

Capital Improvement Plan

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Capital Improvement Plan

Fiscal Year 2010-11 through FY 2014-15

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OVERVIEW OF PROCESS

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

Phase 1– Capital requests

The foundation for the capital improvement plan (CIP) is the centers' and services' capital project requests. To develop these requests, centers and services 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 center's or service's capital budget submission.

Phase 2– Financial forecasts

In conjunction with the program budget, centers and services and the financial planning division prepare five-year financial forecasts that are used to evaluate each program's funding capacity for operating needs and the capital projects requested.

Phase 3– Chief Operating Officer review, capital budget development

After the centers and services submit project requests, the Chief Operating Officer reviews the information. This includes:

- Technical review by the financial planning division of projects submitted, 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 of recommended projects for final decision and inclusion in the proposed CIP.

Phase 4– Council review and capital budget adoption

The Metro Council reviews the proposed capital projects and acts on the proposed CIP following a public hearing. The Council adopts the five year plan in its entirety and makes appropriations for the first year through budget adoption. Changes to the plan require Council action by resolution or ordinance, depending on the circumstance.

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

OVERVIEW OF DOCUMENT

This section contains Metro’s plan for FY 2010-11 through FY 2014-15. It also includes summaries for any project costs incurred prior to FY 2010-11. The document is divided into the following sections:

Overview

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

Project summaries and analysis

Organized by center or service, this section identifies all capital projects and analyzes the funding capacity.

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. Centers and services 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 2009-10.

Capital Asset Management Policies

In 2001 Metro Council adopted the Capital Asset Management Policies. These are reviewed annually as part of the budget process. In June 2008 the Metro Council increased the capital project threshold to \$100,000, consistent with the state’s definition of “public improvement.”

Project detail sheets available

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 instructions	October
Departments submit capital project requests, current projects status reports and list of unfunded projects	December
Financial Planning division completes evaluation of organizational units requests and prepares financial projections	December–February
Chief Operating Officer review and discussion	February
Proposed capital budget document forwarded to Council	April
Budget review meetings	April
Council holds public hearing and adopts capital budget	June
Adopted first year projects incorporated into FY 2010-11 adopted budget	June

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE)	RESOLUTION NO. 10-4157
CAPITAL IMPROVEMENT PLAN FOR FISCAL)	Introduced by Michael Jordan, Chief
YEARS 2010-11 THROUGH 2014-15)	Operating Officer with concurrence of
)	the Council President

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 centers and services have inventoried existing major capital assets, prepared status reports on current capital projects and assessed future capital needs; and

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2010-11 through 2014-15 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; and

WHEREAS, the Metro Council has reviewed the FY 2010-11 through FY 2014-2015 Capital Improvement Plan; and

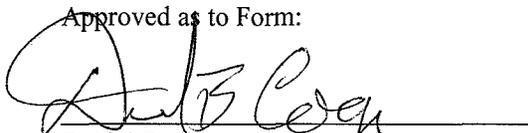
WHEREAS, the Metro Council has conducted a public hearing on the FY 2010-11 budget including the FY 2010-11 through FY 2014-15 Capital Improvement Plan; now therefore

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

1. That the FY 2010-11 through FY 2014-15 Capital Improvement Plan, summarized on Exhibit A, is hereby adopted.
2. That the FY 2010-11 capital projects from the FY 2010-11 through FY 2014-15 Capital Improvement Plan be included and appropriated in the FY 2010-11 budget.

ADOPTED by the Metro Council this 17 day of JUNE 2010.


 David Bragdon, Metro Council President

Approved as to Form:

 Daniel B. Cooper, Metro Attorney





A capital project is defined in the CIP as any physical asset acquired or constructed by Metro with a total capital cost of \$100,000 or more and a useful life of at least five years. The CIP for FY 2010-11 through FY 2014-15 includes 100 capital projects at a total cost of about \$268.5 million.

