johns Landfill in Portland, Oregon.

Proposals must be submitted no later than <u>3:00 PM PST, April 20, 2005</u>, to Metro's business offices at 600 NE Grand Avenue, Portland, OR 97232-2736.

Chapter 465 of the Oregon Revised Statutes, as promulgated by Chapter 340, Division 122 of the Oregon Administrative Rules, provides the regulatory framework for the RI-FS project. In 1995 DEQ placed St. Johns Landfill on its Confirmed Release and Inventory lists. The lists identify sites in Oregon that have had a confirmed release of hazardous substances and require further investigation and possible remediation.

Based on the approved findings of the RI-FS, it is anticipated that DEQ will issue a Record of Decision (ROD) that establishes remediation and monitoring requirements for St. Johns Landfill. If DEQ determines that further remediation is justified at the site, and is feasible, the ROD will include the required remedial measures and cleanup levels for specified contaminants and areas.

Metro is seeking proposals from firms that have experience in conducting RI-FS projects. Proposals should demonstrate how the firm and proposed project team are generally qualified to conduct an RI-FS of St. Johns Landfill, in accordance with the consent order issued in October 2003, by the Oregon Department of Environmental Quality (Attachment 1); and specifically qualified to implement a final RI Work Plan (Attachment 2) that was prepared during Phase 1 of the RI-FS under a separate consulting contract.

Proposers should provide qualifications to complete the RI-FS. It should be noted, however, that workscope and cost for Phase 3 of the RI-FS (i.e. the FS) depend on the outcome of Phase 2 (i.e., Implementation of the RI Work Plan), and therefore will be established either through a negotiated amendment to a contract awarded under this RFP, or under a new contract procured through a separate and later RFP process. As such, this RFP requests project specifics (e.g., task costs and project approach) that are relevant to Phase 2 only.

As shown in the "Initial RI Schedule" (Figure 18 of the attached RI Work Plan), Metro has estimated that Phase 2 of the RI-FS (Implementation of the RI Work Plan) will begin in June of 2005, and will be completed (as represented by submittal to DEQ of a final Risk Assessment Report) before August of 2007. To accommodate the time needed to perform Phase 3 (the FS), if implemented under the contract awarded based on this RFP, Metro anticipates a contract term of three years.

Details concerning the project and proposal submissions are contained in this document, including Appendix A.

A selection committee will evaluate written proposals and may prepare a short list of proposers based on a ranking of proposals, for purposes of interviewing. If interviews are conducted, the committee may elect to conduct additional interviews with one or more of the short-list firms, if determined necessary to select a firm for contract negotiations.

Metro's selected consultant for services requested under this RFP is subject to DEQ approval, consistent with Section 7.A of the consent order. In the event DEQ disapproves, Metro may require special conditions in the contract negotiated with the selected proposer, or may select another proposer for contract negotiations.

At least one key member of the proposed project team must be either a geologist or a certified engineering geologist, with current Oregon registration.

#### II. PROJECT BACKGROUND

St. Johns landfill is owned by Metro and managed by Metro's Solid Waste and Recycling Department. It is a 240-acre closed municipal solid waste landfill, located at 9387 North Columbia Boulevard, Multnomah County, Oregon.

The landfill is part of the 2,000-acre Smith and Bybee Wetlands Natural Area. The Wildlife Area is managed by Metro's Parks and Greenspaces Department, and is located on the north Portland peninsula, near the confluence of the Columbia River and the Willamette River.

The landfill is bordered by the Columbia Slough on its southwest and northwest flanks, the North Slough (arm of the Columbia Slough) on its northeast flank, and Smith wetlands on the southeast. Surface water movement in this section of the lower Columbia Slough is a function of seasonal changes, daily tides, and the large-scale management of Columbia River flow. Metro manages water level in Smith and Bybee wetlands to simulate historical flow for the purpose of restoring native wetland habitat.

Before waste disposal began, the landfill area was a shallow, seasonal lake. The lake's bottom was composed of a layer of relatively impermeable overbank silt. This silt transmits groundwater very slowly and helps limit leakage through the landfill bottom. Below the silt, in some locations, is a more porous sand layer that transmits water at a moderate rate. Below the silt and sand layers is a sand and gravel formation that transmits groundwater at a relatively high rate. This sand and gravel formation is a productive, area-wide aquifer.

From around 1932 until it was closed to disposal in 1991, the landfill accepted a variety of municipal and industrial wastes, and ash from a nearby solid waste incinerator, which operated until the early 1970s. During the 1980's the landfill was expanded by 55 acres, which included an underdrain system for leachate collection. Waste was disposed in the expansion area from 1988 to 1991.

Although the majority of the waste in the landfill is domestic solid waste, from 1958 to 1962 the landfill received industrial waste that included approximately 5,000 drums of pesticide manufacturing waste from the nearby Rhone-Poulenc facility. This waste included chemical residues from the manufacture of herbicides 2,4-D; MCPA; and 2,4,5-T.

To reduce leachate generation and impacts to surface water and groundwater, an engineered cover was constructed over the entire landfill, from 1992-1996. The cover included, from bottom to top, a compacted clay/silt immediately above the solid waste, a polyethylene membrane, drain sand, topsoil, and vegetation. The cover project included the construction of collection systems for landfill gas and stormwater.

The gas collection system consists of a network of extraction wells and trenches. Gas collection lines run along the landfill surface and are under vacuum pressure. Gas generated by the landfill is drawn to an on-site motor blower flare facility, from where it is either flared or compressed and piped two miles to Ash Grove Cement Company, where it is used as a fuel source.

Beginning in 1993, Metro implemented a formal environmental monitoring program, which is an integral part of landfill closure operations. This program includes sampling and field measurements performed by Metro staff, and analytical work performed by a laboratory that is certified under the Oregon Environmental Laboratory Accreditation Program, and is under contract with Metro.

Monitoring is performed in conformance with various permits, and includes but is not limited to the following activities:

#### Solid Waste Disposal Site Closure Permit #116 (DEQ)

- Semi-annual sampling and analysis of groundwater
- Continuous and periodic monitoring of groundwater and leachate levels
- Annual inspection of perimeter dike and documenting of leachate seepage

#### Wastewater Discharge Permit #400.18 (City of Portland)

 Semi-annual sampling and analysis of wastewater (Until recently, wastewater was a mixture of landfill leachate and landfill gas condensate, collected and discharged to the City sanitary sewer. Gas condensate is now treated on-site and no longer discharged to the sewer system.)

#### NPDES Stormwater Discharge Permit (DEQ)

 Semi-annual sampling and analysis of stormwater, and monthly field measurements

#### Oregon Title V Operating Permit (DEQ / EPA)

- Monthly measurements of gas constituents at each wellhead
- Quarterly monitoring of the landfill surface for methane emissions
- Continuous monitoring of total gas flow and flare temperatures

In addition, Metro monitors surface water and sediments around the landfill and throughout the wildlife area, consistent with its responsibilities under the Natural Resources Management Plan for Smith and Bybee Lakes. Surface water monitoring includes sampling and analysis up to six times per year, and continuous automated monitoring of standard water quality indicators. Sediment sampling and analysis is performed annually.

All monitoring results are maintained by Metro in a Microsoft Access database, which contains data for various environmental media, from the early 1970s to the present.

Metro also maintains records and results from various environmental investigations conducted at the landfill and surrounding areas over the years. These include soil properties such as hydraulic conductivity and solute partitioning; well logs and stratigraphy maps; groundwater pressure variation with location and time; leachate seep chemistry; groundwater modeling; screening-level risk assessments of sediment, groundwater (in one sand and gravel aquifer well), and gas; and assorted surface water and sediment data for the lower Columbia Slough.

Groundwater quality next to the landfill has been monitored beginning in the 1970s, and since 1993 has included twice-per-year sampling from a network of

30 wells. Groundwater is analyzed for general chemical properties and for hazardous substances. Additional wells within the landfill are used to monitor the composition of leachate and landfill gas. Also, since 1994 groundwater level has been monitored using a network of on- and off-site piezometers.

The original confirmed release list for St. Johns Landfill included 24 hazardous substances that exceeded state or federal drinking water standards. The site Environmental Monitoring Plan (EMP), approved by DEQ in February 2001, requires that other substances be added to the original list, if warranted, based on criteria specified in the plan. Those criteria include exceedence of any of the applicable groundwater quality standards identified in the EMP, or a first-time detection of any constituent of the volatile organic, semi-volatile organic, pesticide, herbicide, and PCB parameter groups. Following this procedure, ten substances have been added to the original list of 24 substances, consistent with procedures specified in the EMP. The current confirmed release list is attached to this RFP (Attachment 4).

In March 2002, Metro submitted to DEQ its initial Annual Environmental Monitoring Report (AEMR) under the EMP. Consistent with the EMP, this AEMR was retroactive and included monitoring activities and results for the years 2000 and 2001. It also included a general review of groundwater quality monitoring results dating back to 1993, when Metro initiated its formal environmental monitoring program.

Metro subsequently submitted to DEQ the AEMRs for monitoring years 2002 and 2003. Each AEMR includes an examination of groundwater quality and groundwater level monitoring results for the reporting period. The RI Work Plan reflects these examinations and includes critical information from the AEMRs.

The RI Work Plan was prepared during 2003-2004 under a separate consulting contract. The work plan is largely iterative in nature, and therefore the workscope and cost for completing the RI will be established in steps through separate task orders as the project progresses. As such, the cost proposal section of the RFP requests costs only for certain "starting point" tasks that are detailed in the work plan, as well as information pertaining to hourly rates. The project approach section requests the description of experience of the proposing firm or team in implementing this type of iterative approach.

RI-FS stakeholders include, but are not limited to the following:

- City of Portland
- Port of Portland
- Smith and Bybee Lakes Management Committee
- Friends of Smith and Bybee Lakes
- St. Johns Neighborhood Association
- North Portland Neighborhoods
- Columbia Slough Watershed Council

- Columbia Corridor Association
- 40-Mile Loop Land Trust
- Oregon Bass & Panfish Club
- Citizen Recreational Users of the Smith and Bybee Wetlands Natural Area
- Owners of Nearby Private Businesses and Properties

#### III. SCOPE OF WORK

Metro is seeking proposals from firms to perform the services described in Appendix A (Exhibit A) of this RFP (Scope of Work), including attachments. Metro intends to award a contract to a single firm to provide these services.

#### IV. PROJECT ADMINISTRATION

Metro's project manager is Paul Vandenberg, Senior Solid Waste Planner. Proposers must identify a single person as project manager, who would lead the project and be the primary contact for Metro.

The Contractor shall assume responsibility for the day-to-day direction and internal management of the consultant efforts on the project, including any subcontracted work.

The Contractor shall have, or be capable of obtaining general liability insurance, professional liability insurance, business automobile insurance, and workers compensation insurance covering the services to be performed, as shown in the Sample Standard Personal Services Agreement (Appendix A of this RFP). Metro shall be named as an additional insured.

#### V. PROPOSAL INSTRUCTIONS

#### A. Submission of Proposals

Six (6) hard copies of the proposal must be submitted to Metro at the following address:

Paul Vandenberg Metro Solid Waste and Recycling Department 600 N.E. Grand Avenue Portland, OR 97232-2736

#### Deadline B.

Proposals will not be considered for evaluation if received after 3:00 p.m. PST. April 20, 2005.

#### C. RFP as Basis for Proposals

This RFP represents the most definitive statement Metro will make concerning the information upon which proposals are to be based. Any verbal information that is not addressed in this RFP will not be considered by Metro in evaluating proposals.

Any questions relating to this RFP must be addressed to:

Contact:

Paul Vandenberg

Telephone: (503)-797-1695

E-mail:

vandenbergp@metro.dst.or.us.

Any questions that, in the opinion of Metro, warrant a written reply, or an amendment to the RFP, will be furnished to all parties receiving this RFP. Metro will not respond to questions received after April 15, 2005.

#### D. Information Release

All persons submitting proposals are hereby advised that Metro may solicit and secure background information based upon the information, including references, provided in response to this RFP. By submission of a proposal, all proposers agree to such activity and release Metro from all claims arising from such activity.

#### Emerging Small Business, Minority and Women-Owned Business E. Program

Metro's consultant selection process, carried out under this RFP, will be consistent with the policies set forth in Metro Code 2.04.100-190, pertaining to the utilization by Metro of emerging small businesses. minority and women owned businesses.

Copies of the applicable Metro Code are available from the Contracts & Purchasing section of Metro's Finance and Administrative Services Department, at (503) 797-1816. Metro code can also be viewed or downloaded through the Quick-Links function on Metro's website (www.metro-region.org).

To be eligible for consideration by Metro under the code cited above, as reflected in the proposal evaluation criteria described under Section VII (C) of this RFP, the prime proposer must be an Oregon-registered ESB, MBE or WBE, and must provide proof of such registration in the proposal.

#### VI. PROPOSAL CONTENTS

The proposal should contain only the information requested in this section. Any paper used in the submittal should be recycled paper (post consumer content), recyclable, and printed on both sides. No waxed page dividers or non-recyclable materials should be included. Typeface size must be 12-point, excluding headers.

#### A. Transmittal Letter

Provide a one-page, signed letter of transmittal that includes the following:

- 1. Brief statement of understanding of the project
- 2. Identification of the proposed project manager, including title and any professional registrations.
- 3. Statement that the proposal will be valid for ninety (90) days after the date of the proposal's submission

#### B. Statement of Qualifications

Provide a narrative that addresses each of the following items. To facilitate Metro's review, use the same order and headers shown below.

- 1. <u>Relevant Experience of Firm</u>. Summarize your firm's experience with RI-FS projects. Describe similarities between those projects and the St. Johns Landfill RI-FS.
- Qualifications of Project Team. Identify key members of your proposed project team, including name, title, and role. Identify at least one key member as a geologist, or certified engineering geologist, with current Oregon registration. Summarize the applicable qualifications of each individual.

(Note: Under item #3 below, elaborate on the project manager's qualifications.)

Explain how the team is uniquely qualified to perform the St. Johns Landfill RI-FS. Explain how team depth and balance addresses the multifaceted needs of the RI, as reflected in the RI Work Plan.

(Note: Proposers are not required to include public relations specialists in their proposal. Metro's project manager and Metro public affairs staff will collaborate with the consultant's technical team on public outreach efforts provided for through the task order process described in the Scope of Work.)

Briefly describe any projects where two or more team members have worked together in key roles.

3. <u>Qualifications of Project Manager</u>. Explain the basis for selecting your proposed project manager, and describe the skills, expertise and experience that uniquely qualify that individual to manage the project.

#### C. Project Organization

- Organization Chart. Provide a project organization chart that includes DEQ, the project managers for Metro and Contractor, Contractor's key team members, including key subcontractors. Identify each individual represented on the chart by name and title. Show communications flow among all individuals represented on the chart.
- Work Location. Identify the office location of the prime contractor, from where most of the project work will be performed, and the locations of offices that will provide project support. Provide the approximate percentage of the overall project work, aside from fieldwork, which will be performed at the respective offices.
- Project Management. Describe how the project will be managed, including but not limited to key functions of the proposed project manager, coordination and communications with Metro and among team members and offices, and report drafting and review functions.

#### D. Project Approach

Describe your approach to Phase 2 of the RI-FS (i.e., implementation of the attached RI Work Plan), making references to the key elements of the RI Work Plan as necessary to demonstrate how those elements will be implemented. Also address items listed in the Scope of Work (Appendix A, Exhibit A), as relevant to implementing the work plan.

Where appropriate, provide any insights or suggestions for improving costefficiency or the effectiveness of the RI, based on specific experience or professional judgment. Include any specific experience of the proposing firm or team in implementing work plans that are largely iterative in nature, where much of the project workscope and cost is not known at the outset, but is developed through negotiated task orders as the project progresses.

# E. Identification of Subcontracted Firm(s)

Provide the following information for subcontracted firm(s) that will be involved in the project:

- Name of firm and address
- Name of primary contact
- Work to be performed

# F. Project Experience

Provide a list or table of relevant projects that have included key members of your proposed team. Include the following items.

- Project Title
- Major elements of the project performed by your firm
- Role of key member(s) of proposed team
- Project start and completion dates
- Client's name and address
- Site name and location
- Primary contact (title, telephone, e-mail)
- Responsible regulatory agencies

### G. Resumes

Provide resumes for each key member of the project team.

# H. Cost Proposal (RI-FS Phase 2)

The RI Work Plan is iterative, involving a process whereby the workscope and cost of many tasks will be dependent on thorough evaluation of the results of preceding tasks, and agreement between DEQ and Metro on the interpretation of those results. As such, the total cost for Phase 2 cannot be reasonably estimated.

The work plan does include certain discrete "starting-point" tasks, and provides enough detail for those tasks to allow a reasonable estimation of costs. As such, proposers must include a cost proposal for these starting point tasks (described below under cost item #1).

Detail and cost for all other tasks that are within the scope of the RI Work Plan, but are not starting-point tasks, will be established at the time such work is needed, through negotiated task orders to be authorized by Metro, using a contingency sum to be established during contract negotiations.

Exceptions to the task order process are the FS, for which scope and cost will be established through contract amendment or under a new contract, and annual environmental monitoring reports, the scope and cost for which are specified in the Scope of Work.

Proposers must include a cost proposal that includes three elements, as follows:

1. Proposals must include costs associated with the starting-point tasks identified below, using information provided in the RI Work Plan as a basis for the costs. For each task, show labor costs for each member of the project team expected to be involved in the task, including hourly rates and total time allocated. Also show materials costs and other direct and indirect costs, where appropriate. Provide a sum total for the set of tasks, and include cost item #2 (below) in the sum.

Task ID *	Task Description	Work Plan Section **
14	Soil sampling	4.3
15	Soil sample chemical analysis	4.3
16	Evaluate soil data	4.3
19	Screen air data sets	4.6
23	Install mini-piezometers	4.5.2
24	Collect 2 rounds of field parameters	4.5.2
30	Collect monthly water level elevations	4.5.2
34	Complete sediment DQO review	4.5.1

- \* See RI Work Plan Figure 18 (Initial Remedial Investigation Schedule)
- \*\* Refer also to Section 2.0 and the tables and figures of the RI Work Plan, for relevant background and information that is supplemental to task workscope.
- 2. As part of the total cost for implementing the starting point tasks, provide a cost for 12 meetings to be held during implementation. Assume that each meeting is held in Portland (Metro Headquarters, St. Johns Landfill, or DEQ's Northwest Region Office), is two hours in duration, requires 3 hours of auxiliary time (i.e., for preparation, debriefing, etc.), and requires attendance by the consulting project manager and one other member of the consulting team. Include hourly rates, time allocation, travel costs, and other direct and indirect costs.

3. For each individual on the proposed project team, including supporting staff and subcontractors, provide hourly rates for years 1 through 3 of the contract term. These rates should include overhead and profit. State the overhead and profit, respectively, as percentages of the year 1 rates. If higher rates are proposed for years 2 and/or 3, provide the multiplier (as percent increase) used to compute the rate increase(s), and the basis for the multiplier (e.g., Portland CPI).

# J. Exceptions and Comments

To facilitate evaluation of proposals, all responding firms will adhere to the format outlined within this RFP. Firms wishing to take exception to, or comment on, any specified criteria within this RFP shall document their concerns in this part of their proposal. Exceptions or comments should be succinct, thorough and organized.

# VII. CONSULTANT SELECTION PROCESS

# A. Schedule

Following is the estimated schedule for the consultant selection process:

Date	Action
April 4, 2005	RFP Published
April 20, 2005	Last Day to Submit Questions on the RFP
April 27, 2005	Written Proposals Due
May 5, 2005	Selection of Firms to be Interviewed
May 18-19, 2005	Interviews Conducted

# B. Selection Committee

A selection committee will evaluate proposals, conduct interviews at its discretion, and select a consultant for contract negotiations. The committee will be composed of Metro staff and representatives from the City of Portland and the Port of Portland.

# C. Proposal Evaluation Criteria

In evaluating proposals the following criteria and weighting will be applied. The "Points" column shows the maximum possible percentage points that could be awarded for a given criterion, on the basis of 100 total points:

Points	Criterion	Relevant Subsections ( of Section VI )
10	Proposal Clarity, Organization, and Conformance to Instructions	All
30	Experience and Qualifications of Firm and Project Team	B, F, G
10	Qualifications of Project Manager	B, F, G
10	Project Organization	С
15	Project Approach	D, E
20	Cost Proposal	Е
5	MBE, WBE, ESB Status of Proposer	See Section V (E)

# D. Contractor Selection Process

Based on its evaluation and ranking of written proposals, the selection committee may prepare a short list of firms to be interviewed. All proposers would be notified regarding the short-list, and the identity of the short-list firms. Each short-listed firm would then be contacted to schedule an interview, at the discretion of Metro.

Based on the interviews, the committee may choose to conduct additional interviews with one or more of the short-list firms, as needed to select a top ranked firm for contract negotiations. If contract negotiations with the selected firm are unsuccessful, Metro will select the next highest ranked firm for contract negotiations. This process will continue until a contract is executed or Metro terminates the procurement.

### E. DEQ Approval

Consistent with Section 7.A of the consent order, Metro's awarding of a contract to any firm will be subject to DEQ approval of that firm's qualifications, based on information submitted in the proposal.

# VIII. GENERAL PROPOSAL/CONTRACT CONDITIONS

# A. Limitation and Award

This RFP does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to waive minor irregularities, accept or reject any or all proposals received as the result of this request, negotiate with all qualified sources, or to cancel all or part of this RFP.

# B. Billing Procedures

Proposers are informed that the billing procedures of the selected firm are subject to the review and prior approval of Metro before reimbursement of services can occur. Contractor's invoices shall include an itemized statement of the work done during the billing period, and will not be submitted more frequently than once a month. Metro shall pay Contractor within 30 days of receipt of an approved invoice.

# C. Validity Period and Authority

The proposal shall be considered valid for a period of at least ninety (90) days and shall contain a statement to that effect. The proposal shall contain the name, title, address, and telephone number of an individual or individuals with authority to bind any company contacted during the period in which Metro is evaluating the proposal.

# D. Conflict of Interest

A Proposer filing a proposal thereby certifies that no officer, agent, or employee of Metro or Metro has a pecuniary interest in this proposal, or has participated in contract negotiations on behalf of Metro; that the proposal is made in good faith without fraud, collusion, or connection of any kind with any other Proposer for the same call for proposals; the Proposer is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

# IX. NOTICE TO ALL PROPOSERS -- STANDARD AGREEMENT

The attached personal services agreement (Appendix A) is a standard agreement approved for use by the Metro Office of General Counsel. This is the contract the successful proposer will enter into with Metro; it is included for your review prior to submitting a proposal. Any proposers wishing to take exception to the standard agreement should document these under Section VI J. of their proposal. Exceptions will be considered as part of the evaluation process.

# APPENDIX A

Contract	No	
Contract	110.	

# [STANDARD] PERSONAL SERVICES AGREEMENT

THIS AGREEMENT is between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, and [contractor name], referred to herein as "Contractor," located at [contractor's address].

In exchange for the promises and other consideration set forth below, the parties agree as follows:

- 1. <u>Duration</u>. This personal services agreement shall be effective [date] and shall remain in effect until and including [date], unless terminated or extended as provided in this Agreement.
- 2. <u>Scope of Work</u>. Contractor shall provide all services and materials specified in the attached "Exhibit A Scope of Work," which is incorporated into this Agreement by reference. All services and materials shall be provided by Contractor in accordance with the Scope of Work, in a competent and professional manner. To the extent that the Scope of Work contains additional contract provisions or waives any provision in the body of this Agreement, the Scope of Work shall control.
- 3. <u>Payment</u>. Metro shall pay Contractor for services performed and materials delivered in the amount(s), manner and at the time(s) specified in the Scope of Work for a maximum sum not to exceed [written amount](\$).

# 4. Insurance.

- a. Contractor shall purchase and maintain at the Contractor's expense, the following types of insurance, covering the Contractor, its employees, and agents:
  - (1) Broad form comprehensive general liability insurance covering bodily injury and property damage, with automatic coverage for premises, operations, and product liability shall be a minimum of \$1,000,000 per occurrence. The policy must be endorsed with contractual liability coverage; and
  - (2) Automobile bodily injury and property damage liability insurance coverage shall be a minimum of \$1,000,000 per occurrence.
- b. <u>Metro, its elected officials, departments, employees, and agents shall</u> be named as ADDITIONAL INSUREDS. Notice of any material change or policy

cancellation shall be provided to Metro 30 days prior to the change or cancellation.

- c. Contractor, its subcontractors, if any, and all employers working under this Agreement that are subject employers under the Oregon Workers' Compensation Law shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Contractor shall provide Metro with certification of Workers' Compensation insurance including employer's liability. If Contractor has no employees and will perform the work without the assistance of others, a certificate to that effect may be attached, as Exhibit B, in lieu of the certificate showing current Workers' Compensation.
- d. If required by the Scope of Work, Contractor shall maintain for the duration of this Agreement professional liability insurance covering personal injury and property damage arising from errors, omissions, or malpractice. Coverage shall be in the minimum amount of \$1,000,000. Contractor shall provide to Metro a certificate of this insurance, and 30 days' advance notice of material change or cancellation.
- e. Contractor shall provide Metro with a certificate of insurance complying with this article and naming Metro as an additional insured within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.
- 5. <u>Indemnification</u>. Contractor shall indemnify and hold Metro, its agents, employees and elected officials harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, or with any patent infringement or copyright claims arising out of the use of Contractor's designs or other materials by Metro and for any claims or disputes involving subcontractors.

# 6. Documents and Maintenance of Records.

- a. Contractor and subcontractors shall maintain all fiscal records relating to such contracts in accordance with generally accepted accounting principles. In addition, Contractor and subcontractors shall maintain any other records necessary to clearly document:
  - (1) The performance of the contractor, including but not limited to the contractor's compliance with contract plans and specifications, compliance with fair contracting and employment programs, compliance with Oregon law on the payment of wages and accelerated payment provisions; and compliance with any and all requirements imposed on the contractor or subcontractor under the terms of the contract or subcontract;

- (2) Any claims arising from or relating to the performance of the contractor or subcontractor under a public contract;
- (3) Any cost and pricing data relating to the contract; and
- (4) Payments made to all suppliers and subcontractors.
- b. Contractor and subcontractors shall maintain records for the longer period of (a.) six years from the date of final completion of the contract to which the records relate or (b.) until the conclusion of any audit, controversy or litigation arising out of or related to the contract.
- c. Contractor and subcontractors shall make records available to Metro and its authorized representatives, including but not limited to the staff of any Metro department and the staff of the Metro Auditor, within the boundaries of the Metro region, at reasonable times and places regardless of whether litigation has been filed on any claims. If the records are not made available within the boundaries of Metro, the Contractor or subcontractor agrees to bear all of the costs for Metro employees, and any necessary consultants hired by Metro, including but not limited to the costs of travel, per diem sums, salary, and any other expenses that Metro incurs, in sending its employees or consultants to examine, audit, inspect, and copy those records. If the Contractor elects to have such records outside these boundaries, the costs paid by the Contractor to Metro for inspection, auditing, examining and copying those records shall not be recoverable costs in any legal proceeding.
- d. Contractor and subcontractors authorize and permit Metro and its authorized representatives, including but not limited to the staff of any Metro department and the staff of the Metro Auditor, to inspect, examine, copy and audit the books and records of Contractor or subcontractor, including tax returns, financial statements, other financial documents and any documents that may be placed in escrow according to any contract requirements. Metro shall keep any such documents confidential to the extent permitted by Oregon law, subject to the provisions of section M.
- e. Contractor and subcontractors agree to disclose the records requested by Metro and agree to the admission of such records as evidence in any proceeding between Metro and the Contractor or subcontractor, including, but not limited to, a court proceeding, arbitration, mediation or other alternative dispute resolution process.
- f. Contractor and subcontractors agree that in the event such records disclose that Metro is owed any sum of money or establish that any portion of any claim made against Metro is not warranted, the Contractor or subcontractor shall pay all costs incurred by Metro in conducting the audit and inspection. Such costs may be withheld from any sum that is due or that becomes due from Metro.

- g. Failure of the Contractor or subcontractor to keep or disclose records as required by this document or any solicitation document may result in disqualification as a bidder or proposer for future Metro contracts as provided in ORS 279.037 and Metro Code Section 2.04.070(c), or may result in a finding that the Contractor or subcontractor is not a responsible bidder or proposer as provided in ORS 279.029 and Metro Code Section 2.04.052.
- 7. Ownership of Documents. All documents of any nature including, but not limited to, reports, drawings, works of art and photographs, produced by Contractor pursuant to this Agreement are the property of Metro, and it is agreed by the parties that such documents are works made for hire. Contractor hereby conveys, transfers, and grants to Metro all rights of reproduction and the copyright to all such documents.
- 8. <u>Project Information</u>. Contractor shall share all project information and fully cooperate with Metro, informing Metro of all aspects of the project including actual or potential problems or defects. Contractor shall abstain from releasing any information or project news without the prior and specific written approval of Metro.
- 9. <u>Independent Contractor Status</u>. Contractor shall be an independent contractor for all purposes and shall be entitled only to the compensation provided for in this Agreement. Under no circumstances shall Contractor be considered an employee of Metro. Contractor shall provide all tools or equipment necessary to carry out this Agreement, and shall exercise complete control in achieving the results specified in the Scope of Work. Contractor is solely responsible for its performance under this Agreement and the quality of its work; for obtaining and maintaining all licenses and certifications necessary to carry out this Agreement; for payment of any fees, taxes, royalties, or other expenses necessary to complete the work except as otherwise specified in the Scope of Work; and for meeting all other requirements of law in carrying out this Agreement. Contractor shall identify and certify tax status and identification number through execution of IRS form W-9 prior to submitting any request for payment to Metro.
- 10. <u>Right to Withhold Payments</u>. Metro shall have the right to withhold from payments due to Contractor such sums as necessary, in Metro's sole opinion, to protect Metro against any loss, damage, or claim which may result from Contractor's performance or failure to perform under this Agreement or the failure of Contractor to make proper payment to any suppliers or subcontractors.
- 11. <u>State and Federal Law Constraints</u>. Both parties shall comply with the public contracting provisions of ORS chapter 279, and the recycling provisions of ORS 279.545 279.650, to the extent those provisions apply to this Agreement. All such provisions required to be included in this Agreement are incorporated herein by reference. Contractor shall comply with all applicable requirements of federal and state

civil rights and rehabilitation statutes, rules and regulations including those of the Americans with Disabilities Act.

- 12. <u>Situs</u>. The situs of this Agreement is Portland, Oregon. Any litigation over this agreement shall be governed by the laws of the State of Oregon and shall be conducted in the Circuit Court of the state of Oregon for Multnomah County, or, if jurisdiction is proper, in the U.S. District Court for the District of Oregon.
- 13. <u>Assignment</u>. This Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstance, be assigned or transferred by either party.
- 14. <u>Termination</u>. This Agreement may be terminated by mutual consent of the parties. In addition, Metro may terminate this Agreement by giving Contractor seven days prior written notice of intent to terminate, without waiving any claims or remedies it may have against Contractor. Termination shall not excuse payment for expenses properly incurred prior to notice of termination, but neither party shall be liable for indirect or consequential damages arising from termination under this section.
- 15. <u>No Waiver of Claims</u>. The failure to enforce any provision of this Agreement shall not constitute a waiver by Metro of that or any other provision.
- 16. <u>Modification</u>. Notwithstanding and succeeding any and all prior agreement(s) or practice(s), this Agreement constitutes the entire Agreement between the parties, and may only be expressly modified in writing(s), signed by both parties.

	METRO
Ву	Ву
Title	Title
Date	Date

# **EXHIBIT A**

(Of Personal Services Agreement)

Contract	No:	

# SCOPE OF WORK Remedial Investigation and Feasibility Study (Phase 2) St. Johns Landfill

Contractor shall provide the following professional consulting services to Metro.

- 1) Contractor shall perform a Remedial Investigation (RI) consistent with the attached Consent Order (Attachment 1) and the attached RI Work Plan (Attachment 2)
- 2) If Metro chooses to negotiate an amendment with Contractor for Phase 2 of the RI-FS (i.e., the Feasibility Study), Contractor shall implement the FS according to the terms of the amendment.
- 3) Upon Metro's notice to Contractor to proceed with implementation of the services described in this Scope of Work, Metro shall make available all documents identified in the attached reference list (Attachment 3: "Selected References for Remedial Investigation / Feasibility Study: St. Johns Landfill"). Contractor shall utilize these documents as appropriate in providing services under this Statement of Work.
- 4) Contractor shall give Metro prior written notice of any intention to substitute or otherwise change any key member of the consulting team, including its project manager, as identified in its proposed project organization, and the rationale for such action. Contractor shall not substitute or otherwise change such personnel, if Metro gives Contractor reasonable objection in writing within 10 days after Metro receives such notice.
- 5) Contractor shall prepare quarterly RI progress reports to Metro, no later than the fifth business day of each of the following months: February, May, August, and November. Each report shall summarize work performed during the 3 months preceding the month that the report is due to Metro.
- Ten or more business days before the due date to DEQ of any work product required under this Scope of Work, Contractor shall submit four copies of a draft work product to Metro, unless otherwise approved by Metro. Metro shall review the draft and provide comments to Contractor no later than five business days before the due date. Contractor shall incorporate each Metro comment into a final work product, unless otherwise approved by Metro, shall submit five copies of the final work product to DEQ's Northwest Region Office by the due date, and provide Metro with five copies of the submitted document, including one electronic copy of the complete document. These requirements shall not apply to annual environmental monitoring reports, the specific requirements for which are described below.

- 7) Contractor shall address DEQ comments regarding any submitted work product, as directed by Metro, and as necessary to achieve DEQ's approval of the work product.
- 8) Contractor shall complete all "starting point" tasks identified in Section VI (H) of the RFP, consistent with the RI Work Plan, at costs not to exceed the task-specific costs established by this Agreement.
- Ontractor shall complete all other tasks consistent with this Scope of Work, according to terms established by task orders, as negotiated between Metro and Contractor at the time such work is determined to be needed, based on DEQ review of work products, and DEQ discussions with Metro and Contractor. The workscope and budget for each task order shall be authorized by Metro, in writing, and shall include authorization to transfer dollars from a contingency sum to be established by Metro during contract negotiations. Exceptions to the task order process are the FS, for which scope and cost will be established through contract amendment or under a new contract, and annual environmental monitoring reports, the scope and cost for which are specified in this Scope of Work.
- 10) During the contract term, Contractor shall prepare up to three annual environmental monitoring reports (AEMRs) to DEQ, consistent with the Environmental Monitoring Plan for St. Johns Landfill. The EMP section describing the required AEMR contents is attached (Attachment 5). For each AEMR prepared by Contractor, Metro will provide all of the required monitoring data and related field information, for the reporting period.

The final version of any AEMR submitted to DEQ shall include the stamp of approval of a geologist, or certified engineering geologist, with current Oregon registration. AEMR 2004 shall be submitted to DEQ within 90 days of execution of the contract, unless otherwise approved by Metro. AEMRs 2005 and 2006, if implemented as determined by Metro, shall be submitted to DEQ by March 30 of 2006 and 2007, respectively. Contractor shall submit one draft copy of any such AEMR to Metro for review, no later than eight business days before the due date to DEQ. Metro shall provide comments to Contractor no later than four business days before the due date. Contractor shall incorporate each Metro comment into a final work product, unless otherwise approved by Metro, and shall submit four copies of the final work product to DEQ's Northwest Region Office by the due date, and provide Metro with four copies of the submitted document, including one electronic copy of the complete document.

The cost for preparing and submitting any such AEMR to DEQ shall not exceed ten thousand dollars (\$10,000).

- 11) If groundwater-monitoring wells must be installed to complete any task described in the attached RI Work Plan, as determined by DEQ review of works products and its discussion with Metro and Contractor, Metro will procure a construction contract directly, for well installation, and capital costs for such shall be covered by Metro from a source that is separate from this contract. For any such well installation, Contractor shall provide well specifications and locations, and well installation direction and management, under a workscope and budget established through the task order process described in this Scope of Work.
- 12) Any analytical laboratory subcontracted by Contractor to provide services under this Scope of Work shall be certified for parameters, matrices and test methods described in the RI Work Plan, under the Oregon Environmental Laboratory Accreditation Program (ORLAP) or the National Volunteer Laboratory Accreditation Program (NVLAP). The Contractor shall notify Metro in writing of all performance evaluations, new accreditation or certification of any laboratory performing work under this Scope of Work, within 30 days of receipt of such.
- 13) The Contractor shall maintain for the duration of this Agreement professional liability insurance covering personal injury and property damage arising from errors, omissions, or malpractice (see Section 4.d of standard personal services agreement).
- 14) Notwithstanding the insurance and indemnification specifications included in this Agreement, Contractor liability for any work performed under this Scope of Work shall be governed by ORS 465.340 (1)(a), as applicable.
- 15) Contractor's billing statements will include an itemized statement of unit prices for labor that are consistent with unit pricing established by this Agreement. Such statements shall also include materials, and equipment, an itemized statement of work done and expenses incurred during the billing period, shall not be submitted more frequently than once a month, and shall be sent to Metro, Attention Solid Waste and Recycling Department. Metro will pay Contractor within 30 days of receipt of an approved billing statement.

# Agenda Item Number 10.2

Resolution No. 05-3534, For the purpose of Authorizing the Chief Operating Officer to enter into a contract with the Clackamas River Basin Council to control Japanese Knotweed in the Clackamas River Basin.

Contract Review Board

Metro Council Meeting Thursday, February 24, 2005 Metro Council Chamber

# BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A CONTRACT WITH THE CLACKAMAS RIVER BASIN COUNCIL TO CONTROL JAPANESE KNOTWEED IN THE	) RESOLUTION NO. 05-3534 ) ) Introduced by Michael J. Jordan, Chief ) Operating Officer with the concurrence of
CLACKAMAS RIVER BASIN	) David Bragdon, Presiding Officer ) ement objectives for the more than 12,000 acres of
regional parks, open spaces, natural areas, and recreat protection of fish, wildlife, and native plant species; a	tional facilities it owns and manages is to provide and
that infests the Clackamas River Basin and Metro-ow control is encouraged by the Oregon Department of A	
WHEREAS, the Clackamas River Basin Co and staff time to help Metro develop proposals to con Basin, and was a co-applicant with Metro for the Ore Japanese Knotweed control grant ("Knotweed Grant"	gon Watershed Enhancement Board ("OWEB")
WHEREAS, Metro now wishes to contract the Knotweed Grant in accord with OWEB's prefere applicant CRBC; and	for the Japanese Knotweed control services funded by ence that Metro subcontract said services to co-
WHEREAS, the CRBC is qualified to perfo demonstrated by its successful participation in ongoin	
WHEREAS, Metro Code Section 2.04.053(of meeting the criteria of an approved class of special promay be procured by special procurement, subject to the	
WHEREAS, ORS 279B.085 provides that the "contract-specific special procurement" for the purposproject when said special procurement will: 1) be unliquid public contracts or to substantially diminish competitions cost savings to the contracting agency or the public; r	ikely to encourage favoritism in the awarding of ion for public contracts; and 2) result in substantial
BE IT RESOLVED that the Metro Contract attached Staff Report and authorizes the Chief Operat Attachment 1 for the control of Japanese Knotweed in Council.	
ADOPTED by the Metro Contract Review Board thi	is, 2005.
Approved as to form:	David Bragdon, Presiding Officer
Daniel B. Cooper, Metro Attorney	

Resolution No. 05-3534 M:\attorney\confidential\14.6.6\05-3534res.doc

### STAFF REPORT

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO A CONTRACT WITH THE CLACKAMAS RIVER BASIN COUNCIL TO CONTROL JAPANESE KNOTWEED IN THE CLACKAMAS RIVER BASIN

Date: March 14, 2005 Prepared by: David Biedermann and Curt Zonick

### **BACKGROUND**

The Metro Code states, "Specific contracts may be procured by special procurements subject to the requirements of ORS 279B.085." 1

ORS 279B.085 states that special procurements include those that are contract-specific and..."include a contracting procedure that differs from the procedures (of competitive bids and/or proposals) and is for the purpose of entering into a single contract...for the acquisition of specified...services on a one-time basis or for a single project."

