

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ) RESOLUTION NO. 05-3568  
CAPITAL BUDGET FOR FISCAL ) Introduced by  
YEARS 2005-06 THROUGH 2009-10 ) David Bragdon, Council President

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

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

WHEREAS, Metro's Council President has directed the preparation of a Capital Budget for fiscal years 2005-06 through 2009-10 that projects Metro major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

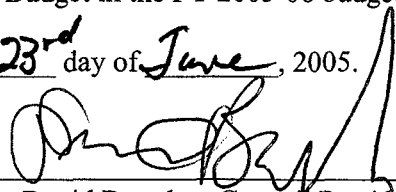
WHEREAS, The Metro Council has reviewed the FY 2005-06 through FY 2009-10 Capital Budget; and

WHEREAS, The Council has conducted a public hearing on the FY 2005-06 through FY 2009-10 Capital Budget; now, therefore

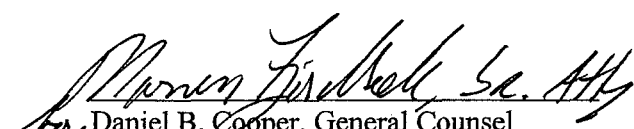
BE IT RESOLVED,

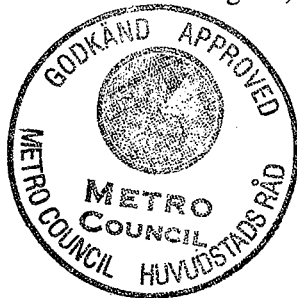
1. That the FY 2005-06 through 2009-10 Capital Budget, included as Exhibit A to this Resolution, on file at the Metro offices, is hereby adopted.
2. That the Metro Council President is requested to include the FY 2005-06 capital projects from the FY 2005-06 through 2009-10 Capital Budget in the FY 2005-06 budget.

ADOPTED by the Metro Council this 23<sup>rd</sup> day of June, 2005.

  
\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

  
\_\_\_\_\_  
Daniel B. Cooper, General Counsel



**Five-Year  
Capital Budget**

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**Capital Budget  
FY 2005-06 through  
FY 2009-10**



**METRO**

PEOPLE PLACES  
OPEN SPACES

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## User's Guide and Calendar

This section describes the capital budgeting process, as well as the structure of this portion of the budget document and the calendar established to prepare the agency's Five-Year Capital Budget.

### Overview of Process

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

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

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

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

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

**Phase 4: Council Review and Capital Budget Adoption.** The Metro Council reviews the proposed capital projects and acts on the proposed Capital Budget following a public hearing. Projects for FY 2005-06 are included in the proposed budget.

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

### Overview of Document

This section contains Metro's plan for fiscal years 2005-06 through 2009-10. It also includes estimates for any project costs incurred prior to FY 2005-06. The document is divided into the following sections:

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

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

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

**Current Projects Status Reports.** This section presents information on the status of capital projects which were authorized previously and scheduled for completion by the end of FY 2004-05.

**Supporting Information.** Included in this section is information pertinent to the review and adoption of the Capital Budget.

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

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## Metro Capital Budget Calendar

### *Key Tasks*

### *Task Completion*

- Financial Planning issues Capital Budget Manual ..... October 15
- Departments submit Capital Project Requests, Current Projects Status Reports, and List of Unfunded Projects .....December 10
- Financial Planning Division of Finance and Administrative Services Department completes evaluation of departmental requests and prepares financial projections..... December–January
- Chief Operating Officer and Council President review and discussion.....January
- Council President finalizes recommended capital projects .....February
- Proposed Capital Budget document forwarded to Council ..... March
- Information Technology Steering Committee Review ..... March
- Budget review meetings ..... April
- Council holds public hearing and adopts Capital Budget .....June
- Adopted first year projects incorporated into FY 2005-06 adopted budget .....June

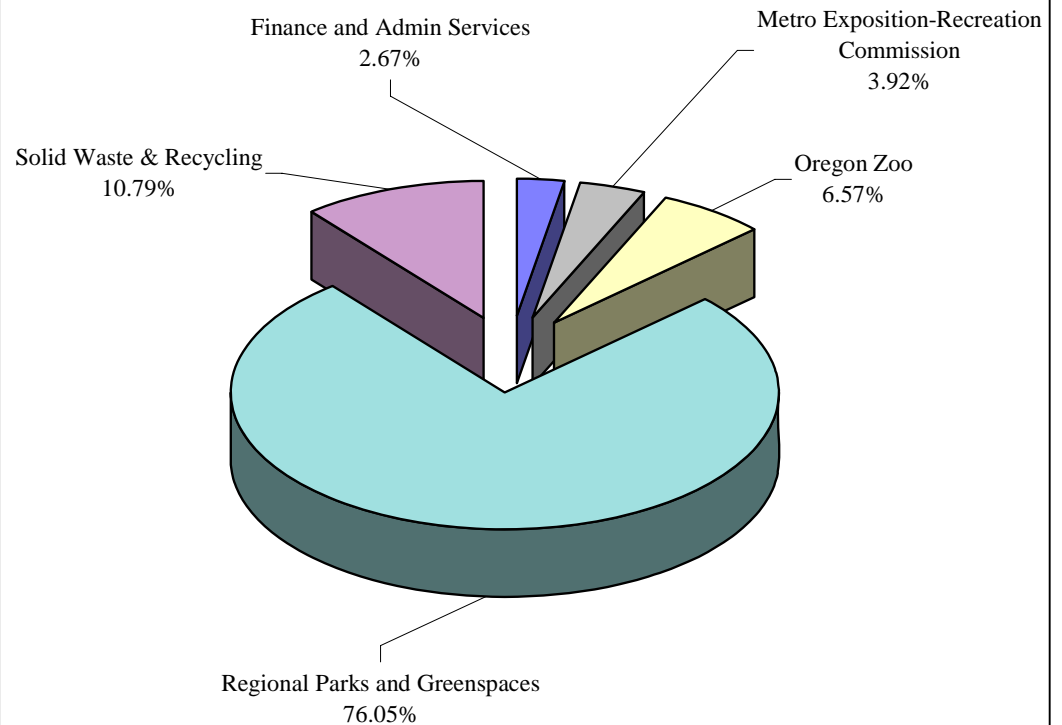
## Overview and Summary

Capital projects are defined in the Capital Budget (formerly known as the Capital Improvement Plan, or CIP) as any physical asset acquired or constructed by

Metro with a total capital cost of \$50,000 or more and a useful life of at least five years. The Capital Budget for FY 2005-06 through FY 2009-10 includes 95 capital projects at a total cost of about \$122.1 million. The capital costs of these projects by fiscal year are presented by department in the summary table below. The shaded line shows costs for the five years of this Capital Budget. The “Total” column represents the total project costs, including actual spending through FY 2003-04 and the FY 2004-05 budget.

This year’s Capital Budget is about two and one half times the prior year Capital Budget. This increase comes from the addition of a Regional Parks \$75 million project to purchase new Open Spaces properties. In prior years, the Capital Budget has been dominated by three large projects that are now winding down. Those projects are the Oregon Convention Center Expansion, the Zoo’s Great Northwest Project, and the original Open Spaces’

### Percentage of Project Cost by Department



### Project Cost Summary by Department/All Funds

Department	Total # of Projects	Prior Years	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	Total
Finance and Admin Services	11	2,328,523	408,000	811,500	796,000	380,000	871,000	5,595,023
Metro Exposition-Rec. Comm.	26	971,702	3,487,572	790,000	325,000	130,000	50,000	5,754,274
Oregon Zoo	10	6,596,376	3,103,066	1,190,000	635,000	3,100,000	-	14,624,442
Regional Parks and Greenspaces	16	130,687,073	3,424,985	9,697,849	26,935,430	26,640,402	26,185,000	223,570,739
Solid Waste and Recycling	32	1,354,880	2,825,000	2,067,800	3,095,900	2,778,000	2,411,000	14,532,580
<b>Total Metro</b>	<b>95</b>	<b>141,938,554</b>	<b>13,248,623</b>	<b>14,557,149</b>	<b>31,787,330</b>	<b>33,028,402</b>	<b>29,517,000</b>	<b>264,077,058</b>

Total FY 2005-2006 through FY 2009-2010

122,138,504

Total Number of Projects

95

land acquisition project. The balance of this Capital Budget is mainly comprised of regular renewal and replacement projects and the planned Regional Parks’ development of certain of the properties acquired by the Open Spaces bond measure.

The overall number of projects is one less than last year’s Capital Budget. Of the 95 projects in the Capital Budget, only 11 are new. With the exception of Regional Parks, this is indicative of the low funding for discretionary projects. Five of the new projects are Regional Parks projects.

Overall, the majority of the capital project expenditures during the five years are from three Metro departments: Regional Parks and Greenspaces at 76.05 percent, Solid Waste and Recycling at 10.7 percent, and the Oregon Zoo at 6.57 percent.

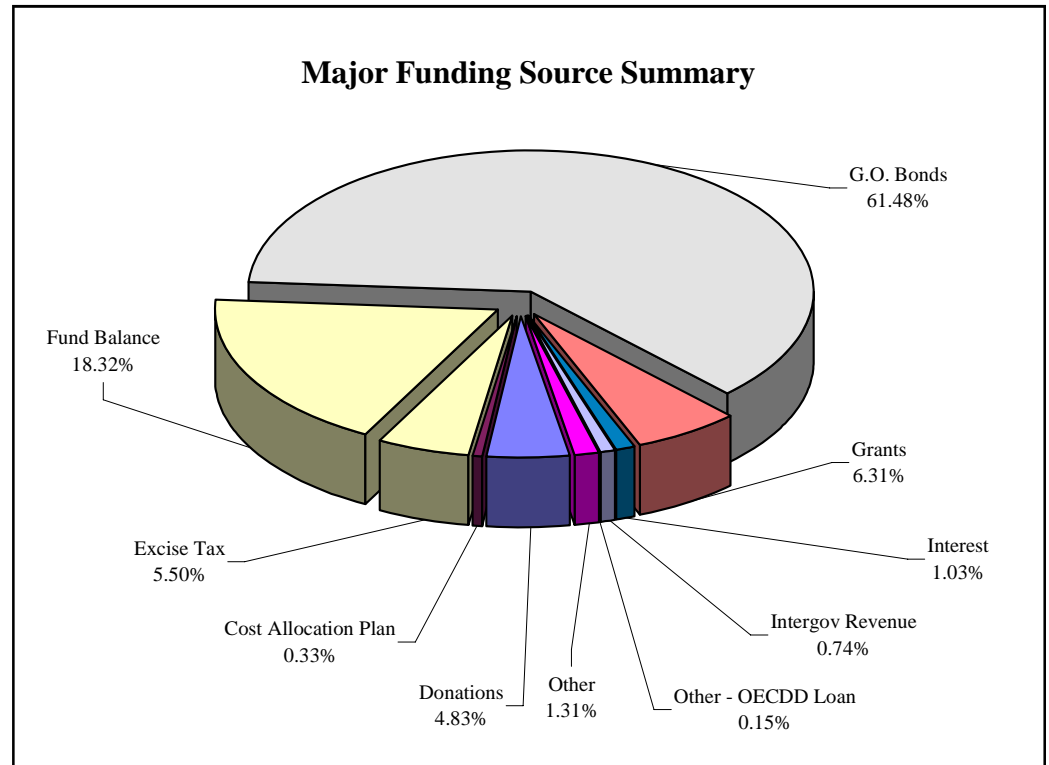
**Sources of Funds**

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

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

MERC and Zoo projects have typically been funded from Fund Balance and donations. MERC, in this Capital Budget, is funding many of PCPA’s projects from Naming Rights sales. These funds are held in trust by the Oregon Community Foundation, as stipulated by the donors, and are transferred as needed. They therefore appear as donations. In addition, MERC now has the dedication of \$.50 per ton of excise tax generated on Solid Waste to aid in funding those capital projects that will make them more competitive. The Zoo also has an active fundraising arm in the Oregon Zoo Foundation and is relying on their fundraising efforts for over 67 percent of their capital projects funding needs.

Regional Parks and Greenspaces non-land expenditures are predominantly funded by grants (42 percent) and excise tax (33 percent). The land purchases and some major improvements were funded by general obligation bonds. This Capital Budget anticipates expending renewal and replacement



funds set aside from the “dollar per ton” dedicated excise tax and developing new parks from an additional \$1.50 per ton dedicated excise tax.

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

1. **General Obligation (GO) Bond.** This is the anticipated funding source for the new Open Spaces Bond Measure. Metro plans on putting this measure on the ballot in FY 2006-07 and to begin expenditures in the year following.

## Major Funding Source Summary/All Funds

Source of Funds	Prior Years	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	Total
Donations	2,187,291	1,302,867	1,000,000	500,000	3,100,000	-	8,090,158
Capital Lease	1,263,341	-	-	-	-	-	1,263,341
Cost Allocation Plan	249,000	81,000	101,000	86,000	36,000	99,000	652,000
Excise Tax	234,357	1,933,830	1,672,500	985,000	940,402	1,185,000	6,951,089
Fund Balance and Reserves	3,322,750	7,136,550	4,205,800	4,519,330	3,367,000	3,151,000	25,702,430
G.O. Bonds	111,089,185	20,000	70,000	25,000,000	25,000,000	25,000,000	186,179,185
Grants	662,687	970,310	5,711,898	500,000	525,000	-	8,369,895
Interest	17,646,328	1,256,000	-	-	-	-	18,902,328
Intergovernment Revenue	630,474	250,000	653,451	-	-	-	1,533,925
Other - OECDD Loan	4,380,283	183,066	-	-	-	-	4,563,349
Other	272,858	115,000	1,142,500	197,000	60,000	82,000	1,869,358
<b>Total Metro</b>	<b>141,938,554</b>	<b>13,248,623</b>	<b>14,557,149</b>	<b>31,787,330</b>	<b>33,028,402</b>	<b>29,517,000</b>	<b>264,077,058</b>

2. **Fund Balance.** The second largest source of funds for capital projects, about 18 percent of total funds, is fund balance. Departments' fund balances, in the form of reserves or unrestricted funds, represent Metro's major source of pay-as-you-go financing. This financing technique is particularly well-suited for small- to medium-sized projects with a useful life of less than 20 years.

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

3. **Grants.** Grants comprise about 6 percent of total funding for capital projects and are tied directly to specific projects. Regional Parks and Greenspaces Department has the majority of grants. These include Metropolitan Transportation Improvement Program (MTIP) grant allocations, State Marine Board, and Oregon Department of Fish and Wildlife grants.

4. **Excise Tax.** This category is general fund excise tax allocated for department use. In FY 2004-05, Council adopted an additional levy of \$1.50 per solid waste disposed ton of garbage for the benefit of Regional Parks for a total of \$2.50 per ton and \$.50 to aid MERC in pursuing marketing opportunities for Oregon Convention Center.
5. **Donations.** The majority of the donations are in the Zoo and MERC Capital Budget submissions. Phase V of the Great Northwest, the Lion Exhibit, and the California Condor Captive Breeding Facility at the Oregon Zoo are expected to be funded through donations from individual and group fund raising efforts. Five of the MERC projects for the Portland Center for the Performing Arts (PCPA) are funded by donations (already sold Naming Rights).
6. **Other.** Other financing sources represent about 1.3 percent of total funds allocated to capital projects. This includes the financing of certain types of capital items using capital leases. To qualify for capital lease financing, equipment must have a unit cost greater than \$10,000 (except when purchasing as a component of a larger system) and an expected life greater than three years. The term of the lease may not exceed the life of the equipment.



7. **Interest.** This category is generally interest earned on bond proceeds and includes a large amount of interest for the Open Spaces Project and the Great Northwest Project. Interest can also be earnings on specified reserves for a project. This source makes up about 1 percent of overall project funding.
8. **Intergovernmental.** Intergovernmental revenues are contributions from other governmental units in the region or State of Oregon.
9. **Cost Allocation Plan.** This funding source is for central services projects, whose funding is derived from allocation to the operating departments. The category represents less than 1 percent of project funding. The Fiscal Year 2004-05 budget instituted a contribution to Renewal and Replacement for both the Information Technology agency needs and the Metro Regional Center. This action smooths out department contributions for needed renewal and replacement.