During FY 2008-09 Metro reorganized. Like functions were consolidated, producing efficiencies in operations and creating centers of operations rather than departments. The following crosswalk relates the former capital budget organization to the new organization and programs:

Former Department	New Organization Unit	Program
Finance/Metro Regional Center	Parks and Environmental Services	Property Services
Information Technology	Information Services	Information Services
Oregon Zoo	Oregon Zoo	Zoo Visitor Experience
	Oregon Zoo	Zoo Infrastructure and Animal Welfare Bond
Planning	Research Center	Research Center
Regional Parks and Greenspaces	Parks and Environmental Services	Parks and Natural Areas Management
	Sustainability Center	Natural Areas
	Sustainability Center	Parks Planning and Development
Solid Waste and Recycling	Parks and Environmental Services	Solid Waste Operations
	Sustainability Center	Resource Conservation and Recycling

For the FY 2010-11 budget Metropolitan Exposition Recreation Commission (MERC) capital projects are integrated into this CIP to increase transparency and accountability. First year projects are described; over time the CIP will include MERC status reports and unfunded projects as well.

The summary table below presents the capital costs of these projects by fiscal year. The “Total” column represents the overall project costs, including expenditures in all prior years.

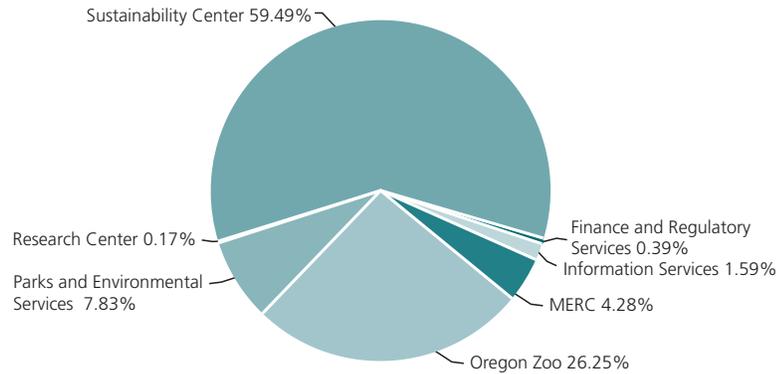
Projects costs by organization unit

	Total Projects	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Finance & Regulatory Services	1	75,000	750,000	-	-	-	-	825,000
Information Services	7	1,956,133	1,201,004	506,134	414,053	306,349	594,390	4,978,063
MERC	31	450,000	4,520,645	1,358,258	230,000	590,000	1,455,000	8,603,903
Oregon Zoo	21	5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722	55,808,780
Parks and Environmental Services	34	4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851	19,134,775
Research Center	2	1,026,192	57,000	77,000	91,200	57,000	44,000	1,352,392
Sustainability Center	4	64,319,326	33,202,590	36,005,264	21,592,644	20,937,532	1,685,259	177,742,615
TOTAL	100	77,786,394	61,400,356	55,522,141	39,438,566	28,996,849	5,301,222	268,445,528
FIVE YEAR TOTAL, FY 2010-11 through FY 2014-15			\$190,659,134					

This year’s proposed CIP would have been considerably smaller than previous years if it had not incorporated 31 projects of MERC. In part this change comes from increasing the project threshold from \$50,000 to \$100,000, consistent with the State of Oregon’s definition of “public improvement.” Construction has been completed on two major parks, and the Blue Lake Nature and Golf Learning Center project has been postponed. However, with the exception of the Natural Areas and Zoo bond funds and the Solid Waste Revenue Fund, there are almost no new capital projects funded. Most are renewal and replacement projects with the only exceptions being the final elements of the *Red Ape Reserve* project at the zoo and a small project in

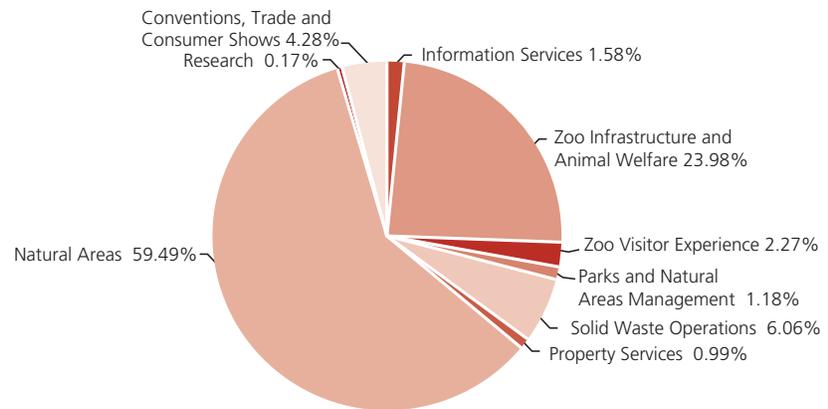
Information Services. Caring for Metro’s existing assets is an absolute priority, but Metro has yet to develop a means of funding new capital in General Fund areas. Some of the Zoo Bond projects do not yet appear in the CIP because construction will not begin for more than five years. The Natural Areas acquisitions will also begin to slow down in the fifth year of this current plan, but will increase again when the remaining bonds are sold.

