

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE) RESOLUTION NO. 19-4984
CAPITAL IMPROVEMENT PLAN FOR FISCAL) Introduced by Andrew Scott, Interim
YEARS 2019-20 THROUGH 2023-24 AND) Chief Operating Officer, in
RE-ADOPTING METRO'S FINANCIAL POLICIES) concurrence with Council President
) Lynn Peterson

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

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2019-20 through 2023-24 that projects Metro's major capital spending needs over the next five years;

WHEREAS, the Metro Council has reviewed the FY 2019-20 through FY 2023-24 Capital Improvement Plan; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2019-20 budget including the FY 2019-20 through FY 2023-24 Capital Improvement Plan; and

WHEREAS, the Metro Council annually reviews and readopts its Comprehensive Financial Policies including the Debt Management, Post Issuance Compliance and Capital Asset Management Policies; now therefore

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

1. That the FY 2019-20 through FY 2023-24 Capital Improvement Plan (CIP), summarized in Exhibit A, is hereby adopted.
2. That the FY 2019-20 capital projects from the FY 2019-20 through FY 2023-24 Capital Improvement Plan be included and appropriated in the FY 2019-20 budget.
3. That the Comprehensive Financial Policies, including the Debt Management, Post Issuance Compliance and Capital Asset Management Policies, included as Exhibit B to this Resolution, are re-adopted and will be published in the FY 2019-20 budget.

ADOPTED by the Metro Council this 20st day of June 2019.



Sam Chase, Deputy Council President

Approved as to Form:



Nathan A.S. Sykes, Acting Metro Attorney

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: IS							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
GENERAL FUND							
Honey Badger Horizon 3	I3002E	114,200	-	-	-	-	114,200
Payroll Project Phase II	I1501E	100,000	-	-	-	-	100,000
TOTAL IS - GENERAL FUND		\$214,200	\$0	\$0	\$0	\$0	\$214,200
INFORMATION SVCS R&R SUBFUND							
IMS - Network Management	65200	292,229	353,503	177,872	158,098	-	981,702
Website - R&R	ISTBD02	264,113	-	-	-	-	264,113
PeopleSoft LMS	I1001E	215,000	-	-	-	-	215,000
MRC Wiring Plant (twisted cooper and fiber)	ISTBD03	190,236	-	-	-	-	190,236
PeopleSoft Upgrade	65612	150,191	-	156,258	-	-	306,449
PeopleSoft Upgrades	01521	108,758	-	-	-	-	108,758
RLI Training Software	01524	57,639	-	60,863	-	-	118,502
KRONOS Timeclocks	65630B	31,516	31,000	32,000	-	-	94,516
Council Chamber Broadcast Video	01326	-	180,000	-	-	-	180,000
Palo Alto Firewall (2)	ISTBD04	-	120,285	-	-	-	120,285
TOTAL IS - INFORMATION SVCS R&R SUBFUND		\$1,309,682	\$684,788	\$426,993	\$158,098	\$0	\$2,579,561
METRO REG CENTER R&R SUBFUND							
VOIP Phone System Upgrade	65701B	200,341	-	-	-	-	200,341
TOTAL IS - METRO REG CENTER R&R SUBFUND		\$200,341	\$0	\$0	\$0	\$0	\$200,341
NEW CAPITAL SUB-FUND							
PeopleSoft Upgrades	01521	150,000	-	-	-	-	150,000
PeopleSoft Benefits Module	I1002E	150,000	-	-	-	-	150,000
Automatic Switch for Data Center at OCC	ISTBD14	126,000	-	-	-	-	126,000
PCI-Network Remediation	01570	20,000	-	-	-	-	20,000
TOTAL IS - NEW CAPITAL SUB-FUND		\$446,000	\$0	\$0	\$0	\$0	\$446,000
OREGON ZOO RENEWAL AND REPLACEMENT SUB-FUND							
VOIP Phone System Upgrade	65701B	100,000	-	-	-	-	100,000
TOTAL IS - OREGON ZOO RENEWAL AND REPLACEMENT SUB-FUND		\$100,000	\$0	\$0	\$0	\$0	\$100,000
TOTAL IS (18 Projects)		\$2,270,223	\$684,788	\$426,993	\$158,098	\$0	\$3,540,102

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - General Fund	214,200	-	-	-	-	214,200
Fund Balance - Capital Subfund	446,000	-	-	-	-	446,000
Fund Balance - Renewal & Replacement	1,610,023	684,788	426,993	158,098	-	2,879,902
IS DEPARTMENT TOTAL:	\$2,270,223	\$684,788	\$426,993	\$158,098	\$0	\$3,540,102

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: PARKS							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
GENERAL FUND							
N. Columbia Slough Bridge	BA011	75,000	-	-	-	-	75,000
Levy Terramet Database Improvement	LS010	55,000	55,000	55,000	55,000	55,000	275,000
TOTAL PARKS - GENERAL FUND		\$130,000	\$55,000	\$55,000	\$55,000	\$55,000	\$350,000
NATURAL AREAS FUND							
Natural Areas Acquisition	TEMP98	2,000,000	-	-	-	-	2,000,000
Chehalem Ridge Comp Plan	LA110	800,000	1,875,000	490,000	-	-	3,165,000
Marine Drive Trail	BA020	250,000	750,000	1,200,000	-	-	2,200,000
Gabbert Hill Access Improvements Phase 1	LA200	200,000	1,741,000	-	-	-	1,941,000
Columbia Blvd Bridge Crossing	BA010	150,000	850,000	1,000,000	-	-	2,000,000
Levy Terramet Database Improvement	LS010	100,000	100,000	100,000	100,000	-	400,000
Cazadero North Stream & Wetland Restoration	G46015	60,000	200,000	-	-	-	260,000
River Island Restoration	BA030	50,000	-	-	-	-	50,000
Aus Farms	G12007	10,000	-	-	-	-	10,000
TOTAL PARKS - NATURAL AREAS FUND		\$3,620,000	\$5,516,000	\$2,790,000	\$100,000	\$0	\$12,026,000
PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND							
Newell Creek Canyon Nature Park	LA250	1,800,000	940,000	-	-	-	2,740,000
N. Multnomah Channel Marsh Ecotone Enhancement	LR665	419,800	-	-	-	-	419,800
Gales Forest Grove Stream Restoration in partnership with CWS	LR146	237,500	30,000	12,000	-	-	279,500
McCarthy Creek Road Repair	LR902	206,000	-	-	-	-	206,000
Oxbow Park Sanitary System Replacement	LI011	200,000	-	-	-	-	200,000
Johnson/Brigman Creek Stream Restoration	LR167	145,000	-	-	-	-	145,000
Levy: East Council Creek	LA121	103,000	-	-	500,000	-	603,000
P&N ADA Transition Plan	PNDEI2	100,000	100,000	100,000	100,000	-	400,000
Levy Terramet Database Improvement	LS010	100,000	100,000	100,000	100,000	-	400,000
Quamash Prairie Prescribed Burn	LR507	100,000	-	-	-	-	100,000
Oxbow Campground Improvements	LI007	100,000	-	-	-	-	100,000
Fleet : PARKS	70001P	80,000	-	-	-	-	80,000
Beaver Creek Stream Restoration	LR220	75,000	160,000	15,000	-	-	250,000
Blue Lake Curry Space Plan & Furniture Replacement (formerly PKSTBD35)	LI218	75,000	-	-	-	-	75,000
Grant Butte Nature Park	LA201	50,000	50,000	-	-	-	100,000
Ennis Creek Road Repair	LR903	40,000	206,000	-	-	-	246,000
Borland Infrastructure Phase 2	LR751	40,000	-	-	-	-	40,000
Oxbow Forest Restoration	LR241	35,000	50,000	15,000	-	-	100,000