## Uses of Funds

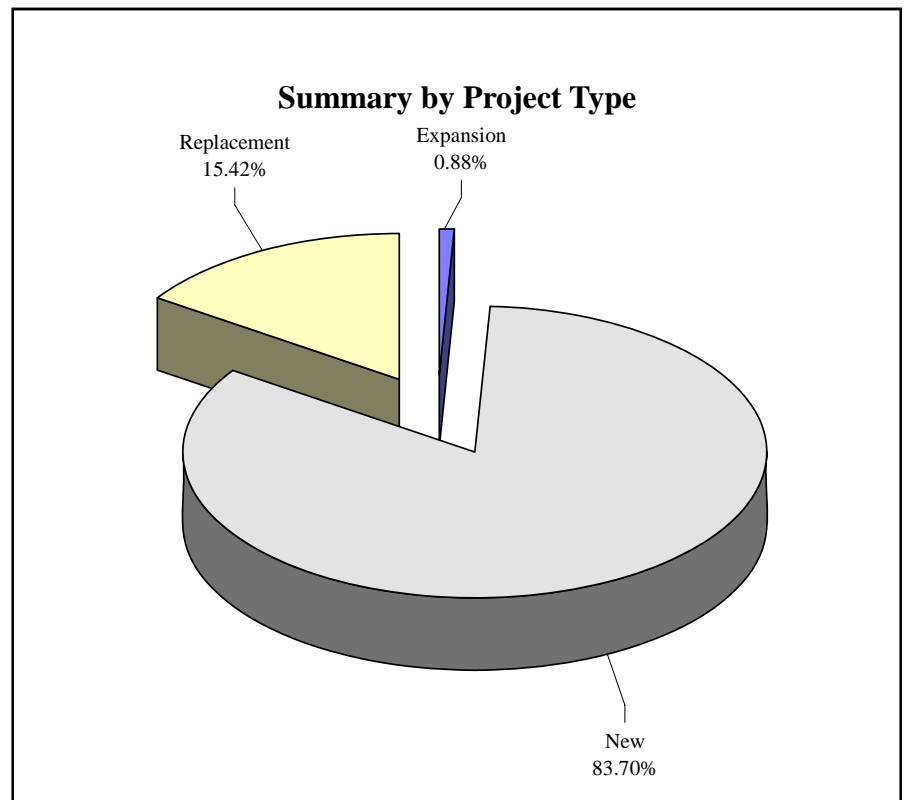
Capital projects in the Capital Budget consist of facilities (purchase, construction, or improvements), land acquisitions, and equipment purchases of \$50,000 or more. As shown on the “Summary by Project Type” chart; of the 95 projects, 84 percent are new construction or acquisition, 1 percent are expansion or remodeling projects, and 15 percent are replacement projects.

**Facilities.** About 29 percent of total funds is allocated to a variety of facility projects. These projects include the replacement, renovation, expansion or new construction of buildings, exhibits, roadways, trails, and other infrastructure. As with other capital projects, these capital assets must have a minimum useful life of five years to be considered. This eliminates routine maintenance and repair projects, which are treated as operating expenses. Regional Parks and Greenspaces projects account for about 47 percent of the total projects in this category, followed by the Oregon Zoo at 22 percent, and the Solid Waste and Recycling at 21 percent.

**Equipment.** About 9 percent of funds for capital projects is allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for Capital Budget consideration if it costs

\$50,000 or more and has a useful life of five years or more. Equipment required for new facilities is reflected in the costs of those facilities. About 54 percent of the equipment category relates to Solid Waste and Recycling improvements. Information Technology projects are the next highest, at about 22 percent, and MERC projects total 17 percent.

**Land.** The remaining 62 percent of total funds in the Capital Budget is allocated to land acquisition or improvements. This \$76.2 million amount is for Open Spaces Acquisition in the Regional Parks and Greenspaces Department. This program is financed with general obligation bonds that were approved by the Council and voters in FY 1994-95 and are scheduled to be complete in FY 2005-06, and a \$75 million proposed general obligation bond issue in FY 2006-07.



### Summary by Project Type

Department	Total # of Projects	Prior Years	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	Total
Expansion	5	252,000	255,000	19,000	106,000	-	690,000	1,322,000
New	37	136,158,420	8,974,845	11,308,849	28,655,330	26,786,402	26,501,000	238,384,846
Replacement	53	5,528,134	4,018,778	3,229,300	3,026,000	6,242,000	2,326,000	24,370,212
Total Metro	95	141,938,554	13,248,623	14,557,149	31,787,330	33,028,402	29,517,000	264,077,058

### Annual Operating Budget Impact Summary

Each department also projected the net impact on operating costs resulting from each capital project. The impact is shown in 2004 dollars for the first full year of operation after completion of the project. The table below is a summary by major budget category for all projects in the Capital Budget.

The chart labeled “Annual Net Operating Impact by Project” lists the projects with operating impact by department. Only three projects are expected to produce positive cash flows—two in Regional Parks, and one Zoo project. Those are the Blue Lake Water System Upgrade, the Golf Course at

Blue Lake Park, and the Zoo Lion Exhibit. Metro, overall, will have an additional cost of \$288,000 to \$641,308 per year from these projects. The projects adding the most to operating costs are the California Condor Captive Breeding Facility, the Mt. Talbert Development, the Cooper Mountain Park Development, and the St. Johns Landfill Leachate Pretreatment. Two projects show zero impact, but are listed as their proposed resources are expected to cover any new costs.

### Annual Operating Budget Impact Summary

Revenue and Cost By Major Budget Category	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	Total
<b>Revenues</b>	-	9,000	69,000	84,000	1,045,054	1,207,054
<b>Expenditures</b>						
Personal Services	143,000	154,500	284,171	418,097	491,502	1,491,270
Materials and Services	135,000	186,775	214,461	462,468	1,014,522	2,013,226
Capital Outlay	10,000	10,000	10,000	10,000	10,000	50,000
Other Costs	-	7,000	92,565	150,393	170,338	420,296
Total Expenditures	288,000	358,275	601,197	1,040,958	1,686,362	3,974,792
Net Contribution (Cost)	(288,000)	(349,275)	(532,197)	(956,958)	(641,308)	(2,767,738)

## Annual Net Operating Impact by Project

Project	FY 2005-2006	FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010
<b>MERC</b>					
Keller Auditorium - Portico Upgrades	-	(7,500)	(7,500)	(7,500)	(7,500)
<b>Total MERC</b>	<b>-</b>	<b>(7,500)</b>	<b>(7,500)</b>	<b>(7,500)</b>	<b>(7,500)</b>
<b>Oregon Zoo</b>					
Lion Exhibit	-	-	-	10,000	56,000
Calif Condor Captive Breeding Facility	(183,000)	(187,000)	(191,000)	(196,000)	(200,000)
Introduction to the Forest (GNWV)	(5,000)	(20,000)	(20,000)	(20,000)	(20,000)
<b>Total Zoo</b>	<b>(188,000)</b>	<b>(207,000)</b>	<b>(211,000)</b>	<b>(206,000)</b>	<b>(164,000)</b>
<b>Regional Parks and Greenspaces</b>					
M James Gleason Boat Ramp Phase I & II	-	-	(33,427)	(33,427)	(33,427)
Multnomah Channel Basin Reconnect	-	(2,000)	(2,000)	(2,000)	(2,000)
Golf Course at Blue Lake Park	-	-	-	(206,477)	94,038
Mt Talbert Development	-	-	(164,760)	(168,489)	(172,307)
Gales Creek/Tualatin River Confluence	-	(33,525)	(12,260)	(10,000)	(10,000)
Blue Lake Water System Upgrad - Phase 1	-	750	750	750	750
M James Gleason Boat Ramp Phase III & IV	-	-	-	-	(17,500)
Trolley Trail Engr & Const Phase I	-	-	-	-	-
Water Play Area Blue Lake	-	-	-	-	-
Cooper Mountain Park Development	-	-	-	(221,815)	(227,362)
<b>Total RP&amp;G</b>	<b>-</b>	<b>(34,775)</b>	<b>(211,697)</b>	<b>(641,458)</b>	<b>(367,808)</b>
<b>Solid Waste and Recycling</b>					
St Johns Landfill Leachate Pretreatment	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Metro C/S Modification of Hax Waste Fac.	-	-	(2,000)	(2,000)	(2,000)
<b>Total SW&amp;R</b>	<b>(100,000)</b>	<b>(100,000)</b>	<b>(102,000)</b>	<b>(102,000)</b>	<b>(102,000)</b>
<b>TOTAL METRO</b>	<b>(288,000)</b>	<b>(349,275)</b>	<b>(532,197)</b>	<b>(956,958)</b>	<b>(641,308)</b>

**Capital Budget  
Department  
Summaries**

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## Department Summary and Analysis

The following is an overview of the Five-Year Capital Budget departmental submissions and the narrative discussing relevant issues relating to each department's requests.

The following categories and charts are provided to give an overview and significant information regarding each Capital Budget submittal.

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

**Overview of Projects.** This narrative addresses significant issues regarding each department's Capital Budget submission. The overview includes information on:

- The status of projects budgeted in the current fiscal year.
- New projects.
- Changes in timing and scope of projects previously listed.
- Unfunded projects.

**Project Funding.** This section of the narrative discusses the sources of funding for the various projects and any overriding funding issues that may exist. This section refers to the *Major Funding Source Detail* chart provided for each department.

**Operational Impact.** This section of the narrative discusses the change in operational costs as a result of the projects and refers to the *Cumulative Net Impact on Operating Costs* chart if there is an operating impact.

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

**Finance and  
Administrative  
Services  
Department**

### Total Projects Summary - By Year

Finance			Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
<b>All Funds</b>									
IT1	3	Replace/Acquire Desktop Computers	\$378,659	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$828,659
<b>Total - All Funds</b>			<b>\$378,659</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$90,000</b>	<b>\$828,659</b>
<b>Planning Fund</b>									
94403/94404	5	Regional Land Information System (RLIS)	\$736,025	\$0	\$20,000	\$70,000	\$35,000	\$25,000	\$886,025
new	6	Travel Forecasting System Computer Replacement	\$727,666	\$0	\$122,500	\$127,000	\$25,000	\$57,000	\$1,059,166
<b>Total - Planning Fund</b>			<b>\$1,463,691</b>	<b>\$0</b>	<b>\$142,500</b>	<b>\$197,000</b>	<b>\$60,000</b>	<b>\$82,000</b>	<b>\$1,945,191</b>
<b>Support Services Fund</b>									
56110	1	Server Management	\$233,965	\$140,000	\$136,000	\$168,000	\$119,000	\$90,000	\$886,965
56120	2	Upgrade Network Infrastructure	\$198,208	\$30,000	\$25,000	\$55,000	\$25,000	\$55,000	\$388,208
65612	4	Upgrade of Business Enterprise Software (PeopleSoft)	\$0	\$63,000	\$0	\$50,000	\$0	\$63,000	\$176,000
<b>Total - Support Services Fund</b>			<b>\$432,173</b>	<b>\$233,000</b>	<b>\$161,000</b>	<b>\$273,000</b>	<b>\$144,000</b>	<b>\$208,000</b>	<b>\$1,451,173</b>
<b>SW Renewal &amp; Replacement Account</b>									
76921/76953	5	Replace Computer Network Components	\$0	\$67,000	\$67,000	\$0	\$0	\$0	\$134,000
<b>Total - SW Renewal &amp; Replacement Account</b>			<b>\$0</b>	<b>\$67,000</b>	<b>\$67,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$134,000</b>
<b>Building Management Fund</b>									
TEMP109	2	Metro Regional Center Roof Replacement	\$0	\$0	\$0	\$0	\$0	\$455,000	\$455,000
56180	3	Carpet Replacement	\$0	\$0	\$250,000	\$200,000	\$50,000	\$0	\$500,000
<b>Total - Building Management Fund</b>			<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$200,000</b>	<b>\$50,000</b>	<b>\$455,000</b>	<b>\$955,000</b>
<b>Support Services Fund</b>									
56130	1	Copier Replacement in Print Shop	\$0	\$0	\$65,000	\$0	\$0	\$0	\$65,000
56131	4	Satellite copier replacement	\$54,000	\$18,000	\$36,000	\$36,000	\$36,000	\$36,000	\$216,000
<b>Total - Support Services Fund</b>			<b>\$54,000</b>	<b>\$18,000</b>	<b>\$101,000</b>	<b>\$36,000</b>	<b>\$36,000</b>	<b>\$36,000</b>	<b>\$281,000</b>
<b>Total - Finance</b>			<b>\$2,328,523</b>	<b>\$408,000</b>	<b>\$811,500</b>	<b>\$796,000</b>	<b>\$380,000</b>	<b>\$871,000</b>	<b>\$5,595,023</b>

Total FY 2005-2006 through FY 2009-2010	\$3,266,500
Total # of Projects	11

## Finance and Administrative Services Department

The Property Services division of the Finance and Administrative Services Department (FAS) is responsible for the operations and maintenance of the Metro Regional Center, the attached parking garage, and the operation of the print shop at Metro. The Infor-

mation Technology division of FAS manages the information technology infrastructure and services of the agency. All projects throughout the agency related to information technology, regardless of funding source, are grouped in this section.

### Overview of Projects

#### *Property Services Division*

Included in the Property Services division FY 2005-06 through FY 2009-10 Capital Budget are four projects. The first of these four projects is the replacement of the roof on the Metro Regional Center. The existing roof is currently twelve years into an estimated twenty-year service life, with replacement anticipated in 2013. Although this project is technically outside of the five-year window for the Capital Budget, it is included because of its high cost and the need to begin reserving funds for completion.

The second capital project in the Property Services division, also relating to the Metro Regional Center, is for carpet replacement. The existing carpet has been in place since 1993, and is showing signs of wear in the higher traffic areas. This project is scheduled for completion over a three-year period, with one floor of the building being completed in each year. The timing for this project has changed from last year's Capital Budget, with the project now beginning one year later, in FY 2006-07. Both the carpet and roof replacement projects will be funded out of a Renewal and Replacement Reserve for the Metro Regional Center. Contributions to this reserve are made annually and are funded through allocations charged to the departments occupying the building.

Copier replacement, both within the print shop and throughout the departments, is an ongoing project representing the replacement of equipment that is at the end of its useful life. Replacement of these copiers is funded through the allocation of charges to the departments using print shop services. This year's Capital Budget includes the replacement of one print shop copier in FY 2006-07.

The Property Services division Capital Budget includes the ongoing replacement of satellite copiers. These copiers are located throughout the Metro Regional Center and are used by all of the departments in the building. As these copiers are replaced, they are being replaced with new machines that are able to print, fax, and scan, in addition to copy. These copiers operate at a much lower cost-per-page than the printers currently being used in the departments. Historically, under the copier replacement schedule, two copiers are purchased each year.

The Capital Budget for the Property Services division includes two unfunded projects: Air Rights Housing Project Over the Metro Parking Garage and Signs for Metro Regional Center. Currently, no funding has been identified for the completion of these projects.

#### *Information Technology Division*

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

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

This year's Capital Budget includes replacement of computer network components at some of the Solid Waste facilities. This network serves the Metro South and Metro Central Solid Waste Transfer Stations. Funding for this project is out of the Solid Waste Renewal and Replacement Account.



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

The remaining project, Replace/Acquire Desktop Computers, is a continuation of reporting the replacement costs of the agency for desktop computers. The annual amounts included for this project represent an average of the actual past expenditures for all desktop systems. Costs are budgeted throughout the agency, but all of the purchases are coordinated through the Information Technology Division.

The Capital Budget includes nine projects on the unfunded list for the Information Technology division. Six of the nine projects provide for new or greatly expanded information technology applications. Two projects provide for the upgrade or replacement of the Oregon Zoo's outdated network equipment and infrastructure. The final project provides for the replacement of the specialized HVAC system in the Metro Regional Center's main computer room. The projects included on this list have been recognized as of benefit to the agency; however, funding has not yet been identified.

## Major Changes from Prior Fiscal Year's Capital Budget

### *Property Services Division*

The timing for two projects has been changed in the Property Services Capital Budget. The first project, Carpet Replacement at the Metro Regional Center, has been delayed one year. The timing of this project may change again as the condition of the carpet is reassessed as part of next year's Capital Budgeting process. The second change was in the timing of the purchase of a satellite copier. One of the department printers, scheduled to be replaced with a multifunction satellite copier, was failing. Through a mid-year amendment to the Capital Budget, this copier was purchased one year early.

### *Information Technology Division*

This year's Capital Budget for the Information Technology division includes one additional project. The replacement of computer network components at some of the Solid Waste facilities had been in the Capital Budget

under the Solid Waste and Recycling Department but was moved to the Information Technology division to allow for better coordination of the project.

All other projects are of an ongoing or recurring nature. Replacement or upgrade of information technology hardware is proposed according to the existing replacement schedule, usually 3-5 years. Each year, as the projects are updated, costs may increase or decrease depending on the replacement cycle.

## Project Funding

The FY 2004-05 budget established, for the first time, a reserve for Metro Regional Center renewal and replacement projects. Contributions to this reserve (estimated at \$97,000 annually) are made based on projected needs and are funded through allocations charged to the departments occupying the building. Both capital projects for the Metro Regional Center, Roof Replacement and Carpet Replacement, are funded out of this reserve.