To do make a special procurement, a contracting agency shall submit a written request to the local contract review board (the Metro Council, in this case) that:

- describes the proposed contracting procedure;
- the goods or services or the class of goods or services to be acquired through the special procurement; and
- the circumstances that justify the use of a special procurement under the standards set forth listed below.

The local contract review board may approve a special procurement if the board finds that a written request demonstrates that the use of a special procurement as described in the request, will:

- 1. Be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts; and
- 2. Result in substantial cost savings to the contracting agency or to the public; or
- 3. Otherwise substantially promote the public interest in a manner that could not practicably be realized by complying with requirements for competitive bids and/or proposals.

The Metro Regional Parks and Greenspaces Department currently owns and manages more than 12,000 acres of regional parks, open spaces, natural areas and recreational facilities. One of the primary management objectives for these properties is to provide protection of fish, wildlife and native plant species. Noxious invasive species are a major

<sup>&</sup>lt;sup>1</sup> "Special Procurements" were called "exemptions" prior to the changes enacted to Chapter 279 by the 2003 Oregon State Legislature.

threat to these properties and an obstacle to Metro's management goals. Toward this goal, Metro Regional Parks and Greenspaces seek partnerships to promote the suppression of invasive species.

In 2002 Metro formed a partnership with the Columbia River Basin Council (CRBC) as part of the Metro-led effort to map and control Japanese knotweed (*Polygonum cuspidatum*), a class B noxious weed in Oregon, in the Clackamas River Basin. A major goal of this partnership is the eventual transfer of project leadership from Metro to the CRBC. In 2004, Metro and the CRBC were co-applicants on an Oregon Watershed Enhancement Board (OWEB) grant that is designed to fund the transfer of project leadership and provide fiscal resources for the CRBC to assume project management.

The OWEB grant was awarded with Metro as the fiscal agent with CRBC listed as a subcontractor. Metro is now seeking to fulfill the intent of the grant by contracting with the CRBC to lead the control program of knotweed in the Clackamas River Basin.

Normal procurement procedures require a contract of this nature be submitted for competitive bid or proposal to qualified vendors. At the same time, the relationship between Metro and the non-profit CRBC is clear and has been outlined to the Council in previous Council meetings and through the appropriation of funds for this contract. The grant from the OWEB indicates the understanding that the CRBC is the contractor on this work. However, without approval of the Metro Contract Review Board for the exemption from Metro contracting procedures, the Chief Operating Officer cannot award the contract to the CRBC.

To meet the test outlined above, staff forwards the following points.

<u>Facts</u>: Metro and the Clackamas Basin River Council ("CRBC") were co-applicants for the Oregon Watershed Enhancement Board ("OWEB") Knotweed Control Grant. The Metro/CRBC proposal was evaluated by OWEB among several other proposals and selected for the state grant in a competitive process. Further, CRBC is named by the State of Oregon in the Knotweed Control Grant as the preferred Knotweed Control subcontractor.

<u>Finding</u>: Because the Metro/CRBC proposal was selected in a competitive process, the result of which was to both award the grant and name CRBC as the preferred subcontractor, the proposed contract-specific special procurement of CRBC services by Metro will be unlikely to encourage favoritism in the awarding of public contracts or to substantially diminish competition for public contracts.

<u>Facts</u>: Because of CRBC prior experience in Knotweed control in the Clackamas River and its ability to muster CRBC volunteers to perform a substantial amount of the labor required for Knotweed Control, CRBC will be able to accomplish more Knotweed control for the fixed amount of funds available through the OWEB grant. OWEB selection of CRBC as the preferred subcontractor for the Knotweed Control Grant was a recognition of that fact.

<u>Finding</u>: The proposed contract-specific special procurement of CRBC services by Metro will result in substantial cost savings to Metro and the public.

# ANALYSIS/INFORMATION

- 1. **Known Opposition:** There is no known opposition to this contract.
- 2. Legal Antecedents: Metro Code 2.04, ORS 279A and 279B.
- 3. Anticipated Effects: Award of this contract to the CRBC will move the transfer of the knotweed eradication project to the CRBC as originally envisioned and communicated to the Metro Council.
- 4. **Budget Impacts**: Appropriation for this contract was established November 18 2004 in Metro Ordinance 04-1062.

# RECOMMENDED ACTION

Chief Operating Officer recommends passage of Resolution 05-3534.



Resolution No. 05-

Standard Public Contract

3534 Attachment 1

CONTRACT NO.	

### PUBLIC CONTRACT

THIS Contract is entered into between Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter, whose address is 600 NE Grand Avenue, Portland, Oregon 97232-2736, and the <a href="Clackamas River Basin Council">Clackamas River Basin Council</a>, whose address is <a href="P.O. Box 1869, Clackamas">P.O. Box 1869, Clackamas</a>, OR 97015, hereinafter referred to as the "CONTRACTOR."

THE PARTIES AGREE AS FOLLOWS:

### ARTICLE I SCOPE OF WORK

CONTRACTOR shall perform the work and/or deliver to METRO the goods described in the Scope of Work attached hereto as Attachment A. All services and goods shall be of good quality and, otherwise, in accordance with the Scope of Work.

# ARTICLE II TERM OF CONTRACT

The term of this Contract shall be for the period commencing <u>March 24</u>, 20<u>05</u> through and including <u>May 31</u>, 20<u>06</u>.

# ARTICLE III CONTRACT SUM AND TERMS OF PAYMENT

METRO shall compensate the CONTRACTOR for work performed and/or goods supplied as described in the Scope of Work. METRO shall not be responsible for payment of any materials, expenses or costs other than those which are specifically included in the Scope of Work.

# ARTICLE IV LIABILITY AND INDEMNITY

CONTRACTOR is an independent contractor and assumes full responsibility for the content of its work and performance of CONTRACTOR'S labor, and assumes full responsibility for all liability for bodily injury or physical damage to person or property arising out of or related to this Contract, and shall indemnify, defend and hold harmless METRO, its agents and employees, from any and all claims, demands, damages, actions, losses, and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Contract. CONTRACTOR is solely responsible for paying CONTRACTOR'S subcontractors and nothing contained herein shall create or be construed to create any contractual relationship between any subcontractor(s) and METRO.

### ARTICLE V TERMINATION

METRO may terminate this Contract upon giving CONTRACTOR seven (7) days written notice. In the event of termination, CONTRACTOR shall be entitled to payment for work performed to the date of termination. METRO shall not



(503) 797-1700

Resolution No. 05-3534 Attachment 1

# Standard Public Contract

be liable for indirect, consequential damages or any other damages. Termination by METRO will not waive any claim or remedies it may have against CONTRACTOR.



(503) 797-1700 Resolution No. 05-

3534
Attachment 1

# Standard Public Contract

### ARTICLE VI INSURANCE

CONTRACTOR shall purchase and maintain at CONTRACTOR'S expense, the following types of insurance covering the CONTRACTOR, its employees and agents.

- A. Broad form comprehensive general liability insurance covering personal injury, property damage, and bodily injury with automatic coverage for premises and operation and product liability shall be a minimum of \$1,000,000 per occurrence. The policy must be endorsed with contractual liability coverage. Metro, its elected officials, departments, employees and agents shall be named as an ADDITIONAL INSURED.
- B. Automobile bodily injury and property damage liability insurance. Insurance coverage shall be a minimum of \$1,000,000 per occurrence. <u>METRO, its elected officials, departments, employees, and agents shall be named as an ADDITIONAL INSURED.</u> Notice of any material change or policy cancellation shall be provided to METRO thirty (30) days prior to the change.

This insurance as well as all workers' compensation coverage for compliance with ORS 656.017 must cover CONTRACTOR'S operations under this Contract, whether such operations be by CONTRACTOR or by any subcontractor or anyone directly or indirectly employed by either of them.

CONTRACTOR shall provide METRO with a certificate of insurance complying with this article and naming METRO as an additional insured within fifteen (15) days of execution of this Contract or twenty-four (24) hours before services under this Contract commence, whichever date is earlier.

CONTRACTOR shall not be required to provide the liability insurance described in this Article only if an express exclusion relieving CONTRACTOR of this requirement is contained in the Scope of Work

# ARTICLE VII PUBLIC CONTRACTS

All applicable provisions of ORS chapters 187 and 279A & B, and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement. Specifically, it is a condition of this contract that Contractor and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws, Chapter 684.

For public work subject to ORS 279C.800 to 279C.870, the Contractor shall pay prevailing wages and shall pay an administrative fee to the Bureau of Labor and Industries pursuant to the administrative rules established by the Commissioner of Labor and Industries. Contractors must promptly pay, as due, all persons supplying to such contractor labor or material used in this contract. If the contractor or first-tier subcontractor fails, neglects, or refuses to make payment to a person furnishing labor or materials in connection with the public contract for a public improvement within 30 days after receipt of payment from the public contracting agency or a contractor, the contractor or first-tier subcontractor shall owe the person the amount due plus shall pay interest in accordance with ORS 27C.515. If the contractor or first-tier subcontractor fails, neglects, or refuses to make payment, to a person furnishing labor or materials in connection with the public contract, the person may file a complaint with the Construction Contractors Board, unless payment is subject to a good faith dispute as defined in ORS 279C.580. Contractor must pay any and all contributions and amounts due to the Industrial Accident Fund from contractor or subcontractor and incurred in the performance of the contract. No liens or claims are permitted to be filed against Metro on account of any labor or material furnished. Contractors are required to pay the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.



# Standard Public Contract

For public improvement work all contractors must demonstrate that an employee drug-testing program is in place.

# ARTICLE VIII ATTORNEY'S FEES

In the event of any litigation concerning this Contract, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to any appellate courts.

# ARTICLE IX QUALITY OF GOODS AND SERVICES

Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality. All workers and subcontractors shall be skilled in their trades. CONTRACTOR guarantees all work against defects in material or workmanship for a period of one (1) year from the date of acceptance or final payment by METRO, whichever is later. All guarantees and warranties of goods furnished to CONTRACTOR or subcontractors by any manufacturer or supplier shall be deemed to run to the benefit of METRO.

# ARTICLE X OWNERSHIP OF DOCUMENTS

Unless otherwise provided herein, all documents, instruments and media of any nature produced by Contractor pursuant to this agreement are Work Products and are the property of Metro, including but not limited to: drawings, specifications, reports, scientific or theoretical modeling, electronic media, computer software created or altered specifically for the purpose of completing the Scope of Work, works of art and photographs. Unless otherwise provided herein, upon Metro request, Contractor shall promptly provide Metro with an electronic version of all Work Products that have been produced or recorded in electronic media. Metro and Contractor agree that all work Products are works made for hire and Contractor hereby conveys, transfers, and grants to Metro all rights of reproduction and the copyright to all such Work Products.

# ARTICLE XI SUBCONTRACTORS

CONTRACTOR shall contact METRO prior to negotiating any subcontracts and CONTRACTOR shall obtain approval from METRO before entering into any subcontracts for the performance of any of the services and/or supply of any of the goods covered by this Contract.

METRO reserves the right to reasonably reject any subcontractor or supplier and no increase in the CONTRACTOR'S compensation shall result thereby. All subcontracts related to this Contract shall include the terms and conditions of this agreement. CONTRACTOR shall be fully responsible for all of its subcontractors as provided in Article IV.

# ARTICLE XII RIGHT TO WITHHOLD PAYMENTS

METRO shall have the right to withhold from payments due CONTRACTOR such sums as necessary, in METRO's sole opinion, to protect METRO against any loss, damage or claim which may result from CONTRACTOR'S performance or failure to perform under this agreement or the failure of CONTRACTOR to make proper payment to any suppliers or subcontractors.



600 NE Grand Ave. Portland, OR 97232-2736 (503) 797-1700

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# Standard Public Contract

If a liquidated damages provision is contained in the Scope of Work and if CONTRACTOR has, in METRO's opinion, violated that provision, METRO shall have the right to withhold from payments due CONTRACTOR such sums as shall satisfy that provision. All sums withheld by METRO under this Article shall become the property of METRO and CONTRACTOR shall have no right to such sums to the extent that CONTRACTOR has breached this Contract.



# Standard Public Contract

# ARTICLE XIII SAFETY

If services of any nature are to be performed pursuant to this agreement, CONTRACTOR shall take all necessary precautions for the safety of employees and others in the vicinity of the services being performed and shall comply with all applicable provisions of federal, state and local safety laws and building codes, including the acquisition of any required permits.

# ARTICLE XIV INTEGRATION OF CONTRACT DOCUMENTS

All of the provisions of any procurement documents including, but not limited to, the Advertisement for Bids, Proposals or responses, General and Special Instructions to Bidders, Proposal, Scope of Work, and Specifications which were utilized in conjunction with the bidding of this Contract are hereby expressly incorporated by reference. Otherwise, this Contract represents the entire and integrated agreement between METRO and CONTRACTOR and supersedes all prior negotiations, representations or agreements, either written or oral. This Contract may be amended only by written instrument signed by both METRO and CONTRACTOR. The law of the state of Oregon shall govern the construction and interpretation of this Contract.

# ARTICLE XV COMPLIANCE

CONTRACTOR shall comply with federal, state, and local laws, statutes, and ordinances relative to the execution of the work. This requirement includes, but is not limited to, non-discrimination, safety and health, environmental protection, waste reduction and recycling, fire protection, permits, fees and similar subjects.

# ARTICLE XVI ASSIGNMENT

CONTRACTOR shall not assign any rights or obligations under or arising from this Contract without prior written consent from METRO.

Clackamas River Basin Council	
CONTRACTOR NAME	METRO
Ву	Ву
Date	Date



# **Standard Public Contract**

# Attachment A CLACKAMAS RIVER BASIN JAPANESE KNOTWEED CONTROL PROJECT

SCOPE OF WORK/SPECIFICATIONS APPLICABLE TO RESTORATION SERVICES

**GENERAL** 

# **Description of Work**

Contractor shall provide leadership and management of ground-based mapping and control of Japanese knotweed in the Clackamas River Basin. Work shall focus on the following goals, in order of priority:

- Continuation of ongoing annual knotweed control on the Clackamas River mainstem and tributaries between the River Mill Dam and the Deep Creek confluence. Refinement of the 2005 seasonal work plan shall proceed with coordination with Metro as the 2005 field season progresses, but shall follow the strategy and best management practices established during the 2003 and 2004 field season and outlined in the 2003 season project report (2003 season project report attached).
- 2. Continuation of ongoing annual monitoring of selected Japanese knotweed patches via photo points (limited to previously established photo points) and stem counts (collected and reported using previously defined river reaches).
- 3. Development and delivery to Metro of a Project Report (electronic copy and two printed copies) summarizing the 2004 season. Report is deliverable anytime between 3/15/05 5/15/05).
- 4. Initiation of mapping and control of knotweed in the Deep Creek sub-basin.
- 5. Pursuance of Japanese knotweed control below the Deep Creek confluence.
- 6. Continue to conduct research to evaluate dose efficacy and refine best management practices.
- 7. Development and delivery to Metro of a Project Report (electronic copy and two printed copies) summarizing the 2005 season. Report is deliverable anytime between 11/15/05 5/15/06).

# **Contract Period**



# **Standard Public Contract**

The duration of this contract is from the execution of contract through May 31, 2006.

### **Permits**

The contractor shall obtain all necessary permits to conduct the work defined in the project scope (e.g., state herbicide applicator licenses).

### **Contract Amount**

The contractor agrees to conduct the work detailed in the "Description of Work" section and provide the materials detailed in the "Deliverables" section for an amount not to exceed \$75,000.00.

### **DELIVERABLES**

The contractor shall deliver the following before receiving payment of the final 10% of the contract amount (\$ 7,500):

- 1. Project Report for the 2004 Season
- 2. Project Report for the 2005 Season

# **PAYMENT**

The Contractor shall submit billing statements that include an itemized statement of work and incurred expenses during the billing period. These billing statements will not be submitted more frequently than once a month.

Contractor shall provide an itemized description of project costs on each invoice selecting from the following budget categories:

- Personnel
- Contracted Services
- Travel
- Supplies/materials
- Production Costs
- Equipment



# Standard Public Contract

# Administration

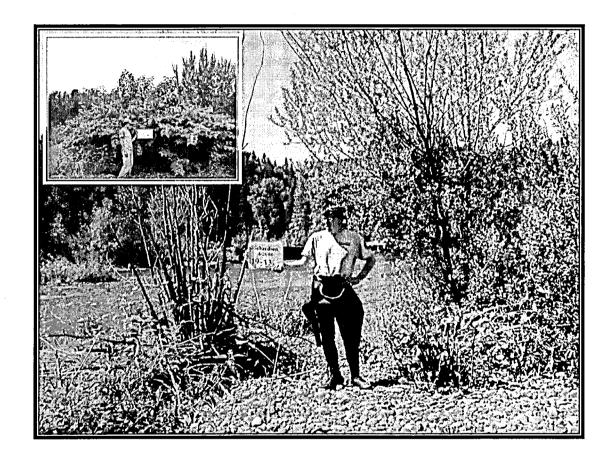
Contractor agrees to maintain receipts and records for all equipment charged to the contract, and provide copies of these receipts upon request.

Metro agrees to pay costs up to 90% of the total contract amount (\$67,500) as costs are incurred. However, the final 10% (\$7,500) shall be withheld until all deliverables have been provided to Metro.

The billing statement shall be sent to:
METRO PARKS AND GREENSPACES
600 NE GRAND AVENUE
PORTLAND, OREGON 97232
ATTN: RACHEL FOX.

Payment will be made within 30 days of receipt of invoice.

# Controlling Japanese Knotweed in the Clackamas River Basin



A 2004 Progress Report

Submitted by Metro Regional Parks and Greenspaces *Principle Investigators:* 

Curt Zonick, Greg Ciannella, Andrea Thury, Andrew Zachary

# Controlling Japanese Knotweed in the Clackamas River Basin

- A Progress Report of work conducted by Metro Regional Parks and Greenspaces during The Second Field Season (2003).

# **Overview and Project Summary**

Metro owns approximately 1,000 acres of open space in the Clackamas River Watershed and observed expanding infestations of the Class B Noxious Weed Japanese knotweed (Polygonum cuspidatum) on several of its Clackamas properties during the late 1990s. In response, Metro initiated a program to eradicate Japanese knotweed from its property in 2000. Due to the means by which Japanese knotweed spreads (primarily vegetative propagules) the upper Clackamas River Watershed in 2001. During the summer of 2001, biologists from Metro and the Nature Conservancy conducted a preliminary survey of a 12-mile stretch of the Clackamas River between the River Mill Dam near Estacada and the mouth of Clear Creek near Carver. The 2001 inventory documented a substantial, but treatable infestation of Japanese knotweed, estimated at 600 - 1,100 individual plants.

Metro requested and was awarded support from the Oregon Watershed Enhancement Board (OWEB) in 2002 for a part-time 4-person team of Americorps members to begin the work of accurately mapping, assessing, and treating knotweed in the 12-mile reach surveyed in 2001. (The 2002 crew was split between Metro and The Nature Conservancy working in the Clackamas and Sandy River Watershed, respectively.) The results from the 2002 season were summarized in a report to OWEB in May 2003.

Metro and OWEB have continued to partner on this effort, which is currently in the third year of a planned 4-year project. During year 4 (2005), the Clackamas River Basin Council will assume leadership of the project.

This report summarizes the second year of the project, which was conducted during the growing season of 2003. In 2003, Metro directed a 5-person crew fully dedicated to knotweed eradication in the Clackamas Watershed.

### The 2003 project involved the following primary goals:

- 1. Continue to refine the occurrence maps for Japanese knotweed in the Clackamas River Basin upstream of Clear Creek.
- 2. Treat as much Japanese knotweed as is feasible, continuing method of treating upstream patches first and working downstream.
- 3. Expand inventories and assessments into the headwater reaches above the River Mill Dam.
- 4. Work with the U.S. Forest Service and other partners to coordinate surveys and treatment in the headwaters of the Clackamas River.
- 5. Expand inventories and assessments into the tributaries of the Clackamas River downstream of the River Mill Dam. Tributaries were prioritized in the same fashion as were mainstem patches such that tributaries located in the upper portions of the

- watershed were given higher priority than were tributaries located in lower portions of the watershed.
- 6. Identify and coordinate with other partners to conduct surveys and treatment in the priority tributaries of the Clackamas River.
- 7. Evaluate new methods for treating Japanese knotweed.
- 8. Work with the public to educate them about the threats of noxious weeds in their watersheds and to promote control of Japanese knotweed and secondary invasive species through directed work parties.

Results from the work conducted are presented largely within the maps and data tables included in the appendices of this report. By any account, the 2003 field season was a successful one. Most objectives were achieved, if not exceeded.

# **Study Area**

Figures 1-5 summarize in map form the watershed features, study area, and Japanese knotweed infestation as it had been characterized by May 2004.

### Headwaters

As is portrayed in Figure 2 the upper reaches of the Clackamas River Watershed are largely federally-owned (USFS and BLM). Metro conducted a limited number of surveys in selected areas of the USFS-owned headwater region in 2003. Metro also coordinated with the USFS (primary contact: Carol Horvath) to determine the level of assessment the Service has undertaken, and to share knotweed occurrences mapped and characterized by Metro. The result of these surveys indicates that knotweed is very probably limited to a small number of local infestations centering on the area of Ripplebrook and its associated infrastructure. Because Metro cannot legally treat knotweed occurring in this area, the task of eradicating these plants will fall to the USFS. The USFS has included the infestations in an Environmental Impact Statement and will treat them once it has received legal authorization to do so.

### Mainstem

Metro extended the mainstem study area to encompass an area bound on the upstream extent by the federally-owned land in the headwaters (essentially the upstream limit to the area flooded by the North Fork Dam), and bound on the downstream end by the river's confluence with Clear Creek (Carver).

Early assessment in 2003 identified this region to contain approximately 501 knotweed microsites (a microsite is analogous to an individual plants in many cases) comprising an estimated 49,685 stems (Table 1).

### Tributaries

Seven subbasins drain into the portion of the Clackamas River as it passes from the headwaters downstream to Clear Creek. In order moving downstream from the headwaters are the Lingelbeck, Eagle, Goose, Deep, Foster, Richardson, and Clear Creek

2

Controlling Japanese Knotweed in the Clackamas River Basin – A 2004 Progress Report Metro Regional Parks and Greenspaces

Metro Contact; Curt Zonick, Natural Resources Scientist, 503.797.1729, zonickc@metro.dst.or.us

Subbasins. Metro realized immediately that ensuring effective eradication of knotweed in these reaches of the mainstem required a plan that also ensured long-term effective eradication of the tributaries draining these subbasins and feeding the mainstem.

In 2003 Metro partnered with the Clackamas River Basin Council (CRBC Contact: Michael Carlson) and the Oregon Department of Fish and Wildlife (ODFW Contact: Darlene Siegel) to coordinate surveys for Japanese knotweed in Deep and Clear Creek. Early indications suggested Deep Creek was heavily infested with knotweed, whereas Clear Creek was not. The 2003 surveys confirmed these perspectives. Based upon these findings, Metro decided to initiate landowner contact and treatment in the Clear Creek drainage immediately, but wait to initiate an organized program on Deep Creek until the eradication effort had progressed to that drainage (landowner contact anticipated to occur by the end of the 2004 season with first treatment planned for spring 2005).

Metro and the CRBC partnered on a third request to OWEB to fund a joint Metro (2004 mainstem and upper tributary) and CRBC (2005 Deep creek and lower tributary) effort to move the effective front of knotweed assessment and control downstream to Clear Creek by the end of the 2005 season.

In 2004, Metro began thorough landowner contact and stream survey assessments of the Lingelbeck, Eagle and Goose subbasins. Results will be presented in 2005, but preliminary indications point to limited and localized infestations of knotweed on those tributaries that can be largely eradicated by the end of the 2004 season.

# 2003 Treatment of Japanese Knotweed and Results

During 2003, Metro treated 257 microsites comprising an estimated 26,703 stems (Table 1). All but a small number of the treated microsites were on the Clackamas River mainstem.

Metro used two forms of treatment to kill knotweed: 1.) stem-injected herbicide and 2.) foliar spray of herbicide. Metro used only the glyphosate-based herbicides Aquamaster™ and Rodeo™ during 2003. Stem-injected herbicide was applied at an undiluted strength in doses ranging from 1.5ml to 5ml per stem of knotweed (dose dependent upon stem diameter and, in some cases, experimental constraints – described further below.) Foliar applications of herbicide were used to treat stems that were too narrow for stem-injection (stems smaller than ~1cm were too fragile for stem injection). Foliar-applications consisted of a 3% - 5% solution of herbicide augmented with 1% surfactant (R-11) and a tracer dye. All treatments were conducted by certified personnel (Metro interns and Americorps volunteers must receive an ODA Commercial Pesticide Applicators License prior to using herbicide.)

In May 2004, Metro conducted follow-up assessments of the plants treated during the 2003 season and determined that the treatments reduced the infestation in reaches 1-16 from 26,703 stems to 9,552 stems - a reduction of 64.2% (Tables 1-4). When the

distribution of stem reduction/plant is reviewed the data show the average patch was reduced by just over 54% (Table 5).

From the perspective of reduction of knotweed *microsites*, the same infestation was reduced from 257 live microsites to 151, a reduction of 41.2% (Table 1). Of the persisting 151 microsites, 65 had been reduced by 75% or more by treatment applied during 2003 (Table 1).

Therefore, as a result of 2003 treatment, the infestation in Reaches 1-16 (as it was assessed in the spring of 2004) represented a significantly smaller number plants than the 2003 infestation (106 fewer microsites). Furthermore, the remaining microsites were themselves significantly smaller (mean stem count/microsite down from 101 to 61, median stem count down from 20 to 9).

# Stem Injection

A large proportion of the reduction realized from the 2003 treatments can be attributed to a relatively new treatment technique pioneered by the Clark County Weed Management Department (Director Phil Burgess) and further evaluated during the 2003 field season by Metro and the Nature Conservancy in 2003. This technique, called stem-injection, coupled with supplemental foliar spray of non-injectable stems, resulted in the most efficient level of knotweed control.

Metro and TNC employed the stem-injection technique under an Experimental Use Permit issued by the Oregon Department of Agriculture. (An EUP was needed because the existing product label for the herbicide used for control [Aquamaster] did not allow legal application of the amount of herbicide/stem needed for effective treatment.) As a provision of the EUP, Metro and TNC conducted a dose-response experiment to evaluate the lowest lethal injectable dose of Aquamaster for this form of treatment. The core of the study was conducted at two sites along the Clackamas River and involved a randomized design to evaluate the relative effects of a series of increasing doses of herbicide (0 ml [control], 1.5 ml, 3 ml, 5 ml and 5 ml + foliar spray) injected into knotweed stems. The stem-injection technique, and the dose-response study are described further in a report entitled "The Nature Conservancy and Metro Parks and Greenspaces Stem Injection of Japanese and Giant Knotweed – Final Report 2003", which is appended to this report.

# **Secondary Weed Control**

Metro continued with encourage volunteer participation in controlling noxious weeds along the Clackamas. In 2003, Metro coordinated over 200 volunteers supporting over 1,100 hours of voluntary work. Volunteer-mediated weed control focused on Scotch broom, Himalayan blackberry, English Ivy and other noxious weeds. Most of the work was conducted in the Clackamas Watershed.

# **APPENDICES**

Figure 1.	Map of the Clackamas Watershed showing major tributaries.	
Figure 2.	Map of land ownership in the Clackamas Watershed.	
Figure 3.	Map of the Clackamas River Project Area.	
Figure 4.	Map of the Clackamas River Project Area showing Japanese Knotweed Microsite Locations and Treatment Progress.	
Figure 5.	Map of the Project Area with a Hill-Shading Overlay, showing Floodplain Boundaries in Relation to Mapped Japanese Knotweed Occurrences.	
Table 1.	Summary Table showing the Effects of Treatment on Japanese Knotweed in the Project Area.	
Table 2.	Full Data Table describing Japanese Knotweed Infestations in the Project Area.	
Table 3.	Data distribution of 2003 Japanese Knotweed Stems in Reaches 1 - 16	
Table 4.	Data distribution of 2004 Japanese Knotweed Stems in Reaches 1 - 16	
Table 5.	Data distribution - Percent Stem Reduction from 2003 Treatment.	
Table 6.	Volunteer Work Parties conducting Noxious Weed Control ion the Clackamas River in 2003.	
Photopoint Series	Photographic Time-series are included for selected Japanese Knotweed Microsites (14-01, 14-02, 14-08, 14-16, 14-17, 14-38, 14-40, 15-21, 15-23, 19-02, 19-04, 19-06, 19-12, 19-13, 19-18, 19-43, 19-48).	
Brochure	Metro Contributed Expertise and Funds to Support the Production of a Revised Japanese Knotweed Brochure in 2003.	
Report	The Nature Conservancy and Metro Parks and Greenspaces Stem Injection of Japanese and Giant Knotweed Final Report 2003	

# Sub-watersheds

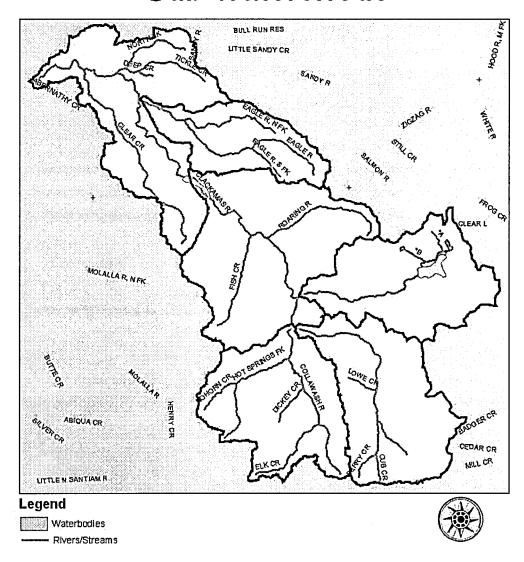


Figure 1. Map of the Clackamas River Watershed showing major subbasins.

# **General Ownership**

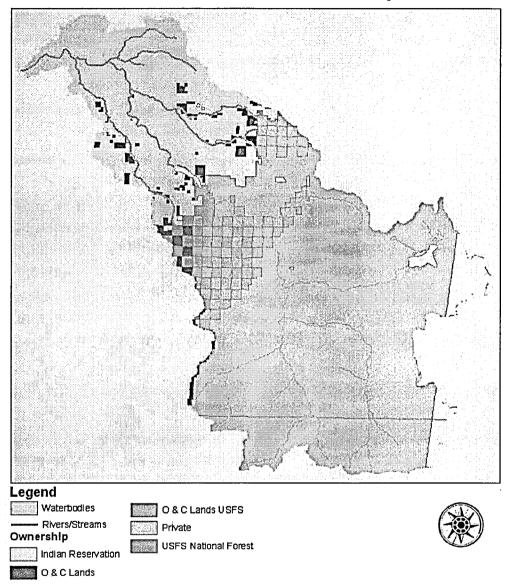
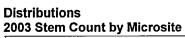
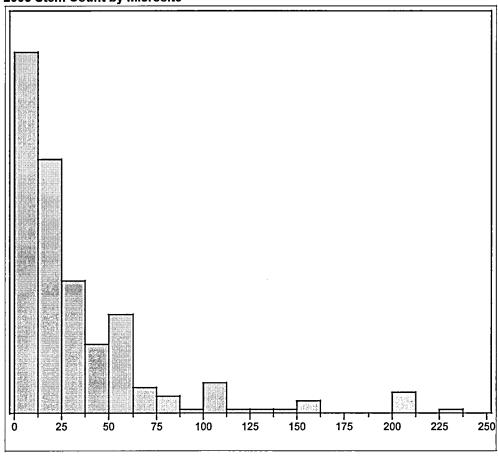


Figure 2. Map of the Clackamas River Watershed showing Land Ownership.

Table 3. Distribution of 2003 Stem counts by Microsite.





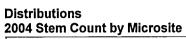
# Quantiles

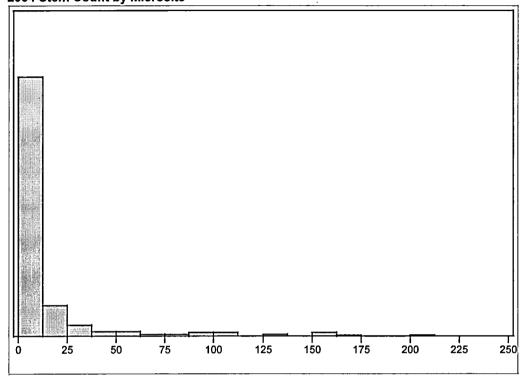
100.0%	maximum	5000.0
99.5%		4535.0
97.5%		586.2
90.0%		158.0
75.0%	quartile	50.0
50.0%	median	20.0
25.0%	quartile	10.0
10.0%	·	4.2
2.5%		1.6
0.5%		0.0
0.0%	minimum	0.0
B	4_	

# Moments

Mean	101.77778
Std Dev	421.92508
Std Err Mean	26.116507
upper 95% Mean	153.20457
lower 95% Mean	50.350981
N	261

Table 4. Distribution of 2004 Stem counts by Microsite.





# Quantiles

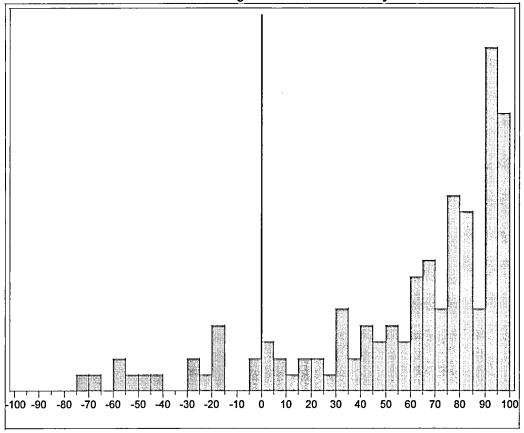
100.0%	maximum	1222.0
99.5%		1143.9
97.5%		350.0
90.0%		82.4
75.0%	quartile	14.0
50.0%	median	1.0
25.0%	quartile	0.0
10.0%		0.0
2.5%		0.0
0.5%		0.0
0.0%	minimum	0.0
Moments	5	

Mean	35.314176
Std Dev	125.4327
Std Err Mean	7.7640893
upper 95% Mean	50.602677
lower 95% Mean	20.025675
N	261

Table 5. Distribution of % Stem Reduction Resulting from 2003 Treatment by Microsite.

#### **Distributions**

Percent Stem Count Reduction resulting from 2003 Treatment by Microsite



#### **Quantiles**

100.0%	maximum	100.0
99.5%		100.0
97.5%		100.0
90.0%		100.0
75.0%	quartile	100.0
50.0%	median	93.9
25.0%	quartile	58.0
10.0%		-27.2
2.5%		-269.3
0.5%		-656.0
0.0%	minimum	-733.3
Momen	ts	
Mean		53.647315
Std Dev		99.602781
Std Err Mean		6.2130508
upper 95% Mean		65.882514
lower 95% Mean		41.412116
N		257

Table 6. Volunteer Work Parties conducting Noxious Weed Control ion the Clackamas River in 2003.

SITE	# OF VOLUNTEERS	HOURS	WORK PREFORMED
Clackamas River Greenway	54	270	River clean up
Hooten Island	16	322.5	Cut Scotch broom and blackberry
Clear Creek	56	255	Removed damaging mouse mesh from trees and old fencing near barn
Barton Park	8	36	Cut Japanese knotweed
Sieben Creek	17	51	Pulled English ivy and cut it away from trees
Tickle Creek	16	30	Removed blackberry
Parsons	10	65	Cut Scotch broom
River Island	38	128	Cut Scotch broom
Totals	215	1157.5	

0324052-01

#### MINUTES OF THE METRO COUNCIL MEETING

Thursday, March 17, 2005 Metro Council Chamber

Councilors Present: David Bragdon (Council President), Robert Liberty, Rex Burkholder,

Rod Park, Brian Newman

Councilors Absent: Carl Hosticka (excused), Susan McLain (excused)

Deputy Council President Burkholder convened the Regular Council Meeting at 2:00 p.m. and said that Council President Bragdon was on his way to the meeting.

#### 1. INTRODUCTIONS

There were none.

#### 2. CITIZEN COMMUNICATIONS

There were none.

# 3. COMMUNITY ENHANCEMENT GRANT PROCESSES NEED IMPROVEMENT

Alexis Dow, Metro Auditor, and Doug U'ren, Senior Auditor, presented their audit on Community Enhancement Grant Process Need Improvement. Ms. Dow said the audit was initiated by an observation made by a citizen. Mr. U'ren provided background on the enhancement grant program (a copy of the power point presentation is included in the record). He spoke to the steps in the four grant programs. He talked about the administration of the grants, which were solicited and awarded by neighborhood-based committees. He reviewed funding processes for the grants. He noted the focus of the audit, which was to determine if Metro had adequate processes in place to manage the enhancement grant contracts. He reviewed the findings of the audit. He suggested Metro needed to more completely define how staff should initiate and manage grants. He explained some of the problems that were found. He noted that these were fairly common problems found with most grant programs elsewhere. He shared recommendations for improvement.

Deputy Council President Burkholder called for questions. Councilor Newman said he was a member of the Oregon City Enhancement Grant Committee. He acknowledged Karen Blauer's, Solid Waste and Recycling Department, involvement in the grant program. He explained some of the issues that had arisen from the Oregon City Enhancement grant program and how they had improved some of the processes by sharing procedures of the other enhancement grant programs. Councilor Liberty asked about the performance review of the grant program. Ms. Dow said it was management's responsibility to develop a procedure. She said it was important to spot-check the grants. Deputy Council President Burkholder talked about his experience with the program. He said key to the program was linking it to Metro's goals and objectives. He appreciated the overview by the auditor. They wanted to make sure that everything was spent properly. He acknowledged the neighborhoods' appreciation of the programs. Councilor Liberty added that the applicants should suggest ways to review their grants and programs.

#### 4. CONSENT AGENDA

4.1 Consideration of minutes of the March 3, 2005 Regular Council Meetings

Motion:

Councilor Park moved to adopt the meeting minutes of the March 3, 2005

Regular Metro Council.

Vote:

Councilors Burkholder, Liberty, Park voted in support of the motion, Councilor Newman abstained from the vote. Council President Bragdon was absent from the vote. The vote was 3 aye/1 abstain, the motion passed.

#### 5. ORDINANCES – FIRST READING

5.1 Ordinance No. 05-1076, For the Purpose of Amending the FY 2004-05 Budget And Appropriations Schedule by transferring \$90,250 from Contingency To Materials and Services in the Zoo Operating Fund for Expenses Associated With an Additional Concert.

Council President Bragdon assigned Ordinance No. 05-1076 to Council.

#### 6. **RESOLUTIONS**

6.1 **Resolution No. 05-3560**, For the Purpose of Appointing Wayne Kingsley, Charlie Gregorio, and David Whitehead as Members of the Ballot Measure 37 Task Force.

Councilor Liberty requested postponement of this resolution. Council President Bragdon said this item would be moved to next week's agenda.

7. EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(1)(e).
DELIBERATIONS WITH PERSONS DESIGNATED TO NEGOTIATE REAL PROPERTY TRANSACTIONS.