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Killin Wetland Access/Site Evaluation	LA300	25,000	-	-	-	-	25,000
Oxbow Park Stream Restoration	LR240	15,000	-	-	-	-	15,000
North Tualatin Mountains Nature Park	LA120	-	1,422,604	-	-	-	1,422,604
Chinook: Floats & Gangway	PCK001	-	750,000	-	-	-	750,000
TOTAL PARKS - PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND		\$3,946,300	\$3,808,604	\$242,000	\$700,000	\$0	\$8,696,904
PARKS CAPITAL SUB-FUND							
Trails: St Johns Prairie	PTR001	150,000	800,000	-	-	-	950,000
TOTAL PARKS - PARKS CAPITAL SUB-FUND		\$150,000	\$800,000	\$0	\$0	\$0	\$950,000
PARKS OPERATIONS R&R SUBFUND							
Lone Fir Retaining Wall	CEM106	700,000	1,500,000	-	-	-	2,200,000
Fleet : PARKS	70001P	174,378	-	-	-	-	174,378
Oxbow: Trail System Assessment	POX004	152,000	-	-	-	-	152,000
Chinook Landing Improvements	PCK002	100,000	100,000	219,000	-	-	419,000
Blue Lake Shoreline/Walkway Assessment	PBL008	84,750	-	-	-	-	84,750
Blue Lake: Fencing	PBL002	65,000	-	-	-	-	65,000
Blue Lake Inclusive Play Assessment	PBL004	62,500	-	-	-	-	62,500
Cemetery Paving Projects	PKSTBD11	-	-	-	240,000	-	240,000
TOTAL PARKS - PARKS OPERATIONS R&R SUBFUND		\$1,338,628	\$1,600,000	\$219,000	\$240,000	\$0	\$3,397,628
SMITH AND BYBEE WETLANDS FUND							
N. Columbia Slough Bridge	BA011	75,000	-	-	-	-	75,000
TOTAL PARKS - SMITH AND BYBEE WETLANDS FUND		\$75,000	\$0	\$0	\$0	\$0	\$75,000
WILLAMETTE FALLS CAPITAL SUB-FUND							
WF Conceptual Design	WF011	2,150,000	-	-	-	-	2,150,000
WF Construction	WF013	2,000,000	4,500,000	5,000,000	1,000,000	-	12,500,000
TOTAL PARKS - WILLAMETTE FALLS CAPITAL SUB-FUND		\$4,150,000	\$4,500,000	\$5,000,000	\$1,000,000	\$0	\$14,650,000
TOTAL PARKS (45 Projects)		\$13,409,928	\$16,279,604	\$8,306,000	\$2,095,000	\$55,000	\$40,145,532

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - General Fund	130,000	55,000	55,000	55,000	55,000	350,000
Fund Balance - Capital Reserve	150,000	800,000	-	-	-	950,000
Fund Balance - Renewal & Replacement	1,338,628	1,600,000	219,000	240,000	-	3,397,628
Fund Balance - Smith & Bybee Wetlands Fund	75,000	-	-	-	-	75,000
Fund Balance - Willamette Falls Capital Subfund	4,150,000	4,500,000	5,000,000	1,000,000	-	14,650,000
G. O. Bonds - Natural Areas	3,620,000	5,516,000	2,790,000	100,000	-	12,026,000
Local option levy	3,946,300	3,808,604	242,000	700,000	-	8,696,904
PARKS DEPARTMENT TOTAL:	\$13,409,928	\$16,279,604	\$8,306,000	\$2,095,000	\$55,000	\$40,145,532

Department: PLAN							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
AFFORDABLE HOUSING FUND							
Affordable Housing Fund land acquisition	AFFHSG	30,000,000	15,000,000	15,000,000	-	-	60,000,000
TOTAL PLAN - AFFORDABLE HOUSING FUND		\$30,000,000	\$15,000,000	\$15,000,000	\$0	\$0	\$60,000,000
TOTAL PLAN (1 Projects)		\$30,000,000	\$15,000,000	\$15,000,000	\$0	\$0	\$60,000,000

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
G. O. Bonds - Affordable Housing Fund	30,000,000	15,000,000	15,000,000	-	-	60,000,000
PLAN DEPARTMENT TOTAL:	\$30,000,000	\$15,000,000	\$15,000,000	\$0	\$0	\$60,000,000

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: PES							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
METRO REG CENTER R&R SUBFUND							
MRC Furniture Reconfiguration	MRC005	2,600,000	-	-	-	-	2,600,000
MRC: HVAC & BAS Replacement	MRC001	2,481,756	-	-	-	-	2,481,756
MRC Tower Elevator Retrofit	MRC006	900,000	625,000	-	-	-	1,525,000
MRC Lighting Upgrades	PSTBD031	850,000	-	-	-	-	850,000
MRC Bldg Envlp Rprs-Phase 2	01325A	700,000	-	-	-	-	700,000
MRC Fire Stoppage	01332	400,000	-	-	-	-	400,000
MRC Kitchen, Bathroom and ADA Upgrades	PSTBD030	400,000	-	-	-	-	400,000
MRC IS System Upgrades	PSTBD029	300,000	-	-	-	-	300,000
MRC Daycare Improvements	MRC003	235,000	-	-	-	-	235,000
MRC Concrete Repairs	PSTBD004	100,000	400,000	-	-	-	500,000
Fleet: MRC	70001M	51,409	30,655	31,853	106,867	-	220,784
MRC Lobby Security Improvements	PSTBD028	-	300,000	-	-	-	300,000
MRC Underground Garage Entrance	PSTBD026	-	250,000	-	-	-	250,000
MRC Emergency Generator	MRC004	-	190,000	760,000	-	-	950,000
MRC Irving Garage Concrete and Steel	PSTBD011	-	150,000	400,000	-	-	550,000
MRC Plaza Drainage	PSTBD032	-	-	700,000	-	-	700,000
TOTAL PES - METRO REG CENTER R&R SUBFUND		\$9,018,165	\$1,945,655	\$1,891,853	\$106,867	\$0	\$12,962,540
SOLID WASTE GENERAL ACCOUNT							
Solid Waste System Land Acquisition	SWTBD08	3,000,000	-	-	-	-	3,000,000
Fleet: Solid Waste	70001S	389,000	-	-	-	-	389,000
MCS Bay 4 Improvements for Organics	SWTBD15	250,000	1,250,000	-	-	-	1,500,000
Metro Paint Processing Room Expansion	SWTBD16	250,000	1,150,000	200,000	-	-	1,600,000
New Facility CRC Design	SWTBD18	250,000	1,000,000	750,000	500,000	-	2,500,000
MSS Office Renovations (2 stories)	SWTBD26	150,000	200,000	-	-	-	350,000
MSS Pest Prevention Engineering & Design	SWTBD28	50,000	150,000	100,000	-	-	300,000
MCS Pest Prevention Engineering & Design	SWTBD29	50,000	150,000	100,000	-	-	300,000
MCS Covered Storage HHW	SWTBD27	-	200,000	-	-	-	200,000
New Facility CRC Construction	SWTBD19	-	-	8,750,000	8,750,000	-	17,500,000
TOTAL PES - SOLID WASTE GENERAL ACCOUNT		\$4,389,000	\$4,100,000	\$9,900,000	\$9,250,000	\$0	\$27,639,000
SOLID WASTE LANDFILL CLOSURE							
St. Johns Landfill - Remediation	76995	352,800	-	-	-	-	352,800
TOTAL PES - SOLID WASTE LANDFILL CLOSURE		\$352,800	\$0	\$0	\$0	\$0	\$352,800

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Resolution 19-4984

SOLID WASTE OPERATING ACCOUNT

Metro Central - Annual Concrete Repair	77125	200,000	200,000	100,000	100,000	100,000	700,000
MSS Annual Concrete Maintenance	77124	200,000	100,000	100,000	100,000	100,000	600,000

TOTAL PES - SOLID WASTE OPERATING ACCOUNT		\$400,000	\$300,000	\$200,000	\$200,000	\$200,000	\$1,300,000
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SOLID WASTE RENEWAL AND REPLACEMENT

