

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2014-15 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2014-15 THROUGH FY 2018-19 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS)

RESOLUTION NO 15-4621

Introduced by Martha Bennett, Chief Operating Officer, with the concurrence of Council President Tom Hughes

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2014-15 Budget; and

WHEREAS, Metro Code chapter 2.02.040 requires Metro Council approval to add any new position to the budget; and

WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; and

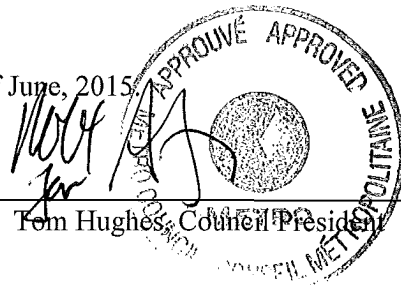
WHEREAS, ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriations, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction, and

WHEREAS, ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer, now, therefore,

BE IT RESOLVED,

- 1. That the FY 2014-15 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Resolution for the purpose of recognizing new grant funds, acknowledging new revenue, and transferring funds from contingency to provide for increased appropriations.
2. That the FY 2014-15 through FY 2018-19 Capital Improvement Plan is hereby amended accordingly.

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



Tom Hughes, Council President

APPROVED AS TO FORM:

Signature of Alison Kean, Metro Attorney

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Amended Budget | Revision | Amended Budget |
|-------------------------------|-------------------------------------|----------------------|------------------|----------------------|
| General Fund | | | | |
| General Fund Resources | | | | |
| | Total Beginning Fund Balance | 29,642,971 | - | 29,642,971 |
| | <u>Current Revenue</u> | | | |
| 401000 | Real Property Taxes-Current Yr | 12,398,972 | - | 12,398,972 |
| 401500 | Real Property Taxes-Prior Yrs | 342,000 | - | 342,000 |
| 405000 | Excise Taxes | 16,597,648 | - | 16,597,648 |
| 405500 | Construction Excise Tax | 1,950,000 | - | 1,950,000 |
| 405600 | CET - 2.5% | 50,000 | - | 50,000 |
| 410000 | Federal Grants - Direct | 2,566,273 | - | 2,566,273 |
| 410500 | Federal Grants - Indirect | 4,916,884 | - | 4,916,884 |
| 411000 | State Grants - Direct | 225,000 | - | 225,000 |
| 412000 | Local Grants - Direct | 2,926,163 | - | 2,926,163 |
| 413500 | Marine Board Fuel Tax | 71,152 | - | 71,152 |
| 413700 | Gain Share-OR Str Invest Prog | 200,000 | - | 200,000 |
| 413900 | Other Local Govt Shared Rev. | 483,135 | - | 483,135 |
| 414200 | Intergovernmental Misc Revenue | 150,000 | - | 150,000 |
| 414500 | Government Contributions | 3,017,288 | - | 3,017,288 |
| 415000 | Contractor's Business License | 380,000 | - | 380,000 |
| 416500 | Boat Launch Fees | 163,095 | - | 163,095 |
| 418000 | Contract & Professional Servic | 881,904 | - | 881,904 |
| 423000 | Product Sales | 214,289 | - | 214,289 |
| 428000 | Cemetery Service Sales | 124,275 | - | 124,275 |
| 428500 | Cemetery Property Sales | 155,725 | - | 155,725 |
| 428800 | Cemetery Merchandise Sales | 47,875 | - | 47,875 |
| 450000 | Admission Fees | 7,476,047 | - | 7,476,047 |
| 450100 | Conservation Surcharge | 196,875 | - | 196,875 |
| 450200 | Admission - Memberships | 1,950,000 | - | 1,950,000 |
| 450300 | Admission - Special Concerts | 1,776,000 | - | 1,776,000 |
| 451000 | Rentals - Equipment | 831,254 | - | 831,254 |
| 452000 | Rentals - Space | 100,000 | - | 100,000 |
| 452100 | Rentals - Building | 4,752 | - | 4,752 |
| 453000 | Golf Course Revenues | 3,001,927 | 250,000 | 3,251,927 |
| 455000 | Food & Beverage Service Revenue | 5,286 | - | 5,286 |
| 455100 | Food Service Revenue - Alcohol | 555,109 | - | 555,109 |
| 455500 | Food Service Revenue - Food | 5,151,506 | - | 5,151,506 |
| 456000 | Retail Sales | 93,905 | - | 93,905 |
| 457100 | Gift Shop Sales | 2,495,000 | - | 2,495,000 |
| 458000 | Utility Services | 2,114 | - | 2,114 |
| 459100 | Commissions - ATM | 9,000 | - | 9,000 |
| 459940 | Commissions - Vending Machine | 15,000 | - | 15,000 |
| 461000 | Contract Revenue | 55,584 | - | 55,584 |
| 462000 | Parking Fees | 668,134 | - | 668,134 |
| 463000 | Tuition and Lectures | 1,248,960 | - | 1,248,960 |
| 463500 | Exhibit Shows | 33,895 | - | 33,895 |
| 464000 | Railroad Rides | 568,353 | - | 568,353 |