Time began: 2:20 pm

Members present: William Eadie, Andy Cotugno, Joel Morton, Phil Whitmore, Kelley Webb, Marc Guichard, Dan Cooper, and Michael Jordan

Time ended: 3:01 pm

7.1 Resolution No. 05-3550, For the purpose of Authorizing the Chief Operating Officer to Purchase Property in the Forest Park Target Area, subject to Unusual Circumstances.

Motion:	Councilor Burkholder moved to adopt Resolution No. 05-3550.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder introduced Resolution No. 05-3550. He said this was an opportunity to be a partner in the purchase of property adjacent to Forest Park. The Friends of Forest Park had asked

Metro Council Meeting 03/17/05 Page 3

Metro to contribute \$25,000. City of Portland would manage the property. He spoke to the unusual circumstances detailed in the resolution. He urged an aye vote.

Vote:

Councilors Park, Burkholder, Newman, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

7.2 Resolution No. 05-3555A, For the Purpose of Authorizing the Chief Operating Officer to Purchase Property in the Milwaukie Town Center for a Transit-Oriented Development/Centers Project

Motion:	Councilor Liberty moved to adopt Resolution No. 05-3555A.
Seconded:	Councilor Newman seconded the motion

Councilor Liberty introduced Resolution No. 05-3555. He said this purchase could be a real important gateway to the community of Milwaukie. Councilor Newman supported the resolution enthusiastically. Those folks who lived in Milwaukie understood that their downtown was in need of revitalization. He spoke to the investment in this center.

Vote:

Councilors Park, Burkholder, Newman, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

Council President Bragdon suggested bringing the North Flint project back to Council for discussion next week. Councilor Liberty said it would be a courtesy for the developer to take action as quickly as possible. He suggested discussing the criteria at next week's Council. Council President Bragdon spoke to his concerns. He announced that they would come back for discussion on this issue at next week's meeting.

#### 8. OREGON LEGISLATIVE UPDATE

Mr. Cooper reported on the bills currently being considered at the Oregon legislature. Councilors discussed legislative actions particularly having to do with transportation issues.

#### 9. CHIEF OPERATING OFFICER COMMUNICATION

Michael Jordon, COO, said he had nothing to report.

#### 10. COUNCILOR COMMUNICATION

Councilor Burkholder updated the Council on the Joint Policy Advisory Committee on Transportation (JPACT) meeting this morning (a copy of the proposal is included in the meeting record). There would be another JPACT meeting next Thursday morning to finish the Metropolitan Transportation Improvement Program (MTIP) work. Councilor Liberty asked about the major differences. Councilor Park said the substantial one was removal of the Trolley Trail. He felt they stayed true to the Council's direction. Councilor Burkholder summarized Portland's request.

#### 11. ADJOURN

Metro Council Meeting 03/17/05 Page 4

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 3:45 p.m.

Prepared by

Chris Billington
Clerk of the Council

# ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 17, 2005

Item	Topic	Doc Date	Document Description	Doc. Number
6.1	Resolution	3/15/05	Resolution No. 05-3560, For the Purpose of Appointing Wayne	031705c-01
			Kingsley, Charlie Gregorio, and David	
			Whitehead as members of the Ballot	
ł			Measure 37 Task Force	•
.3	Power Point	3/17/05	To: Metro Council From: Doug U'Ren,	031705c-02
·	Presentation		Senior Auditor Re: Community	
			Enhancement Grant Processes Need	
			Improvement	
7.2	Seven-Day	3/16/05	To: Metro Council From: Phil	031705c-03
	Notice		Whitmore, Planning Department Re:	
	į		TOD project seven-day notice on	
			frequent bus routes	
7.2	Seven-Day	3/16/05	To: Metro Council From: Phil	031705c-04
•	Notice		Whitmore, Planning Department Re:	
			TOD project seven-day notice on	
			Milwaukie Main Mixed Use Phase 2	
7.2	Seven-Day	3/8/05	To: Metro Council From: Phil	031705c-05
	Notice		Whitmore, Planning Department Re:	
		:	North Flint Avenue Project	
10	JPACT	3/17/05	To: Metro Council From: Andy	031705c-06
	options		Cotugno, Planning Director Re: JPACT	
			Options Transportation Priorities 2006-	
			2009	•

032405-00

Agenda Item Number 9.4

Resolution No. 05-3560, For the Purpose of Appointing Wayne Kingsley, Charlie DiGregorio, and David Whitehead as Members of the Ballot Measure 37 Task Force

>,

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

# BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE		RESOLUTION NO. 05-3560
APPOINTMENTS OF WAYNE KINGSLEY,	)	Introduced by Council
CHARLIE DIGREGORIO, AND DAVID WHITEHEAD, AS MEMBERS OF THE	)	President David Bragdon
BALLOT MEASURE 37 TASK FORCE	\ \	
DALLOT MEASURE 37 TASK TORCE	,	
		No. 04-3520 on December 16, 2004 (For the
Purpose of Directing the Chief Operating Office	er to Formulate	Regional Policy Options Relating to Ballot
Measure 37); and		
WHEREAS, Resolution No. 04-3520 a	approved on Dec	cember 16, 2004 (For the Purpose of
Directing the Chief Operating Officer to Form	ılate Regional P	Policy Options Relating to Ballot Measure
37). The resolution directed the Chief Operating		
composed of representatives of local government		
by claims or which can contribute expertise to claims submitted under Ballot Measure 37, coo		
to maintain the region's commitment to the 204		
process; and		•
		No. 05-3537 on January 20, 2005 (For the
Purpose of Confirming the Appointment of Co- Councilors to the Ballot Measure 37 Work Gro		osticka and Robert Liberty as Liaison
Councilors to the Builot Medistre 37 Work Gro	up), unu	
WHEREAS, the Metro Council approv	ed Resolution N	No. 05-3554A on March 3, 2005 (For the
Purpose of Confirming Members the Ballot Me	easure 37 Work	Group); and
WHEDEAS Motro Council President	David Brandon	has made three additional appointments to
the Ballot Measure 37 Work Group subject to 0		
the Ballot Measure 37 Work Group Basjest to		minor, now, moretore,
		Kingsley, Davis Whitehead and Charlie
DiGregorio to the Ballot Measure 37 Work Gro	oup are confirme	ed by the Metro Council.
ADOPTED by the Metro Council this	day of	, 2005.
Abor Teb by the Medio Council this	day or	, 2003.
•	David Procedo	on, Council President
	David Diague	on, Council Freshdent
Approved as to Form:		
Daniel B. Cooper, Metro Attorney		
Damei B. Cooper, Metro Attorney		

Agenda Item Number 9.5

Resolution No. 05-3564, For the Purpose of Authorizing the Chief Operating Officer to Enter into Agreements to fund the North Flint Avenue/TOD Frequent Bus Project.

Metro Council Meeting Thursday, March 24, 2005 Council Chamber

#### BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF	)	RESOLUTION NO. 05-3564
OPERATING OFFICER TO ENTER INTO	)	
AGREEMENTS TO FUND THE NORTH FLINT	)	Introduced by: Michael J Jordan, Chief
AVENUE TOD/FREQUENT BUS PROJECT	)	Operating Officer, with the concurrence of
	·	David Bragdon, Metro Council President

WHEREAS, on April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities for the Metro Transit-Oriented Development Implementation Program (the "TOD Program") and set forth the operating parameters of the TOD Program in a Work Plan providing for the acquisition and joint development of real property satisfying certain criteria; and

WHEREAS, the TOD Work Plan was amended to expand the TOD Program area to include Interstate MAX, South Corridor, Airport MAX, Streetcar, Frequent Bus Routes and initiate an Urban Centers Program by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program to Expand the TOD Program Area and Initiate an Urban Centers Program), adopted July 15, 2004; and

WHEREAS, the TOD Work Plan authorizes the Chief Operating Officer to enter into agreements to fund TOD Projects on Frequent Bus Routes that have been evaluated by the TOD Steering Committee for compliance with the TOD Program's site selection criteria (the "TOD Selection Implementation Criteria") and approved by the TOD Steering Committee for funding by Metro

WHEREAS, the TOD Work Plan requires that the Chief Operating Officer provide seven days' written notice to the Metro Council (the "Seven-Day Letter") prior to funding TOD Steering Committee approved projects, affording the Metro Council the opportunity to request review of the proposed project in executive session, and if no review is requested the proposed project my proceed; and

WHEREAS, on March 2, 2005, the TOD Steering Committee approved the TOD Program's proposed funding of the North Flint Avenue TOD/Frequent Bus project, located at 2124 N. Flint Avenue, Portland, Oregon, and depicted in Attachment 1 to the Staff Report, subject to specific preconditions (hereafter, the "North Flint Avenue Project"), and the Chief Operating Officer issued a Seven-Day Letter notifying the Metro Council of said pending project; and

WHEREAS, the Metro Council responded to the Chief Operating Officer's Seven Day Letter, requesting

review of the North Flint Avenue Project in executive session, which review was held on March 17, 2005; and

WHEREAS, upon review of the North Flint Avenue Project in executive session, the Metro Council elected to provide further direction to the Chief Operating Officer regarding the North Flint Avenue Project by resolution; now, therefore

BE IT RESOLVED, that the Metro Council hereby authorizes the Chief Operating Officer to enter into agreements to fund the North Flint Avenue TOD/Frequent Bus Project.

ADOPTED by the Metro Council this	day of	, 2005.
Approved as to Form:		David Bragdon, Metro Council President
Daniel R. Cooper Metro Attorney		

#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3564 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO AGREEMENTS TO FUND THE NORTH FLINT AVENUE TOD/FREQUENT BUS PROJECT

Date: March 24, 2005 Prepared by: Andy Cotugno

· Phil Whitmore

#### **BACKGROUND**

Transit Oriented Development and Centers Implementation Program

In July 2004, the Metro Council approved Resolution Number 04-3479 for the purposes of expanding the TOD Program to include additional light rail, streetcar, frequent bus stops and to initiate an Urban Centers Program. The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TOD Projects), new revenue to a transit agency, or a combination of both. The TOD Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. The TOD Program utilizes joint development tools such as land acquisition and development agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region.

#### Frequent Bus Route Criteria

The existing TOD Program Work Plan includes criteria for sites being offered to developers, criteria for TOD Projects for the site improvements category and criteria for Centers. The TOD criteria include 1) create or strengthen a physical or functional connection to the transit station; 2) cause construction of higher density housing, mixed use projects and destination uses; 3) develop building types with the lowest reasonable parking ratios and highest reasonable floor areas ratio; 4) increase modal share of transit within station areas while decreasing reliance on personal automobiles; 5) focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept; and 6) project location relative to Regional and Town Centers. The North Flint Avenue Project responds to the criteria as follows:

- 1) The North Flint Project will have a functional connection to transit. The Federal Transit Administration considers TODs located within a quarter mile (1,230 feet) of a transit station to be functionally connected. This project is less than 200 feet by line of site and 320 feet walking distance to transit. The project design reinforces pedestrian scale development because it does not have driveways or garage doors facing the sidewalk;
- 2) This TOD funding will help cause construction of a mixed-use project;
- 3) The project will have the lowest possible parking ratio no off-street parking spaces will be provided. The Floor Area Ratio is relatively high at nearly 1 to 1 (5000sqft lot to 4500sqft of building);
- 4) The modal share for transit is expected to be 30% or higher and with the proximity to transit and biking (Cycle Oregon headquarters) and with a non-auto crusading owner, the automobile reliance will be substantially decreased;
- 5) The \$30,000 of TOD funds will leverage \$822,000 (1:27) total development costs; and

6) The project is located adjacent (within 1 block) of a Regional Town Center, Portland Central City.

In response to the Metro Council request for additional criteria to further limit Frequent Bus Route projects, the TOD Steering Committee proposed revisions to the Work Plan at the meeting of March 2, 2005 as follows:

#### Mandatory Criteria for Frequent Bus Routes

- 1. Project is in an area that will help spur additional development and help create a node around the transit stop;
- 2. The project represents an attempt to build the base of developers that can be used in other centers;
- 3. There are not adequate local government funds available to close the financing gap;
- 4. The project will be within 800ft walking distance from a high frequency bus line; and
- 5. Demonstrates market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

#### Additional Project Criteria for Frequent Bus Routes

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type;
- The project will provide market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office;
- The project will spur job creation;
- The project uses a high level of sustainable practices including building materials and energy conservation:
- The project is located in or near a center;
- The project has a favorable ratio of TOD dollars to total development costs;
- There are not similar projects in the area done without public funding; and
- Improve the quality of the environment for the transit patron.

Attachment 1 shows how the North Flint Avenue Project meets the above criteria if it becomes applicable when/if the Metro Council takes action on the amendments to the Work Plan next month.

#### North Flint Avenue Project - Mixed Use

A 2124 N. Flint Avenue, this site is a Frequent Bus TOD located less than a block from a No. 4 bus stop at N. Vancouver Avenue and NE Tillamook Street (9-15 minute intervals). The project is proposed by Jerry Norquist of Three People Productions, the contract manager of Cycle Oregon. The North Flint Avenue Project consists of 1,600 square feet of office space (new Cycle Oregon Headquarters), 1,236 square feet of warehouse space for Cycle Oregon, 1 housing unit built at grade, and 4 lofts of rental housing built above. The parcel is 5,000 square feet in area, with a development footprint of 4,950 square feet, for nearly a 1 to 1 Floor/Area ration ("FAR"). There is no parking proposed on the site.

#### Cost Premiums

The developer for the North Flint Avenue Project is struggling to absorb the added costs to include the housing in his project. With total project costs of \$821,726, the \$600,000 loan currently being processed by Umpqua Bank will leave him \$30,000 short of equity requirements even if he provides nearly \$200,000 of equity and paints the building himself. The developer will provide equity through the value of the property at \$110,000 and other income derived from the sale of the existing Cycle Oregon office located nearby. Because housing is being added above the proposed Cycle Oregon space, there are added cost premiums to this building type as compared to the alternative - two separate free standing buildings, a Cycle Oregon one-story building and a free standing project of 5 units of housing each built on the ground. However, the latter projects will have FAR's of less than .5 to 1 and require at least twice as

much land area as compared to this mixed-use project. Cost premiums in the building, which include the firewall separation, the addition of two stairs and a smoke detection system in the stairwells will total \$80,000. The \$30,000 of TOD funds is low because the developer is doing some of the work.

The TOD Program to date has demonstrated that it can participate in small-scale projects when the projects meet TOD/Centers criteria. Because Metro's TOD program remains small and agile with low overhead, we can undertake small projects of less than \$100,000 of TOD funds that most governments could not do. This ability should be utilized where possible, while still meeting the TOD/Centers criteria.

#### TOD PROGRAM PROCESS

In accord with the TOD Program Work Plan adopted by Council Resolution 98-2619, "as soon as practical upon approval by the Steering Committee, the Executive Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the Executive of a request to review a potential project in executive session..." The Chief Operating Officer issued a Seven Day Letter notifying the Metro Council of the pending North Flint Avenue Project as required, and the Metro Council chose to review the proposed project in executive session. The Metro Council has elected to provide further direction to the Chief Operating Officer on the North Flint Avenue Project via resolution.

#### ANALYSIS/INFORMATION

#### 1. Known Opposition

The TOD Steering Committee unanimously approved this project at their March 2, 2005 meeting. There is no known opposition to providing funding for this project although there are groups and individuals who oppose TOD projects and public private partnerships.

#### 2. Legal Antecedents

The Federal Transit Administration (FTA) approved a grant for Metro to initiate the TOD Program in 1997. Authority to use FTA funds for joint development is included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.

The TOD program was originally transferred from TriMet to Metro by Intergovernmental Agreement (IGA) executed by Resolution #96-2279 For the Purpose of Authorizing an Intergovernmental Agreement With Tri-Met to Assist in Establishing a Transit-Oriented Development and Implementation Program at Metro on May 16, 1996. The Metro Council authorized start-up activities on April 9, 1998, by Resolution No. 98-2619 For the Purpose of Authorizing Start-Up Activities For the Transit-Oriented Development (TOD) Implementation Program at Metro. The Work Plan was amended to include provisions for initiation of additional light rail corridors, streetcar, Frequent Bus Routes and initiation of an Urban Centers Program on July 15, 2004 by Resolution No.04-3479.

#### 3. Anticipated Effects

# Public Benefit

While the project will add only 9 transit trips per day, it is very cost effective. Based on a \$30,000 investment of TOD funds, this results in a cost per induced transit rider of \$.85 (assuming a 30% modal share for transit) and capitalized value of added fare box revenue of \$32,614 on transit trips and \$17,448 - for walk trips for a total of \$50,062. This compares to the requested TOD funds of \$30,000. The transit, biking and walking modal shares are projected high because of the close in location, the lack of parking and the philosophy of the developer to strongly advocate non-auto travel to the tenants. The \$.85 cost per

induced transit rider for the N. Flint Project is at the low end of TOD projects, with projects approved to date in the TOD Program ranging from \$.40 to \$2.90 per induced transit rider.

#### 4. Budget Impacts

There are no budget impacts to the Metro General Fund as a result of the project since federal transportation funds, which are part of the IGA with TriMet, are used for the program.

#### RECOMMENDED ACTION

The Council may:

- 1) affirm the TOD Steering Committee's approval of the North Flint Avenue Project, and authorize the Chief Operating Officer to enter into agreements to fund the project; or
- 2) affirm the TOD Steering Committee's approval of the North Flint Avenue Project, but authorize the Chief Operating Officer to enter into agreements to fund the project subject to conditions directing the Chief Operating Officer to modify Metro's participation; or
- 3) elect not to affirm the TOD Steering Committee's approval of the North Flint Avenue Project, and withhold authorization for the Chief Operating Officer to enter into agreements to fund the project.

# Resolution 05-3564 Attachment 1

TOD Implementation Programs

# MEMORANDUM OF RESPONSE TO FREQUENT BUS PROJECT FUNDING CRITERIA

Flint Street mixed use North Flint Street, Portland, OR



Pursuant to the TOD Program Work Plan adopted by Council Resolution 04-3479, this Memorandum of Response to Criteria has been prepared for a TOD project located on the frequent bus route to be funded through the use of Development A greenents with developers.

# MANDATORY CRITERIA FOR FREQUENT BUS ROUTES

A. The project is in an area that will help spur additional development and help create a node around the transit stop.

Yes. The project is in the area north of the Lloyd District/Rose Quarter that has been neglected by reinvestment but is well located for resurgence. Since the property owner has begun discussing the housing units, the owner of a vacant lot to the north is now considering a small housing project. In addition the proposed closing of the Harriet Tubman School may bring a redevelopment opportunity in the future.

B. The project represents an attempt to build the base of developers that can be used in other centers.

Yes. Jerry Norquist is a first-time developer who operates 3 People Productions (small staff) that currently is the contract manager of Cycle Oregon. He has indicated if this project were a success, he would be interested in other centers but not in Portland.

C. There are not adequate local government funds available to close the financing gap.

Yes. If the project is not in an urban renewal area, there are not programs to help such projects. Tax abatement could possibly be available, that that doesn't generate cash to close gaps.

D. The project will be within 800ft walking distance from a high frequency bus line.

Yes. The project is within 300 feet from the No. 4 frequent bus with intervals from 9-15 minutes.

E. Demonstrates market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

Yes. Housing above what is essentially a small business and warehouse is innovative. Small scale housing opportunities such as this can have applicability on other high frequency bus lines.

# ADDITIONAL PROJECT CRITERIA FOR FREQUENT BUS

The project uses new building materials or building systems that will result in lower construction
costs and/or tests new markets for a building type.

No.

The project will provide market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office.

The project will provide 5 rental-housing units that would not otherwise be available.

□ The project will spur job creation.

No. The small staff could be added to later, but not as a direct result of this Metro TOD funded project.

□ The project uses a high level of sustainable practices including building materials and energy conservation.

No.

□ The project is located in or near a center.

Yes. It is located within a block of the central city urban center.

□ The project has a favorable ratio of TOD dollars to total development costs.

\$30,000 TOD dollars for a total project cost of \$822,000 results in leveraging the public investment by 27 times, which is very high.

□ There are not similar projects in the area done without public funding.

There are no other mixed-use housing projects in the area.

□ Improve the quality of the environment for the transit patron.

No.

The North Flint project meets the 5 mandatory criteria and also meets 4 additional criteria.

0324056-04

#### BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ALLOCATING \$62.2	)	RESOLUTION NO. 05-3529A
MILLION OF TRANSPORTATION PRIORITIES	)	•
FUNDING FOR THE YEARS 2008 AND 2009,	j	Introduced by Councilor Rex Burkholder
PENDING AIR QUALITY CONFORMITY	j j	•
DETERMINATION.	)	
	j	
	)	

WHEREAS, approximately \$62.2 million is forecast to be appropriated to the Metro region through the federal Surface Transportation Program (STP) and Congestion Mitigation – Air Quality (CMAQ) transportation grant programs, and

WHEREAS, the Metro Council and Joint Policy Advisory Committee on Transportation (JPACT) are designated by federal legislation as authorized to allocate these funds to projects and programs in the metropolitan region through the Transportation Priorities process, and

WHEREAS, the Metro Council and Joint Policy Advisory Committee on Transportation (JPACT) have provided policy guidance to Metro staff and the Transportation Policy Alternatives Committee (TPAC) on the type and balance of projects and programs that are a priority for these funds through Metro Resolution No 04-3431 For the Purpose of Adopting the Policy Direction, Program Objectives, Procedures and Criteria for the Priorities 2006-09 Metropolitan Transportation Improvement Program (MTIP) and Allocation of Regional Flexible Funds, adopted March 18, 2004 and further refined at the Metro Council work session of January 11, 2005, and the JPACT meeting of January 20, 2005, and

WHEREAS, Metro received approximately \$130 million in project and program applications, and

WHEREAS, those applications have been evaluated by technical criteria within one of twelve modal categories, by a summary of qualitative factors and by a summary of public comments, and

WHEREAS, an extensive public process has provided an opportunity for comments on the merit and potential impacts of the project and program applications between October 15th and December 6<sup>th</sup>, 2004 and at a public hearing before the Metro Council to respond to a staff and TPAC recommendation of proposed projects and programs to allocate funding, and

WHEREAS, TPAC has provided recommendations to JPACT and the Metro Council on a list of projects and programs to allocate funding in response to the policy direction provided, considering the technical evaluation, qualitative factors, and public comments provided as shown in the staff report Attachment 1, and

WHEREAS, a public hearing was conducted by JPACT and the Metro Council February 17<sup>th</sup>, 2005 to solicit comments on the TPAC recommendation, and

WHEREAS, JPACT took action on the TPAC recommendation March 24th, 2005, and

WHEREAS, receipt of these funds are conditioned on completion of requirements listed in staff report Attachment 5, and

WHEREAS, the recommended list of projects and programs, along with all of the projects and programs expected to receive federal funding in the 2006 through 2009 fiscal years was analyzed for conformity with the State Implementation Plan for air quality and adopted within the Metropolitan Transportation Implementation Plan (MTIP); now therefore

BE IT RESOLVED that the Metro Council adopt the recommendation of JPACT on the project and programs to be funded through the Transportation Priorities 2006-09 process as shown in staff report Attachment 1.

ADOPTED by the Metro Council this 24th day of March 2005

	David Bragdon, Council President	<del></del>
Approved as to Form:		
Daniel B. Cooper, Metro Attorney		

#### STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3529A, FOR THE PURPOSE OF ALLOCATING \$62.2 MILLION OF TRANSPORTATION PRIORITIES FUNDING FOR THE FEDERAL FISCAL YEARS 2008 AND 2009 PENDING AIR QUALITY CONFORMITY DETERMINATION.

Date: March 24, 2005

Prepared by: Ted Leybold

#### **BACKGROUND**

The Transportation Priorities 2006-09; Investing in the 2040 Growth Concept program allocates transportation funding to Metro area transportation agencies from two federal grant programs; the Surface Transportation and Congestion Mitigation/Air Quality programs. The Metro region is forecast to receive \$62.2 million from these sources in the federal fiscal years of 2008 and 2009. Previous allocations have identified projects and programs to receive funds during the fiscal years of 2006 and 2007.

Prior to the application process, an outreach process identified a general policy direction for the allocation of these funds. The primary objective of the program as adopted by the Metro Council is to leverage economic development through investments that support Region 2040 centers, industrial areas and urban growth boundary expansion areas that have completed concept plans. Other policy objectives include emphasizing modes that do not have other sources of dedicated revenue, completing gaps in modal systems and developing a multi-modal transportation system.

Metro expects to distribute approximately \$62.2 million in regional flexible funds during the Transportation Priorities process. Table 1 demonstrates the new funds forecast to be available for projects and programs.

Table 1: New Regional Flexible Funds Available for Programming

	2006	2007	2008	2009
STP			\$16,800,000	\$16,800,000
CMAQ			\$13,400,000	\$13,500,000
Interstate Transfer	\$1,728,000			,
Total	\$1,728,000		\$30,200,000	\$30,300,000

More than 70 project and program applications were received requesting more than \$130 million. A technical ranking of projects was completed for the project applications within twelve modal categories. This technical analysis, along with qualitative considerations was used to inform a decision process to select a first cut of project and program applications for public comment. Public comments were received for all applications and the first cut list between October 15th and December 16<sup>th</sup> 2004.

Further policy direction was provided by the Metro Council and JPACT to direct staff on how to narrow the First Cut List to a draft staff recommended Final Cut List. The direction included honoring past commitments for these funds and continuing funding of Metro planning. The direction also included funding projects in all 2040 mixed-use and industrial land areas and emphasizing non-road or bridge projects in mixed-use areas to maximize development and multi-modal objectives. Finally, all projects

and programs were to be screened based on their relationship to the implementation of mixed-use and/or industrial area plans and development using the 2040 technical score and qualitative issues identified in project applications or through public comments.

Attached are the following updated Transportation Priorities 2006-2009 documents:

Attachment 1 summarizes the list of candidate applications recommended by JPACT for funding from forecasted revenues.

Attachment 2 is a summary of program policy goals and objectives and policy direction from Metro Council and JPACT to technical staff on how to narrow the First Cut List to a Final Cut List balanced against expected revenues.

Attachment 3 is an explanation of the JPACT Recommendations as it relates to the program policy goals and objectives.

Attachment 4 is a draft recommendation outlining the conditions to be met to allow obligation of Transportation Priorities funds for each project or program recommended for funding.

#### ANALYSIS/INFORMATION

- 1. Known Opposition None known at this time.
- 2. Legal Antecedents This resolution allocates transportation funds in accordance with the federal transportation authorizing legislation (currently known as the Transportation Equity Act for the 21<sup>st</sup> Century or TEA-21). The allocation process is intended to implement the Transportation Priorities 2006-09 program policies as defined by Metro Resolution No. 04-3431.
- 3. Anticipated Effects Adoption of this resolution would instigate an air quality conformity analysis of the effects of implementing these projects and programs for compliance with the State Implementation Plan for air quality.
- 4. Budget Impacts Adoption of the resolution would begin staff analysis of the air quality impacts of implementing the list of projects and programs as provided for in the Unified Work Program. Grant funds allocated to Metro planning require a match totaling 10.27% of project costs. Current options under consideration would include \$203,400 over the fiscal years 2008 and 2009. Metro would also negotiate with other transportation agencies for responsibility of a portion of \$419,200 of required local match for other regional planning activities over the course of the 2006 2009 time period.

#### RECOMMENDED ACTION

Approve the resolution as recommended.

# **JPACT** Recommendation

	Score		Planning	Requested Amount (millions of \$1)	Soore	Bike/Trail	Requested Amount (millions of S)	Score	- 1	Pedestrian	Requested Amount
Ε			Recommended for Funding		П	Recommended for Funding	(illinional di V)			Recommended for Funding	(millions of \$)
F	/a	P10005	Regional Freight Planning: Region wide	\$0.300	93	Bk1009 Springwater Trail-Sellwood Gap: SE 19th to SE Umatilla	\$1.237	90	Pd3163	Forest Grove Town Center Pedestrian Improvements	\$0.660
h	/a	P10001	MPO Required Planning: Region wide	\$1.731	82	maine an ame autos a trait caps, car Ava.	\$0.966	88	Pd5054	Milwaukie Town Center; Main/Harrison/21st	\$0.450
'n	/a	P11003	Milwaukie LRT Supplemental EIS: Portland central city to Milwaukie town center	\$2.000	81	to 185th  Bk2055 Springwater Trailhead at Main City Park	\$0.310	74		SW Capitol Highway (PE): Multnomah to Taylors Ferry	\$0.530
'n	/e	PI5053	Multi-Use Path Master Plans: Lake Oswego to Milwaukle, Tonquin Trail, Mt. Scott - Scouter's Loop	\$0.300	78	Bk2052 MAX Multi-use Path; Cleveland Station to Ruby Junction	\$0.890				
,	<b>/</b> •	P10002	Next Priority Corridor Study	\$0.500	75	Bk5028 Trolley Trail: Arista to Glen Echo (Segments 5-6)	\$0.742				
ľ	/a	P11017	Willamete Shoreline - Hwy 43 Transit alternatives analysis: Portland South Waterfront to Lake Oswego	\$0.688	73	Bk3012 Rock Creek Trail: Orchard Park to NW Wilkens	\$0.675				
١					53	Bk3072 Powerline Trail (north): Schuepback Park to Burntwood Dr. (ROW)	\$0.600				
┝			Subtotal:	\$5.519		Subtotal:				Subtotal:	\$1.640
Н			Not Recommended for Further Consideration in Final Cut	***	<del> </del>	Not Recommended for Further Consideration in Final				Not Recommended for Further Consideration in Final Cur	
'n	/a /a		Livable Streets Update: Region wide  Bike Model and Interactive Map: Region wide	\$0.200 \$0.201	67 65	Bk5110 Jennifer St: 106th to 122nd  Bk3072 Powerline Trail (north): Schuepback Park to Burntwood Dr. (Con)	\$0.550 \$0.900	78 75	Pd1227 Pd2105		\$1.402 \$1.400
'n	/a		Multi-Use Path Master Plans: Sullivan's Guich	\$0.290	93	8k1009 Springwater Trail-Sellwood Gap: SE 19th to	\$0.372	4	Pd1019	Transit Safe Street Crossings	\$0.500
<b>ٔ</b> اٰ	/e	P11017	Willamete Shoreline - Hwy 43 Transit preliminary engineering: Portland South Waterfront to Lake Oswego			SE Umatilla				ODOT Preservation Supplement (Powell: 50th to I-205)	\$0.250
L			Subtotal:	\$1.350 \$2.041		Subtotal;	\$1.822			Subtotal:	\$3.552
			Not Recommended for Further Consideration in First Cut			Not Recommended for Further Consideration in First				Not Recommended for Further Consideration in First Cut	43.332
ľ	/a	P11003	Milwaukie LRT Supplemental EIS: Portland central city to Milwaukie town center	\$1.725		Bk6067 Washington Square Regional Center Trail: Hwy, 217 to Fanno Creek Trail	\$1.256	68	Pd1080	SE Hawthorne: 20th to 50th	\$0.822
ľ	<b>'</b>	Pt5016	I-205/Hwy 213 Interchange Reconaissance Study	\$0.300	53	Bk6020 Powerline Trail (South): Barrows to Beef	\$0.942	63	Pd3021	SW Scholls Ferry Road: Raieigh Hills town center	\$0.436
١	<b>/e</b>	PI3121	Tualatin Valley Highway Corridor Study: Highway 217 to Baseline Road	\$1.900		Bend Rd.		59	Pd3093	· •	\$0.923
ŀ	te .	TD0005	Fuller Road at I-205	\$0.500				49	Pd5209	SE 129th Sidewalks and bike lane: Scott Creek Ln. to Mountain Gate Rd.	\$0.707
l			_					~•	Pd8007		\$0.250
H			Subtotal: Mode Category Total:	\$4.425 \$11.985	<u> </u>	Subtotal:	\$2.198	Ь.		Subtotal:	\$3,138
۲	٤		mode category rotal.		<del>,</del>	Mode Category Total:	\$9,440	<u> </u>		Mode Category Total:	\$8.330
L	ä		Regional Travel Options	Requested Amount (millions of S)	- 8	TOD	Requested . Amount (millions of S)	3		Transit	Requested Amount (millions of \$)
H	- D	)mamm	Recommended for Funding management & administration	80.040	-	Recommended for Funding		_		Recommended for Funding	
		-	marketing program	\$0.340	98 95	TD8006 Regional TOD LRT Station Area Program	\$3.000	r/a		I-205 LRT, Commuter Rail, S Waterfront Streetcar	\$16.000
			evaluation	\$2.960 \$0.300	88	TD0002 Regional TOD Urban Center Program TD0003 Site acquisition: Beaverton regional center	\$1.000 \$2.000	n/a 83		I-205 Supplemental Frequent Bus Capital program	\$2.600 \$2.750
-	/a 1	TravelS	Smart	\$0.500				81		Eastskie Streetcar (Con)	\$1.000
L			Subtotal:	\$4.100		Subtotal:	\$6.000	57	Tr6126	South Metro Amtrak Station: Phase II Subtotal:	\$0.900 \$23.250
Е	_		Not Recommended for Further Consideration in Final Cut			Not Recommended for Further Consideration in Fina		-		Not Recommended for Further Consideration in Final Cut	
		TravelS		\$0.500	95	T00002 Regional TOD Urban Center Program	\$0.500	57	Tr5126	South Metro Amtrak Station: Phase II	\$0.250
			Vanpool fleet	\$0.503	88	TD0003 Site acquisition: Beaverton regional center	\$1.000			SW Ash Street extension (PE-ROW)	\$0.639
ľ	<b>/</b> 0 1	TravelS	imant projects	\$0.500	81 98	TD0004 Gateway Transit Center Redevelopment TD0005 Regional TOD LRT Station Area Program	\$0.500 \$0.500				
					95	TD0002 Regional TOD Urban Center Program	\$0.500				
Н	_		Subtotal: Not Recommended for Further Consideration in First Cut	\$1,503		Subtotal;	\$3,000			Subtotal:	\$0.889
Ļ	<b>/</b> a :		Smart Projects	\$1,000	_	Not Recommended for Further Consideration in First	t Cut			Not Recommended for Further Consideration in First Cut	
Ĺ			Subtotal;	\$1.000		Subtotal:	\$0.000	28	RC8038	SW Ash Street extension (construction)	\$0.212 \$0.212
Ĺ			Mode Category Total:	\$6.603		Mode Category Total:	\$9.000	_		Subtotal:  Mode Category Total:	\$24.351

# **JPACT Recommendation**

1		Road Capacity	Requested Amount (millions of \$)	Soor	Road Reconstruction	Requested Amount (millions of \$)	Soore	Boulevard	Requested Amount (millions of \$
┖		Recommended for Funding			Recommended for Funding			Recommended for Funding	ţ
74		Tiedeman	\$1.000	91	Fr3166 10th Avenue at Highway 8 Intersections	\$0.837	102 E	63020 Rose Biggi extension: Crescent St. to Hall (PE)	\$0.5
65		Intersection (PE)	\$1.000	88	RR2035 Cleveland St.: NE Stark to SE Powell	\$1.000	97 B	id1051 Burnside Street: Bridge to E 14th (PE)	\$1.69
62	RC7000	SE 17784 Ave. buses to Stinundide to HWA 212 (BOW)	\$2.000	l		<del></del>	95 B	d1250 Killingsworth: N Commercial to NE MLK (PE)	\$0.40
-		Subtotal:	\$4.000		Subtotal			Subtotal:	\$2.63
65	RC2110	Not Recommended for Further Consideration in Final Cut  Wood Village Blvd.: Arata to Halsey		<u> </u>	Not Recommended for Further Consideration in Fin			Not Recommended for Further Consideration in Final Cut	
65			\$0.815		RR1053 Naito Parkway:NW Davis to SW Market	\$3.840		d3020 Rose Biggi extension: Crescent St. to Hall (ROW)	\$1.14
1"	RC7000		\$1.400	88	RR2035 Cleveland St.: NE Stark to SE Powell	\$0.540	ا ا	Rose Biggi extension: Crescent St. to Hall (Con)	\$2.0
[_a		02 17210 11000 1, Oddinyskie W 1 111 y 2 12 (1\O11)	\$2.300	84	RR5037 Lake Rd: 21st to Hwy 224	\$1.884	В	d1051 Burnside Street: Bridge to E 14th (PE)	\$1.71
**	RC5103	Clackamas County ITS: Safety and operational improvements at 4 railroad crossings	\$0.500				8	d1260 Killingsworth: I-5 Overpass	\$0.93
65	RC1184	Beaverton-Hillsdale Hwy/Oleson/Scholls Ferry Intersection (PE)	\$0.411				В	d1280 Killingsworth: N Commercial to NE MLK (Con)	\$1.67
1								d3184 Cornell Road: Saltzman to 119th	*
$\vdash$		Subtotal:	\$5.426		Subtotal:	\$6,264	- B	33184 Comeli Road: Sanzman to 119th Subtotal:	\$2.53 \$10.08
		Not Recommended for Further Consideration in First Cut		_	Not Recommended for Further Consideration in Fig.			Not Recommended for Further Consideration in First Cut	\$10.00
1	RC1184	Beaverton-Hiltsdale Hwy/Oleson/Scholls Ferry intersection (PE)	\$1,489	81	RR2001 NE 242nd Ave.: Stark to Glisan	\$0.840	87 B	d3169 E Baseline: 10th to 20th	\$2.44
58	RC3114	NE 26th Avenue: East Main to Grant Subtotal:	\$1.682	70	RR1209 NW 23rd Avenue: Burnside to Lovejoy	\$2.694			
		Mode Category Total:	\$9,426		Subtotal:  Mode Category Total:	****		Subtotal:	\$2.44
1			00.720	_	mode Category Total:	\$8.101		Mode Category Total:	\$15.16
- S	_	Freight	Requested Amount (millions of \$)	8	Large Bridge	Requested Amount : (millions of \$1)	Soone	Green Streets	Requested . Amount
<b>L</b>		Recommended for Funding			Recommended for Funding			Recommended for Funding	(millions of \$1
1				71	RR1012 Sellwood Bridge Replacement: Type, Size &	\$2.000		Tracerimentate for Fanding	
79	Fr4083	N Lombard: Slough overcrossing	\$2.000		Location Study, Pretiminary environmental	V	93 G	92123 Beaver Creek Culverts: Troutdale, Cochran, Stark	\$1.00
77	Fr3016	SW Tualatin-Sherwood Road ATMS: I-5 to Highway 99W	\$0.341						
68	Fr4087	N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.	\$1.800						
87	Fr6088	Kinsman Road extension: Barber to Boeckman	\$1.400						
65	Fr8008	Freight Data Collection Infrastructure and Archive							
"		System: Approximately 50 interchanges region wide	\$0.179						
		System: Approximately 50 interchanges region wide  Subtotal:	\$5.720		Subtotal*	\$2,000		Subsection.	
03		System: Approximately 50 interchanges region wide			Subtotal:  Not Recommended for Further Consideration in Final	\$2.000		Subtotal:	\$1.000
79	Fr4063	System: Approximately 50 interchanges region wide  Subtotal:			Subtotal:  Not Recommended for Further Consideration in Fine RR1012 Sellwood Bridge Replacement: Type, Size & Location Study, Praliminary environmental		RA CS	Not Recommended for Further Consideration in Final Cut	
	Fr4063	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut	\$5.720 \$0.210		Not Recommended for Further Consideration in Fina RR1012 Sellwood Bridge Replacement: Type, Size &	l Cut		Not Recommended for Further Consideration in Final Cut 1224 NE Cully Boulevard: Prescott to Killingsworth	\$2.457
79	Fr4063	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing	\$5.720		Not Recommended for Further Consideration in Fina RR1012 Sellwood Bridge Replacement: Type, Size &	l Cut		Not Recommended for Further Consideration in Final Cut	\$2.45
79	Fr4063 Fr2074	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal:	\$5.720 \$0.210		Not Recommended for Further Consideration in Fina RR1012 Sellwood Bridge Replacement: Type, Size &	l Cut		Not Recommended for Further Consideration in Final Cut 81224 NE Cully Boulevard: Prescott to Killingsworth 81223 Beaver Creek Culverts: Troutdale, Cochran, Stark	\$2.45 \$0.47
79	Fr4063 Fr2074	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal:  Not Recommended for Further Consideration in First Cut	\$5.720 \$0.210 \$0.630		Not Recommended for Further Consideration in Fine RR1012 Seltwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental	\$1.600		Not Recommended for Further Consideration in Final Cut 191224 NE Cully Boulevard: Prescott to Killingsworth 191213 Beaver Creek Culverts: Troutdale, Cochran, Stark Subtotal:	\$2.45 \$0.47
79	Fr4063 Fr2074 Fr4063	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal:  Not Recommended for Further Consideration in First Cut  N Lombard: Slough overcrossing	\$5.720 \$0.210 \$0.630	<del></del>	Not Recommended for Further Consideration in Fine RR1012 Selfwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental Subtotati:	\$1.600		Not Recommended for Further Consideration in Final Cut 81224 NE Cully Boulevard: Prescott to Killingsworth 81223 Beaver Creek Culverts: Troutdale, Cochran, Stark	\$2.45 \$0.47
79	Fr4063 Fr2074	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal:  Not Recommended for Further Consideration in First Cut	\$5.720 \$0.210 \$0.630 \$0.630		Not Recommended for Further Consideration in Fine RR1012 Selfwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental Subtotati:	\$1.600		Not Recommended for Further Consideration in Final Cut 191224 NE Cully Boulevard: Prescott to Killingsworth 191213 Beaver Creek Culverts: Troutdale, Cochran, Stark Subtotal:	\$2.45 \$0.47
79	Fr4063 Fr2074 Fr4063	System: Approximately 50 Interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal;  Not Recommended for Further Consideration in First Cut  N Lombard: Slough overcrossing N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.  SW Herman Road: Teton to 108th Avenue	\$5.720 \$0.210 \$0.630 \$0.630 \$2.210 \$1.200 \$2.000		Not Recommended for Further Consideration in Fine RR1012 Selfwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental Subtotati:	\$1.600 \$1.600 \$1.600 \$1.600		Not Recommended for Further Consideration in Final Cut 191224 NE Cully Boulevard: Prescott to Killingsworth 191213 Beaver Creek Culverts: Troutdale, Cochran, Stark Subtotal:	\$2.45
79	Fr4063 Fr2074 Fr4063 Fr4067	System: Approximately 50 interchanges region wide  Subtotal:  Not Recommended for Further Consideration in Final Cut  N Lombard: Slough overcrossing  NE Sandy Blvd. (PE/ROW): 207th to 238th  Subtotal;  Not Recommended for Further Consideration in First Cut  N Lombard: Slough overcrossing  N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.	\$5.720 \$0.210 \$0.630 \$0.630 \$2.210 \$1.200		Not Recommended for Further Consideration in Fine RR1012 Selfwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental Subtotati:	\$1.600		Not Recommended for Further Consideration in Final Cut 191224 NE Cully Boulevard: Prescott to Killingsworth 191213 Beaver Creek Culverts: Troutdale, Cochran, Stark Subtotal:	\$2.45 \$0.47

Recommended Total: \$63.116
Expected 2008-09 Funding Authorized: \$62.228

### **Transportation Priorities 2006-09 Policy Objectives**

The primary policy objective for the Transportation Priorities 2006-09 program is to leverage economic development in priority 2040 land-use areas through investments that support:

2040 Tier I and II mixed-use areas (central city, regional centers, town centers, main streets and station communities)

2040 Tier I and II industrial areas (regionally significant industrial areas and industrial areas), and

2040 Tier I and II mixed-use and industrial areas within UGB expansion areas with completed concept plans

Other policy objectives include:

- emphasize modes that do not have other sources of revenue
- complete gaps in modal systems
- develop a multi-modal transportation system with a strong emphasis on funding bicycle, boulevard, freight, green street demonstration, pedestrian, regional transportation options, transit oriented development and transit projects and programs
- meet the average biennial requirements of the State Implementation Plan for air quality for the provision of pedestrian and bicycle facilities (5 miles of bicycle improvements and 1.5 miles of pedestrian improvements, independent of road/bridge capacity or reconstruction projects)

# Implementation of Program Policy Objectives For Narrowing To Final Cut List

1. Support economic development in priority land use areas.

In addition to the quantitative technical summary, provide information in the staff report on how each project or modal category of projects addresses:

- link to retention and/or attraction of traded-sector jobs,
- transportation barrier to development in 2040 priority land use areas
- support of livability and attractiveness of the region.

