

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE)	RESOLUTION NO. 15-4632
CAPITAL IMPROVEMENT PLAN FOR FISCAL)	Introduced by Martha Bennett, Chief
YEARS 2015-16 THROUGH 2019-20, APPROVING)	Operating Officer, in concurrence with
THE METROPOLITAN TOURISM OPPORTUNITY)	Council President Tom Hughes
COMPETITIVENESS ACCOUNT PROJECTS AND)	
RE-ADOPTING METRO'S FINANCIAL POLICIES)	

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

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2015-16 through 2019-20 that projects Metro's major capital spending needs over the next five years;

WHEREAS, the Metro Council has reviewed the FY 2015-16 through FY 2019-20 Capital Improvement Plan; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2015-16 budget including the FY 2015-16 through FY 2019-20 Capital Improvement Plan; and

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

WHEREAS, the Metro Council annually approves funding from the Metropolitan Tourism Opportunity Competitiveness Account (MTOCA); now therefore

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

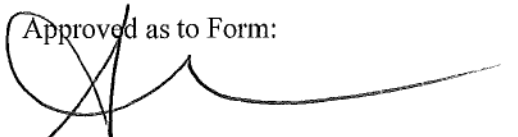
1. That the FY 2015-16 through FY 2019-20 Capital Improvement Plan (CIP), summarized in Exhibit A, is hereby adopted.
2. That the FY 2015-16 capital projects from the FY 2015-16 through FY 2019-20 Capital Improvement Plan be included and appropriated in the FY 2015-16 budget.
3. That the Comprehensive Financial Policies, including the Capital Asset Management Policies, included as Exhibit B to this Resolution, are re-adopted and will be published in the FY 2015-16 budget.
4. That MTOCA funding for the Oregon Convention Center and the Expo Center for FY 2015-16 is approved.

ADOPTED by the Metro Council this 18th day of June 2015.


 Tom Hughes, Metro Council President



Approved as to Form:


 Alison R. Kean, Metro Attorney

Draft -Total Project Summary with Major Funding Sources

Volume 2 Detail - Draft

Finance and Regulatory Services								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
SOLID WASTE GENERAL ACCOUNT								
SW Roadmap Project (Least Cost Planning Model)	65770	50,000	100,000	0	0	0	0	150,000
TOTAL SOLID WASTE GENERAL ACCOUNT		\$50,000	\$100,000	\$0	\$0	\$0	\$0	\$150,000
SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT								
Enforcement Vehicle Replacement	76856	30,000	30,000	30,000	30,000	30,000	30,000	180,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT		\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$180,000
TOTAL FINANCE AND REGULATORY SERVICES		\$80,000	\$130,000	\$30,000	\$30,000	\$30,000	\$30,000	\$330,000
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20		\$250,000	Total Number of Projects 2					

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Capital Reserve	50,000	100,000	0	0	0	0
Fund Balance- Renewal and Replacement	30,000	30,000	30,000	30,000	30,000	30,000
Total- Finance and Regulatory Services	\$80,000	\$130,000	\$30,000	\$30,000	\$30,000	\$30,000

Information Services								
GENERAL FUND RENEWAL AND REPLACEMENT								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Information Technology R&R Projects < \$100,000	Various		437,819	282,662	486,658	376,656	468,953	2,052,748
Council Audio Video	01326	50,000	208,000	0	0	0	0	258,000
VOIP Scoping	65701A	50,000	0	0	0	0	0	50,000
Peoplesoft Renewal and Replacement	65612	25,000	67,118	0	144,358	0	0	236,476
PeopleSoft Supplier Contract Management Module	65120	80,000	100,000	0	0	0	0	180,000
Executive Conference Room 301	TBD	0	0	100,000	0	0	0	100,000
Website - R&R	TBD	0	0	0	0	264,113	0	264,113
Netapp 3050 (Alex) File Server	TBD	0	0	0	0	275,000	0	275,000
MRC Wiring plant (twisted copper and fiber)	TBD	0	0	0	0	0	190,236	190,236
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT		\$205,000	\$812,937	\$382,662	\$631,016	\$915,769	\$659,189	\$3,606,573
GENERAL FUND								
Metro Intranet Implementation	65605	0	30,000	0	0	0	0	30,000
Agenda Management Software	01556	0	80,000	0	0	0	0	80,000
Customer Relationship Software (CF)	65675A	0	129,150	0	0	0	0	129,150
TOTAL GENERAL FUND		0	239,150	0	0	0	0	239,150
CAPITAL FUND								
Project Management Software (CF)	01555	0	141,000	0	0	0	0	141,000
Enhanced Fire Suppression System (Data Center)	01560	0	50,000	0	0	0	0	50,000
TOTAL CAPITAL FUND		0	191,000	0	0	0	0	191,000
TOTAL INFORMATION SERVICES		\$205,000	\$1,243,087	\$382,662	\$631,016	\$915,769	\$659,189	\$4,036,723
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20		\$3,831,723	Total Number of Projects 14					

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Renewal and Replacement	205,000	674,937	382,662	631,016	915,769	659,189
Fund Balance- Reserve for One Time Expenditures	0	459,150	0	0	0	0
Grants/Funding From Other Agencies	0	109,000	0	0	0	0
Fund Balance	0	0	0	0	0	0
Total- Information Services	\$205,000	\$1,243,087	\$382,662	\$631,016	\$915,769	\$659,189

