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**OREGON**

# Metro Budget

## **Adopted Five-year Capital budget**

**FY 2007-08 through 2011-12**

# 2007-08

# PDF User's guide

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This guide is intended to assist readers in finding information in the Adobe Acrobat® Portable Document Format (PDF) version of the FY 2007–08 Metro budget. This PDF has several features to assist readers in locating information quickly including: bookmarks, linked table of contents and searchable text.

## Bookmarks

The Bookmarks provided in this document on the left side of the window represent each section of the budget. To navigate using a bookmark:

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The FY 2007–08 Metro budget and other financial information are available online at [www.metro-region.org](http://www.metro-region.org)

# Five-Year Capital Budget

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# **Adopted Five-Year Capital Budget Fiscal Year 2007–08 through FY 2011–12**

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## **Prepared by**

### **Finance and Administrative Services Department**

William Stringer, Chief Financial Officer  
Margo Norton, Deputy Chief Financial Officer

### **Financial Planning Division**

Karen Feher, 5-Year Capital Budget Coordinator  
Kathy Rutkowski, Budget Coordinator  
Brad Stevens, Budget Analyst  
Elizabeth Adams, Document design, layout and production

### **Property Services Division, Metro Print Shop**

Ron Sarver, Printer  
John Willworth, Printer

### **Information Technology Division**

Rachel Coe, Acting Information Technology Director

### **Property Services Division**

Brian Phillips, Operations Manager

### **Oregon Zoo**

Craig Stroud, Finance Manager

### **Planning Department**

Jenny Kirk, Finance Manager

### **Regional Parks and Greenspaces Department**

Jeff Tucker, Finance Manager

### **Solid Waste and Recycling Department**

Doug Anderson, Finance Manager  
Paul Ehinger, Engineering and Technical Support Section Manager

# User's guide and Capital Budget calendar

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This section describes the capital budgeting process, the organization of this section of the budget document and the calendar to prepare the agency's Capital Budget.

## OVERVIEW OF PROCESS

Metro's Capital Budget process involves four phases described below and in the accompanying Capital Budget calendar.

### Phase 1– Departmental submissions

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

### Phase 2– Financial forecasts

Departments and the Financial Planning division prepare five-year financial forecasts that are used to evaluate each department's funding capacity for the capital projects requested.

### Phase 3– Chief Operating Officer review, Capital Budget development

After the departments submit project requests, the information is reviewed by the Chief Operating Officer. This includes:

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

### Phase 4– Council review and Capital Budget adoption

The Metro Council reviews the proposed capital projects and acts on the proposed Capital Budget following a public hearing. Projects in the Capital Budget for FY 2007–08 are included in the proposed budget.

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

## OVERVIEW OF DOCUMENT

This Capital Budget section contains Metro's plan for FY 2007–08 through FY 2011–12. It also includes summaries for any project costs incurred prior to FY 2007–08. The document is divided into the following sections:

### Capital Budget overview and summary

This section presents summary information on sources of capital project funding and uses.

### Departmental summaries and analysis

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

### Lists of unfunded projects

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

### Current projects status reports

This section presents information on the status of capital projects which were previously authorized and scheduled for completion by the end of FY 2006–07.

### Appendices

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

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

**CAPITAL BUDGET CALENDAR**

Key Tasks	Task Completion
Financial Planning division issues Capital Budget Manual	October 15
Departments submit Capital Project Requests, Current Projects Status Reports, and List of Unfunded Projects	December 8
Financial Planning division completes evaluation of department requests and prepares financial projections	December–January
Chief Operating Officer and Council President review and discussion	January
Council President finalizes recommended capital projects	February
Proposed Capital Budget document forwarded to Council	March
Information Technology Steering Committee Review	March
Budget review meetings	April
Council holds public hearing and adopts Capital Budget	June
Adopted first year projects incorporated into FY 2007–08 adopted budget	June

# Adopting Resolution

I HEREBY CERTIFY THAT THE FOREGOING  
IS A COMPLETE AND EXACT COPY OF THE  
ORIGINAL THEREOF

*Deany Shoemaker*  
METRO COUNCIL ARCHIVIST

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE )  
CAPITAL BUDGET FOR FISCAL ) RESOLUTION NO. 07-3795  
YEARS 2007-08 THROUGH 2011-12 ) Introduced by  
David Bragdon, Council President

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

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

WHEREAS, Metro's Council President has directed the preparation of a Capital Budget for fiscal years 2007-08 through 2011-12 that projects Metro's major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs;

WHEREAS, the Metro Council has reviewed the FY 2007-08 through FY 2011-12 Capital Budget; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2007-08 through FY 2011-12 Capital Budget; now, therefore

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

1. That the FY 2007-08 through FY 2011-12 Capital Budget, included as Exhibit A to this Resolution and summarized on Exhibit B, on file at the Metro offices, is hereby adopted.
2. That the Metro Council President is requested to include the FY 2007-08 capital projects from the FY 2007-08 through FY 2011-12 Capital Budget in the FY 2007-08 budget.

ADOPTED by the Metro Council this 21<sup>st</sup> day of June 2007.

*David Bragdon*  
David Bragdon, Metro Council President

Approved as to Form:

*Daniel B. Cooper*  
Daniel B. Cooper, Metro Attorney





**METRO**

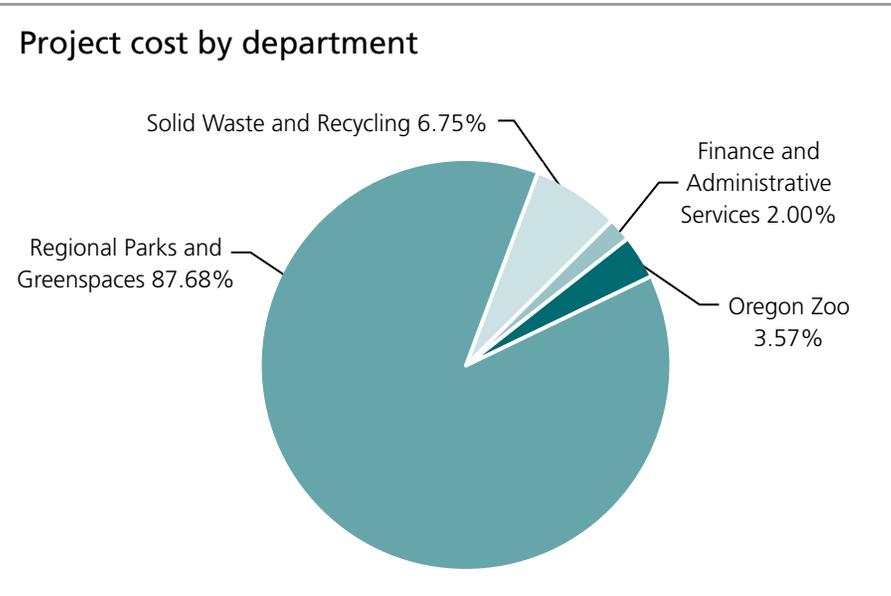
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## Overview and summary

Capital projects are defined in the Capital Budget as any physical asset acquired or constructed by Metro with a total capital cost of \$50,000 or more and a useful life of at least five years. The Capital Budget for FY 2007–08 through FY 2011–12 includes 80 capital projects at a total cost of about \$208.8 million. The capital costs of these projects by fiscal year are presented by department in the summary table below. The “Total” column represents the total project costs, including spending and budget in prior years.

This year’s adopted Capital Budget increases by \$75 million and ten projects from the prior year adopted Capital Budget. Of the \$75 million, most is related to new projects funded by the Natural Areas bond measure passed in November 2006. The majority of the prior years’ total spending was the result of the earlier 1995 bond measure for Open Spaces.

Several factors relate to the increase in the number of projects and, to a lesser extent, the increase in the dollar amount of the planned project expenditures. First, Council approved the allocation of \$500,000 from excise tax for general renewal and replacement; five of the new projects stem from this new money. Secondly, the FY 2007–08 budget redeploys \$1.8 million in reserves previously set aside for future parks development to a significant Oregon Zoo project, the Orangutan Exhibit renovation. This renovation is to refresh the last of the “old style” zoo exhibits which is inconsistent with our current commitment to animal enrichment. The redeployment from development of future parks is possible because of the passage of the Natural Areas bond measure.



### Project cost by department

	Total Projects	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
Finance and Administrative Services	18	\$2,810,135	\$1,246,959	\$871,500	\$581,000	\$755,167	\$715,667	\$6,980,428
Oregon Zoo	9	6,057,574	4,450,500	3,000,000	0	0	0	13,508,074
Regional Parks and Greenspaces	17	144,318,909	43,293,138	43,570,000	35,800,000	35,375,000	25,000,000	327,357,047
Solid Waste and Recycling	36	755,256	2,497,900	3,607,800	3,586,000	2,301,000	2,105,000	14,852,956
<b>TOTAL</b>	<b>80</b>	<b>\$153,941,874</b>	<b>\$51,488,497</b>	<b>\$51,049,300</b>	<b>\$39,967,000</b>	<b>\$38,431,167</b>	<b>\$27,820,667</b>	<b>\$362,698,505</b>

**FIVE-YEAR TOTAL, FY 2007-08 through FY 2011-12** **\$208,756,631**

Overall, the majority of capital project expenditures during the five years are from three Metro departments:

- Regional Parks and Greenspaces 87.7 percent
- Solid Waste and Recycling 6.7 percent
- Oregon Zoo 3.6 percent

The 1995 Open Spaces bond measure and the 2006 Natural Areas bond measure distort the project activity. Without them, the percentages would be:

- Regional Parks and Greenspaces at 40.8 percent
- Solid Waste and Recycling 32.4 percent
- Oregon Zoo 17.2 percent
- Finance and Administrative Services 9.6 percent

## SOURCES OF FUNDS

### Overview

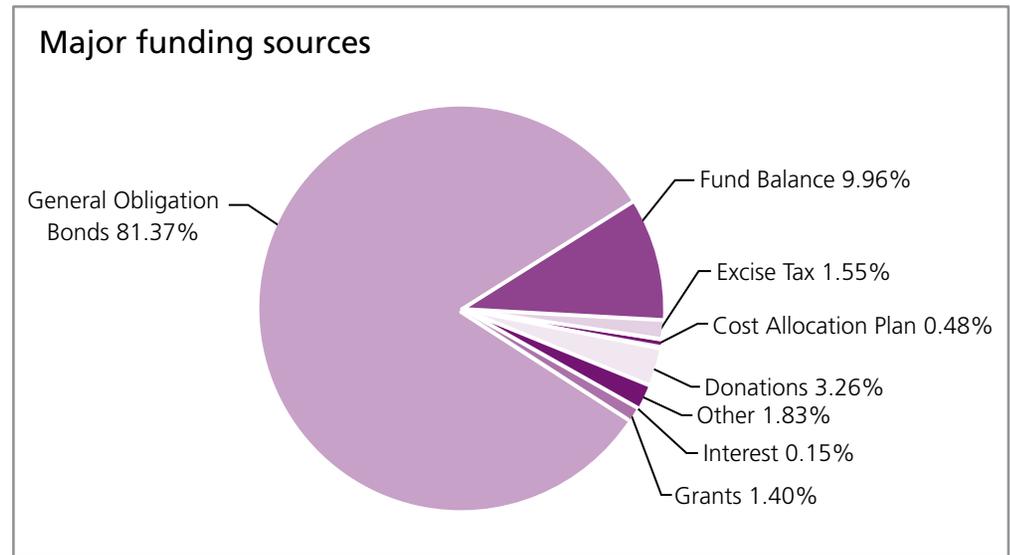
The financing sources for these capital projects vary by project and by department.