Projects costs by organizational unit



The Sustainability Center includes funding for land purchases and the development of four new parks, two of which have expenditures in this capital budget. The Oregon Zoo projects reflect passage of the bond measure and includes the expected construction of two of the approved projects. Parks and Environmental Services includes the solid waste operations, parks renewal projects and projects for the Metro Regional Center. MERC includes capital projects for Oregon Convention Center, Portland Center for the Performing Arts and the Expo Center.

Capital expenditures by budget program



The chart above shows the percent of expenditures by program. The largest two programs, Natural Areas and the Zoo Infrastructure and Animal Welfare, are the programs expending bond proceeds. The next highest expenditures are in the Solid Waste Operations program, which includes new Solid Waste projects, landfill remediation and renewal and replacement projects. Convention, Trade and Consumer Shows are MERC projects that include replacement and upgrade projects. Zoo Visitor Experience and Information Services projects are predominantly renewal and replacement projects.

SOURCES OF FUNDS

Overview

The funding for these capital projects varies by project and center.

The Finance and Regulatory Services project consolidates various databases used in the solid waste operations of Metro. This consolidation is expected to bring efficiencies in data analysis, tax collection and reporting for the solid waste system including both Metro operations and private facilities. This project is located in Finance and Regulatory Services, which manages rate setting and data management of Metro's solid waste operations, and is funded by Solid Waste capital reserves.

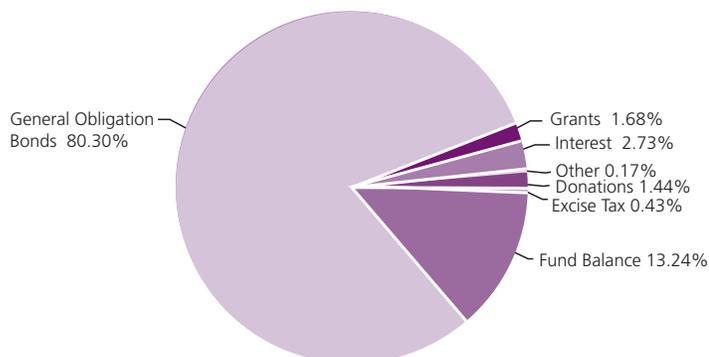
Information Services projects in this capital budget consist predominantly of renewal and replacement for existing equipment and software funded by the General Renewal and Replacement Fund reserves and contributions. One three year project continued from FY 2009-10, Enterprise Productivity Platform Upgrade and Licensing, migrates the agency to consistent software usage and moves the agency e-mail from GroupWise to Outlook. One project, Domain Integration, began in FY 2009-10 and combines the information services infrastructure of Metro and the Metropolitan Exposition Recreation Commission (MERC) to allow better, more efficient communication across the agency.

Oregon Zoo projects are projects funded by the recently passed Zoo Infrastructure and Animal Welfare Bond. Prior to the bond, the majority of funding for new projects came from fund balance and donations. All renewal and replacement projects are funded by the General Renewal and Replacement Fund balance and the allocated contributions to that fund. A small portion of the *Red Ape Reserve* is carried forward to FY 2010-11 to complete this project.

Care for most of Metro's facilities is now consolidated in Parks and Environmental Services including all existing parks, the Metro Regional Center and the Solid Waste Operations. Parks and Metro Regional Center projects are renewal and replacement in nature and are funded by the General Renewal and Replacement Fund balance, grants from partner governments and allocated contributions to that fund. Solid Waste operations generally relies on fund balance or capital reserve accounts. Funding for these projects is considered when setting the disposal rate. These reserves are kept in three accounts: General Account for new projects; Renewal and Replacement for replacement of existing equipment and facilities; and Landfill Closure for projects associated with the closed St. Johns Landfill. In addition, the U.S. Army Corps of Engineers is supporting the landfill dike stabilization.