Draft -Total Project Summary with Major Funding Sources

PES								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
MRC GENERAL FUND RENEWAL AND REPLACEMENT								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Property Services R&R Projects < \$100,000	Various	0	77,937	160,400	77,600	24,934	55,000	395,871
VOIP Phone System Upgrade - MRC	65701B	0	140,400	445,132	0	0	0	585,532
Central Environmental System (CF)	01324	0	126,800					126,800
PES Fleet	70001	0	98,821	172,643	280,122	301,155	170,814	1,023,555
MRC Fire Sprinkler Replacement	01323	430,000	160,000	0	0	0	0	590,000
MRC Daycare Carpets	TBD	0	0	0	156,000	0	0	156,000
Rooftop Air Handler RAC 1	TBD	0	0	250,000	0	0	0	250,000
Rooftop Air Handler RAC 2	TBD	0	0	175,000	0	0	0	175,000
Rooftop Air Handler RAC 3	TBD	0	0	125,000	0	0	0	125,000
MRC Roof	01320	100,000	465,000	0	0	0	0	565,000
Parking Structure Resealing	TBD	0	0	0	0	233,750	0	233,750
Rooftop HVAC Unit RAC4 Daycare	TBD	0	0	0	0	120,000	0	120,000
TOTAL MRC GENERAL FUND RENEWAL AND REPLACEMENT		\$530,000	\$1,068,958	\$1,328,175	\$513,722	\$679,839	\$225,814	\$4,346,508
REGIONAL PARKS SPECIAL ACCOUNTS FUND								
		0	0	0	0	0	0	0
TOTAL REGIONAL PARKS SPECIAL ACCOUNTS FUND		0	0	0	0	0	0	0
REGIONAL PARKS CAPITAL FUND								
Willamette Falls Riverwalk	WF010	0	135,000					135,000
MRC Building Envelope	01328	0	186,000	0	0	0	0	186,000
MRC Space Plan Remodel	01327	0	440,400	0	0	0	0	440,400
Oxbow Park Campground Road (CF)	70213	32,750	115,750	0	0	0	0	148,500
TOTAL REGIONAL PARKS CAPITAL FUND		\$32,750	\$877,150	\$0	\$0	\$0	\$0	\$909,900
PARKS GENERAL FUND RENEWAL AND REPLACEMENT								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Parks R&R Projects < \$100,000	Various		177,264.58	742,122	126,249	52,000	352,356	1,449,992
Blue Lake Wetland, Pathway, Trail (Carryforward)	LI207	70,000	80,000.00	0	0	0	0	150,000
VOIP Phone System Upgrade - Borland/Blue Lake/Oxbow	65701B	0	12,000.00	42,761	0	0	0	54,761
Glendoveer Fence (CF)	GF141	0	0	50,000	0	0	0	50,000
Glendoveer -Tennis HVAC (CF)	GF121	0	0	10,000	0	0	0	10,000
Chinook Landing Boarding Dock and Steel Pilings	RPRR06	0	0	140,599	0	0	0	140,599
Chinook Landing Asphalt Pavement (5.2 acres)	RPRR07	0	0	270,700	0	0	0	270,700
Restaurant Fire Suppression System	TBD	0	0	0	0	0	146,401	146,401
TOTAL PARKS GENERAL FUND RENEWAL AND REPLACEMENT		\$70,000	\$269,265	\$1,256,182	\$126,249	\$52,000	\$498,757	\$2,272,453
PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
PES Parks Levy Capital/R&R < \$100,000	Various	0	85,971	295,000	90,000			470,971
Blue Lake Sports Feature Renovations	TBD	0	0	200,000	0	0	0	200,000
Blue Lake Restroom Renovations (4) (CF)	LI2031	500,000	350,000	0	0	0	0	850,000
Blue Lake Boat Concession Renovation	TBD	0	0	125,000	0	0	0	125,000
Blue Lake Pathway Renovations	LI207	0	250,000	0	0	0	0	250,000
Blue Lake Solar Power Installation	L1211	0	100,000	0	0	0	0	100,000
Blue Lake Utility Replacements	LI212	0	350,000	0	0	0	0	350,000
Blue Lake Swim Beach/Restroom Renovation	TBD	0	0	350,000	0	0	0	350,000
Blue Lake Additional Permanent Shelters	TBD	0	0	250,000	0	0	0	250,000
Blue Lake Drainage Improvements	LLRR12	0	0	100,000	0	0	0	100,000
Oxbow Fire Road Repairs	TBD	0	0	100,000	0	0	0	100,000
Oxbow Cabins	LI009	0	200,000	0	0	0	0	200,000
Oxbow Additional Group Camp	TBD	0	0	125,000	0	0	0	125,000
Howell Shelter	TBD	0	0	120,000	0	0	0	120,000
Gleason- Broughton Beach Improvements	TBD	0	0	100,000	0	0	0	100,000
Sauvie Island Boat Ramp Dock Replacement	LI503	0	125,000	0	0	0	0	125,000
Smith and Bybee Ramp and Pathway Renovations	TBD	0	0	100,000	0	0	0	100,000
TOTAL PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND		\$500,000	\$1,460,971	\$1,865,000	\$90,000	\$0	\$0	\$3,915,971

SOLID WASTE GENERAL ACCOUNT

	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Solid Waste General Account Non CIP Projects	Various	0	125,000	100,000	100,000	100,000	100,000	525,000
Metro Central Organics/Food Handling Area	76872	0	75,000	230,000	0	0	0	305,000
Metro Central Storm Water Improvements	76873	150,000	1,000,000	0	0	0	0	1,150,000
MSS Camera Expansion	77102	0	100,000	0	0	0	0	100,000
MCS Camera Expansion	77106	0	100,000	0	0	0	0	100,000
Future Master Facility Plan Improvements	TBD	0	0	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
TOTAL SOLID WASTE GENERAL ACCOUNT		\$150,000	\$1,400,000	\$1,330,000	\$1,100,000	\$1,100,000	\$1,100,000	\$6,180,000

SOLID WASTE LANDFILL CLOSURE ACCOUNT

St. Johns - Landfill Remediation	76995	830,000	400,000	200,000	0	0	0	1,430,000
St. Johns - Habitat Restoration (subproject)	76995A	0	50,000	50,000	50,000	50,000	0	200,000
SJLF- adapting flares to lower gas flow rates	77001	105,000	100,000	0	0	0	0	205,000
SJLF- Replace PLC and data device	77002	0	45,000	0	0	0	0	45,000
TOTAL SOLID WASTE LANDFILL CLOSURE ACCOUNT		\$935,000	\$595,000	\$250,000	\$50,000	\$50,000	\$0	\$1,880,000

SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT

	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
SW Renewal and Replacement Acct Non CIP	Various	0	815,275	430,000	360,000	300,000	300,000	2,205,275
VOIP Phone System Upgrade - Metro Paint	65701B	0	6,000	14,016	0	0	0	20,016
Metro Central- Replace Slow Speed Shredder	76889	50,000	0	550,000	0	0	0	600,000
Metro Central - Annual Concrete Repair	77125	0	50,000	50,000	50,000	50,000	50,000	250,000
Platform Scale MSS #1, 70ft	TBD	0	0	0	0	0	150,000	150,000
Platform Scale MCS-B	TBD	0	0	0	0	150,000	0	150,000
Metro South- HHW Roof	77110	0	175,000	0	0	0	0	175,000
MSS Pit Wall Repairs	77111	0	20,000	200,000	0	0	0	220,000
Metro South Bays -1 & 2 Ventilation System	76836	0	0	140,000	0	0	0	140,000
Metro South - Compactor #2	TBD	0	0	0	1,400,000	0	0	1,400,000
Metro Central - Compactor #1	TBD	0	0	0	0	1,400,000	0	1,400,000
Metro Central - Compactor #2	TBD	0	0	0	1,400,000	0	0	1,400,000
Metro Central- Conveyor #1	TBD	0	0	400,000	0	0	0	400,000
Metro Central - Compactor #3	TBD	0	0	0	1,400,000	0	0	1,400,000
Metro Central - Conveyor #3	TBD	0	0	0	400,000	0	0	400,000
Metro South - Compactor #1	TBD	0	0	0	0	1,400,000	0	1,400,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT		\$50,000	\$1,066,275	\$1,784,016	\$5,010,000	\$3,300,000	\$500,000	\$11,710,291