A renewal and replacement reserve was also established for information technology projects. The reserve was seeded with discretionary fund balance that has accumulated over a period of years from the Contractor's License program. Annual contributions to the reserve are made from allocations to departments through the cost allocation plan (estimated at \$150,000 annually), and from profits of the Contractor's License program (annual estimate of \$50,000). Ongoing replacement projects approved in the Five-Year Capital Budget will be funded from this reserve.

## Operational Impact

No operational impact has been estimated for any of the projects in the Finance and Administrative Services Department Capital Budget.

## Major Funding Source Detail

<b>Finance</b>						
Major Funding Source Category	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Fund Balance - Capital Reserve	\$404,324	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
Fund Balance - Renewal and Replacement	\$139,000	\$237,000	\$478,000	\$423,000	\$194,000	\$600,000
Other	\$272,858	\$0	\$142,500	\$197,000	\$60,000	\$82,000
Other - Cost Allocation Plan	\$249,000	\$81,000	\$101,000	\$86,000	\$36,000	\$99,000
Other Capital Lease	\$1,263,341	\$0	\$0	\$0	\$0	\$0
<b>Total - Finance</b>	<b>\$2,328,523</b>	<b>\$408,000</b>	<b>\$811,500</b>	<b>\$796,000</b>	<b>\$380,000</b>	<b>\$871,000</b>



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**Metro Exposition-  
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Commission**

Metro Exposition-Recreation Commission		Total Projects Summary - By Year							
Project No.	Priority	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total	
<b>MERC Pooled Capital Fund</b>									
57900	0	Event Management Software	\$200,000	\$44,000	\$0	\$0	\$0	\$0	\$244,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$200,000</b>	<b>\$44,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$244,000</b>
<b>MERC Pooled Capital Fund</b>									
57300	1	ASCH - West Entry Remodel	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
57420	4	ASCH - Carpet	\$120,000	\$180,000	\$0	\$0	\$0	\$0	\$300,000
TEMP199	4	ASCH - Boiler	\$0	\$80,000	\$0	\$0	\$0	\$0	\$80,000
57310	10	ASCH - Main Street Project Design & Feasibility	\$0	\$75,000	\$0	\$0	\$0	\$0	\$75,000
TEMP115	11	ASCH - Dressing Tower Elevator	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP32	17	ASCH - Fore Stage Lift Replacement	\$0	\$0	\$0	\$0	\$80,000	\$0	\$80,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$120,000</b>	<b>\$535,000</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$80,000</b>	<b>\$0</b>	<b>\$835,000</b>
<b>MERC Pooled Capital Fund</b>									
57110	1	Keller Auditorium - Portico Upgrades	\$7,756	\$102,244	\$0	\$0	\$0	\$0	\$110,000
57430	1	Keller - Ladders	\$35,000	\$40,000	\$0	\$0	\$0	\$0	\$75,000
57112	2	Keller - Chiller Replacement	\$0	\$250,000	\$0	\$0	\$0	\$0	\$250,000
57108	3	Keller - Lobbies Upgrade	\$370,846	\$45,525	\$0	\$0	\$0	\$0	\$416,371
57115	3	Keller Auditorium - HVAC Control Replacement	\$66,128	\$42,253	\$0	\$0	\$0	\$0	\$108,381
<b>Total - MERC Pooled Capital Fund</b>			<b>\$479,730</b>	<b>\$480,022</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$959,752</b>
<b>MERC Pooled Capital Fund</b>									
TEMP43	7	NTB - Stage Floor Replacement (Newmark Theatre)	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
57165	9	NTB (Winningstad) - Replace Seat Risers	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$0</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$200,000</b>
<b>MERC Pooled Capital Fund</b>									
57627	0	OCC - OCIP Insurance Reserve for OCC Expansion	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$100,000
57780	1	OCC - Leed Certification	\$30,000	\$813,000	\$0	\$0	\$0	\$0	\$843,000
TEMP113	2	OCC - Garbage Compactors	\$0	\$150,000	\$0	\$0	\$0	\$0	\$150,000
57622	5	OCC - Lobby Signage and Way Finding Kiosks	\$7,450	\$85,550	\$0	\$0	\$0	\$0	\$93,000
TEMP214	6	OCC - Replace Audio Visual Equipment	\$0	\$95,000	\$350,000	\$0	\$0	\$0	\$445,000
TEMP222	8	OCC - Audiovisual Equipment Head Room	\$0	\$985,000	\$0	\$0	\$0	\$0	\$985,000
TEMP112	12	OCC - Six Foot Round Tables	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP165	13	OCC - Replace Glass in Exterior Canopies in MLK & Holl	\$0	\$0	\$65,000	\$0	\$0	\$0	\$65,000
TEMP218	14	OCC - Replace Wall Coverings in all Meeting Rooms	\$0	\$0	\$125,000	\$0	\$0	\$0	\$125,000
TEMP213	15	OCC - Replace 8' and 6' Tables in Inventory	\$0	\$0	\$0	\$125,000	\$0	\$0	\$125,000
TEMP166	16	OCC - Resurface Exhibit Hall Moveable Partitions	\$0	\$0	\$0	\$150,000	\$0	\$0	\$150,000
<b>Total - MERC Pooled Capital Fund</b>			<b>\$87,450</b>	<b>\$2,178,550</b>	<b>\$640,000</b>	<b>\$275,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,181,000</b>
<b>MERC Pooled Capital Fund</b>									
57025	3	Expo - Parking Lot Maintenance	\$84,522	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$334,522
<b>Total - MERC Pooled Capital Fund</b>			<b>\$84,522</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$334,522</b>
<b>Total - Metro Exposition-Recreation Commission</b>			<b>\$971,702</b>	<b>\$3,487,572</b>	<b>\$790,000</b>	<b>\$325,000</b>	<b>\$130,000</b>	<b>\$50,000</b>	<b>\$5,754,274</b>

## Metro Exposition-Recreation Commission

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

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

### Overview of Projects

This review is broken down by the three major operating centers, PCPA, OCC, and Expo. PCPA is further broken down by the three facilities it manages.

#### *Portland Center for the Performing Arts*

- ***Arlene Schnitzer Concert Hall***

##### *FY 2004-05 Capital Budget Projects*

Four projects originally scheduled to be complete by the end of FY 2004-05 have been delayed, and therefore, the projects are being carried forward into FY 2005-06. They are:

- West Entry Remodel.
- Main Street Tent—The scope of this project was also changed from prior years, and currently only the design is budgeted.
- Carpeting project.
- Boiler.

The Sound System Replacement project was canceled. There is a \$1 million unfunded project to replace the entire sound system (ASCH-Electro-Acoustical Sound Enhancements).

##### *FY 2005-06 Capital Budget*

In addition to the above four projects carried into the current Capital Budget, two existing projects, Dressing Tower Elevator and Fore Stage Lift Replacement, remained the same as the previous Capital Budget.

- ***Keller Auditorium***

##### *FY 2004-05 Capital Budget Projects*

Of the five projects originally scheduled for completion in FY 2004-05, four have been carried forward to FY 2005-06. They are:

- Portico Upgrades.
- Lobbies Upgrade.
- HVAC Control Replacement.
- Chiller Replacement.

The Pit Lifting project scheduled for FY 2004-05 completion was canceled, as unnecessary. Two additional projects scheduled for later years were also canceled: the Upgrade of the Fire Alarm System was deemed unnecessary; and repairs were done to the roof, extending its useful life beyond this Capital Budget timeframe.

##### *FY 2005-06 Capital Budget*

The new capital budget lists only one project for the Keller—the Ladders; this is a new project for the Capital Budget. Originally, it was under the \$50,000 limit, but the scope of work has expanded the project to a total of \$75,000, with a portion of that project being completed in FY 2004-05.

- ***New Theatre Building***

##### *FY 2004-05 Capital Budget Projects*

- The replacement of the Seating Risers at the Winningstad is delayed into FY 2005-06.
- The Interior Painting project is canceled. The painting will be completed over time as maintenance.

*FY 2005-06 Capital Budget*

Projects listed in the capital budget are the Seating Risers, as mentioned above, and the Stage Floor Replacement as currently listed in the capital budget.

**Oregon Convention Center***FY 2004-05 Capital Budget Projects*

- Several projects are being completed as anticipated; they are OCC Expansion, Sound Proofing in Oregon Ballroom, and Video Signage System.
- The Replacement of the Glass in Exterior Canopies is delayed one year to FY 2006-07.
- The approved Leadership in Energy and Environmental Design (LEED) Certification projects, funded by the Tourism and Competitiveness Operating Account (MTOCA) is carried forward to FY 2005-06. In addition, the last of the OCC Expansion insurance reserve is not expected to be expended until FY 2005-06.
- One project, Canvas Tents for \$60,000 in FY 2004-05, is not an approved project in the current Capital Budget.

*FY 2005-06 Capital Budget*

- The Capital Budget contains three new projects: Lobby Signage and Way Finding Kiosks, the Replacement of 8-foot and 6-foot tables, and the Audio Visual Equipment Head Room (needed because the equipment is failing). MERC hopes to fund the Audio Visual Equipment Head Room project from the \$.50 per ton excise tax, but since that needs prior Metro approval, has listed the funding source as Fund Balance. If the request for excise tax is denied, it will fund this project with a loan of Expo's Fund Balance.
- The Garbage Compactor project is increased by \$80,000 due to actual bids and some additional design needs.
- All other projects are as listed in prior year Capital Budget

**Portland Exposition Center***FY 2004-05 Capital Budget Projects*

- The In-House Electrical Project was canceled as infeasible.

*FY 2005-06 Capital Budget*

- The only scheduled project for Expo is the ongoing repair of the Parking Lot.

**Operational Impact**

MERC Capital Budget submission indicates there is very little operational impact from the projects. Most projects are replacements of existing equipment but should produce some efficiency.

**Project Funding**

The five-year forecast provided by MERC indicates adequate funding to fund the capital projects, in part by utilizing funding raised in naming rights and proposing to use the per ton allocation of excise tax. Indications are that this five-year period virtually depletes available funding for the projects and provides no contributions to renewal and replacement reserves. The department is actively pursuing developing funding sources to make up for these shortfalls in on-going funding.

## Cumulative Net Impact on Operating Costs

<b>Metro Exposition-Recreation Commission</b>					
Annual Net Impact on Operating Costs	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Personal Services	\$0	\$7,500	\$7,500	\$7,500	\$7,500
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$7,500</b>	<b>\$7,500</b>	<b>\$7,500</b>	<b>\$7,500</b>
<b>Net Contribution (Cost) Metro Exposition-Recreation Commission</b>	<b>\$0</b>	<b>(\$7,500)</b>	<b>(\$7,500)</b>	<b>(\$7,500)</b>	<b>(\$7,500)</b>

## Major Funding Source Detail

<b>Metro Exposition-Recreation Commission</b>						
Major Funding Source Category	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Fund Balance - Capital Reserve	\$461,972	\$2,039,550	\$790,000	\$325,000	\$130,000	\$50,000
Donations	\$42,756	\$305,022	\$0	\$0	\$0	\$0
Donations - MERC	\$0	\$80,000	\$0	\$0	\$0	\$0
Other - City of Portland	\$436,974	\$250,000	\$0	\$0	\$0	\$0
Excise Tax	\$30,000	\$813,000	\$0	\$0	\$0	\$0
<b>Total - Metro Exposition-Recreation Commission</b>	<b>\$971,702</b>	<b>\$3,487,572</b>	<b>\$790,000</b>	<b>\$325,000</b>	<b>\$130,000</b>	<b>\$50,000</b>



**5 Year Financial Forecast Total MERC  
as of February 2005**

MERC Operating Fund	2004-05		Projections				
	Adopted	Est. Actual	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	<i>\$10,806,745</i>	<i>\$10,527,791</i>	<i>\$10,552,328</i>	<i>\$10,592,599</i>	<i>\$9,806,241</i>	<i>\$8,704,392</i>	<i>\$7,273,245</i>
Projected Operating Revenues	\$31,874,413	\$34,849,208	\$34,188,803	\$34,678,973	\$35,685,347	\$36,723,908	\$37,795,812
Less Operating Expenditures	(\$31,773,732)	(\$33,567,184)	(\$34,148,532)	(\$35,465,330)	(\$36,787,196)	(\$38,155,055)	(\$39,597,160)
Ending Fund Balance Prior to CIP	\$10,907,426	\$11,809,815	\$10,592,599	\$9,806,241	\$8,704,392	\$7,273,245	\$5,471,897
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$10,907,426</i>	<i>\$11,809,815</i>	<i>\$10,592,599</i>	<i>\$9,806,241</i>	<i>\$8,704,392</i>	<i>\$7,273,245</i>	<i>\$5,471,897</i>

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

**5 Year Financial Forecast OCC Only  
as of February 2005**

MERC Operating Fund	2004-05		Projections				
	Adopted	Est. Actual	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	<i>\$4,328,256</i>	<i>\$4,736,133</i>	<i>\$4,620,751</i>	<i>\$4,128,139</i>	<i>\$2,940,636</i>	<i>\$1,624,292</i>	<i>\$171,062</i>
Projected Operating Revenues	\$18,371,785	\$20,665,192	\$19,330,705	\$19,453,691	\$20,080,629	\$20,730,271	\$21,403,534
Less Operating Expenditures	(\$18,487,167)	(\$20,280,619)	(\$19,823,317)	(\$20,641,194)	(\$21,396,974)	(\$22,183,500)	(\$23,002,126)
Ending Fund Balance Prior to CIP	\$4,212,874	\$5,120,706	\$4,128,139	\$2,940,636	\$1,624,292	\$171,062	(\$1,427,530)
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$4,212,874</i>	<i>\$5,120,706</i>	<i>\$4,128,139</i>	<i>\$2,940,636</i>	<i>\$1,624,292</i>	<i>\$171,062</i>	<i>(\$1,427,530)</i>

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

**5 Year Financial Forecast Expo Only  
as of February 2005**

MERC Operating Fund	2004-05		Projections				
	Adopted	Est. Actual	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	\$3,204,397	\$2,539,442	\$2,615,582	\$2,708,516	\$2,802,016	\$2,877,192	\$2,942,780
Projected Operating Revenues	\$5,773,321	\$5,817,276	\$5,729,735	\$5,871,880	\$6,017,578	\$6,166,918	\$6,319,992
Less Operating Expenditures	(\$5,698,306)	(\$5,698,306)	(\$5,636,801)	(\$5,778,380)	(\$5,942,401)	(\$6,101,330)	(\$6,280,952)
Ending Fund Balance Prior to CIP	\$3,279,412	\$2,658,412	\$2,708,516	\$2,802,016	\$2,877,192	\$2,942,780	\$2,981,820
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$3,279,412</i>	<i>\$2,658,412</i>	<i>\$2,708,516</i>	<i>\$2,802,016</i>	<i>\$2,877,192</i>	<i>\$2,942,780</i>	<i>\$2,981,820</i>

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

**5 Year Financial Forecast PCPA Only  
as of February, 2005**

MERC Operating Fund	2004-05		Projections				
	Adopted	Est. Actual	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	\$3,219,962	\$3,198,086	\$3,189,107	\$3,569,307	\$3,811,515	\$3,876,126	\$3,748,025
Projected Operating Revenues	\$7,556,727	\$8,194,160	\$9,106,283	\$9,333,940	\$9,567,289	\$9,806,471	\$10,051,633
Less Operating Expenditures	(\$7,565,706)	(\$7,565,706)	(\$8,726,083)	(\$9,091,732)	(\$9,502,678)	(\$9,934,572)	(\$10,388,564)
Ending Fund Balance Prior to CIP	\$3,210,983	\$3,826,540	\$3,569,307	\$3,811,515	\$3,876,126	\$3,748,025	\$3,411,094
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$3,210,983</i>	<i>\$3,826,540</i>	<i>\$3,569,307</i>	<i>\$3,811,515</i>	<i>\$3,876,126</i>	<i>\$3,748,025</i>	<i>\$3,411,094</i>

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



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**Oregon Zoo**

**Total Projects Summary - By Year**

Oregon Zoo			Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
<b>General Revenue Bond Fund (Zoo)</b>									
TEMP188	5	Washington Park Parking Lot Renovation	\$4,380,283	\$183,066	\$0	\$0	\$0	\$0	\$4,563,349
<b>Total - General Revenue Bond Fund (Zoo)</b>			<b>\$4,380,283</b>	<b>\$183,066</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,563,349</b>
<b>Zoo Capital Projects Fund</b>									
512151	1	Introduction to the Forest (GNW V)	\$200,000	\$2,000,000	\$0	\$0	\$0	\$0	\$2,200,000
ZOO2	2	Lion Exhibit	\$0	\$0	\$0	\$0	\$2,600,000	\$0	\$2,600,000
ZOO5	3	Primate Building	\$724,414	\$0	\$0	\$500,000	\$500,000	\$0	\$1,724,414
ZCON	4	California Condor Breeding Facility & Exhibit	\$1,291,679	\$520,000	\$1,000,000	\$0	\$0	\$0	\$2,811,679
TEMP122	6	Admission Ticketing System Upgrade	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
TEMP15	7	Steller Cove Upgrades	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000
TEMP13	8	Administration Building Upgrades	\$0	\$0	\$0	\$135,000	\$0	\$0	\$135,000
<b>Total - Zoo Capital Projects Fund</b>			<b>\$2,216,093</b>	<b>\$2,720,000</b>	<b>\$1,100,000</b>	<b>\$635,000</b>	<b>\$3,100,000</b>	<b>\$0</b>	<b>\$9,771,093</b>
<b>Zoo Operating Fund</b>									
TEMP204	2	Stormwater Handling System	\$0	\$200,000	\$0	\$0	\$0	\$0	\$200,000
TEMP92	9	Elevator Replacements	\$0	\$0	\$90,000	\$0	\$0	\$0	\$90,000
<b>Total - Zoo Operating Fund</b>			<b>\$0</b>	<b>\$200,000</b>	<b>\$90,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$290,000</b>
<b>Total - Oregon Zoo</b>			<b>\$6,596,376</b>	<b>\$3,103,066</b>	<b>\$1,190,000</b>	<b>\$635,000</b>	<b>\$3,100,000</b>	<b>\$0</b>	<b>\$14,624,442</b>

Total FY 2005-2006 through FY 2009-2010	\$8,028,066
Total # of Projects	10

## Oregon Zoo

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

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

### Overview of Projects

In September 1996, the voters of the region approved a \$28.8 million bond measure to build the Great Northwest Exhibit (formerly called the Oregon Project). Interest on bond proceeds, donations, and a transfer from the Zoo Operating supplied additional funding for a total exhibit cost of \$37.7 million. Construction of the Exhibit was divided into five phases. The first major phase of the project opened in September 1998, with the new entrance facilities and the mountain goat exhibit. Other phases include Steller Cove, Eagle Canyon, and the Trillium Creek Family Farm. This year's Capital Budget includes the construction of Great Northwest project's Phase V, "Introduction to the Forest—Cascade Canyon Trail," which is scheduled to be completed in the summer of 2006.