| 464900 | Reimbursed Labor | 230,936 | - | 230,936 |
| 465000 | Miscellaneous Charges for Svc | 388,788 | - | 388,788 |
| 470000 | Interest on Investments | 301,000 | - | 301,000 |
| 475000 | Donations & Bequests - Oper | 284,622 | - | 284,622 |
| 476000 | Sponsorship Revenue | 385,572 | - | 385,572 |
| 489000 | Miscellaneous Revenue | 136,272 | - | 136,272 |
| 489100 | Refunds/Reimbursements | 589,506 | - | 589,506 |
| | Total Current Revenue | 76,417,075 | 250,000 | 76,667,075 |
| | Total Interfund Transfers | 13,781,635 | - | 13,781,635 |
| TOTAL RESOURCES | | \$119,841,681 | \$250,000 | \$120,091,681 |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Amended Budget | Revision | Amended Budget |
|--|--|--------------------|------------------|--------------------|
| General Fund | | | | |
| General Fund - Parks and Environmental Services | | | | |
| <u>Expenditures</u> | | | | |
| | Total Personnel Services | 3,845,737 | - | 3,845,737 |
| 520100 | Office Supplies | 64,137 | - | 64,137 |
| 520110 | Computer Equipment | 250 | - | 250 |
| 520120 | Meetings Expenditures | 2,000 | - | 2,000 |
| 520130 | Postage | 250 | - | 250 |
| 520500 | Operating Supplies | 112,808 | - | 112,808 |
| 520580 | Operating Supplies - Uniforms | 300 | - | 300 |
| 521000 | Subscriptions and Dues | 6,326 | - | 6,326 |
| 521100 | Membership & Professional Dues | 175 | - | 175 |
| 521400 | Fuels and Lubricants - General | 56,206 | - | 56,206 |
| 521500 | Maintenance & Repairs Supplies | 143,307 | - | 143,307 |
| 521560 | Maintenance & Repairs Supplies - Equipment | 9,810 | - | 9,810 |
| 522500 | Retail | 13,000 | - | 13,000 |
| 524000 | Contracted Professional Svcs | 297,493 | - | 297,493 |
| 524070 | Contracted Prof Svcs - Management, Consulting & Communication Services | 2,500 | - | 2,500 |
| 525000 | Contracted Property Services | 138,945 | - | 138,945 |
| 525100 | Utility Services | 436,718 | - | 436,718 |
| 525500 | Cleaning Services | 25,278 | - | 25,278 |
| 526000 | Maintenance & Repair Services | 515,035 | - | 515,035 |
| 526500 | Rentals | 44,599 | - | 44,599 |
| 526540 | Rentals - Vehicle | 4,500 | - | 4,500 |
| 528000 | Other Purchased Services | 61,698 | - | 61,698 |
| 528500 | Cemetery Services Expenditures | 108,500 | - | 108,500 |
| 529800 | Glendoveer Golf Ops Contract | 2,391,250 | 250,000 | 2,641,250 |
| 530000 | Payments to Other Agencies | 27,100 | - | 27,100 |
| 530010 | License & Permit Fees | 500 | - | 500 |
| 531000 | Taxes (Non-Payroll) | 158,172 | - | 158,172 |
| 545000 | Travel | 10,095 | - | 10,095 |
| 545100 | Travel and Lodging | 2,500 | - | 2,500 |
| 545200 | Mileage, Taxi and Parking | 100 | - | 100 |
| 545300 | Meals & Entertainment | 500 | - | 500 |
| 545500 | Staff Development | 30,012 | - | 30,012 |
| 545520 | Conference Fees | 4,400 | - | 4,400 |
| 548000 | Fee Reimbursements | 60,000 | - | 60,000 |
| 549000 | Miscellaneous Expenditures | - | - | - |
| | Total Materials and Services | 4,728,464 | 250,000 | 4,978,464 |
| | Total Capital Outlay | 49,500 | - | 49,500 |
| TOTAL REQUIREMENTS | | \$8,623,701 | \$250,000 | \$8,873,701 |
| TOTAL FTE | | 38.10 | - | 38.10 |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Amended Budget | Revision | Amended Budget |
|---|--|--------------------|-----------------|--------------------|
| General Fund | | | | |
| General Fund - Non-Departmental Special Appropriations | | | | |
| <u>Expenditures</u> | | | | |
| <i>Materials and Services</i> | | | | |
| 521100 | Membership & Professional Dues | 48,500 | - | 48,500 |
| 524000 | Contracted Professional Svcs | 30,000 | - | 30,000 |
| 524010 | Contracted Prof Svcs - Accounting & Auditing | 135,000 | - | 135,000 |
| 524600 | Sponsorship Expenditures | 270,300 | 35,000 | 305,300 |
| 530000 | Payments to Other Agencies | 4,132,930 | - | 4,132,930 |
| 530500 | Election Expenses | 125,000 | - | 125,000 |
| 532000 | Government Assessments | 15,187 | - | 15,187 |
| 544500 | Grants & Loans | 106,018 | - | 106,018 |
| Total Materials and Services | | 4,862,935 | 35,000 | 4,897,935 |
| Total Debt Service | | 1,786,381 | - | 1,786,381 |
| Total Capital Outlay | | 154,150 | - | 154,150 |
| TOTAL REQUIREMENTS | | \$6,803,466 | \$35,000 | \$6,838,466 |
| TOTAL FTE | | - | | - |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Amended Budget | Revision | Amended Budget |