- 2. Emphasize priority modal categories in the following manner:
  - A. Emphasize projects in the bicycle, boulevard, freight, green street demonstration, pedestrian, regional transportation options, transit oriented development and transit categories by:
    - proposing the top-ranked projects at clear break points in technical scoring in all
      of the emphasis categories (with limited consideration of qualitative issues
      and public comments).
  - B. Nominate projects in the road capacity, reconstruction or bridge categories when the project competes well within its modal category for 2040 land use technical score and over all technical score, and the project best addresses (relative to competing candidate projects) one or more of the following criteria:
    - project leverages traded-sector development in Tier I or II mixed-use and industrial areas;
    - funds are needed for project development and/or match to leverage large sources of discretionary funding from other sources;
    - the project provides new bike, pedestrian, transit or green street elements that would not otherwise be constructed without regional flexible funding (new elements that do not currently exist or elements beyond minimum design standards).
  - C. When considering nomination of applications to fund project development or match costs, address the following:
    - Strong potential to leverage discretionary (competitive) revenues.
    - Partnering agencies illustrate a financial strategy (not a commitment) to complete construction that does not rely on large, future allocations from Transportation Priorities funding.
    - Partnering agencies demonstrate how dedicated road or bridge revenues are used within their agencies on competing road or bridge priorities.
- 3. As a means of further emphasis on implementation of Green Street principles, the following measures should also be implemented:
  - Staff may propose conditional approval of project funding to further review of the feasibility of including green street elements, particularly interception and infiltration elements.
  - Strong consideration will be given to funding the Livable Streets Update application in the Planning category. This work would document the latest research and further the training and education of green street implementation in the region.

# Transportation Priorities 2006-09: Investing in the 2040 Growth Concept

# **Explanation of Metro Staff Project/Program Recommendations**

Following is a summary of the rational used by Metro staff to implement the policy direction provided by JPACT and the Metro Council in developing a Final Cut List recommendation as shown in Attachment 2 to the staff report. The summary is organized by mode category.

#### Bike/Trail

- The top six technically ranked projects were nominated for inclusion in the JPACT recommendation. The fourth, fifth and sixth ranked projects had similar technical scores while there is a more pronounced break point between the sixth and seventh ranked project.
- The Marine Drive trail gaps project was initially reduced in recommended funding in the Base package by the amount that project was thought likely to receive through the state Transportation Enhancement (TE) funding program. Subsequent action by the Oregon Transportation Commission did not provide funding to this project.
- The Trolley Trail project was reduced in recommended funding in the Base package by half to allow coordination with the area sewer districts for the potential use of the trail right-of-way for a sewer trunk line. Slowing the rate of funding for this project would allow better construction coordination and the potential for shared construction costs.
- Right-of-way for the Powerline Trail from Schuepback Park to Burntwood Drive is included to help secure the undeveloped Mt. Williams property where the project is located prior to the expiration of a purchase option owned by a consortium seeking to secure the property for park and trail use.
- The projects included in the JPACT recommendation, with the addition of projects funded through the state Transportation Enhancements program that will be included in the full MTIP, will meet progress needed on air quality Transportation Control Measures of 5 miles per biennium. The JPACT recommendation and Transportation Enhancement funded projects will provide 7.33 miles of bike trail and lane improvements. However, .35 miles of MAX multi-use path project located in the Gresham regional and Rockwood town centers are needed to meet required pedestrian improvements, leaving a net total of 6.98 miles of bicycle improvements.

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## Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the bicycle modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas None of the projects in the bicycle/trail category remove or reduce a congestion barrier that is preventing development in a 2040 priority land use area. However, all of the projects, other than the Springwater Trailhead project, would provide an alternative mode option to priority land use areas that have or are forecast to have congestion.
- Support livability and attractiveness of the region.

The development of a regional bike system and bike access to 2040 priority land use areas contribute to the economic vitality of the region by increasing bike trips that do not require more land intensive and costly auto parking spaces in those areas where efficient use of land is most critical. The provision of a well-designed network of bicycle facilities also contributes to the overall livability and attractiveness to both companies and work force to locate in the region.

# Emphasize modes that do not have other sources of revenue

On-street bicycle projects, outside of vehicle capacity or reconstruction projects that are required to build bike facilities, only have the dedicated funding of a state program that allocates approximately \$2.5 million per year to bicycle and pedestrian projects on state facilities. Off-street trails are one of several eligible project types that compete for statewide Transportation Enhancement grants of approximately \$4 million per year. Additionally, one percent of state highway trust fund monies passed through to local jurisdictions must be spent on the construction or maintenance of bicycle or pedestrian facilities.

#### Complete gaps in modal systems

The bicycle projects recommended for further consideration all complete gaps in the existing bicycle network. While the Springwater Trailhead project does not strictly complete a gap in the provision of a bike trail or lane, it does provide needed user facilities on the trail system that do not exist today.

# Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan. The bicycle and trail projects recommended for further consideration would provide 6.98 miles of a required 5 miles of new bicycle facilities for the two-year funding period. This assumes .35 miles of the MAX multi-use path project in Gresham would be applied to meeting requirements for the provision of pedestrian facilities and is included in the calculation of that category.

#### **Boulevard**

- The top three technically ranked projects were nominated for further consideration as there is a clear break point between the third and fourth ranked projects.
- As the Rose Biggi project is adjacent to the TOD acquisition site in Beaverton that is also recommended for funding, only preliminary engineering is recommended in the base package to reserve availability of resources for other areas of the region. PE is the minimum effort necessary to sustain momentum on the extension of the road north to Hall Boulevard.
- The Burnside Street project may receive a federal earmark that would complete PE funding for this project phase.
- Recommended funding for the Killingsworth project was reduced by the amount the project is likely to receive through the state Transportation Enhancement funding program. This recommendation may be revisited as the TE funding award process progresses. PE funding is recommended for the remaining segment between N Commercial and NE MLK Boulevard.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the JPACT recommendation within the boulevard modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs

  The Boulevard projects recommended support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.
- Address transportation barrier to development in 2040 priority land use areas None of the projects in the boulevard category remove or reduce a congestion barrier that is preventing development in a 2040 priority land use area. However, all of the projects would enhance the trip end experience for users of alternative modes to access priority land use areas that have or are forecast to have congestion.
- Support livability and attractiveness of the region.

The recommended projects are a direct investment in priority 2040 mixed land use areas and support further economic development in those areas by providing the facilities and amenities necessary to support higher densities of development, a mix of land use types and higher percentage of trips by alternative modes and by enhancing land values in the vicinity of the project.

Emphasize modes that do not have other sources of revenue

While elements of Boulevard projects are eligible for different sources of transportation funding, they have no source of dedicated funding to strategically implement these types of improvements in priority 2040 land use areas.

#### Complete gaps in modal systems

The recommended projects add new or enhance existing pedestrian and some bike facilities to the regional network. The Rose Biggi project would construct a new collector level motor vehicle connection within a regional center to meet regional guidance on street connectivity.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan The Boulevard projects recommended for further consideration would only provide preliminary engineering funds and therefore not contribute to the required 5 miles of new bicycle facilities and 1.5 miles of pedestrian facilities for the two-year funding period.

# Large Bridge

- The Sellwood Bridge type, size and location study and preliminary environmental work is proposed for funding in the base package in the amount of \$2.0 million.
- The recommendation for this project is based on this project best meeting the policy direction for inclusion of projects in the non-empahsis categories. The project has the potential for regional flexible funds to seed local and state project development funds that could then leverage a large allocation from federal and state Bridge Replacement funds to reconstruct the Sellwood Bridge. ODOT Region One is proposing \$1.5 million in STIP funding for this project with the County providing \$2.1 million of matching funds. These funds will be used to solicit \$12.8 million additional funds, currently under recommendation by the state bridge committee to the Oregon Transportation Commission for PE and right-of-way costs. The total effort will be used to solicit additional HBRR and other federal funds in the future to complete construction of the project.

## Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the large bridge modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Sellwood Bridge project supports the redevelopment of the South Waterfront and Tacoma main street and the greater North Milwaukie industrial area. Industrial, office

and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.

- Address transportation barrier to development in 2040 priority land use areas. Due to bridge cracking, the Sellwood Bridge is currently closed to all vehicles greater than 10,000 lbs gross vehicle weight. This represents a significant barrier to the attractiveness for any business development in the vicinity of the bridge that would rely on truck access.
- Support livability and attractiveness of the region.

With one 4-foot sidewalk occluded by light and sign posts, narrow travel lanes and no bike lanes, the current bridge is a significant barrier to access to the network of multi-use paths and bicycle lanes in the area. A new bridge provide greater connectivity between the east and west sides of the Willamette, River.

Emphasize modes that do not have other sources of revenue

Bridge projects receive dedicated sources of revenue from federal and state funding sources. Award of these funds is done on a competitive process and allocation of regional flexible funds would be intended to develop enough project detail to effectively compete for those sources of revenue.

### Complete gaps in modal systems

Meets the narrowing policy objectives of and providing new pedestrian and bicycle facilities that do not exist and are not likely to be constructed without programming of regional flexible funds. The project would also reopen the bridge to freight and transit traffic that is currently rerouted to the Ross Island Bridge approximately 2.5 miles to the north.

#### Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, a new bridge would provide new bicycle lanes, replace a single side substandard sidewalk, provide local freight access and serve two regional bus routes that can no longer use the current bridge.

Meet the average annual requirements of the State air quality implementation plan As a replacement or reconstruction project, this project does not address this policy goal.

#### **Green Streets**

• The top technically ranked green street demonstration projects for street and culvert retrofits were recommended for the final cut list base package. While these were the only candidate applicants in these categories, both are strong projects and worthy of funding. JPACT, however, approved funding the Cully Boulevard project through local sources as a condition of providing funding to the Springwater corridor trail project.

- The Cully Boulevard project will provide improvements in a 2040 mixed-use main street located in a low-income and minority community and will provide technical data on water quantity/quality improvements associated with green street techniques.
- The Beaver Creek Culverts project will support recovery of endangered species, removing barriers associated with transportation facilities and will leverage a large local match and state restoration grant (70% of total project cost). To balance the program, funding is recommended to be reduced by \$470,000 to a regional share of \$1,000,000. The reduction would need to be made up from other sources or by a reduction in work scope such as reconstructing 2 of the 3 culverts or constructing lower-cost retrofit options.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the JPACT recommendation within the green street modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- The Cully Street project would support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure. Additionally, green street design principals and the removal of fish barrier culverts are part of the region's management plan to address the listing of several native fish species under the federal endangered species act. Demonstrating programmatic implementation of the management plan is important to staying in compliance with the act and preventing lawsuits or federal actions that could hinder future ability to attract traded sector jobs to the region.
- Address transportation barrier to development in 2040 priority land use areas Neither of the applications address a specific transportation congestion barrier to development in a 2040 priority land use area. However, the Cully project would provide on-street parking, sidewalks and bicycle lanes that are lacking today and deter access and investment in the area.
- Support livability and attractiveness of the region.
- The Cully Street demonstration project supports the economic development of a mixed-use main street. As a demonstration project for innovative stormwater management techniques in the public right-of-way, the project has the potential to promote a less costly, environmentally sensible means of managing stormwater runoff region wide. The Beaver Creek culverts retrofit project support economic development by supporting the provision of wildlife within an urban area, increasing its attractiveness to companies and work force to locate in the area.

Emphasize modes that do not have other sources of revenue.

There are no sources of dedicated revenue to support the demonstration of innovative stormwater management techniques in the public right-of-way. There are state grants available through the Oregon Water Enhancement Board to restore stream habitat, including retrofit or replacements of culverts. However, these grants require local match funds and are competitive relative to the needs and range of project eligibility.

Complete gaps in modal systems.

As a demonstration project category, Green Streets projects do not directly address this policy.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan.

Meet the average annual requirements of the State air quality implementation plan. As a demonstration project category, Green Streets projects do not directly address this policy.

# Freight

- All or a portion of the top five technically ranked projects are recommended for further consideration by Metro staff in the freight category. There was a clear break point in the technical score between the fifth and sixth ranked projects.
- The JPACT recommendation funds the increase in project costs discovered subsequent to application for and the proposed award of OTIA III funds to the N Leadbetter railroad over crossing project.

### Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the JPACT recommendation within the freight modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The Lombard Slough over crossing project is the central freight connector through the region's largest regionally significant industrial area with 190 companies and 8,000 industrial jobs. If the Lombard Slough over crossing is weight limited in the future, it would require an 11 mile out-of-direction travel between South Rivergate, where many traded-sector companies are located, and Terminal 6, the region's only inter-modal container terminal. The Leadbetter extension project would provide grade-separated access over a rail spur from a large traded-sector employer (Columbia Sportswear) and developing industrial land to the entrance of Terminal 6, extending the capacity of the existing warehouse facility and number of potential employees located there.

- Address transportation barrier to development in 2040 priority land use areas Without the Lombard Slough bridge improvement, a 113 acre vacant parcel, one of 25 industrial sites of statewide significance identified by the Governor's Industrial lands Task Force and the potential for an additional 1,000 new jobs (scenario of recent Vestas proposal), would not be able to fully develop. The Leadbetter extension project would increase attractiveness to three developable parcels in the vicinity by creating an alternative to increasing number and length of delays caused by rail traffic blockage. The Tualatin-Sherwood ATMS project would improve operating efficiencies of a congested major freight route connecting a large industrial area, including several hundred acres of vacant industrial land brought into the UGB in 2002 and 2004, with I-5 and 99W. The Kinsman Road project would create a new extension from an existing regional freight road connector and provide new access for 175 acres of vacant industrial land in west Wilsonville that is awaiting development until local concurrency requirements for road capacity can be met.
- Support livability and attractiveness of the region. By supporting the retention and expansion of traded-sector companies that can grow jobs independent of local economic conditions and supply high-wage jobs, freight projects as a category support the livability and attractiveness of the region.

The freight data collection infrastructure would provide data that would allow more accurate tracking and forecasting of truck movements to better understand freight transportation needs in the region.

Emphasize modes that do not have other sources of revenue

The five recommended freight projects are road capacity, reconstruction or operations projects. These projects are eligible for funding through state trust fund and pass through revenues. The OTIA III process has also dedicated \$100 million of statewide funding to these types of projects.

# Complete gaps in modal systems

The Lombard slough over-crossing project would prevent the closure of freight traffic on the regional freight system. The Kinsman Road and Leadbetter projects would provide new connections to the motor vehicle system.

Develop a multi-modal transportation system

This is a modal amphasis actors on the Transportation

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan As capacity, reconstruction or operational projects, this project category does not address this policy goal.

# **Planning**

### **On-Going**

- MPO Required Planning is recommended for funding. This funding continues the practice of previous allocations (adjusted 3% annually for inflation) to the Metro planning department for the provision of regional transportation planning services necessary to carry out MPO functions. Use of regional flexible funds for this purpose began as an alternative to collection of dues from local transportation agencies.
- Regional Freight Planning is recommended for funding. Funding for regional freight planning services began in FFYs 2004 and 2005 as freight and economic development became prominent regional and political issues. This allocation would fund these services for 2006 through 2009.

### **Corridor Planning**

- The Milwaukie light rail Supplemental EIS is recommended for funding at \$2.0 of its \$3.725 million cost from regional flexible funds. This effort is needed to make the project eligible to receive federal funds.
- The Willamette Shoreline Highway 43 Transit alternatives analysis is proposed fro funding. Preliminary engineering phase is not recommended at this time but should await further development of a strategy for corridor improvements through the AA process.
- Three of the four Multi-Use master plans (Lake Oswego to Milwaukie, Tonquin Trail, and the Mt. Scott to Scouter's Loop trail) are recommended for funding. These trail projects span multiple local jurisdictions that need technical support to prepare trails to enter preliminary engineering and continue efforts provided at Metro to developing regional trail projects through implementation of the Greenspaces bond measure. The Sullivan's Gulch trail is not recommended for funding as it was not indicated as a local priority to the city of Portland and to the degree of cooperation and effort that will be needed to complete master planning work for this project.
- The Next Priority Corridor analysis is recommended for funding. This work would address the fourth corridor from regional flexible funds of the 18 corridor plans the state Department of Land Conservation and Development requires the region to complete as part of the adoption of the Regional Transportation Plan. JPACT has requested ODOT also contribute to the completion of a second corridor study in this time frame conditioned on regional funding of one corridor study.

#### **Planning Enhancements**

• No Planning Enhancements applications are recommended for funding.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the planning category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs

  None of the candidate planning activities claimed a direct link to the retention or
  attraction of a specific traded-sector business to the region. However, planning activities
  are necessary to ensure federal funding eligibility and adequate transportation services to
  the region, both essential to retaining and attracting traded-sector businesses to the region
  in general.
- Address transportation barrier to development in 2040 priority land use areas The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of which is the availability of frequent transit service. The Milwaukie LRT Supplemental EIS and the Willamette Shoreline AA are steps in providing reliable frequent transit service to the Central City and Milwaukie and Lake Oswego town centers, key pieces of investment to ensuring the allowance of future development to proceed in those areas. Other planning activities proposed for funding support economic development by ensuring the 2040 priority land use areas are adequately served by transportation services and that requirements are met to allow state and federal funding to be allocated to projects serving those areas.
- Support livability and attractiveness of the region.

  Transportation planning activities support the livability and attractiveness of the region by ensuring the transportation system adequately serves the comprehensive land use plans of the region and local communities.

Emphasize modes that do not have other sources of revenue General planning transportation activities, but not specific corridor planning activities, are supported through limited federal planning revenues, though not enough to cover planning services provided to the region.

Complete gaps in modal systems

Planning activities identify and direct funding to projects that complete gaps in modal systems.

Develop a multi-modal transportation system

Planning activities identify and direct funding to projects that develop multi-modal systems. This is an emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan While used to develop, coordinate and report on the implementation of the annual requirements, planning does not construct new facilities to meet State air quality plan requirements.

# **Pedestrian**

- The top two technically ranked projects are recommended for funding on the final cut list base package as there is a clear break in the technical scoring between the second and third ranked projects and no clear break between the third and fifth ranked projects.
- The Capitol Highway (PE) pedestrian project is is also recommended for funding
- The ODOT Preservation Supplement request is a result of regional policy request to ODOT. The funding amount from regional flexible funds would provide cost sharing with ODOT Region One from funding proposed in the draft STIP outside of their preservation program to provide pedestrian and potentially bicycle and transit improvements in conjunction with their preservation work. It appears at this time that ODOT will be able to provide pedestrian improvement treatments on the two urban preservation projects (Powell Boulevard: 50thto I-205, and NW Yeon) with existing STIP revenues. A preliminary cost analysis of adding bicycle lanes on SE Powell between 71st and 82nd Avenues, consistent with the Portland TSP, was cost prohibitive at between \$5 and \$7 million as a preservation supplement project.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the pedestrian modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs

  The Pedestrian projects recommended support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.
- Address transportation barrier to development in 2040 priority land use areas The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of which is the availability of a well-connected local street system to support walking trips within the mixed-use area. The Forest Grove and Milwaukie town center pedestrian projects are steps in providing pedestrian access on their well connected downtown street networks, key pieces of investment to ensuring the allowance of future development to proceed in those areas.

• Support livability and attractiveness of the region.

The pedestrian projects recommended contribute to the economic vitality of the Forest Grove and Milwaukie mixed-use areas by providing access by users who would not require more land intensive and costly auto parking spaces.

Emphasize modes that do not have other sources of revenue

Pedestrian projects outside of vehicle capacity or reconstruction projects that are required to build bike facilities only have dedicated funding limited to a state program that allocates approximately \$2.5 million per year or as one of several eligible project types that compete for statewide Transportation Enhancement grants of approximately \$4 million per year. Additionally, one percent of state highway trust fund monies passed through to local jurisdictions must be spent on the construction or maintenance of bicycle or pedestrian facilities.

# Complete gaps in modal systems

The pedestrian projects recommended for further consideration all complete gaps, either with new facilities or upgrading substandard facilities, in the existing pedestrian network.

Develop a multi-modal transportation system

This is a modal emphasis category for the Transportation Priorities program.

Meet the average annual requirements of the State air quality implementation plan The pedestrian projects recommended along with a project funded through the state Transportation Enhancements program will provide 1.15 miles of a required 1.5 miles of new pedestrian facilities within mixed-use areas for the two-year funding period. The MAX multi-use path project, evaluated in the Bike/Trail category could contribute a .35 mile portion of its 2.32 miles of pedestrian improvement to meet air quality plan requirements for the provision of pedestrian facilities as it is located in the Gresham regional and Rockwood town centers.

# **Road Capacity**

- The SW Greenberg Road project in the Washington Square regional center is recommended for funding as the top tier road capacity project with a clear break point in project score between it and the next tier of projects (#2 through #5). The \$1 million request would complete project funding of local resources and prior regional award of PE funds for a total project cost of \$5 million.
- The Beaverton-Hillsdale/Scholls Ferry/Oleson Road intersection project is located in the Raliegh Hills town center. Funding of \$1 million is recommended for a portion of the PE costs. Funding is conditioned on the completion of some planning work for a portion of the town center area to be impacted by the right-of-way acquisition process. The county is seeking to use progress on PE work to solicit state and federal funds for right-of-way and construction.

• Right-of-way acquisition costs of \$2 million is recommended for funding of the 172nd Avenue project. This would address the \$1.0 million estimated right-of-way costs and a start on construction costs. This project is located in the newly expanding urban area on the east side of Happy Valley. The application will leverage \$10 million of County funds to complete construction of the project. The County has begun master planning of the area surrounding this project and anticipates designating much of it as Regionally Significant Industrial Area to serve as a job base for Happy Valley. This is also the only project proposed for funding in the recently expanded urban growth boundary area, which when master planning is completed, is one of the priority land use emphasis areas. This funding has been recommended to be conditioned on completion of the Damascus master plan and for the project design to be consistent with implementation of the master plan.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the JPACT recommendation within the road capacity modal category addresses the following policy guidance.

Economic development in priority land use areas

• Link to retention and/or attraction of traded-sector jobs

The SE 172<sup>nd</sup> Avenue project will provide the primary arterial access to the future Rock
Creek industrial area. Forecasts of expected traded-sector jobs will be available upon
completion of the Damascus concept plan.

The B-H/Scholls project would support the redevelopment of adjacent properties to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure. No specific link to the retention or attraction of traded-sector jobs was provided by the project applicant.

- Address transportation barrier to development in 2040 priority land use areas Upon completion of the Damascus concept plan, the SE 172<sup>nd</sup> Avenue project will address the primary urban infrastructure need to development of the future Rock Creek industrial area. The Beaverton-Hillsdale/Scholls Ferry/Oleson intersection project, if tied to the development of a Raleigh Hills town center planning effort, is of a scale and impact to provide significant redevelopment opportunities in that area.
- Support livability and attractiveness of the region.

Emphasize modes that do not have other sources of revenue

Road capacity projects are supported through pass through state trust fund revenues to local jurisdictions, system development charges and some local taxes or improvement districts. However, some jurisdictions have maintenance needs that are larger than state pass-through revenues and which generally take priority over capacity projects.

# Complete gaps in modal systems

These projects expand existing motor vehicle connections. New connections to complete gaps in the pedestrian and bicycle system would be provided with these projects, however.

# Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, all of these projects would provide new or upgrade substandard pedestrian and bicycle facilities on these roads (current Greenburg Road has existing sidewalks but no bike lanes).

Meet the average annual requirements of the State air quality implementation plan These projects do not address this policy goal.

# **Road Reconstruction**

- The Cleveland Street project is recommended for funding at \$1 million. This project demonstrated strong connections to the development of the Gresham regional center and adds sidewalk, bicycle and transit elements that are currently missing from the existing facility. It also strongly incorporates green street elements, providing another demonstration project for the region.
- The 10<sup>th</sup> Avenue Intersections project in Cornelius is recommended for funding conditioned on the availability of funding provided by the upcoming federal transportation reauthorization act.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the JPACT recommendation within the road reconstruction modal category addresses the following policy guidance.

# Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- The Cleveland Street project would support the redevelopment of adjacent properties in the regional center to higher-density mixed-uses. Office and commercial space in these mixed-use areas may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure. The 10<sup>th</sup> Avenue project supports the redevelopment of the Cornelius Main Street area in downtown Cornelius.
- Address transportation barrier to development in 2040 priority land use areas
- Support livability and attractiveness of the region.

Emphasize modes that do not have other sources of revenue

Road reconstruction projects are supported through pass through state trust fund revenues to local jurisdictions, system development charges and some local taxes or improvement districts. However, some jurisdictions have maintenance needs that are larger than state pass-through revenues and which generally take priority over reconstruction projects.

# Complete gaps in modal systems

The recommended project does not complete gaps in the existing motor vehicle system but provides new pedestrian and bicycle facilities, completing gaps in those modal systems.

Develop a multi-modal transportation system

This is not a modal emphasis category for the Transportation Priorities program. However, the project would provide new or upgrade substandard pedestrian and bicycle facilities.

Meet the average annual requirements of the State air quality implementation plan These projects do not address this policy goal.

# **Regional Travel Options**

• The Regional Travel Options program is recommended by JPACT at the level of funding needed to implement the programs strategic plan, with the exception of providing vanpool capital assistance.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the regional travel options category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas The RTO program is regional in scope and therefore markets and provides travel option services, reducing congestion region wide.
- Support livability and attractiveness of the region.

Emphasize modes that do not have other sources of revenue

These programs are not supported by other sources of dedicated transportation revenues although they do leverage funding from private Transportation Management Associations and other grants.

Complete gaps in modal systems

The RTO program does not construct projects and therefore does not address this policy goal.

Develop a multi-modal transportation system

This is a policy emphasis category for the Transportation Priorities program. RTO projects contribute to the development of a multi-modal system by educating and providing incentives to reduce trips or use existing pedestrian, bicycle and public transit facilities.

Meet the average annual requirements of the State air quality implementation plan While the RTO programs promote use of the facilities provided by the requirements, it does not specifically address this policy goal.

# **Transit Oriented Development (TOD)**

- The TOD rail station area and urban centers programs are recommended for funding equal to the previous allocation.
- The Beaverton TOD site acquisition project is also recommended for funding at \$2 million, equal to the previous allocation to the Gresham Civic station site in the previous allocation. This would be a \$1 million cut from the requested amount. It is recommended that the City of Beaverton investigate use of other sources to match the large regional contribution to the project.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the transit oriented development category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs
- Address transportation barrier to development in 2040 priority land use areas The TOD program and recommended projects address market development barriers to development in 2040 priority mixed-use land use areas.
- Support livability and attractiveness of the region.

The TOD program and recommended projects support implementation of regional and local comprehensive plans by supporting mixed-use development at densities and with amenities beyond what the current market will bear in emerging mixed-use areas.

Emphasize modes that do not have other sources of revenue

While urban renewal and other programs facilitate new development, transit oriented development projects are specifically designed to increase the efficiency of the regions investment in the transit system and is not supported by other sources funding.

Complete gaps in modal systems

The TOD program and projects do not address this policy goal.

Develop a multi-modal transportation system

This is a modal policy emphasis category for the Transportation Priorities program. TOD projects contribute to the development of a multi-modal system by increasing the density and design of development in areas well served by existing pedestrian, bicycle and public transit facilities. This increases the use of those facilities and makes them more cost-effective.

Meet the average annual requirements of the State air quality implementation plan While the TOD programs promote use of the facilities provided by the requirements, it does not specifically address this policy goal.

# **Transit**

- The existing commitments (by Metro Resolution) to rail transit projects in the region are recommended for funding.
- The Frequent Bus program is recommended for funding at a rate equal to the previous allocation amount.
- The Eastside Streetcar is recommended for funding in the Option A package.
- The South Metro Amtrak station is recommended for funding at \$1.15 million in the Option A package and for \$1 million in the Option B package.

# Response to Policy Guidance

In addition to the technical score that reflects a quantitative measure of the policy guidance, the Metro staff recommendation within the transit modal category addresses the following policy guidance.

Economic development in priority land use areas

- Link to retention and/or attraction of traded-sector jobs

  Office and commercial space in the mixed-use areas served by these transit projects may serve traded-sector employment and locates that employment in the regions priority development areas that are well served by existing urban infrastructure.
- Address transportation barrier to development in 2040 priority land use areas

The 2000 RTP allows development in the region's priority 2040 mixed-use areas even when motor vehicle congestion is forecast in the peak hour as long as certain conditions exist, on of which is the availability of frequent transit service. The existing rail commitments and the Frequent Bus capital improvement program are steps in providing reliable frequent transit service to mixed-use and industrial areas region-wide, key pieces of investment to ensuring the allowance of future development to proceed in those areas.

# • Support livability and attractiveness of the region.

The development of a comprehensive regional transit system with frequent and reliable access to 2040 priority land use areas contribute to the economic vitality of the region by increasing trips that do not require more land intensive and costly auto parking spaces in those areas where efficient use of land is most critical. The provision of a well-designed network of transit facilities also contributes to the overall livability and attractiveness to both companies and work force to locate in the region.

# Emphasize modes that do not have other sources of revenue

The existing rail commitments and the Eastside Streetcar fund applications are used to leverage large federal grants to construct those projects. Currently, TriMet general fund revenues are committed to transit service as a means of not having to cut bus service hours and to start new light rail service during the on-going recession. While this was a resource allocation choice, on-street capital improvements for the Frequent Bus program now come solely from the Transportation Priorities program. The south Amtrak station improvements are not eligible for any other source of transportation revenues.

# Complete gaps in modal systems

The rail commitments and Eastside Streetcar projects extend high frequency service to new areas consistent with the RTP and local Transportation System Plans, however, they do not strictly fill in gaps within the existing rail network. Frequent Bus improvements will allow new frequent bus service connecting gaps in the existing system.

# Develop a multi-modal transportation system

This is a modal policy emphasis category for the Transportation Priorities program. Transit projects contribute to the development of a multi-modal system by providing higher efficiency transit service in the corridors served by those projects.

Meet the average annual requirements of the State air quality implementation plan While the rail commitment and Frequent Bus program do not result directly in the provision of additional service hours as required by the air quality implementation plan, they do contribute to service efficiencies that can then be reallocated to providing additional transit service.

# Transportation Priorities 2006-09: Investing in the 2040 Growth Concept

# **Conditions of Program Approval**

# Bike/Trail

All projects will meet Metro signage and public notification requirements.

(Bk2052) The MAX multi-use path project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Hispanic and low-income populations in the vicinity of the project.

(Bk3072) The Powerline Trail (Schuepback Park to Burntwood Drive) funding is conditioned on the execution of the purchase option of the Mt. Williams property for use of right-of-way for the project. If the purchase option is not executed, Metro may rescind the funds for future reallocation.

(Bk5026) The \$.742 million in funds committed to the Trolley Trail may be transferred to the 172<sup>nd</sup> project if an alternate funding source for Segments 5 and 6 is committed. Clackamas County will be seeking funds from a sewer project in this right-of-way as well as other County, regional, state or federal funds to finance this priority trail project.

(Bk1009) The \$1.237 million allocated to the Springwater Trail- Sellwood Gap is conditioned on the City of Portland committing sufficient funds to complete this segment of the Springwater Trail project, conditioned on committing funds to complete the NE Cully Blvd.: Prescott to Killingsworth Green Street project and conditioned on committing funds to fund the Gateway TOD project.

## Boulevard

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guide book (Metro; 2<sup>nd</sup> edition; June 2002).

All projects will incorporate stormwater design solutions (in addition to street trees) consistent with Section 5.3 of the *Green Streets* guide book and plant street trees consistent with the planting dimensions (p 56) and species (p 17) of the *Trees for Green Streets* guide book (Metro: 2002).

(Bd3020) The Rose Biggi project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to

the significant concentration of Hispanic and low-income populations in the vicinity of the project.

(Bd1051) The E Burnside project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of low-income population in the vicinity of the project.

(Bd1260) The Killingsworth project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black and low-income populations in the vicinity of the project.

# Large Bridge

(RR1012) Funding of the Sellwood Bridge project is contingent on the programming \$1.5 million of STIP funding and Multnomah County prioritizing the Sellwood Bridge as the first priority large bridge project for receipt of HBRR funds after completion of the Sauvie Island bridge in 2007. Furthermore, the Type, Size & Location Study and Preliminary Environmental Assessment shall include addressing the connection between the bridge design and surrounding land use and transportation issues.

# Freight

(Fr4063): Funding of the N Lombard project is contingent on the demonstration of a financial strategy that does not rely on large (>\$2 m) future contributions from the Transportation Priorities process.

(Fr4087): Funding for the Leadbetter over crossing project is contingent on the programming of \$6 million in ODOT OTIA III funding and \$2 million of local match by the Port of Portland to the project.

The N Lombard and N Leadbetter over crossing project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black population in the vicinity of the project.

# **Green Streets**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* and *Green Streets* guidebooks (Metro; June 2002).

(GS1224): The Cully Boulevard project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of Black, Hispanic and low-income populations in

the vicinity of the project. It is also conditioned on provision of results of the water quantity and quality testing as described in the project application.

# **Planning**

(Pl0002): The RTP Corridor Plan – Next Priority Corridor is conditioned on a project budget and scope being defined in the appropriate Unified Work Program.

# **Pedestrian**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

# **Road Capacity**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

(RC7001) The 172<sup>nd</sup> Avenue project funding is conditioned on a project design that implements the transportation implementation strategies and recommendations of the Damascus/Boring concept plan. Based on the recommendations of the plan, the County may request, in coordination with the cities of Damascus and Happy Valley, a different arterial improvement location or scope. Furthermore, the \$.742 million in funds committed to the Trolley Trail may be transferred to the 172<sup>nd</sup> project if an alternate funding source for Segments 5 and 6 is committed. Clackamas County will be seeking funds from a sewer project in this right-of-way as well as other County, regional, state or federal funds to finance this priority trail project.

(RC 1184) The Beaverton-Hillsdale/Scholls Ferry/Oleson Road intersection PE funding is conditioned on the provision of a redevelopment plan being completed for the area encompassed by the project construction impacts in conjunction with PE activities. The scope of these activities will be adopted as a condition of approval in the final MTIP document. Demonstration of a financial strategy (not a commitment) for funding of right-of-way and construction that does not rely on large future allocations from regional flexible funds is also required prior to programming of awarded funds.

# **Road Reconstruction**

All projects will meet Metro signage and public notification requirements.

All projects will meet street design guidelines as defined in the *Creating Livable Streets* guidebook (Metro; 2<sup>nd</sup> edition; June 2002).

(RR2035) Cleveland Avenue is conditioned on the provision of green street elements as described in the project application. Furthermore, the \$1 million of funding can be spent on the full project from SE Powell Blvd. to SE Stark St. as long as the section in the Regional Center from SE Powell Blvd. to SE Division St. is completed.

(Fr3166) The \$.837 million allocated to the 10<sup>th</sup> Avenue at Highway 8 intersection project in Cornelius is conditioned on sufficient funds made available through the reauthorization or TEA-21. If an amount of funds are not available to fund this project, this project is <u>not</u> a commitment against the next MTIP allocation.