Other projects are planned to rehabilitate and upgrade existing facilities, such as the Primate Facility, Steller Cove, and the Administration Building. New projects include a Lion Exhibit and the Condor Creek Conservation Facility and an on-site Condor Exhibit. There is also an elevator replacement project to maintain the facilities and ensure employee safety, and a project to upgrade the Zoo's admission ticketing system.

A parking lot improvement project is included, using funds remaining from the parking lot remodel that was done in conjunction with Westside MAX tunnel and the opening of the Great Northwest. The Washington Park parking lot renovation was completed several years ago; the residual funding is available for debt reduction or parking lot improvements.

Four capital projects were included in the Zoo budget for the 2004-05 fiscal year, two in the original Adopted Capital budget, and two more were added

midyear through amendments. The first of the four projects, the Washington Park Parking Lot Renovation, awaits land use permitting approval and is being carried over into the current year Capital Budget. The majority of work on the second project, Phase V of the Great Northwest Exhibit, is also being carried over into the current year. One of the projects added midyear, funded through a grant from the Environmental Protection Agency, was for the development of storm-water handling systems at the Zoo. This project was also carried over into the current fiscal year. The final project included in last year's Capital Budget was to refurbish the Tree Tops Area. This project was originally in the Five-Year Capital Budget for FY 2005-06, but was scaled back and moved ahead one year to address maintenance concerns and guest safety issues. All of the work on this project was completed last fiscal year.

The list of unfunded projects at the Oregon Zoo includes a total of eleven projects. See the Unfunded List for details.

### Major Changes from the Prior Fiscal Year's Capital Budget

Three projects, the Insect Zoo, the Cascade Grill and Sunset Room Remodel, and the AfriCafe Terrace Permanent Cover, included in last year's Capital Budget, have been moved to the unfunded list due to priority setting and a shortage of funds.

### Project Funding

Six out of the nine projects in the Zoo Five-Year Capital Budget are to be paid for with fund balance. Based on the financial projections, the fund balance in the Zoo Capital and General Revenue Bond funds are adequate to finance these capital projects. This was achieved by moving many projects to the unfunded list. The remaining three projects are to be funded through donations. Funding for future renewal and replacement needs remains problematic, requiring additional revenue beyond what is anticipated in the five-year projection.

### Operational Impact

The department has estimated the ongoing operational impact for three of the nine projects included in the current Five-Year Capital Budget.

### Cumulative Net Impact on Operating Costs

Oregon Zoo					
Annual Net Impact on Operating Costs	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Revenues	\$0	\$0	\$0	\$15,000	\$150,000
Personal Services	\$133,000	\$137,000	\$141,000	\$146,000	\$214,000
Materials and Services	\$55,000	\$70,000	\$70,000	\$75,000	\$100,000
<b>Total Expenditures</b>	<b>\$188,000</b>	<b>\$207,000</b>	<b>\$211,000</b>	<b>\$221,000</b>	<b>\$314,000</b>
<b>Net Contribution (Cost) Oregon Zoo</b>	<b>(\$188,000)</b>	<b>(\$207,000)</b>	<b>(\$211,000)</b>	<b>(\$206,000)</b>	<b>(\$164,000)</b>

### Major Funding Source Detail

Oregon Zoo						
Major Funding Source Category	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Donations	\$1,211,679	\$820,000	\$1,000,000	\$500,000	\$3,100,000	\$0
Fund Balance - Capital Reserve	\$924,414	\$1,850,000	\$190,000	\$135,000	\$0	\$0
Grants	\$80,000	\$200,000	\$0	\$0	\$0	\$0
Other	\$4,380,283	\$183,066	\$0	\$0	\$0	\$0
Other - Interest Earnings	\$0	\$50,000	\$0	\$0	\$0	\$0
<b>Total - Oregon Zoo</b>	<b>\$6,596,376</b>	<b>\$3,103,066</b>	<b>\$1,190,000</b>	<b>\$635,000</b>	<b>\$3,100,000</b>	<b>\$0</b>

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

Zoo Operating Fund	2004-05		Projections				
	Adopted	Est. Actual	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	\$6,005,062	\$6,303,383	\$6,811,011	\$6,165,321	\$5,331,504	\$4,365,385	\$3,162,332
Projected Current Revenues	\$24,038,921	\$24,038,921	\$24,301,692	\$24,667,000	\$25,231,000	\$25,807,000	\$26,390,000
Less Operating Expenditures	(\$25,561,888)	(\$23,531,293)	(\$24,747,382)	(\$25,410,817)	(\$26,197,119)	(\$27,010,053)	(\$27,856,130)
Ending Fund Balance Prior to CIP	\$4,482,095	\$6,811,011	\$6,365,321	\$5,421,504	\$4,365,385	\$3,162,332	\$1,696,203
Proposed Capital Projects	\$0	\$0	(\$200,000)	(\$90,000)	\$0	\$0	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$4,482,095</i>	<i>\$6,811,011</i>	<i>\$6,165,321</i>	<i>\$5,331,504</i>	<i>\$4,365,385</i>	<i>\$3,162,332</i>	<i>\$1,696,203</i>
<b>Ending Fund Balance Breakdown</b>							
Reserves	\$3,280,595	\$3,280,148	\$5,130,148	\$5,130,148	\$5,130,148	\$5,130,148	\$5,130,148
Unrestricted Fund Balance	\$1,201,500	\$3,530,863	\$1,035,173	\$201,356	(\$764,763)	(\$1,967,816)	(\$3,433,945)

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

**Five-Year Financial Forecast  
as of December, 2004**

Zoo Capital Fund	2004-05		Projections				
	Adopted	Estimated	2005-06	2006-07	2007-08	2008-09	2009-10
<i>Estimated Beginning Fund Balance</i>	\$3,698,288	\$4,640,828	\$4,959,357	\$2,270,511	\$2,144,089	\$1,975,913	\$1,933,814
Projected Revenues	\$1,155,474	\$1,217,612	\$110,984	\$1,057,000	\$554,000	\$3,149,000	\$48,000
Less Operating Expenditures	(\$571,083)	(\$71,083)	(\$79,830)	(\$83,422)	(\$87,176)	(\$91,099)	(\$95,198)
Ending Fund Balance Prior to CIP	\$4,282,679	\$5,787,357	\$4,990,511	\$3,244,089	\$2,610,913	\$5,033,814	\$1,886,616
Proposed Capital Projects	(\$3,000,000)	(\$828,000)	(\$2,720,000)	(\$1,100,000)	(\$635,000)	(\$3,100,000)	\$0
<i>Ending Fund Balance After CIP</i>	<i>\$1,282,679</i>	<i>\$4,959,357</i>	<i>\$2,270,511</i>	<i>\$2,144,089</i>	<i>\$1,975,913</i>	<i>\$1,933,814</i>	<i>\$1,886,616</i>

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





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**Planning  
Department**

## Planning Department

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

sections – Travel Forecasting and the Data Resource Center.

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

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

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

All computer projects are included in a consolidated information technology proposal. Refer to Finance and Administrative Services section for detail of the projects.

Due to budgeting constraints, no replacements are planned for FY 2005-06. A review of the replacement schedule and a condition assessment of existing equipment indicates the extension of the replacement schedule should result in unacceptable performance.

**Regional Parks  
and Greenspaces  
Department**

### Total Projects Summary - By Year

Regional Parks and Greenspaces			Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
<b>Open Spaces Fund</b>									
TEMP4	1	Open Spaces Land Acquisition	\$129,393,784	\$1,206,000	\$0	\$0	\$0	\$0	\$130,599,784
TEMP98	2	Open Spaces Land Acquisition - Second Phase	\$0	\$0	\$0	\$25,000,000	\$25,000,000	\$25,000,000	\$75,000,000
<b>Total - Open Spaces Fund</b>			<b>\$129,393,784</b>	<b>\$1,206,000</b>	<b>\$0</b>	<b>\$25,000,000</b>	<b>\$25,000,000</b>	<b>\$25,000,000</b>	<b>\$205,599,784</b>
<b>Regional Parks Capital Fund</b>									
TEMP187	1	Mt. Talbert Development	\$150,000	\$687,500	\$762,500	\$50,000	\$50,000	\$0	\$1,700,000
TEMP185	2	Cooper Mountain Park Development	\$0	\$150,000	\$795,000	\$705,000	\$150,000	\$100,000	\$1,900,000
TEMP184	3	Graham Oaks Nature Area Development	\$0	\$150,000	\$115,000	\$230,000	\$740,402	\$785,000	\$2,020,402
70170	4	M. James Gleason Boat Ramp Renovation Phase I & II	\$1,072,362	\$80,000	\$800,000	\$15,000	\$0	\$0	\$1,967,362
TEMP206	5	Golf Course at Blue Lake Park	\$14,570	\$50,000	\$1,500,000	\$935,430	\$0	\$0	\$2,500,000
70162	6	Water Play Area - Blue Lake Park	\$2,000	\$140,000	\$0	\$0	\$0	\$0	\$142,000
TEMP99	7	Trolley Trail Engineering & Construction - Phase I	\$0	\$0	\$1,015,959	\$0	\$0	\$0	\$1,015,959
70393	8	Three Bridges on the Springwater	\$0	\$0	\$4,691,000	\$0	\$0	\$0	\$4,691,000
TEMP205	9	Blue Lake Water System Upgrade - Phase I	\$30,000	\$60,000	\$0	\$0	\$0	\$0	\$90,000
TEMP186	10	Willamette Cove Park Development	\$0	\$0	\$0	\$0	\$0	\$300,000	\$300,000
TEMP147	11	M. James Gleason Boat Ramp - Phase III & IV	\$0	\$0	\$0	\$0	\$700,000	\$0	\$700,000
<b>Total - Regional Parks Capital Fund</b>			<b>\$1,268,932</b>	<b>\$1,317,500</b>	<b>\$9,679,459</b>	<b>\$1,935,430</b>	<b>\$1,640,402</b>	<b>\$1,185,000</b>	<b>\$17,026,723</b>
<b>Regional Parks Fund</b>									
70451	1	Gales Creek/Tualatin River Confluence Project	\$24,357	\$454,785	\$18,390	\$0	\$0	\$0	\$497,532
TEMP224	2	Multnomah Channel Basin Reconnection Project	\$0	\$378,700	\$0	\$0	\$0	\$0	\$378,700
71822	3	Salmon Habitat Improvement - Smith & Bybee Lakes Wild	\$0	\$68,000	\$0	\$0	\$0	\$0	\$68,000
<b>Total - Regional Parks Fund</b>			<b>\$24,357</b>	<b>\$901,485</b>	<b>\$18,390</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$944,232</b>
<b>Total - Regional Parks and Greenspaces</b>			<b>\$130,687,073</b>	<b>\$3,424,985</b>	<b>\$9,697,849</b>	<b>\$26,935,430</b>	<b>\$26,640,402</b>	<b>\$26,185,000</b>	<b>\$223,570,739</b>

Total FY 2005-2006 through FY 2009-2010	\$92,883,666
Total # of Projects	16

## Regional Parks and Greenspaces Department

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

the Open Spaces Program) include:

### Regional Parks and Facilities

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

### Natural Areas

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

The department also maintains 14 pioneer cemeteries.

## Overview of Projects

### *Active Capital Budget*

The FY 2005-06 through FY 2009-10 Regional Parks capital budget includes 16 projects — 5 new and 11 continued from the current capital budget. The new projects in the five-year planning horizon include:

- A second phase of open space acquisitions estimated to begin in FY 2007-08.
- Construction of a golf learning center at Blue Lake Regional Park to begin in FY 2005-06.
- Phase I upgrade of the water system at Blue Lake to begin at the end of FY 2004-05.
- Multnomah Channel Basin reconnection project to begin in FY 2005-06.
- Willamette Cove Park development estimated to begin in FY 2009-10.

Eleven other projects were previously included in the Capital Budget. The Cooper Mountain Park and the Graham Oaks Nature Area development projects are the only previously budgeted projects with first year spending in FY 2005-06. The department is scheduled to begin design and engineering on the Cooper Mountain Park development project next year. Restoration of the Graham Oaks Nature Area is also scheduled to begin next year. Of the remaining nine projects, six have spending planned in FY 2005-06: the original open space land acquisition project, Mt. Talbert Park development, M. James Gleason boat ramp renovations phases I and II, the water play area at Blue Lake Park, the Gales Creek/Tualatin River confluence restoration project, and the Salmon habitat improvement at Smith and Bybee Lakes.

The construction timeframe for a majority of the projects continued from the current capital budget has been modified. As part of the FY 2004-05 budget, the Council approved an increase in the solid waste excise tax of \$1.50 per ton to fund the development of four new park sites from purchased open space property. The initial proposal and current capital budget assumed an additional excise tax levy of \$1.00 per ton in FY 2005-06. It has since been determined that the additional \$1.00 per ton tax will not be levied. A revised capital proposal was prepared folding in the new funding level and Council direction. The revised proposal shifted the construction schedule of three of the projects:

- Mt. Talbert development – construction has been extended one year with completion now anticipated in FY 2006-07.
- Cooper Mountain development – the project has been accelerated one year with design and engineering now scheduled to begin in FY 2005-06.

- Graham Oaks Nature Area development – project has been delayed one year. Restoration will begin in FY 2005-06 with design and engineering now anticipated for FY 2007-08.

Four other projects – the Blue Lake water play area, the Trolley Trail, Three Bridges on the Springwater, and the Gales Creek/Tualatin River confluence restoration project – have each been carried over one year.

In addition to timing changes, five projects reflect significant cost increases. Based on full engineering specifications, the M. James Gleason boat ramp renovation phases I and II has increased approximately \$296,000 (about 18.0 percent). Grants from the Oregon State Marine Board are expected to pick up the majority of the cost increase. Also, the cost of the Gales Creek/Tualatin River confluence restoration project has increased 35 percent, or about \$130,000. Because of an unexpected delay, the department missed the planting season necessary to restore the site to historical vegetation. As a result, the department must re-prepare the site (mowing, spraying, etc.) for planting. The grants will pay for only one cycle of site preparation. Consequently, the majority of the new costs, about \$98,000, will be borne by excise tax. Finally, restoration projects on three of the four new park sites are now included in the overall project costs. Restoration costs include \$175,000 for the Mt. Talbert park, \$250,000 for Cooper Mountain park, and \$415,000 for the Graham Oaks Nature Area park. The inclusion of restoration projects increases the total costs for all three projects by \$840,000 (17.5 percent), from \$4.78 million to \$5.62 million. Restoration costs will be funded from the additional \$1.50 per ton on solid waste excise tax levy.