|---|--|---------------------|-------------------|---------------------|
| General Fund | | | | |
| General Fund - General Expenses | | | | |
| <u>Expenditures</u> | | | | |
| <u>Interfund Transfers</u> | | | | |
| 580000 | Transfer for Indirect Costs | 768,868 | - | 768,868 |
| 581000 | Transfer of Resources | 6,524,480 | - | 6,524,480 |
| 586000 | Interfund Loan - Principal | - | - | - |
| 586500 | Interfund Loan - Interest | 16,140 | - | 16,140 |
| 586900 | Internal Loan Advances | - | - | - |
| Total Interfund Transfers | | 7,309,488 | - | 7,309,488 |
| <u>Contingency</u> | | | | |
| 701001 | Contingency - Opportunity Account | 300,000 | (35,000) | 265,000 |
| 701002 | Contingency - Operating | 1,376,005 | (250,000) | 1,126,005 |
| 701004 | Contingency - Rsv One Time Exp | 336,813 | - | 336,813 |
| Total Contingency | | 2,012,818 | (285,000) | 1,727,818 |
| <u>Unappropriated Fund Balance</u> | | | | |
| 800000 | Unappropriated Fund Balance | 779,752 | 250,000 | 1,029,752 |
| 801002 | Unapp FB - Restricted CET | 3,117,868 | - | 3,117,868 |
| 801003 | Unapp FB - Restricted TOD | 5,308,354 | - | 5,308,354 |
| 805000 | Unapp FB - Reserves | - | - | - |
| 805100 | Unapp FB - Stabilization Reserve | 2,259,000 | - | 2,259,000 |
| 805300 | Unapp FB - Reserve for one-time expenditures | 1,357,528 | - | 1,357,528 |
| 805400 | Unapp FB - Reserve for Future Debt Service | 826,556 | - | 826,556 |
| 805450 | Unapp FB - PERS Reserve | 3,838,528 | - | 3,838,528 |
| 805900 | Unapp FB - Other Reserves & Designations | 1,172,620 | - | 1,172,620 |
| Total Unappropriated Fund Balance | | 18,660,206 | 250,000 | 18,910,206 |
| TOTAL REQUIREMENTS | | \$27,982,512 | (\$35,000) | \$27,947,512 |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Current Budget | Revision | Amended Budget |
|---|----------------------------------|-------------------|----------------|-------------------|
| Parks and Natural Areas Local Option Levy Fund | | | | |
| Revenues | | | | |
| <i><u>Beginning Fund Balance</u></i> | | | | |
| 341500 | Fund Bal-Dsg PERS | 17,000 | - | 17,000 |
| 349000 | Fund Balance-Unassigned/Reserved | 2,931,000 | - | 2,931,000 |
| 350000 | Fund Balance-Assigned | 1,915,000 | - | 1,915,000 |
| Total Beginning Fund Balance | | 4,863,000 | - | 4,863,000 |
| <i><u>Current Revenue</u></i> | | | | |
| 401000 | Real Property Taxes-Current Yr | 10,274,800 | - | 10,274,800 |
| 401500 | Real Property Taxes-Prior Yrs | 247,500 | - | 247,500 |
| 411000 | State Grants - Direct | - | 510,900 | 510,900 |
| 470000 | Interest on Investments | 24,500 | - | 24,500 |
| Total Current Revenue | | 10,546,800 | 510,900 | 11,057,700 |
| TOTAL RESOURCES | | 15,409,800 | 510,900 | 15,920,700 |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Current Budget | Revision | Amended Budget |
|---|-------------------------------------|-------------------|----------------|-------------------|
| Parks and Natural Areas Local Option Levy Fund | | | | |
| Parks and Environmental Services | | | | |
| <i><u>Personnel Services</u></i> | | | | |
| 501000 | Reg Employees-Full Time-Exempt | 455,492 | - | 455,492 |
| 501500 | Reg Empl-Full Time-Non-Exempt | 161,924 | - | 161,924 |
| 511000 | Fringe - Payroll Taxes | 51,989 | - | 51,989 |
| 512000 | Fringe - Retirement PERS | 58,270 | - | 58,270 |
| 513000 | Fringe - Health & Welfare | 150,125 | - | 150,125 |
| 515000 | Fringe - Other Benefits | 2,603 | - | 2,603 |
| 519000 | Pension Oblig Bonds Contrib | 6,172 | - | 6,172 |
| | Total Personnel Services | 886,575 | - | 886,575 |
| <i><u>Materials and Services</u></i> | | | | |
| 524000 | Contracted Professional Svcs | 579,248 | - | 579,248 |
| 525000 | Contracted Property Services | 200,000 | - | 200,000 |
| 526100 | Capital Maintenance - CIP | 256,500 | - | 256,500 |
| 526200 | Capital Maintenance - Non-CIP | 25,000 | - | 25,000 |
| | Total Materials and Services | 1,060,748 | - | 1,060,748 |
| <i><u>Capital Outlay</u></i> | | | | |
| 571000 | Improve-Other than Bldg | 1,175,000 | 658,366 | 1,833,366 |
| 572000 | Buildings & Related | 875,000 | - | 875,000 |
| 574000 | Equipment & Vehicles | - | - | - |
| | Total Capital Outlay | 2,050,000 | 658,366 | 2,708,366 |
| TOTAL REQUIREMENTS | | 3,997,323 | 658,366 | 4,655,689 |
| TOTAL FTE | | 13.00 | 0.00 | 13.00 |