Solid Waste and Recycling generally relies on Fund Balance or Capital Reserve accounts. Funding for these projects is considered when setting the disposal rate.

Oregon Zoo projects have usually been funded from Fund Balance and donations. The Zoo relies on the fundraising efforts of The Oregon Zoo Foundation for 67 percent of its capital projects funding needs. Twenty-nine percent of the funding is from excise tax renewal and replacement funding including the re-directing of \$1.8 million of former reserves.

Regional Parks and Greenspaces non-land expenditures are predominantly funded by the general obligation bonds (93 percent), donations, excise tax and reserves. Land purchases and some major improvements are funded by general obligation bonds.

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



### General Obligation Bond

The Natural Areas bond passed in November 2006 and the first series of bonds issued in March 2007.

### Fund balance

The second largest source of funds for capital projects, about 10 percent of total funds, is fund balance. Departments' fund balances, in the form of reserves or unrestricted funds, represent Metro's major source of pay-as-you-go financing. This financing technique is particularly well-suited for small-to medium-sized projects with a useful life of less than 20 years.

Because fund balance is used for operating as well as capital purposes and can be affected by fluctuations in operating revenues and expenditures, Financial Planning staff and departments prepare and maintain a multi-year projection over the term of each five-year Capital Budget proposal. In the Department Summary and Analysis Section, departmental summaries show projections for those operating funds which will finance capital projects in whole or in part.

## Major funding sources

Source of Funds	Prior Years	FY 2007-08	FY 2008-2009	FY 2009-2010	FY 2010-2011	FY 2011-2012	TOTAL
Donations	\$2,463,265	\$2,003,000	\$4,800,000	\$0	\$0	\$0	\$9,266,265
Capital Lease	769,427	0	0	0	0	0	769,427
Cost Allocation Plan	799,003	183,000	188,500	168,000	219,500	245,000	1,803,003
Excise Tax	258,983	2,849,124	220,000	100,000	75,000	0	3,503,107
Fund Balance and Reserves	2,162,977	4,410,095	7,041,181	4,123,000	2,744,667	2,478,667	22,960,587
General Obligation Bonds	124,551,290	39,557,902	35,000,000	35,000,000	35,300,000	25,000,000	294,409,192
Grants	1,020,421	1,845,164	550,000	525,000	0	0	3,940,585
Interest	17,204,095	308,712	0	0	0	0	17,512,807
Intergovernment Revenue	193,500	0	0	0	0	0	193,500
OECCD Loan	4,201,295	0	0	0	0	0	4,201,295
Other	317,618	331,500	3,249,619	51,000	92,000	97,000	4,138,737
<b>TOTAL</b>	<b>\$153,941,874</b>	<b>\$51,488,497</b>	<b>\$51,049,300</b>	<b>\$39,967,000</b>	<b>\$38,431,167</b>	<b>\$27,820,667</b>	<b>\$362,698,505</b>

### Donations

Most donations are made for the Zoo's Capital Budget and Regional Parks and Greenspaces. "Predators of the Serengeti" and the California Condor Captive Breeding Facility projects at the Oregon Zoo are expected to be funded through donations from individual and group fund raising efforts. A portion of the Golf Learning Center at Blue Lake Park will be funded by donations and/or sponsorships.

### Other

Other financing sources represent 1.83 percent of the total funds allocated to capital projects. The majority of this category is an unidentified funding source for the Golf Learning Center at Blue Lake Park.

### Excise tax

This category is general fund excise tax allocated for department use. In FY 2004-05, Council adopted an additional levy of \$1.50 per solid waste disposed ton of garbage for the benefit of Regional Parks and Greenspaces for a total of \$2.50 per ton and \$0.50 to aid MERC in pursuing marketing opportunities for Oregon Convention Center. The FY 2007-08 amount is \$3.22 per ton and

allocated for the use of Regional Parks and Greenspaces, MERC, the Oregon Zoo and general renewal and replacement.

### Grants

Grants comprise about 1.4 percent of total funding for capital projects and are tied directly to specific projects. Regional Parks and Greenspaces Department has the majority of grants.

### Cost Allocation Plan

This funding source is for central services projects whose funding is derived from allocation to the operating departments. The category represents less than 1 percent of project funding. The FY 2004-05 budget instituted a contribution to Renewal and Replacement for both the Information Technology agency needs and the Metro Regional Center. This action smooths out department contributions for needed renewal and replacement.

### Interest

This category is generally interest earned on bond proceeds from Open Spaces and Natural Areas. Interest can also be earnings on specified reserves for a project. This source makes up about 0.2 percent of overall project funding.

**USES OF FUNDS**

Capital projects in the Capital Budget consist of facilities (purchase, construction, or improvements), land acquisitions, and equipment purchases of \$50,000 or more. Of the 80 projects, 91 percent of expenditures is for new construction or acquisition, one percent is expansion or remodeling projects, and 8 percent is for replacement projects. The “Funding by Project Type” chart displayed here demonstrates this use distribution.

**Facilities**

About 16 percent of total funds is allocated to a variety of facility projects. These projects include the replacement, renovation, expansion, or new construction of buildings, exhibits, roadways, trails, and other infrastructure. As with other capital projects, these capital assets must have a minimum useful life of five years to be considered. This eliminates routine maintenance and repair projects, which are treated as operating expenses. Regional Parks and Greenspaces’ projects account for about 53 percent of the total projects in this category, followed by the Oregon Zoo at 22 percent, and Solid Waste and Recycling at 21 percent.

**Equipment**

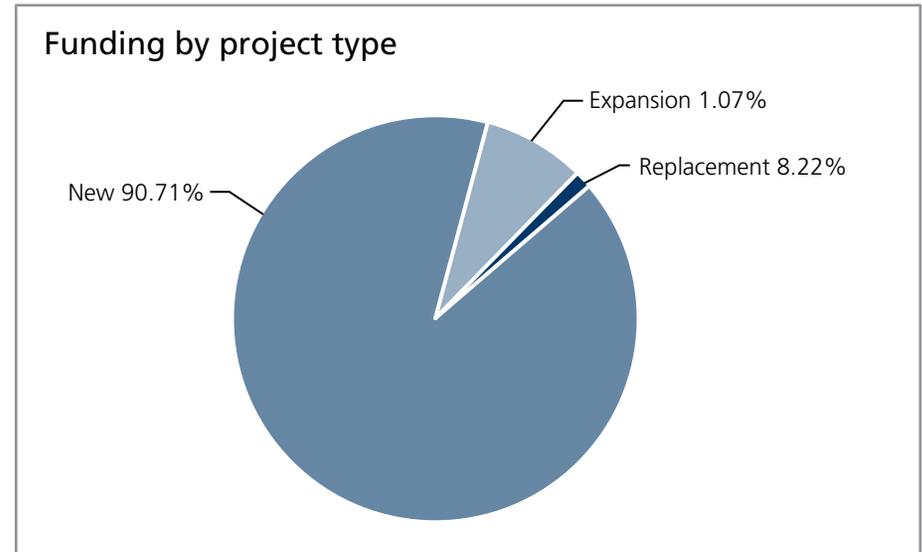
About five percent of funds for capital projects is allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for Capital Budget consideration if it costs \$50,000 or more and has a useful life of five years or more. Equipment required for new facilities is reflected in the costs of those facilities. About 70 percent of the equipment category relates to Solid Waste and Recycling improvements. Finance and Administrative Services projects are the next highest at about 29 percent.

**Land**

The remaining 79 percent of total funds in the Capital Budget is allocated to land acquisition or improvements. This \$165.4 million amount is for Regional Parks and Greenspaces department, funded by bond proceeds.

**Restoration**

A small amount of Regional Parks and Greenspace Capital Budget is devoted to restoration, which is usually grant funded.



**Funding by project type**

	Total Projects	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
Expansion	10	\$333,064	\$877,959	\$100,000	\$100,000	\$0	\$1,150,000	\$2,561,023
New	31	149,373,063	44,871,538	46,432,000	36,718,000	36,288,000	25,047,000	338,729,601
Replacement	39	4,235,747	5,739,000	4,517,300	3,149,000	2,143,167	1,623,667	21,407,881
<b>TOTAL</b>	<b>80</b>	<b>\$153,941,874</b>	<b>\$51,488,497</b>	<b>\$51,049,300</b>	<b>\$39,967,000</b>	<b>\$38,431,167</b>	<b>\$27,820,667</b>	<b>\$362,698,505</b>

## ANNUAL OPERATING BUDGET IMPACT SUMMARY

Each department projects the net impact on operating costs resulting from each capital project. The impact is shown in 2006 dollars for the first full year of operation after completion of the project. The table below is a summary by major budget category for all projects in the Capital Budget.

The chart below lists the projects with operating impact by department. Seven projects are expected to produce positive cash flows, three in Regional Parks, three at the Oregon Zoo and one in the Financial Services division. Metro, overall, will have an additional cost of \$277,275 to \$965,202 per year from these projects. The projects adding the most to operating costs are the Regional Parks Cooper Mountain Natural Area, the Graham Oaks Nature Area Development, the Mt. Talbert Development Open Spaces-Phase II, and the California Condor Captive Breeding Facility.