### ***Current Projects Status***

Seven projects included in the current capital budget are expected to be completed in FY 2004-05. Four of the projects were completed by the end of December 2004 – the Blue Lake lakefront enhancements, the Oxbow Park picnic shelters and restrooms, Glendoveer Golf Course fence repairs, and the Clackamas River Fish Channel restoration project. In addition, the majority of the Smith & Bybee Lakes facility improvements are complete leaving only installation of final landscaping to be done by spring 2005. Two other projects – road resurfacing at various park facilities and salmon habitat improvement at Smith & Bybee Lakes – will begin in the third quarter of FY 2004-05. A final project – a land donation from the Wetlands

Conservancy – was added to the capital budget in May and will be completed in June.

### ***Unfunded Projects***

Six projects are included on the department's unfunded list. All projects on the list have been identified as important to the mission of the department but are of lower priority than those listed in the active capital budget. Unfunded projects include improvements to Blue Lake and Howell Territorial parks as well as the development of a nature center at Oxbow Park. Two projects were removed from the unfunded list. The Blue Lake Park eastside wetlands enhancements have been deemed infeasible. Also, the Council has given tentative approval for a second phase of open space land acquisition. This project is now an active capital project.

### **Project Funding**

The department has prepared five-year projections for both the operating and capital funds.

The capital fund is used to track revenues and expenses related to major capital projects, and to manage renewal and replacement as required under the capital asset management policies. The projections reflect that all major capital projects are fully funded through the five-year planning window. Approximately 40 percent of capital funding is derived from a portion of the excise tax generated from an additional \$1.50 per ton levy on solid waste implemented in the FY 2004-05 budget, or from previously existing excise tax levies dedicated to regional parks. The remaining 60 percent of the funding is from outside sources such as grants and donations, or dedicated reserves originally received from Multnomah County.

The operating fund accounts for revenues and expenses related to the operations of all regional parks and open spaces, as well as major restoration projects included in the capital budget that are not determined by accounting definition to be capital outlay. The department has folded into the forecast most, but not all, of the operational impacts of the proposed capital projects. The forecast includes operating costs for the two new park sites scheduled to open during the five-year planning window. It assumes, however, that costs associated with Mt. Talbert (approximately \$120,000 annually, not including renewal and replacement) are funded

through an intergovernmental agreement with a local park provider. The forecast also assumes the continuation of PERS related costs, including the PERS reserve, throughout the five years. It does not include approximately \$23,000 in net new operating costs for projects such as M. James Gleason Boat Ramp renovations, the water play area at Blue Lake, and various restoration projects. It also does not include operations of the Blue Lake Golf Center estimated to begin in FY 2008-09. However, based on operating cost estimates included in the capital budget submittal, the project is expected to generate sufficient revenue to fully fund all related operations after the first year.

Previous operating and capital project projections assumed the levy of an additional \$1.00 per ton on solid waste beginning in FY 2005-06. It has subsequently been determined that the additional tax will not be levied. Even with a scaled back new expenditure proposal, a reorganization to gain efficiencies in operations, and the assumption of outside operating funding for at least one of the two new park sites scheduled to be opened during the forecast period, the elimination of approximately \$1.3 million annually in excise tax revenue has serious consequences for the department. Where previous projections reflected a sufficiency of funding for an extended period, new projections show a continued draw on ending reserves to maintain operations. Within a five-year period, unrestricted reserves are reduced from approximately \$1.0 million down to approximately \$261,000.

## **Operational Impact**

The department has done a very good job of including operating costs for projects. Operating costs include a component for renewal and replacement where appropriate. All estimates appear to be reasonable in nature and scope.

The new Open Space Acquisition phase II project does not include an estimate for operating costs. It is likely that the department will begin incurring operating costs for landbanking types of activities within two to three years from the start of acquisition. However, this project is just in the early stages of discussion. As details of the request are determined it is expected that future operating costs will be estimated and reflected in the capital budget.



### Cumulative Net Impact on Operating Costs

Regional Parks and Greenspaces					
Annual Net Impact on Operating Costs	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Revenues	\$0	\$9,000	\$69,000	\$69,000	\$895,054
Personal Services	\$0	\$0	\$125,671	\$254,597	\$260,002
Materials and Services	\$0	\$36,775	\$64,461	\$307,468	\$834,522
Renewal and Replacement	\$0	\$7,000	\$90,565	\$148,393	\$168,338
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$43,775</b>	<b>\$280,697</b>	<b>\$710,458</b>	<b>\$1,262,862</b>
<b>Net Contribution (Cost) Regional Parks and Greenspaces</b>	<b>\$0</b>	<b>(\$34,775)</b>	<b>(\$211,697)</b>	<b>(\$641,458)</b>	<b>(\$367,808)</b>

### Major Funding Source Detail

Regional Parks and Greenspaces						
Major Funding Source Category	Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Donations	\$932,856	\$97,845	\$0	\$0	\$0	\$0
Excise Tax	\$204,357	\$1,120,830	\$1,672,500	\$985,000	\$940,402	\$1,185,000
Fund Balance - Capital Reserve	\$68,160	\$95,000	\$500,000	\$450,430	\$0	\$0
Fund Balance - Renewal and Replacement	\$0	\$0	\$90,000	\$0	\$175,000	\$0
G.O. Bonds - Local Share	\$489,185	\$20,000	\$70,000	\$0	\$0	\$0
G.O. Bonds - Open Spaces	\$110,600,000	\$0	\$0	\$25,000,000	\$25,000,000	\$25,000,000
Grants	\$141,100	\$508,310	\$18,390	\$500,000	\$0	\$0
Grants - MTIP	\$0	\$0	\$5,053,508	\$0	\$0	\$0
Grants - OR Fish & Wildlife	\$40,000	\$138,000	\$0	\$0	\$0	\$0
Grants - State Marine Board	\$371,587	\$60,000	\$640,000	\$0	\$525,000	\$0
Grants / Donations	\$0	\$64,000	\$0	\$0	\$0	\$0
Interest on Bond	\$17,646,328	\$1,206,000	\$0	\$0	\$0	\$0
Milwaukie	\$0	\$0	\$28,000	\$0	\$0	\$0
Multnomah County	\$120,000	\$0	\$0	\$0	\$0	\$0
NCPRD	\$0	\$0	\$171,684	\$0	\$0	\$0
Other	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Other - Transfer	\$0	\$115,000	\$0	\$0	\$0	\$0
Other Gov Cont	\$73,500	\$0	\$0	\$0	\$0	\$0
Portland	\$0	\$0	\$453,767	\$0	\$0	\$0
<b>Total - Regional Parks and Greenspaces</b>	<b>\$130,687,073</b>	<b>\$3,424,985</b>	<b>\$9,697,849</b>	<b>\$26,935,430</b>	<b>\$26,640,402</b>	<b>\$26,185,000</b>

**5-Year Financial Forecast  
as of February 2005**

Regional Parks Operating Fund	FY 2004-05		Requested 2005-06	Projections			
	Adopted	Est. Actual		2006-07	2007-08	2008-09	2009-10
<b>Estimated Beginning Fund Balance</b>	\$3,478,901	\$3,478,901	\$3,212,580	\$3,070,183	\$2,499,505	\$2,004,503	\$1,832,161
Projected Operating Revenues	\$9,102,497	\$7,515,579	\$7,690,868	\$6,793,989	\$7,052,798	\$7,312,717	\$7,436,163
Less Operating Expenditures	(\$9,853,451)	(\$7,781,900)	(\$7,833,265)	(\$7,364,667)	(\$7,547,800)	(\$7,485,059)	(\$7,737,157)
Ending Fund Balance Prior to CIP	\$2,727,947	\$3,212,580	\$3,070,183	\$2,499,505	\$2,004,503	\$1,832,161	\$1,531,167
Proposed Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Ending Fund Balance After CIP</b>	<b>\$2,727,947</b>	<b>\$3,212,580</b>	<b>\$3,070,183</b>	<b>\$2,499,505</b>	<b>\$2,004,503</b>	<b>\$1,832,161</b>	<b>\$1,531,167</b>
<b>Ending Fund Balance Breakdown</b>							
Reserves	\$1,993,660	\$2,255,328	\$2,205,328	\$1,705,328	\$1,269,898	\$1,269,898	\$1,269,898
Unrestricted Fund Balance	\$734,287	\$957,252	\$864,855	\$794,177	\$734,605	\$562,263	\$261,269

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

**5-Year Financial Forecast  
as of February 2005**

Regional Parks Capital Fund	FY 2004-05		Requested 2005-06	Projections			
	Adopted	Est. Actual		2006-07	2007-08	2008-09	2009-10
<b>Estimated Beginning Fund Balance</b>	\$0	\$0	\$823,322	\$813,972	\$366,288	\$417,562	\$391,664
Projected Operating Revenues	\$2,472,562	\$2,472,562	\$1,598,150	\$9,587,775	\$2,342,704	\$1,795,504	\$1,376,252
Less Operating Expenditures	(\$678,500)	(\$620,000)	(\$500,000)	(\$546,000)	(\$486,000)	(\$451,000)	(\$506,000)
Ending Fund Balance Prior to CIP	\$1,794,062	\$1,852,562	\$1,921,472	\$9,855,747	\$2,222,992	\$1,762,066	\$1,261,916
Proposed Capital Projects	(\$1,029,240)	(\$1,029,240)	(\$1,107,500)	(\$9,489,459)	(\$1,805,430)	(\$1,370,402)	(\$1,035,000)
<b>Ending Fund Balance After CIP</b>	<b>\$764,822</b>	<b>\$823,322</b>	<b>\$813,972</b>	<b>\$366,288</b>	<b>\$417,562</b>	<b>\$391,664</b>	<b>\$226,916</b>
<b>Ending Fund Balance Breakdown</b>							
Reserves	\$764,822	\$823,322	\$813,972	\$366,288	\$417,562	\$391,664	\$226,916
Unrestricted Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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



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**Solid Waste  
and Recycling  
Department**

Solid Waste and Recycling			Total Projects Summary - By Year						
Project No.	Priority		Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Total
<b>Solid Waste General Account</b>									
76947	1	Metro C/S - Modifications to Haz Waste Facility	\$197,000	\$150,000	\$0	\$0	\$0	\$0	\$347,000
76928	2	Metro South- Latex Building/Public Area Lunch Room Con	\$5,000	\$55,000	\$0	\$0	\$0	\$0	\$60,000
76954	3	Metro Central - Woodroom Improvements	\$30,000	\$216,000	\$0	\$0	\$0	\$0	\$246,000
TEMP207	4	Metro South - Wood Staging Structure	\$0	\$60,000	\$420,000	\$0	\$0	\$0	\$480,000
76929	5	Metro South - Install High Capacity Baler	\$0	\$255,000	\$375,000	\$0	\$0	\$0	\$630,000
76955	6	Metro Central - Office Addition	\$0	\$0	\$19,000	\$106,000	\$0	\$0	\$125,000
76963	7	Metro Central - Seismic Cleanup	\$0	\$0	\$25,000	\$175,000	\$0	\$0	\$200,000
TEMP78	8	Metro Central - Chimney Removal	\$0	\$0	\$165,000	\$10,000	\$0	\$0	\$175,000
76931	9	Metro South - Wood Processing Capacity	\$0	\$0	\$60,000	\$595,000	\$150,000	\$0	\$805,000
TEMP173	10	Metro Central - Install New Scale at Scalehouse "C"	\$0	\$0	\$25,000	\$100,000	\$0	\$0	\$125,000
TEMP103	11	Metro South- Installation of Compactor for Public Unloadin	\$0	\$0	\$0	\$200,000	\$680,000	\$0	\$880,000
TEMP80	12	Metro Central - Rainwater Harvesting	\$0	\$0	\$0	\$0	\$0	\$310,000	\$310,000
TEMP175	13	Future Master Facility Plan Improvements	\$0	\$0	\$0	\$0	\$0	\$690,000	\$690,000
<b>Total - Solid Waste General Account</b>			<b>\$232,000</b>	<b>\$736,000</b>	<b>\$1,089,000</b>	<b>\$1,186,000</b>	<b>\$830,000</b>	<b>\$1,000,000</b>	<b>\$5,073,000</b>
<b>Solid Waste Landfill Closure</b>									
76987	1	St. John's - Leachate Pretreatment	\$342,290	\$50,000	\$0	\$0	\$0	\$0	\$392,290
76984	2	St. John's - Groundwater Monitoring Wells	\$0	\$200,000	\$10,800	\$0	\$0	\$0	\$210,800
76986	3	St John's - Perimeter Dike Stabilization and Seepage Con	\$3,309	\$60,000	\$211,000	\$442,000	\$6,000	\$6,000	\$728,309
76982	4	St. John's - Re-establish Proper Drainage	\$576,339	\$5,000	\$5,000	\$5,000	\$252,000	\$5,000	\$848,339
TEMP101	5	St. John's - Landfill Bridge Repairs	\$0	\$30,000	\$120,000	\$0	\$0	\$0	\$150,000
TEMP158	6	St. John's - Landfill Remediation	\$0	\$0	\$0	\$500,000	\$500,000	\$500,000	\$1,500,000
76985	7	St. John's - Native Vegetation on the Cover Cap	\$110,942	\$15,000	\$10,000	\$15,000	\$10,000	\$0	\$160,942
<b>Total - Solid Waste Landfill Closure</b>			<b>\$1,032,880</b>	<b>\$360,000</b>	<b>\$356,800</b>	<b>\$962,000</b>	<b>\$768,000</b>	<b>\$511,000</b>	<b>\$3,990,680</b>
<b>SW Renewal &amp; Replacement Account</b>									
76961	1	Metro Central - Rebuild Compactor No. 2	\$40,000	\$360,000	\$0	\$0	\$0	\$0	\$400,000
76962	2	Metro Central - Replace Compactor #2 Feed Conveyor	\$25,000	\$360,000	\$0	\$0	\$0	\$0	\$385,000
76945	3	Metro Central - Replace Compactor #3 Feed Conveyor	\$25,000	\$359,000	\$0	\$0	\$0	\$0	\$384,000
76944	4	Metro Central - Woodline	\$0	\$400,000	\$472,000	\$0	\$0	\$0	\$872,000
76930	5	Metro South - Install Sidewalk on Washington Street	\$0	\$250,000	\$0	\$0	\$0	\$0	\$250,000
TEMP153	6	Metro South - Compactor Replacement	\$0	\$0	\$150,000	\$750,000	\$750,000	\$0	\$1,650,000
TEMP178	7	Metro South - Repair Commercial Tip Floor	\$0	\$0	\$0	\$197,900	\$0	\$0	\$197,900
TEMP155	8	Metro Central-HHW- Ventilation System Replacement	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
TEMP157	9	Metro South-Replace Dust Suppression System Compon	\$0	\$0	\$0	\$0	\$50,000	\$0	\$50,000
TEMP156	10	Metro South- Replace Ventilation System Components	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
TEMP152	11	Metro Central - Truckwash	\$0	\$0	\$0	\$0	\$30,000	\$150,000	\$180,000
TEMP208	12	Metro Central - Compactor Replacement	\$0	\$0	\$0	\$0	\$150,000	\$750,000	\$900,000
<b>Total - SW Renewal &amp; Replacement Account</b>			<b>\$90,000</b>	<b>\$1,729,000</b>	<b>\$622,000</b>	<b>\$947,900</b>	<b>\$1,180,000</b>	<b>\$900,000</b>	<b>\$5,468,900</b>
<b>Total - Solid Waste and Recycling</b>			<b>\$1,354,880</b>	<b>\$2,825,000</b>	<b>\$2,067,800</b>	<b>\$3,095,900</b>	<b>\$2,778,000</b>	<b>\$2,411,000</b>	<b>\$14,532,580</b>

Total FY 2005-2006 through FY 2009-2010 \$13,177,700  
 Total # of Projects 32

## Solid Waste and Recycling Department

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

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

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

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

### Overview of Projects

#### *General Account*

The projects to be financed through the General Account Capital Reserve are typically new capital assets designed to increase the efficiency and effectiveness of Metro's two transfer stations: Metro Central and Metro South. The majority of these projects have been outlined in detail in a Master Facility Plan for the transfer stations, originally completed in April 1998, and updated early in fiscal year 2001-02. The Master Facility Plan and this capital budget are based on the following goals:

- Improve waste recovery and recycling.
- Reduce traffic congestion and improve site safety.

- Maximize station efficiencies.
- Improve facilities for Metro and station operator personnel.

One new project has been added to this Solid Waste Account — a proposed Wood Staging Structure for Metro South. This is the first of several projects to improve wood processing at Metro South, providing a covered area for wood processing.