MSS Transfer Scale Replacement	SWTBD20	500,000	-	-	-	-	500,000
Metro Central - Conveyor #1	SWTBD05	400,000	350,000	-	-	-	750,000
MCS Exterior Renovations	SMC005	400,000	-	-	-	-	400,000
MCS Gate Replacement	SWTBD21	300,000	-	-	-	-	300,000
SW Branding & Signage	SWTBD22	200,000	200,000	-	-	-	400,000
MSS Pond Reconstruction and Clean-Up	SWTBD23	200,000	-	-	-	-	200,000
MCS Replace Storage Tank	SWTBD25	200,000	-	-	-	-	200,000
MSS Transfer Station Renovation - Restroom/Showers	SWTBD24	150,000	200,000	-	-	-	350,000
Fleet: Solid Waste	70001S	124,900	58,150	115,100	129,500	150,000	577,650
Metro Central - Conveyor #3	SWTBD07	-	500,000	-	-	-	500,000
Metro South Bays - 1&2 Ventilations System	76836	-	200,000	-	-	-	200,000
Platform Scale MSS #2	SWTBD02	-	-	300,000	-	-	300,000
Platform Scale MCS-B	SWTBD03	-	-	300,000	-	-	300,000

TOTAL PES - SOLID WASTE RENEWAL AND REPLACEMENT		\$2,474,900	\$1,508,150	\$715,100	\$129,500	\$150,000	\$4,977,650
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TOTAL PES (42 Projects)		\$16,634,865	\$7,853,805	\$12,706,953	\$9,686,367	\$350,000	\$47,231,990
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Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - Capital Reserve	4,789,000	4,400,000	10,100,000	9,450,000	200,000	28,939,000
Fund Balance - Landfill Closure	352,800	-	-	-	-	352,800
Fund Balance - General Renewal & Replacement	286,409	577,411	1,891,853	106,867	-	2,862,540
Fund Balance - Solid Waste Renewal & Replacement	2,474,900	1,508,150	715,100	129,500	150,000	4,977,650
Full Faith and Credit Bond - MRC Bond	8,731,756	1,368,244	-	-	-	10,100,000
PES DEPARTMENT TOTAL:	\$16,634,865	\$7,853,805	\$12,706,953	\$9,686,367	\$350,000	\$47,231,990

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: OCC							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
CONVENTION CENTER OPERATING FUND							
Master Plan Renovation	8R082	10,730,000	-	-	-	-	10,730,000
Chair Replacement	8N073	2,800,000	-	-	-	-	2,800,000
Staff Support Area Programming: King BR/Admin Lobby	8R224A	690,000	-	-	-	-	690,000
Tower/Crown Glazing	8R222	500,000	160,000	-	-	-	660,000
Audio Visual Equipment	8R118	450,000	150,000	150,000	150,000	150,000	1,050,000
Table Replacement	8R244	375,000	-	-	-	-	375,000
Water Heater Replacement	8R210	350,000	-	-	-	-	350,000
Integrated Door Access Controls	8N025	250,000	-	-	-	-	250,000
Vertical Transportation: Elevator Door & Operator Replacement	8R207C	250,000	-	-	-	-	250,000
Waterproofing: Rain Garden	8R223C	250,000	-	-	-	-	250,000
OCC - Lighting Control System	88174	200,000	-	-	-	-	200,000
Prefunction A and C Restroom Renovations	8R246	195,000	2,600,000	-	-	-	2,795,000
Vertical Transportation: Elevator Modernizations	8R207	175,000	300,000	300,000	-	-	775,000
Mass Notification Consulting & Implementation	8N087	150,000	-	-	-	-	150,000
Rain Garden Tree Replacement	8R209	130,000	-	-	-	-	130,000
VIP B Renovation	8R245	120,000	1,000,000	-	-	-	1,120,000
OCC - WiFi & Show Network Upgrades	8R226	120,000	130,000	130,000	130,000	130,000	640,000
ADA Assessment and Improvements	8N086	100,000	-	-	-	-	100,000
Vertical Transportation: Escalator Safety Skirt Brush Installation	8R207B	100,000	-	-	-	-	100,000
Parking Pay Station Signage/Elevator lobby Refresh	8R243	100,000	-	-	-	-	100,000
Lobby Lighting Retrofit	8R242	80,000	600,000	-	-	-	680,000
Waterproofing: SW Exterior & Egress Doors	8R223D	60,000	400,000	-	-	-	460,000
Staff Support Area Programming: Guest Services	8R224B	-	1,165,000	-	-	-	1,165,000
CCTV Security Camera Replacement	OCCTBD81	-	500,000	-	-	-	500,000
Food & Beverage Programming: Planning & Design	OCCTBD87	-	300,000	-	-	-	300,000
Security Console/Entrance area Renovation	OCCTBD77	-	230,000	1,400,000	-	-	1,630,000
OCC - AV Audio System Upgrade	OCCTBD42	-	100,000	750,000	-	-	850,000
Facility Security Hardening	OCCTBD84	-	80,000	300,000	-	-	380,000
Interior Digital Signage Additions	OCCTBD73	-	75,000	1,000,000	-	-	1,075,000
OCC - Crbrd Baler & Cnpy	8N067	-	75,000	350,000	-	-	425,000
Exhibit Hall Sound Panel Replacement	OCCTBD74	-	65,000	650,000	-	-	715,000
Waterproofing: Miscellaneous	8R223E	-	60,000	300,000	-	-	360,000
Waterproofing: Parking Garage Traffic Coating	8R223F	-	60,000	250,000	-	-	310,000

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Resolution 19-4984

OCC Cooling System phase II	8R188B	-	20,000	4,000,000	-	-	4,020,000
Gingko Lane Renovation	OCCTBD75	-	-	750,000	5,000,000	-	5,750,000
Exhibit Hall Restroom Renovation	OCCTBD70	-	-	224,000	1,700,000	-	1,924,000
ABC Meeting Room Renovation	OCCTBD72	-	-	-	1,200,000	7,000,000	8,200,000
DEF Meeting Rooms/Lobbies/Restrooms Renovation	OCCTBD78	-	-	-	-	1,200,000	1,200,000
Holladay & 1st Ave Exterior Improvements	OCCTBD80	-	-	-	-	750,000	750,000
Glass Tower Structural Reinforcement	OCCTBD66	-	-	-	-	100,000	100,000
OCC - Boiler Replacement	OCCTBD29	-	-	-	-	100,000	100,000
Exhibit Hall Lighting Retrofit	OCCTBD85	-	-	-	-	75,000	75,000
Employee Locker Room Renovation	OCCTBD67	-	-	-	-	70,000	70,000
Holladay Suites Renovation	OCCTBD76	-	-	-	-	60,000	60,000
TOTAL OCC - CONVENTION CENTER OPERATING FUND		\$18,175,000	\$8,070,000	\$10,554,000	\$8,180,000	\$9,635,000	\$54,614,000
TOTAL OCC (44 Projects)		\$18,175,000	\$8,070,000	\$10,554,000	\$8,180,000	\$9,635,000	\$54,614,000

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - Renewal & Replacement	11,415,641	1,437,844	3,828,110	1,245,533	2,485,873	20,413,002
TLT Pooled Capital	6,659,359	6,632,156	6,725,890	6,934,467	7,149,127	34,100,998
Other - Grants	100,000	-	-	-	-	100,000
OCC DEPARTMENT TOTAL:	\$18,175,000	\$8,070,000	\$10,554,000	\$8,180,000	\$9,635,000	\$54,614,000