### Annual operating budget impact

Revenue and Cost by Major Budget Category	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
Revenues	\$12,000	\$94,000	\$1,119,454	\$1,287,123	\$1,411,719	\$3,924,296
Expenditures						
Personal Services	141,000	406,593	482,347	490,415	348,739	1,869,094
Materials and Services	127,375	347,661	1,417,292	1,590,210	1,687,569	5,170,107
Renewal and Replacement	20,900	154,200	154,200	171,700	171,700	672,700
<b>TOTAL EXPENDITURES</b>	<b>289,275</b>	<b>908,454</b>	<b>2,053,839</b>	<b>2,252,325</b>	<b>2,208,008</b>	<b>7,711,901</b>
<b>NET CONTRIBUTION (COST)</b>	<b>(\$277,275)</b>	<b>(\$814,454)</b>	<b>(\$934,385)</b>	<b>(\$965,202)</b>	<b>(\$796,289)</b>	<b>(\$3,787,605)</b>

## Annual net operating impact by project

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
<b>FINANCE AND ADMINISTRATIVE SERVICES</b>					
Copier Replacement	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400
Develop Enterprise Business Application Software	(39,000)	(39,000)	(40,000)	(40,000)	(40,000)
Single Uninterruptible Power Source	0	(5,000)	(5,000)	(5,000)	(5,000)
<b>TOTAL FINANCE AND ADMINISTRATIVE SERVICES</b>	<b>(32,600)</b>	<b>(37,600)</b>	<b>(38,600)</b>	<b>(38,600)</b>	<b>(38,600)</b>
<b>OREGON ZOO</b>					
California Condor Breeding Facility and Exhibit	(191,000)	(196,000)	(200,000)	(200,000)	0
Fluorescent Light Fixture Replacement	18,000	18,000	18,000	18,000	18,000
Predators of the Serengeti	0	0	56,000	56,000	56,000
Orangutan Exhibit Renovation	0	2,000	0	0	0
<b>TOTAL OREGON ZOO</b>	<b>(173,000)</b>	<b>(176,000)</b>	<b>(126,000)</b>	<b>(126,000)</b>	<b>74,000</b>
<b>REGIONAL PARKS AND GREENSPACES</b>					
Blue Lake Park Concession Building Renovation	12,000	12,000	12,000	12,000	12,000
Blue Lake Water System Upgrade - Phase 2	0	6,000	6,240	6,490	6,814
Cooper Mountain Natural Area Development	0	(214,049)	(219,546)	(225,250)	(231,165)
Gales Creek/Tualatin River Confluence Project	(12,260)	(10,000)	(10,000)	0	0
Golf Course at Blue Lake Park	0	0	0	77,730	153,956
Graham Oaks Nature Area Development	0	(214,049)	(219,546)	(225,250)	(231,165)
Howell Territorial Park Restroom & Kitchen Upgrade	0	2,500	2,500	2,500	2,500
M. James Gleason Boat Ramp - Phase III & IV	0	0	0	(17,500)	(17,500)
M. James Gleason Boat Ramp Renovation Phase I & II	0	(33,427)	(33,427)	(33,427)	(33,427)
Multnomah Channel Basin Recommendation Project	0	(2,000)	(2,000)	(2,000)	(2,000)
Open Spaces Land Acquisition - Second Phase	(71,415)	(147,829)	(306,006)	(395,895)	(491,702)
<b>TOTAL REGIONAL PARKS AND GREENSPACES</b>	<b>(71,675)</b>	<b>(600,854)</b>	<b>(769,785)</b>	<b>(800,602)</b>	<b>(831,689)</b>
<b>TOTAL</b>	<b>(\$277,275)</b>	<b>(\$814,454)</b>	<b>(\$934,385)</b>	<b>(\$965,202)</b>	<b>(\$796,289)</b>

# Department summaries and analysis

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

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

## **Total projects summary by year**

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

## **Overview of projects**

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

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

## **Project funding**

This section of the narrative discusses the sources of funding for the various projects and any significant funding issues. This section refers to the Major Funding Source Detail chart provided for each department.

## **Operational impact**

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

## **Five-year financial forecast**

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



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**Finance and Administrative Service**

## Finance and Administrative Services

### Total projects summary by year

	ID	Priority	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
<b>ALL FUNDS</b>								
Replace/Acquire Desktop Computers	IT1	1	\$397,193	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
<b>TOTAL ALL FUNDS</b>			<b>397,193</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>
<b>BUILDING MANAGEMENT FUND</b>								
Rebuild Metro Regional Center planters	1505	1	65,000	65,000	65,000	0	0	0
Parking Structure Waterproofing	TEMP289	2	0	75,000	25,000	25,000	0	0
Carpet Replacement	56180	4	0	0	100,000	100,000	100,000	50,000
Council/COO Building Space Remodel	TEMP288	3	0	120,000	0	0	0	0
Replace Metro Regional Center telephone system	1500	5	65,000	0	0	65,000	0	0
Metro Regional Center Roof Replacement	TEMP109	6	0	0	0	0	151,667	151,667
<b>TOTAL BUILDING MANAGEMENT FUND</b>			<b>130,000</b>	<b>260,000</b>	<b>190,000</b>	<b>190,000</b>	<b>251,667</b>	<b>201,667</b>
<b>PLANNING FUND</b>								
Regional Land Information System (RLIS)	94403/94404	1	768,667	57,000	28,000	16,000	57,000	28,000
Transportation Modeling Services Cluster Upgrade	43990	2	0	69,000	63,000	35,000	35,000	69,000
<b>TOTAL PLANNING FUND</b>			<b>768,667</b>	<b>126,000</b>	<b>91,000</b>	<b>51,000</b>	<b>92,000</b>	<b>97,000</b>
<b>SUPPORT SERVICES FUND</b>								
Server Management	56110	1	473,110	67,000	126,000	92,000	157,000	178,000
Single Uninterruptible Power Source for Computers	TEMP125	2	0	90,000	0	0	20,000	0
Upgrade Network Infrastructure	56120	3	359,020	35,000	35,000	35,000	35,000	35,000
Copier Replacement	65110	4	172,691	112,000	47,000	47,000	47,000	47,000
Upgrade of Business Enterprise Software (PeopleSoft)	65612	5	13,500	116,000	62,500	76,000	62,500	67,000
Develop Enterprise Business Applications Software	56135	6	333,064	150,000	0	0	0	0
Upgrade Desktop Operating Systems and Software	56137	7	162,890	0	230,000	0	0	0
<b>TOTAL SUPPORT SERVICES FUND</b>			<b>1,514,275</b>	<b>570,000</b>	<b>500,500</b>	<b>250,000</b>	<b>321,500</b>	<b>327,000</b>
<b>GENERAL FUND, RENEWAL AND REPLACEMENT FUND</b>								
Asset Assessment - Inventory, Appraisal, Condition	TEMP301	1	0	100,000	0	0	0	0
Council Chambers Audio/Visual Upgrades	TEMP304	2	0	100,959	0	0	0	0
<b>TOTAL GENERAL FUND, RENEWAL AND REPLACEMENT FUND</b>			<b>0</b>	<b>200,959</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL FINANCE AND ADMINISTRATIVE SERVICES</b>			<b>\$2,810,135</b>	<b>\$1,246,959</b>	<b>\$871,500</b>	<b>\$581,000</b>	<b>\$755,167</b>	<b>\$715,667</b>
<b>FIVE-YEAR TOTAL, FY 2007-08 through FY 2011-12</b>			<b>4,170,293</b>	<b>Total number of projects 18</b>				

# Finance and Administrative Services

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Finance and Administrative Services contains two areas that generate Capital projects, Property Services and Information Technology. The Property Services division of the Finance and Administrative Services Department (FAS) is responsible for the operations and maintenance of the Metro Regional Center, the attached parking garage, and the operation of the print shop at Metro. The Information Technology division of FAS manages the information technology infrastructure and services of the agency. All projects throughout the agency related to information technology, regardless of funding source, are grouped in this section.

## OVERVIEW OF PROJECTS

Finance and Administrative Services' projects generally fall into two broad categories, Metro Regional Center and Information Technology, each described below. The one exception in this year's Capital Budget is the Asset Assessment–Inventory, Appraisal and Condition Project. The project will be implemented in conjunction with the installation of Fixed Asset software, a current project which addresses recurring recommendations from both the Metro Auditor and the agency's external financial auditor. Together the two projects will allow Metro to account and plan more accurately for the assets entrusted to this agency. This project includes the physical inspection of all assets with a value over \$5,000 to determine their condition, remaining life and replacement value. The information will allow Metro to understand fully and manage its renewal and replacement needs.

### Metro Regional Center

The projects financed in this area are those that maintain the Metro Regional Center to:

- Insure employee safety.
- Maximize the useful life of the assets within the center.

The FY 2007–08 through FY 2011–12 Finance and Administrative Services Capital Budget contains six Metro Regional Center capital projects, three new and three continued from the current capital budget.

The new Capital projects include:

- Waterproofing of the parking structure beginning with the top floor, with the remaining floors being completed in subsequent years.

- Improvements to the building including a remodel of a portion of the third floor for Council and Chief Operating Officer use.
- Replacing components of the telephone system and regular work on the security system and elevators.

Several changes have been made to the three projects that were included in prior years' Capital Budget. Two projects, carpet and roof replacement, have been delayed and spread out over several years. One project, the rebuilding of the planters is expanded to include the remaining three planters. While repairing the first two planters, we learned that all five planters had structural problems causing leaking and damage to the underlying building. The emergency generator project has been placed on the unfunded list until completion of the Disaster Recovery Plan which will provide additional information about both the need for and size or capacity of the generator. If the final recommendation includes a supplemental generator, a funding source must be determined.

### Information Technology projects

The projects financed in this category are Information Technology projects for the entire agency. If projects are funded entirely by a user department, the management of the project still resides with Finance and Administrative Services' Information Technology division.

The FY 2007-08 through FY 2011-12 Information Technology capital budget contains eight projects, two new and six ongoing projects continued from the current capital budget.

- One new project provides upgrades to the agency's main computer room at the Metro Regional Center. The Uninterruptible Power Supply project protects the main servers from damage by providing clean power during a power disruption. The other new project provides funding for a budget module.
- Ongoing projects are the preservation of Metro's various technology systems and include server management, network infrastructure, copier replacements as well as upgrades to business software and desktop operating systems.

- The “Replace/Acquire Desktop Computers” project is an information item to keep Metro’s Council informed of the cost of the desktop computers used by the agency.

### CURRENT PROJECT STATUS

One current project, the Budget Module, is carried forward into the coming year due to the complexity of defining system requirements and implementation.

### PROJECT FUNDING

The financing for projects is derived from a combination of costs allocated to Metro departments and transfers from several enterprise revenue sources to fund the renewal and replacement reserve.