# **Transit Oriented Development (TOD)**

All projects will meet Metro signage and public notification requirements.

(TD8005): Upon completion of a full funding grant agreement, station areas of the I-205 MAX and Washington County commuter rail are eligible for TOD program project support.

# **Transit**

Capital projects will meet Metro signage and public notification requirements.

(TR1106) The Eastside Streetcar project funding is conditioned on the demonstration of targeted public outreach activities in the project design phase and construction mitigation phase to the significant concentration of low-income population in the vicinity of the project. It is also conditioned on the securing of other funding to complete the preliminary design and engineering costs of the project.





# FISCAL YEAR 2004-05

# Quarterly Report Second Quarter October through December 2004

Prepared by the Financial Planning Division of the Finance and Administrative Services Department



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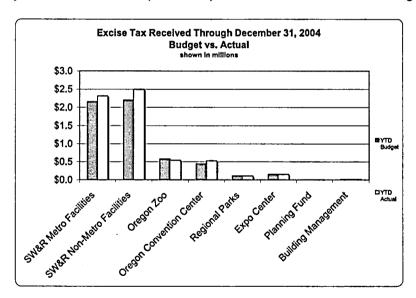
# TRANSMITTAL LETTER

March 24, 2005

The Honorable David Bragdon Metro Council President 600 NE Grand Avenue Portland, OR 97232

# **Dear Council President Bragdon:**

I am pleased to present Metro's Quarterly Financial Report for the second quarter of the 2004-05 fiscal year. The report summarizes the year's revenue and expenditure performance for each fund through December 31, 2004.

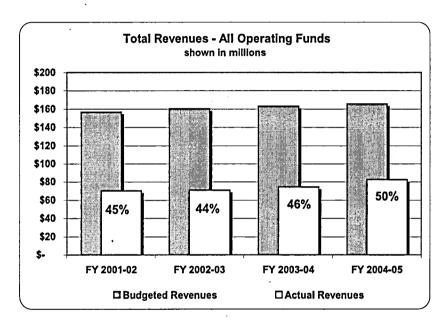


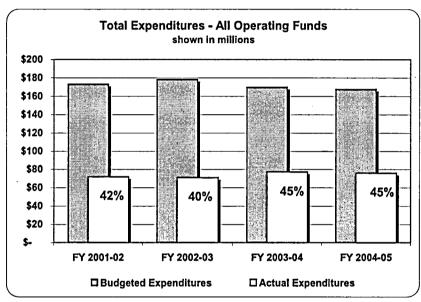
# Excise Tax

Overall excise tax revenue received through the end of the second quarter totaled \$6.16 million, which is 8.76 percent above year-to-date projections. While Solid Waste and Recycling, the Oregon Convention Center and Planning exceeded projections, the Zoo, Regional Parks, the Expo Center and Building Management fell short. The revised annual forecast, based on historical patterns and results from the first half, projects year-end excise tax collections above budget by \$1,489,000 overall. This includes additional year-end contributions of \$1,139,000 to the Rate Stabilization Reserve, \$224,000 to the Parks Department and \$42,000 to the Tourism Opportunity and Competitiveness Account. The net result is a projected increase in discretionary excise tax available in the General Fund at year-end of \$84,000. The actual beginning balance in the General Fund was \$526,000 higher than budgeted, with \$35,000 of this going toward the Recovery Rate Stabilization Reserve, \$2,500 in additional PERS Reserve contributions and an additional \$489,000 in undesignated fund balance.

# **Overview of Operating Funds**

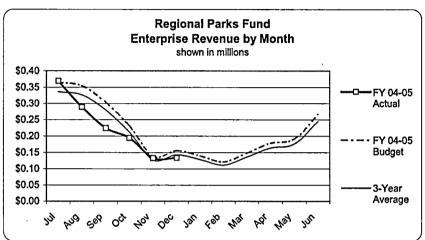
Revenues for all of the operating funds totaled \$82.5 million, or 50 percent of budget through the second quarter. Expenditures totaled \$75.7 million against a budget of \$167.6 million. Expenditures through the second quarter are consistent with historical patterns. Revenues, however, are higher than average through the second quarter.

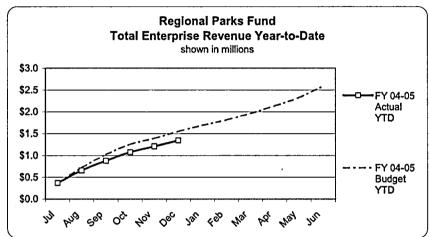




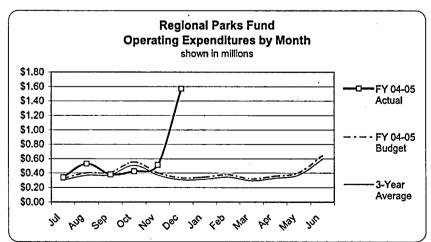
# Regional Parks Fund

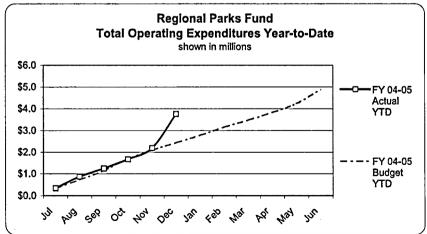
The first six months of the fiscal year, in particular the first quarter, are typically the highest revenue generating months for the Parks Department. The revenue received to date, at approximately 51.5 percent of budget, is well below historical averages and expectations. Almost all areas, except Grave Sales and Property Rentals, experienced below average revenue generation.





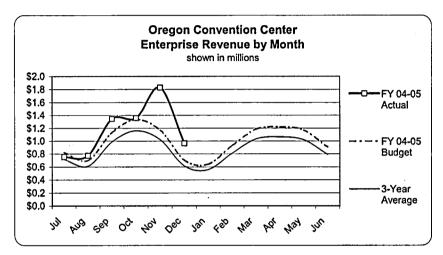
Parks operating expenditures for the first half were at 58 percent of budget. The spike in spending for the month of December was the result of restoration projects, the largest being The Clackamas River Fish Channel Restoration at \$1.174 million.

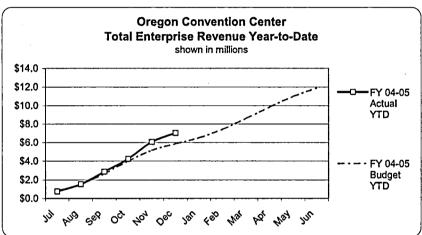




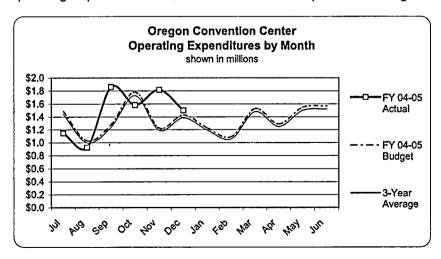
# **Oregon Convention Center**

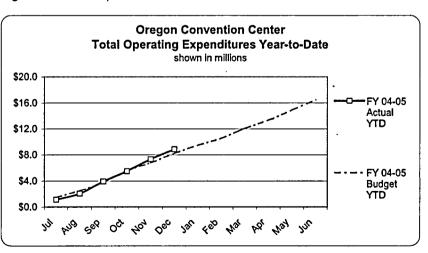
Enterprise Revenues for the Convention Center were at 59 percent of budget through the second quarter. Overall revenues for the OCC are expected to be about the same as the previous year in spite of a decrease in expected convention bookings for FY 2004-05.





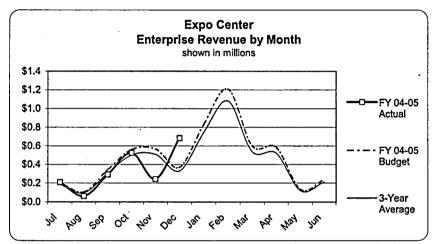
Operating Expenditures of \$8.8 million were at 54 percent of budget through the second quarter.

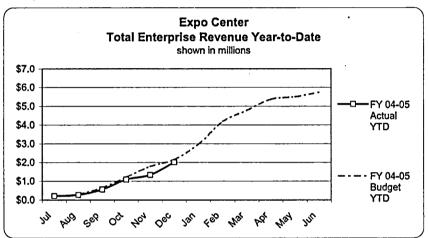




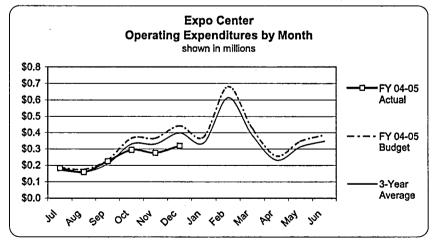
# Expo Center

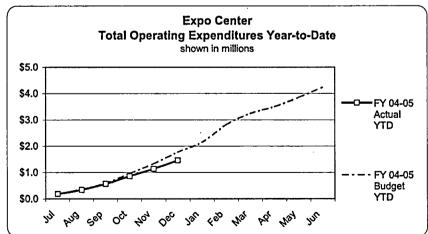
The first half of the year is typically the slowest for the Expo Center. Enterprise Revenues were at 35 percent of budget, tracking closely to historical revenue patterns.





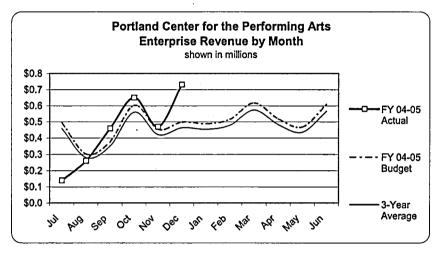
Operating Expenditures for the Expo Center were at 37 percent of budget through the end of the second quarter.

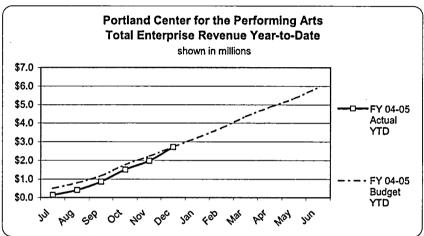




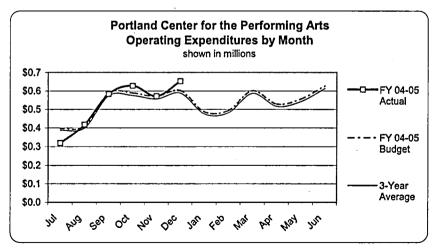
# Portland Center for the Performing Arts

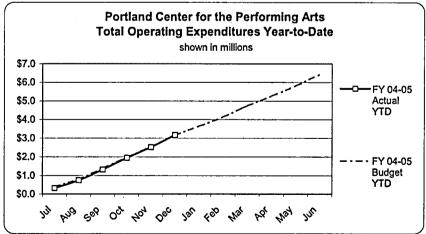
Enterprise Revenues were at 47 percent of budget through the end of the second quarter. PCPA expects to meet overall budget projections; however, concession revenues are down.





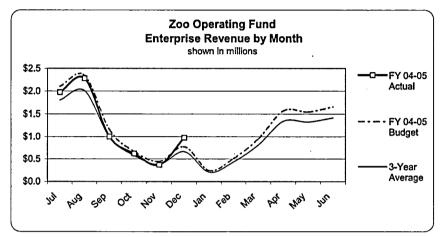
Operating Expenditures at PCPA were at 49 percent of budget through the end of the second quarter, higher than the same period last year.

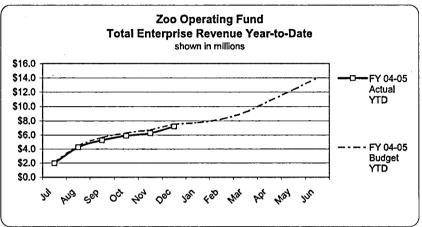




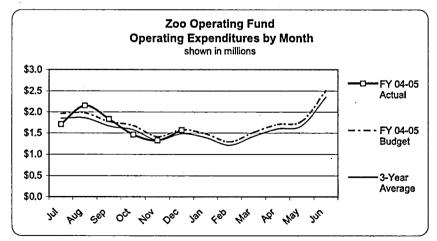
# **Zoo Operating Fund**

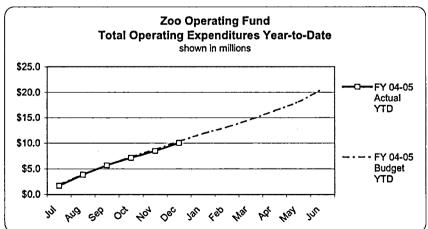
The Zoo had a very good second quarter due to the unseasonably warm weather and strong ZooLights attendance in December.





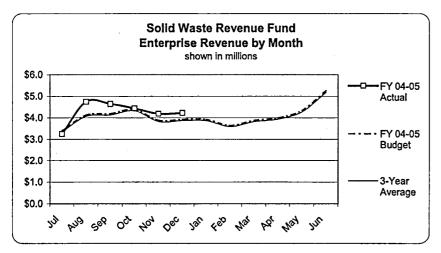
Zoo spending through the second quarter was at 48 percent of budget. Higher spending in the months of August and September are associated with the Aramark contract and a shift in the timing of the Summer Concert Series.

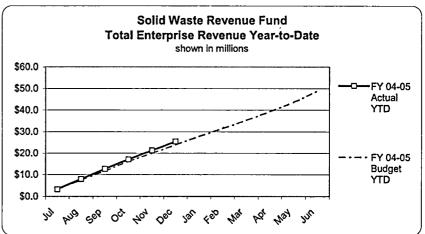




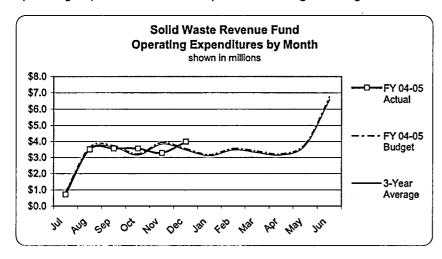
### Solid Waste Revenue Fund

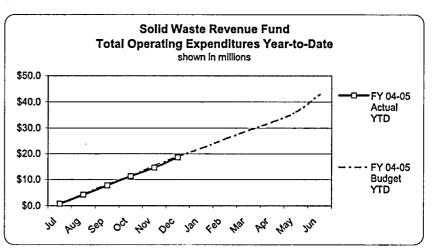
Enterprise Revenues through the second quarter were higher than normal, partially due to a 7.9 percent increase in tonnage. Also contributing to the increase is the shift in the rate structure from Regional System Fees to Disposal Fees.





Operating expenditures were 43 percent of budget through the second quarter.





Any comments or suggestions on how this summary, or the document in general, could be improved would be very welcome. Please do not hesitate to contact me with any questions or concerns.

Sincerely,

William L. Stringer

Chief Financial Officer & Director, Finance and Administrative Services Department

# **OPERATING FUNDS**

Operating funds are those funds that contain the revenues and expenditures associated with Metro services. As a general rule, they are the funds where personal services expenditures are charged. Contained within this section is a budget-to-actual summary providing information regarding each fund's activity through the end of the second quarter, FY 2004-05. Also included is the same information for the corresponding period for last fiscal year. Along with the numerical information there is a brief explanation, by classification, of the revenues and expenditures in each fund.

The funds have been grouped by type: general government, enterprise, or internal service to provide for a better understanding of the different operations at Metro. The general government funds are the General, Planning, and Regional Parks funds. The enterprise funds include MERC Operating, Solid Waste Revenue, and Zoo Operating funds. The internal service funds are the Building Management, Risk Management, and Support Services funds.

# General Fund

The General Fund was established to track revenues and expenditures for all general government functions. This includes the Metro Council and Public Affairs Department. The General Fund is supported by an excise tax on the purchase of Metro goods and services. Outlined below is an explanation of the activities in the General Fund through the second quarter, FY 2004-05.

#### Revenues

Excise Tax – A tax upon the purchase of Metro goods and services. At 51 percent, the taxes received through the end of the second quarter exceeded budget in total, and are slightly above budget for discretionary revenue. Additional information regarding this tax is available in the Excise Tax section of this document, beginning on page 48.

Interfund Transfers In – Transfers come from departments for allocated costs in the Council Office. In the current fiscal year, these costs include the salary for the Chief Operating Officer and the Archives program. The total transfers are determined through the cost allocation plan. Through the end of the second quarter, transfers in are as expected at 50 percent of budget.

# Expenditures

**Council Office** – The Council Office is at 44 percent of budget through the end of the second quarter. Year-to-date spending on materials and services is only at 13 percent of budget.

**Public Affairs Department** – Through the end of the second quarter, the Public Affairs Department is at 42 percent of budget. Year-to-date spending on materials and services is only 15 percent of budget.

Special Appropriations – Budgeted expenditures in this category include a \$125,000 special appropriation for election costs, \$100,000 for public notice costs required by ballot measure or Metro code, \$15,000 for Water Consortium dues, and a \$25,000 contribution to the Regional Arts & Culture Council (RACC). Actual expenditures through the second quarter totaled \$40,600 consisting of \$15,600 in Water Consortium dues and the \$25,000 contribution to RACC. It is estimated that public notice costs will be under spent by \$75,000.

Interfund Transfers Out – This category includes transfers to the central service funds to pay for services allocated through the cost allocation plan. Central service transfers are made monthly, quarterly, or semi-annually depending on the type. Also included in this category are monthly transfers of excise tax to various operating funds. The General Fund is monitored to ensure there is sufficient cash balance before excise tax transfers are made. Through the end of the second quarter, transfers out were at 53% of budget.

# **General Fund**

As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources					-			
Beginning Fund Balance	\$2,035,545		\$2,561,919	126%	\$1,277,550		\$1,648,753	129%
Current Revenues								
Metro Excise Tax	12,083,153	3,475,525	6,161,126	51%	10,019,954	2,496,404	4,823,802	48%
Enterprise Revenue	. 0	22	. 22	0%	0	70	70	0%
Earnings on Investments	25,000	10,889	27,391	110%	25,000	4,992	13,646	55%
Other Miscellaneous Revenue	0	. 187.	739	0%	0	8	13	0%
Interfund Transfers In	291,550	72,885	145,770	50%	248,114	62,034	124,068	50%
Subtotal Current Revenues	12,399,703	3,559,507	6,335,048	51%	10,293,068	2,563,508	4,961,599	48%
Total Resources	\$14,435,248	\$3,559,507	\$8,896,967	62%	\$11,570,618	\$2,563,508	\$6,610,351	57%
Requirements					, ,			•
Operating Expenditures								
Council Office	\$1,435,201	\$329,635	\$632,876	44%	\$1,400,107	\$293,882	\$585,002	42%
Public Affairs Department	665,991	147,310	280,457	42%	652,445	98,725	191,084	29%
Special Appropriations	265,000	0	40,600	15%	340,000	0	40,611	12%
Subtotal Operating Expenditures	2,366,192	476,945	953,933	40%	2,392,552	392,607	816,697	34%
Non-Operating Expenditures								
Interfund Transfers Out	10,108,318	2,895,489	5,405,574	53%	8,041,194	1,847,367	3,839,853	48%
Contingency	646,335	0	0	0%	443,930	0	0	0%
Subtotal Non-Operating Expenditures	10,754,653	2,895,489	5,405,574	50%	8,485,124	1,847,367	3,839,853	45%
Subtotal Current Expenditures	\$13,120,845	\$3,372,434	\$6,359,507	48%	\$10,877,676	\$2,239,974	\$4,656,550	43%
Unappropriated Balance	1,314,403		2,537,460		692,942		1,953,801	
Total Requirements	\$14,435,248		\$8,896,967		\$11,570,618		\$6,610,351	

# **Planning Fund**

Page 14

The Planning Fund was established to track the revenues and expenditures associated with the Transportation and Growth Management activities. As outlined in the Metro Charter, growth management and land-use planning are the primary missions of the agency. The information outlined below provides an explanation of the activities in the Planning Fund through the second quarter of FY 2004-05.

### Revenues

**Grants** – The majority of funding comes from federal, state, and local grants. Funds are received on a reimbursement basis and typically lag one to two months behind expenditures. Revenues recorded to date reflect five months of grant billings.

**Local Government Shared Revenues** – Represents fees received for boundary mapping services provided by the department.

Enterprise Revenue – Historically this category primarily includes revenues generated through the Data Resource Center. Revenues are the result of contracts with private entities, local jurisdictions and storefront sales. Most of the contracts are invoiced quarterly. Revenues received through the first two quarters represent billings for services and sales on a reimbursement basis. Recording of revenues typically lags one to two months behind expenditures. Other non-contract revenues include approximately \$80,000 in product, document or publication sales such as DRC "lite", digital aerial photos, street design handbook, bike maps and other standard or custom storefront products.

Interfund Transfers – Includes transfers of excise tax from the General Fund as well as transfers for direct services from other Metro departments. Excise tax transfers are received monthly providing the General Fund cash flow permits. Direct transfers are made as expenses are incurred. Through the second quarter six months of excise tax transfers have been received.

# **Expenditures**

**Personal Services** - Expenditures are as expected through the end of the second quarter at 47 percent.

Second Quarter, FY 2004-05

Ending December 31, 2004

Materials & Services – The majority budgeted for this expenditure category is tied to the purchase of TOD lands (\$4.4 million) or the direct receipt of grant funds. TOD land purchases are made as appropriate lands become available. Only one expenditure for \$200,000 has been made. All other expenditures were as expected in this quarter.

**Capital Outlay (CIP)** – Capital expenditures are for replacement of components of the Travel Forecasting and Data Resource Center computer systems. No expenditures have been made to date.

Interfund Transfers Out – This category includes transfers to the central service funds to pay for services allocated through the cost allocation plan. Central service transfers are made monthly, quarterly, or semi-annually depending on the type. These transfers are as anticipated through the end of the second quarter.

# Planning Fund As of December, 31 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$627,552		\$2,956,802	471%	\$654,431		\$1,950,893	298%
Current Revenues								
Grants	13,270,145	2,016,864	2,334,451	18%	12,895,064	1,151,349	1,654,816	13%
Local Gov't Shared Revenue	0	5,460	17,610	0%	0	1,950	7,500	0%
Enterprise Revenue	247,588	80,566	110,469	45%	543,480	105,364	138,494	25%
Earnings on Investments	0	25,659	52,092	0%	0	11,525	27,939	0%
Other Miscellaneous Revenue	31,000	295	6,930	22%	14,536	343	343	2%
Interfund Transfers In	4,599,990	1,120,299	2,268,878	49%	4,643,456	1,123,528	2,283,669	49%
Subtotal Current Revenues	18,148,723	3,249,143	4,790,430	26%	18,096,536	2,394,059	4,112,760	23%
Total Resources	\$18,776,275	\$3,249,143	\$7,747,232	41%	\$18,750,967	\$2,394,059	\$6,063,654	32%
Requirements								· · · · · ·
Operating Expenditures								
Personal Services	\$6,866,929	\$1,667,859	\$3,234,721	47%	\$7,262,224	\$1,632,199	\$3,239,503	45%
Materials and Services	8,795,515	574,592	1,059,284	12%	8,561,505	477,594	574,394	7%
Subtotal Operating Expenditures	15,662,444	2,242,451	4,294,005	27%	15,823,729	2,109,792	3,813,897	24%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	47,000	0	0	0%	54,200	0	44,653	82%
Interfund Transfers Out	2,189,991	461,664	1,225,690	56%	2,437,286	456,680	1,165,593	48%
Contingency	786,840	0	0	0%	301,540	0	0	0%
Subtotal Non-Operating Expenditures	3,023,831	461,664	1,225,690	41%	2,837,238	456,680	1,211,282	43%
Subtotal Current Expenditures	\$18,686,275	\$2,704,115	\$5,519,695	30%	\$18,660,967	\$2,566,472	\$5,025,180	27%
Unappropriated Balance	90,000		2,227,537		90,000		1,038,474	
Total Requirements	\$18,776,275		\$7,747,232		\$18,750,967		\$6,063,654	

# Regional Parks Operating Fund

The Regional Parks Operating Fund was established to track the revenues and expenditures related to the operations of the parks, golf courses, marine facilities, pioneer cemeteries and open spaces managed by Metro. The information listed below provides an explanation of the activities in this fund through the second quarter of FY 2004-05.

### Revenues

Grants - For FY 2004-05, budgeted revenues in the operating fund reflect only those grants anticipated for the Greenspaces restoration/education grant program or restoration/improvement projects not deemed by accounting definition to be capital. All other grants related to capital projects formerly budgeted in the Regional Parks Fund have been moved to the Regional Parks Capital Fund. Revenues received in the second quarter reflect first quarter grant billings. Grants are received on a reimbursement basis and may lag 1-3 months. The negative revenue received through the end of the first quarter is the result of transactions processed by Accounting to reverse grant revenue accruals made at the end of last fiscal year.

Intergovernmental Revenues – The funds received are Metro's share of the revenues received by the State from the registration fees for recreational vehicles and County marine fuel taxes. Receipts from the State through the second quarter are in line with budget.

Enterprise Revenues – This category represents revenues received for the use of Metro Regional Parks and golf course. The first six months of the fiscal year, in particular the first quarter, are typically the highest revenue generating months. The revenue received to date, at approximately 51.5 percent of budget, is well below historical averages and expectations. Almost all areas except Grave Sales and Property Rentals are experiencing below average revenue generation. Most Regional Parks' revenues are sensitive to weather fluctuations. A week of rain in August plus weeks of very hot weather in July and August combined to significantly reduce rounds of golf played at Glendoveer Golf Course. Unfortunately, the nice weather in September did not correlate to an upturn in golf rounds. In addition to the weather, environmental issues with the lake at Blue Lake Park resulted in low attendance during

August, typically one of the two highest revenue months of the year. Attendance revenues did pick up again in September so it appears the "lake issues" caused only a temporary effect on attendance. A one-time block of grave sales in July will partially offset some of the loss in revenues but is insufficient to make up for loss of revenue in significant areas such as greens fees at Glendoveer. The department has managed to reduce expenditures to compensate and will continue to monitor the budget closely.

Contributions and Donations – The FY 2004-05 budget assumed contributions from Multnomah County for operational support of Bybee House and from Portland Parks & Recreation for technical support on the three bridges project. In addition, a mid-year budget amendment added \$1.329 million in donations for several restoration or improvement projects. Through the second quarter the department has received \$1.174 million in contributions for the Clackamas River Fish Channel Restoration Project as well as \$17,000 in support of the Smith & Bybee Lakes Trail Alignment Project.

Interfund Transfers In – Interfund transfers received include excise tax revenue from the General Fund and transfers from the Open Spaces Fund for former Multnomah County local share projects managed by the Regional Parks Department. Excise tax transfers are made on a monthly basis, as cash flow in the General Fund permits. Through the second quarter, the department has received six months of excise tax transfers from the General Fund. Transfers from the Open Spaces Fund are made quarterly as expenditures for the Multnomah County local share projects are incurred.

# **Expenditures**

**Personal Services** – Expenditures were as expected through the end of the second quarter at slightly under 50 percent of budget.

Materials and Services - This expenditure is at 68 percent of budget through the second quarter. While, as a percentage of budget, spending is higher than historical averages, it is still within expectations. The FY 2004-05 budget planned for several restoration projects totaling almost \$1.4 million. Through the end of the second quarter approximately \$1.2 million has been expended toward these projects, the largest being The Clackamas River Fish Channel Restoration Project of \$1.174 million. Other expenditures contributing to the higher than normal spending include approximately \$19,000 for insurance on rental properties originally purchased through the open spaces bond measure and; \$25,000 to Fairview for police services at Chinook Landing and Blue Lake Regional Park incurred during last fiscal year but not invoiced until this fiscal year. Without these extraordinary projects, spending to date would be approximately 48 percent of budget.

Capital Outlay (Non CIP) - No capital expenditures are budgeted in the operating fund in FY 2004-05.

Capital Outlay (CIP) - All capital projects have been moved to the Regional Parks Capital Fund beginning 7/01/04.

Interfund Transfers Out – Interfund transfer expense includes three primary categories – transfer of excise tax and other funding support to the Regional Parks Capital Fund for the development of four open space sites into accessible natural areas; transfers to central service fund for allocated costs such as accounting services, legal services, risk management, building rent, information technology services, and human resource services; and transfers to other funds such as the Planning Fund for reimbursement of services received on a variety of projects. Central Service transfers are made monthly, quarterly or semi-annually depending on type. Excise tax and other transfers are made as requested. Expenditures through the second quarter are as expected.

Second Quarter, FY 2004-05 Ending December 31, 2004

# Regional Parks Fund As of December 31, 2004

	Amended Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$3,700,311		\$3,478,901	94%	\$3,158,426		\$3,596,811	114%
Current Revenues								
Grants	454,118	83,599	33,726	7%	698,353	5,300	12,650	2%
Intergovernmental Revenues	403,975	163,451	200,164	50%	414,361	141,520	210,984	51%
Enterprise Revenues	2,614,335	467,499	1,347,202	52%	2,458,663	550,480	1,471,198	60%
Earnings on Investments	60,000	16,390	41,119	69%	58,998	11,890	31,658	54%
Contributions and Donations	1,369,300	1,190,136	1,206,835	88%	277,640	7,000	24,375	9%
Other Miscellaneous Revenues	11,500	4,280	8,195	· 71%	11,500	5,140	17,759	154%
Interfund Transfers In	4,189,269	1,140,001	2,186,530	52%	3,168,349	664,635	1,329,270	42%
Subtotal Current Revenues	9,102,497	3,065,356	5,023,771	55%	7,087,864	1,385,964	3,097,894	44%
Total Resources	\$12,802,808	\$3,065,356	\$8,502,672	66%	\$10,246,290	\$1,385,964	\$6,694,706	65%
Requirements		, , ,			<del>-, ,</del>			
Operating Expenditures								
Personal Services	\$3,409,886	\$801,951	\$1,685,203	49%	\$3,063,164	\$734,987	\$1,546,223	50%
Materials and Services	3,067,382	1,705,537	2,070,392	67%	2,003,468	548,669	846,021	42%
Capital Outlay Projects (non-CIP)	0	0	0	0%	26,400	88,162	113,682	431%
Subtotal Operating Expenditures	6,477,268	2,507,488	3,755,595	58%	5,093,032	1,371,818	2,505,927	49%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	0	0	0	0%	1,073,311	34,554	35,574	3%
Interfund Transfers Out	2,902,040	913,150	1,414,851	49%	1,294,707	290,046	579,751	45%
Contingency	474,143	0	0	0%	86,390	0	0	0%
Subtotal Non-Operating Expenditures	3,376,183	913,150	1,414,851	42%	2,454,408	324,600	615,325	25%
Subtotal Current Expenditures	\$9,853,451	\$3,420,638	\$5,170,446	52%	\$7,547,440	\$1,696,418	\$3,121,252	41%
Unappropriated Balance	2,949,357		3,332,226		2,698,850		3,573,453	
Total Requirements	\$12,802,808		\$8,502,672		\$10,246,290		\$6,694,706	

# **MERC Operating Fund**

The MERC Operating Fund contains the operating revenues and expenditures of the facilities managed by the Metro Exposition-Recreation Commission (MERC). These facilities include the Oregon Convention Center (OCC), the Portland Metropolitan Exposition Center (Expo), and the Portland Center for the Performing Arts (PCPA). The fund also includes MERC Administration. The information outlined below provides an explanation of the activities in this fund through the end of the second quarter of FY 2004-05. MERC's overall results were about as expected for the second quarter and better than first quarter results.

#### Revenues

Intergovernmental Revenue – The FY 04-05 Budget includes \$7.0 million in Multnomah County Lodging Tax, with \$5.74 million for Convention Center operations and \$1.26 million for PCPA. As of the end of the second quarter, 29% of the Lodging Tax has been received from Multnomah County. Indications from Multnomah County are that this revenue source will be better than last year and possibly provide some funding for the PCPA VDI support that it has not received for the past two years.

Enterprise Revenue – This classification consists of revenue that is received for the services provided by the different facilities. The \$11.9 million received for the year is 50% of budget, up 59% from the prior year. The increase over the prior year is from better operational results coupled with a reduced budget.

Expo Center – Enterprise revenue of about 35% of budget, about what is expected.

Oregon Convention Center – At about 59% of budget, enterprise revenues are up from budget and about equal to the prior year. Overall revenues for OCC are expected to be about the same as last fiscal year in spite of a decrease in expected convention bookings for FY 2004-05. Concession revenues are tracking much higher than expected.

Portland Center for the Performing Arts – Year-to-date revenues are over 47% of budget. PCPA expects to meet overall budget projections, however their concession revenues are down.

**Contributions and Donations** – Included in this classification budget are contributions from the City of Portland to support the operation

of PCPA for \$315,000. An additional \$251,000 was received this fiscal year which represents a one time offset for the prior year unfunded VDI lodging tax. The balance will be addressed in Portland's FY 2005-06 budget.

# **Expenditures**

**Expo Center**– With Current Revenues at 2.0 million (35% of budget) and Operating Expenditures at about 1.5 million (37% of budget), coupled with administrative overhead and debt service transfer of 1.3 million, Expo experienced a decline in Fund Balance of about .8 million as of the second quarter. Theses results are about the same as last year second quarter. Expo plans on meeting budgeted projections by year-end.

Oregon Convention Center – Current Revenues of 8.4 million, including hotel/motel tax receipts (47% of budget) were insufficient to fully fund expenditures of 9.6 million. The result is a reduction in ending fund balance of \$1.2 million at the end of the second quarter. This is an improvement over the prior year. OCC expects to exceed expectations and add to fund balance this fiscal year predominately from better Concession revenues.

**Portland Center for the Performing Arts** – With Current Revenues of 3.3 million, Operating Expenditures of 3.5 million, fund balance declined .2 million. This is much better than prior year this time. Concessions for PCPA are down but other revenues are up.

**MERC Administration** – Expenditures year-to-date are as expected.

Interfund Transfers Out - Expenditures are as expected.

Debt Service - Expenditures are as expected.

# MERC Operating Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$10,806,745		\$10,556,300	98%	\$9,986,094		\$9,771,540	98%
Current Revenues								
Intergovernmental Revenue	7,000,663	2,051,054	2,051,054	29%	7,988,680	1,916,356	1,916,356	24%
Enterprise Revenue	23,856,990	7,576,698	11,917,547	50%	25,461,276	6,542,013	11,365,120	45%
Earnings on Investments	69,503	32,487	86,852	125%	206,281	2,919	23,281	11%
Contributions and Donations	331,128	251,000	251,000	76%	324,635	4,950	26,950	. 8%
Other Miscellaneous Revenue	80,000	6,491	33,383	42%	100,000	31,199	55,493	. 55%
Interfund Transfers In	536,129	45,531	91,062	17%	173,939	0	0	. 0%
Subtotal Current Revenues	31,874,413	9,963,261	14,430,897	45%	34,254,811	8,497,438	13,387,200	39%
Total Resources	\$42,681,158	\$9,963,261	\$24,987,197	59%	\$44,240,905	\$8,497,438	\$23,158,739	52%
Requirements			-				V 10.	·
Operating Expenditures								
Expo Center	\$3,955,335	\$889,839	\$1,457,638	37%	\$4,238,676	\$917,470	\$1,526,522	36%
Oregon Convention Center	16,466,171	4,901,167	8,834,045	54%	18,318,119	4,428,506	9,135,796	50%
Portland Center for the Performing Arts	6,448,123	1,852,331	3,183,012	49%	6,828,639	1,637,232	3,069,928	45%
MERC Administration	1,214,749	312,771	598,134	49%	1,134,664	250,226	502,461	44%
Subtotal Operating Expenditures	28,084,378	7,956,108	14,072,829	50%	30,520,098	7,233,435	14,234,707	47%
Non-Operating Expenditures								
Debt Service	22,809	9,928	19,992	88%	22,809	11,114	22,349	98%
Interfund Transfers Out	3,666,545	1,927,744	2,468,230	67%	3,694,943	1,641,903	2,155,064	58%
Contingency	2,479,849	0	0	· 0%	1,222,561	0	0	0%
Subtotal Non-Operating Expenditures	6,169,203	1,937,672	2,488,222	40%	4,940,313	1,653,017	2,177,413	44%
Subtotal Current Expenditures	\$34,253,581	\$9,893,779	\$16,561,051	48%	\$35,460,411	\$8,886,452	\$16,412,120	46%
Unappropriated Balance	8,427,577		8,426,146		8,780,494		6,746,619	
Total Requirements	\$42,681,158		\$24,987,197	<u></u>	\$44,240,905		\$23,158,739	

**Expo Fund** 

As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$3,204,397		\$2,539,442	79%	\$2,774,973		\$2,602,491	94%
Current Revenues			٠					•
Enterprise Revenue	5,738,321	1,449,075	2,010,046	35%	6,394,466	1,370,407	1,974,821	31%
Earnings on Investments	35,000	11,475	29,897	85%	52,269	3,881	13,871	27%
Other Miscellaneous Revenue	0	9,099	17,490	0%	0	210	149	0%
Interfund Transfers In	(182,064)	(45,516)	(91,032)	50%	(153,647)	(35,646)	(74,058)	48%
Subtotal Current Revenues	5,591,257	1,424,133	1,966,401	35%	6,293,088	1,338,852	1,914,784	30%
Total Resources	\$8,795,654	\$1,424,133	\$4,505,843	51%	\$9,068,061	\$1,338,852	\$4,517,275	50%
Requirements								
Operating Expenditures				I				
Personal Services	1,278,644	315,820	588,301	46%	1,301,286	306,560	570,549	. 44%
Materials and Services	2,676,691	574,019	869,337	32%	2,937,390	610,910	955,973	33%
Subtotal Operating Expenditures	3,955,335	889,839	1,457,638	37%	4,238,676	917,470	. 1,526,522	36%
Non-Operating Expenditures								
Interfund Transfers Out	1,560,907	1,267,272	1,326,036	85%	1,451,631	1,184,465	1,240,188	85%
Contingency	296,675	0	0	0%	169,632	0	• 0	0%
Subtotal Non-Operating Expenditures	1,857,582	1,267,272	1,326,036	71%	1,621,263	1,184,465	1,240,188	76%
Subtotal Current Expenditures	\$5,812,917	\$2,157,111	\$2,783,674	48%	\$5,859,939	\$2,101,935	\$2,766,710	47%
Unappropriated Balance	2,982,737		1,722,169		3,208,122		1,750,565	
Total Requirements	\$8,795,654	<del></del>	\$4,505,843		\$9,068,061		\$4,517,275	

# Convention Center Operating Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$4,328,256		\$4,736,133	109%	\$4,485,334		\$4,143,194	92%
Current Revenues								
Intergovernmental Revenue	5,740,961	1,599,822	1,599,822	28%	6,250,134	1,494,758	1,494,758	24%
Enterprise Revenue	11,999,695	4,152,451	7,028,960	59%	13,243,027	3,850,246	6,953,659	53%
Earnings on Investments	15,000	11,173	25,673	171%	102,000	(1,786)	(1,765)	-2%
Contributions and Donations	0	0	0	0%	0	4,950	4,950	0%
Other Miscellaneous Revenue	80,000	(23,512)	(17,059)	-21%	100,000	8,300	16,175	16%
Interfund Transfers In	(69,179)	(105,795)	(211,590)	306%	(396,751)	(132,401)	(275,074)	69%
Subtotal Current Revenues	17,766,477	5,634,140	8,425,805	47%	19,298,410	5,224,066	8,192,703	42%
Total Resources	\$22,094,733	\$5,634,140	\$13,161,938	60%	\$23,783,744	\$5,224,066	\$12,335,898	52%
Requirements								
Operating Expenditures								
Personal Services	6,874,627	1,759,432	3,498,397	51%	7,808,193	1,639,485	3,477,667	45%
Materials and Services	9,591,544	3,141,734	5,335,649	56%	10,509,926	2,789,021	5,658,129	54%
Subtotal Operating Expenditures	16,466,171	4,901,167	8,834,045	54%	18,318,119	4,428,506	9,135,796	50%
Non-Operating Expenditures								
Debt Service	22,809	9,928	19,992	88%	22,809	11,114	22,349	98%
Interfund Transfers Out	1,392,879	482,284	785,818	56%	1,570,801	289,308	578,616	37%
Contingency	1,347,698	0	0	0%	734,127	0	0	0%
Subtotal Non-Operating Expenditures	2,763,386	492,212	805,810	29%	2,327,737	300,422	600,965	26%
Subtotal Current Expenditures	\$19,229,557	\$5,393,378	\$9,639,855	50%	\$20,645,856	\$4,728,929	\$9,736,761	47%
Unappropriated Balance	2,865,176		3,522,083		3,137,888		2,599,137	
Total Requirements	\$22,094,733		\$13,161,938		\$23,783,744		\$12,335,898	

# **Portland Center for the Performing Arts**

As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$3,219,962		\$3,198,087	99%	\$2,572,341		\$2,866,612	111%
Current Revenues								
Intergovernmental Revenue	1,259,702	451,232	451,232	36%	1,738,546	421,598	421,598	24%
Enterprise Revenue	5,946,394	1,890,555	2,788,480	47%	5,819,783	1,319,498	2,433,860	42%
Earnings on Investments	19,503	12,189	34,705	178%	48,940	186	9,138	19%
Contributions and Donations	331,128	251,000	251,000	76%	324,635	0	22,000	7%
Other Miscellaneous Revenue	0	20,830	32,429	0%	0	22,689	39,169	0%
Interfund Transfers In	(404,824)	(101,205)	(202,410)	50%	(373,143)	(86,570)	(179,856)	48%
Subtotal Current Revenues	7,151,903	2,524,601	3,355,436	47%	7,558,761	1,677,402	2,745,909	36%
Total Resources	\$10,371,865	\$2,524,601	\$6,553,522	63%	\$10,131,102	\$1,677,402	\$5,612,521	55%
Requirements								
Operating Expenditures								
Personal Services	3,949,998	1,122,440	2,027,595	51%	4,326,018	1,058,192	1,979,739	46%
Materials and Services	2,498,125	729,891	1,155,417	46%	2,502,621	579,041	1,090,190	44%
Subtotal Operating Expenditures	6,448,123	1,852,331	3,183,012	49%	6,828,639	1,637,232	3,069,928	45%
Non-Operating Expenditures							•	
Interfund Transfers Out	712,759	178,188	356,376	50%	672,511	168,130	336,260	50%
Contingency	696,561	0	0	0%	273,418	0	0	0%
Subtotal Non-Operating Expenditures	1,409,320	178,188	356,376	25%	945,929	168,130	336,260	36%
Subtotal Current Expenditures	\$7,857,443	\$2,030,519	\$3,539,388	45%	\$7,774,568	\$1,805,362	\$3,406,188	44%
Unappropriated Balance	2,514,422		3,014,135		2,356,534		2,206,332	
Total Requirements	\$10,371,865		\$6,553,522		\$10,131,102		\$5,612,521	

#### Solid Waste Revenue Fund

The Solid Waste Revenue Fund was established to track revenues and expenditures associated with the collection, recovery, and disposal of waste within the Metro boundary. The Solid Waste and Recycling department manages this fund. The information listed below provides an explanation of the activities in this fund through the second quarter of FY 2004-05.