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: PCPA							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
PORTLAND'S CENTERS FOR THE ARTS FUND							
Schnitzer Acoustical Enhancements	8R092	3,900,000	1,442,908	-	-	-	5,342,908
P5 AHH Roof	8R179	3,010,000	-	-	-	-	3,010,000
Keller Stage Cooling	8R247	2,000,000	-	-	-	-	2,000,000
P5 KA Elevator Modernizations	8R175	250,000	550,000	-	-	-	800,000
KA Generator Fuel Storage	8R214	200,000	-	-	-	-	200,000
ASCH Sound Reinforcement System	8R240	100,000	400,000	-	-	-	500,000
P5 ADA Improvements	8R182	50,000	95,000	-	-	-	145,000
AHH Digital Signage	P5TBD82	-	200,000	100,000	-	-	300,000
TOTAL PCPA - PORTLAND'S CENTERS FOR THE ARTS FUND		\$9,510,000	\$2,687,908	\$100,000	\$0	\$0	\$12,297,908
TOTAL PCPA (8 Projects)		\$9,510,000	\$2,687,908	\$100,000	\$0	\$0	\$12,297,908

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - Renewal & Replacement	6,010,000	2,687,908	100,000	-	-	8,797,908
Other Contributions	3,500,000	-	-	-	-	3,500,000
PCPA DEPARTMENT TOTAL:	\$9,510,000	\$2,687,908	\$100,000	\$0	\$0	\$12,297,908

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: EXPO							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
EXPO FUND							
Expo - Lower Parking Lot 1 Improvements	8N072	300,000	250,000	450,000	-	-	1,000,000
Hall C Structural Repairs	8R235	200,000	200,000	-	-	-	400,000
Expo - Lighting Control review and install - Halls ABCDE	8R169	161,000	-	-	-	-	161,000
Expo Hall E Flat Roof	8R234	150,000	-	-	-	-	150,000
Expo - ADA Compliance Assessment	8N085	100,000	-	-	-	-	100,000
Expo - Expo Website Update	8R229	100,000	-	-	-	-	100,000
Expo - Facility Wide door improvements	8R230	50,000	-	75,000	-	-	125,000
Expo - Main Entry Improvements	8N084	35,000	150,000	-	-	-	185,000
Campus Master Plan	8N083	20,000	100,000	-	-	-	120,000
Expo - Facility Wide Overhead Door improvements	EXTBD28	-	-	125,000	100,000	-	225,000
Halls D&E Interior Improvements	EXTBD62	-	-	-	-	250,000	250,000
Expo - Hall C Roof Recoat	8R227	-	-	-	-	150,000	150,000
Expo - UP2 North Walkway Cover	EXTBD22	-	-	-	-	150,000	150,000
Expo - Hall D&E HVAC	EXTBD60	-	-	-	-	150,000	150,000
TOTAL EXPO - EXPO FUND		\$1,116,000	\$700,000	\$650,000	\$100,000	\$700,000	\$3,266,000
TOTAL EXPO (14 Projects)		\$1,116,000	\$700,000	\$650,000	\$100,000	\$700,000	\$3,266,000

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
TLT Pooled Capital	1,116,000	700,000	650,000	100,000	700,000	3,266,000
EXPO DEPARTMENT TOTAL:	\$1,116,000	\$700,000	\$650,000	\$100,000	\$700,000	\$3,266,000

CIP Project Summary by Funding Source for Fiscal Year 2019-20

Exhibit A
Resolution 19-4984

Department: ZOO							
	ID	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
OREGON ZOO CAPITAL PROJECTS SUB-FUND							
Railroad Rolling Stock Replacement	ZRW193	700,000	-	-	-	-	700,000
Animal Area Cameras	ZOO78	175,000	100,000	100,000	100,000	100,000	575,000
Zoo New Capital < \$100K	ZOOTBD22	150,000	-	-	-	-	150,000
Elephant transfer area modification	ZOOTBD19-2	144,000	-	-	-	-	144,000
Offsite condor facility improvements	ZOOTBD20-1	140,000	75,000	50,000	50,000	200,000	515,000
Polar Bear/Primate/Rhino Habitats	ZIP004	-	2,000,000	-	-	-	2,000,000
Black bear stream and pool	ZOOTBD19-3	-	-	200,000	-	-	200,000
TOTAL ZOO - OREGON ZOO CAPITAL PROJECTS SUB-FUND		\$1,309,000	\$2,175,000	\$350,000	\$150,000	\$300,000	\$4,284,000
OREGON ZOO INFRASTRUCTURE/ANIMAL WELFARE FUND							
Polar Bear/Primate/Rhino Habitats	ZIP004	23,800,000	3,514,280	-	-	-	27,314,280
One-Percent for Art Design and Installation	ZIP012	75,000	-	-	-	-	75,000
TOTAL ZOO - OREGON ZOO INFRASTRUCTURE/ANIMAL WELFARE FUND		\$23,875,000	\$3,514,280	\$0	\$0	\$0	\$27,389,280
OREGON ZOO RENEWAL AND REPLACEMENT SUB-FUND							
Food facilities & equipment	ZOOTBD20-3	500,000	250,000	240,000	200,000	250,000	1,440,000
Website Redesign	ZRW196	200,000	-	-	-	-	200,000
Campus Accessibility Assessment	ZOOTBD20-2	150,000	-	-	-	-	150,000
Stellar Cove Digital Control System	ZGFRR07	120,000	-	-	-	-	120,000
Carpet Replacements	ZOOTBD20-4	-	-	-	400,000	-	400,000
Trimet water project	ZOOTBD20-5	-	-	-	-	150,000	150,000
TOTAL ZOO - OREGON ZOO RENEWAL AND REPLACEMENT SUB-FUND		\$970,000	\$250,000	\$240,000	\$600,000	\$400,000	\$2,460,000
TOTAL ZOO (15 Projects)		\$26,154,000	\$5,939,280	\$590,000	\$750,000	\$700,000	\$34,133,280

Major Funding Sources

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	Total
Fund Balance - Capital Subfund	-	2,000,000	-	-	-	2,000,000
Fund Balance - Oregon Zoo Renewal and Replacement Subfund	970,000	250,000	240,000	600,000	400,000	2,460,000
G. O. Bond - Oregon Zoo Infrastructure/Animal Welfare Fund	23,875,000	3,514,280	-	-	-	27,389,280
Grant - Oregon Zoo Foundation	609,000	175,000	150,000	150,000	300,000	1,384,000
Interfund Loan - Solid Waste Fund	700,000	-	200,000	-	-	900,000
ZOO DEPARTMENT TOTAL:	\$26,154,000	\$5,939,280	\$590,000	\$750,000	\$700,000	\$34,133,280

FINANCIAL POLICIES

In 2004 the Metro Council enacted Resolution No. 04-3465, “adopting comprehensive financial policies for Metro.”

Each year as part of the annual budget adoption process the Metro Council reviews the financial policies which provide the framework for the overall fiscal management of the agency. Operating independently of changing circumstances and conditions, these policies are designed to help safeguard Metro’s assets, promote effective and efficient operations and support the achievement of Metro’s strategic goals. In 2009 the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Metro Council to make certain policy decisions regarding the use of resources and classifications of fund balance. In June 2010 the Metro Council took action to amend Metro’s Comprehensive Financial Policies to incorporate the GASB Statement No. 54 principles and to re-approve the policies. These changes are reflected in Budget and Financial Planning, section 2.

These financial policies establish basic principles to guide Metro’s elected officials and staff in carrying out their financial duties and fiduciary responsibilities. The Chief Financial Officer shall establish procedures to implement the policies established in this document.

General policies

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

Accounting, auditing and financial reporting

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

Budgeting and financial planning

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

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

Capital asset management

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

Cash management and investments

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

Debt management

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition that cannot be readily financed from current revenues or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.

3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. As required by its continuing disclosure undertakings and Section 8 herein, and consistent with SEC Rule 15c2-12, as amended from time to time, Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.
5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized, Metro's access to credit is preserved and Metro has ample future flexibility to adjust its debt portfolio as needed to support operational goals.
6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs. In evaluating such comparisons, Metro shall assume the opportunity cost for the use of its cash is the 90-day Treasury yield at the time of such analysis.