#### *General Account Major Changes from Prior Fiscal Year's Capital Budget*

The timing of many projects has been adjusted in this capital budget. Four projects have been moved out one year:

- Metro South — Latex Bldg/Public Area — FY 04-05 to FY 05-06.
- Metro Central — Office Addition — FY 05-06 to FY 06-07.
- Metro Central — Woodroom Improvements — FY 04-05 to FY 05-06.
- Metro Central — Chimney Removal — FY 06-07 to FY 07-09.
- Metro South — Install Compactor for Public — FY 07-08 to FY 08-09.

Two projects have been moved out two years:

- Metro Central — Seismic Cleanup — FY 05-06 to FY 07-08.
- Metro South — Wood Processing Facility — FY 05-06 to FY 07-08.

These timing changes are the result of staging projects differently and current year project delays pushing projects out to later dates. The relocation of the Metro South Latex Paint Facility will be complete in FY 2004-05, but much later than anticipated, causing most of the delays in other projects. The cost of this move came in higher than anticipated due to City of Portland requirements, as well as some changes to the original bid. The installation of a high capacity baler at Metro South timing has remained substantially the same, but the project cost has reduced \$145,000.

### ***Landfill Closure***

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

There are no new projects in the Landfill Closure capital budget. The cost of the Leachate Pretreatment was reduced from \$525,000 to \$392,000.

Three projects have changes to their scheduling:

- Ground Water Monitoring Wells — FY 04-05 to FY 05-06.
- Perimeter Dike Stabilization — FY 05-06 to FY 06-07.
- St Johns Landfill Remediation — FY 06-07 to FY 07-08.

The delays in this account are due to uncertain needs. The preliminary closure permit from DEQ has been received, but later than expected, pushing some projects out. Metro and DEQ have signed a consent order in compliance with Oregon environmental cleanup rules for the St Johns Landfill. This consent order requires that Metro implement a Remedial Investigation (RI) and Feasibility Study (FS). The RI and FS, which will be completed over the next several years, are the first step in the ten-year closure of the St. Johns Landfill.

### ***Renewal and Replacement Account***

The projects financed through the Renewal and Replacement Account are replacements of equipment and rehabilitation of facilities needed to realize the optimal lifespan of capital components. Under bond covenants, Metro is required to maintain adequate reserves to finance capital asset replacements. Every three years, the department contracts with an engineering firm to assess the condition of equipment and facilities and calculate annual contribution amounts to the Renewal and Replacement Account. The latest study was completed December 2001, and this capital budget reflects the findings of that study. A new plan will be completed by Spring 2005. The bonds are paid off in FY 2009-10. Prior to the pay-off of the bonds that re-

quire this account, the department will re-evaluate its renewal and replacement policies and procedures.

- ***Renewal and Replacement Major Changes from Prior Fiscal Year's Capital Budget***

One new project, the need for compactor replacements at Metro Central, has been added. The two compactors at Metro Central were installed in late 2000 and early 2001. Staff estimates that they will be at the end of their useful life in 2010 and 2011. The conversion of the mechanical room at Metro South to lockers was completed in FY 2004-05.

Two projects have been delayed from the prior year capital budget submission:

- Metro South – Install Sidewalk on Washington Street — FY 05-06
- Metro Central – New Scale at Scalehouse C — FY 06-07 to FY 07-08 (This project's expected cost was also reduced \$150,000).
- Metro Central – Rain Water Harvesting — FY 06-07 to FY 09-10.

The project identified as "Future Renewal and Replacement Needs" was eliminated.

### **Project Funding**

The financing for Solid Waste projects is derived from a combination of tip fee contributions and capital reserves. Current projects show that a combination of fund balance and rate support is available to finance all the department's capital projects.

### **Operational Impact**

The capital budget submission does not include a complete discussion or display of potential operating impact of the proposed projects. The Solid Waste and Recycling Department consistently completes feasibility studies prior to design and construction of any project. Operating impact analysis will be more formally included in their future Capital Budget submissions. The department provided some operational information (displayed in the following table).

**Operating Cost Information on Solid Waste CIP Projects**

		<b>Operating Labor</b>	<b>Operating Supplies /Utilities</b>	<b>Maintenance</b>	<b>R&amp;R</b>	<b>Other</b>
<b>Solid Waste General Account</b>						
76947	MC/S Modify HHW Facility	No Change		No change	\$2,000	Reduce Repetitive Stress Injuries
76928	Metro Central Woodroom Imp.	No Change		No change	No Change	Could help increase materil recovery by 1%
Temp 207	MS Wood Staging Structure	No Change		Insignificant	\$4,000	Will contribute to site safety and increased material recovery.
76931	Metro South Wood Processing	<i>No Increase to Metro, cost to contractor is offset by increased revenue and will vary depending on contractor operating plans.</i>	<i>\$30,000 increase in electric cost to station operator, no added cost to Metro</i>	<i>\$25,000 average annual maintenance cost to station operator, no cost increase to Metro</i>	\$8,000	Note that O&M costs will be borne by Metro's Transfer Station Operator and will be paid for with avoided cost payments for material recovery. Will result in an immediate increase in revenue to our operator of \$6,000 per month solely from increased market value ground wood and transport cost savings at current recovery levels. A 5% - 10% increase in recovery of wood and yard debris is also anticipated.
76929	Metro South High Capacity Baler	<i>No Increase to Metro.</i>	<i>\$5,000 added electrical cost to station operator, no added cost to Metro.</i>	<i>\$5,000 per year estimated added maintenance cost to operator. No added cost to Metro.</i>	\$6,000	<i>Metro's transfer station operator will realize an increase in revenue of from \$20-\$25,000 for material currently recovered(OCC) and will be able to add to the number of materials recovered.</i>
76955	Metro Central Office Addn	None	Negligible	None	\$1,000	
Temp 103	Metro South- Install Compactor for Public Unloading Area	No increase to Metro	<i>\$15,000 per year electrical cost increase to transfer station operator.</i>	<i>\$15,000 per year in added maintenance.</i>	\$40,000	<i>The transfer station operator will offset cost increases with operating cost savings from elimination of transporting waste to the main transfe building. Estimated savings for eliminating this are between \$1.00 and \$1.25 per ton or \$50-75,000 per year.</i>
Temp 80	Metro Central - Rainwater Harvesting	None	<i>Reduce Water Cost by \$1,000 per month</i>	None	None	
<b>Solid Waste Landfill Closure</b>						
76984	Groundwater Monitoring Wells	None	None	None	None	<i>Increase in Lab Costs of from \$0 to \$30,000 per year depending on outcome of RIFS. This project is a result of added data required by DEQ as part of the RIFS.</i>
76986	Perimeter Dike Stabilization and Seepage Containment	None	None	None	None	Regulatory Requirement
76982	Re-establish Proper Drainage	None	None	None	None	Regulatory Requirement



### Cumulative Net Impact on Operating Costs

Solid Waste and Recycling		2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
<b>Annual Net Impact on Operating Costs</b>						
Personal Services		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Materials and Services		\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Capital Outlay		\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Renewal and Replacement		\$0	\$0	\$2,000	\$2,000	\$2,000
	<b>Total Expenditures</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$102,000</b>	<b>\$102,000</b>	<b>\$102,000</b>
<b>Net Contribution (Cost) Solid Waste and Recycling</b>		<b>(\$100,000)</b>	<b>(\$100,000)</b>	<b>(\$102,000)</b>	<b>(\$102,000)</b>	<b>(\$102,000)</b>

### Major Funding Source Detail

Solid Waste and Recycling		Prior Years	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
<b>Major Funding Source Category</b>							
Fund Balance - Capital Reserve		\$232,000	\$736,000	\$1,089,000	\$1,186,000	\$830,000	\$1,000,000
Fund Balance - Landfill Closure		\$1,002,880	\$360,000	\$356,800	\$962,000	\$868,000	\$511,000
Fund Balance - Renewal and Replacement		\$90,000	\$1,729,000	\$622,000	\$947,900	\$1,080,000	\$900,000
Grants		\$30,000	\$0	\$0	\$0	\$0	\$0
	<b>Total - Solid Waste and Recycling</b>	<b>\$1,354,880</b>	<b>\$2,825,000</b>	<b>\$2,067,800</b>	<b>\$3,095,900</b>	<b>\$2,778,000</b>	<b>\$2,411,000</b>

**Five-Year Financial Forecast  
as of February 2005**

Solid Waste Revenue Fund	2004-05		Projections				
	Adopted	Est. Actuals	2005-06	2006-07	2007-08	2008-09	2009-10
<b>Estimated Beginning Fund Balance</b>	<b>\$30,014,392</b>	<b>\$32,716,644</b>	<b>\$31,927,307</b>	<b>\$29,588,134</b>	<b>\$29,276,334</b>	<b>\$29,789,827</b>	<b>\$26,918,344</b>
Projected Operating Revenues	\$49,789,566	\$50,718,313	\$53,497,038	\$56,121,461	\$59,265,937	\$58,982,537	\$61,270,929
Less Operating Expenditures	(49,646,530)	(48,818,651)	(\$53,194,211)	(\$54,298,461)	(\$55,656,544)	(\$59,076,020)	(\$61,241,577)
Ending Fund Balance Prior to CIP	\$30,157,428	\$34,616,306	\$32,230,134	\$31,411,134	\$32,885,727	\$29,696,344	\$26,947,696
Proposed Capital Projects	(\$2,014,000)	(\$2,689,000)	(\$2,642,000)	(\$2,134,800)	(\$3,095,900)	(\$2,778,000)	(\$2,411,000)
<b>Ending Fund Balance after CIP</b>	<b>\$28,143,428</b>	<b>\$31,927,306</b>	<b>\$29,588,134</b>	<b>\$29,276,334</b>	<b>\$29,789,827</b>	<b>\$26,918,344</b>	<b>\$24,536,696</b>
<b>Ending Fund Balance Breakdown</b>							
Debt Service Reserve	\$3,556,946	\$3,615,918	\$3,615,918	\$3,615,918	\$4,654,368	\$2,349,000	\$0
Renewal & Replacement Reserve	\$4,516,881	5,298,717	4,407,887	4,422,536	4,177,388	3,692,731	3,474,664
Capital Reserve	\$2,871,280	2,569,362	1,833,362	1,200,000	1,200,000	1,200,000	1,200,000
Rate Stabilization	\$2,503,234	6,542,346	6,130,501	6,130,501	6,130,501	6,130,501	6,130,501
Working Capital	\$8,169,771	6,558,687	6,970,533	7,402,748	7,856,573	8,333,090	8,833,433
Reserves (Metro Central)	\$0	0	0	0	0	0	0
Business Assistance Account	\$0	700,000	450,000	450,000	450,000	450,000	450,000
Landfill Closure	\$6,525,316	6,642,276	6,179,933	6,054,631	5,320,997	4,763,022	4,448,098
Remaining Fund Balance	\$0	\$0	\$0	(\$0)	(\$0)	\$0	\$0

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



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## Unfunded Projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the Five-Year Capital Budget for one of the following reasons: (1) sufficient funds are not available

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

### Key To Unfunded Lists

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

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

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

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

**Estimated Project Cost** – Preliminary estimate of capital costs for the project expressed in 2004 dollars. A blank field here means the cost is unknown.

**List of Unfunded Projects**

**Department**

Project Title	Type	Prepared By	Dept Priority	Estimated Cost
<b>Finance</b>				
Zoo Network Infrastructure Upgrade	Expansion	David Biedermann	High	\$233,000
Zoo Network Equipment Replacement	New	David Biedermann	High	\$120,000
Connect PeopleSoft Accounts Payable and TRIM	New	David Biedermann	Medium	\$100,000
Webcasting of Public Meetings (primarily Metro Council)	New	David Biedermann	Medium	\$100,000
Eagle Salmon Infrastructure	New	David Biedermann	Medium	\$116,000
Zoo food cart network integration for central cash management	New	David Biedermann	Medium	\$100,000
Signs on Metro Regional Center	New	Brian Phillips	Medium	\$65,000
Develop Enterprise Business Applications Software	Expansion	David Biederman	Low	\$434,333
Air Rights (Housing) Project over Metro Parking Garage (no cost to Metro)	New	Brian Phillips	Low	\$25,000,000
Zoo Point of Sales System	Expansion	David Biedermann	Low	\$200,000
Replace main computer room specialized HVAC systems	Replacement	David Biedermann	Low	\$25,000
<b>Department Total</b>				<b>\$26,493,333</b>
<b>Metro Exposition-Recreation Commission</b>				
OCC-Install Electronic Locking System in Meeting & Ballrooms	New	Pam Krecklow	High	\$300,000
ASCH - Main Street Project Construction	New	Cynthia Hill	High	\$425,000
OCC-Air Wall Upgrade in Hall's A,B & C	Replacement	Cynthia Hill	High	\$200,000
Expo - South Property Development	New	Marilyn Shaw	High	\$1,934,127
Keller - Ceiling and Wall Painting	Replacement	Pam Krecklow	High	\$300,000
Keller Auditorium - Rehearsal Hall Modernization	Replacement	Pam Krecklow	High	\$700,000
OCC-Chiller Room Ventilation	New	Pam Krecklow	High	\$90,000
OCC-Volume Air Handler Upgrade	Replacement	Pam Krecklow	High	\$80,000
OCC - Construction of Headquarter Hotel Connection	New	Cynthia Hill	High	\$900,000
OCC - Rework Oregon Ballroom Capabilities	Replacement	Cynthia Hill	High	\$1,500,000
OCC-Finish Meeting Rooms	Replacement	Pam Krecklow	High	\$250,000
OCC - Cover the Plaza on MILK and Holladay	New	Cynthia Hill	High	\$5,000,000
OCC-Ops Office/Meeting Space	Replacement	Cynthia Hill	High	\$1,000,000
Expo-Replacement of Hall's A,B & C	New	Pam Krecklow	High	\$38,082,629
ASCH - Electro-Acoustical Sound Enhancements	New	Marilyn Shaw	Medium	\$1,000,000
<b>Department Total</b>				<b>\$51,761,756</b>

**List of Unfunded Projects, continued**

**Department**

<b>Project Title</b>	<b>Type</b>	<b>Prepared By</b>	<b>Dept Priority</b>	<b>Estimated Cost</b>
<b>Oregon Zoo</b>				
Asphalt Roads Path Repair and Replacement	Replacement	Sarah Chisholm	High	\$200,000
Asia Exhibit	New	Sarah Chisholm	High	\$45,000,000
Elephant Walls/Structural Upgrades	Replacement	Sarah Chisholm	Low	\$100,000
BearWalk Café Restroom Upgrades	Replacement	Sarah Chisholm	Medium	\$50,000
Insect Zoo	Replacement	Sarah Chisholm	Medium	\$125,000
Wolf Yard Renovations	Replacement	Sarah Chisholm	Low	\$75,000
Masai Hut and Pygmy Goat Barn	Replacement	Sarah Chisholm	Low	\$70,000
AfriCafe Terrace Permanent Cover	New	Sarah Chisholm	Low	\$100,000
Elephant Museum renovation	New	Sarah Chisholm	Low	\$100,000
Musk Ox Fencing	Replacement	Sarah Chisholm	Low	\$83,500
Cascade Grill and Sunset Room Remodel	New	Sarah Chisholm	Low	\$100,000
<b>Department Total</b>				<b>\$46,003,500</b>
<b>Regional Parks and Greenspaces</b>				
Blue Lake Park Improvements Phase 1	New	Heather Nelson Kent	High	\$8,900,000
Blue Lake Park Improvements Phase 2	New	Heather Nelson Kent	Medium	\$3,000,000
Oxbow Park - Diack Environmental Education Center	New	Heather Nelson Kent	Medium	\$1,767,645
Howell Territorial Park - Phase I and II Improvements	Expansion	Heather Nelson Kent	Low	\$1,075,000
Howell Territorial Park - Wildlife Interpretive Trail	New	Heather Nelson Kent	Low	\$172,000
Oxbow Park Capital Improvements	Expansion	Heather Nelson Kent	Low	\$3,400,000
<b>Department Total</b>				<b>\$18,314,645</b>
<b>Grand Total Unfunded Projects</b>				<b>\$142,573,234</b>

## Current Projects Status Reports

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

end of FY 2004-05. Status reports are grouped by department.