The Research Center equipment is funded by fund balance, grant allocations and enterprise revenues.

Major funding sources



Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Donations	\$623,324	\$289,000	\$577,000	\$100,000	\$460,000	\$1,325,000	\$3,374,324
Cost Allocation Plan	102,285	0	0	0	0	0	\$102,285
Excise Tax	476,318	815,000	0	0	0	0	\$1,291,318
Fund Balance and Reserves	8,609,345	10,619,540	4,566,440	5,466,722	2,642,317	1,946,963	\$33,851,327
G.O. Bonds	65,371,707	47,063,710	49,650,443	28,581,232	25,837,532	1,985,259	\$218,489,883
Grants	1,327,223	2,556,106	651,258	0	0	0	\$4,534,587
Interest	0	0	0	5,199,412	0	0	\$5,199,412
Other	1,276,192	57,000	77,000	91,200	57,000	44,000	\$1,602,392
TOTAL	\$77,786,394	\$61,400,356	\$55,522,141	\$39,438,566	\$28,996,849	\$5,301,222	\$268,445,528

The Sustainability Center performs the planning and development of new parks projects as well as purchasing land from the proceeds of the Natural Areas Bond.

General Obligation Bonds

The Natural Areas and Zoo Infrastructure and Animal Welfare bond proceeds provide for 80.3 percent of the funding for the CIP projects.

Fund balance

The second largest source of funds for capital projects, about 13.2 percent of total funds, is fund balance. This funding source has increased as a percentage of the total with the establishment of the General Renewal and Replacement Fund. Fueled by the \$5.7 million transfer in FY 2007-08, the budget now provides for a level annual contribution for all General Fund centers and services, no matter what projects start in any given year. This financing technique is particularly well suited for small-to medium-sized projects with a useful life of less than 20 years.

Excise tax

This category is General Fund excise, about 0.4 percent of total funding, tax allocated for capital use through the annual budget process. Expenditures include general renewal and replacement, parks facilities and capital projects at MERC targeted to maintaining competitive advantage.

Grants

Grants comprise about 1.68 percent of total funding for capital projects, funding part of the 40 mile loop project at Blue Lake and the dike stabilization at St. Johns Landfill.

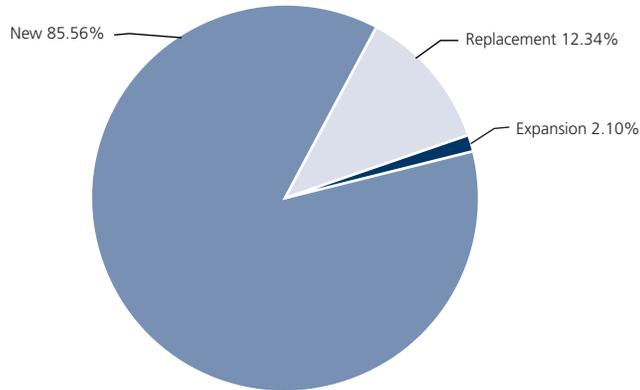
Interest

This category comprises mainly interest earned on bond proceeds from Natural Areas. Interest can also be earnings on specified reserves for a project. This source makes up about 2.7 percent of overall project funding.

Other

Other financing sources represent 0.2 percent of the total funds allocated to capital projects.

Funding by project type



Funding by project type

	Total Projects	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Expansion	10	852,828	\$1,375,000	\$622,188	\$2,003,851	\$0	\$0	\$4,853,867
New	25	69,300,600	\$51,566,203	\$49,856,443	\$33,783,644	\$26,040,532	\$1,888,259	232,435,681
Replacement	65	7,632,966	\$8,459,153	\$5,043,510	\$3,651,071	\$2,956,317	\$3,412,963	31,155,980
TOTAL	100	77,786,394	\$61,400,356	\$55,522,141	\$39,438,566	\$28,996,849	\$5,301,222	\$268,445,528
FIVE YEAR TOTAL, FY 2010-11 through FY 2014-15					\$190,659,134			

USES OF FUNDS

Capital projects in the capital budget consist of facilities (purchase, construction or improvements), land acquisitions and equipment purchases of \$100,000 or more. Of the 100 projects, 86 percent of expenditures are for new acquisition or construction. Two percent is for expansion or remodeling projects and 12.3 percent is for replacement projects.