### Major funding sources- Finance and Administrative Services

	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Donations	\$0	\$3,000	\$0	\$0	\$0	\$0
Excise Tax Renewal and Replacement	0	155,000	0	0	0	0
Fund Balance	0	120,000	0	0	0	0
Fund Balance- Capital Reserve	946,527	374,195	385,000	155,000	110,000	90,000
Fund Balance- Renewal and Replacement	223,430	222,000	207,000	207,000	333,667	283,667
Grants	0	63,764	0	0	0	0
Other	71,748	126,000	91,000	51,000	92,000	97,000
Other - Cost Allocation Plan	799,003	183,000	188,500	168,000	219,500	245,000
Other Capital Lease	769,427	0	0	0	0	0
<b>TOTAL FINANCE AND ADMINISTRATIVE SERVICES</b>	<b>\$2,810,135</b>	<b>\$1,246,959</b>	<b>\$871,500</b>	<b>\$581,000</b>	<b>\$755,167</b>	<b>\$715,667</b>

### Annual net impact on operating costs- Finance and Administrative Services

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Copier Replacement	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400
Develop Business Enterprise Applications Software	(39,000)	(39,000)	(40,000)	(40,000)	(40,000)
Single Uninterruptible Power Source	0	(5,000)	(5,000)	(5,000)	(5,000)
<b>TOTAL FINANCE AND ADMINISTRATIVE SERVICES</b>	<b>(\$32,600)</b>	<b>(\$37,600)</b>	<b>(\$38,600)</b>	<b>(\$38,600)</b>	<b>(\$38,600)</b>

### OPERATIONAL IMPACT

The operational impact for most of these projects is the ongoing cost to fund renewal and replacement. Other projects have specific savings or costs as described below.

### UNFUNDED PROJECTS

Two new projects are included in the unfunded list: the previously mentioned emergency generator and an upgrade to the Tower Records Information Management (TRIM) software. Both projects are high in priority but have no funding source.



## The Oregon Zoo

### Total projects summary by year

	ID	Priority	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
<b>GENERAL REVENUE BOND FUND- ZOO</b>								
Washington Park Parking Lot Renovation	TEMP188	1	\$4,392,165	\$205,500	\$0	\$0	\$0	\$0
<b>TOTAL GENERAL REVENUE BOND FUND- ZOO</b>			<b>4,392,165</b>	<b>205,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ZOO CAPITAL PROJECTS FUND</b>								
Predators of the Serengeti	ZAR19	1	50,000	2,000,000	2,000,000	0	0	0
California Condor Breeding Facility & Exhibit	ZCON	2	1,560,409	0	1,000,000	0	0	0
Primate Climbing Structure Replacement	TEMP249	3	0	90,000	0	0	0	0
Fire Alarm System Replacement	TEMP252	4	0	55,000	0	0	0	0
Fluorescent Light Fixture Replacement	TEMP238	5	55,000	80,000	0	0	0	0
<b>TOTAL ZOO CAPITAL PROJECTS FUND</b>			<b>1,665,409</b>	<b>2,225,000</b>	<b>3,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GENERAL FUND RENEWAL AND REPLACEMENT FUND</b>								
Orangutan Exhibit Renovation	TEMP272	1	0	1,800,000	0	0	0	0
Primate Building Roof Replacement	TEMP270	2	0	120,000	0	0	0	0
Veterinary Hospital and Quarantine Design	TEMP292	3	0	100,000	0	0	0	0
<b>TOTAL GENERAL FUND RENEWAL AND REPLACEMENT FUND</b>			<b>0</b>	<b>2,020,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL OREGON ZOO</b>			<b>\$6,057,574</b>	<b>\$4,450,500</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FIVE-YEAR TOTAL, FY 2007-08 through FY 2011-12</b>			<b>7,450,500</b>	<b>Total number of projects 9</b>				

# The Oregon Zoo

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The FY 2007-08 through FY 2011-12 Oregon Zoo capital budget includes nine projects —three new and six continued from FY 2006-07.

## OVERVIEW OF PROJECTS

There are three new capital projects for the Oregon Zoo:

**Primate Climbing Structure Replacement (\$90,000):** replaces the existing chimpanzee climbing structure that has reached the end of its useful life. This project retrofits the existing space with special clamping devices to secure dead tree snags that can be replaced periodically.

**Fire Alarm System Replacement (\$55,000):** The existing fire alarms in several exhibit and work areas perform inconsistently, creating potential fire/life/safety concerns. This project replaces the unreliable alarms and upgrades the AfriCafe alarm to meet Americans with Disabilities standards.

**Veterinary Hospital and Quarantine Facility- Design Phase (\$100,000):** The present veterinary facilities are inadequate and potentially non-compliant with the Association of Zoos and Aquariums' accreditation standards.

Funding for the climbing structure and fire alarm projects are from the Renewal and Replacement funds; the adopted FY 2007–08 budget allocated \$100,000 from fund balance to begin the design phase of the hospital.

The six projects continued from the FY 2006-07 capital budget are:

**Predators of the Serengeti exhibit:** This \$4 million project is the Zoo's most significant capital project in FY 2007–08. Work entails converting the Alaska Tundra exhibit into additional African exhibits, including lions, wild dogs, cheetahs, and caracals. The Zoo estimates planning and construction costs of \$2 million for FY 2007–08. Construction is expected to continue into FY 2008–09 with the exhibit opening in the summer of 2009. The Oregon Zoo Foundation is championing a campaign to finance the project's estimated \$4 million total construction cost. In addition, the foundation is raising \$1 million to fund an exhibit operating endowment to offset increased Zoo operating costs associated with the exhibit.

**Orangutan Exhibit Renovation:** This \$1.8 million project constructs a new indoor exhibit, new holding/shift rooms, and renovates existing outdoor exhibits for the Zoo's orangutans. This project continues the multi-year

strategy to upgrade the primate building and replace/upgrade exhibits. The primate building constructed in 1959 is past its useful life and does not conform to the Zoo's desire for visitor to view, and animals to occupy, naturalistic exhibits. This project is funded from redeployed reserves.

**Primate Building Roof Replacement:** This is the second project targeted at the primate building. The project, estimated to cost \$120,000, includes reroofing the primate building after removing existing compromised green roof materials and extensively repairing roof substrate damage due to prolonged leaking and water damage. This project is funded from Metro Renewal and Replacement Account funds.

**California Condor Breeding Facility:** This final phase of the California Condor Breeding Facility and Exhibit project, budgeted in FY 2008-09 from \$1 million of donations, includes the construction of a Zoo exhibit housing a pair of non-breeding condors for visitor viewing and education.

**Fluorescent Light Fixture Replacement:** This \$80,000 project continues the zoo's investment in energy efficient light fixtures begun in FY 2006-07. This phase replaces fixtures in offices, workshops, and keeper kitchens. The existing fixtures are not nearly as energy efficient as new ones and use a lamp that will be discontinued in the near future. The energy efficient fixtures decrease energy use and associated costs. This project is funded from Metro Renewal and Replacement Account funds.

**Washington Park Parking Lot Renovation:** Moving forward on this project is contingent upon obtaining land-use permits from the City of Portland. Metro management continues to work through this process with stakeholders. The project is funded from remaining bond proceeds restricted to parking lot renovation.

## CURRENT PROJECTS STATUS

Of the eight capital projects in the FY 2006–07 budget, the Zoo expects to complete four—Introduction to the Forest, admission ticketing, fluorescent light (first phase), and hospital x-ray machine by June 30, 2007. The two multi-year projects, Predators of the Serengeti and primate building replacement (orangutan and primate roof), will be budgeted into the FY 2007–08 and FY 2008–09 capital budgets. The parking lot renovation is unlikely to be completed in FY 2006-07 and is carried over to FY 2007–08. Funding for

the Storm Water Handling System was not realized and the project will not be completed or budgeted in FY 2007–08 and is now on the unfunded list of projects.

### **PROJECT FUNDING**

Of the Zoo projects totaling \$7.4 million in the FY 2007–08 through FY 2011-12 capital budget, \$5 million (67 percent) is funded from donations and is dependent upon the success of the fund raising efforts. The Oregon Zoo Foundation’s successful fundraising record makes this a reliable estimate.

In recent years, funding from the Metro General Renewal and Replacement Reserve has allowed the Zoo to significantly progress toward eliminating deferred maintenance issues. Five of the projects in the Zoo’s capital budget are funded using Renewal and Replacement Reserves.

The Washington Park parking lot renovation is funded from remaining Washington Park parking lot bond proceeds issued a few years ago. The veterinary hospital and quarantine design is funded from existing fund balances.

### **OPERATIONAL IMPACT**

The California Condor Breeding Facility and Exhibit has the most significant projected operating cost. However, the majority of the projected impact is for the continuing operation of the offsite Breeding Facility rather than the FY 2008-09 Exhibit portion of the project. The Fluorescent Light Fixture Replacement project is estimated to save approximately \$18,000 per year through reduced electricity usage. The Oregon Zoo Foundation, through its fundraising efforts, will be raising \$1 million to fund an operating endowment offsetting the projected operating costs of \$56,000 per year for the Predators of the Serengeti exhibit.

### **UNFUNDED PROJECTS**

Unfunded projects are those identified by the Zoo as important but of lower priority than those listed in the active capital budget. The Council’s funding of Zoo renewal and replacement projects in prior years has significantly reduced the number of high-priority deferred capital projects. The Zoo’s current unfunded list includes 24 projects. These projects are predominantly infrastructure renewal and replacement. Metro’s adoption and funding of a Metro General Renewal and Replacement Reserve in FY 2007–08 will help provide funding for these projects in future years.

Likely the most significant unfunded project the Zoo faces is replacement of the veterinary hospital and animal quarantine facility. Based on information from other zoos that have built similar facilities in recent years, the scope and estimated costs vary widely. Completion of the FY 2007–08 veterinary hospital and quarantine design project will provide the necessary information for budgeting this future project.