#### Revenues

Enterprise Revenue – Enterprise revenue for the second quarter of the 04-05 fiscal year is higher than the prior fiscal year and the adopted 04-05 budget. This increase is due to the combined effect of an increase in tonnage of 7.9 percent over budget and a rate increase effective 9-01-04.

*Miscellaneous Revenue* – This classification mainly includes pass-through debt service receipts, cash over and short, and fines.

Interfund Transfers In – Budgeted Interfund Transfers are for direct costs related to the Rehabilitation and Enhancement Fund. These transfers are always made at the end of the fiscal year.

### Expenditures ·

**Personal Services** – These expenditures are as expected at 49 percent of budget.

Materials and Services – These expenditures are as expected at 42 percent of budget. Major contracts expenditures seasonally lag one month so this represents only five months of those major expenditures. Expenditures would be at about 49% without that seasonal lag.

**Capital Outlay (Non CIP)** – Expenditures in this classification are for minor repairs to Solid Waste and Recycling facilities as well as the purchase of equipment for use by the department. Expenditures are as expected.

**Debt Service** – Funds are for the repayment of the bonds sold to finance the construction of the Metro Central Transfer Station and the Riedel Compost Facility. The amount is considerably lower than last year but as expected year to date. Last fiscal year the defeasance of bonds in FY 2002-03 was funded July 1<sup>st</sup> of FY 2003-04.

Capital Outlay (CIP) – Capital project expenditures are lower than expected. The emphasis of spending in the first half of this fiscal year was on bidding and bid analysis. The delay in Latex Paint Facility move has caused a back up of several projects. That project is expected to be complete in April. For a complete review, by project, please refer to the Capital Projects Update section of this quarterly report.

Interfund Transfers Out – The planned transfers to central service funds for allocated costs are within expectations for the year.

**Contingency** – Based on recent tonnage trends, the department is considering the need for a budget amendment in the third quarter of this year due to increased disposal costs from the increase in tonnage.

# **Solid Waste Revenue Fund**

As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$30,014,392		\$32,716,644	109%	\$31,239,138	•	\$34,800,955	111%
Current Revenues								
Grants	0	0	0	0%	0	539	80,905	0%
Enterprise Revenue	48,964,852	12,844,272	25,453,201	52%	49,596,153	12,437,902	24,273,596	49%
Earnings on Investments	433,084	148,953	361,540	83%	678,896	105,000	262,128	39%
Other Miscellaneous Revenue	365,000	51,054	82,027	22%	365,000	38,638	72,352	20%
Interfund Transfers In	· 26,630	0	0	0%	130,023	. 0	0	0%
Subtotal Current Revenues	49,789,566	13,044,279	25,896,769	52%	50,770,072	12,582,079	24,688,980	49%
Total Resources	\$79,803,958	\$13,044,279	\$58,613,413	73%	\$82,009,210	\$12,582,079	\$59,489,935	73%
Requirements	•							
Operating Expenditures								
Personal Services	\$8,585,228	\$2,119,333	\$4,172,310	49%	\$8,680,433	\$2,020,909	\$4,041,854	47%
Materials and Services	34,288,136	8,700,346	14,408,573	42%	36,059,674	8,445,299	14,203,524	39%
Capital Outlay Projects (non-CIP)	187,900	37,399	64,876	35%	261,600	2,606	46,802	18%
Subtotal Operating Expenditures	43,061,264	10,857,079	18,645,759	43%	45,001,707	10,468,813	18,292,180	41%
Non-Operating Expenditures								
Debt Service	1,601,412	22,320	162,063	10%	1,861,426	14,473	4,067,018	218%
Capital Outlay Projects (CIP)	2,689,000	58,415	90,163	3%	5,010,600	1,460,615	2,763,260	55%
Interfund Transfers Out	4,308,854	1,051,071	2,187,721	51%	4,209,801	956,328	2,002,308	48%
Contingency	13,695,368	0	0	0%	10,908,338	0	0	0%
Subtotal Non-Operating Expenditures	22,294,634	1,131,806	2,439,946	11%	21,990,165	2,431,415	8,832,586	40%
Subtotal Current Expenditures	\$65,355,898	\$11,988,885	\$21,085,705	32%	\$66,991,872	\$12,900,228	\$27,124,766	40%
Unappropriated Balance	14,448,060		37,527,708		15,017,338		32,365,169	
Total Requirements	\$79,803,958		\$58,613,413		\$82,009,210		\$59,489,935	

## Zoo Operating Fund

The Zoo Operating Fund tracks the revenues and expenditures of the Oregon Zoo. Capital projects at the Zoo are budgeted in the Zoo Capital Fund. The information below provides some detail on the financial activity of this fund through the second quarter of FY 2004-05.

#### Revenues

**Real Property Taxes** – Revenues from Metro's voter-approved permanent rate levy. To date, 88 percent of budgeted property tax revenues have been received, consistent with past years.

Grants – Grant revenues budgeted in the current fiscal year include \$72,000 from the Institute of Museum and Library Services for the ZAP program and \$5,000 from the Bureau of Land Management. In December, an amendment was approved recognizing an additional \$200,000 in grant revenues to fund storm water management projects at the Zoo.

Enterprise Revenues – Revenues received from admissions, catering, concessions, and other enterprise activities. The Zoo had a very strong second quarter due to the unseasonably warm weather. Attendance through the first half of the year was over 725,000, exceeding budget by 3.7 percent. Most major revenue categories fell short of budget, though all improved from the first half of the prior year:

	YTD Budget	YTD Actual	% of Budget
Admissions	\$3,110,655	\$3,084,806	99.2%
Concessions	1,769,971	1,738,930	98.2%
Catering	895,470	862,153	96.3%
Railroad	301,474	294,532	97.7%
Retail	1,094,151	705,401	64.5%
Education	84,504	90,035	106.5%
Other	. 433,899	433,897	100.0%
Total	\$7,690,125	\$7,209,755	93.8%

Under the Gift Shop management agreement with Aramark, there is a month lag in the recognition of revenues and as a result retail year-to-date only includes five months of sales.

"Other" includes revenue from the Simulator and Birds of Prey show. Also included with other is revenue from Reimbursed Services and Rentals, both associated with catering operations.

**Donations** – Donations are at 61 percent of budget. This includes six months of regular OZF support at \$40,000 per month. In last year's budget, the net revenue from the Simulator was included as a donation. This year, Simulator revenue is being recorded as enterprise revenue.

Interfund Transfers In – An amendment was passed in December transferring \$62,280 from the General Fund for the completion of four capital maintenance projects at the Zoo.

#### Expenditures

**Personal Services** – Personal Services expenditures were 51 percent of budget, slightly higher than the same period last year.

Materials & Services – Materials and Services were at 45% of budget through the second quarter, consistent with the same period last year. This year's summer concert series had fewer shows in June and more shows in July and August resulting in higher spending for contracted professional services in the first quarter.

Capital Outlay - The budget includes \$85,700 for various capital maintenance projects. In December, through a budget amendment, \$200,000 in capital outlay was added for the completion of storm water management projects at the Zoo.

Interfund Transfers Out – This category represents transfers for central services, risk management for liability and workers compensation, and transfers to the General Revenue Bond Fund for debt service.

# Zoo Operating Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$6,005,062		\$6,303,382	105%	\$5,202,233		\$5,902,062	113%
Current Revenues								
Real Property Taxes	8,933,904	7,855,535	7,887,460	88%	8,822,490	7,498,975	7,536,613	85%
Grants	277,000	31,533	36,533	13%	0	0	14,063	0%
Enterprise Revenue	13,975,534	1,959,667	7,209,755	52%	13,114,025	1,738,091	6,341,954	48%
Earnings on Investments	90,076	27,678	74,157	82%	104,045	17,884	56,072	54%
Contributions and Donations	912,500	312,822	556,788	61%	1,232,000	344,015	604,344	49%
Other Miscellaneous Revenue	49,907	15,368	34,271	69%	29,756	27,089	34,332	115%
Interfund Transfers In	62,280	62,280	62,280	100%	0	0	0	. 0%
Subtotal Current Revenues	24,301,201	10,264,882	15,861,244	65%	23,302,316	9,626,054	14,587,377	63%
Total Resources	\$30,306,263	\$10,264,882	\$22,164,626	73%	\$28,504,549	\$9,626,054	\$20,489,439	72%
Requirements					· · · · · · · · · · · · · · · · · · ·			
Operating Expenditures								
Personal Services	\$12,313,752	\$2,870,092	\$6,248,378	51%	\$13,032,647	\$2,840,925	\$6,249,800	48%
Materials and Services	8,403,755	1,488,389	3,802,666	45%	7,602,026	1,610,841	3,465,030	46%
Capital Outlay Projects (non-CIP)	85,700	0	. 81	0%	268,600	45,109	57,446	21%
Subtotal Operating Expenditures	20,803,207	4,358,480	10,051,125	48%	20,903,273	4,496,875	9,772,276	47%
Non-Operating Expenditures	•						•	
Capital Outlay Projects (CIP)	200,000	0	330	0%	0	205	205	0%
Interfund Transfers Out	2,790,366	782,817	1,635,332	59%	2,600,295	773,025	1,314,268	51%
Contingency	2,030,595	0	. 0	0%	749,744	0	0	0%
Subtotal Non-Operating Expenditures	5,020,961	782,817	1,635,662	33%	3,350,039	773,230	1,314,473	39%
Subtotal Current Expenditures	\$25,824,168	\$5,141,297	\$11,686,788	45%	\$24,253,312	\$5,270,105	\$11,086,749	46%
Unappropriated Balance	4,482,095		10,477,838		4,251,237		9,402,691	
Total Requirements	\$30,306,263		\$22,164,626		\$28,504,549	· · · · · · · · · · · · · · · · · · ·	\$20,489,439	

## **Building Management Fund**

The Building Management Fund was established to track the revenues and expenditures related to the operations of the Metro Regional Center and attached parking structure. This fund is an internal service fund and as such receives transfers from other portions of the agency as its primary revenue source. The information listed below provides an explanation of the activities in this fund through the second quarter, FY 2004-05.

#### Revenues

Enterprise Revenues – These revenues are received from parking fees and rental income. Through the end of November 2003, the parking structure at the Metro Regional Center had been managed by MERC. Under the agreement, MERC collected all of the parking fees and paid rent monthly to Metro. Under the current agreement, Metro receives all of the parking revenues and pays MERC to administer a contract for third party management of the parking structure. While rental income received through the second quarter was at fifty-four percent of budget, parking revenues were only at forty-four percent. Under the parking structure management agreement there is a lag in the recognition of revenues. Revenue through the second quarter will be higher once December parking revenues have been fully reconciled and recorded.

Interfund Transfers In – This category includes indirect transfers for operations and debt service related to the Metro Regional Center. Transfers are made semi-annually for debt service and monthly for operations.

### **Expenditures**

**Personal Services** – Expenditures are as anticipated through the end of the second quarter.

Materials and Services – Expenditures in this category provide for operations of Metro Regional Center and include utilities, repairs and cleaning services. Materials and Services expenditures also include fees for management of the parking structure that were not included in FY 2003-04.

**Capital Outlay** – This classification includes appropriations for minor repair and remodeling for Metro Regional Center and acquisition of building maintenance equipment. None of this money was needed in the first half of the fiscal year.

Interfund Transfers Out – These transfers are made to the General Revenue Bond Fund to cover the debt service requirements for the Metro Regional Center and attached parking structure. Transfers to date included one transfer to cover the September principal and interest payment. In October 2003, this debt was refinanced with Full Faith & Credit refunding bonds.

# Building Management Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$1,659,770		\$1,684,394	101%	\$1,541,439		\$1,570,356	102%
Current Revenues								
Enterprise Revenue	526,834	131,390	240,079	46%	562,556	149,266	304,093	54%
Earnings on Investments	25,000	8,202	21,354	85%	30,000	5,832	16,689	56%
Other Miscellaneous Revenue	0	0	10	0%	0	28	37	0%
Interfund Transfers In	2,119,904	155,901	1,467,718	69%	2,209,499	84,491	1,079,754	49%
Subtotal Current Revenues	2,671,738	295,493	1,729,162	65%	2,802,055	239,618	1,400,573	50%
Total Resources	\$4,331,508	\$295,493	\$3,413,556	79%	\$4,343,494	\$239,618	\$2,970,928	68%
Requirements								
Operating Expenditures								
Personal Services	\$311,440	\$76,874	\$145,502	47%	\$306,549	\$68,370	\$136,760	45%
Materials and Services	672,345	166,155	292,602	44%	596,510	156,762	248,301	42%
Capital Outlay	15,000	0	0	0%	15,000	0	0	0%
Subtotal Operating Expenditures	998,785	243,029	438,104	44%	918,059	225,132	385,061	42%
Non-Operating Expenditures								
Interfund Transfers Out	1,607,314	. 0	1,166,732	73%	1,755,696	1,205,554	1,205,554	69%
Contingency	66,259	. 0	0	0%	40,000	0	0	0%
Subtotal Non-Operating Expenditures	1,673,573	0	1,166,732	70%	1,795,696	1,205,554	1,205,554	67%
Subtotal Current Expenditures	\$2,672,358	\$243,029	\$1,604,836	60%	\$2,713,755	\$1,430,686	\$1,590,615	59%
Unappropriated Balance	1,659,150		1,808,720		1,629,739		1,380,313	
Total Requirements	\$4,331,508		\$3,413,556		\$4,343,494		\$2,970,928	

## Risk Management Fund

The Risk Management Fund was established to track the revenues and expenditures of insurance related activities at Metro. This fund is an internal service fund and as such receives transfers from other portions of the agency as its primary revenue source. The information listed below provides an explanation of the activities through the second quarter FY 2004-05.

#### Revenues

**Grants** – The \$10,000 grant budgeted for this fund is from the State of Oregon to assist with certain Worker's Compensation claims for injured employees. No grant funds were requested through the second quarter.

Enterprise Revenues – Payments from departments for unemployment and health and welfare insurance. Departments pay these charges through reimbursements as a part of the fringe benefits paid per employee. Reimbursements generally lag one to two months behind payment of the health and welfare insurance premiums.

Interfund Transfers In – Interfund transfers include costs associated with the liability, property and workers compensation programs that are allocated through the cost allocation plan. Transfers are made on a monthly basis. This fiscal year the monthly transfer schedule has been accelerated to address cashflow concerns in the Risk Management Fund. Through the end of the second quarter 74 percent of the transfers have been made.

#### **Expenditures**

Personal Services – The expenditures in this classification are for the staff that administers the Risk Management programs. Personal Services, as a percentage of budget, appear high through the second quarter. This is primarily due to unexpected legal work being performed by Metro Attorney's Office staff and being charging directly to the fund. Beginning in FY 2004-05, staff administering the benefits program were moved to the Human Resource Department and charged through the cost allocation plan rather than to the Risk Management Fund. Overall personal services expenditures are lower than the previous year as a result.

Materials and Services – Included in this classification are the payments of insurance premiums and other costs associated with the Risk Management functions of the agency overall. Major expenses through the second quarter included the purchase of liquor liability and property insurance, premium payments for the health and welfare program, workers compensation, and liability and property programs. Expenses are as expected through the end of the second quarter.

# Risk Management Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources	,						-	
Beginning Fund Balance	\$5,596,030		\$85,933	2%	\$6,442,134		\$6,018,564	93%
Current Revenues								
Grants	10,000	0	0	0%	10,000	0	0	0%
Enterprise Revenue	5,901,190	1,268,952	2,288,934	39%	5,312,168	2,301,768	2,630,474	50%
Earnings on Investments	100,912	15,370	67,554	67%	140,000	21,997	65,408	47%
Other Miscellaneous Revenue	0	120	1,465	0%	0	0	0	0%
Interfund Transfers In	1,352,998	664,012	996,019	74%	1,000,000	250,004	500,008	50%
Subtotal Current Revenues	7,365,100	1,948,454	3,353,972	46%	6,462,168	2,573,769	3,195,890	49%
Total Resources	\$12,961,130	\$1,948,454	\$3,439,905	27%	\$12,904,302	\$2,573,769	\$9,214,454	71%
Requirements								
Operating Expenditures								•
Personal Services	\$127,500	\$38,504	\$71,701	56%	\$303,521	\$165,580	\$249,070	82%
Materials and Services	8,038,881	1,575,077	3,212,841	40%	7,318,836	2,565,035	3,434,479	47%
Subtotal Operating Expenditures	8,166,381	1,613,580	3,284,543	40%	7,622,357	2,730,615	3,683,549	48%
Non-Operating Expenditures				•				
Contingency	534,547	0	0	0%	500,000	0	0	0%
Subtotal Non-Operating Expenditures	534,547	0	0	0%	500,000	0	0	0%
Subtotal Current Expenditures	\$8,700,928	\$1,613,580	\$3,284,543	38%	\$8,122,357	\$2,730,615	\$3,683,549	45%
Unappropriated Balance	4,260,202		155,362		4,781,945		5,530,904	
Total Requirements	\$12,961,130		\$3,439,905		\$12,904,302		\$9,214,454	

## Support Services Fund

The Support Services Fund is an internal service fund established to track the revenues and expenditures of the departments and programs that provide services to the entire agency. As an internal service fund, transfers from other funds, as determined through the cost allocation plan, support the activities in this fund. The information outlined below provides an explanation of the activities in this fund through the second quarter FY 2004-05.

#### Revenues

Enterprise Revenue – This revenue is received from the Contractors Business License program. Revenues for this program are at 44 percent of budget through the end of the second quarter.

Interfund Transfers In – Transfers from other funds to support the activities in this fund. The total amount, as determined through the cost allocation plan and transfers are made on a monthly basis.

#### **Expenditures**

Finance and Administrative Services – This department includes the Accounting, Financial Planning, Risk Management, Contract Services, Property Services and Information Technology divisions. Expenditures for this department are as expected through the second quarter.

Finance and Administrative Services – Information Technology Division – This division manages Information Technology services throughout Metro. While expenses through the second quarter appear a bit high as a percentage of budget, the majority of service agreements for the agency are paid in the first quarter. Personal services costs through December are in line at 46 percent of budget. Overall, IT expenses are as expected through the second quarter.

**Human Resources** – This department provides human resource services for the entire agency. Expenditures for this department were as expected through the end of the second quarter.

**Public Affairs – Creative Services** – This division of the Public Affairs department provides communications products and tools to the agency. Expenditures, at 45 percent of budget, were as expected through the end of the second quarter.

Office of the Metro Attorney – This department provides legal counsel to the Metro Council and all departments within the agency. Expenditures in this department were as expected through the end of the second quarter.

**Office of the Auditor** – This office provides auditing services to the agency. Expenditures in this department were as expected through the end of the second quarter.

Capital Outlay (CIP) – Capital expenditures budgeted in this fund include \$36,000 in the Property Services division for the purchase of two new satellite copiers and \$139,000 in the IT division for upgrades to network infrastructure and server management. Through the end of the second quarter \$35,424 has been spent on copiers, and \$21,709 on network and server upgrades.

Interfund Transfers Out – These include transfers for indirect costs as allocated through the cost allocation plan for the Support Services departments' use of Building Management and Risk Management services.

# Support Services Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								
Beginning Fund Balance	\$1,050,873		\$1,147,517	109%	\$678,272		\$772,198	114%
Current Revenues								
Enterprise Revenue	418,868	100,509	183,562	44%	432,000	89,182	178,778	41%
Earnings on Investments	3,500	7,938	22,775	651%	12,960	3,892	15,436	119%
Other Miscellaneous Revenue	0	(228)	1,947	0%	0	1,239	5,489	0%
Interfund Transfers In	9,679,671	2,419,926	4,839,852	50%	9,687,849	2,367,195	4,734,390	49%
Subtotal Current Revenues	10,102,039	2,528,145	5,048,136	50%	10,132,809	2,461,508	4,934,093	49%
Total Resources	\$11,152,912	\$2,528,145	\$6,195,653	56%	\$10,811,081	\$2,461,508	\$5,706,291	53%
Requirements								
Operating Expenditures								
Finance and Administrative Services	\$890,151	\$168,478	\$329,750	37%	\$1,130,738	\$178,191	\$429,003	38%
Finance and Administrative Services - IT	2,187,235	438,858	1,073,069	49%	2,186,329	436,174	1,067,753	49%
Human Resources	1,077,057	245,743	437,778	41%	953,682	262,102	440,254	46%
Public Affairs - Creative Services	541,122	122,507	245,378	45%	538,375	119,772	246,651	46%
Office of the Metro Attorney	1,083,292	258,332	513,118	47%	1,153,083	258,756	502,754	44%
Office of the Auditor	645,956	162,573	269,463	42%	654,940	184,516	307,388	47%
Subtotal Operating Expenditures	6,424,813	1,396,491	2,868,556	45%	6,617,147	1,439,511	2,993,803	45%
Non-Operating Expenditures				1				
Debt Service	0	0	0	0%	34,620	0	812	2%
Capital Outlay Projects (CIP)	175,000	25,000	57,133	33%	280,000	54,111	141,839	51%
Interfund Transfers Out	705,540	78,092	492,025	70%	756,557	38,280	353,279	47%
Contingency	1,052,261	0	0	0%	418,276	0	0	0%
Subtotal Non-Operating Expenditures	1,932,801	103,092	549,158	28%	1,489,453	92,391	495,930	33%
Subtotal Current Expenditures	\$8,357,614	\$1,499,583	\$3,417,713	41%	\$8,106,600	\$1,531,902	\$3,489,733	43%
Unappropriated Balance	239,500		2,777,940		151,974		2,216,558	
Total Requirements	\$8,597,114		\$6,195,653		\$8,258,574		\$5,706,291	

# **CAPITAL FUNDS**

## **Capital Funds**

There are five capital funds included in this section: the Regional Parks Capital Fund, the Open Spaces Fund, the Zoo Capital Fund, the Convention Center Project Capital Fund and the MERC Pooled Capital Fund. Each of these funds was established to track the revenues and expenditures related to major capital projects or capital improvements at Metro facilities.

- Regional Parks Capital Fund Parks capital projects
- Open Spaces Fund open spaces land purchases
- Zoo Capital Fund Great Northwest Project, as well as other Zoo capital projects
- Convention Center Capital Fund original construction of OCC and the expansion project
- MERC Pooled Capital Fund major capital renewal and replacement needs for all the MERC facilities

### Regional Parks Capital Fund

The Regional Parks Capital Fund was established in FY 2004-05 to account for all major capital development projects as well as renewal and replacement of the extensive regional park infrastructure. The information outlined below provides an explanation of the activities of the fund through the second quarter of FY 2004-05.

#### Revenues

Grants – The budget anticipates the receipt of approximately \$634,000 in grant funding for various projects. Significant grant funded projects include \$300,000 for M. James Gleason Boat Ramp Renovation Phase I and approximately \$334,000 for the Gales Creek/Tualatin River Confluence Restoration Project. Grants are received on a reimbursement basis. No grant funded capital costs have been received through the second quarter.

**Donations** – The budget anticipates the receipt of about \$34,000 in donations related to the Gales Creek/Tualatin River Confluence Restoration Project. No donations have been received to date.

Interfund Transfer In – This category represents transfers from two primary categories – excise taxes levied in support of development of four open space sites to accessible natural areas and transfers from other funds of funding dedicated to specific projects (i.e. the Multnomah County local share funding transferred from the Open Spaces Fund). Transfers are made as requested.

### **Expenditures**

Materials and Services - This category represents the amount budgeted for renewal and replacement projects during FY 2004-05. Through the second quarter, approximately \$88,000 has been spent on the Glendoveer Fence replacement project and about \$21,000 in other miscellaneous renewal and replacement projects.

Capital Outlay (CIP) – Significant capital projects anticipated in FY 2004-05 include \$300,000 for M. James Gleason Boat Ramp Renovation Project, \$367,740 for the Gales Creek/Tualatin River Confluence Restoration Project, \$140,000 for a water play area at Blue Lake Park, and \$225,000 to begin design and engineering at two of the open space sites to be developed into public parks. The Gales Creek/Tualatin River Confluence Restoration Project, the Water Play area at Blue Lake Park and design and engineering at the Graham Oaks Nature Area Development have been carried forward to next or future years. Costs associated with other significant capital projects are expected in the last half of FY 2005-06. Through the end of the second quarter only minimal costs associated with the completion of smaller projects have been recorded.

# Regional Parks Capital Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources	•			,		·		
Beginning Fund Balance	\$0		\$0	0%	\$0		\$0	0%
Current Revenues								
Grants	633,749	0	0	0%	0	0	0	0%
Earnings on Investments	0	2,053	2,498	0%	0	0	0	0%
Donations	33,991	0	0	0%	0	0	0	0%
Interfund Transfers In	1,804,822	620,000	790,000	44%	0	0	0	0%
Subtotal Current Revenues	2,472,562	622,053	792,498	32%	0	0	. 0	0%
Total Resources	\$2,472,562	\$622,053	\$792,498	32%	\$0	\$0	\$0	0%
Requirements					:	•		
Operating Expenditures								
Materials and Services	\$620,000	\$20,868	\$109,307	18%	\$0	\$0	\$0	0%
Subtotal Operating Expenditures	620,000	20,868	109,307	18%	0	0	0	0%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	1,029,240	11,727	11,727	1%	. 0	0	0	0%
Contingency	58,500	0	0	0%	0	0	0	0%
Subtotal Non-Operating Expenditures	1,087,740	11,727	11,727	1%	0	0	0	0%
Subtotal Current Expenditures	\$1,707,740	\$32,595	\$121,034	7%	\$0	\$0	\$0	0%
Unappropriated Balance	764,822		671,464		0		0	
Total Requirements	\$2,472,562		\$792,498		\$0		\$0	

## **Open Spaces Fund**

This fund is used to account for bond proceeds and expenditures related to the open spaces, parks and streams bonds. The information outlined below provides an explanation of the activities in this fund through the second quarter of FY 2004-05.

#### Revenues

**Grants** – The budget represents anticipated contributions from the National Fish & Wildlife Foundation for stabilization projects on Open Spaces properties. No grant revenues have been received during the second quarter.

Enterprise Revenue – This represents revenue received from other jurisdictions for providing real estate services. The department currently has contracts with several local jurisdictions. Revenue generated from the contracts funds the salary of one real estate negotiator. Revenues are received quarterly on a reimbursement basis. Only one quarter of revenues are recognized through December 31st.

Interest Earnings – The interest earned on the remaining bond proceeds provides a portion of the resources that support the open spaces program.

#### Expenditures

**Personal Services** – Expenditures in this classification are for the staffing that is required for the open space acquisition services, including the due diligence staff. Expenditures are as anticipated through the second quarter.

Materials and Services – The major expenditures in this classification, payments of local share funds to local jurisdictions, are paid as requests are received for reimbursement. At the end of the second quarter, approximately \$30,000 in outstanding local share projects remain (not including Multnomah County local share managed by Metro). Other major projects are related to stabilization activities on purchased properties.

**Capital Outlay (CIP)** – Expenditures are for the purchase of land. Actual expenditures are subject to negotiations with landowners.

Interfund Transfers Out – Transfers out of the Open Spaces Fund include expenditures for Multnomah County local share projects and for central services. Local share transfers are made quarterly as expenses are incurred. Central service transfers are made monthly, quarterly, or semi-annually depending on type.

# Open Spaces Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources	· · · · · · · · · · · · · · · · · · ·							
Beginning Fund Balance	\$6,678,356		\$5,564,935	83%	\$10,851,057		\$9,415,427	87%
Current Revenues								
Grants	200,000	0	0	0%	200,000	0	0	0%
Enterprise Revenue	55,000	(3,767)	12,967	24%	0	5,442	10,008	0%
Earnings on Investments	91,600	40,330	73,025	80%	85,000	44,377	54,888	65%
Subtotal Current Revenues	346,600	36,563	90,992	26%	285,000	49,819	69,554	24%
Total Resources	\$7,024,956	\$36,563	\$5,655,926	81%	\$11,136,057	\$49,819	\$9,484,980	85%
Requirements							· -	<del></del>
Operating Expenditures								
Personal Services	\$494,137	\$123,809	\$237,663	48%	\$520,617	\$118,011	\$243,915	47%
Materials and Services	1,270,395	267,105	331,674	26%	2,112,643	350,925	446,127	21%
Subtotal Operating Expenditures	1,764,532	390,915	569,337	32%	2,633,260	468,937	690,042	26%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	3,096,940	261,540	489,792	16%	5,137,300	361,000	420,668	8%
Interfund Transfers Out	608,749	325,759	413,619	68%	1,009,078	58,005	143,743	14%
Contingency	174,735	0	0	0%	250,000	0	0	0%
Subtotal Non-Operating Expenditures	3,880,424	587,299	903,411	23%	6,396,378	419,005	564,411	9%
Subtotal Current Expenditures	\$5,644,956	\$978,213	\$1,472,748	26%	\$9,029,638	\$887,942	\$1,254,453	14%
Unappropriated Balance	1,380,000		4,183,178		2,106,419		8,230,527	
Total Requirements	\$7,024,956		\$5,655,926		\$11,136,057		\$9,484,980	

# Zoo Capital Fund

This fund is used to account for expenditures related to capital projects at the Oregon Zoo. The information outlined below provides an explanation of the activities in this fund through the second quarter FY 2004-05.

#### Revenues

Contributions and Donations – Major Contributions and Donations through the second quarter included \$137,000 in donations to fund the Condor Creek Conservation Facility and \$121,440 in proceeds from ZooLaLa (OZF big fundraising party) for completion of the Great Northwest project.

### **Expenditures**

**Personal Services** – Personal Services spending through the second quarter was for the salary of the Capital Projects Designer.

**Capital Outlay (CIP)** – Capital spending through the second quarter was primarily for completion of the final tasks on the Family Farm and Eagle Salmon exhibits.

# Zoo Capital Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources								<u>-</u>
Beginning Fund Balance	\$3,698,288		\$4,640,828	125%	\$6,110,661		\$6,407,568	105%
Current Revenues								
Grants	0	46,985	46,985	0%	0	15,000	135,000	0%
Earnings on Investments	55,474	21,375	54,420	98%	122,213	17,910	56,683	46%
Contributions and Donations	1,100,000	245,401	307,861	28%	2,000,000	75,159	95,664	5%
Subtotal Current Revenues	1,155,474	313,760	409,266	35%	2,122,213	108,070	287,347	14%
Total Resources	\$4,853,762	\$313,760	\$5,050,095	104%	\$8,232,874	\$108,070	\$6,694,915	81%
Requirements								
Operating Expenditures								
Personal Services	71,083	16,732	27,882	39%	96,819	28,880	77,260	80%
Subtotal Operating Expenditures	71,083	16,732	27,882	39%	96,819	28,880	77,260	80%
Non-Operating Expenditures								
Capital Outlay Projects (CIP)	3,000,000	88,253	167,919	6%	4,742,862	650,600	1,147,337	24%
Contingency	505,648	0	0	0%	500,000	0	0	0%
Subtotal Non-Operating Expenditures	3,505,648	88,253	167,919	5%	5,242,862	650,600	1,147,337	22%
Subtotal Current Expenditures	\$3,576,731	\$104,984	\$195,801	5%	\$5,339,681	\$679,480	\$1,224,597	23%
Unappropriated Balance	1,277,031		4,854,293		2,893,193		5,470,318	
Total Requirements	\$4,853,762		\$5,050,095		\$8,232,874		\$6,694,915	

### **Convention Center Project Capital Fund**

This fund is used to account for revenues and expenditures related to the expansion of the Oregon Convention Center. The information outlined below provides an explanation of the activities in this fund through the second quarter FY 2004-05. This project finished on schedule and opened April 2003 and the fund has been closed with the transfer of \$278,259 in fund balance to MERC Pooled Capital Fund.

#### Revenues

Interest Earnings – The interest earned on the revenue received from various sources.

### **Expenditures**

Interfund Transfers Out – A budget of \$385,000 was created to allow this fund to close at the beginning of FY 2004-05. The actual of \$278,259 was transferred to the MERC Pooled Capital Fund and is devoted to any residual claims from the Convention Center expansion.

# Convention Center Project Capital Fund As of December 31, 2004

Current Revenues           Donations & Bequests         0         0         0         0%         0         124,666           Earnings on Investments         0         779         2,763         0%         130         4,168           Interfund Transfers In         0         0         0         0%         260,000         0           Subtotal Current Revenues         0         779         2,763         0%         260,130         128,834	\$1,939,119 124% 124,666 0% 23,441 18031% 0 0%	124,666 124,666	124 666	\$1,564,870	720/				
Current Revenues	124,666 0% 23,441 18031%	124,666 124,666	124 666	\$1,564,870	720/				Resources
Current Revenues	124,666 0% 23,441 18031%	124,666 124,666	124 666		1270	\$275,496		\$385,000	Beginning Fund Balance
Earnings on Investments         0         779         2,763         0%         130         4,168           Interfund Transfers In         0         0         0         0%         260,000         0           Subtotal Current Revenues         0         779         2,763         0%         260,130         128,834           Total Resources         \$385,000         \$779         \$278,259         72%         \$1,825,000         \$128,834           Requirements           Operating Expenditures           Personal Services         \$0         \$0         \$0         0%         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512	23,441 18031%		124 666						
Interfund Transfers In         0         0         0         0%         260,000         0           Subtotal Current Revenues         0         779         2,763         0%         260,130         128,834           Total Resources         \$385,000         \$779         \$278,259         72%         \$1,825,000         \$128,834           Requirements           Operating Expenditures           Personal Services         \$0         \$0         \$0         0%         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512		4.168 - 23.441	124,000	0	0%	0	0	0	Donations & Bequests
Subtotal Current Revenues         0         779         2,763         0%         260,130         128,834           Total Resources         \$385,000         \$779         \$278,259         72%         \$1,825,000         \$128,834           Requirements           Operating Expenditures         Personal Services         \$0         \$0         \$0         \$0         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512	0 0%		4,168	130	0%	2,763	779	. 0	Earnings on Investments
Total Resources         \$385,000         \$779         \$278,259         72%         \$1,825,000         \$128,834           Requirements           Operating Expenditures           Personal Services         \$0         \$0         \$0         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512		0 0	0	260,000	0%	0	0	0	Interfund Transfers In
Requirements   Services   So   So   So   So   So   So   So   S	148,107 57%	128,834 148,107	128,834	260,130	0%	2,763	779	. 0	Subtotal Current Revenues
Operating Expenditures           Personal Services         \$0         \$0         \$0         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512	\$2,087,226 114%	\$128,834 \$2,087,226	\$128,834	\$1,825,000	, 72%	\$278,259	\$779	\$385,000	Total Resources
Personal Services         \$0         \$0         \$0         \$116,300         \$23,978           Materials and Services         0         0         0         0%         2,300         512						-			Requirements
Materials and Services 0 0 0 0% 2,300 512									Operating Expenditures
	\$96,793 83%	\$23,978 \$96,793	\$23,978	\$116,300	0%	\$0	\$0	\$0	Personal Services
Subtotal Operating Expenditures 0 0 0 0% 118,600 24,490	803 35%	512 803	512	2,300	0%	0	0	0	Materials and Services
	97,596 82%	24,490 97,596	24,490	118,600	0%	0	0	0	Subtotal Operating Expenditures
Non-Operating Expenditures									Non-Operating Expenditures
Capital Outlay Projects (CIP) 0 0 0 0% 1,706,400 927,425	1,275,621 75%	927,425 1,275,621	927,425	1,706,400	0%	0	0	0	Capital Outlay Projects (CIP)
Interfund Transfers Out 385,000 278,259 278,259 72% 0 0	0 0%	0 0	0	0	72%	278,259	278,259	385,000	Interfund Transfers Out
Subtotal Non-Operating Expenditures         385,000         278,259         278,259         72%         1,706,400         927,425	1,275,621 75%	927,425 1,275,621	927,425	1,706,400	72%	278,259	278,259	385,000	Subtotal Non-Operating Expenditures
Subtotal Current Expenditures \$385,000 \$278,259 \$278,259 72% \$1,825,000 \$951,915	\$1,373,216 75%	\$951,915 \$1,373,216	\$951,915	\$1,825,000	72%	\$278,259	\$278,259	\$385,000	Subtotal Current Expenditures
Unappropriated Balance 0 0 0	714,010	714,010		0		0		0	Unappropriated Balance
Total Requirements \$385,000 \$278,259 \$1,825,000	\$2.087.226	\$2,087,226		\$1,825,000		\$278,259		\$385,000	Total Requirements

### **MERC Pooled Capital Fund**

This fund is used as a reserve fund for future major capital renewal and replacement needs for all the MERC facilities. The MERC Pooled Capital Fund budgets and accounts for those projects authorized and funded through MERC's capital planning process that identifies the mission, direction, and future facility needs of all MERC facilities. The information outlined below provides an explanation of the activities in this fund through the second quarter of FY 2004-05.