TOTAL PARKS AND ENVIRONMENTAL SERVICES		\$2,267,750	\$6,737,619	\$7,813,373	\$6,889,971	\$5,181,839	\$2,324,571	\$31,215,123
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FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$28,947,373	Total Number of Projects 67						
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Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Renewal and Replacement	220,000	2,091,590	4,368,373	5,649,971	4,031,839	1,224,571
Fund Balance- Capital Reserve	182,750	1,650,750	1,330,000	1,100,000	1,100,000	1,100,000
Fund Balance- Reserve for One Time Expenditures	430,000	829,000	0	0	0	0
Fund Balance- Landfill Closure	935,000	595,000	250,000	50,000	50,000	0
Department Transfers	0	110,308	0	0	0	0
Local Options Levy	500,000	1,460,971	1,865,000	90,000	0	0
Total- Parks and Environmental Services	\$2,267,750	\$6,737,619	\$7,813,373	\$6,889,971	\$5,181,839	\$2,324,571

Sustainability Center								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
NATURAL AREAS FUND								
Natural Areas Acquisition	TBD	102,830,000	20,000,000	7,000,000	5,000,000	5,000,000	0	139,830,000
Orenco Nature Park (Sale)	G13052	1,750,000	200,000	1,550,000	0	0	0	3,500,000
Tualatin River Launch (Bond)	71904	0	90,000	140,000	0	0	0	230,000
Tualatin River Launch (Special/Grant)	71904	0	0	323,725	0	0	0	323,725
Riverwalk (Bond)	WF010	0	0	500,000	350,000	1,150,000	1,500,000	3,500,000
Chimney Pk Trail and Columbia Blvd Br. Xing (Bond)	BA010	16,000	350,000	1,314,511	219,489	0	0	1,900,000
Chimney Pk Trail and Columbia Blvd Br. Xing (Grant)	BA010	0	0	0	780,511	1,000,000	0	1,780,511
Chehalem Ridge (Bond)	LA110	0	0	165,000	500,000	2,215,000	0	2,880,000
East Buttes (Bond)	LA200	0	120,000	350,000	600,000	930,000	0	2,000,000
Fanno Creek	TBD	0	0	50,000	450,000	1,000,000	0	1,500,000
Marine Drive	BA020	0	250,000	250,000	1,250,000	750,000	0	2,500,000
TOTAL NATURAL AREAS FUND		\$104,596,000	\$21,010,000	\$11,643,236	\$9,150,000	\$12,045,000	\$1,500,000	\$159,944,236
PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND								
Tualatin Forest (Burlington Forest/McCarty/Ennis)	LA120	50,000	102,000	100,000	350,000	35,000	0	637,000
1% for Art Program	LT900	0	30,000	70,000	70,000	70,000	64,000	304,000
Canemah North Design & Construction	LA150	75,350	225,000	0	0	0	0	300,350
Killin Design & Construction	LA300	71,000	515,000	0	0	0	0	586,000
Newell Canyon - Design & Construction (Incl CF)	LA250	12,000	320,000	1,000,000	603,000	0	0	1,935,000
Scouters Mtn - Trails & Signage	LA100	1,050,000	50,000	0	0	0	0	1,100,000
Oxbow Park Nature Play Area (Levy)	LI003	15,000	0	25,000	0	0	0	40,000
Oxbow Park Nature Play Area (Grant)	LI003	0	65,000	102,500	0	0	0	167,500
Borland Maintenance Area	LR750	0	400,000	0	0	0	0	400,000
Chehalem Ridge (Levy)	LA110	0	120,000	0	0	135,000	1,500,000	1,755,000
East Buttes (Levy)	LA200	0	0	0	0	70,000	535,000	605,000
TOTAL PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND		\$1,273,350	\$1,827,000	\$1,297,500	\$1,023,000	\$310,000	\$2,099,000	\$7,829,850
TOTAL SUSTAINABILITY CENTER		\$105,869,350	\$22,837,000	\$12,940,736	\$10,173,000	\$12,355,000	\$3,599,000	\$167,774,086
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$61,904,736	Total Number of Projects 17						

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
G.O. Bonds- Natural Areas	104,596,000	21,010,000	11,319,511	8,369,489	11,045,000	1,500,000
Grants / Funding From Other Agencies	0	81,000	426,225	780,511	1,000,000	0
Local Options Levy	1,273,350	1,746,000	1,195,000	1,023,000	310,000	2,099,000
Total- Sustainability Center	\$105,869,350	\$22,837,000	\$12,940,736	\$10,173,000	\$12,355,000	\$3,599,000

VISITOR VENUES- MERC									
Oregon Convention Center									
MERC FUND									
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total	
OCC Projects <\$100,000	Various	0	256,000	73,178	464,507	228,630	953,015	1,975,330	
CCTV Replacement (CF)	8R032	230,000	50,000					280,000	
Two-way Radio System Digital Upgrade (CF)	8R083	205,000	50,000					255,000	
Oregon Ballroom Lighting Replacement (CF)	8R080	0	115,000					115,000	
Portland Ballroom Down Lighting Replacement (CF)	8R053	0	112,000					112,000	
Tower Lighting Replacement (CF)	8R052	100	123,900					124,000	
Integrated Door Access Controls	8N025	0	325,000	0	0	0	0	325,000	
Facility Master Plan - Design/Consulting	88170	215,000	230,000	0	0	0	0	445,000	
VOIP Phone System Upgrade - OCC Share	8R119	0	0	300,000	0	0	0	300,000	
Audio/Visual Equipment Purchase	8R118	0	150,000	0	0	0	0	150,000	
Meeting Room & Ballroom Digital Signage	8R024	0	0	350,000	0	0	0	350,000	
Parking Management System Replacement	8R115	0	550,000	0	0	0	0	550,000	
MLK/OBR/Holladay Plaza/Entrance Construction	8R082	100,000	1,000,000	0	0	0	0	1,100,000	
Stir Lounge Annex	85100	0	100,000	0	0	0	0	100,000	
Cucina Rossa Concession Remodel	85101	0	882,000	0	0	0	0	882,000	
Mtg Room/Ballroom Chair Replacement - (10,000)	TBD	0	0	960,000	0	0	0	960,000	
Orbit Café Concession Remodel	TBD	0	0	350,000	0	0	0	350,000	
Built in Catering Bars	TBD	0	0	100,000	0	0	0	100,000	
HVAC System Replacement - Design	TBD	0	0	0	200,000	0	0	200,000	
Public Circulation Furniture Replacement	TBD	0	0	0	325,000	0	0	325,000	
SkyView Remodel	TBD	0	0	0	400,000	0	0	400,000	
Original Facility Restroom Renovation	TBD	0	0	0	1,500,000	0	0	1,500,000	
Oregon Ballroom Renovation	TBD	0	0	0	1,000,000	0	0	1,000,000	
External Digital Signage Replacement - Construction	TBD	0	0	0	0	600,000	0	600,000	
Chiller Unit Replacement (four)	TBD	0	0	0	0	0	1,650,000	1,650,000	
Cooling Tower Replacement (four)	TBD	0	0	0	0	0	975,000	975,000	
Boiler Replacement (two of three)	TBD	0	0	0	0	0	950,000	950,000	
Exhibit Hall Folding Chair Replacement - (12,000)	TBD	0	0	0	0	0	1,100,000	1,100,000	
Table Replacement (Expansion Side)	TBD	0	0	0	0	575,000	0	575,000	
TOTAL OREGON CONVENTION CENTER		\$750,100	\$3,943,900	\$2,133,178	\$3,889,507	\$1,403,630	\$5,628,015	\$17,748,330	
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$16,998,230	Total Number of Projects 29							