## Major funding sources- The Oregon Zoo

	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Donations	\$1,530,409	\$2,000,000	\$3,000,000	\$0	\$0	\$0
Excise Tax Renewal and Replacement	0	2,145,000	0	0	0	0
Fund Balance	0	0	0	0	0	0
Grants	80,000	0	0	0	0	0
Other	4,447,165	205,500	0	0	0	0
Fund Balance - Capital Reserve	0	100,000	0	0	0	0
<b>TOTAL OREGON ZOO</b>	<b>\$6,057,574</b>	<b>\$4,450,500</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Annual net impact on operating costs- The Oregon Zoo

	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
California Condor Breeding Facility and Exhibit	(\$191,000)	(\$196,000)	(\$200,000)	(\$200,000)	\$0
Fluorescent Light Fixture Replacement	18,000	18,000	18,000	18,000	18,000
Predators of the Serengeti	-	-	56,000	56,000	56,000
Orangutan Exhibit Renovation	-	2,000	-	-	-
<b>TOTAL OREGON ZOO</b>	<b>(\$173,000)</b>	<b>(\$176,000)</b>	<b>(\$126,000)</b>	<b>(\$126,000)</b>	<b>\$74,000</b>

## 5-year forecast- Oregon Zoo Capital Fund

	Adopted FY 2006-07	Est. Actual FY 2006-07	Adopted 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
<b>ESTIMATED BEGINNING FUND BALANCE</b>	<b>2,344,719</b>	<b>2,488,010</b>	<b>1,747,151</b>	<b>1,611,135</b>	<b>1,530,222</b>	<b>1,438,813</b>	<b>1,337,583</b>
Projected Revenues	853,552	866,657	4,385,556	3,068,000	64,000	61,000	56,000
Less Operating Expenditures	(119,516)	(119,516)	(119,572)	(148,913)	(155,409)	(162,230)	(169,393)
Ending Fund Balance Prior to CIP	3,078,755	3,235,151	6,013,135	4,530,222	1,438,813	1,337,583	1,224,190
Proposed Capital Projects	(1,575,000)	(1,488,000)	(4,402,000)	(3,000,000)	0	0	0
<b>ENDING FUND BALANCE AFTER CIP</b>	<b>1,503,755</b>	<b>1,747,151</b>	<b>1,611,135</b>	<b>1,530,222</b>	<b>1,438,813</b>	<b>1,337,583</b>	<b>1,224,190</b>

## 5-year forecast- Oregon Zoo Operating Fund

	Adopted FY 2006-07	Est. Actual FY 2006-07	Adopted 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
<b>ESTIMATED BEGINNING FUND BALANCE</b>	<b>\$7,717,937</b>	<b>\$9,948,143</b>	<b>\$10,512,104</b>	<b>\$9,855,060</b>	<b>\$10,174,256</b>	<b>\$9,365,067</b>	<b>\$8,055,341</b>
Projected Current Revenues	25,603,772	27,730,604	26,984,904	28,356,848	28,185,653	28,857,663	29,548,394
Less Operating Expenditures	(28,111,584)	(26,966,643)	(27,476,949)	(27,899,652)	(28,852,842)	(30,021,389)	(31,236,980)
Ending Fund Balance Prior to CIP	5,210,125	10,712,104	10,020,059	10,312,256	9,507,067	8,201,341	6,366,755
Proposed Capital Projects	(70,000)	(200,000)	(165,000)	(138,000)	(142,000)	(146,000)	(150,000)
<b>ENDING FUND BALANCE AFTER CIP</b>	<b>\$5,140,125</b>	<b>\$10,512,104</b>	<b>\$9,855,060</b>	<b>\$10,174,256</b>	<b>\$9,365,067</b>	<b>\$8,055,341</b>	<b>\$6,216,755</b>

**ENDING FUND BALANCE BREAKDOWN**

Reserves	\$6,272,337	\$6,272,337	\$6,186,662	\$6,186,662	\$6,186,662	\$6,186,662	\$6,186,662
Unrestricted Fund Balance	(1,132,212)	4,239,767	3,668,398	3,987,594	3,178,405	1,868,679	30,093





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# Planning

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The Planning Department serves as the metropolitan region's transportation planning organization and is responsible for urban growth management and land-use planning. The Research and Modeling Services division of the department consists of two sections: Transportation Research and Modeling and the Data Resource Center.

The work performed by the Transportation Research and Modeling Services provides the base data used by Metro and local jurisdictions in the region for developing transportation alternatives. The department uses a sophisticated system of interconnected servers and workstations for the development and application of travel demand forecasting models. In FY 2001–02 the department replaced the existing computer system with a new, more powerful modeling system called Transportation Simulations (TRANSIMS). This travel modeling system requires very large amounts of processing power. The financing mechanism for the project was a three-year internal loan from a Metro department. The department plans to replace components of this system every year, with a replacement schedule ranging from two to three years, depending on the component. Approximately 9 percent of the annual payments is funded with excise tax.

The Data Resource Center operates a network of computers to provide forecasting, mapping and decision-making tools needed by Metro departments, local governments and private-sector subscribers. The Regional Land Information System (RLIS) is the heart of the planning and mapping services provided by Metro. This technology supports the enterprise applications of the Geographic Information System (GIS). To keep up with the demand for sophisticated land-use planning tools, the department replaces portions of the RLIS system each year. The replacement schedule covers GIS work stations, plotters, specialized printers, etc., and may include some network infrastructure items as needed to support high end data exchanges between the Data Resource Center and Metro partners. Historically, approximately 31 percent of DRC work is funded with excise tax. The remainder is billed to users and contracting agencies.

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



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## **Regional Parks and Greenspaces**

## Regional Parks and Greenspaces

### Total projects summary by year

	ID	Priority	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
<b>NATURAL AREAS FUND</b>									
Open Spaces Land Acquisition - Second Phase	TEMP98	1	\$12,125,000	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$25,000,000	\$177,125,000
Mt. Talbert Development	70470	2	1,245,781	494,124	0	0	0	0	1,739,905
Cooper Mountain Natural Area Development	70460	3	124,275	2,523,500	150,000	100,000	75,000	0	2,972,775
Graham Oaks Nature Area Development	70480	4	115,000	1,685,402	70,000	0	0	0	1,870,402
Willamette Cove Park Development	TEMP186	5	0	0	0	0	300,000	0	300,000
<b>TOTAL NATURAL AREAS FUND</b>			<b>13,610,056</b>	<b>39,703,026</b>	<b>35,220,000</b>	<b>35,100,000</b>	<b>35,375,000</b>	<b>25,000,000</b>	<b>184,008,082</b>
<b>OPEN SPACES FUND</b>									
Open Spaces Land Acquisition	TEMP4	1	128,951,551	308,712	0	0	0	0	129,260,263
<b>TOTAL OPEN SPACES FUND</b>			<b>128,951,551</b>	<b>308,712</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>129,260,263</b>
<b>REGIONAL PARKS AND GREENSPACES CAPITAL FUND</b>									
Golf Course at Blue Lake Park	70160	1	147,849	858,000	8,350,000	0	0	0	9,355,849
M. James Gleason Boat Ramp Renovation Phase I & II	70170	2	1,152,362	1,170,000	0	0	0	0	2,322,362
M. James Gleason Boat Ramp - Phase III and IV	TEMP147	3	0	0	0	700,000	0	0	700,000
<b>TOTAL REGIONAL PARKS AND GREENSPACES CAPITAL FUND</b>			<b>1,300,211</b>	<b>2,028,000</b>	<b>8,350,000</b>	<b>700,000</b>	<b>0</b>	<b>0</b>	<b>12,378,211</b>
<b>TOTAL REGIONAL PARKS AND GREENSPACES FUND</b>									
Lone Fir Cemetery Entry (Morrison Building Site)	TEMP297	1	0	80,000	0	0	0	0	80,000
Gales Creek/Tualatin River Confluence Project	70451	2	382,091	77,000	0	0	0	0	459,091
Multnomah Channel Reconnection Project	70326	3	0	384,400	0	0	0	0	384,400
<b>TOTAL REGIONAL PARKS AND GREENSPACES FUND</b>			<b>382,091</b>	<b>541,400</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>923,491</b>
<b>BUILDING MANAGEMENT FUND</b>									
MRC First Floor Remodel	TEMP303	1	0	367,000	0	0	0	0	367,000
<b>TOTAL BUILDING MANAGEMENT FUND</b>			<b>0</b>	<b>367,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>367,000</b>
<b>GENERAL FUND</b>									
Blue Lake Park Concession Building Renovation	70216	1	75,000	25,000	0	0	0	0	100,000
<b>TOTAL GENERAL FUND</b>			<b>75,000</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>GENERAL FUND RENEWAL AND REPLACEMENT FUND</b>									
Parks Renewal & Replacement	TEMP302	1	0	75,000	0	0	0	0	75,000
Blue Lake Water System Upgrade - Phase 2	TEMP294	2	0	80,000	0	0	0	0	80,000
Howell Territorial Park Restroom and Kitchen Upgrade	TEMP296	3	0	165,000	0	0	0	0	165,000
<b>TOTAL GENERAL FUND RENEWAL AND REPLACEMENT FUND</b>			<b>0</b>	<b>320,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>320,000</b>
<b>TOTAL REGIONAL PARKS AND GREENSPACES</b>			<b>\$144,318,909</b>	<b>\$43,293,138</b>	<b>\$43,570,000</b>	<b>\$35,800,000</b>	<b>\$35,375,000</b>	<b>\$25,000,000</b>	<b>\$327,357,047</b>
<b>FIVE-YEAR TOTAL, FY 2007-08 through FY 2011-12</b>			<b>183,038,138</b>	<b>Total number of projects 17</b>					

# Regional Parks and Greenspaces

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The department's primary purpose is to work cooperatively with our partners to develop and maintain a regional system of interconnected natural areas, parks, trails, and greenways for wildlife and people that:

- Complements the Region 2040 Concept Plan.
- Corresponds with the Regional Framework Plan.
- Contributes to the region's quality of life and economic prosperity.
- Balances human use with the need to protect habitat diversity.
- Manages in a manner that sustains natural systems over time.
- Provides educational opportunities throughout the region that inspire stewardship of natural resources.
- Provides recreational opportunities integrating nature and cultural resources.
- Responds to and is accessible to diverse human and wildlife populations.
- Assembles and manages through a cooperative process involving citizens, governments, and private interests.
- Maintains and operates in a manner that is fiscally responsible.
- Reflects leadership in regional protection of natural systems.

The FY 2007–08 through FY 2011–12 Regional Parks capital budget includes 15 projects—four new and eleven continued from the current capital budget.

## OVERVIEW OF PROJECTS

Two of the new Capital projects are funded from the newly created consolidated General Renewal and Replacement Account and include:

- Blue Lake water system upgrade– Phase 2
- Howell Territorial Park restroom and kitchen upgrade.

A third project—master planning and site develop plan for Lone Fir Cemetery and the former Morrison building site—is a Council priority and funded from excise tax formerly dedicated to the development of new park facilities.

The fourth new project, Metro Regional Center first floor remodel, is budgeted in the Building Management Fund but provides remodeled space to

accommodate the newly approved Natural Areas bond measure staff and other Regional Parks and Greenspaces staff.

Eleven projects were previously included in the Capital Budget. Four of the projects reflect significant changes from the previous Capital Budget. With the passage of the Natural Areas bond measure on the November 2006 ballot, a more realistic 10-year budget has been prepared. The new budget results in an increase of over \$72 million in the Capital Budget related to this project. Three other projects – The Blue Lake golf course project, the Cooper Mountain Natural Area Development and the Gleason Boat Ramp Renovation phases I and II – all show significant cost increases. Previous capital budgets were based on preliminary estimates. These projects have now completed basic design and engineering and new project costs are based on these documents. The Blue Lake golf course project reflects an increase of 281% from \$2.5 million to \$9.4 million; the Cooper Mountain Natural Area Development project increases 40% from \$2.13 to \$2.97 million; and the Gleason Boat Ramp Renovation phases I and II increases 15% from \$1.967 million to \$2.322 million.

There are no significant changes in the other projects continued over from the previous year's capital budget.