Exhibit A
Resolution No. 15-4621

| ACCT | DESCRIPTION | Current Budget | Revision | Amended Budget |
|---|-----------------------------|-------------------|------------------|-------------------|
| Parks and Natural Areas Local Option Levy Fund | | | | |
| General Expenses | | | | |
| <i>Interfund Transfers</i> | | | | |
| 580000 | Transfer for Indirect Costs | 318,789 | - | 318,789 |
| 581000 | Transfer of Resources | 17,000 | - | 17,000 |
| 582000 | Transfer for Direct Costs | 1,301,558 | - | 1,301,558 |
| Total Interfund Transfers | | 1,637,347 | - | 1,637,347 |
| <i>Contingency</i> | | | | |
| 701002 | Contingency - Operating | 1,059,148 | (147,466) | 911,682 |
| Total Contingency | | 1,059,148 | (147,466) | 911,682 |
| TOTAL REQUIREMENTS | | 2,696,495 | (147,466) | 2,549,029 |

Exhibit B
Resolution 15-4621
Schedule of Appropriations

| | Current Appropriation | Revision | Revised Appropriation |
|--|--------------------------|------------------|--------------------------|
| GENERAL FUND | | | |
| Council | 4,876,688 | - | 4,876,688 |
| Office of the Auditor | 748,190 | - | 748,190 |
| Office of Metro Attorney | 2,202,018 | - | 2,202,018 |
| Information Services | 4,269,697 | - | 4,269,697 |
| Communications | 3,095,395 | - | 3,095,395 |
| Finance and Regulatory Services | 4,558,522 | - | 4,558,522 |
| Human Resources | 2,553,482 | - | 2,553,482 |
| Parks and Environmental Services | 8,623,700 | 250,000 | 8,873,700 |
| Sustainability Center | 3,388,005 | - | 3,388,005 |
| Visitor Venues - Oregon Zoo | 31,009,741 | - | 31,009,741 |
| Planning and Development Department | 15,094,485 | - | 15,094,485 |
| Research Center | 4,635,779 | - | 4,635,779 |
| Special Appropriations | 5,017,085 | 35,000 | 5,052,085 |
| Non-Departmental | | | |
| Debt Service | 1,786,381 | - | 1,786,381 |
| Interfund Transfers | 7,309,489 | - | 7,309,489 |
| Contingency | 2,012,818 | (285,000) | 1,727,818 |
| <i>Total Appropriations</i> | 101,181,475 | - | 101,181,475 |
| Unappropriated Balance | 18,660,206 | 250,000 | 18,910,206 |
| Total Fund Requirements | \$119,841,681 | \$250,000 | \$120,091,681 |
| PARKS AND NATURAL AREAS LOCAL OPTION LEVY | | | |
| Sustainability Center | 6,903,738 | - | 6,903,738 |
| Parks and Environmental Services | 3,997,323 | 658,366 | 4,655,689 |
| Visitor Venues - Oregon Zoo | 312,244 | - | 312,244 |
| Special Appropriations | 1,500,000 | - | 1,500,000 |
| Non-Departmental | | | |
| Interfund Transfers | 1,637,347 | - | 1,637,347 |
| Contingency | 1,059,148 | (147,466) | 911,682 |
| <i>Total Appropriations</i> | 15,409,800 | 510,900 | 15,920,700 |
| Total Fund Requirements | 15,409,800 | 510,900 | 15,920,700 |

All Other Appropriations Remains as Previously Adopted

STAFF REPORT

FOR THE PURPOSE OF AMENDING THE FY 2014-15 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2014-15 THROUGH FY 2018-19 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS

Date: May 11, 2015

Presented by: Kathy Rutkowski 503-797-1630

BACKGROUND

Several items have been identified that necessitate amendment to the budget.

Glendoveer Golf Course Operating Contract Revenues and Expenditures

Due to an upward trend in rounds played Metro will incur contractual costs with the operator of the Glendoveer Golf Course in excess of the amounts appropriated in the FY 2014-15 Budget. The Parks and Environmental Services Department requests an additional appropriation of \$250,000 for FY 2014-15, in anticipation that full-year expenditures will exceed the FY 2014-15 by this amount. There are no financial implications of this budget amendment as the year-end Golf Course revenues received by Metro under the contract with the operator are expected to be higher than budgeted and more than offset these additional costs.

Oregon Budget Law does not allow the direct recognition and appropriation of this additional revenue without a supplemental budget. This action acknowledges the receipt of the additional revenue but transfers the requested additional appropriation from the General Fund contingency.

Chinook Landing Marine Facility Boat Dock

In January 2015 the Parks and Property Stewardship Division of Parks and Environmental Services was awarded a \$510,900 grant from the Oregon State Marine Board (OSMB) for the purchase of replacement boarding docks at the Chinook Landing Marine Facility. The project was not included in the FY 2014-15 Capital Improvement Plan. The cost estimate for this project is \$658,366. Metro has awarded a contract for the fabrication, storage and delivery of the aluminum boarding docks to Topper Industries Inc. It is anticipated that the fabrication of the docks will be completed within the current grant cycle ending June 30, 2015 and that installation of the docks will occur at a future date under a separate grant agreement. This amendment requests the recognition of the grant funds for the purchase of replacing boarding docks and provides additional appropriation of \$658,366 for this project. The expected matching funds of \$147,466 are requested to be transferred from the Parks and Natural Areas Local Option Levy Contingency Account.

The FY 2014-15 through FY 2018-19 Capital Improvement Plan is also amended as part of this action.

Willamette Falls Locks Working Group

In 2005, the Corps of Engineers budget to operate the Willamette Falls Locks was reduced to provide minimal maintenance and the Locks were reclassified to "care-taker status" due to drastically reduced usage. With that action, Governor Kulongoski established an Oregon Solutions Project to pursue a collaborative effort to support re-opening of the Locks by the Corps. Metro has been a member of that Oregon Solutions Project and its successor, the One Willamette River Coalition, since the inception.

The coalition was quite successful from 2006-2011 in securing funds from a variety of sources (public, private, federal, state and local) for engineering studies, economic studies, inspections, repairs and seasonal operations. However, in 2011, due to the deteriorated condition of the Locks, the Corps reclassified the Locks to “non-operational status” due to life/safety concerns for the potential of catastrophic failure. In 2014, with the urging of the National Trust for Historic Preservation, the Corps initiated a consultation process under the National Historic Preservation Act with stakeholders, the State Historic Preservation Office, the (federal) Advisory Council on Historic Preservation and the Native American Tribes to assess whether continued closure has an adverse impact on this federal facility on the National Register of Historic Places. To date, the Corps has concluded that there is an adverse impact and has solicited input on mitigation measures.

Under the leadership of the Clackamas County Commission, a Willamette Locks Working Group has been formed to direct local efforts to advocate for the repair and reopening of the Locks and to serve as the point of contact for negotiations with the Corps. Membership includes elected officials from Clackamas County, Metro, the cities of Wilsonville, West Linn, Lake Oswego and Milwaukie and community representatives from the National Trust for Historic Preservation, the One Willamette River Coalition and impacted businesses. Through the Working Group, input has been provided to the Corps that the preferred method for mitigating the adverse impact of closure is to implement needed repairs and re-open the Locks for public commercial and recreational watercraft. Also through the Working Group, legislation is being pursued to establish a state Task Force to address alternative ownership, financing and operating models. To date, resolutions of support have been adopted by the Metro Council, the Clackamas County Commission, numerous city and county governing bodies, the Confederated Tribes of the Grand Ronde and the Association of Oregon Counties.