Tax exempt qualified obligations post issuance compliance - federal tax regulations and continuing disclosure

This Post Issuance Compliance (PIC) section sets forth specific policies of Metro designed to (a) monitor post issuance compliance of tax exempt qualified obligations (the "Obligations") issued by Metro with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and regulations promulgated there under (the "Treasury Regulations") and (b) comply with continuing disclosure undertaking executed by Metro (the "Undertakings") in connection with a primary offering of municipal securities (including Obligations and federally taxable bonds, collectively, "Bonds") that are subject to Securities and Exchange Commission Rule 15c2-12, as amended from time to time ("Rule 15c2-12").

The section documents existing practices and describes various procedures and systems designed to identify on a timely basis facts relevant to demonstrating compliance with the requirements that must be satisfied subsequent to the issuance of Bonds such that (a) the interest on such Obligations continue to be excludable from gross income for federal income tax purposes, and (b) Metro complies with its contractual obligations set forth in the Undertakings. Metro recognizes that compliance with applicable provisions of the Code and Treasury Regulations with respect to Obligations and Undertakings with respect to Bonds, is an on-going process, necessary during the entire term of the Bonds, and is an integral component of Metro's financial policies. Accordingly, the analysis of those facts and implementation of the policies will require ongoing monitoring and consultation with bond counsel.

The Director of Finance and Regulatory Services approves the terms and structure of Bonds executed by Metro. Such Bonds are issued in accordance with the provisions of Oregon Revised Statutes, the Metro charter, and if issued as tax-exempt, also issued in accordance with the Code. Specific post issuance compliance procedures address the relevant areas described below. The following list is not intended to be exhaustive and further areas may be identified from time to time by Finance staff in consultation with bond counsel.

1. General policies and procedures.

The following relates to procedures and systems for monitoring post issuance compliance generally. Staff may adjust procedures for non-tax advantaged Bonds as applicable.

- a. The Director of Finance and Regulatory Services (the "Director") shall identify an appropriate staff member or members to be responsible for monitoring post issuance compliance issues (the "Staff Designee"). The Director shall be responsible for ensuring an adequate succession plan for transferring post issuance compliance responsibility when changes in staff occur.
- b. The Staff Designee will coordinate procedures for record retention and review of such records.
- c. The Staff Designee will review post issuance compliance procedures and systems on a periodic basis, but not less

than annually.

- d. Ongoing training shall be made available to the Staff Designee (generally, not less frequently than annually) to support such individual's understanding of the tax requirements applicable to the Obligations.
- e. Electronic media will be the preferred method for storage of all documents and other records maintained by Finance and Regulatory Services. In maintaining such electronic storage, the Staff Designee will comply with applicable Internal Revenue Service (the "IRS") requirements, such as those contained in Revenue Procedure 9722.

2. Issuance of Bonds and creation of files

The following policies relate to specific issue of Obligations/Bonds.

- a. The Staff Designee will obtain and store a closing binder and/or CD or other electronic copy of the relevant and customary transaction documents including:
 - i. Intent Resolution.
 - ii. Bond transcript.
 - iii. Final Written Allocation and/or all available accounting records related to the financed facilities showing expenditures allocated to bond proceeds and expenditures (if any) allocated to other sources of funds, including information regarding including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 - 1. Records, including purpose, type, payee, amount and date, of all expenditures of bond proceeds.
 - iv. All rebate and yield reduction payment calculations performed by a rebate analyst and all investment records provided to the rebate analyst for purposes of preparing the calculation.
 - v. Forms 8038-T together with proof of filing and payment of rebate.
 - vi. Investment agreement bid documents (unless included in the bond transcript) including:
 - 1. Bid solicitation, bid responses, certificate of broker;
 - 2. Written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
 - 3. Copies of the investment agreement and any amendments.
 - 4. Records, including dates and amounts, of investment income on bond proceeds.
 - vii. Any item required to be maintained by the terms of the tax compliance agreement involving the use of the financed facilities or expenditures related to tax compliance for the bonds
 - viii. Any opinion of bond counsel regarding the bonds not included in the bond transcript.
 - ix. Amendments, modifications or substitute agreements to any agreement contained in the bond transcript.
 - x. Any correspondence with the IRS relating to the bonds, including all correspondence relating to an audit by the IRS of the bonds or any proceedings under the IRS's Voluntary Closing Agreement Program (VCAP).
 - xi. For refunding bond issues, the Bond File for the refunded bonds.
 - xii. Evidence of completion of compliance documentation (including checklists) as described in Section 8.8 herein
 - xiii. Evidence of periodic training of the Staff Designee
 - xiv. Evidence of tracking of private use and private payment, if any

- xv. Evidence of continuing disclosure filings pursuant to any Undertaking (as defined herein) and consistent with SEC Rule 15c2-12

3. Arbitrage rebate calculations

The following policies relate to the monitoring and calculating of arbitrage and compliance with specific arbitrage rules and regulations. The Staff Designee will:

- a. Coordinate the tracking of expenditures, including the expenditure of any investment earnings, with other applicable Finance staff.
- b. Obtain a computation of the yield on each issue from Metro's outside arbitrage rebate specialist and maintain a system for tracking investment earnings.
- c. Maintain a procedure for the allocation of proceeds of the issue and investment earnings to expenditures, including the reimbursement of reissuance expenditures.
- d. Coordinate with Finance staff to monitor compliance by departments with the applicable "temporary period" (as defined in the Code and Treasury Regulations) exceptions for the expenditure of proceeds of the issue, and provide for yield restriction on the investment of such proceeds if such exceptions are not satisfied.
- e. Ensure that investments acquired with proceeds of such issue are purchased at fair market value. In determining whether an investment is purchased at fair market value, any applicable Treasury Regulation safe harbor may be used.
- f. Coordinate to avoid formal or informal creation of funds reasonably expected to be used to pay debt service on such issue without determining in advance whether such funds must be invested at a restricted yield.
- g. Consult with bond counsel prior to engaging in any post-issuance credit enhancement transactions.
- h. Identify situations in which compliance with applicable yield restrictions depends upon later investments and monitor implementation of any such restrictions.
- i. Monitor compliance with six-month, 18month or 2-year spending exceptions to the rebate requirement, as applicable.
- j. Arrange for timely computation of any rebate or yield reduction payment liability by Metro's outside arbitrage rebate specialist and, if rebate is due, file a Form 8038T and arrange for payment of such rebate liability.

4. Private activity concerns

The following policies relate to the monitoring and tracking of private use and private payments with respect to the facilities financed with the Obligations. The Staff Designee will:

- a. Coordinate with staff to maintain records determining and tracking facilities financed with specific Obligations and in what amounts.
- b. Coordinate with applicable staff to maintain records, which should be consistent with those used for arbitrage purposes, to allocate the proceeds of an issue and investment earnings to expenditures, including the reimbursement of pre-issuance expenditures.
- c. Coordinate with applicable staff to maintain records allocating to a project financed with Obligations any funds from other sources that will be used for otherwise non-qualifying costs.
- d. Coordinate with Finance staff to monitor the expenditure of proceeds of an issue and investment earnings for qualifying costs.
- e. Coordinate with applicable staff to monitor private use of financed facilities to ensure compliance with applicable percentage limitations on such use.

5. Reissuance considerations

The following policies relate to compliance with rules and regulations regarding the reissuance of Obligations for federal law purposes. The Staff Designee will:

- a. Identify and consult with bond counsel regarding any post-issuance changes or modifications to any terms of an issue of Obligations to determine whether such changes could be treated as a reissuance for federal tax purposes.
- b. Confirm with bond counsel whether any “remedial action” taken in connection with a “change in use” (as such terms are defined in the Code and Treasury Regulations) would be treated as a reissuance for tax purposes and, if so, confirm the filing of any new Form 8038G.