## CURRENT PROJECTS STATUS

Six projects included in the current capital budget are expected to be completed in FY 2006-07. They include the Three Bridges on the Springwater, Clear Creek Side Channel Project, Gotter Prarie Restoration Phase II, Gales Creek Riparian Enhancement, the Tualatin River Riparian Enhancement project and the Lone Fir Cemetery redevelopment on the Morrison property site.

## UNFUNDED PROJECTS

Seven projects are included on the department's unfunded list. Six of the projects have previously appeared on the unfunded list. All six projects have been identified as important to the mission of the department but are of lower priority than those listed in the active capital budget. These projects include improvements at Blue Lake and Howell Territorial Parks as well as the development of a nature center at Oxbow Park. One new project has

been added to the unfunded list, a Smith and Bybee Lakes south shore trail alignment and bridge feasibility study. This project addresses new Council priorities for which funding has not yet been identified.

### **PROJECT FUNDING**

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

The capital budget is used to track revenues and expenses related to major capital projects, and to manage renewal and replacement as required under the capital asset management policies. The projections reflect that all major capital projects are fully funded through the five-year planning window. With the passage in November 2006 of Measure 26-80, the Natural Areas general obligation bond measure, the four new regional park projects formerly proposed to be funded from an excise tax levy on solid waste tonnage have now been moved to the new Natural Areas Bond fund and funded from bond proceeds. Of the three projects remaining in the capital fund the primary sources of funding include grants (22%); donations (16%); contributions from public and private partnerships (28%); and capital reserves (34%).

The operating budget accounts for revenues and expenses related to the operations of all regional parks and open spaces, as well as major restoration projects included in the capital budget that are not determined by accounting definition to be capital outlay. The department has folded into the forecast most, but not all, of the operational impacts of the adopted capital projects. The forecast includes operating costs for the new park sites scheduled to open during the five-year planning window as well as the land stewardship costs associated with lands purchased under the general obligation bond measure. It assumes, however, that the operating costs associated with Mt. Talbert (approximately \$130,000 annually not including renewal and replacement) are funded through an inter-governmental agreement with a local park provider. The forecast discontinues new contributions to the PERS reserve but does hold the accumulated funds in reserve throughout the five years. It does not include approximately \$50,000 in net new operating costs for projects such as M. James Gleason Boat Ramp renovation. It also does not include operations of the Blue Lake Golf Center estimated to begin in FY 2009-10. However, based on operating cost estimates included in the capital budget submittal, the project is expected to generate sufficient revenue to fully fund all related operations after the first year.

Operating costs are rising faster than associated revenues. The addition of the stewardship costs of the new lands purchased under the Natural Areas bond measure will only exacerbate the situation. The passage of the Natural Areas bond measure has freed up excise tax formerly dedicated to the construction of the four new regional parks. A portion of this funding source has been reserved for future operating costs associated with new lands purchased. It will provide for approximately 3 to 5 years of funding. If successfully built, the Golf Center at Blue Lake Park may ultimately provide some net operating revenue but it will be far from sufficient to cover all future operating losses.

Initial operating forecasts prepared several years ago reflected a sufficiency of funding for an extended period. However, those projections were based on an additional excise tax levy of \$2.50 per ton on solid waste. The reduction of that levy to \$1.50 per ton combined with the continued capital expenditures and added land stewardship costs under the new bond measure results in a continued pressure on ending reserves to maintain operations. While the capital portion of the budget may be fully funded, there is still pressure on the operating budget to sustain operations of the existing and proposed facilities in the long-term.

### **OPERATIONAL IMPACT**

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

## Major funding source detail- Regional Parks and Greenspaces

	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Donations	\$932,856	\$0	\$0	\$0	\$0	\$0
Donations- Regional Parks and Greenspaces	0	0	1,800,000	0	0	0
Excise Tax	258,983	304,124	220,000	100,000	75,000	0
Fund Balance	0	288,000	2,500,000	0	0	0
Fund Balance- Capital Reserve	259,869	583,000	341,381	0	0	0
Fund Balance- Renewal and Replacement	7,895	225,000	0	175,000	0	0
G.O. Bonds- Local Share	561,290	0	0	0	0	0
G.O. Bonds- Open Spaces	123,990,000	39,557,902	35,000,000	35,000,000	35,300,000	25,000,000
Grants	498,834	761,400	450,000	0	0	0
Grants- Oregon Fish and Wildlife	40,000	820,000	0	0	0	0
Grants- State Marine Board	371,587	200,000	0	525,000	0	0
Grants- State Parks	0	0	100,000	0	0	0
Interest on Bond	17,204,095	308,712	0	0	0	0
Multnomah County	120,000	0	0	0	0	0
Other	0	0	3,158,619	0	0	0
Other Government Cont.	73,500	0	0	0	0	0
Excise Tax Renewal and Replacement	0	245,000	0	0	0	0
<b>TOTAL REGIONAL PARKS AND GREENSPACES</b>	<b>\$144,318,909</b>	<b>\$43,293,138</b>	<b>\$43,570,000</b>	<b>\$35,800,000</b>	<b>\$35,375,000</b>	<b>\$25,000,000</b>

### Annual net impact on operating costs- Regional Parks and Greenspaces

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Blue Lake Park Concession Building Renovation	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Blue Lake Water System Upgrade - Phase 2	\$0	\$6,000	\$6,240	\$6,490	\$6,814
Cooper Mountain Natural Area Development	0	(214,049)	(219,546)	(225,250)	(231,165)
Gales Creek/Tualatin River Confluence Project	(12,260)	(10,000)	(10,000)	0	0
Golf Course at Blue Lake Park	0	0	0	77,730	153,956
Graham Oaks Nature Area Development	0	(214,049)	(219,546)	(225,250)	(231,165)
Howell Territorial Park Restroom and Kitchen Upgrade	0	2,500	2,500	2,500	2,500
M. James Gleason Boat Ramp- Phase III and IV	0	0	0	(17,500)	(17,500)
M. James Gleason Boat Ramp Renovation Phase I and II	0	(33,427)	(33,427)	(33,427)	(33,427)
Multnomah Cahnnel Basin Reconnection Project	0	(2,000)	(2,000)	(2,000)	(2,000)
Open Spaces Land Acquisition- Second Phase	(71,415)	(147,829)	(306,006)	(395,895)	(491,702)
<b>TOTAL REGIONAL PARKS AND GREENSPACES</b>	<b>(\$71,675)</b>	<b>(\$600,854)</b>	<b>(\$769,785)</b>	<b>(\$800,602)</b>	<b>(\$831,689)</b>

## 5-year forecast- Regional Parks and Greenspaces Capital Fund

	Adopted FY 2006-07	Est. Actual FY 2006-07	Adopted 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
<b>ESTIMATED BEGINNING FUND BALANCE</b>	<b>\$3,224,332</b>	<b>\$3,184,819</b>	<b>\$4,501,668</b>	<b>\$1,741,309</b>	<b>\$2,134,235</b>	<b>\$1,929,875</b>	<b>\$2,021,159</b>
Projected Operating Revenues	7,022,041	7,022,041	1,888,890	8,489,298	853,140	431,509	413,748
Less Operating Expenditures	(590,000)	(590,000)	(2,821,249)	(496,372)	(532,500)	(340,225)	(323,182)
Ending Fund Balance Prior to CIP	9,656,373	9,616,860	3,569,309	9,734,235	2,454,875	2,021,159	2,111,725
Proposed Capital Projects	(8,671,000)	(8,671,000)	(1,828,000)	(7,600,000)	(525,000)	0	0
<b>ENDING FUND BALANCE AFTER CIP</b>	<b>\$985,373</b>	<b>\$945,860</b>	<b>\$1,741,309</b>	<b>\$2,134,235</b>	<b>\$1,929,875</b>	<b>\$2,021,159</b>	<b>\$2,111,725</b>

### ENDING FUND BALANCE BREAKDOWN

Reserves	\$482,660	\$482,660	\$0	\$0	\$0	\$0	\$0
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## 5-year forecast- Regional Parks and Greenspaces Operating Fund

	Adopted FY 2006-07	Est. Actual FY 2006-07	Adopted 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
<b>ESTIMATED BEGINNING FUND BALANCE</b>	<b>\$2,487,074</b>	<b>\$2,179,036</b>	<b>\$2,424,263</b>	<b>\$3,150,048</b>	<b>\$3,406,401</b>	<b>\$3,712,670</b>	<b>\$3,796,798</b>
Projected Operating Revenues	8,458,518	8,458,518	8,364,162	7,662,310	7,987,607	8,052,107	8,275,617
Less Operating Expenditures	(10,945,314)	(8,561,329)	(7,638,377)	(7,405,957)	(7,681,338)	(7,967,979)	(8,301,580)
Ending Fund Balance Prior to CIP	278	2,076,225	3,150,048	3,406,401	3,712,670	3,796,798	3,770,835
Proposed Capital Projects	0	0	0	0	0	0	0
<b>ENDING FUND BALANCE AFTER CIP</b>	<b>\$278</b>	<b>\$2,076,225</b>	<b>\$3,150,048</b>	<b>\$3,406,401</b>	<b>\$3,712,670</b>	<b>\$3,796,798</b>	<b>\$3,770,835</b>

### ENDING FUND BALANCE BREAKDOWN

Reserves	\$278	\$577,366	\$1,341,541	\$1,583,843	\$1,929,753	\$2,129,753	\$2,129,753
Unrestricted Fund Balance	0	1,498,859	1,808,507	1,822,558	1,782,917	1,667,045	1,641,082



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## **Solid Waste and Recycling**