Since 2012, the advocacy efforts in support of the Locks has received significant technical, legal and lobbying assistance from the national Trust for Historic Preservation as a result of their designation of the Locks as a “National Treasure” (a limited set of historic locations nationally that are threatened and prioritized for support from the Trust). This proposed budget amendment is intended as a cost-sharing partnership to continue the effective lobbying through the Trust and its contract lobbyist, Hooley & Naito LLC. As described in the attached proposal from Commissioner Tootie Smith and Councilor Carlotta Collette, funding support is proposed to be split 1/3rd each from Clackamas County, Metro and other smaller public and private partners. In addition, the proposal calls for proceeding with the funding contribution in 6-month increments to allow for a decision on whether to proceed based upon the needs at the time. This budget amendment is for the first \$35,000 contribution for the period May 1, 2015 to December 31, 2015. There is a companion FY 2015-16 budget amendment for \$26,000 for the period January 1, 2016 to June 30, 2016. If desired, future budgets will deal with future contributions, currently estimated at about \$26,000 per 6-month period.

The effort to repair and re-open the Locks is part of an integrated strategy focused on Willamette Falls (see Fact Sheet). Through the Natural Areas Bond Measure contribution of \$5 million and local sponsorship for the Oregon Department of Parks and Recreation’s \$5 million contribution of lottery funds, Metro is playing a significant partnership role in advancing the Willamette Falls Legacy Project. This is a multi-faceted effort to redevelop the defunct Blue Heron paper-mill site, restore important natural habitat and provide public access to the site. In addition, the Willamette Falls Heritage Area Coalition, which includes membership by Metro, is seeking to have the area designated by the US Department of Interior, National Park Service as a national Heritage Area to provide programming for historic preservation and interpretation. The success of the three initiatives is inextricably intertwined and lobbying support is being closely coordinated.

The expenditure is proposed to be budgeted in Special Appropriations of the General Fund until such time as this contribution is deemed to be an ongoing department expenditure at which time it will be

transferred to the appropriate department budget. The request will be funded via a transfer from the FY 2014-15 Council Opportunity Account, a component of the General Fund contingency. If this action is approved by the Council, a balance of \$265,000 will remain in the Opportunity Account. If not used, this amount will drop to the ending balance and be carried forward in the General Fund undesignated balance and be used as partial funding for the FY 2015-16 Council Opportunity Account currently budgeted at \$500,000.

Oregon Zoo Capital Projects (CIP change only)

The Oregon Zoo is proposing to update the Capital Improvement Plan to reflect substantive changes in project scopes and budget. Two projects will be affected by this amendment: a Haybarn Retrofit and Commissary Refrigerator/Freezer Replacement.

Haybarn Retrofit:

Due to animal management needs during the construction of Elephant Lands, it was determined that additional holding space was required for the elephant herd. These needs were not scoped by the Zoo Bond Program, as they were unanticipated during the design phase. Therefore, the zoo determined to use existing appropriation in the Zoo Capital Fund for a retrofit of the existing haybarn to make it suitable to house an elephant. The budget for this work is \$260,000 and is funded by a reduction in project budget for the Steller Cove renovations. No additional budget appropriation is required.

Commissary Refrigerator/Freezer Replacement:

During the design phase of the planned replacement of the interior freezer and coolers in the zoo commissary, it was determined that the established budget was insufficient for the required scope. Due to the age and condition of existing equipment, the complete demolition and installation of new refrigerator/freezers is required, rather than replacement of individual mechanical units. The result of actual design, construction bids, and implementation of the work is \$300,000. Funding is available from reducing budget for the 750Kw Generator Replacement, after diagnostic assessments revealed that only minor maintenance was required. No additional budget appropriation is required.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known.
2. **Legal Antecedents:** ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriation, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction. ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer. Metro code chapter 2.02.040 requires the Metro Council to approve the addition of any position to the budget. Metro's adopted financial policies require any project exceeding \$100,000 or an existing CIP project increasing greater than 20 percent to receive Council approval.
3. **Anticipated Effects:** This action provides for changes in operations as described above – acknowledges new revenue; recognizes and appropriates new grant funds; and provides additional appropriations for changes in operations.

4. **Budget Impacts:** This action has the following impact on the FY 2014-15 budget:
- Acknowledges \$250,000 of additional revenue to be received at Glendoveer Golf Course and provides additional appropriation for related operating expenses via a transfer from the General Fund contingency
 - Recognizes \$510,900 in additional grant funds from the Oregon State Marine Board; transfers \$147,466 from the Parks Levy Fund contingency, and provides approximately \$658,000 in additional appropriation to purchase boat docks for Chinook Landing Marine Facility.
 - Transfers \$35,000 from the Council Opportunity Account in the General Fund contingency for a contribution to the Willamette Falls Locks working group.
 - Recognizes changes in two capital projects at the Oregon Zoo.

RECOMMENDED ACTION

The Chief Operating Office recommends adoption of this Resolution.



To: Willamette Falls Locks Working Group
From: Commissioner Tootie Smith and Councilor Carlotta Collette
Re.: State and Federal Lobbying on behalf of the Willamette Falls Locks
Date: April 15, 2015

The Willamette Falls Locks Working Group's effort to re-open the historic Willamette Falls Locks to tourism and commerce is off to a good start. In order to successfully continue this course, we propose contracting with the National Trust for Historic Preservation to continue their valuable advocacy.