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Renewal and Replacement	380,000	1,100,000	1,333,178	464,507	1,403,630	5,628,015
TLT Capital Reserves	215,000	1,051,900	0	2,825,000	0	0
MTOCA	100,000	110,000	0	0	0	0
Business Strategy Reserves	0	150,000	350,000	0	0	0
Currently Unfunded / Aramark	55,000	1,532,000	450,000	600,000	0	0
Total- Oregon Convention Center	\$750,000	\$3,943,900	\$2,133,178	\$3,889,507	\$1,403,630	\$5,628,015

Portland's Centers for the Arts

MERC FUND

	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
P'S Projects <\$100,000	Various	0	929,400	160,000	110,000	110,000	0	1,309,400
Keller - North Concession Remodel	85103	0	150,000	0	0	0	0	150,000
Portable Concession Kiosks	85105	0	168,000	0	0	0	0	168,000
ASCH HVAC Controls Updates	8R062	0	275,000	0	0	0	0	275,000
Keller Cooling Tower & Associated Piping (CF)	8R069	228,300	31,700					260,000
Newmark Lighting System Overhaul Phase III	8R089	0	130,000	0	0	0	0	130,000
Keller Roof & Drains Replacement (incl CF)	8R098	5,658	544,342	300,000		0	0	850,000
ASCH Portland Sign-assessment: re-paint, re-light (CF)	8R099	0	20,000	100,000	100,000	0	0	220,000
AHH/ASCH/Keller - Stage Door/Backstage/Box Office Area/Reh Hi	8R101	0	250,000	0	0	0	0	250,000
ASCH Chiller & Associated Piping	8R120	0	50,000	0	350,000	0	0	400,000
AHH-Backstage Elevator Overhaul	8R121	0	235,000	0	0	0	0	235,000
Newmark Stage Floor	8R122	0	100,000	0	0	0	0	100,000
Newmark Main Speakers	8R128	0	100,000	0	0	0	0	100,000
AHH-Storage Racking Systems - Basement & NMK Backstage	8R129	0	100,000	0	0	0	0	100,000
VOIP Phone System Upgrade - P5 Share	8R134	0	72,600	142,400	0	0	0	215,000
AHH/ASCH/Keller -Access Control/CCTV replacement	TBD	0	0	150,000	0	0	0	150,000
ASCH - Roof Drains	TBD	0	0	100,000	0	0	0	100,000
AHH - FOH Elevator Overhaul (2)	TBD	0	0	480,000	0	0	0	480,000
Keller Main Speakers	TBD	0	0	125,000	0	0	0	125,000
AHH/ASCH/Keller - Operations Dept/NMK Improvements/Renova	TBD	0	0	150,000	0	0	0	150,000
Keller Main Switchgear	TBD	0	0	300,000	0	0	0	300,000
Keller Fore Stage (Pit) Elevator Lift	TBD	0	0	0	250,000	0	0	250,000
Keller Backstage Dressing Tower Elevator Overhaul	TBD	0	0	260,000	0	0	0	260,000
Keller Front of House Elevators Overhaul (2)	TBD	0	0	0	0	0	520,000	520,000
AHH Roof	TBD	0	0	0	200,000	0	0	200,000
Keller - Stage HVAC Improvements	TBD	0	0	0	250,000	0	0	250,000
ASCH Elevators overhaul - FOH (2) / Backstage (2)	TBD	0	0	0	240,000	250,000	180,000	670,000
AHH EIFS Replacement Phase III	TBD	0	0	0	0	350,000	0	350,000
Keller HVAC Controls Upgrades	TBD	0	0	0	0	350,000	0	350,000
Keller Carpet-Front of House	TBD	0	0	0	150,000	0	0	150,000
Keller FOH Lobby Carpet Tile	TBD	0	0	0	0	125,000	0	125,000
AHH Demand Control Ventilation/VAV HVAC Units	TBD	0	0	0	15,000	100,000	0	115,000
TOTAL Portland's		\$233,958	\$3,156,042	\$2,267,400	\$1,665,000	\$1,285,000	\$700,000	\$9,307,400
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$9,073,442							Total Number of Projects 32

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Renewal and Replacement	233,958	2,420,042	2,267,400	1,665,000	1,285,000	700,000
Business Strategy Reserves	0	65,000	0	0	0	0
Aramark / Unfunded	0	365,000	0	0	0	0
Fund Balance- New Capital	0	306,000	0	0	0	0
Total- P'S	\$233,958	\$3,156,042	\$2,267,400	\$1,665,000	\$1,285,000	\$700,000