## Solid Waste and Recycling

### Total projects summary by year

	ID	Priority	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	TOTAL
<b>SOLID WASTE GENERAL ACCOUNT</b>									
Metro South - Wood Staging Structure	76932	1	\$0	\$80,000	\$570,000	\$0	\$0	\$0	\$650,000
Metro Central - Seismic Cleanup	76963	2	25,000	175,000	0	0	0	0	200,000
Metro Central - Chimney Removal	76964	3	10,000	165,000	0	0	0	0	175,000
Metro South HHW - Drum Storage Capacity	TEMP269	4	0	50,000	0	0	0	0	50,000
Metro South - Natural Lighting Improvements	TEMP267	5	0	0	0	75,000	0	0	75,000
Metro South - Wood Processing Capacity	76931	6	12,000	0	60,000	595,000	150,000	0	817,000
Metro South - New Operations Supervisors' Office	TEMP273	7	0	0	0	100,000	0	0	100,000
Metro South- Compactor Installation for Public Inloading	TEMP103	8	0	0	0	200,000	680,000	0	880,000
Metro Central - Locker room/restroom remodel	TEMP287	9	0	15,000	100,000	0	0	0	115,000
Metro Central - Tarping Station	TEMP264	10	0	0	200,000	0	0	0	200,000
Metro South - Install High Capacity Baler	76929	11	0	0	255,000	375,000	0	0	630,000
Metro Central HHW - Extend Canopy	TEMP266	12	0	0	0	0	0	75,000	75,000
Metro South HHW - Extend Canopy	TEMP268	13	0	0	0	0	0	75,000	75,000
Metro Central - Rainwater Harvesting	TEMP80	14	0	0	0	310,000	0	0	310,000
Future Master Facility Plan Improvements	TEMP175	15	0	0	0	0	0	1,000,000	1,000,000
<b>TOTAL SOLID WASTE GENERAL ACCOUNT</b>			<b>47,000</b>	<b>485,000</b>	<b>1,185,000</b>	<b>1,655,000</b>	<b>830,000</b>	<b>1,150,000</b>	<b>5,352,000</b>
<b>SOLID WASTE LANDFILL CLOSURE</b>									
St. John's - Groundwater Monitoring Wells	76984	1	0	200,000	10,800	0	0	0	210,800
St John's - Perimeter Dike Stabilization, Seepage Control	76986	2	3,309	300,000	600,000	6,000	6,000	0	915,309
St. John's - Re-establish Proper Drainage	76982	3	599,005	5,000	252,000	5,000	5,000	0	866,005
St. John's - Landfill Bridge Repairs	76988	4	0	30,000	120,000	0	0	0	150,000
St. John's - Landfill Remediation	TEMP158	5	0	0	0	500,000	500,000	500,000	1,500,000
St. John's - Native Vegetation on the Cover Cap	76985	6	105,942	15,000	10,000	10,000	10,000	0	150,942
<b>TOTAL SOLID WASTE LANDFILL CLOSURE</b>			<b>708,256</b>	<b>550,000</b>	<b>992,800</b>	<b>521,000</b>	<b>521,000</b>	<b>500,000</b>	<b>3,793,056</b>

**SOLID WASTE RENEWAL AND REPLACEMENT**

Metro Central - Transfer trailer Scale Replacement	TEMP261	1	0	90,000	0	0	0	0	90,000
Metro Central HHW - Chiller Replacement	TEMP265	2	0	75,000	0	0	0	0	75,000
Metro Central - Scalehouse A Inbound scale	TEMP263	3	0	0	90,000	0	0	0	90,000
Metro South - Outdoor/Site Lighting	TEMP276	4	0	0	75,000	0	0	0	75,000
Metro South - Compactor Replacement	76933	5	0	1,050,000	950,000	0	0	0	2,000,000
Metro South - Modify Entry Way to Operations Bld.	TEMP271	6	0	0	0	75,000	0	0	75,000
Metro Central - Truckwash	TEMP152	7	0	0	35,000	285,000	0	0	320,000
Metro South- Replace Ventilation System Components	TEMP156	8	0	0	140,000	0	0	0	140,000
Metro Central-HHW- Ventilation System Replacement	TEMP155	9	0	0	140,000	0	0	0	140,000
Metro South-Replace Dust Suppression Sys. Comp.	TEMP157	10	0	50,000	0	0	0	0	50,000
Metro Central - Roll-up Doors	TEMP260	11	0	0	0	0	0	65,000	65,000
Metro Central - Baler Conveyor	TEMP262	12	0	0	0	0	0	220,000	220,000
Metro Central - Compactor Replacement	TEMP208	13	0	0	0	1,050,000	950,000	0	2,000,000
Metro Central - Replace metal wall system	TEMP259	14	0	0	0	0	0	170,000	170,000
Metro South - Repair Commercial Tip Floor	TEMP178	15	0	197,900	0	0	0	0	197,900

<b>TOTAL SOLID WASTE RENEWAL AND REPLACEMENT</b>			<b>0</b>	<b>1,462,900</b>	<b>1,430,000</b>	<b>1,410,000</b>	<b>950,000</b>	<b>455,000</b>	<b>5,707,900</b>
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<b>TOTAL SOLID WASTE AND RECYCLING</b>				<b>\$755,256</b>	<b>\$2,497,900</b>	<b>\$3,607,800</b>	<b>\$3,586,000</b>	<b>\$2,301,000</b>	<b>\$2,105,000</b>	<b>\$14,852,956</b>
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<b>FIVE-YEAR TOTAL, FY 2007-08 through FY 2011-12</b>				<b>14,097,700</b>	<b>Total number of projects 36</b>					
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# Solid Waste and Recycling

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The primary purpose of the department is to contribute to livability and conservation of the Metro region's environmental resources by taking actions that reduce and manage the region's solid waste in an effective, economical, and environmentally sound manner.

There are two complementary elements of the department's mission:

1. Waste Reduction, with the goal of reducing the amount and toxicity of solid waste generated and disposed.
2. Solid Waste Disposal, with the goal of ensuring environmentally sound and cost-efficient disposal of waste that cannot be prevented or recovered.

## OVERVIEW OF PROJECTS

Projects financed through the Solid Waste and Recycling General Account are typically new capital assets designed to increase the efficiency and effectiveness of Metro's two transfer stations: Metro Central and Metro South. The majority of these projects are outlined in detail in a Master Facility Plan for the transfer stations, originally completed in April 1998, and updated in FY 2001–02. The Master Facility Plan and this capital budget are based on the following goals:

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

## General Account

The FY 2007–08 through FY 2011–12 Solid Waste and Recycling General Account contains fifteen projects: seven new and eight continued from the current capital budget.

The new Capital projects include:

- Improvements to the Household Hazardous Waste facilities at both Metro Central and Metro South by extending canopies.
- Improvements to the Hazardous Household Waste facility at Metro South by increasing drum storage capacity.
- Improvements to operations areas by adding Natural Lighting improvements and a new Operations Supervisors' office at Metro South.

- Improvements to operations areas by adding a Tarping station and a locker room/restroom area at Metro Central.

Several changes have been made to the eight projects that were carried forward from the prior fiscal year's Capital Budget. The Wood Staging Structure project, expected to be completed in FY 2006–07, is now expected to be completed in the first two years of this capital budgeting period and total project costs increased by \$170,000. Five projects have been rescheduled as a result of staging projects differently and current-year project delays pushing projects out to later dates.

## CURRENT PROJECT STATUS

Two Metro Central projects from the FY 2006–07 capital budget, the office addition and the installation of a new scale at scalehouse C, were canceled due to operational changes that eliminated their need. Two projects are expected to be completed as scheduled: the Metro Central Woodroom improvements and the Metro South installation of a sidewalk on Washington Street.

## Renewal and Replacement Account

Projects financed through the Renewal and Replacement Account are replacements of equipment and rehabilitation of facilities necessary to realize the optimal lifespan of capital components. Under bond covenants, Metro is required to maintain adequate reserves to finance capital asset replacements. Every three years, the department contracts with an engineering firm to assess the condition of equipment and facilities and calculate annual contribution amounts to the Renewal and Replacement Account. The latest study was completed April 2005, and this capital budget reflects the findings of the study. These bonds will be paid off on July 1, 2009. Prior to the pay-off of the bonds that require this account, the department will re-evaluate its renewal and replacement policies and procedures.

The FY 2007–08 through FY 2011–12 Solid Waste and Recycling Renewal and Replacement Account contain fifteen projects, eight new and seven projects continued from the current capital budget.

- The Chiller replacement at Metro Central complements the new improvements being completed in the General Account.

- Several efficiency and safety issues are being addressed by modifying the entry to the operations building at Metro South and replacing the outdoor lighting.
- The remaining projects replace aging assets at their regular replacement times.

Several changes have been made to the seven projects that were carried forward or included in the prior fiscal year’s Capital Budget. The expected costs of the Compactor Replacements have increased from \$1,650,000 to \$2,000,000 and the Truckwash has increased in expected cost from \$180,000 to \$320,000. One project for Household Hazardous Waste Ventilation has decreased in expected cost from \$140,000 to \$100,000. Some minor timing changes have been made to several projects.

**CURRENT PROJECT STATUS**

The Metro Central replacement of the Oil/Water Separator project was combined with the Wash Rack project at Metro Central. Three other Metro Central projects are expected to be completed as budgeted. Those projects are the rebuilding of Compactor 2, the Woodline and replacing Compactor 3 feed conveyor.

**Landfill Closure**

The St. Johns Landfill Account is restricted to financing capital projects needed to close the St. Johns Landfill and maintain post-closure performance standards. The projects in the capital budget represent a series of improvements that are needed to minimize erosion damage, restore native vegetation, provide wastewater pretreatment, repair the landfill cover and dike systems, and provide adequate facilities for staff.

There are no new projects in the Landfill Closure capital budget, however there are several timing changes. Some expenditures at this site have been budgeted, but may not occur. Amounts are carried forward to preserve funding if projects proceed or are completed.

**PROJECT FUNDING**

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

**OPERATIONAL IMPACT**

Many of these projects have operational impact, however those impacts are not absorbed by Metro but rather by the contracted operator of the facilities. Generally, the only operational impacts to Metro are renewal and replacement issues. Most changes made are to increase material recovery so financial impact is not the only consideration. At the time the operating contracts are renegotiated, competitive bids are made to Metro based on the expected cost to operate the facilities so cost savings can come at this time. The Solid Waste and Recycling Department consistently completes feasibility studies prior to design and construction of any project. Solid Waste and Recycling has identified several projects that will produce cost savings to the department, they are:

	Expected Annual Operational Savings
Metro South High Capacity Baler	\$ 6,000
Metro South Wood Processing Capacity	8,000
Metro South Wood Staging Structure	4,000
Metro South Compactor	40,000

## Major funding source detail- Solid Waste and Recycling

	Prior Years	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
Fund Balance- Capital Reserve	\$47,000	\$485,000	\$1,185,000	\$1,655,000	\$830,000	\$1,150,000
Fund Balance- Landfill Closure	678,256	550,000	992,800	521,000	521,000	500,000
Fund Balance- Renewal and Replacement	0	1,462,900	1,430,000	1,410,000	950,000	455,000
Grants	30,000	0	0	0	0	0
<b>TOTAL SOLID WASTE AND RECYCLING</b>	<b>\$755,256</b>	<b>\$2,497,900</b>	<b>\$3,607,800</b>	<b>\$3,586,000</b>	<b>\$2,301,000</b>	<b>\$2,105,000</b>