To date, our accomplishments have been:

- Enthusiastic visits in Oregon and Washington DC with the Oregon Congressional delegation. They are eager to help. Site visits have been arranged for a number of the members and/or their staff and more are on the way.
- Adoption of SJM 10 by the Oregon Senate encouraging positive federal action on the Willamette Locks and the Willamette Falls designation as a National Heritage Area and support for revitalization of the area for historic, cultural, educational and economic purposes .
- Approval by the Senate Business and Transportation Committee of the Oregon Legislature of SB 131 to establish a Task Force to address the operation and financing of the Willamette Falls Canal and Locks.
- Designation of Clackamas County as the lead negotiator with the US Army Corps of Engineers on behalf of local and regional interests.
- Development of a proposed Memorandum of Agreement with the US Army Corps of Engineers in response to their obligation to consult with the community to address adverse impacts on a federal facility on the National Register of Historic Places. Within that draft agreement, we have supported the work needed to evaluate alternative approaches for financing and operating the locks which allows us to take the necessary steps to permanently repair and reopen the Locks. In the meantime, the draft agreement proposes interim approaches to provide minimal public and commercial access.
- Development of an "Appropriations Request" in response to Senator Merkley for a USACE appropriation to carry out the study of alternative operating and financing approaches and begin the needed repair work.
- Adoption of resolutions of support by Clackamas County, Metro, West Linn, Oregon City, Wilsonville, Milwaukie, Lake Oswego, Gladstone, Portland, Polk County, Confederated Tribes of the Grand Ronde, and the Association of Oregon Counties, with more underway.

While there have been important contributions from many individuals from many organizations, public and private, these accomplishments are significantly as a result of the National Trust for Historic Preservation through their central staff, field staff and contracted lobbyists. We have an uncertain and

potentially long future ahead as we work through the issues with the Corps. In order to be successful, it is apparent that continued support from the National Trust is important to maintain. Toward that end, we recommend continuing the effort initiated by the Trust and set up a funding mechanism that carries us through the end of 2016. If there is general agreement to proceed, we can implement the proposal in 6-month increments, adjusting as we go to the circumstances at hand. At the end of 2016, we can evaluate how to proceed into the future. The Clackamas County Board of Commissioners are supportive of proceeding with this approach if a cost-sharing arrangement with other partners can be agreed to. Costs and proposed funding contributions would be as follows:

| | |
|---|--|
| <p>September 2014 – April 30, 2015 \$80,000 cost Trust contribution - \$45,000 Willamette Falls Heritage Foundation contribution - \$25,000 KJD Properties contribution - \$5,000 J&A Fuel contribution - \$5,000</p> | <p>May 1, 2015 – December 31, 2015 \$105,000 cost Clackamas County contribution - \$35,000 Metro contribution - \$35,000 Other contributions - \$35,000</p> |
| <p>January 1, 2016 – June 30, 2016 \$78,000 cost Clackamas County contribution - \$26,000 Metro contribution - \$26,000 Other contributions - \$26,000</p> | <p>July 1, 2016 – December 31, 2016 \$78,000 cost Clackamas County contribution - \$26,000 Metro contribution - \$26,000 Other contributions - \$26,000</p> |

These costs are based upon the following estimates:

BALL-PARK ANTICIPATED MONTHLY COSTS:

| | |
|--|-----------------|
| 2 lobbyists & travel hired by the Trust | \$ 7250 |
| 2 p/t local consultants: 1@ Trust & One Willamette River Coalition | \$ 2000 |
| Trust staffing, resources, travel and indirect costs | \$ 3500 |
| Willamette Falls Heritage Foundation administrative & project fees | <u>\$ 250</u> |
| TOTAL MONTHLY ANTICIPATED ADVOCACY COSTS | \$13,000 |

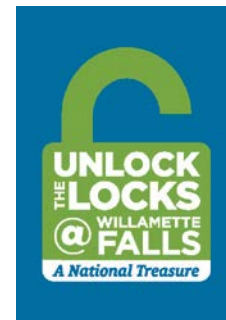
The effort to repair and operate the Willamette Falls Locks has been a long endeavor, largely carried out under the auspices of the Willamette Falls Heritage Foundation and their affiliate the One Willamette River Coalition. They have managed numerous fund raising activities to commission an engineering study, a study to guide transfer of the Locks to local ownership, an economic opportunity study, a tourism impact study and various lobbying efforts. Noteworthy contributors in the past will need to be approached to complete the final one-third of the budget:

| | |
|--|--|
| <p>Public Contributions:</p> <ul style="list-style-type: none"> • Clackamas County • Clackamas County Tourism • West Linn • Oregon City • Keizer • Wilsonville • Metro • Oregon State Parks • Oregon State Marine Board • ODOT | <p>Private Contributions:</p> <ul style="list-style-type: none"> • Portland General Electric • Wilsonville Concrete • J&A Fuels • Portland Spirit • Kinsman Foundation • Travel Oregon |
|--|--|