#### Revenues

**Contributions from Other Governments** – The revenues in this classification consist of contributions from the City of Portland to support the capital needs of PCPA.

**Interest Earnings** – The interest earned on fund balance.

Interfund Transfers In – Included in this category are the transfers from the three MERC facilities to cover planned capital improvements; the transfer of the \$.50 a ton Solid Waste Excise tax dedicated for capital projects that promote the Convention Center's marketability; and the one time transfer of the \$278,000 balance remaining from the Oregon Convention Center Expansion.

### **Expenditures**

**Personal Services** – Expenditures in this classification are for staffing required to manage the capital projects. Expenses in this category are 44% of budget, about what is expected.

**Materials and Services** – These expenditures represent the renewal and replacement projects that are not classified as capital outlay.

Capital Outlay (non-CIP) – These are small projects the facilities will complete during the year. Expenditures are about what is expected. About \$37,000 of the total is the Parking Lot Maintenance that is a CIP project.

Capital Outlay (CIP) - MERC has budgeted a variety of projects for its facilities in this fiscal year's CIP. Of the \$3.4 million budget, \$556,843 has been expended through December 31, 2004. Significant of these are \$269,250 for the Video Screens for OCC, \$152,792 for the NTB- Restaurant & Bar Install and \$57,922 for Canvas Tents for OCC. A full review of all 'capital projects for MERC are included in the Capital Budget Review later in this document.

# MERC Pooled Capital Fund As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
Resources			<i>→</i>					
Beginning Fund Balance	\$4,714,622	0	\$3,510,684	74%	\$2,017,297	91	\$4,479,538	222%
Current Revenues								
Charges for Service	88,000	88,000	88,000	100%	0	0	. 0	0%
Contributions from Governments	321,484	0	0	0%	3,208,931	0	0	0%
Earnings on Investments	67,779	14,667	38,105	56%	98,220	12,259	38,501	39%
Donations	627,775	0	0	0%	527,520	0	0	0%
Interfund Transfers In	1,185,106	961,009	961,009	81%	253,580	0	0	0%
Subtotal Current Revenues	2,290,144	1,063,676	1,087,114	47%	4,088,251	12,259	38,501	1%
Total Resources	\$7,004,766	\$1,063,676	\$4,597,798	66%	\$6,105,548	\$12,351	\$4,518,039	74%
Requirements								•
Operating Expenditures								
Personal Services	\$406,287	\$99,905	\$179,233	44%	\$493,048	\$86,850	\$172,146	35%
Materials and Services	10,000	0	0	. 0%	35,000	1,170	1,177	3%
Capital Outlay Projects (non-CIP)	355,600	83,647	83,647	24%	449,580	60,679	73,277	16%
Subtotal Operating Expenditures	771,887	183,553	262,880	34%	977,628	148,698	246,600	25%
Non-Operating Expenditures				ŀ				*
Capital Outlay Projects (CIP)	3,440,750	334,602	556,843	16%	1,940,000	762,945	993,284	51%
Interfund Transfers Out	354,000	0	. 0	0%	0	0	0	0%
Contingency	387,581	0	0	0%	750,000	0	0	0%
Subtotal Non-Operating Expenditures	4,182,331	334,602	556,843	13%	2,690,000	762,945	993,284	37%
Subtotal Current Expenditures	\$4,954,218	\$518,154	\$819,723	17%	\$3,667,628	\$911,644	\$1,239,884	34%
Unappropriated Balance	2,050,548		3,778,075		2,437,920		3,278,155	
Total Requirements	\$7,004,766		\$4,597,798		\$6,105,548		\$4,518,039	

# **EXCISE TAX**

### **Excise Tax Overview**

Metro's excise tax is received from users of Metro facilities and services in accordance with the Metro Charter and Metro Code. The tax is recorded as revenue in the General Fund. This tax supports the general government activities of Metro, and also supports activities in the Planning and Regional Parks Departments. In FY 2004-05 it also began supporting the Oregon Convention Center to increase its competitiveness in the tourism market. The FY 2004-05 budget was adopted assuming an excise tax rate of 7.5 percent on all authorized revenues with the exception of the solid waste revenues, which are calculated on a per ton rate. For the first two months of FY 2004-05 the per ton rate was \$6.61. This rate included about \$1.03 per ton dedication to Regional Parks. On September 1, 2004 the rate increased to \$8.58 providing an additional \$1.50 per ton for Regional Parks and resetting the \$1.03 to \$1.00 as well as providing \$.50 per ton for a dedicated piece of General Fund Contingency to support competitiveness at the Oregon Convention Center by creating the Tourism Opportunity & Competitiveness Account.

Excise tax receipts exceeded budget through the second quarter of this fiscal year. Most of the increase was from Solid Waste, which had an overall tonnage increase of 7.9 percent over what was budgeted. Expenditure of excise taxes derived from solid waste activities is limited by Code and certain amounts of the per ton increase are dedicated. Second quarter projections indicate there will be a slight over collection in unrestricted excise tax of about \$84,000. Lower than projected revenues for The Oregon Zoo, Regional Parks and the Expo Center are offset by much better results for the Convention Center

The table on page 52 is a forecast of the General Fund through the end of the fiscal year. The actual beginning fund balance was about \$526,374 higher than budgeted; \$489,228 of the increase is unrestricted and \$34,591 is restricted to the Solid Waste Recovery Rate Stabilization Reserve. Excise tax revenues are projected to be \$1,489,486 higher than budget at the end of the fiscal year. This will result in a \$84,000 increase in General Fund unrestricted Excise Tax, \$1,139,000 additional contribution to the Recovery Rate Stabilization Reserve, \$224,000 for Regional Parks projects and \$42,000 additional for the OCC Tourism Opportunity and Competitiveness Fund.

The net result of the above coupled with full budgeted expenditures is a projected \$2,015,860 increase, above budget, to the Ending Fund Balance: approximately \$576,000 to the unrestricted balance, \$1,171,000 to the Recovery Rate Stabilization Reserve, \$42,000 to the Tourism Opportunity and Competitiveness Account, \$299,000 reserved for projects (\$75,000 to carry forward funding for Legal Notifications to FY 2005-06 and \$224,000 for Regional Parks projects) and \$2,600 to the PERS Reserve.

#### **Excise Tax Year-to-Date**

### Second Ouarter:

The excise taxes received through the second quarter are higher than budgeted as a result of higher than budgeted Solid Waste receipts and higher Oregon Convention Center receipts. Projections based on year-to-date actuals indicate excise taxes available for spending will be .69 percent above budget. Solid Waste and Recycling, Planning, and the Oregon Convention Center generated more tax than budgeted, and all other departments had shortfalls.

- Solid Waste and Recycling Actual excise tax came in higher from increased tonnage at all facilities resulting in an expected additional contribution to the General Fund Recovery Rate Stabilization Reserve on an annual basis of about \$1,139,322 and additional available to Regional Parks of \$224,362 and to the Oregon Convention Center Tourism Account of \$41,993.
- Oregon Zoo The excise tax received from Zoo operations through the second quarter is about 6. percent lower than anticipated.
- Oregon Convention Center The Convention Center had a good first half of the year exceeding expectations by almost 20 percent.

- Regional Parks The excise tax received through the second quarter is lower than expected due to lower greens fees and parks revenues from poor weather.
- Expo Center The receipts are about 5 percent lower than what was anticipated through the second quarter. This is an improvement from first quarter results.
- Planning Department The excise tax received from the Planning Department is mostly a result of the activities of the Data Resource Center (DRC), which is higher than budgeted.
- Building Management The excise tax receipts from this fund are lower than budgeted.

Actual Receipts through the Second Quarter: This chart represents actual excise tax receipts through December 31, 2004.

# EXCISE TAX RECEIVED ACTUAL YTD VS PLAN YTD As of December 31, 2004

	YTD Estimate	Actual	Difference	% Difference	1
SW&R Metro Facilities	2,152,569	2,314,193	161,624	7.51%	
SW&R Non Metro Facilities	2,195,768	2,490,477	294,709	13.42%	 
Oregon Zoo	575,300	542,434	(32,866)	-5.71%	
Oregon Convention Center	442,831	530,529	87,698	19.80%	
Regional Parks	115,654	109,135	(6,519)	-5.64%	ă,
Expo Center	158,185	150,411	(7,774)	-4.91%	1
Planning Fund	4,843	5,942	1,099	22,70%	á
Building Management	19,757	18,007	(1,750)	-8.86%	
Total YTD	\$ 5,664,905 \$	6,161,128	\$ 496,223	8.76%	٠,٠

Annual Forecast
as of month ending December 31, 2004

Facility/Function	FY 2004-05 Budget	Revised Annual Forecast	Difference	% Diffèrence
SW&R Metro Facilities				
	4,196,770		626,667	14,93%
SW&R Non Metro Facilities	5,270,097	6,049,106	779,009	14.78%
Oregon Zoo	1,048,165	988,284	(59,881)	-5.71%
Oregon Convention Center	893,158	1,070,039	176,881	19.80%
Regional Parks	194,425	183,466	(10,959)	-5.64%
Expo Center	430,374	409,224	(21,150)	-4.91%
Planning Fund	10,651	13,069	2,418	22,70%
Building Management	39,513	36,014	(3,499)	
Total YTD	\$ 12,083,153	\$ 13,572,639	\$ 1,489,486	12.33%
Recov Rate Stabilization Res	0	1,139,322	1,139,322	
Extra to Parks		224,362	224,362	
Extra to Tour Opp & Comp Fund		41,993	41,993	
Net Available Excise Tax	\$ 12,083,153	\$ 12,166,962	\$ 83,809	0.69%
Recovery Rate Stab Reserve Beg	inning Balance		\$ 443,712	
Projected Contribution Fy 2004			\$ 1,139,322	
Projected Balance 6/30/05			\$ 1,583,034	
10% of Prior Two Years				
			\$ 1,546,934	

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Second Quarter, FY 2004-05 Ending December 31, 2004

# GENERAL FUND through December 31, 2004 - Second Quarter with Adjustments

			\$ Change		
	Amended	Estimated	from		
	Budget	Actuals	Budget	% Change	
RESOURCES					
Beginning Fund Balance					(음음 : [1] [1] [1] [2] (1] [2] (1] (2] (2] (2] (2] (2] (2] (2] (2] (2] (2
Undesignated Carryover	1,223,246	1,712,474 (1)	489,228	39.99%	(1) Beginning fund balance has been adjusted to reflect
Project Carryover	50,000	50,000 <sup>(2)</sup>		0.00%	the final audited FY 2003-04 ending fund balance.
Rate Stabilization Reserve	640,749	675,340	34,591	5.40%	
Zoo Project	63,000	63,000		0.00%	(2) \$50,000 carried forward for Strategic Planning
Prior Year PERS Reserve	58,550	61,105 <sup>(3)</sup>	2,555	4.36%	(3) Prior year PERs Reserve adjusted to actual.
Total Beginning Fund Balance	2,035,545	2,561,919	526,374	25.86%	(4) Projected Excise Tax as of 2nd Quarter, Excise tax
Current Revenues					generated from solid waste is higher than budget
Excise Taxes	12,083,153	13,572,639 <sup>(4)</sup>	1,489,486	12.33%	contributing an additional \$1,489,486 to the fund.
Interest	25,000	25,000		0.00%	Approximately \$224,000 of this amount is dedicated to the Regional Parks department and \$42,000 the
Transfers In	291,550	291,550		0.00%	Tourism Opportunity & Competitiveness Account in the
Subtotal Current Revenues	12,399,703	13,889,189	1,489,486	12.01%	form of dedicated per ton transfers. The remaining will
					be deposited in the General Fund Recovery Rate
TOTAL RESOURCES	14,435,248	16,451,108_	2,015,860	13.96%	Stabilization Reserve (RRSR) per Metro Code. Excise
			and the second		tax generated at all other facilities is currently forecasted above budget approximately \$84,000
REQUIREMENTS					resulting in a increase in the undesignated reserve.
Operating Expenditures		(5)			
Council Office	1,435,201	1,435,201 <sup>(5)</sup>		0.00%	(5) Operating Expenditures are as budgeted
Public Affairs Department	665,991	665,991	•	0.00%	
Special Appropriations	265,000	190,000 (6)	(75,000)	-28.30%	(6) Special Appropriations estimate a \$75,000
	2,366,192	2,291,192	(75,000)	-3.17%	underspending in the Legal Notifications for Measure
Non-Op Subtotal Operating Expenditures					
Central Service Transfers	1,031,945	1,031,945 <sup>(7)</sup>		0.00%	(7) Central Service Transfers are as budgeted
Excise Tax Transfers	9,076,373	9,076,373 (8)		0.00%	
	10,108,318	10,108,318	•	0.00%	(8) Excise Tax Transfers adjusted for \$62,280 Bud Amend for Zoo, and \$504,000 MTOCA transfer to OCC.
Total Expenditures	12,474,510	12,399,510	(75,000)	-0,60%	
Ending Fund Balance (Incl. Budgeted contingend	化二氯化二甲基甲基甲基甲基甲基				
Rate Stabilization Reserve	412,042	1,583,034 (9)	1,170,992	284.19%	(9) Actual beginning fund balance and projected activity
Reserve for Projects	714,074	299.362	299,362	204.1976, nla	through FY 2004-05.
Undesignated Reserve	1,403,081	1,978,985	575,904	41.05%	
Tourism Opportunity & Competitiveness	307	42,354 <sup>(10)</sup>	42,047	13696.09%	(10) Estimated increase in per ton Excise Tax
PERS Reserve	145,308	147,863	2,555	1.76%	dedicated to this account from increased tonnage.
TOTAL REQUIREMENTS	14,435,248	16,451,108	2,015,860	13.96%	

# **SPENDING vs APPROPRIATIONS**

This section provides a comparison of the appropriation level with the actual spending through the end of the second quarter FY 2004-05. The appropriation level is the legal expenditure limit as prescribed in Oregon Budget Law. When expenditures are audited at the end of the fiscal year, compliance with this level of appropriations is one of the primary criteria audited.

# FY 2004-2005 Budget Appropriations vs Expenditures As of December 31, 2004

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
Building Manangement Fund					
Operating Expenses (PS & M&S)	\$983,785	\$983,785	\$438,104	44.53%	\$545,681
Capital Outlay	15,000	15,000	0	0.00%	15,000
Interfund Transfers	1,607,314	1,607,314	1,166,732	72.59%	440,582
Contingency	66,259	66,259	0 -	0.00%	66,259
Unappropriated Balance	1,659,150	1,659,150	0	0.00%	1,659,150
Total Fund Requirements	\$4,331,508	\$4,331,508	\$1,604,836	37.05%	\$2,726,672
Convention Center Capital Fund					
Interfund Transfers	\$385,000	\$385,000	\$278,259	72.28%	\$106,741
Total Fund Requirements	\$385,000	\$385,000	\$278,259	72.28%	\$106,741
General Fund					
Council Office/Public Affairs					
Operating Expenses (PS & M&S)	\$2,101,192	\$2,101,192	\$913,333	43.47%	\$1,187,859
	2,101,192	2,101,192	913,333	43.47%	1,187,859
Special Appropriations			~		
Materials & Services	265,000	265,000	40,600	15.32%	224,400
	265,000	265,000	40,600	15.32%	224,400
General Expenses					
Interfund Transfers	9,542,038	10,108,318	5,405,574	53.48%	4,702,744
Contingency	1,212,615	646,335	0	0.00%	646,335
	10,754,653	10,754,653	5,405,574	50.26%	5,349,079
Unappropriated Balance	1,314,403	1,314,403	0	0.00%	1,314,403
Total Fund Requirements	\$14,435,248	\$14,435,248	\$6,359,507	44.06%	\$8,075,741

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
General Obligation Debt Service Fund					
Debt Service	\$18,174,887	\$18,174,887	\$9,805,643	53.95%	8,369,244
Unappropriated Balance	9,814,193	9,814,193	0	0.00%	9,814,193
Total Fund Requirements	\$27,989,080	\$27,989,080	\$9,805,643	35.03%	\$18,183,437
General Revenue Bond Fund			•		
Project Account					
Capital Outlay - Washington Park Parking Lot	178,988	178,988	0	0.00%	178,988
	178,988	178,988	0	0.00%	178,988
Debt Service Account					
Debt Service - Metro Regional Center	1,510,314	1,510,314	1,166,732	77.25%	343,582
Debt Service - Expo Center Hall D	1,208,508	1,208,508	1,208,508	100.00%	0.5,502
Debt Service - Washington Park Parking Lot	420,242	420,242	362,259	86.20%	57,983
	3,139,064	3,139,064	2,737,499	87.21%	401,565
General Expenses					
Contingency	300,000	300,000	0	0.00%	300,000
Contangonay	300,000	300,000	0	0.00%	300,000
Unappropriated Balance	392,594	392,594	0	0.00%	392,594
Total Fund Requirements	\$4,010,646	\$4,010,646	\$2,737,499	68.26%	\$1,273,147
MERC Operating Fund					
Operating Expenses (PS & M&S)	\$28,084,378	\$28,084,378	\$14,072,829	50.11%	\$14,011,549
Debt Service	22,809	22,809	19,992	87.65%	2,817
Interfund Transfers	3,666,545	3,666,545	2,468,230	67.32%	1,198,315
Contingency	2,479,849	2,479,849	2,400,230	0.00%	2,479,849
Unappropriated Balance	8,427,577	8,427,577	0	0.00%	8,427,577
Total Fund Requirements	\$42,681,158	\$42,681,158	\$16,561,051	38.80%	\$26,120,107

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
MERC Pooled Capital Fund					
Operating Expenses (PS & M&S)	\$416,287	\$416,287	\$179,233	43.06%	\$237,054
Capital Outlay	3,142,350	3,796,350	640,490	16.87%	3,155,860
Interfund Transfers	354,000	354,000	0	0.00%	354,000
Contingency	537,581	387,581	0	0.00%	387,581
Unappropriated Balance	2,050,548	2,050,548	0	0.00%	2,050,548
Total Fund Requirements	\$6,500,766	\$7,004,766	\$819,723	11.70%	\$6,185,043
Open Spaces Fund					
Operating Expenses (PS & M&S)	\$1,764,532	\$1,764,532	\$569,337	32.27%	\$1,195,195
Capital Outlay	3,096,940	3,096,940	489,792	15.82%	2,607,148
Interfund Transfers	608,749	608,749	413,619	67.95%	195,130
Contingency	174,735	174,735	0	0.00%	174,735
Unappropriated Balance	1,380,000	1,380,000	0	0.00%	1,380,000
Total Fund Requirements	\$7,024,956	\$7,024,956	\$1,472,748	20.96%	\$5,552,208
Pioneer Cemetery Perpetual Care Fund					
Unappropriated Balance	\$133,173	\$133,173	\$0	0.00%	\$133,173
Total Fund Requirements	\$133,173	\$133,173	\$0	0.00%	\$133,173
Planning Fund					
Operating Expenses (PS & M&S)	\$15,662,444	\$15,662,444	\$4,294,005	27.42%	\$11,368,439
Capital Outlay	47,000	47,000	. 0	0.00%	47,000
Interfund Transfers	2,189,991	2,189,991	1,225,690	55.97%	964,301
Contingency	786,840	786,840	0	0.00%	786,840
Unappropriated Balance	90,000	90,000	0	0.00%	0
Total Fund Requirements	\$18,776,275	\$18,776,275	\$5,519,695	29.40%	\$13,166,580

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
Regional Parks Capital Fund					
Operating Expenses (PS & M&S)	\$620,000	\$620,000	\$109,307	17.63%	\$510,693
Capital Outlay	1,087,740	1,029,240	11,727	1.14%	1,017,513
Contingency	0	58,500	0	0,00%	58,500
Unappropriated Balance	764,822	764,822	0	0.00%	764,822
Total Fund Requirements	\$2,472,562	\$2,472,562	\$121,034	4.90%	\$2,351,528
Regional Parks Operating Fund					
Operating Expenses (PS & M&S)	\$4,879,860	\$6,477,268	\$3,755,595	57.98%	\$2,721,673
Interfund Transfers	2,902,040	2,902,040	1,414,851	48.75%	1,487,189
Contingency	493,908	474,143	0	0.00%	474,143
Unappropriated Balance	2,940,082	2,949,357	0	0.00%	2,949,357
Total Fund Requirements	\$11,215,890	\$12,802,808	\$5,170,446	40.39%	\$7,632,362
Regional Parks Special Accounts Fund					
Operating Expenses (PS & M&S)	\$225	\$225	\$0	0.00%	\$225
Interfund Transfers	70,000	70,000	0	0.00%	70,000
Unappropriated Balance	370,864	370,864	0	0.00%	370,864
Total Fund Requirements	\$441,089	\$441,089	\$0	0.00%	\$441,089
Rehabilitation & Enhancement Fund					
Materials & Services	\$534,151	\$534,151	\$198,424	37.15%	\$335,727
Interfund Transfers	26,630	26,630	0	0.00%	26,630
Contingency	300,000	300,000	0	0.00%	300,000
Unappropriated Balance	1,482,986	1,482,986	0	0.00%	1,482,986
Total Fund Requirements	\$2,343,767	\$2,343,767	\$198,424	8.47%	\$2,145,343

•	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
Risk Management Fund					
Operating Expenses (PS & M&S)	\$8,166,381	\$8,166,381	\$3,284,543	40.22%	\$4,881,838
Contingency	534,547	534,547	0	0.00%	534,547
Unappropriated Balance	4,260,202	4,260,202	0	0.00%	4,260,202
Total Fund Requirements	\$12,961,130	\$12,961,130	\$3,284,543	25.34%	\$9,676,587
Smith and Bybee Lakes Fund	•				
Operating Expenses (PS & M&S)	\$20,148	\$20,148	\$3,948	19.59%	\$16,200
Capital Outlay	801,349	801,349	467,474	58.34%	333,875
Interfund Transfers	25,000	25,000	. 0	0.00%	25,000
Contingency	822	822	0	0.00%	822
Unappropriated Balance	3,594,145	3,594,145	0	0.00%	3,594,145
Total Fund Requirements	\$4,441,464	\$4,441,464	\$471,422	10.61%	\$3,970,042

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% Expended	Balance <u>Remaining</u>
Solid Waste Revenue Fund					
Operating Account					
Operating Expenses (PS & M&S)	\$41,994,564	\$41,994,564	\$18,557,942	44.19%	\$23,436,622
	41,994,564	41,994,564	18,557,942	44.19%	23,436,622
Debt Service Account					
Debt Service	1,251,412	1,251,412	123,531	9,87%	1,127,881
	1,251,412	1,251,412	123,531	9.87%	1,127,881
Landfill Closure Account					
Materials & Services	178,800	178,800	22,941	12.83%	155,859
Capital Outlay	401,900	401,900	36,620	9.11%	365,280
	580,700	580,700	59,561	10.26%	521,139
Renewal and Replacement Account					
Capital Outlay	1,514,000	1,514,000	59,475	3.93%	1,454,525
	1,514,000	1,514,000	59,475	3.93%	1,454,525
General Account					
Capital Outlay	961,000	961,000	58,944	. 6.13%	902,056
	961,000	961,000	58,944	6.13%	902,056
Master Project Account			· ·		
Debt Service	350,000	350,000	38,531	11.01%	311,469
	350,000	350,000	38,531	11.01%	311,469
Recycling Business Assistance Account					
Materials & Services	700,000	700,000	0	0.00%	700,000
	700,000	700,000	0	0,00%	700,000
General Expenses	·				
Interfund Transfers	4,308,854	4,308,854	2,187,721	50.77%	2,121,133
Contingency .	13,695,368	13,695,368	2,107,721	0.00%	13,695,368
<b></b>	18,004,222	18,004,222	2,187,721	12.15%	15,816,501
Unappropriated Balance	14,448,060	14,448,060	0	0.00%	14,448,060
Total Fund Requirements	\$79,803,958	\$79,803,958	\$21,085,705	26.42%	\$58,718,253

	Adopted <u>Budget</u>	Amended <u>Budget</u>	Year to Date Expenditures	% <u>Expended</u>	Balance Remaining
Zoo Capital Fund					
Operating Expenses (PS & M&S)	\$71,083	\$71,083	\$27,882	39.23%	\$43,201
Capital Outlay	3,000,000	3,000,000	167,919	5.60%	2,832,081
Contingency	505,648	505,648	0	0.00%	505,648
Unappropriated Balance	1,277,031	1,277,031	0	0.00%	1,277,031
Total Fund Requirements	\$4,853,762	\$4,853,762	\$195,801	4.03%	\$4,657,961
Zoo Operating Fund			•		
Operating Expenses (PS & M&S)	\$20,655,227	\$20,717,507	\$10,051,045	48.51%	\$10,666,462
Capital Outlay	85,700	285,700	411	0.14%	285,289
Interfund Transfers	2,790,366	2,790,366	1,635,332	58.61%	1,155,034
Contingency	2,030,595	2,030,595	0	0.00%	2,030,595
Unappropriated Balance	4,482,095	4,482,095	0	0.00%	4,482,095
Total Fund Requirements	\$30,043,983	\$30,306,263	\$11,686,788	38.56%	\$18,619,475
Total Budget	\$285,998,327	\$288,351,525	\$91,831,408	31.85%	\$196,190,617

#### **OUTSTANDING AUDIT RECOMMENDATION REPORT**

In 2005 the Chief Operating Officer and Chief Financial Officer established procedures for addressing outstanding audit recommendations. The office of the Chief Financial Officer will manage the process while results will be updated in each quarterly report. In future updates, the Auditor's office will participate in analyzing the new status of each recommendation

#### Seven Outstanding Audits have Advanced in Status

- Two recommendations have moved from "Not Implemented" to "In progress"
  - I. 2000, Accounting): Conduct a strategic planning session for modules of InfoLink not yet implemented to develop a detailed project plan
  - II. (2002, MERC): PCPA Organize policies and procedures for easy access and retrieval by staff
- Five recommendations have moved from "In progress" to "Completed"
  - I. (2002, SW & R): Transfer Station Strengthen cash controls over sales of recycled paint
  - II. (2002, IT): Establish stronger password controls for the PeopleSoft-based information system with Version 8 of this software
  - III. (2004, Accounting): Reconcile cash accounts as soon as the bank statement is available
  - IV. (2001, Accounting): Adjust for cash account reconciling items in a timely manner, including all MERC accounts
  - V. (2000, Accounting): Update Metro's policies and procedures manuals to reflect implementation of PeopleSoft

#### CAPITAL IMPROVEMENT PROJECTS UPDATE

#### Status of CIP Projects in the FY 2004-05 Budget

The purpose of the attached report is to provide an update on the progress of the FY 2004-05 budgeted CIP projects. The report is laid out as follows:

**Project:** This column is includes the Project Title and a short description of the project. The projects are listed by the fund they are budgeted in.

FY 2004-05 Adopted Budget: The amount in the FY 2004-05 budget for this project.

Comments: The current status and or progress on each project.

**Total Project Expected Cost**: The total expected cost of the project including past expenditures and future expenditures as well as the listed budget amount. For ongoing projects this is the total expected to be spent over as many year as the project has existed.

If Complete Total Project Cost: The actual cost of the completed project. This field only includes an amount if the project is complete. For ongoing projects, this is the total actual expenditures spent over as many years as the project has existed. This years spending is in comments section.

**Project Completion Year:** The year the project completion date as listed in the Adopted CIP. Changes to this completion date are included in the comments

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
ice and Administrative Services						
Satellite copier replacement						
Ongoing replacement of copy machines in Metro Regional Center - As the machines are replaced due to age and usage, the copy center is replacing them with digital networked devices that copy, print, fax, and scan.	\$36,000	\$32,170	Both copiers included in this years Capital Budget have been purchased.	\$180,000		Ongoin
Replace/Acquire Desktop Computers	<u> </u>		<u> </u>			
This project represents all desktop computer hardware replacement. It is coordinated through the IT Department with the specific goal of ensuring replacement on a regular schedule.	\$115,000	\$36,978	Many of the departments have extended their computer replacement cycles from 3 years to 4 or five years. Desktop replacement costs have come down over the last year.	\$885,237		6/30/200
Regional Land Information System (RLIS)	· · · · · · · · · · · · · · · · · · ·	····			L	
The Regional Land Information System (RLIS) is the heart of the planning and mapping services provided by Metro. This is technology that supports the enterprise applications of the Geographic Information System (GIS).	\$30,000	\$0	No spending is anticipated for the year. The department has purchased PC's, a cost reflected in the in the desktop computer project above.	\$886,025		6/30/200
Travel Forecasting System Computer Replacement		<del>!</del>				· · · •
This project is the on-going support of computer equipment used by the Travel Forecasting Section of the Planning Department for development and application of travel demand forecasting models.	\$17,000	\$0	No spending is anticipated for the year, The department has purchased PC's, a cost reflected in the in the desktop computer project above.	\$1,188,566		6/30/2000
Server Management						
The schedule includes 3-year server replacement (or renewal as possible).	\$84,000	\$19,007	Server Management renewal and replacement is on track for FY 2004-05.	\$982,965		6/30/2008
Upgrade Network Infrastructure						
This project is the scheduled technical upgrade required of network equipment due to technology improvements and increasing data demand.	\$55,000	<b>\$2,73</b> 9	There will additional spending on this project in the second half of the year. However, some of these components will not need to be replaced in the current fiscal year.	\$383,208		6/30/200
Upgrade of Business Enterprise Software (PeopleSoft)						
While the future upgrade release schedule for the PeopleSoft financial and human resources systems is not specifically predicable, we anticipate the next major human resources upgrade to be released in late FY06.	\$50,000	\$18,975	Spending on this project is for consultant services relating to the upgrade. There will be additional spending on this project in the second half of the year.	\$150,000		Ongoing

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
Metro Exposition-Recreation Commission All - Event Management Software		•				
Event Management software is necessary to produce more accurate and timely management reports and event settlements.	\$0	\$0	This project is not in the adopted or amended Metro Capital Budget.	<b>\$224,90</b> 0	·	6/30/2005
ASCH - Carpet	1				,	
Carpet was installed in 1984. In 2004-05 it will have reached its 20 year wearability expectancy.	\$300,000	\$0	Most of this project is delayed to FY 2005-06, \$20,000 is expected to be spent this fiscal year.	\$300,000		6/1/2005
ASCH - Boller	1				<u> </u>	
Replacement of the defective, inefficient Boiler.	\$0	. \$0	This project is not in the adopted or amended Metro Capital Budget and is delayed to FY 2005- 06.	\$80,000		6/30/2005
ASCH - Main Street Tents	<del>'</del>					
PCPA can close down Main Street when certain events are in progress.  These tents will allow them to utilize that space in a more effective manner allowing improved revenue generating capabilities.	\$400,000	\$0	This projects scope has changed. A feasibility study will be completed in FY 2005-06 and no money will be spent on it this year. The feasibility study is expected to cost \$75,000.	\$400,000		6/30/2005
ASCH - West Entry Remodel						
Reconfiguration and repair to the west entry of the Schnitzer to prevent further damage to the marquee, provide a windbreak at the vestibule and close the are to transient access.	\$180,000	\$0	This project is Temporarily on Hold, waiting for reimbursements of Keller projects to provide funding.	\$380,000		6/30/2005
Keller - Pit Lifting System					!	
This is an equipment upgrade of the existing pit lifting system. That system is currently starting to malfunction and we anticipate near term replacement.	\$100,000	\$0	This project has been cancelled.	\$100,000		6/30/2005
Keller Auditorium - Lobbies Upgrade	<u> </u>					
Full remodel of lobbles including carpet, furniture, lighting and all finishes.	\$40,000	<b>\$7.</b> 542	This project should be complete by fiscal year end.	\$446,000		6/1/2005
Keller Auditorium - Portico Upgrades						
To improve exposure and marketing for performance events in the theatre, this project will install illuminated signage comparable to that on Broadway at Arlene Schnitzer Concert Hall or New Theatre Building.	\$95,000	\$899	Design approval from the City of Portland was received 2-28-2005.	\$205,000		6/30/2005
Keller Auditorium - Ladders	·	I		<del>.</del>	·	
Replace three existing ladders to fly platforms, gridiron and fly tower roof with new for current code compliance and safety issues.	\$0	\$11,780	This project is in FY 2005-06 Capital Budget request but has spending in the current fiscal year.	\$75,000		6/30/2006
Keller - Chiller Replacement						
Purchase and install new chillers to replace two that have been in service for 37 years. One chiller is currently defective. New chillers will be staged and highly efficient.	\$0	\$0	This project is not in the adopted or amended Metro Capital Budget.	\$200,000		6/30/2005
NTB (Winningstad) - Replace Seat Risers						
Replace seat risers at NTB Winningstad.	\$100,000	\$0	This project is delayed to FY 2005-06.	\$100,000		8/30/2004

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Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	if Complete Total Project Cost	Project Completion Date
etro Exposition-Recreation Commission (continued)						
NTB - Restaurant and Bar Install						
Construct new lobby bar, remodel existing restaurant kitchen and remodel basement preparation facilities. Previous facilities were inadequate to meet demand.	\$0	<b>\$</b> 152,792	This project is not in the adopted or amended Metro Capital Budget,	\$215,000		6/30/2005
OCC - Leeds Certification						
To obtain Leed Certification for the portion of OCC existing prior to the expansion. The majority of the project is to replace 800 ton chillers although there are multiple smaller projects involved.	\$0	\$22,442	Council Approved the use of the MTOCA .50 per ton Solid Waste Excise Tax for this project. The work on this project is expected to be completed by the end of FY 2004-05.	\$1,378,000		6/30/2008
OCC - Canvas Tents	·				<u> </u>	
Provide Canvas Tents for use at OCC.	\$0	\$39,533	This project is not in the adopted or amended Metro Capital Budget. An additional \$18,390 was paid from the Aramark reserve account in the Operating Fund	\$60,000		6/30/2005
OCC - Replace Sound Proofing In Oregon Ballroom			· · · · · · · · · · · · · · · · · · ·			
The Oregon Ballroom sound panels have become dirty and can no longer be cleaned or repaired. Appearance and sound proofing are crucial to sales and operation of the is area.	\$55,000	\$36,392	Project Complete	\$55,000	\$36,392	Ongoing
OCC - Video Signage System			·		•	
This video system will provide the Oregon Convention Center with a first-class video display system to utilize the way-finding, event advertising, product advertising, tourism related commercial space and enhanced sponsorship packages.	\$266,750	\$269,250	Project Complete	\$266,750	\$269,250	8/30/2004
OCC - Expansion			•			
This is the balance of the funding for the expansion and is reserved for possible insurance claims.	\$450,000	\$6,392	The balance transferred from the OCC Expansion Fund was \$278,259.	\$117,023,698		6/1/2005
OCC - Lobby Signage and Way Finding Klosks			<del></del>			
These Klosks will greatly enhance the visitor experience by allowing them to find their way around the convention center.	\$0	\$18,000	This project is not in the adopted or amended Metro Capital Budget. The balance of this project is in the FY 2005-06 Capital Budget request. The \$18,000 is planning and design for the Soot-06 project.	\$75,000		6/30/2005
Expo - In-House Electrical	·					•
The Exposition Center is currently doing a feasibility study to determine if replacing the permanent and temporary power installations with an In-House Electrical system.	\$750,000	\$0	Cancelled as infeasible.	\$750,000		6/30/2005
Expo - Parking Lot Maintenance						
The parking lot at the EXPO Center requires yearly maintenance.	\$50,000	\$38,145	This ongoing project is complete for this fiscal year.	\$290,000		Ongoing

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
Oregon Zoo	<u>-</u>					•
Stormwater Handling System						
A study of potential projects was completed by GreenWorks, a contractor for BES. Based on that study, five projects were identified and agreed to be priorities by BES and the Zoo. The recommended projects are all in public areas where educational messages regarding storm water can be easily communicated via simple interpretives, a requirement of the grant.	\$200,000	\$0	Most of the work on this project will be completed in this fiscal-year, but a small portion of the project will be carried over.	\$200,000		6/30/2005
Refurbish Tree Tops Area						
Projected improvements and replacements for this area of the Africa exhibit. It included replacement of aging infrastructure including the walkways, ramps, and railings. The project was originally estimated at \$400,000 in the CIP but has been scaled back to include only the railing replacement.	\$100,000	\$0	The Tree Tops Area project was added to this years Capital Budget through an amendment approved in December, Work on this project will begin in the second half of the fiscal-year.	\$100,000		6/30/2005
Washington Park Parking Lot Renovation						
Reconstruction of the parking lot at Washington Park serving the Oregon Zoo, the World Forestry Center, and the Portland Children's Museum, as well as Metro share of the construction costs of the Washington Park light rail station.	\$178,988	\$0	This project is on hold as work continues on the land use application for the auxiliary lot as well as the master plan amendment.	\$4,555,564		6/30/2005
California Condor Captive Breeding Facility					<u>                                     </u>	·
This project is the construction of mesh pens with appropriate nesting and rearing areas for the production of Callfornia Condors. In addition there will be a flight pen and various support facilities.	\$800,000	\$22,228	In order to minimize disruption to the Condor chicks, construction will begin June 1st at the earliest for the second phase of the project.	\$3,000,000		6/30/2006
Introduction to the Forest & Remote Forest (GNW IV)	l					· - ··- · · · · · · · · · · · · · ·
Two major exhibits compose the next phase of the Great Northwest Project.  The first is the Introduction to the Forest, which will include black bears, cougars, and bobcats, and is scheduled to open in the summer of 2005.	\$2,200,000	\$5,002	Intro to the Forest (Cascade Canyon Trail) construction will begin in late summer/fall 2005.	\$4,700,000	·	6/30/2007