6. Records retention

The following policies relate to retention of records relating to the Bonds issued. The Staff Designee will:

- a. Coordinate with staff regarding the records to be maintained by Metro to establish and ensure that an issue remains in compliance with applicable federal tax requirements for the life of such issue.
- b. Coordinate with staff to comply with provisions imposing specific recordkeeping requirements and cause compliance with such provisions, where applicable.
- c. Coordinate with staff to generally maintain the following:
 - i. Basic records relating to the transaction (e.g., any non-arbitrage certificate, net revenue estimates and the bond counsel opinion);
 - ii. Documentation evidencing expenditure of proceeds of the issue;
 - iii. Documentation regarding the types of facilities financed with the proceeds of an issue, including, but not limited to, whether such facilities are land, buildings or equipment, economic life calculations and information regarding depreciation.
 - iv. Documentation evidencing use of financed property by public and private entities (e.g., copies of management contracts and research agreements);
 - v. Documentation evidencing all sources of payment or security for the issue; and
 - vi. Documentation pertaining to any investment of proceeds of the issue (including the purchase and sale of securities, SLGs subscriptions, yield calculations for each class of investments, actual investment income received by the investment of proceeds, guaranteed investment contracts, and rebate calculations).
- d. Coordinate the retention of all records in a manner that ensures their complete access to the IRS. While this is typically accomplished through the maintenance of hard copies, records may be kept in electronic format so long as applicable requirements, such as Revenue Procedure 97-22, are satisfied.
- e. Electronic media will be the preferred method for storage of all documents and other records maintained by Finance and Regulatory Services. In maintaining such electronic storage, the Staff Designee will comply with applicable Internal Revenue Service (the “IRS”) requirements, such as those contained in Revenue Procedure 9722.
- f. Keep all material records for so long as the issue is outstanding (including any refunding), plus five years.

7. Continuing disclosure Undertaking

The following policies related to the issuance of each specific issue of Bonds that is required by SEC Rule 15c2-12 to include an Undertaking. The Staff Designee will:

- a. Review the Undertaking to determine if new or additional information is required to be filed, compared with Metro’s existing Undertakings.

- b. Update the master spreadsheet of disclosure requirements to reflect additional changes.
 - c. At least twice a year (at budget preparation and during audit), review the various Undertakings' requirements to ensure they have been met. The first review is internal only. The second review is always with the Financial Auditors.
 - d. The Financial Controls manager responsible for the CAFR will coordinate with the Financial Planning Manager to ensure the filing requirements are met, particularly if any changes are proposed for supplemental materials included in the CAFR.
 - e. During this time, the Financial Controls manager will review the filing requirements under all Undertakings and begin collecting information that is not presented in the CAFR or budget.
 - f. Once the CAFR is presented to and approved by the Metro Council, it is posted on EMMA, which in no case will be later than the filing deadlines under all Undertakings
 - g. The annual budget is adopted no later than June 30th each fiscal year
 - h. The budget document is posted on EMMA soon after it is filed with the TSCC and counties by August 31st of each year and no later than the filing deadlines under all Undertakings.
 - i. Supplementary information not presented in the CAFR or budget is posted on EMMA with the posting of the CAFR or budget, but in no case later than the filing deadlines under the applicable Undertakings.
 - j. If a Material Event (as defined by SEC Rule 15c2-12, as amended from time to time) happens, the Staff Designee will cause the appropriate notices to be filed within 10 business days of the event.
8. Identification and materiality determination of "Financial Obligations"

The following policies relate to each issuance of Bonds on and after February 27, 2019 that is required by SEC Rule 15c2-12 to include an Undertaking. Metro is obligated to disclose, within 10 business days after the occurrence of the following events:

- i. Incurrence of a financial obligation, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
 - ii. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.
- a. To ensure Metro's compliance with any disclosure obligations arising as a result of the occurrence of these events, the Staff Designee will:
- i. Review the incurrence of any Metro "financial obligation" and any agreement of Metro to covenants, events of default, remedies, priority rights, or similar terms of a financial obligations, to determine whether it might be material and, therefore, subject to disclosure on EMMA.
 - 1. The term "financial obligation" is defined by Rule 15c2-12 and in Metro's Undertakings to have the following meaning: "financial obligation" means a: debt obligation; derivative instrument entered into in connection with, or pledged as security or source of payment for, an existing or planned debt obligation; or, a guaranty of such debt obligations or derivatives.
 - 2. Under Rule 15c2-12 and in Metro's Undertakings, the term "financial obligation" does not include Bonds as to which a final official statement has been provided to the Municipal Securities Rulemaking Board (e.g., filed on EMMA) consistent with Rule 15c2-12.

3. Examples of “financial obligations” include debt or debt-like obligations, such as loan agreements, bank direct purchases, lease-purchase agreements, letters of credit and lines of credit.
4. “Derivative instruments” include swaps, futures contracts, forward contracts, options or similar instruments related to an existing or planned debt obligation. For the purposes of this section, derivatives do not include fuel hedges, energy hedges or other similar instruments not related to debt obligations. Leases that are not vehicles to borrow money (real estate leases, office equipment leases, etc.) are *not* financial obligations.
5. To determine the materiality of a financial obligation, the Staff Designee, in consultation with Metro Counsel and Bond Counsel, as needed, will assess the obligation in light of Metro’s operations and debt structure. An event is “material” under federal securities laws if a reasonable investor would consider it important in making an investment decision. Materiality is affected by a variety of factors, including the size of a financial obligation compared to Metro’s overall balance sheet and debt outstanding, the security for repayment pledged to the financial obligation (versus that pledged to bondholders), the financial obligation’s seniority position versus Metro bonds, covenants, and remedies to the lender in the event of a default. Generally, if information about a financial obligation would be included in an Official Statement for Metro Bonds, it would be material for purposes of filing a material event notice on EMMA.
 - b. Review any default, acceleration, termination, modification or similar event reflecting financial difficulties on a financial obligation, regardless of when Metro entered into the financial obligation, to determine whether such event is material.
 - c. Make an EMMA filing disclosing the existence of a material financial obligation, a material agreement to terms of a financial obligation, or a default, acceleration, termination, modification or similar event reflecting financial difficulties on a financial obligation, each within 10 business days of its “incurrence.” For the purposes of this section, “incurrence” means the date on which the financial obligation becomes enforceable against Metro or on which the default, acceleration, termination, modification or similar event occurs. Any filing disclosing the existence of a material financial obligation will include a summary of the key terms of such financial obligation (which may be satisfied by filing pertinent financing documents, subject to any redactions of information requested by Metro’s lender)

9. Periodic post-issuance compliance review.

The following policies relate to each issuance of Obligations/Bonds. The Staff Designee will:

- a. Review and document the amount of existing private use or private payment on a periodic basis, but not less than annually, and consult with bond counsel as to any possible private use of or private payment on financed facilities that could cause an issue to exceed the limitations on private use/private payment; and
- b. Identify, review and document in advance any new sale, lease or license, management contract, sponsored research arrangement, or other arrangement involving private use of financed facilities and for obtaining copies of any sale agreement, lease, license, management contract, research arrangement or other arrangement for review by bond counsel.

- c. Consult with bond counsel to remedy any change in use or excess private use/private payment through an appropriate “remedial action” (described in section 1.141-12 of the Treasury Regulations) or the Voluntary Closing Agreement Program (VCAP) described in IRS Notice 2008-31 (or successor guidance).
- d. Review, assess and document that other periodic requirements (continuing disclosure obligations, arbitrage rebate review, etc.) have been completed.
- e. In connection with preparation of the Comprehensive Annual Financial Report and filing of annual financial information required to be filed on EMMA pursuant to Metro’s Undertakings, review debt and debt-like agreements that may qualify as “financial obligations” (as defined herein) in connection with required event filings under Metro’s Undertakings entered into on and after February 27, 2019.
- f. The Staff Designee may use a standardized checklist to guide its review and documentation as required in this Section.