Regional significance of Metro funding toward the Willamette Locks lobbying

- It is proposed that Metro provide 1/3rd funding toward the lobby effort to repair and reopen the Willamette Falls Locks. Clackamas County would also be a 1/3rd contributor with other interests providing smaller contributions. Clackamas County is providing the full cost of lobbying for the Willamette Falls Legacy Project for which Metro is also a partner.
- Willamette Locks were listed on the National Register of Historic Places in 1974 recognizing their national significance.
- Repair and reopening of the Willamette Locks is on part of the designation of a State Heritage area (under the Oregon State Parks Department) and a National Heritage area (under the national Parks Service, Department of Interior). The case for the heritage area designation is due to the significance of Oregon City and the Willamette Falls as the birthplace of Oregon.
- The Locks enabled shipment of timber and agriculture products from the Willamette Valley to ports in Portland. This facilitated the growth of the Valley based upon production of these products and the growth of Portland as a shipping terminal.
- Metro's Resolution No. 14-4576 established the Metro Council's acknowledgement of the regional significance of repairing and reopening the Locks.
- Metro's Resolution No. 15-4616 adopted the region's priorities on federal transportation policy including identification of the Locks repair and reopening as one of several projects that will need the assistance of the Congressional delegation.
- Metro contributed toward the report: "Willamette Locks Economic Potential Report" (August 2014) providing information about potential commercial and recreational benefits of repair and reopening.
- Commercial benefits of reopening the Locks include passage of passenger vessels (the Canby and Wheatland Ferries and Willamette Queen Dinner Cruise in Salem, OR) to access Portland dry docks, passage of gravel barges and marine construction equipment to upriver sites.
- Recreational benefits of reopening the Locks include accommodation of motorized and non-motorized vessels. According to the Oregon Department of Parks and Recreation, there are 2.6 million motorized vessel trips on the north Willamette River (from Salem to Portland) involving nearly 13% of the area population and 1.7 million non-motorized vessel trips representing nearly 10% of the area's population. There are frequent queries to the state and the Willamette Riverkeeper on access to the Locks for passage past Willamette Falls.
- The Locks are an historical destination that would be a popular site to visit. In the North Willamette Valley, according to the Oregon Department of Parks and Recreation, there are 4.2 million visits per year to sites of historical significance involving over 43% of the area's population. This represents a large segment of the population interested in visiting historic sites like the Locks.
- The Locks are viewed as a backup system for movement of freight to the Metro region in the event of catastrophic failure of the region's freeways and bridges due to a major seismic event.
- Metro is a co-sponsor of the Willamette Falls Legacy Project, one of many regionally significant sites funded through the natural areas bond measures. The success of this redevelopment project is more favorable if part of a larger Willamette Falls area that includes an operating Locks.
- In the 2013 Legislature, widespread support from throughout the Metro area was expressed for the \$5 million state parks commitment to the Legacy Project, including from the Washington County Board of Commissioners.

HISTORICAL TIMELINE of the WILLAMETTE FALLS CANAL & LOCKS & ADVOCACY EFFORTS to KEEP the LOCKS REPAIRED & OPEN



The Locks opened January 1, 1873 to expedite the settlement and commerce of the 200-mile long Willamette Valley. Gates are based upon a leaf-lock design by Leonardo da Vinci; wickets in the gates create waterfall effect, unlike newer locks with buried fill valves. The canal, made of stone, timber, concrete and steel, is 2,500 feet long and 40 feet wide with four connecting lift locks, each 210 feet in length, plus a guard lock and the canal basin. Material was towed by steam tugs for hand-fitting and layup without mortar by European masons and Chinese laborers. Local native tribal members also worked on Locks construction. Early sternwheeler steamships were designed to fit in the lock chambers. This was the first significant navigational improvement on the Columbia/Snake drainage.

- **1871-73:** Built by private investors, “Willamette Lock & Canal Company”, with a \$200k subsidy from the State of Oregon, 1/3 of the total cost. Willamette Falls Navigation Canal and Locks opened on Jan 1, 1873.
- **1912:** Serious consideration by the Corps of Engineers to construct a competing canal at Oregon City on the opposite side of the falls.
- **1915:** Bought by the Corps of Engineers (\$375k) and the State of Oregon (\$300k) to provide free transit.
- **1916:** Deepened to 6 feet.
- **1938:** Corps planned to renovate/destroy old locks and build a single-lift canal to expedite literal logjams created by huge rafts of abundant logs being transported downstream. Engineering could not be worked out.
- **1970s:** Timber industry slowed and log rafts transiting the Locks started declining.
- **1974:** Listed on the National Register of Historic Places by the Corps, bringing the protective mandates of the National Historic Preservation Act (NHPA) on federal stewardship.
- **1991:** State Historic Civil Engineering Landmark, American Society of Civil Engineers.
- **1993:** The ‘Spruce Goose’, Howard Hugh’s ‘Flying Boat’ was transported through the Locks en route to Evergreen Aviation Museum in McMinnville, Oregon.
- **1996:** West Linn Paper stopped barging materials and product through the Locks, using truck transit instead.
- **1999:** River named an American Heritage River.
- **2000ish:** Locks usage dropped precipitously and closure threatened.
- **2002-04:** Opened seasonally due to reduced Corps budget.
- **2002:** Willamette Falls Heritage Foundation (WFHF) organized by volunteers to advocate for Willamette Falls Locks and falls-area industrial heritage structures and stories.
- **2004-2010, 2013, 2014:** Site of six WFHF-sponsored Lock Fests, to advocate for preservation & future funding of maintenance and operations, and to introduce the public to the Locks.
- **2004:** Congresswoman Hooley hosted a flotilla to illustrate the importance of one continuous river
- **2005:** No federal budget funding; Locks moved to “caretaker-status” which provided minimal maintenance; seasonally opened via earmarks.
 - Congresswoman Hooley convened *Willamette River United* Conference to promote efforts to keep the Locks open.
 - Gov Kulongowski designated as Oregon Solution project; Verne Duncan convener.
 - River designated as Willamette River Water Trail.
- **2006, 2007:** Locks open May –Sept thanks to funding from ODOT, WFHF and Clackamas County.
- **2007:** WFHF funded updating of National Register nomination with hopes of achieving National Historic Landmark status.
 - WFHF raised \$50k for INCA engineering study.
 - Travel Oregon spent \$27k on media outreach for the Locks; named WFHF Locks’ advocacy affiliate One Willamette River Coalition (OWRC).
 - Corps closed Locks until Hydraulic Structural Steel (HSS) study could be done.
 - Corps dam safety engineers determined the Locks as DSAC-1: “high risk of life-threatening injuries”. [See DSAC-1 explanation page.]
- **2009:** HSS study began with \$511k Corps funding and \$118k ODOT funds
 - Received \$1.8mil federal stimulus money (ARRA) and additional \$570k from partners to complete HSS, inspect and repair all gates.