PORTLAND EXPO CENTER

MERC FUND

	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Expo Projects <\$100,000	Various	20,000	242,500	294,000	45,000	50,000	55,000	706,500
Parking Lot Asphalt Repairs	8R040	50,000	60,000	60,000	60,000	60,000	60,000	350,000
Stormwater Wall (CF)	8N032?	113,198	16,802					130,000
Hall D Carpet & Paint (CF)	8R042	900	173,600					174,500
Hall E Roof, Lobby, Rooms (CF)	8R108	122,020	2,980					125,000
Plastic / Flat Stacking Chairs (Phases I, II, III)	8R111	47,120	27,880	25,000	0	0	0	100,000
VOIP Phone System Upgrade - EXPO (CF)	8R110	0	0	0	0	0	0	-
Security Cameras / Access Controls (Phases I&II)	8R112	2,000	98,000	0	0	0	0	100,000
Roof Repair - Hall D (barrel)	8R136	0	430,000	350,000	0	0	0	780,000
Connector - Glass Roll Up	85106	0	115,000	0	0	0	0	115,000
3 Matching Portable Concession Kiosks	85107	0	15,000	0				15,000
Electronic Signage - inside and outside (Phase 2)+ (phase I CF)	8N011	0	210,000	0	0	0	0	210,000
Concession equipment upgrade - Hall D or E, Grab and Go Kiosks	TBD	0	0	230,000	0	0	0	230,000
Roof Repair - Hall C Recoat	TBD	0	0	0	120,000	0	0	120,000
Roof Repair - Hall E Loading Dock	TBD	0	0	0	350,000	0	0	350,000
Hall D Air Handlers - All 6	TBD	0	0	0	486,000	0	0	486,000
Roof Repair - Hall E Lobby / DE Connector / E Barrel Prep	TBD	0	0	0	0	305,000	0	305,000
Roof Repair - Hall E (barrel)	TBD	0	0	0	0	0	500,000	500,000
Hall E Air Handlers (8 Total)	TBD	0	0	0	0	440,000	440,000	880,000
TOTAL EXPO CENTER		355,238	\$1,391,762	\$959,000	\$1,061,000	\$855,000	\$1,055,000	\$5,677,000
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$5,321,762	Total Number of Projects 18						

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Fund Balance- Renewal and Replacement	236,118	710,882	534,000	165,000	305,000	555,000
TLT Capital Reserves	119,120	340,880	195,000	896,000	550,000	500,000
Aramark Capital	0	340,000	230,000	0	0	0
Total- Expo Center	\$355,238	\$1,391,762	\$959,000	\$1,061,000	\$855,000	\$1,055,000

Draft -Total Project Summary with Major Funding Sources

Oregon Zoo								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
ZOO INFRASTRUCTURE AND ANIMAL WELFARE BOND FUND								
Elephant Habitat and Related Infrastructure	ZIP002	48,631,193	5,073,586	0	0	0	0	53,761,443
Remote Elephant Center	ZIP003	0	0	1,386,194	0	0	0	1,386,194
Education Center (CDZ)	ZIP006	2,574,506	11,284,406	935,958	0	0	0	14,794,870
Campus and Habitat Interpretive Design	ZIP013	1,614,482	480,127	156,471	132,704	19,186	0	2,402,970
One-percent for Art Design and Installation	ZIP012	316,546	133,824	112,656	107,400	107,400	0	777,826
Polar Bear Habitat	ZIP004	0	1,871,785	4,761,138	13,671,247	14,971	0	20,319,141
Primate and Rhino Habitats	ZIP005	0	0	41,804	972,640	2,506,201	10,638,550	14,159,195
TOTAL ZOO INFRASTRUCTURE AND ANIMAL WELFARE BOND FUND		\$53,136,727	\$18,843,728	\$7,394,221	\$14,883,991	\$2,647,758	\$10,638,550	\$107,601,639
ZOO CAPITAL FUND								
Bond Commitment Elephant Lands	ZIP002	3,800,000	0	0	0	0	0	3,800,000
Education Center (Backyard Habitat)	ZIP006	0	103,110					103,110
OZF Bond Commitment Remote Elephant Center	ZOO39	120,000	1,283,444	0	0	0	0	1,403,444
Steller Cove Pools Renewal	ZRW107	0	855,000	0	0	0	0	855,000
TBD Steller/Living Collections Projects	TBD	0	400,000					400,000
Zoo Train Renovation	TBD	500,000	1,406,812	0	0	0	0	1,906,812
TOTAL ZOO CAPITAL FUND		\$4,420,000	\$4,048,366	\$0	\$0	\$0	\$0	\$8,468,366
GENERAL FUND RENEWAL AND REPLACEMENT								
	ID	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Total
Zoo R&R Projects < \$100,000	ZGFRR01		1,020,674	380,170	662,508	209,213	653,841	2,926,406
VOIP Phone System Upgrade - Zoo Share	65701B	0	127,200	0	0	0	0	127,200
System, Telephone, Zoo	ZRW159		132,343					132,343
Admin a/c units 1-4 (CF)	ZRW067	26,151	118,849	0	0	0	0	145,000
Railroad Roundhouse Roof	ZRW148	0	128,883	0	0	0	0	128,883
Africa Interpretives Graphics	ZR37	0	0	132,695	0	0	0	132,695
Pig Holding and Exhibit Roof	ZGFRR06	0	0	0	131,286	0	0	131,286
Steller Cove Digital Control System	ZGFRR07	0	0	0	121,899	0	0	121,899
Vet Medical Center X-Ray Machine	ZGFRR08	0	0	0	211,482	0	0	211,482
Gateway Ticketing System	ZGFRR10	0	0	0	0	157,000	0	157,000
Railroad Tunnel Generator 1200kW	ZRW099	0	0	0	0	209,757	0	209,757
Admin Building Carpet 1st & 2nd Floor	ZRW129	0	0	0	0	530,000	0	530,000
Const/Maint 450 kw Generator	TBD	0	0	0	0	0	101,960	101,960
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT		\$26,151	\$1,527,949	\$512,865	\$1,127,175	\$1,105,970	\$755,801	\$5,055,912
TOTAL OREGON ZOO		\$57,582,878	\$24,420,043	\$7,907,086	\$16,011,166	\$3,753,728	\$11,394,351	\$121,125,917
FIVE YEAR TOTAL, FY 2015-16 THROUGH FY 2019-20	\$63,543,039	Total Number of Projects 24						

Major Funding Sources

	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
G.O. Bonds- Zoo	53,136,727	18,843,728	7,394,221	14,883,991	2,647,758	10,638,550
Donations	3,920,000	1,283,444	0	0	0	0
Interfund Transfer	0	103,110	0	0	0	0
Interfund Loan	500,000	2,661,812	0	0	0	0
Fund Balance- Capital Reserves	0	0	0	0	0	0
Fund Balance- Renewal and Replacement	26,151	1,527,949	512,865	1,127,175	1,105,970	755,801
Total- Oregon Zoo	\$57,582,878	\$24,420,043	\$7,907,086	\$16,011,166	\$3,753,728	\$11,394,351

FINANCIAL POLICIES

In 2004 the Metro Council enacted Resolution No. 04-3465, “adopting comprehensive financial policies for Metro.” Each year as part of the annual budget adoption process the Metro Council reviews the financial policies which provide the framework for the overall fiscal management of the agency. Operating independently of changing circumstances and conditions, these policies are designed to help safeguard Metro’s assets, promote effective and efficient operations and support the achievement of Metro’s strategic goals. Recently the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Metro Council to make certain policy decisions regarding the use of resources and classifications of fund balance. In June 2010 the Metro Council took action to amend Metro’s Comprehensive Financial Policies to incorporate the GASB Statement No. 54 principles and to re-approve the policies. These changes are reflected in Budget and Financial Planning, section 2. These financial policies establish basic principles to guide Metro’s elected officials and staff in carrying out their financial duties and fiduciary responsibilities. The Chief Financial Officer shall establish procedures to implement the policies established in this document.