### Key to Status Reports

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

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

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

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

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

**Revised Cost Estimate.** The most recent estimate of total project costs. If blank, unchanged.

**Expenditures.** The total funds expended for the project as of June 30, 2004.

## Current Projects Status Report

### Department

Project ID	Project Title	FY First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Actual Expend.
<b>Metro Exposition-Recreation Commission</b>							
TEMP136	Keller - Pit Lifting System	2002-03	Canceled	06/30/2005	100,000		-
57151	NTB - Restaurant & Lobby Bar	2004-05	Incomplete	07/30/2004	85,000	215,000	-
TEMP201	NTB - Restaurant Kitchen	2003-04	Canceled	11/30/2004	80,000		-
TEMP45	NTB - Sound System Replacement (Newmark and Winningstad)	2001-02	Canceled	06/30/2005	75,000	35,000	-
TEMP74	NTB - Roof Repair	2002-03	Canceled	09/15/2004	80,000	10,000	-
57600	Oregon Convention Center - Expansion	1999-00	Complete	06/01/2005	115,000,000	-	-
57740	OCC - Video Signage System	2004-05	Complete	08/30/2004	266,750		-
57750	OCC - Canvas Tents	2004-05	Incomplete	06/30/2005	60,000		-
57760	OCC - Replace Sound Proofing in Oregon Ballroom	2004-05	Incomplete	Ongoing	55,000		-
Temp183	Expo - In-House Electrical	2004-05	Canceled	06/30/2005	750,000		-
<b>Oregon Zoo</b>							
51110	Great Northwest Project	1998-99	Incomplete	03/31/2005	35,600,000	37,657,987	35,254,615
TEMP188	Washington Park Parking Lot Renovation	NA	Incomplete	06/30/2005	5,000,000		4,201,295
ZAR16	Refurbish Tree Tops Area	1998-99	Incomplete	06/30/2005	400,000	100,000	-
<b>Regional Parks and Greenspaces</b>							
70167	Blue Lake Park - Lakefront Enhancement	2003-04	Complete	08/31/2004	348,311		-
70180	Oxbow Park - Picnic Shelters & Restrooms	2002-03	Complete	07/31/2004	410,000		-
70344	Clackamas River Fish Channel	2004-05	Complete	06/30/2005	1,200,000		-
70832	Glendoveer Golf Course Fence Repair	2004-05	Complete	12/31/2004	90,000		-
70833	Road Resurfacing	2004-05	Complete	06/30/2005	255,000		-
71780	Smith & Bybee Lakes Facility Improvements	2000-01	Complete	03/31/2005	355,800	815,250	-
71845	Smith & Bybee Wetlands Land Donation	2004-05	Complete	06/30/2005	320,000		-
<b>Solid Waste and Recycling</b>							
76924	Metro South - Northern Tip Floor Renovation	1998/99	Complete	08/01/2004	875,000	1,064,600	-





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**Five-Year Capital  
Budget Supporting  
Information**

*Capital Asset Management Policies*..... H-58  
*Executive Order No. 82 and Project Manual*..... H-61  
*Glossary* ..... H-68  
*Adopting Resolution*..... H-69

## Capital Asset Management Policies

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

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

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

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

### Capital Asset Management Policies

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Note: Beginning with fiscal year 2005-06, the Capital Improvement Plan (CIP) is referred to as the Five-Year Capital Budget.

# Executive Order No. 82 and Project Manual

## EXECUTIVE ORDER No. 82

EFFECTIVE DATE:  
November 12, 2002

SUBJECT:  
PROJECT MANAGEMENT

### PURPOSE

Metro has an excellent record of completing major capital projects on time, within budget, and meeting or exceeding the public's expectations. This Executive Order is intended to build on that record of success.

The Project Management Executive Order describes the high-level requirements for planning, communicating, managing, and evaluating capital projects. It does not describe the operational-level requirements for successfully completing a project.

The Order's requirements are generic and will need to be the separately published Project Management Manual. The Manual is dynamic and should be revised and clarified based on experience.

### SCOPE

The Order and the Manual establish mandatory requirements for capital projects as defined by the Metro Capital Improvement Plan Manual<sup>1</sup>:

"A capital project is any physical asset acquired, constructed or financed by Metro with a total capital cost of \$50,000 or more and a useful life of at least 5 years."

From time to time, the Chief Operating Officer or Department Director may require that the Manual's methodology be used for selected complex or high-interest non-capital projects. The Manual should be considered a useful source of information for anyone involved in a major project.

<sup>1</sup> Metro Capital Improvement Plan Manual (July, 2002). If the definition of a capital project is changed in subsequent versions of the Capital Improvement Plan Manual, the new definition will govern the applicability of these capital project management requirements.

### PROJECT CATEGORIES

For planning and management purposes, capital projects are classified according to their significance.

1. Major projects. Major projects have high visibility, significant risks, or have a total cost of \$1 million and greater.
2. Minor Projects. Minor projects are all other capital projects. Sometimes a group of *related* minor projects have an aggregate cost exceeding \$1 million and should be managed together as major project.
3. Non-capital Projects. As the Project Management Manual is refined through experience, the Chief Operating Officer may require the Manual's planning methodology be used for selected non-capital projects.

### PLANNING REQUIREMENTS

#### 1. Strategic Analysis

A Strategic Analysis is required for *all* capital projects.

The department proposing a capital project shall submit a Strategic Analysis to the Financial Planning Division when it submits its initial request to include a project in Metro's Capital Improvement Plan (CIP)<sup>2</sup>. A Strategic Analysis contains the elements described in the Capital Project Management Manual.

The Council approves the project for planning purposes when it adopts the CIP. The approval allows the department to request expenditure authority, usually through the annual budget process, for planning, analysis, and preliminary engineering.

#### 2. Conceptual Project Management Plan

A Conceptual Project Management Plan is required for *major* capital projects. It should be submitted via the Chief Financial Officer and

<sup>2</sup> Refer to the current version of the annual Metro Capital Improvement Plan Manual for instructions on the CIP\* process.

Metro Attorney to the Chief Operating Officer for approval according to the schedule in the Strategic Analysis. The larger and more complex the project, the earlier it should be submitted. In any case it must precede substantial commitments to the capital phases of the project. For example, the Plan should be approved before soliciting a construction contract, acquiring real property, or issuing debt financing. In no case should it be submitted later than the department's first annual budget request for the capital phase of the project.

A Conceptual Project Management Plan builds on the Strategic Analysis. It contains all of the major elements of an Implementation Workplan but with less detail. The usual elements are described in the Capital Project Management Manual.

### 3. Implementation Workplan

An Implementation Workplan is required for *all* capital projects. For major projects, it should be submitted with the department's first annual budget request for the capital phases of the project. For minor projects the Workplan should be submitted and approved by the department director one to six months before beginning construction. The larger or more complex the project, the earlier the Implementation Workplan should be submitted. The complexity and detail in the Workplan should be commensurate with the cost, complexity, and risk of the project.

An Implementation Workplan builds on the Strategic Analysis and the Conceptual Project Management Plan, if one was required. The usual elements are described in the Capital Project Management Manual.

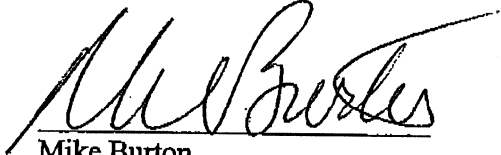
### TRAINING AND EVALUATION

Project management is a trainable skill that uses well-accepted and tested techniques, processes, and tools. It is different from the skill required to manage on-going operations. Metro has an obligation to train and learn from a cadre of skilled and experienced project managers.

The Chief Operating Officer shall appoint a Project Management Training Team with responsibilities that include:

- Identification of project manager qualifications
- Development of a project manager training program
- Establishment of project managers forum where Metro project managers can assist and learn from each other.

ORDERED by the Executive Officer this 12th day of November, 2002.



**Mike Burton**  
Executive Officer

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\* Note: Beginning with fiscal year 2005-06, the Capital Improvement Plan (CIP) is referred to as the Five-Year Capital Budget.

# Capital Project Management Manual

November 8, 2002  
(updated October 2004)

## I. OVERVIEW

**Purpose.** Metro has an excellent record of completing major capital projects on time, within budget, and meeting or exceeding the public's expectations. The Executive Officer has published the Capital Project Management Manual and tools to build on that record of success.

The Project Management Manual describes the high-level requirements for planning, communicating, managing, and evaluating capital projects. It does not describe the operational-level requirements for successfully completing a project.

The Manual's requirements are generic and will need to be adapted to accommodate the unique characteristics of particular projects. The Manual is dynamic and should be revised and clarified based on experience. That said, the Manual's requirements are not optional. They must be used as the basic template to plan and manage capital projects.

**Applicability.** The Manual's requirements are mandatory for capital projects as defined by the Metro Capital Improvement Plan Manual:

“A capital project is any physical asset acquired, constructed, or financed by Metro with a total capital cost of \$50,000 or more and a useful life of at least 5 years.”

From time to time, the Chief Operating Officer or Department Director may require that the Manual's methodology be used for selected complex or high-interest non-capital projects. The Manual should be considered a useful source of information for anyone involved in a major project.

**Project Categories.** For planning and management purposes, capital projects are classified according to their significance.

1. **Major projects.** Major projects have high-visibility, significant risks, or have a total cost of \$1 million and greater.
2. **Minor projects.** Minor projects are all other capital projects. Sometimes a group of *related* minor projects have an aggregate cost exceeding \$1 million and should be managed together as a major project.

## II. PLANNING REQUIREMENTS

### 1. Strategic Analysis

A Strategic Analysis is required for *all* capital projects.

The department proposing a capital project shall submit a Strategic Analysis to the Financial Planning Division when it submits its initial request to include a project in Metro's Capital Improvement Plan (CIP). A Strategic Analysis contains the following elements:

- a. **Purpose.** Succinctly state the project's purpose. What need does it fulfill; what mandate or policy does it satisfy? The purpose should normally be stated in one or two simple declarative sentences.
- b. **Scope and schedule.** List the major phases and deliverables including a discussion of siting options and issues if relevant. Describe the proposed schedule for phase and deliverable. For major projects (\$1 million or greater), indicate when the Conceptual Project Management Plan (see following section) will be submitted to the Chief Operating Officer for approval.
- c. **Management.** Describe in general terms the organization, roles, and responsibilities of the management team.
- d. **Stakeholders.** Identify the stakeholders and their interests in the project. If their positions are known, do they support or oppose the project? Describe their issues.
- e. **Risks.** Identify the major risks, if any, of not undertaking the project. Describe generally how the risks will be managed or mitigated.
- f. **Cost.** How much will the project cost? Describe the budget and financing. Include an estimate of future operational and maintenance costs in accordance with the same general methodology as Metro's Capital Asset Management policies.
- g. **Environmental sustainability.** Describe opportunities, costs, and benefits for the project to support and promote environmental stewardship.
- h. **Regulatory requirements.** List the major regulatory requirements for the project (e.g., land use and environmental approvals).



The Council approves the project for planning purposes when it adopts the CIP. The approval allows the department to request expenditure authority, usually through the annual budget process, for planning, analysis, and preliminary engineering.

## 2. Conceptual Project Management Plan

A Conceptual Project Management Plan is required for *major* capital projects. It should be submitted via the Chief Financial Officer and Metro Attorney to the Chief Operating Officer for approval according to the schedule in the Strategic Analysis. The larger and more complex the project, the earlier it should be submitted. In any case, it must precede substantial commitments to the capital phases of the project. For example, the Plan should be approved before soliciting a construction contract, acquiring real property, or issuing debt financing. In no case should it be submitted later than the department's first annual budget request for the capital phase of the project.

A Conceptual Project Management Plan builds on the Strategic Analysis. It contains all of the major elements of an Implementation Workplan but with less detail. The usual elements are:

- a. Purpose. Restate the purpose statement from the Strategic Analysis. If the project purpose has changed, explain how and why.
- b. Scope and schedule. Describe the project phases and deliverables and the schedule for each. Identify the critical paths. Include a conceptual architectural design.
- c. Siting. If siting is a relevant factor, describe the siting options and process for selection.
- d. Contract approach. Describe the project's contracting methodology (e.g., design/bid, bid/build, or construction manager/general contractor [CMGC]). How will contractors be selected (RFQ, RFB, RFP)?
- e. Management and decision making. Describe the organization, roles, responsibilities, and qualifications of the management team. Who has authority to make and approve decisions during the project, including changes? What resources will the management team

need to successfully complete the project? Consider training and technology needs.

- f. Stakeholders. Identify the stakeholders and their interests in the project. If their positions are known, do they support or oppose the project? What is the plan to build stakeholder support?
- g. Cost. How much will the project cost? Describe the budget and financing. Include an estimate of future operational and maintenance costs in accordance with the same general methodology as Metro's Capital Asset Management policies. Costs include hard and soft costs, art, internal Metro labor and overhead, consulting, communications, insurance, financing, environmental sustainability, furnishings, etc. Include a reasonable contingency, normally at least 10 percent of the total project cost. The cost estimate must be validated by independent review.
- h. Financing. In collaboration with the Financial Planning Division, describe the financing plan. Estimate payments and cash flow during the project.
- i. Financial management and reporting. In collaboration with the Accounting Division, describe generally how finances will be managed, tracked, and reported.
- j. Risk management and safety. Identify the major risks to the project, including environmental risks. Describe generally how the risks will be managed, mitigated, and insured. Describe generally the safety plan.
- k. Quality management. Describe generally how the quality of the project will be assured. Include a plan to solicit quality criteria (performance standards) from interested stakeholders. When selected, the criteria need to be stated in concrete and measurable terms (e.g., time, cost, specifications, performance, etc.). For projects over \$10 million, identify, at least by qualifications, the members of an independent project oversight committee.
- l. Environmental sustainability. Describe opportunities, costs, and benefits for the project to support and promote environmental stewardship. Consider LEED certification standards.

- m. Regulatory requirements. Describe generally the plan and schedule to obtain the necessary major regulatory approvals required for the project (e.g., land use and environmental approvals).
- n. Workforce diversity. Describe generally the plan to encourage workforce diversity including subcontractors.
- o. Communications. Describe generally the plan to communicate with stakeholders including, as appropriate, the Metro Council, Chief Operating Officer, Department Director, regulatory agencies, contributors, the public, contractors, and the workforce. Include milestone celebrations.
- p. Art. Describe generally the plan to comply with legal requirements to include art in the project.

### 3. Implementation Workplan

An Implementation Workplan is required for *all* capital projects. For major projects, it should be submitted with the department's first annual budget request for the capital phases of the project. For minor projects the Workplan should be submitted and approved by the department director one to six months before beginning construction. The larger or more complex the project, the earlier the Implementation Workplan should be submitted. The complexity and detail in the Workplan should be commensurate with the cost, complexity, and risk of the project.

An Implementation Workplan builds on the Strategic Analysis and the Conceptual Project Management Plan, if one was required. The usual elements are:

- a. Purpose. Restate the purpose statement from the Strategic Analysis. If the project purpose has changed, explain how and why.
- b. Scope and schedule. Describe in detail the project phases and deliverables and the schedule for each. Identify the critical paths.
- c. Siting. If siting is a relevant factor, describe the siting options and process for selection including public input.
- d. Contracts. Describe the nature and status of the project's major contracts. Identify the major contractors (e.g., architect, general contractor, etc.) if they have been selected.

- e. Management. Identify by name the members of the project team. Describe the team's organization, roles, responsibilities, and authority. Who has authority to approve and accept what aspects of the project, including changes? Does the team have the resources and support it needs to deliver the project on time and within budget?
- f. Stakeholders. Identify the stakeholders and their interests in the project. What is the plan to build and maintain stakeholder support?
- g. Cost. How much will the project cost? Describe the budget and financing. Include an estimate of future operational and maintenance costs in accordance with the same general methodology as Metro's Capital Asset Management policies. Costs include hard and soft costs, art, internal Metro labor and overhead, consulting, communications, insurance, financing, environmental sustainability, furnishings, etc. Include a reasonable contingency, normally at least 10 percent of the total project cost. Explain any significant changes in estimated costs over time. What are the risks that project costs will increase, and how will those risks be managed?
- h. Financing. In collaboration with the Financial Planning Division, describe the financing plan.
- i. Financial management and reporting. In collaboration with the Accounting Division, describe the project's financial management and reporting requirements, including invoice approval and processing.
- j. Risk management and safety. Identify the major risks to the project, including environmental risks. Describe how the risks will be managed, mitigated, and insured. Include a process to rapidly identify, assess, and manage unanticipated risks and crises. Describe the project safety plan.
- k. Quality management. Describe how the quality of the project will be assured. List the project's quality criteria (performance standards). They must be stated in concrete and measurable terms (e.g., time, cost, specifications, performance, etc.). Who will evaluate the project's performance? At what points will evaluation occur? To

whom will it be reported? Projects over \$10 million require an independent project oversight committee. Identify the members and their charge.

- l. Environmental sustainability. Describe the environmental stewardship features of the project. What are the costs and benefits? Will the project qualify for LEED or other green building certification? If not, why not?
- m. Regulatory requirements. In collaboration with the Office of the Metro Attorney, describe the status of the major regulatory approvals (e.g., land use and environmental) that are required for the project. Describe the plan and schedule to obtain final approval.
- n. Workforce diversity. Describe workforce diversity plan, including subcontractors.
- o. Communications. Describe the plan to communicate with stakeholders including, as appropriate, the Metro Council, Chief Operating Officer, Department Director, regulatory agencies, contributors, the public, contractors, and the workforce. Include milestone celebrations. Enlist the support of the Communications Team if necessary.
- p. Art. Describe the plan to comply with legal requirements to include art in the project.
- q. Evaluation and closeout. Describe generally the plan to evaluate and close out the project.
- r. Operations plan. After completion, describe in general terms the operations plan.