Revenues

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

CAPITAL ASST MANAGEMENT POLICIES

Section 1: Purpose

1. The Capital Asset Management Policies establish the framework for Metro’s overall capital asset planning and management. They provide guidance for current practices and a framework for evaluation of proposals for future projects. These policies also seek to improve Metro’s financial stability by providing a consistent approach to fiscal strategy. Metro’s adopted financial policies show the credit rating industry and prospective investors (bond buyers) the agency’s commitment to sound financial management and fiscal integrity. Adherence to adopted policies ensures the integrity and clarity of the financial planning process and can lead to improvement in bond ratings and lower cost of capital.
2. The capital asset planning process applies to projects of \$100,000 or more and having a useful life of at least five years. These projects include capital maintenance tasks that increase the life of the asset on assets with values of \$100,000 or more. In addition, the planning process includes information technology items over \$100,000 that may have a useful life of less than five years.
3. Metro’s Capital Asset Management Policy shall be governed by the following principles:
 - a. 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.
 - b. 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.

- c. Metro shall establish a Renewal and Replacement Reserve account for each operating fund responsible for major capital assets. Renewal and Replacement includes any activity that serves to extend the useful life or increase the efficiency of an existing asset, while retaining its original use. Ensuring that the public receives the maximum benefit for its investments in major facilities and equipment requires an ongoing financial commitment.
- d. Capital and renewal and replacement projects shall support Metro's MWESB procurement goals, including the Sheltered Market and FOTA program and the goals of Metro's Diversity Action Plan.
- e. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund Balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements. Debt financing should be utilized only for new projects or complete replacement of major capital assets.
- f. Capital and renewal and replacement projects should support implementation of Metro's Sustainability Plan.
- g. Projects shall be analyzed in light of environmental, regulatory, economic, historical and cultural perspectives, as well as the capacity of the infrastructure and the availability of resources for ongoing maintenance needs.
- h. All approved capital projects shall be consistent with relevant goals and strategic plans as adopted by departments, the Metropolitan Exposition-Recreation Commission ("MERC"), or the Metro Council.
- i. A financial feasibility analysis shall be performed before any capital project, regardless of cost, is submitted to the Metro Council, MERC Commission, Chief Operating Officer, or General Manager of Visitor Venues for approval. The financial feasibility analysis shall include an analysis of the financial impact on the operating fund balance, return on investment, the availability and feasibility of funding sources, and cost estimates for the capital project. The analysis shall also identify the financial impact of the following requirements:
 - i. Any public art funding requirements imposed by the Metro Code, the facility's owner, or any other applicable law;
 - ii. All required licenses, permits, certificates, design approval documents, and similar documents required by any authority; and
 - iii. Any contractual or legal requirements that apply to the proposed capital project.
- a. In the capital project planning and review process, the Metro Council, MERC Commission, Chief Operating Officer, and General Manager shall be guided by the following financing principles:
 - i. Funds shall be expended only on capital projects that meet identified strategic priorities.
 - ii. Funds shall be expended only on capital projects for which an analysis of funding options has been conducted. This analysis shall include evaluation of all funding options (donations, revenue generation by the project, intrafund transfers, proposed borrowing), and an analysis of the capital project's strategic priority, useful life, revenue sources, and repayment options.
 - iii. Funds shall be expended only on new projects that include identified and protected funding sources for a renewal and replacement reserve to ensure that the value of the capital asset can be maintained.
 - iv. Funds shall be expended only on projects for which a funding source for operational requirements has been identified.
 - v. Metro's Adopted Budget should include undesignated contingency funds to permit MERC and other departments with capital project responsibilities to respond to unexpected events or opportunities.

Section 2: Definitions

1. Capital asset – An item permanent in nature with future service capacity and used in operations, having an initial useful life of over one year, tangible or intangible, and held for purposes other than investment or resale with a cost (or fair market value if donated) equal to or greater than the capitalization threshold established for the asset category included later in this policy.
2. Capital maintenance – Expenditures for repair and maintenance services not provided directly by Metro personnel. These costs are relatively minor alterations, ordinary and routine repair or effort necessary to preserve or repair an asset due to normal wear and tear so that it achieves its initial planned useful life. While not capitalized, significant capital maintenance projects (those with costs equal to or greater than \$100,000) must be included in the CIP and obtain Council authorization.
3. Total cost accounting – An analysis that includes the total initial acquisition cost of an asset as well as all operating costs for the expected useful life of the asset.
4. Renewal and replacement – Construction, reconstruction or major renovation on capital assets. Renewal and replacement does not include relatively minor alteration, ordinary repair or maintenance necessary to preserve or repair an asset.
5. Return on investment (ROI) – A calculation of the financial gains or benefits that can be expected from a project. ROI is represented as a ratio of the expected financial gains (benefits) of a project divided by its total costs.

Section 3: New Capital Projects

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

Section 4: Renewal and Replacement

1. The intent of Renewal and Replacement reserves is to ensure that sufficient resources are available for capital maintenance or replacement so that Metro's capital assets meet or exceed their estimated useful life. The Renewal and Replacement Reserve for each operating fund with major capital assets should initially be established based on the value of the asset and consideration of known best asset management practices.
2. General Guidelines – Renewal and replacement reserves and projects should be managed according to the following guidelines:
 - a. Renewal and replacement reserves are not intended to fund major capital assets such as building replacements or significant structural upgrades.
 - b. Renewal and replacement reserves are not intended to fund routine maintenance activities. Routine maintenance should be included in facility operating budgets. If routine maintenance costs for an asset are increasing, renewal and replacement projects may be moved forward in the schedule if the project can be shown to reduce operating and/or maintenance costs.
 - c. Facility managers should perform annual facility assessments to review renewal and replacement schedules.
 - d. All renewal and replacement projects should incorporate sustainability features that support Metro's sustainability goals, support adopted policies such as the Green Building Policy and Sustainable Procurement Policy and be evaluated on a total cost accounting basis relative to less sustainable options.
 - e. New capital projects should be added to renewal and replacement lists upon completion. Asset replacement costs shall initially be based on original asset costs. In future revisions, replacement costs shall be based on acquiring a new asset of equal utility. Increased sustainability features such as efficiency improvements or design changes (e.g. green roof vs. traditional roof design) are not increases in asset utility. Increased estimated replacement costs based on new or improved sustainability features shall be considered in the budget process.
 - f. On an annual basis, the Finance and Regulatory Services Director shall determine the minimum asset value for projects to be included in renewal and replacement reserves.
 - g. For General Fund assets, the renewal and replacement reserves should be managed to ensure sufficient funding is available to complete all projects for the next 10 years. Enterprise fund renewal and replacement accounts should be managed to ensure that annual contributions are sufficient to fund renewal and replacement projects on an ongoing basis.
3. Budget Process – During the annual budget process, Department Directors shall submit a list of proposed renewal and replacement projects as part of the annual budget process. The renewal and replacement project lists shall include:
 - a. Cost estimates for all renewal and replacement projects (including projects carried forward from the prior year) that can be reasonably expected to be completed in the following fiscal year.
 - b. Cost estimates for design and/or engineering work necessary to develop the scope and cost of construction project estimates for future renewal and replacement projects.
 - c. Any projects with cost estimates above previous replacement cost estimates based on the inclusion of sustainability features in the project design that increase the initial cost of the project.
4. Renewal and replacement projects shall be included in aggregate in the Capital Improvement Plan for the Proposed Budget for Council Review.
5. Asset Management and Capital Planning Steering Committee
 - a. The purpose of the Steering Committee is to review progress and provide guidance to the implementation of the Strategic Asset Management Plan (SAMP), the achievement of the 2021 Public Assets Goals, and the Asset Management and Capital Planning (AMCP) Program deliverables. The Steering Committee provides insight on long-term strategies in support of Council and executive leadership priorities. The steering

committee recommends the portfolio of capital projects to proceed through the budget process based upon criteria such as strategic timing, staff capacity, and sufficient scoping and in adherence with the Capital Asset Management Policy. Membership of the steering committee includes:

- Deputy Chief Operating Officer (Chair)
- General Manager, Visitor Venues
- Director of Finance and Regulatory Services
- Director of Property and Environmental Services
- Director of Parks and Nature
- Director of Asset Management and Capital Planning Program
- Director of Information Services
- Director of Operations, from one of metro's seven operations, serving a one-year term

Section 5: Capital Improvement Plan (CIP)

1. Metro will prepare, adopt and update at least annually a five-year Capital Improvement Plan (CIP). The plan will identify and set priorities for all major capital assets to be acquired or constructed by Metro. The first year of the adopted CIP shall be included in the Proposed Budget. The CIP includes all Capital and Renewal and Replacement projects with a budget of \$100,000 or more.
2. Updates to the CIP may be made at any point during the fiscal year. Updates are required under the following circumstances:
 - a. New projects (over \$100,000) that are identified during the fiscal year and need to be initiated prior to the next fiscal year;
 - b. Actual or anticipated expenses for projects included in the current year adopted budget increase more than 20% above the original project budget if the original budget amount is less than or equal to \$1,000,000 or 10% if the original budget amount is greater than \$1,000,000 ;
 - c. Actual or anticipated expenses for projects included in the current year adopted budget require an increase in budget appropriation, regardless of the amount of increase above the original project budget.

Section 6: Sustainability

1. All project proposals for new capital projects and renewal and replacement projects shall describe how the project supports Metro's Sustainability Plan in its efforts to reduce the environmental impact of Metro operations. When assessing capital or renewal and replacement projects for funding or prioritization, the following sustainability criteria should be applied:
 - b. Use total cost of ownership to create project budget projections that consider the costs of operating the asset for its entire useful life, not just the initial costs.
 - c. Utilize the prioritization criteria in Metro's Sustainability Plan:
 - d. Strong impacts on Metro's sustainability goals (greenhouse gas emissions, toxics, waste, water quality and habitat)
 - i. Provide a strong foundation for future sustainable operations work
 - ii. Leverage other investments (internal or external)

- iii. Present a strong return on investment (ROI)
 - iv. Reduce operations and maintenance costs over time
 - v. Provide strong public visibility and/or public education opportunity
 - vi. Support the region's economy
- e. Support the requirements and preferred qualifications of Metro's Green Building and Sustainable Procurement administrative procedures.
 - f. Prioritize projects that, through their implementation, support Metro's MWESB procurement goals, including the Sheltered Market and FOTA programs and related goals of Metro's Diversity Action Plan.
 - g. Consider economic benefits or return on investment (i.e. simple payback) on projects that have a financial benefit to Metro over the life of the investment.
2. Capital and renewal and replacement projects should be incorporated into the site-specific work plans developed for each facility that indicate how the Sustainability Plan will be implemented.

Section 7: Reporting

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

STAFF REPORT FOR 6-20-2019 COUNCIL MEETING

IN CONSIDERATION OF RESOLUTION NO. 19-4984, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2019-20 THROUGH 2023-24 AND RE-ADOPTING METRO'S FINANCIAL POLICIES

Date: 6.6.2019

Prepared by:
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Finance and Regulatory Services

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Meeting date: 6/20/2019

Length: 15 minutes

ISSUE STATEMENT

Council action, through Resolution 19-4984, will adopt the Capital Improvement Plan for FY 2019-20 through FY 2023-24 (five year CIP) and will re-adopt Metro's Financial Policies.

ACTION REQUESTED

Council consideration of Resolution 19-4984.

IDENTIFIED POLICY OUTCOMES

- Adoption of the five year CIP approves capital projects as detailed in Exhibit A and directs that project expenditures for FY 2019-20 are appropriated, as amended, in the FY 2019-20 budget.
- Re-adoption of Metro's Financial Policies, as outlined in Exhibit B, for FY 2019-20.

POLICY QUESTIONS

- Does the five year CIP align with Capital Asset Management Policies designed to operate and maintain physical assets in a manner that protects the public investment and ensures achievement of their maximum useful life?
- Do the Financial Policies appear to safeguard agency assets, promote effective and efficient operations and support the achievement of Metro's strategic goals?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Adoption of the five year CIP for and the re-adopted of the Financial Policies is required for compliance with Metro's Financial Policies.

STAFF RECOMMENDATIONS

The Interim Chief Operating Officer recommends approval of resolution 19-4984.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

- The five year CIP outlines Metro's long-range capital planning process. Exhibit A provides details of the five year CIP. It lists 187 projects and their funding sources with FY 2019-20 appropriations of \$117,270,016 and total estimated costs for five years of \$255,228,812
- Metro's Financial Policies were first adopted in 2004 through Council action on Resolution 04-3465. Since then, Council has re-adopted the Financial Policies annually in concurrence with their annual adoption of the budget. The FY 2019-20 Financial Policies, as outlined in Exhibit B, are consistent with prior years with two exceptions as follow:
 - Revisions due to SEC rule changes for bond issuances:
The SEC revised its post issuance compliance requirements earlier this year for certain types of legal obligations. Language to address the new requirements and to adopt terminology changes have been incorporated into the financial policies. The body of Resolution 16-4689 was embedded into the financial policies, again due to revisions to terminology.
 - Updates to the Capital Asset Management Policies:
Prior policies contain conflicting thresholds for inclusion of projects in the five year CIP. A \$50,000 threshold was revised to align with the correct \$100,000 threshold referenced throughout the policies. The Steering Committee's members and purpose were also revised.

Known Opposition/Support/Community Feedback

- None known at this time.

Legal Antecedents

- The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294.
- Financial Policies detailing post issuance compliance are designed to comply with applicable provisions of the Internal Revenue Code of 1986 and SEC Rule 15c2-12 as amended from time to time.

Anticipated Effects

- The Adopted five year CIP and the re-adopted Financial Policies will be effective July 1, 2019.

Financial Implications

- The Adopted five year CIP will include 187 projects with FY 2019-20 appropriations of \$117,270,016 and total estimated costs for five years of \$255,228,812.

BACKGROUND

- The five year CIP:

The table below provides a summary of projects included in the five year CIP:

	Total Projects	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	5 YR Total
Information Services	18	2,270,223	684,788	426,993	158,098	-	3,540,102
Parks and Nature	45	13,409,928	16,279,604	8,306,000	2,095,000	55,000	40,145,532
Property and Environmental Services	42	16,634,865	7,853,805	12,706,953	9,686,367	350,000	47,231,990
Planning - Affordable Housing	1	30,000,000	15,000,000	15,000,000	-	-	60,000,000
Venues - MERC	66	28,801,000	11,457,908	11,304,000	8,280,000	10,335,000	70,177,908
Venues - Zoo	15	26,154,000	5,939,280	590,000	750,000	700,000	34,133,280
Total	187	117,270,016	57,215,385	48,333,946	20,969,465	11,440,000	255,228,812

- Financial Policies re-adopted for FY 2019-20:
The policies include general and specific that are either required to align with federal or state laws and regulations or developed to establish procedures and practices that meet agency goals and practices. Highlights of the policies include:
 - The policies will be reviewed annually by the Council and published in the adopted budget.
 - A definition of a balanced budget is one in which current year revenues meet or exceed current year expenditures.
 - Any use of fund balance in an operating fund will be fully explained in the adopted budget document.
 - A study to assess the affordability of any new program will be done before the program is implemented.
 - One-time revenues will be used to pay for one-time costs or added to fund balance.
 - Post issuance compliance policies are designed to comply with applicable provisions of the Internal Revenue Code of 1986 and SEC Rule 15c2-12 as amended from time to time.
 - Capital asset management policies establish the framework for overall capital asset planning and management.

ATTACHMENTS

- Exhibit A - Project Summary by Funding Source for the Capital Improvement Plan for Fiscal Year 2019-20 through FY 23-24
- Exhibit B - Financial Policies