General policies

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

Accounting, auditing and financial reporting

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

Budgeting and financial planning

1. As prescribed in Oregon budget law, total resources shall equal total requirements in each fund, including contingencies and fund balances. However, Metro considers a budget to be balanced whenever budgeted revenues equal or exceed budgeted expenditures. Beginning fund balances shall not be considered as revenue, nor shall contingencies or ending fund balances be considered expenditures, in determining whether a fund is in balance.
2. Metro shall maintain fund balance reserves that are appropriate to the needs of each fund. Targeted reserve levels shall be established and reviewed annually as part of the budget process. Use of fund balance to support budgeted operations in the General Fund, an operating fund, or a central service fund shall be explained in the annual budget document; such explanation shall describe the nature of the budgeted reduction in fund balance and its expected future impact. Fund balances in excess of future needs shall be evaluated for alternative uses.
 - a. The Metro Council delegates to the Chief Operating Officer the authority to assign (and un-assign) additional amounts intended to be used for specific purposes more narrow than the overall purpose of the fund established by Council. A schedule of such assignments shall be included within the adopted budget document.

- b. Metro considers restricted amounts to have been spent prior to unrestricted (committed, assigned, or unassigned) amounts when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Within unrestricted amounts, committed amounts are considered to have been spent first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.
 - c. The following information shall be specified by Council in the establishment of Stabilization Arrangements as defined in GASB Statement No. 54: a) the authority for establishing the arrangement (resolution or ordinance), b) the requirements, if any, for additions to the stabilization amount, c) the specific conditions under which stabilization amounts may be spent, and d) the intended stabilization balance.
3. Metro staff shall regularly monitor actual revenues and expenditures and report to Council at least quarterly on how they compare to budgeted amounts, to ensure compliance with the adopted budget. Any significant changes in financial status shall be timely reported to the Council.
 4. Metro shall use its annual budget to identify and report on department or program goals and objectives and measures of performance.
 5. A new program or service shall be evaluated before it is implemented to determine its affordability.
 6. Metro shall authorize grant-funded programs and associated positions for a period not to exceed the length of the grant unless alternative funding can be secured.
 7. Each operating fund will maintain a contingency account to meet unanticipated requirements during the budget year. The amount shall be appropriate for each fund.
 8. Metro shall prepare annually a five-year forecast of revenues, expenditures, other financing sources and uses, and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Council.
 9. Metro will annually prepare a cost allocation plan prepared in accordance with applicable federal guidelines to maintain and maximize the recovery of indirect costs from federal grants, and to maintain consistency and equity in the allocation process.

Capital asset management

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

Cash management and investments

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

Debt management

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition, that cannot be readily financed from current revenues, or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.
3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.

5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized and Metro's access to credit is preserved.
6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs.

Revenues

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

CAPITAL ASSET MANAGEMENT POLICIES

Section 1: Purpose

- 1.1 The Capital Asset Management 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. Metro's 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.
- 1.2 The capital asset planning process applies to projects of \$50,000 or more and having a useful life of at least five years. These projects include capital maintenance tasks that increase the life of the asset on assets with values of \$50,000 or more. In addition, the planning process includes information technology items over \$50,000 that may have a useful life of less than five years.
- 1.3 Metro's Capital Asset Management Policy shall be governed by the following principles:
 - 1.3.1 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.
 - 1.3.2 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.
 - 1.3.3 Metro shall establish a Renewal and Replacement Reserve account for each operating fund responsible for major capital assets. Renewal and Replacement includes any activity that serves to extend the useful life or increase the efficiency of an existing asset, while retaining its original use. Ensuring that the public receives the maximum benefit for its investments in major facilities and equipment requires an ongoing financial commitment.

- 1.3.4 Capital and renewal and replacement projects shall support Metro’s MWESB procurement goals, including the Sheltered Market and FOTA program and the goals of Metro’s Diversity Action Plan.
- 1.3.5 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. Debt financing should be utilized only for new projects or complete replacement of major capital assets.
- 1.3.6 Capital and renewal and replacement projects should support implementation of Metro’s Sustainability Plan.
- 1.3.7 Projects shall be analyzed in light of environmental, regulatory, economic, historical and cultural perspectives, as well as the capacity of the infrastructure and the availability of resources for ongoing maintenance needs.
- 1.3.8 All approved capital projects shall be consistent with relevant goals and strategic plans as adopted by departments, the Metropolitan Exposition Recreation Commission (“MERC”), or the Metro Council.
- 1.3.9 A financial feasibility analysis shall be performed before any capital project, regardless of cost, is submitted to the Metro Council, MERC Commission, Chief Operating Officer, or General Manager of Visitor Venues for approval. The financial feasibility analysis shall include an analysis of the financial impact on the operating fund balance, return on investment, the availability and feasibility of funding sources, and cost estimates for the capital project. The analysis shall also identify the financial impact of the following requirements:
 - 1.3.9.1 Any public art funding requirements imposed by the Metro Code, the facility’s owner, or any other applicable law;
 - 1.3.9.2 All required licenses, permits, certificates, design approval documents, and similar documents required by any authority; and
 - 1.3.9.3 Any contractual or legal requirements that apply to the proposed capital project.
- 1.3.10 In the capital project planning and review process, the Metro Council, MERC Commission, Chief Operating Officer, and General Manager shall be guided by the following financing principles:
 - 1.3.10.1 Funds shall be expended only on capital projects that meet identified strategic priorities.
 - 1.3.10.2 Funds shall be expended only on capital projects for which an analysis of funding options has been conducted. This analysis shall include evaluation of all funding options (donations, revenue generation by the project, intrafund transfers, proposed borrowing), and an analysis of the capital project’s strategic priority, useful life, revenue sources, and repayment options.
 - 1.3.10.3 Funds shall be expended only on new projects that include identified and protected funding sources for a renewal and replacement reserve to ensure that the value of the capital asset can be maintained.
 - 1.3.10.4 Funds shall be expended only on projects for which a funding source for operational requirements has been identified.
 - 1.3.10.5 Metro’s Adopted Budget should include undesignated contingency funds to permit MERC and other departments with capital project responsibilities to respond to unexpected events or opportunities.

Section 2: Definitions

- 2.1 Capital asset – An item permanent in nature with future service capacity and used in operations, having an initial useful life of over one year, tangible or intangible, and held for purposes other than investment or resale with a cost (or fair market value if donated) equal to or greater than the capitalization threshold established for the asset category included later in this policy.