## Capital Project Management Manual – Appendix 1

### ELEMENTS OF PLANS DESCRIBED

1. Scope and schedule
2. Contracts
3. Management
4. Financial management
5. Reporting and documentation
6. Risk management and safety
7. Quality management
8. Environmental sustainability
9. Workforce diversity
10. Communications
11. Art
12. Claims, closeout, and evaluations

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## Capital Project Management Manual – Appendix 2

### TOOL KIT

1. Strategic Analysis Form
2. Conceptual Analysis Form
3. Implementation Analysis Form
4. Monthly Report Form
5. Evaluation Form

## Capital Project Management Manual – Appendix 3

### TRAINING AND EVALUATION

Project management is a trainable skill that uses well-accepted and tested techniques, processes, and tools. It is different from the skill required to manage on-going operations. Metro has an obligation to train and learn from a cadre of skilled and experienced project managers.

The Chief Operating Officer shall appoint a Project Management Training Team with responsibilities that include:

- Identification of project manager qualifications
- Development of a project manager training program
- Establishment of project managers forum where Metro project managers can assist and learn from each other

## Glossary

**Five-Year Capital Budget** –

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

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

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

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

**Capital Budget Document** – The official document presenting Metro's five-year capital budget. This document is included in the Budget document and contains information on Metro's capital funding capacity, unfunded capital needs, and a status report on current capital projects. Along with the annual operating budget document, the capital budget document is presented to the Council by the Council President for its consideration and adoption. Appropriations for capital projects continue to be made through the annual budget.

**Prior Capital Budget** – The capital budget for FY 2004-05 through FY 2008-09 adopted by the Metro Council on June 17, 2004.

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Note: Beginning with fiscal year 2005-06, the Capital Improvement Plan (CIP) is referred to as the Five-Year Capital Budget.

**Adopting  
Resolution**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ) RESOLUTION NO. 05-3568  
CAPITAL BUDGET FOR FISCAL ) Introduced by  
YEARS 2005-06 THROUGH 2009-10 ) David Bragdon, Council President

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

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

WHEREAS, Metro's Council President has directed the preparation of a Capital Budget for fiscal years 2005-06 through 2009-10 that projects Metro major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

WHEREAS, The Metro Council has reviewed the FY 2005-06 through FY 2009-10 Capital Budget; and

WHEREAS, The Council has conducted a public hearing on the FY 2005-06 through FY 2009-10 Capital Budget; now, therefore

BE IT RESOLVED,

1. That the FY 2005-06 through 2009-10 Capital Budget, included as Exhibit A to this Resolution, on file at the Metro offices, is hereby adopted.

2. That the Metro Council President is requested to include the FY 2005-06 capital projects from the FY 2005-06 through 2009-10 Capital Budget in the FY 2005-06 budget.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, General Counsel



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**Finance and Administrative Services**

<b>Project</b>	<b>Exp thru FY 2003-04</b>	<b>FY 2004-05 Budget</b>	<b>Total Prior Years</b>	<b>FY 2005-06</b>	<b>FY 2006-07</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>Grand Total</b>
<b>All Funds</b>									
Replace/Acquire Desktop Computers	263,659	115,000	378,659	90,000	90,000	90,000	90,000	90,000	828,659
<b>Total All Funds</b>	<b>263,659</b>	<b>115,000</b>	<b>378,659</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>828,659</b>
<b>Planning Fund</b>									
Regional Land Information System (RLIS)	706,025	30,000	736,025	-	20,000	70,000	35,000	25,000	886,025
Travel Forecast. Sys. Computer Replacement	710,666	17,000	727,666	-	122,500	127,000	25,000	57,000	1,059,166
<b>Total Planning Fund</b>	<b>1,416,691</b>	<b>47,000</b>	<b>1,463,691</b>	<b>-</b>	<b>142,500</b>	<b>197,000</b>	<b>60,000</b>	<b>82,000</b>	<b>1,945,191</b>
<b>Support Services Fund</b>									
Server Management	149,965	84,000	233,965	140,000	136,000	168,000	119,000	90,000	886,965
Upgrade Network Infrastructure	143,208	55,000	198,208	30,000	25,000	55,000	25,000	55,000	388,208
Upgrade of Business Enterprise Software (PS)	-	-	-	63,000	-	50,000	-	63,000	176,000
<b>Total Building Management Fund</b>	<b>293,173</b>	<b>139,000</b>	<b>432,173</b>	<b>233,000</b>	<b>161,000</b>	<b>273,000</b>	<b>144,000</b>	<b>208,000</b>	<b>1,451,173</b>
<b>SW Renewal &amp; Replacement Account</b>									
Replace Computer Network Components	-	-	-	67,000	67,000	-	-	-	134,000
<b>Total SW Ren. &amp; Replace. Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,000</b>	<b>67,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>134,000</b>
<b>Building Management Fund</b>									
Metro Regional Center Roof Replacement	-	-	-	-	-	-	-	455,000	455,000
Carpet Replacement	-	-	-	-	250,000	200,000	50,000	-	500,000
<b>Total Building Management Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>200,000</b>	<b>50,000</b>	<b>455,000</b>	<b>955,000</b>
<b>Support Services Fund</b>									
Copier Replacement in Print Shop	-	-	-	-	65,000	-	-	-	65,000
Satellite copier replacement	-	54,000	54,000	18,000	36,000	36,000	36,000	36,000	216,000
<b>Total All Funds</b>	<b>-</b>	<b>54,000</b>	<b>54,000</b>	<b>18,000</b>	<b>101,000</b>	<b>36,000</b>	<b>36,000</b>	<b>36,000</b>	<b>281,000</b>
<b>Total Finance and Administrative Services</b>	<b>1,973,523</b>	<b>355,000</b>	<b>2,328,523</b>	<b>408,000</b>	<b>811,500</b>	<b>796,000</b>	<b>380,000</b>	<b>871,000</b>	<b>5,595,023</b>

<b>Total FY 2005-06 through FY 2009-10</b>	<b>3,266,500</b>
<b>Total Number of Projects</b>	<b>11</b>



Metro Exposition-Recreation Commission

Project	Exp thru FY 2003-04	FY 2004-05 Budget	Total Prior Years	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	Grand Total
MERC Pooled Capital Fund									
Event Management Software	-	200,000	200,000	44,000	-	-	-	-	244,000
Total MERC Pooled for Admin	-	200,000	200,000	44,000	-	-	-	-	244,000
MERC Pooled Capital Fund									
ASCH-West Entry Remodel				200,000					200,000
ASCH - Carpet	-	120,000	120,000	180,000	-	-	-	-	300,000
ASCH-Boiler	-	-	-	80,000					80,000
ASCH - Main St. Project Design & Feasibility	-	-	-	75,000	-	-	-	-	75,000
ASCH - Dressing Tower Elevator	-	-	-	-	100,000	-	-	-	100,000
ASCH - Fore Stage Lift Replacement	-	-	-	-	-	-	80,000	-	80,000
Total MERC Pooled for ASCH	-	120,000	120,000	535,000	100,000	-	80,000	-	835,000
MERC Pooled Capital Fund									
Keller- Portico Upgrades		7,756	7,756	102,244					110,000
Keller-Ladders	-	35,000	35,000	40,000	-	-	-	-	75,000
Keller-Chiller Replacement				250,000					250,000
Keller-Lobbies Upgrade		370,846	370,846	45,525					416,371
Keller-HVAC Control Replacement		66,128	66,128	42,253					108,381
Total MERC Pooled for Keller	-	479,730	479,730	480,022	-	-	-	-	959,752
MERC Pooled Capital Fund									
NTB - Stage Floor Replacement	-	-	-	100,000	-	-	-	-	100,000
NTB (Winnigstad) - Replace Seat Risers	-	-	-	100,000	-	-	-	-	100,000
Total MERC Pooled for NTB	-	-	-	200,000	-	-	-	-	200,000
MERC Pooled Capital Fund									
OCC-OCIP Insurance Reserve	-	50,000	50,000	50,000	-	-	-	-	100,000
OCC-Leed Certification	-	30,000	30,000	813,000	-	-	-	-	843,000
OCC-Garbage Compactors	-	-	-	150,000	-	-	-	-	150,000
OCC-Lobby Signage and Way Finding Kiosks	-	7,450	7,450	85,550	-	-	-	-	93,000
OCC-Replace Audio Visual Equipment	-	-	-	95,000	350,000	-	-	-	445,000
OCC-Audiovisual Equipment Head Room	-	-	-	985,000	-	-	-	-	985,000
OCC-Six Foot Round Tables	-	-	-	-	100,000	-	-	-	100,000
OCC-Repl. Glass Ext Canopies/MLK, Holladay	-	-	-	-	65,000	-	-	-	65,000
OCC-Replace Wall Cover in Meeting Rooms	-	-	-	-	125,000	-	-	-	125,000
OCC-Replace 8' and 6' Tables in Inventory	-	-	-	-	-	125,000	-	-	125,000
OCC-Resurface Exh. Hall Moveable Partitions	-	-	-	-	-	150,000	-	-	150,000
Total MERC Pooled for OCC	-	87,450	87,450	2,178,550	640,000	275,000	-	-	3,181,000
MERC Pooled Capital Fund									
Expo - Parking Lot Maintenance	34,522	50,000	84,522	50,000	50,000	50,000	50,000	50,000	334,522
Total MERC Pooled for EXPO	34,522	50,000	84,522	50,000	50,000	50,000	50,000	50,000	334,522
<b>Total MERC</b>	<b>34,522</b>	<b>937,180</b>	<b>971,702</b>	<b>3,487,572</b>	<b>790,000</b>	<b>325,000</b>	<b>130,000</b>	<b>50,000</b>	<b>5,754,274</b>

Total FY 2005-06 through FY 2009-10	4,782,572
Total Number of Projects	26

Oregon Zoo

Project	Exp thru FY 2003-04	FY 2004-05 Budget	Total Prior Years	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	Grand Total
General Revenue Bond Fund (Zoo)									
Washington Park Parking Lot Renovation	4,201,295	178,988	4,380,283	183,066	-	-	-	-	4,563,349
<b>Total General Revenue Bond Fund</b>	4,201,295	178,988	4,380,283	183,066	-	-	-	-	4,563,349
Zoo Capital Projects Fund									
Introduction to the Forest (GNW V)	-	200,000	200,000	2,000,000	-	-	-	-	2,200,000
Lion Exhibit	-	-	-	-	-	-	2,600,000	-	2,600,000
Primate Building	724,414	-	724,414	-	-	500,000	500,000	-	1,724,414
California Condor Breeding Facility & Exhibit	1,011,679	280,000	1,291,679	520,000	1,000,000	-	-	-	2,811,679
Admission Ticketing System Upgrade	-	-	-	200,000	-	-	-	-	200,000
Steller Cove Upgrades	-	-	-	-	100,000	-	-	-	100,000
Administration Building Upgrades	-	-	-	-	-	135,000	-	-	135,000
<b>Total Zoo Capital Projects Fund</b>	1,736,093	480,000	2,216,093	2,720,000	1,100,000	635,000	3,100,000	-	9,771,093
Zoo Operating Fund									
Stormwater Handling System	-	-	-	200,000	-	-	-	-	200,000
Elevator Replacements	-	-	-	-	90,000	-	-	-	90,000
<b>Total Zoo Operating Fund</b>	-	-	-	200,000	90,000	-	-	-	290,000
<b>Total Zoo</b>	<b>5,937,388</b>	<b>658,988</b>	<b>6,596,376</b>	<b>3,103,066</b>	<b>1,190,000</b>	<b>635,000</b>	<b>3,100,000</b>	<b>-</b>	<b>14,624,442</b>

<b>Total FY 2005-06 through FY 2009-10</b>	<b>8,028,066</b>
<b>Total Number of Projects</b>	<b>10</b>

Regional Parks and Greenspaces

Project	Exp thru FY 2003-04	FY 2004-05 Budget	Total Prior Years	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	Grand Total
Open Spaces Fund									
Open Spaces Land Acquisition	126,296,844	3,096,940	129,393,784	1,206,000	-	-	-	-	130,599,784
Open Spaces Land Acquisition - Second Phase	-	-	-	-	-	25,000,000	25,000,000	25,000,000	75,000,000
<b>Total Open Spaces Fund</b>	126,296,844	3,096,940	129,393,784	1,206,000	-	25,000,000	25,000,000	25,000,000	205,599,784
Regional Parks Capital Fund									
Mt. Talbert Development	-	150,000	150,000	687,500	762,500	50,000	50,000	-	1,700,000
Cooper Mountain Park Development	-	-	-	150,000	795,000	705,000	150,000	100,000	1,900,000
Graham Oaks Nature Area Development	-	-	-	150,000	115,000	230,000	740,402	785,000	2,020,402
M. James Gleason Boat Ramp Reno Phase I, II	782,362	290,000	1,072,362	80,000	800,000	15,000	-	-	1,967,362
Golf Course at Blue Lake Park	14,570	-	14,570	50,000	1,500,000	935,430	-	-	2,500,000
Water Play Area - Blue Lake Park	-	2,000	2,000	140,000	-	-	-	-	142,000
Trolley Trail Engineering/Construction-Phase I	-	-	-	-	1,015,959	-	-	-	1,015,959
Three Bridges on the Springwater	-	-	-	-	4,691,000	-	-	-	4,691,000
Blue Lake Water System Upgrade - Phase I	-	30,000	30,000	60,000	-	-	-	-	90,000
Willamette Cove Park Development	-	-	-	-	-	-	-	300,000	300,000
M. James Gleason Boat Ramp - Phase III & IV	-	-	-	-	-	-	700,000	-	700,000
<b>Total Regional Parks Capital Fund</b>	796,932	472,000	1,268,932	1,317,500	9,679,459	1,935,430	1,640,402	1,185,000	17,026,723
Regional Parks Fund									
Gales Creek/Tualatin River Confluence Project	7,790	16,567	24,357	454,785	18,390	-	-	-	497,532
Multnomah Channel Basin Reconnection	-	-	-	378,700	-	-	-	-	378,700
Salmon Habitat Improv. - Smith & Bybee Lakes	-	-	-	68,000	-	-	-	-	68,000
<b>Total Regional Parks Fund</b>	7,790	16,567	24,357	901,485	18,390	-	-	-	944,232
<b>Total Regional Parks</b>	<b>127,101,566</b>	<b>3,585,507</b>	<b>130,687,073</b>	<b>3,424,985</b>	<b>9,697,849</b>	<b>26,935,430</b>	<b>26,640,402</b>	<b>26,185,000</b>	<b>223,570,739</b>

<b>Total FY 2005-06 through FY 2009-10</b>	<b>92,883,666</b>
<b>Total Number of Projects</b>	<b>16</b>



## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 05-3568, FOR THE PURPOSE OF ADOPTING THE CAPITAL BUDGET FOR FISCAL YEARS 2005-06 THROUGH 2009-10

Date: March 23, 2005

Presented by: William Stringer, Chief Financial Officer

## BACKGROUND

The proposed Capital Budget for Fiscal Years 2005-06 through 2009-10 represents Metro's long-range capital improvement planning process. Metro has established a sound base to forecast the agency's capital needs and balance those needs with available resources. As a result, Metro has been able to coordinate the financing and timing of its capital improvements in a way that maximizes the benefits to the public and provides opportunities to save money.

## ANALYSIS/INFORMATION

1. **Known Opposition:** None
2. **Legal Antecedents:** There is no legal requirement for Metro to prepare a Capital Budget.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the Capital Budget covering the years FY 2006 – FY 2010.

Within the 83 projects planned during the five years covered by this Capital Budget are projects for replacing or improving existing facilities, projects purchasing new equipment, and projects that create new facilities. The total cost for these projects during the five years is estimated to be \$118.6 million.

This Resolution is the formal instrument by which the plan will be adopted. Final action to adopt the plan should occur by June 16th, to incorporate the first year of the Plan into the Adopted Budget. Exhibit A is the Proposed Capital Budget and Exhibit B is a listing of all the projects that will be incorporated, as amended, into the Adopted Capital Budget. An "A" version of the Resolution will be provided at the time of approval if there are any further technical changes to the Capital Budget. Exhibit B is a listing of the projects that are incorporated into the Approved Budget document.

4. **Budget Impacts:** The plan's FY 2005-06 projects are the FY 2005-06 Budget's Capital Budget requests. The financial impacts of the projects are described in detail and in summary form in the Capital Budget.

## RECOMMENDED ACTION

The Council President recommends adoption of Resolution No. 05-3568, in concurrence with the Chief Financial Officer and Chief Operating Officer.