## 5-year forecast- Solid Waste and Recycling Revenue Fund

	Adopted FY 2006-07	Est. Actual FY 2006-07	Adopted 2007-08	Projected 2008-09	Projected 2009-10	Projected 2010-11	Projected 2011-12
<b>ESTIMATED BEGINNING FUND BALANCE</b>	<b>\$37,603,884</b>	<b>\$40,492,487</b>	<b>\$39,804,897</b>	<b>\$38,447,047</b>	<b>\$33,720,303</b>	<b>\$28,946,355</b>	<b>\$28,271,761</b>
Projected Operating Revenues	56,634,413	55,430,135	54,906,331	55,154,029	57,275,071	60,288,465	63,080,780
Less Operating Expenditures	(56,886,376)	(54,778,725)	(53,766,281)	(56,272,973)	(58,463,019)	(58,662,059)	(61,454,455)
Ending Fund Balance Prior to CIP	37,351,921	41,143,897	40,944,947	37,328,103	32,532,355	30,572,761	29,898,086
Proposed Capital Projects	(2,909,000)	(1,339,000)	(2,497,900)	(3,607,800)	(3,586,000)	(2,301,000)	(2,105,000)
<b>ENDING FUND BALANCE AFTER CIP</b>	<b>\$34,442,921</b>	<b>\$39,804,897</b>	<b>\$38,447,047</b>	<b>\$33,720,303</b>	<b>\$28,946,355</b>	<b>\$28,271,761</b>	<b>\$27,793,086</b>

### ENDING FUND BALANCE BREAKDOWN

Debt Service Reserve	\$3,674,968	\$3,674,968	\$4,687,936	\$2,349,000	\$0	\$0	\$0
Renewal & Replacement Reserve	5,963,827	7,032,816	6,463,511	5,901,350	5,333,713	5,705,643	6,586,745
Capital Reserve	2,136,000	3,285,000	3,985,000	4,455,000	3,630,000	3,950,000	2,800,000
Rate Stabilization	10,472,207	11,224,627	9,182,844	7,527,844	6,697,844	5,547,843	5,547,844
Working Capital	5,759,668	5,760,005	5,759,668	5,759,668	5,759,668	5,759,668	5,759,668
Reserves (Metro Central)	0	1,549,663	1,549,663	1,549,663	1,549,663	1,549,663	1,549,663
Business Assistance Account	0	0	0	0	0	0	0
Landfill Closure	6,436,251	7,277,818	6,818,425	6,177,778	5,975,467	5,758,944	5,549,166
Remaining Fund Balance	0	0	0	0	0	0	0



**METRO**

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## **Unfunded projects and project status reports**



## Unfunded Projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the Five-Year Capital Budget for one of the following reasons: (1) sufficient funds are not available to finance the project, (2) scope of the project requires further definition, or (3) alternatives need to be explored. As funds become available or projects are refined, departments may request their inclusion.

### Key To Unfunded Lists

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

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

**Priority:** Indicates whether the project is a *High*, *Medium*, or *Low* priority relative to other projects.

**Estimated Project Cost:** Preliminary estimate of capital costs for the project expressed in 2007 dollars. A blank field here means the cost is unknown.

		Type	Priority	Estimated Cost
<b>FINANCE AND ADMINISTRATIVE SERVICES</b>				
TEMP248	Upgrade of Records Management (TRIM) Software	Expansion	High	\$144,267
TEMP131	Zoo Network Equipment Replacement	New	High	120,000
TEMP129	Zoo Network Infrastructure Upgrade	Expansion	High	233,000
56190	Emergency Generator	New	High	370,000
TEMP126	Connect PeopleSoft Accounts Payable and TRIM	New	Medium	100,000
TEMP130	Eagle Salmon Infrastructure	New	Medium	116,000
TEMP151	Signs on Metro Regional Center	New	Medium	65,000
TEMP127	Webcasting of Public Meetings (primarily Metro Council)	New	Medium	100,000
TEMP132	Zoo food cart network integration for central cash management	New	Medium	100,000
TEMP51	Air Rights (Housing) Project over Metro Parking Garage (no cost to Metro)	New	Low	25,000,000
<b>TOTAL FINANCE AND ADMINISTRATIVE SERVICES</b>				<b>26,348,267</b>
<b>OREGON ZOO</b>				
TEMP253	Access Control System Replacement	Replacement	High	55,000
TEMP254	HVAC, Lighting, and other Energy Mgmt Auto Controls	Replacement	High	160,000
TEMP256	Main Boardwalk Top-Coat	Replacement	High	60,000
TEMP257	Voicemail System Replacement	Replacement	High	65,000
TEMP274	Tree Tops Roof Replacement	Replacement	High	60,000
TEMP277	Irrigation System Leak Repair and Install Modern Controls	Replacement	High	75,000

TEMP278	Parking Lot Paving and Substrate Repair	Replacement	High	90,000
TEMP279	Boilers Replacement with Energy Efficient Equipment	Replacement	High	60,000
TEMP281	Security Camera System Replacement	Replacement	High	65,000
TEMP282	Telephone Cabling Replacement from Copper to Fiber	Replacement	High	110,000
TEMP284	Primate Building Power Distribution Replacement	Replacement	High	60,000
TEMP285	Storm Water Sewer Repairs and Upgrades	Replacement	High	120,000
TEMP286	Chiller Equipment Replacement	Replacement	High	70,000
TEMP92	Elevator Replacements	Replacement	High	90,000
TEMP11	Elephant Walls/Structural Upgrades	Replacement	Medium	100,000
Z004	Insect Zoo	Replacement	Medium	125,000
TEMP120	Elephant Museum renovation	Replacement	Low	100,000
TEMP121	AfriCafe Terrace Permanent Cover	New	Low	100,000
TEMP123	Cascade Grill and Sunset Room Remodel	Replacement	Low	100,000
TEMP133	Point of Sales System Replacement	Replacement	Low	200,000
TEMP18	Masai Hut and Pygmy Goat Barn	Replacement	Low	70,000
TEMP86	BearWalk Café Restroom Upgrades	Replacement	Low	50,000
<b>TOTAL OREGON ZOO</b>				<b>1,985,000</b>

**REGIONAL PARKS AND GREENSPACES**

TEMP66	Blue Lake Park Improvements Phase 1	New	High	8,900,000
TEMP298	Smith and Bybee South Shore Trail and Bridge	New	High	130,000
TEMP67	Blue Lake Park Improvements Phase 2	New	Medium	3,000,000
71772	Oxbow Park - Diack Environmental Education Center	New	Medium	1,767,645
54030	Howell Territorial Park - Phase I and II Improvements	Expansion	Low	1,075,000
70270	Howell Territorial Park - Wildlife Interpretive Trail	New	Low	172,000
TEMP68	Oxbow Park Capital Improvements	Expansion	Low	3,400,000
<b>TOTAL REGIONAL PARKS AND GREENSPACES</b>				<b>\$18,444,645</b>

## Current projects status reports

The Current Projects Status Report is used to report on the progress toward completion of existing projects and to assist with preparing the Capital Budget. Included are previously approved projects that were expected to be completed by the end of FY 2006–07. Status reports are grouped by department.

### Key to Status Reports

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

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

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

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

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

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

**Expenditures:** The total funds expended for the project if completed.

		Year First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Actual Expenditures
<b>FINANCE AND ADMINISTRATIVE SERVICES</b>							
76921/76953	Replace Computer Network Components	2004-05	Incomplete	Ongoing	\$134,000	Unchanged	-
65630	Time Collection software	2005-06	Complete	7/31/2006	250,000	270,000	291,418
<b>OREGON ZOO</b>							
51215a	Introduction to the Forest (GNW V)	2003-04	Complete	6/30/2007	7,700,000	2,925,807	2,375,807
TEMP188	Washington Park Parking Lot Renovation	NA	Incomplete	6/30/2007	5,000,000	4,392,165	-
ZAH02	Animal Hospital X-Ray Machine	2006-07	Incomplete	6/30/2007	70,000	-	-
ZCM02	Admission Ticketing System Upgrade	2003-04	Incomplete	6/30/2007	200,000	-	-
ZOO11	Stormwater Handling System	2004-05	Incomplete	6/30/2007	200,000	270,000	-
<b>REGIONAL PARKS AND GREENSPACES</b>							
70317	Gotter Prairie Restoration - Phase 2	2006-07	Incomplete*	12/1/2006	\$160,756	-	*
70319	Tualatin River (Munger Prop) Riparian Enhancement	2006-07	Incomplete	6/30/2007	333,161	-	-
70361	Clear Creek Side Channel Project	2006-07	Incomplete	6/30/2007	300,000	-	-
70393	Three Bridges on the Springwater	2004-05	Complete	10/31/2006	4,728,775	Unchanged	na**
70451	Gales Creek/Tualatin River Confluence Project	2004-05	Complete	8/1/2006	216,872	497,532	363,701
CEM101	Lone Fir Cemetery Morrison Prop Site Redevelopment	2006-07	Incomplete	6/30/2007	150,000	-	-
<b>SOLID WASTE AND RECYCLING</b>							
76930	Metro South - Install Sidewalk on Washington St.	2002-03	Incomplete	6/30/2007	\$100,000	\$250,000	-
76944	Metro Central - Woodline	1997-98	Incomplete	6/30/2007	1,300,000	814,000	-
76945	Metro Central - Repl Compactor #3 Feed Conveyor	1998-99	Incomplete	12/31/2006	441,000	-	-
76954	Metro Central - Woodroom Improvements	1998-99	Incomplete	6/30/2007	211,000	236,000	30,000
76961	Metro Central - Rebuild Compactor No. 2	2004-05	Incomplete	6/30/2007	880,000	400,000	-

\*Project complete, waiting for full cost

\*\* City of Portland took ownership

# Capital Asset Management Policies

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During the FY 2000–01 budget review process, the Metro Council raised concerns about the lack of comprehensive agency asset management policies. In response to this concern the Presiding Officer established a Systems Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations to the Council. The major finding of the task force was a need to have capital management policies for three principal reasons:

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

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

## CAPITAL ASSET MANAGEMENT POLICIES

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

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

Ensuring the maximum useful life for public assets is a primary agency responsibility. Establishing clear policies and procedures for monitoring,

maintaining, repairing and replacing essential components of facilities is central to good management practices. It is expected that each Metro department will have written policies and procedures that address:

- Multi-year planning for renewal and replacement of facilities and their major components.
  - Annual maintenance plans.
2. Metro shall establish a Renewal and Replacement Reserve account for each operating fund responsible for major capital assets.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects, other legally permissible funding sources such as systems development charges should be considered.

11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal and Replacement Reserve policy for the asset to ensure resources are adequate to meet future major maintenance needs.

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

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

## Metro People places • open spaces

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

## Your Metro representatives

Council President David Bragdon

Deputy Council President District 1– Rod Park

District 2– Brian Newman

District 3– Carl Hosticka

District 4– Kathryn Harrington

District 5– Rex Burkholder

District 6– Robert Liberty

Auditor– Suzanne Flynn

Metro's web site:

[www.metro-region.org](http://www.metro-region.org)