- 2.2 Capital maintenance – Expenditures for repair and maintenance services not provided directly by Metro personnel. These costs are relatively minor alterations, ordinary and routine repair or effort necessary to preserve or repair an asset due to normal wear and tear so that it achieves its initial planned useful life. While not capitalized, significant capital maintenance projects (those with costs equal to or greater than \$50,000) must be included in the CIP and obtain Council authorization.
- 2.3 Total cost accounting – An analysis that includes the total initial acquisition cost of an asset as well as all operating costs for the expected useful life of the asset.
- 2.4 Renewal and replacement – Construction, reconstruction or major renovation on capital assets. Renewal and replacement does not include relatively minor alteration, ordinary repair or maintenance necessary to preserve or repair an asset.
- 2.5 Return on investment (ROI) – A calculation of the financial gains or benefits that can be expected from a project. ROI is represented as a ratio of the expected financial gains (benefits) of a project divided by its total costs.

Section 3: New Capital Projects

- 3.1 All new capital projects over \$50,000 must be approved as part of the annual budget process. New project requests must comply with any other applicable Metro program or process requirements, including all Construction Project Management Office requirements and Metro’s Green Building Policy.
- 3.2 New projects over \$50,000 identified during the course of the fiscal year require approval as follows:
 - 3.2.1 If the project does not require additional budgetary authority, the project may be approved by the Chief Operating Officer, or their designee.
 - 3.2.2 If the project requires additional budgetary authority, the project must be approved by the Metro Council.
 - 3.2.3 For Capital projects with a total anticipated cost of less than \$100,000 at the MERC venues, the General Manager of Visitor Venues may approve the project if sufficient budgetary authority is available.
 - 3.2.4 Any capital project at the MERC venues with a total anticipated cost of \$100,000 or more also requires approval by the MERC Commission.
- 3.3 Emergency capital projects may be approved as follows:
 - 3.3.1 The Chief Operating Office or their designee may approve capital projects with a total anticipated cost of \$50,000 or more.
 - 3.3.2 The MERC Commission delegates to the General Manager or their designee the authority to approve capital projects with a total anticipated cost of \$100,000 or more.
 - 3.3.3 In the event an emergency capital project is approved, that approval shall be reported as follows:
 - 3.3.3.1 The Chief Operating Officer shall report the approval to the Metro Council.
 - 3.3.3.2 The General Manager shall report the approval to the MERC Commission at the next regular Commission Meeting.

Section 4: Renewal and Replacement

- 4.1 The intent of Renewal and Replacement reserves is to ensure that sufficient resources are available for capital maintenance or replacement so that Metro’s capital assets meet or exceed their estimated useful life. The Renewal and Replacement Reserve for each operating fund with major capital assets should initially be established based on the value of the asset and consideration of known best asset management practices.

- 4.2 General Guidelines – Renewal and replacement reserves and projects should be managed according to the following guidelines:
- 4.2.1 Renewal and replacement reserves are not intended to fund major capital assets such as building replacements or significant structural upgrades.
 - 4.2.2 Renewal and replacement reserves are not intended to fund routine maintenance activities. Routine maintenance should be included in facility operating budgets. If routine maintenance costs for an asset are increasing, renewal and replacement projects may be moved forward in the schedule if the project can be shown to reduce operating and/or maintenance costs.
 - 4.2.3 Facility managers should perform annual facility assessments to review renewal and replacement schedules.
 - 4.2.4 All renewal and replacement projects should incorporate sustainability features that support Metro’s sustainability goals, support adopted policies such as the Green Building Policy and Sustainable Procurement Policy and be evaluated on a total cost accounting basis relative to less sustainable options.
 - 4.2.5 New capital projects should be added to renewal and replacement lists upon completion. Asset replacement costs shall initially be based on original asset costs. In future revisions, replacement costs shall be based on acquiring a new asset of equal utility. Increased sustainability features such as efficiency improvements or design changes (e.g. green roof vs. traditional roof design) are not increases in asset utility. Increased estimated replacement costs based on new or improved sustainability features shall be considered in the budget process.
 - 4.2.6 On an annual basis, the Finance and Regulatory Services Director shall determine the minimum asset value for projects to be included in renewal and replacement reserves.
 - 4.2.7 For General Fund assets, the renewal and replacement reserves should be managed to ensure sufficient funding is available to complete all projects for the next 10 years. Enterprise fund renewal and replacement accounts should be managed to ensure that annual contributions are sufficient to fund renewal and replacement projects on an ongoing basis.
- 4.3 Budget Process – During the annual budget process, Department Directors shall submit a list of proposed renewal and replacement projects as part of the annual budget process. The renewal and replacement project lists shall include:
- 4.3.1 Cost estimates for all renewal and replacement projects (including projects carried forward from the prior year) that can be reasonably expected to be completed in the following fiscal year.
 - 4.3.2 Cost estimates for design and/or engineering work necessary to develop the scope and cost of construction project estimates for future renewal and replacement projects.
 - 4.3.3 Any projects with cost estimates above previous replacement cost estimates based on the inclusion of sustainability features in the project design that increase the initial cost of the project.
- 4.4 Renewal and replacement projects shall be included in aggregate in the Capital Improvement Plan for the Proposed Budget for Council Review.
- 4.5 Capital Asset Advisory Committee
- 4.5.1 The Capital Asset Advisory Committee is responsible for providing recommendations to the Director of Finance and Regulatory Services and the Financial Planning Division on the ongoing management of the renewal and replacement reserves for each major fund. The Advisory Committee shall be composed of the following positions (or Designee):
 - Capital Budget Coordinator, Finance and Regulatory Services (Chair)
 - Finance Manager, Oregon Zoo

- Finance Manager, MERC Venues
- Finance Manager, Parks and Environmental Services (PES)/Sustainability Center
- Program Director, Parks and Property Stewardship (PES)
- Program Director, Solid Waste Operations (PES)
- Program Director, Natural Areas Program (Sustainability Center)
- Deputy Director, Oregon Zoo Operations
- cPMO Manager, Agency Construction Projects
- Director, Information Services Department

4.5.2 The Committee's responsibilities shall include:

- 4.5.2.1 Reviewing project lists, changes to project lists and requests for unfunded sustainability improvements to existing projects not already approved by a Budget Committee or other formal advisory group.
- 4.5.2.2 Providing a recommended renewal and replacement list to the Finance and Regulatory Services Director for inclusion in the Proposed Budget.
- 4.5.2.3 Providing an annual recommendation to the Finance and Regulatory Services Director for the minimum asset value for the following year.
- 4.5.2.4 Reviewing the Capital Asset Management Policies annually.

Section 5: Capital Improvement Plan (CIP)

5.1 Metro will 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 CIP includes all Capital and Renewal and Replacement projects with a budget of \$100,000 or more.