Facilities

About 36 percent of total funds are 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. The zoo's projects account for about 72 percent of the total projects in this category, followed by Parks and Environmental Services at 18 percent, MERC at 7 percent and Sustainability Center projects at 3 percent.

Equipment

About 5 percent of funds for capital projects are allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for capital budget consideration if it costs \$100,000 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. MERC's projects are the highest at about 32 percent. Next highest at about 27 percent of the equipment category is Information Services followed by the needs of solid waste operations in Parks and Environmental Services at 22 percent, then by the Oregon Zoo at 9 percent. Smaller capital items such as vehicles and grounds equipment are usually included in renewal and replacement.

Land

The remaining \$111.4 million (58 percent) is allocated to land acquisition or improvements and is funded by Natural Areas bond proceeds and managed by the Sustainability Center.

Restoration

A small amount of the zoo's capital budget is devoted to restoration, which is usually restoration of interpretive artwork.

ANNUAL OPERATING BUDGET IMPACT SUMMARY

Each program estimates the net impact on operating costs resulting from each capital project. The impact is shown in 2010 dollars for the first full year of operation following completion of the project. The first table below is a summary of operating impacts by major budget category for all projects in the capital budget.

The second chart lists the projects with operating impact by operating center. One project is expected to produce positive cash flows at the Oregon Zoo by increasing attendance. Metro, overall, will have a net contribution to operations of \$51,404 to \$188,382 per year from the project. The overall cost increase to operations is mainly the result of the additional natural area acquisitions and the new Graham Oaks Nature Park.

Annual operating budget impact

Expenditures						
Personal Services	127,939	134,162	140,722	147,603	147,603	698,029
Materials and Services	494,395	594,800	608,654	622,894	635,873	2,956,616
Capital Outlay	0	0	0	0	0	0
Renewal and Replacement	47,500	49,500	49,500	49,500	49,500	245,500
Other Costs		0	0	0	0	0
TOTAL EXPENDITURES	669,834	778,462	798,876	819,997	832,976	3,900,145
NET CONTRIBUTION (Cost)	(\$464,452)	(\$622,398)	(\$680,308)	(\$729,931)	(\$764,572)	(\$3,261,661)

Annual net operating impact by project

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
INFORMATION SERVICES						
Develop Enterprise Business Applications Software	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(150,000)
Enterprise Productivity Platform Upgrade and Licensing	0	(86,983)	(86,983)	(86,983)	(86,983)	(347,932)
TOTAL INFORMATION SERVICES	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)	(497,932)
OREGON ZOO						
Red Ape Reserve "Orangutan"	188,382	139,064	101,568	73,066	51,404	553,484
TOTAL OREGON ZOO	188,382	139,064	101,568	73,066	51,404	553,484
PARKS AND ENVIRONMENTAL SERVICES						
M. James Gleason Boat ramp - Phase III & IV	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(87,500)
TOTAL OREGON ZOO	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(87,500)
SUSTAINABILITY CENTER						
Natural Area Acquisition	(395,895)	(407,772)	(420,035)	(432,636)	(445,615)	(2,101,953)
40-Mil Loop Trail Construction at Blue Lake Park	0	(2,000)	(2,000)	(2,000)	(2,000)	(8,000)
Graham Oaks Nature Park	(209,439)	(217,207)	(225,358)	(233,878)	(233,878)	(1,119,760)
TOTAL SUSTAINABILITY CENTER	(605,334)	(626,979)	(647,393)	(668,514)	(681,493)	(3,229,713)
TOTAL	(\$464,452)	(\$622,398)	(\$680,308)	(\$729,931)	(\$764,572)	(\$3,261,661)

Organizational unit summaries and analysis

This section contains the project summaries for each service or center. In addition, the section analyzes the operational capacity to fund both the capital costs and the operating costs for the long term.