- OWRC raised \$29k for a study of potential transfer of the Locks to a local entity conducted by the Center for Economic Development and Research (CEDER), the non-profit arm of The Pacific Northwest Waterways Association.
- Oregon Solutions deemed the project successful and turned it over to ORWC.
- **2010:** Congressional funding for seasonal operations.
- **2011:** Limited subsequent lockages under a Caretaker Status budget; special commercial needs served once a month while exercising the gates.
 - INCA completed a Facilities Evaluation Report which noted mechanical and electrical deficiencies, seepage, stability and deteriorating gudgeon anchors. According to Corps engineers, gudgeon inspection requires hands-on inspection of possible fracture of critical components for loss-of-life risks. All gudgeons on gates 2, 3 & 4 were “red tagged” due to corrosion or inability to see/inspect. Outside engineers insist that the gudgeon arms can be simply, thoroughly and inexpensively tested.
 - Transferred to “non-operational” status by the Corps of Engineers and closed to all river traffic. Public access to the Locks, grounds and interpretive center also closed.
- **2012:** River selected as the National Water Trail System’s Willamette River Water Trail.
 - Locks selected as National Treasure by National Trust for Historic Preservation (NTHP).
 - Locks listed on “Most Endangered List” by Historic Preservation League of Oregon (now Restore Oregon)
 - Willamette River received the Theiss International Riverprize, worlds’ most prestigious environmental award, via Meyer Memorial Trust in recognition of environmental river restoration.
 - ODOT’s Director stated that the Locks are important as redundant transportation in a Cascadia event
- **2013:** Corps allowed two unmanned lockages of the Canby Ferry by Marine Industrial Construction to get the ferry downstream for necessary retrofitting and inspections; Clackamas County estimates that transit via the Locks saved them \$500k.
 - OWRC raised \$67k to fund an economic potential report by EcoNW that cited pent up recreational demand for Locks’ transit, and potential growing commercial use once the Locks have been dependably and consistently open.
- **2014:** Mandated National Historic Preservation Act (NHPA) Section 106 assessment begun belatedly by the Corps for 2011 closure. Corps acknowledged adverse effects caused by closure, began mitigation discussions with stakeholders. Development of an MOA or PA is in negotiation with the State Historic Preservation Office (SHPO), Advisory Council on Historic Preservation (ACHP), NTHP, OWRC, and 20+ stakeholders.
 - NTHP hired Hooley&Natio LLC as Locks champions.
 - Resolutions to repair and reopen the Locks passed unanimously by Clackamas County, Metro, cities of West Linn, Oregon City and Wilsonville.
 - Corps spent \$10k to clear debris from the headgate; Wilsonville Concrete offered to do it for free.
- **2015:** Association of Oregon Counties unanimously passed a Resolution to repair and reopen the Locks.
 - Clackamas County Commissioners convened a Workgroup of potential partner agencies to investigate owning and/or operating the Locks.
 - Sen Devlin and co-signers introduced SB131 to create a state Locks Task Force.
 - Corps has requested funds to belatedly start mandated National Environmental Protection Act (NEPA) assessment in March. (ACHP and internal Corps policies recommend NEPA and Sec106 be done simultaneously.)
 - Corps will request FY17 funds for a feasibility study to look at status quo, deauthorization, reauthorization, and for a long-term-disposition general investigation including consideration of Corps operation, lease to third party or transfer of ownership to third party.

Since 1975, this is the oldest and smallest operational navigation canal and locks used for commerce. It is also smallest and oldest operational **by-pass** canal in US, with continuous use for nearly 140 years. The structure still boasts a high degree of integrity over time, with adaptations that mirror the evolution of technology, function and repairs since construction. Our work continues. We are hopeful that the Willamette Falls Locks will again be open for commercial, recreation and tourism travel. www.savingplaces.org www.willamettefalls.org

Willamette Falls churns at the end of the Oregon Trail. Native Americans gathered here from time immemorial, and the falls powered the first long distance electric lines in the world. Multiple efforts are underway today to ensure that the legacy of this place is recognized and honored into the future.



Willamette Falls Heritage Area Coalition

Goal: To become a National Heritage Area that draws visitors from all over the world to Willamette Falls and the surrounding area to experience the end of the Oregon Trail and the stories, activities and gorgeous landscape that surrounds it.

Willamette Falls Heritage Area was recently designated as Oregon's first state heritage area. Heritage areas promote both heritage conservation and economic development. The coalition is currently conducting a feasibility study for national heritage area recognition which will be submitted to the National Park Service for approval, and then presented for Congressional designation.

Learn more at wfheritage.com

Willamette Falls LEGACY PROJECT

Goal: To provide public access to Willamette Falls for the first time in more than 100 years and to spur redevelopment of the 23-acre former Blue Heron Paper Co. site.

The project is a partnership between Oregon City, Clackamas County, Metro and the State of Oregon. Four core values guide the project, public access, economic redevelopment, healthy habitat and historic and cultural interpretation.

The first step to achieving the goal was completed in fall 2014 with the land-use zoning change that will allow for multimodal, mixed-use development of the site.

The project is starting the design process for a public riverwalk to bring people to the falls and catalyze redevelopment of the site adjacent to the falls.

Learn more at rediscoverthefalls.com



Willamette Falls Locks

Goal: To re-open the 1873 Willamette Falls Locks to allow boats, barges and paddlers to by-pass the 43-foot-tall Willamette Falls.

The U.S. Army Corps of Engineers has managed and maintained the locks since 1915. In 2011, the Corps moved the locks to a "non-operational" status.

Re-opening the locks again ensures connected navigation up and down the river, fulfilling the river's designation as a National Water Trail and an American Heritage River for commerce, recreation and tourism. Each commercial barge eliminates the need for 60 semi-trucks. A study on the locks' economic potential also revealed a pent-up demand by recreational users.

Advocacy efforts are underway to repair and reopen the locks.

Learn more at bit.ly/1GnBYGp