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
al Parks and Greenspaces						
pen Spaces Land Acquisition						
The Open Spaces, Parks and Streams bond measure passed in 1995 calls for	\$3,096,940	\$489,792		\$129,635,918		6/30
the purchase of land throughout the Metro region to be used as open spaces.						
Blue Lake Park - Lakefront Enhancement	tos non	£4.020	Device t Complete	£220.004	£252 420	7/24/2
Three phase project that includes the demolition of the old Swim Center at Blue Lake Parks; replanting the area to achieve a more natural setting; and construction of a new restroom.	\$25,000	<b>\$1</b> ,932	Project Complete	\$238,884	\$253,120	7/31/2
ales CreeklTualatin River Confluence Project						
The Gales Creek/Tualatin River Confluence restoration project includes restoring approximately 245 acres of metro flood plain property to historical vegetation communities and former flood plain functions.	\$367,740	\$10,947	Project carried forward to FY 2005-06	\$367,740	-	6/1/2
Glendoveer Golf Course Fence Repair						
Renewal and replacement project to repair perimeter fence at Glendoveer Golf Course.	\$90,000	\$88,439	Project complete	\$90,000	\$88,439	9/30
I. James Gleason Boat Ramp Renovation Phase I & II						
Implementation of improvements identified in the master plan completed in March 1998. Phase I includes entry/exit improvements. Phase II includes all "waterside" improvements, including a new concrete ramp, new pilings and new floats.	\$300,000	\$2,736	Construction contract for Phase I was executed on January 25th, with construction scheduled to be completed by the end of April 2005.	\$1,671,540		6/30/2
ft. Talbert Development	•					
Development of the Mt, Talbert area, preparing site for use by general public.  Design and engineering will be conducted in FY 2004-05, based upon the master plan adopted by Metro Council.	\$150,000	\$0	Request for Proposals (design & engineering) due Feb. 17th	\$1,491,600		6/30/2
Oxbow Park - Picnic Shelters & Restrooms						
This project calls for public use improvements at Oxbow Regional parks. A master plan for the park was adopted by the Metro Council in 1997. This project includes replacing two existing picnic shelters and adding two new picnic shelters to the park.	\$30,000	\$6,629	Project Complete	\$410,000	\$415,218	7/31/2
Road Resurfacing					-	
Renewal and Replacement Projects - road resurfacing projects for Oxbow Regional Parks, trails at Blue Lake Regional Parks, and entry roads for various Pioneer Cemeteries.	\$255,000	\$0	Project to begin in 3rd quarter FY 2004-05	\$255,000		6/30/2
Vater Play Area - Blue Lake Park				•		
The Blue Lake Regional Park Economic Feasibility Study and Facility Design Concept, completed in December 2001, calls for building a water play area at Blue Lake Park.	\$140,000	\$0	Project carried forward to FY 2005-06	\$140,000		6/30/2
Vilsonville Tract Development						
Development of the Wilsonville Tract area, preparing site for use by general public. Design and engineering will be conducted in FY 2004-05, based upon the master plan adopted by Metro Council.	\$75,000	\$0	Restoration was moved up in timeline, while design and engineering was moved back. Restoration to begin in FY 2005-06	\$1,584,750		6/30/2
mith & Bybee Lakes Facility Improvements						
Construction of improvements based on 1999 Recreation Facilities Plan for Smith & Bybee Lakes Wildlife Area. Proposed development includes relocating the parking lot, constructing an entry road, a boat launch in Smith Lake, installing landscaping, and a vault toilet.	\$801,349	\$467,474	This project will be substantially completed in 3rd quarter. Art installation of \$190,000 has been completed, but has not yet been booked to General Ledger.	\$904,599		4/
Clackamas River Fish Channel Restoration						
Re-establish and create side channels off the Clackamas River to restore valuable rearing, forage and refuge habitat for juvenile salmon and steelhead	\$1,200,000	\$1,185,523	Project Complete	\$1,200,000	\$1,185,523	6/3
almon Habitat Improvements - Smith & Bybee Lake Wildlife Area	J	1			1	
To improve rearing and refugla for juvenile salmonids that use the lower Columbia Slough and Smith-Bybee's wetlands.	\$68,000	\$0	Project to begin in 3rd quarter FY 2004-05	\$68,000		6/30

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
aste and Recycling						
etro Central - Expansion of Hazardous Waste Facility						
Facility modifications will be made based on a total assessment of site activities both currently and in the future. This project has been revised after preliminary design work on expansion revealed additional concerns that would	\$150,000.00		In the third quarter the new can crushing machine was received and bids are out for the installation of the equipment	\$347,000		7/1/20
be unmet by a simple expansion, stro Central - Office Addition	l					
There is insufficient space onsite to conduct safety meetings and training for either Metro or the contractor's staff, to orient tours of the station, or for Metro employees to eat lunch. The project will remedy these deficiencies.	\$19,000		Design will begin in the 4th quarter or will be carried forward into FY 2005-06	\$125,000		6/30/20
tro Central - Seismic Cleanup		<u> </u>				
Metro Central Transfer Station was constructed in various phases beginning in the early 1920's and used for various functions that have left remnants of the old functions in the building that can become dislodged in an earthquake.  These remnants will be removed by this project.	\$25,000		In order to be cost effective this project needs to be combined with another project.	\$200,000		6/30/200
tro Central - Woodroom Improvements	l	J	· · · · · · · · · · · · · · · · · · ·	·		
As the volume of wood and yard waste continues to grow, there is a need to create additional storage and processing space within the wood processing area.	\$216,000		This project construction will be carried forward to next fiscal year. A design firm for feasibility and design will tie two programs together	\$236,000		9/1/200
tro South - Install High Capacity Baler	<u> </u>					-
Install 30' horizontal baler capable of producing 1,200 lb, bales of recovered materials and a conveyor to deliver bales for transport. Project will be located in the area at the northern side of the main transfer building after public tipping is relocated.	\$50,000		The department is currently in discussions with BFI who may do part of this work delaying this project.	\$775,000		6/1/200
tro South - Wood Processing Capacity	<u>[</u>					
At present, there is no wood processing ability available at MSS. Material is either reloaded to MCS for processing or hauled directly to market,	\$60,000		The department is currently in discussions with BFI who may do part of this work causing delay,	\$805,000		4/1/20
tro South- Latex Building/Public Area Lunch Room Conversion -						· · · ·
This project is in lieu of two previously identified projects, Metro South-Maintenance Facility and Metro South-Office and Facilities improvements that were estimated to cost 472,000 and \$308,000 respectively.	\$50,000		This project is delayed as it was not to be started until after the Latex move was completed. It should begin in the 4th quarter.	\$60,000		7/1/20
etro South- Relocate Latex Paint Operations	<u> </u>					
Metro's latex recycling program has been very successful. The amount of paint processed and recovered has exceeded even the most optimistic projections making this move necessary.	\$320,000	\$57,748	This project will be complete by April 1st.	\$320,000		9/1/200
Johns - Perimeter Dike Stabilization and Seepage Control	<u> </u>					
The objective of this project is: 1) to stabilize the earth dike between the burled waste in St. Johns Landfill and surrounding surface water, and 2) to control seepage through this dike. There is evidence that surface water is eroding this dike.	\$60,000		Congress has appropriated dollars to help with this project. The Corp of Engrs completed the engineering report and are pursuing US Army Corp of Engr. Grants to complete the project.	<b>\$</b> 726,578		7/1/20
John's - Groundwater Monitoring Wells	I					
Metro and DEQ have developed a mutual agreement which will govern compliance with the Oregon Environmental Cleanup rules. Additional groundwater monitoring wells will be required under the terms of this agreement. Project cost assumes 4 wells.	\$200,000		A work plan was submitted to DEQ on the Remedial Investigation/Feasibility Study (RIFS), The department is soliciting proposals for a new firm that will not be accepted until July or August so this project will be carried forward.	\$210,800		9/1/20

Project	FY 2004-05 Adopted Budget	\$ Spend as of 12-31-04	Comments	Total Project Cost	If Complete Total Project Cost	Project Completion Date
d Waste and Recycling (continued)						
St. John's - Leachate Pretreatment						
Liquid leaching from the solid waste in a portion of St. John Landfill is collected and piped to the City of Portland sewer system. Liquid which condensates from landfill gas has also been sent to the sewer system. This project is to mediate the problem to the satisfaction of the city.	\$105,000		The department has come up with a evaporator system that is likely to correct the leachate problem. This project should be complete by April 15.	\$524,074		4/1/200
St. John's - Native Vegetation on the Cover Cap						
The primary purpose of vegetation on the St. Johns Landfill cover cap is to prevent erosion damage to the cap and to water quality. The secondary purpose is to provide open meadow habitat.	\$15,000		This is an ongoing project	\$152,752		Ongoing
St. John's - Re-establish Proper Drainage						
The landfill top must be sloped to drain rainwater off the cover. Differential settlement of the waste interferes with proper drainage.	\$5,000		Nothing is being done currently.	\$876,482		7/1/2008
Metro Central - Rebuild Compactor No. 2	• •	•		<del> </del>		
Compactor No. 2 is the last of the original compactors installed at Metro Central. The consulting engineer that prepared the most recent renewal and replacement study for Metro indicated that this unit will have reached its useful life by 2006-2007.	\$400,000	-	A third party inspection is complete and the scope of the project is being developed. This project will be carried forward into next fiscal year.	\$400,000		7/1/2008
Metro Central - Replace Compactor #2 Feed Conveyor	L			······ ·		
The feed conveyor for the SSI Compactor is planned to have reached its useful life and will require replacement. This project is contained in the Renewal & Replacement Study.	\$385,000		A design firm has been retained. No construction will be completed this fiscal year. This will be carried forward.	\$385,000		12/1/2006
Metro Central - Replace Compactor #3 Feed Conveyor	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·		- <del>~~</del>		
The feed conveyor for the Amfab Compactor is planned to have reached its useful life and will require replacement, including resurfacing of the railed portion of the floor surrounding the conveyor. This project is contained in the Renewal & Replacement Study.	\$59,000		A design firm has been retained on both Feed Conveyor projects. No construction will be completed this fiscal year. This will be carried forward.	\$384,000		6/30/2006
Metro South - Convert Mechanical Room to Lockers					<del></del>	
There are inadequate locker facilities for operations contractor's personnel working on the floor of the facilities. This would provide enough lockers for the majority of personnel.	\$320,000	\$25,909	This project should be complete by April 15,	\$357,000		12/1/2005
Metro South - Install Sidewalk on Washington Street						
One of the conditions of our permit with Oregon City is a requirement to replace the existing curb/swale system along the Washington Street side of the transfer station with sidewalks.	\$250,000		This project will be carried forward. The department is currently negotiating with the City of Oregon City on who will actually do the work,	\$250,000		9/1/2004

0324/05c-05

#### MTIP action taken by JPACT - March 24, 2005

#### Conditions:

- 1. The \$.742 million in funds committed to the Trolley Trail may be transferred to the 172<sup>nd</sup> project if an alternate funding source for Segments 5 and 6 is committed. Clackamas County will be seeking funds from a sewer project in this right-of-way as well as other County, regional, state or federal funds to finance this priority trail project.
- 2. \$1.0 million is allocated to the Cleveland Avenue project. This amount can be spent on the full project from SE Powell Blvd. to SE Stark St. as long as the section in the Regional Center from SE Powell Blvd. to SE Division St. is completed.
- 3. \$2.0 million is allocated to the Sellwood Bridge: Type, Size & Location Study and Preliminary Environmental Assessment to include addressing the connection between the bridge design and surrounding land use and transportation issues.
- 4. \$1.237 million is allocated to the Springwater Trail- Sellwood Gap conditioned on the City of Portland committing sufficient funds to complete this segment of the Springwater Trail project, conditioned on committing funds to complete the NE Cully Blvd.: Prescott to Killingsworth Green Street project and conditioned on committing funds to fund the Gateway TOD project.
- 5. \$.837 million is allocated to the 10<sup>th</sup> Avenue at Highway 8 intersection project in Cornelius if sufficient funds are made available through the reauthorization or TEA-21. If an amount of funds are not available to fund this project, this project is <u>not</u> a commitment against the next MTIP allocation.

#### Directions to TPAC:

Develop a recommendation for up to \$5.0 million of contingent commitments (inclusive of the \$.837 million contingent commitment to the Cornelius 10<sup>th</sup> Avenue project) in the event an increased funding level is available through the reauthorization of TEA-21. The recommendation should first be limited to consideration from among the following projects:

- 1. Increase the allocation to the Amtrak Station by \$.25 million
- 2. Increase the allocation to SE Cleveland Avenue by \$.54 million
- 3. Increase the allocation to the Marine Drive Bike lanes by \$.685
- 4. Allocate funds toward the Willamette Shore Preliminary Engineering and/or the Milwaukie EIS by \$.6 million
- 5. Allocate to the Wood Village Blvd. project \$.45 million

A limited amount above these may be considered by TPAC from the original Options A and B recommended by TPAC.

#### **JPACT Recommendation**

### Transportation Priorities 2006-2009

Project code	Project name	JPACT Approved Bas Package (millions of \$
Planning		
PI0005	Regional Freight Planning: region wide	\$0.300
PI0001	MPO Required Planning: region wide	\$1.731
PI1003	Milwaukie LRT Supplemental EIS: Portland central city to Milwaukie town center	\$2.000
PI5053	Multi-Use Master Plans: Lake Oswego to Milwaukie, Tonquin Trail, Mt. Scott - Scouter's Loop	\$0.300
PI0002	Next Priority Corridor Study	\$0.500
PI1017	Willamette Shoreline - Hwy 43 Transit alternatives analysis/PE: Portland South Waterfront to Lake Oswego	\$0.688
Bike/Trail		
Bk1009	Springwater Trail-Sellwood Gap: SE 19th to SE Umatilla	\$1.237
BK4011	Marine Dr. Bike Lanes & Trail Gaps: 6th Ave. to 185th	\$0.966
Bk2055	Springwater Trailhead at Main City Park	\$0.310
Bk2052	MAX Multi-use Path: Cleveland Station to Ruby Junction	\$0.890
Bk5026	Trolley Trail: Arista to Glen Echo (Segments 5-6)	\$0.742
Bk3012	Rock Creek Trail: Orchard Park to NW Wilkens	\$0.675
Bk3072	Powerline Trail (north): Schuepback Park to Burntwood Dr. (ROW)	\$0.600
Pedestrian	Forest Grove Town Center Pedestrian Improvements	<b>\$0.660</b>
Pd3163	Forest Grove Town Center Pedestrian Improvements	\$0.660 \$0.450
Pd5054	Milwaukie Town Center: Main/Harrison/21st	\$0.450
Pd1202 Regional Tra	SW Capitol Highway (PE): Multnomah to Taylors Ferry	\$0.530
n/a	Program management & administration	\$0.340
n/a	Regional marketing program	\$2.960
n/a	Regional evaluation	\$0.300
n/a	1 TravelSmart project	\$0.500
Transit Orien	ted Development	
TD8005	Regional TOD LRT Station Area Program	\$3.000
TD0002	Regional TOD Urban Center Program	\$1.000
TD0003	Site acquisition: Beaverton regional center	\$2.000
TD0004	Gateway Transit Center Redevelopment	\$0.000
Transit	LOGE LDT. Commutes Deill C Weterfront Streeteer	\$16.000
Tr1001	I-205 LRT, Commuter Rail, S Waterfront Streetcar	
Tr1002	I-205 Supplemental	\$2.600
Tr8035	Frequent Bus Capital program	\$2.750
Tr1106	Eastside Streetcar (Con)	\$1.000
Tr5126	South Metro Amtrak Station: Phase II	\$0.900
Road Capaci		<u> </u>
RC6014	SW Greenburg Road: Washington Square Dr. to Tiedeman	\$1.000
RC1184	Beaverton-Hillsdale Hwy/Oleson/Scholls Ferry intersection (PE)	\$1.000
RC7000_	SE 172nd Ave: Phase I; Sunnyside to Hwy 212 (ROW + \$1.0m)	\$2.000
Road Recons	struction:	
Fr3166	10th Avenue at Highway 8 intersections	\$0.837
RR2035	Cleveland St: NE Stark to SE Powell	\$1.000
Boulevard		
Bd3020	Rose Biggi extension: Crescent St. to Hall (PE)	\$0.580
Bd1051	Burnside Street: Bridge to E 14th (PE)	\$1.650
Bd1260	Killingsworth: N Commercial to NE MLK (PE)	\$0.400
Freight Fr4063	N Lombard: Slough over crossing	\$2.000
Fr3016	SW Tualatin-Sherwood Road ATMS: I-5 to Highway 99W	\$0.341
Er4007	N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.	\$1.800
Fr4087 Fr6086	Kinsman Road extension: Barber to Boeckman	\$1.400
Fr8008	Freight Data Collection Infrastructure and Archive System: Approximately 50 interchanges region wide	
Large Bridge	kapangga kaling magangga paggalagan pangganggan kan ang maganggan maganggan maganggan maganggan maganggan panggan Kapangga kaling magangganggangganggangganggan pangganggan pangganggan pangganggan pangganggan pangganggan pang	<u>l</u> Ngjapana a sa Mga <b>k</b>
RR1012	Sellwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental	\$2.000
Green Street	l Santana da de la Maria de Carlos de La Carlos	
	NE Cully Boulevard: Prescott to Killingsworth	\$0.000
GC1224	THE COURT DOGGOVERS I TOOGGE TO INTRIMOTIVE IN	40,000
GS1224 GS2123	Beaver Creek Culverts: Troutdale, Cochran, Stark	\$1.000



### Department Five-Year Financial Forecasts

March 2005

Prepared by Finance and Administrative Services Department Financial Planning Division

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OPEN SPACES

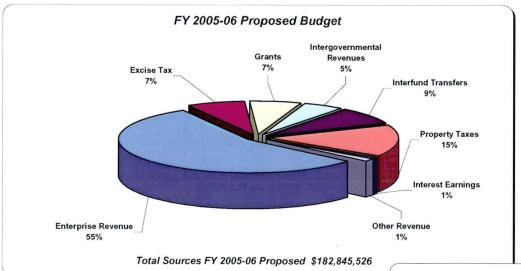
www.metro-region.org

#### Introduction

#### **Five-Year Financial Forecasts**

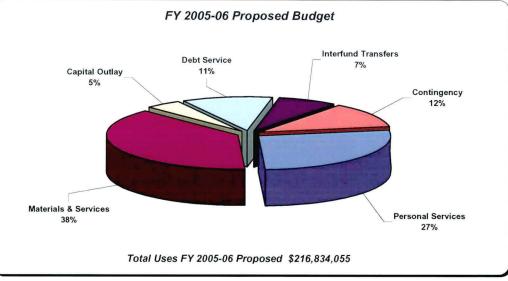
Each department page contains three charts. The first two pie charts indicate where the money comes from and where the money goes, including total dollar amounts of the Sources and Uses. This information is broken out by major categories as a percentage of the whole. The third chart is a series of bar graphs showing both resources and expenditures, as well as two trend lines, with one showing the change and trend in fund balance for the given fund and the other showing required resources. This chart provides two years history, one year Adopted Budget, the Requested Budget, and four years of projections. Several major assumptions in the projected years are that the PERS rate remains at its current high level and that no contingency is spent.

### FY 2005-06 Metro Proposed Budget

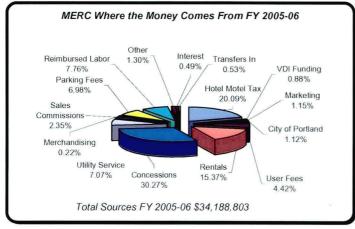


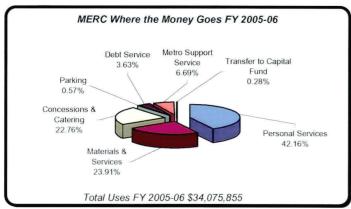
**←** Where the Money Comes From

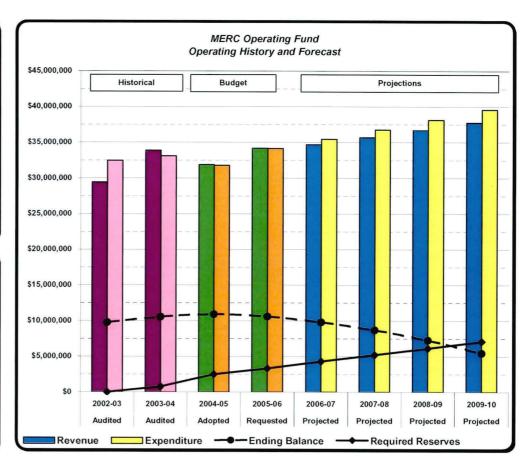
Where the Money Goes —



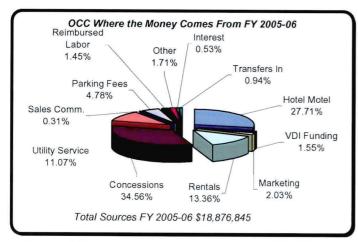
### Metropolitan Exposition Recreation Commission (MERC)

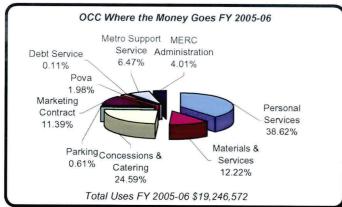


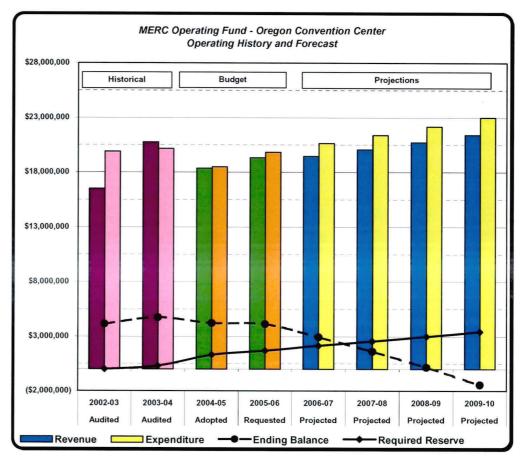




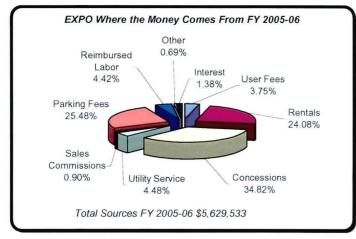
### **Oregon Convention Center (OCC)**

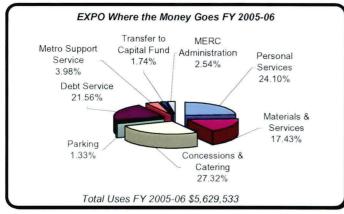


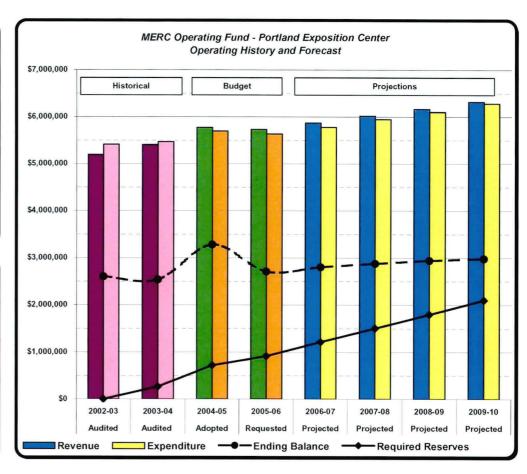




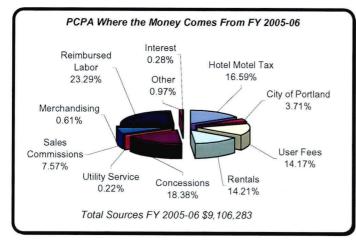
### Portland Metropolitan Exposition Center (EXPO)

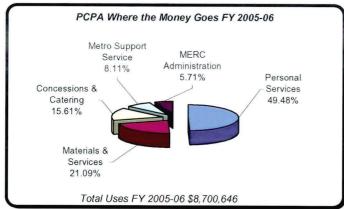


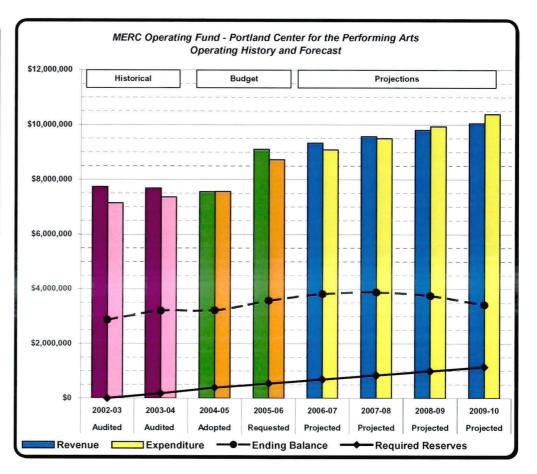




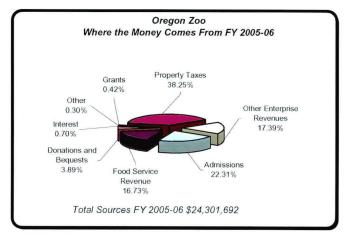
#### Portland Center for the Performing Arts (PCPA)

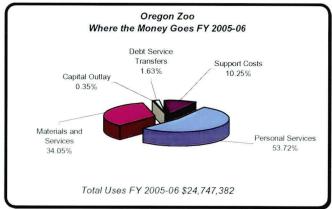


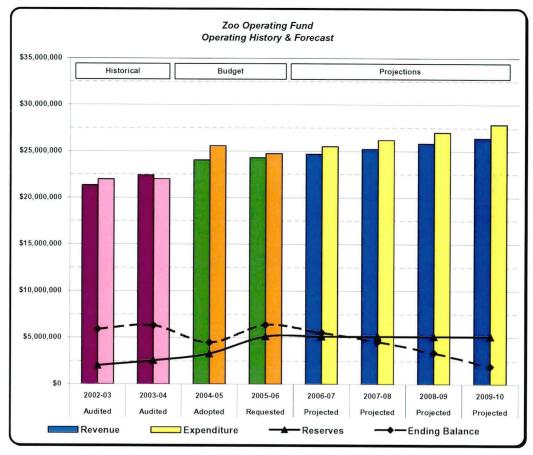




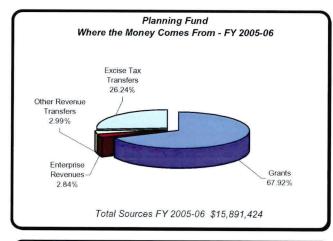
#### **Oregon Zoo**

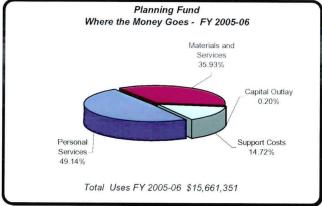


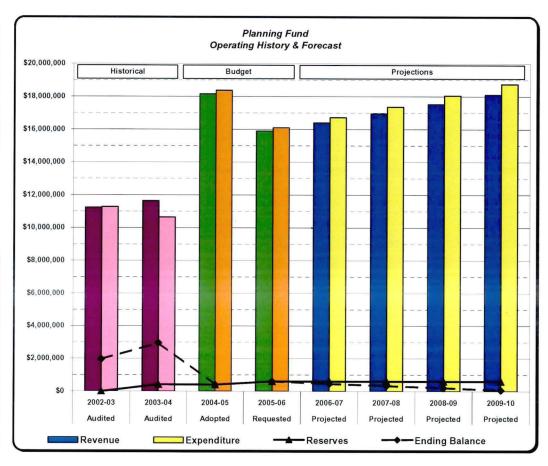




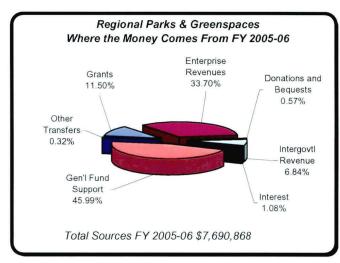
### **Planning Fund**

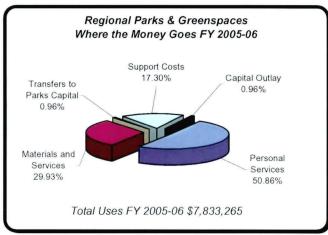


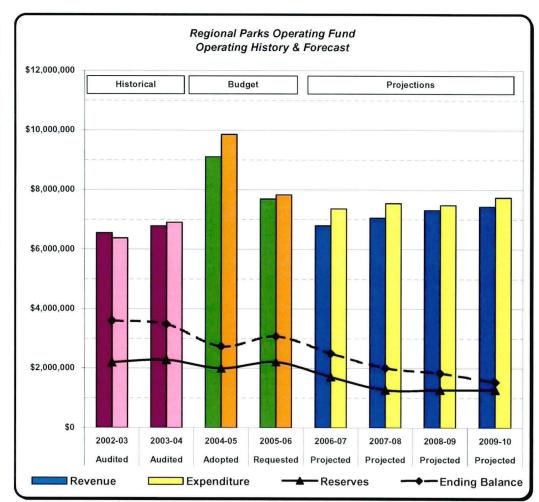




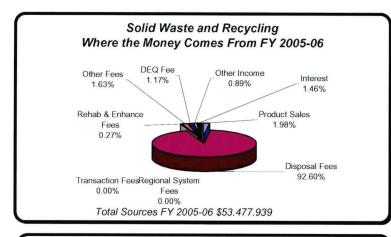
### **Regional Parks Operating Fund**

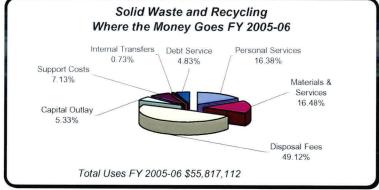


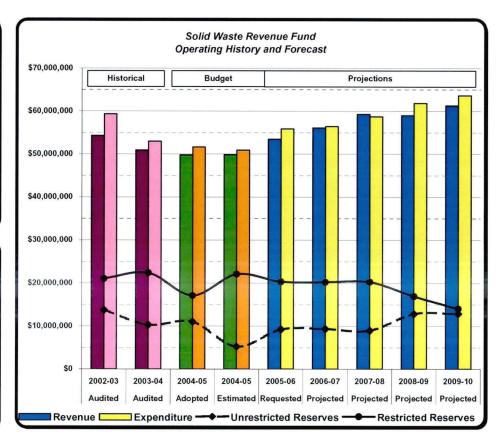


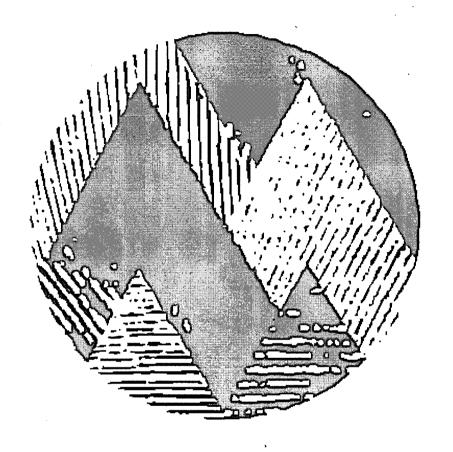


### Solid Waste and Recycling









# Metro



- Auditor responses
- Excise tax
- Overview of funds
- > Department oriented highlights
- > CIP
- . 5 year forecast

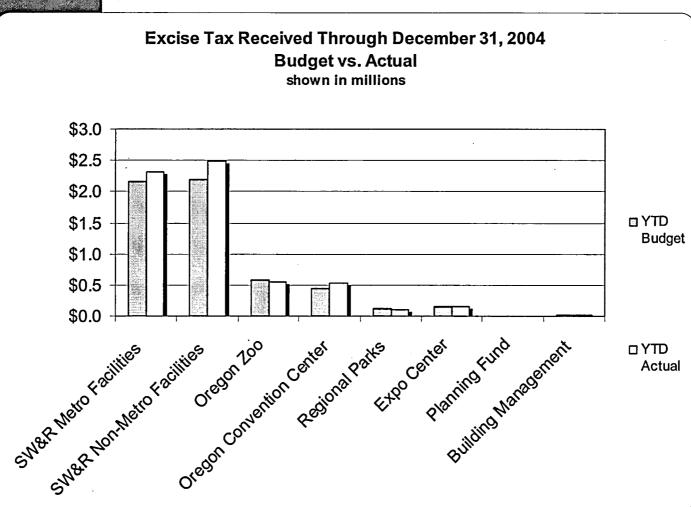
## Response to Audit Recommendations

- New process
- Outstanding audit recommendations
  - > 30 "In Progress"
  - > 27 "Not Implemented"
  - > 14 "Other"
- Advancement this quarter
  - >,2 In Progress" from "Not Implemented"
  - > 5 "Completed" from "In Progress"

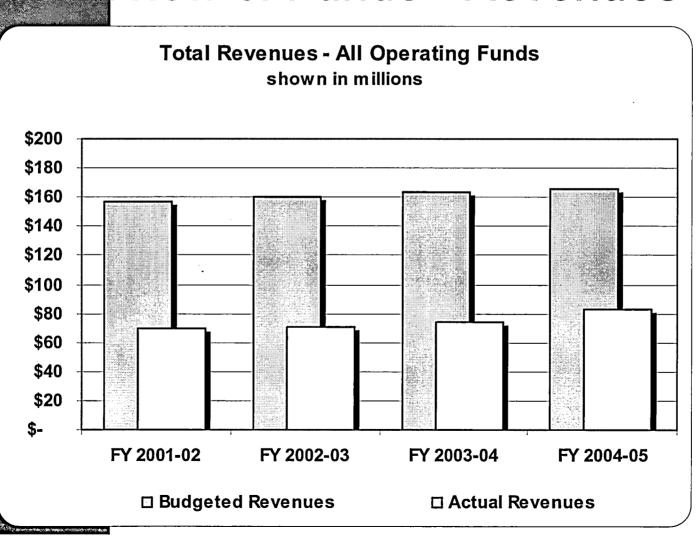


- Solid Waste
  - > 7.9% tonnage increase
  - > \$1.1 million to RRSR
  - > \$0.2 million to Parks
  - > \$42k to OCC tourism account
- Zoo, Parks, Expo: Down 5-6%
- OCC 19.8% increase

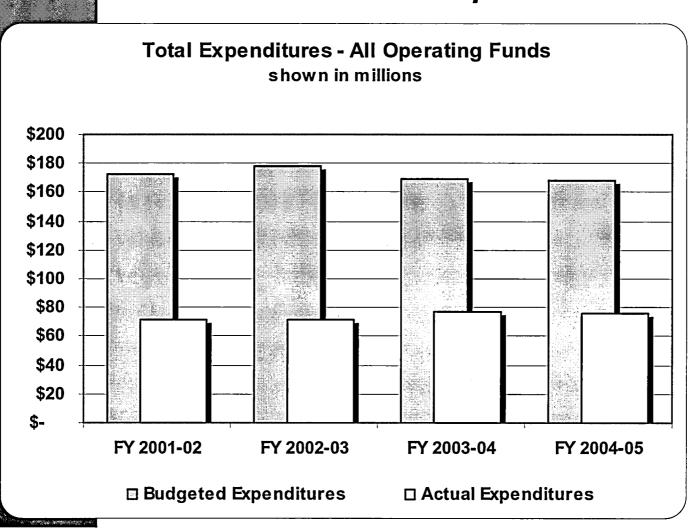




# Quarterly Report Overview of Funds - Revenues



# Quarterly Report Overview of Funds - Expenditures

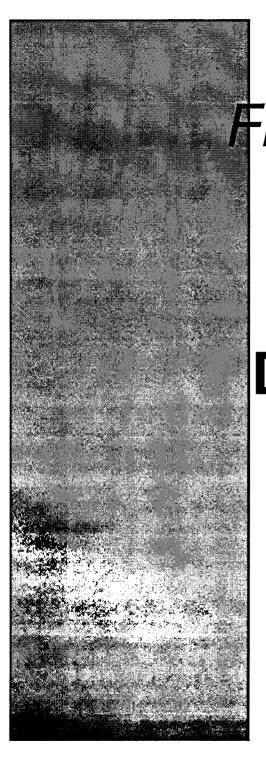




- General Fund
  - > Fund balance up \$575,000
- MERC Operating
  - > OCC revenues to exceed budget
- Solid Waste Revenue Fund
- Planning
- Parks
- i Zoo

# Quarterly Report CIP

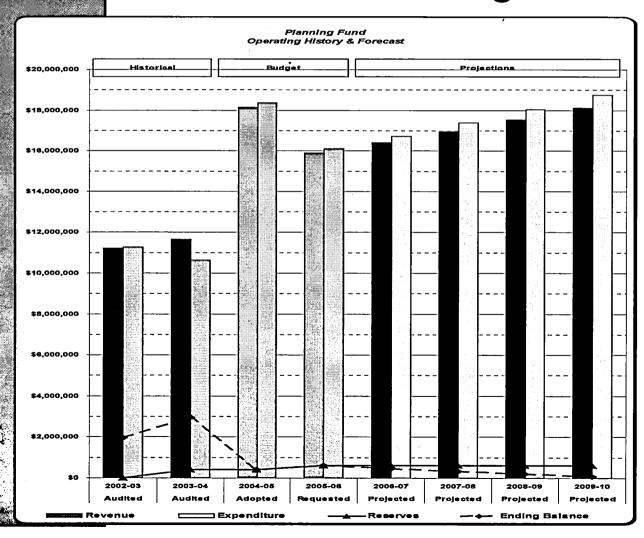
- Solid Waste
  - Low Expenditures
- Parks
  - > 2 projects to be carried forward
- MERC
  - 2 projects cancelled
  - > 5 projects scheduled but not in capital budget
- Zoo



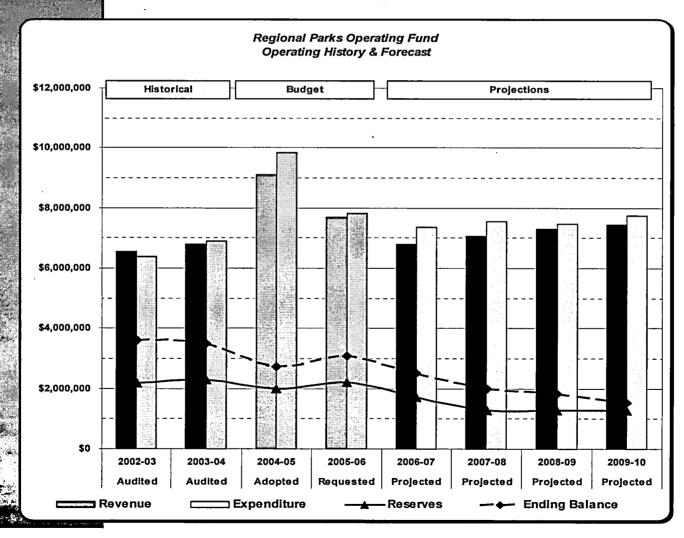
## Financial Conditions 5 Year Forecast

### **DEPARTMENTS**

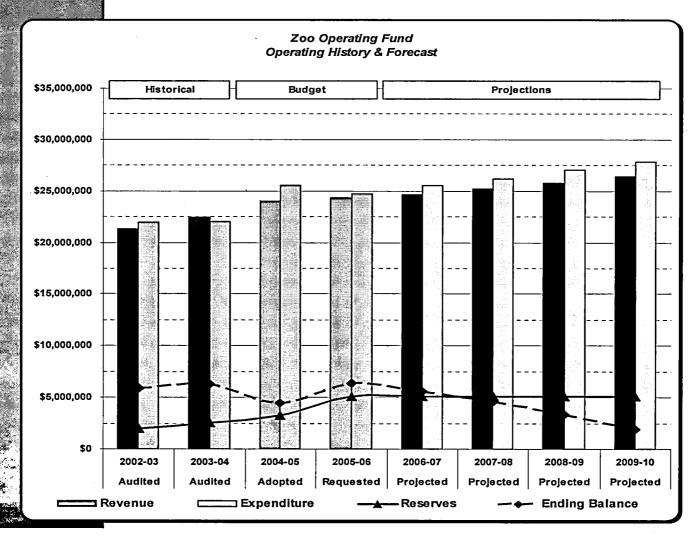
# Financial Conditions 5 Year Forecast - Planning



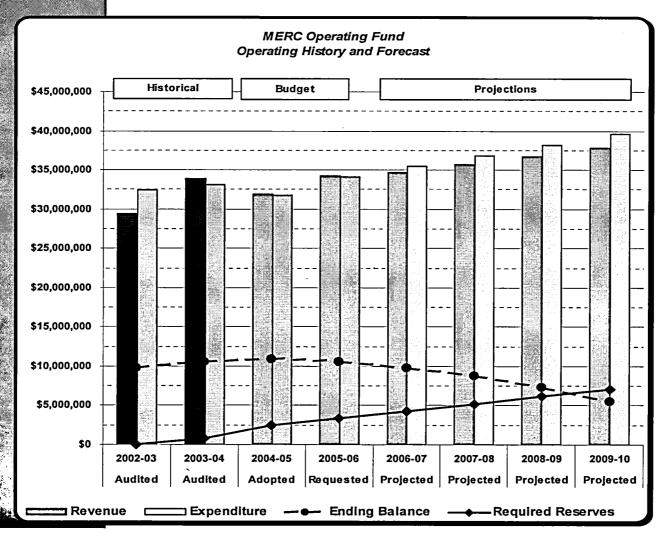
# Financial Conditions 5 Year Forecast - Parks



# Financial Conditions 5 Year Forecast - Zoo



# Financial Conditions 5 Year Forecast - MERC



# Financial Conditions 5 Year Forecast – Solid Waste