Total projects summary by year

Each section begins with a complete listing, in priority order, of the projects contained in the current capital budget. The chart shows the expected expenditures by year, the total of all years including prior years and the five-year total.

Overview of projects

The narrative addresses significant issues regarding each unit's capital budget. The overview includes information about:

- New projects that are in the capital budget proposal.
- Changes in timing and scope of projects previously listed.

Current project status

The status of projects budgeted to be completed in the current fiscal year.

Project funding

This section of the narrative discusses the sources of funding for the various projects and any significant funding issues.

Operational impact

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

Unfunded projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the CIP 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, programs may request their inclusion.



**Finance and
Regulatory
Services**



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
SOLID WASTE GENERAL ACCOUNT									
Solid Waste Information System (SWIS)	65720	1	75,000	750,000	0	0	0	0	825,000
TOTAL GENERAL SOLID WASTE GENERAL ACCOUNT			75,000	750,000	0	0	0	0	825,000
TOTAL FINANCE AND REGULATORY SERVICES			75,000	750,000	0	0	0	0	825,000
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			750,000	Total Number of Projects 1					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	75,000	750,000	0	0	0	0
Total - Finance and Regulatory Services	75,000	750,000	0	0	0	0

The rate setting arm of Finance and Regulatory Services is spearheading this project to combine solid waste related databases.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 CIP includes one project for this area. This project is to streamline the data gathering function of the solid waste disposal system.

CURRENT PROJECT STATUS

This center has no other projects at this time.

PROJECT FUNDING

This project is funded by the Solid Waste and Recycling General Account. 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 solid waste disposal system.

OPERATIONAL IMPACT

No specific operational impact; efficiencies are expected from the project, but they have not been quantified. Staff will be able to direct more time to analysis and less time to data management.

UNFUNDED PROJECTS

None.



Information Services



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
ALL FUNDS									
Replace/Acquire Desktop Computers	IT1	1	709,202	80,000	80,000	80,000	80,000	80,000	1,109,202
TOTAL ALL FUNDS			709,202	80,000	80,000	80,000	80,000	80,000	1,109,202
GENERAL FUND CAPITAL FUND - 612									
Domain Integration	01534	1	60,000	40,000	0	0	0	0	100,000
Replace/Acquire Desktop Computers	56135	2	334,528	50,000	0	0	0	0	384,528
TOTAL GENERAL FUND CAPITAL FUND - 612			394,528	90,000	0	0	0	0	484,528
GENERAL FUND RENEWAL AND REPLACEMENT									
Net Appliance Alex File Server	01515	1	0	132,600	0	0	0	143,531	276,131
Upgrade of Business Enterprise Software (PeopleSoft)	65612	2	114,805	133,365	0	138,753	0	144,358	531,281
Enterprise Productivity Platform Upgrade and Licensing	56137	3	614,776	209,270	10,824	0	0	0	834,870
Information Technology R&R Projects	TEMP311	4	122,822	555,769	415,310	195,300	226,349	226,501	1,742,051
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			852,403	1,031,004	426,134	334,053	226,349	514,390	3,384,333
TOTAL INFORMATION SERVICES			1,956,133	1,201,004	506,134	414,053	306,349	594,390	4,978,063
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			3,021,930						Total Number of Projects 7

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	1,853,848	1,201,004	506,134	414,053	306,349	594,390
Other	102,285	-	0	-	-	-
Total - Information Services	1,956,133	1,201,004	506,134	414,053	306,349	594,390

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Materials and Services	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)
Total Expenditures	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)
Net Contribution (Cost) Information Services	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)

All Information Services projects, regardless of funding source, are included in this section, with the exception of the Research Center projects, which are described under that center but funded through Information Services, and the Solid Waste Information System project, which is listed in Finance and Regulatory Services.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 Information Services capital budget contains four projects which are scheduled renewal and replacement projects. Two new technology projects are planned. One is to look at Metro's enterprise software. This project utilizes \$50,000 of the \$150,000 in funding carried forward from the prior fiscal year to purchase a budget module. The balance of \$100,000 is repurposed to integrate the information technology domains of Metro and MERC.