5.2 Updates to the CIP may be made at any point during the fiscal year. Updates are required under the following circumstances:

- 5.2.1 New projects (over \$100,000) that are identified during the fiscal year and need to be initiated prior to the next fiscal year.
- 5.2.2 Actual or anticipated expenses for projects included in the current year adopted budget increase more than 20% above the original project budget if the original budget amount is less than or equal to \$1,000,000 or 10% if the original budget amount is greater than \$1,000,000.
- 5.2.3 Actual or anticipated expenses for projects included in the current year adopted budget require an increase in budget appropriation, regardless of the amount of increase above the original project budget.

Section 6: Sustainability

6.1 All project proposals for new capital projects and renewal and replacement projects shall describe how the project supports Metro's Sustainability Plan in its efforts to reduce the environmental impact of Metro operations. When assessing capital or renewal and replacement projects for funding or prioritization, the following sustainability criteria should be applied:

- 6.1.1 Use total cost of ownership to create project budget projections that consider the costs of operating the asset for its entire useful life, not just the initial costs.
- 6.1.2 Utilize the prioritization criteria in Metro's Sustainability Plan:

- 6.1.2.1 Strong impacts on Metro's sustainability goals (greenhouse gas emissions, toxics, waste, water quality and habitat).
- 6.1.2.2 Provide a strong foundation for future sustainable operations work.
- 6.1.2.3 Leverage other investments (internal or external).
- 6.1.2.4 Present a strong return on investment (ROI).
- 6.1.2.5 Reduce operations and maintenance costs over time.
- 6.1.2.6 Provide strong public visibility and/or public education opportunity.
- 6.1.2.7 Support the region's economy.
- 6.1.3 Support the requirements and preferred qualifications of Metro's Green Building and Sustainable Procurement administrative procedures.
- 6.1.4 Prioritize projects that, through their implementation, support Metro's MWESB procurement goals, including the Sheltered Market and FOTA programs and related goals of Metro's Diversity Action Plan.
- 6.1.5 Consider economic benefits or return on investment (i.e. simple payback) on projects that have a financial benefit to Metro over the life of the investment.
- 6.2 Capital and renewal and replacement projects should be incorporated into the site-specific work plans developed for each facility that indicate how the Sustainability Plan will be implemented.

Section 7: Reporting

- 7.1 Capital project budget and actual reporting and status reports shall be provided as follows:
 - 7.1.1 Departments shall report to the Chief Operating Officer or designee quarterly.
 - 7.1.2 The General Manager shall report to the MERC Commission quarterly.
 - 7.1.3 The Director of Finance and Regulatory Services shall report to the Metro Council twice annually.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 15-4632, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2015-16 THROUGH 2019-20, APPROVING THE METROPOLITAN TOURISM OPPORTUNITY COMPETITIVENESS PROJECTS AND RE-ADOPTING METRO’S FINANCIAL POLICIES

Date: June 18, 2015

Presented by: Tim Collier, Director, Finance and Regulatory Services

BACKGROUND

A. The Capital Improvement Plan (CIP) for Fiscal Years 2015-16 through 2019-20 represents Metro’s long-range capital planning process. Exhibit A provides a listing of the CIP projects and their major funding sources. The resolution approves the entire five-year capital plan and directs that projects for FY 2015-16 be approved, and project expenditures for FY 2015-16 be appropriated, as amended, in the FY 2015-16 budget. If a project comes up unexpectedly during the year, departments must follow the amendment process to submit the project to Council for approval.

The table below shows the number of projects by department; Exhibit A to the Resolution shows the individual projects by department.

	Total Projects	Prior Years	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Five-Year Total	Total
Finance and Regulatory Services	2	80,000	130,000	30,000	30,000	30,000	30,000	250,000	330,000
Information Services	14	205,000	1,243,087	382,662	631,016	915,769	659,189	3,831,723	4,036,723
Parks and Environmental Services	67	2,267,750	6,737,619	7,813,373	6,889,971	5,181,839	2,324,571	28,947,373	31,215,123
Sustainability Center	17	105,869,350	22,837,000	12,940,736	10,173,000	12,355,000	3,599,000	61,904,736	167,774,086
Visitor Venues- MERC	79	1,339,296	8,491,704	5,359,578	6,615,507	3,543,630	7,383,015	31,393,434	32,732,730
Visitor Venues- Oregon Zoo	24	57,582,878	24,420,043	7,907,086	16,011,166	3,753,728	11,394,351	63,486,375	121,069,253
TOTAL	203	167,344,274	63,859,454	34,433,435	40,350,660	25,779,966	25,390,126	189,813,641	357,157,915

B. This resolution also provides for the annual review and re-adoption of Metro’s financial policies, including the Capital Asset Management Policies that are incorporated by reference. The policies are attached as Exhibit B to the resolution. The Council adopted an updated version of the Capital Asset Management Policies in October 2013. No further changes are recommended.

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

- The policies will be reviewed annually by the Council and published in the adopted budget.
- A definition of a balanced budget is one in which current year revenues meet or exceed current year expenditures.
- Any use of fund balance in an operating fund will be fully explained in the adopted budget document.
- A study to assess the affordability of any new program will be done before the program is implemented.
- The Council’s existing capital asset management policies are incorporated into this document, by reference.
- One-time revenues will be used to pay for one-time costs or add to fund balance.

C. This action also approves the Metro Tourism Opportunity and Competitiveness Account (MTOCA) funding at the Oregon Convention Center (\$320,000) and the Portland Expo Center (\$280,000) for FY 2015-16. The MTOCA funds are appropriated in the General Fund and transferred to MERC as part of the annual budget process. The Convention Center will use the funding for the new OCC website and branding project, to support the Headquarters Hotel project, and for other facility and marketing improvements in accordance with the MTOCA Resolution parameters. The Expo Center plans to use MTOCA funding for expanded marketing and sales efforts including printed sales materials, promotional activities and materials that drive sales, improvements to website functionality and social media outreach, and contracted marketing and advertising. Funding will also support small facility improvements in accordance with the MTOCA Resolution parameters.

ANALYSIS/INFORMATION

1. **Known Opposition:** None.
2. **Legal Antecedents:** Metro's adopted financial policies require the annual adoption of a Capital Improvement Plan.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the CIP covering FYs 2015-16 through 2019-20.

The cost of the 203 projects planned during the five years covered by this CIP is estimated to be \$189.8 million.

This resolution is the formal instrument by which the five-year plan will be adopted. Projects with planned expenditures in FY 2015-16 will be incorporated into the adopted budget.

This resolution is the formal instrument to approve the Metro Tourism Opportunity and Competitiveness Account funding for FY 2015-16.

4. **Budget Impacts:** The plan's FY 2015-16 expenditures (\$63.9 million) will be appropriated in the FY 2015-16 Adopted Budget.

RECOMMENDED ACTION

Resolution No. 15-4632 is an important component of the annual budget process. The Chief Operating Officer recommends adoption.