Renewal and replacement projects support preservation of Metro's various technology systems and include upgrades to business and planning software, and funding for the continued implementation of the Enterprise Productivity Platform Upgrade and Licensing that standardizes software throughout Metro centers.

The Replace/Acquire Desktop Computers project, a non-capital project, is an information item to keep the Metro Council informed of the cost of the desktop computers used by all Metro programs except MERC.

CURRENT PROJECT STATUS

One current project, the budget module (Develop Enterprise Business Application Software), is carried forward and repurposed to two separate projects mentioned above.

PROJECT FUNDING

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

OPERATIONAL IMPACT

The operational impact for most of these projects is the ongoing cost to fund renewal and replacement. The Enterprise Productivity Platform Upgrade requires the addition of licensing fees starting in FY 2011-12.

UNFUNDED PROJECTS

With the implementation of the renewal and replacement program, Information Services has no unfunded projects. Projects previously listed were the normal replacement of equipment or software.



**Metropolitan
Exposition
Recreation
Commission**



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
MERC Fund									
Expo - Food & Beverage Upgrades	TEMP398	1	0	325,000	0	0	0	0	325,000
Expo - Parking Lot Asphalt Maint/Replace	TEMP399	2	75,000	0	50,000	50,000	50,000	50,000	275,000
Expo - Portable Bleacher Replacement	TEMP409	3	0	0	80,000	80,000	80,000	80,000	320,000
TOTAL Expo			75,000	325,000	130,000	130,000	130,000	130,000	920,000
MERC Fund									
OCC - Kitchen Remodel	TEMP394	1	375,000	525,000	0	0	0	0	900,000
OCC - Small Wares Purchase	TEMP395	2	0	300,000	0	0	0	0	300,000
OCC - Leg Up Program Store Project	TEMP401	3	0	150,000	0	0	0	0	150,000
OCC - Construction costs with Kitchen Remodel	TEMP402	4	0	100,000	0	0	0	0	100,000
OCC - Hand Dryers	TEMP403	5	0	150,000	0	0	0	0	150,000
OCC - Removeable Airwall Repair and Retrofit	TEMP404	6	0	560,000	0	0	0	0	560,000
OCC - VAV Controllers and CO2 Sensors on AHJs LEED	TEMP405	7	0	105,000	0	0	0	0	105,000
OCC - Signage Upgrade	TEMP406	8	0	150,000	0	0	0	0	150,000
OCC - Sizzler Block Plaza Construction Project	TEMP408	9	0	660,000	0	0	0	0	660,000
OCC - Parking Management System and Equipment Replacement	TEMP407	10	0	130,000	0	0	0	0	130,000
OCC - Lighting Retrofit	TEMP426	11	0	751,645	0	0	0	0	751,645
TOTAL OCC			375,000	3,581,645	0	0	0	0	3,956,645
MERC Fund									
PCPA - Arlene Schnitzer Concert Hall Roof	TEMP400	1	0	100,000	0	0	0	0	100,000
PCPA - Keller Auditorium Boiler Replacement	TEMP397	2	0	100,000	0	0	0	0	100,000
PCPA - Food & Beverage Capital Investment	TEMP410	3	0	325,000	0	0	0	0	325,000
PCPA - Hatfield Lighting Retrofit	TEMP411	4	0	0	129,070	0	0	0	129,070
PCPA - Hatfield Chiller Replacement	TEMP412	5	0	89,000	337,000	0	0	0	426,000
PCPA - Newmark Dimmer System	TEMP413	6	0	0	140,000	0	0	0	140,000
PCPA - Arlene Schnitzer Concert Hall Boiler Replacement	TEMP414	7	0	0	100,000	0	0	0	100,000
PCPA - Hatfield Cultural Video Project	TEMP415	8	0	0	522,188	0	0	0	522,188
PCPA - Keller Stage Floor	TEMP417	10	0	0	0	100,000	0	0	100,000
PCPA - Arlene Schnitzer Cooling Tower	TEMP418	11	0	0	0	0	110,000	0	110,000
PCPA - Arlene Schnitzer Chiller	TEMP419	12	0	0	0	0	250,000	0	250,000
PCPA - Newmark Stage Floor	TEMP420	12	0	0	0	0	100,000	0	100,000
PCPA - ASCH Lighting System	TEMP425	13	0	0	0	0	0	300,000	300,000
PCPA - Keller Dimmer System	TEMP421	14	0	0	0	0	0	275,000	275,000
PCPA - Winningstad Orchestra Seating Floor	TEMP422	15	0	0	0	0	0	150,000	150,000
PCPA - Hatfield Passenger Elevators	TEMP423	16	0	0	0	0	0	300,000	300,000
PCPA - ASCH Passenger Elevators	TEMP424	17	0	0	0	0	0	300,000	300,000
TOTAL PCPA			0	614,000	1,228,258	100,000	460,000	1,325,000	3,727,258
TOTAL MERC			450,000	4,520,645	1,358,258	230,000	590,000	1,455,000	8,603,903
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			8,153,903						Total Number of Projects 31

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	75,000	1,065,354	130,000	130,000	130,000	130,000
Excise Tax	0	815,000	0	0	0	0
Grants	0	626,291	651,258	0	0	0
Donations	0	289,000	577,000	100,000	460,000	1,325,000
Other	375,000	1,725,000	0	0	0	0
Total - MERC	450,000	4,520,645	1,358,258	230,000	590,000	1,455,000

All projects for the properties that the Metropolitan Exposition Recreation Commission (MERC) manages are included in this section. Those properties include Portland Expo Center (Expo) and the Oregon Convention Center (OCC), both owned by Metro, and the Portland Center for the Performing Arts (PCPA), owned by the City of Portland and managed by Metro. For several years MERC provided its capital information separately from the rest of Metro and this is the first year it is again included. For this first year only the projects for the five year plan are included; project status reports and unfunded projects will be included in subsequent plans.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 MERC capital budget contains 31 projects, listed by facility. The Expo projects include food and beverage upgrades, capital maintenance of the parking lot and the replacement of portable bleachers. All three facilities received funding for food and beverage capital improvements as part of the concession contract with ARAMARK. Many of OCC's projects are for the replacement and upgrade of existing facilities. Significant projects included in this category are finishing a kitchen remodel, purchasing small wares and doing a lighting and airwall retrofit. OCC also plans to improve the area around the convention center by demolishing the old Sizzler building across the street from the convention center and constructing a Plaza that would supplement OCC's income by using the block for OCC's client event space and to book community events. Projects for PCPA are all renewal projects; the largest of these projects is the food and beverage capital investment.

PROJECT FUNDING

Funding for MERC projects is derived from a combination of sources. Kitchen upgrades for all three facilities are funded through the concessions contract with ARAMARK. Expo's other projects are predominantly funded by operations. OCC's projects are funded from reserves generated from operations, Metro General Fund excise tax allocation to the Metro Tourism Opportunity Competitiveness Account and Transient Lodging tax dedicated to capital improvements. Fundraising by the Friends of the PCPA provide the additional capital funding for PCPA.





Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
ZOO INFRASTRUCTURE AND ANIMAL WELFARE									
Construction Bond Issuance	ZIA001	1	29,682	120,000	500,000	0	0	0	649,682
Veterinary Medical Center	ZIP001	2	628,239	6,697,812	1,873,945	0	0	0	9,199,996
Comprehensive Capital Master Plan	ZIP011	3	100,000	997,505	748,129				1,845,634
Land Use Planning - Plan District	ZIP051	4	200,000	1,008,000	723,105				1,931,105
Water Main Replacement	ZII251	5	45,602	254,398					300,000
More Humane Enclosures for Apes & Monkeys	ZIP005	6	0	0	0	0	0	100,000	100,000
Penguin Filtration System Replacement	ZIP008	7	280,000	720,000	0	0	0	0	1,000,000
Elephants On Site Exhibit	ZIP002	8	6,159	0	4,900,000	9,800,000	4,900,000	0	19,606,159
Upgrading Zoo Facilities to Save Water and Energy	ZII001	9	446,132	0	0	0	0	100,000	546,132
Conservation Discovery Zone	ZIP006	10	30,000	100,000	100,000	0	0	0	230,000
Elephant Offsite Facility	ZIP003	11	12,885	4,799,115	4,800,000	2,388,000	0	0	12,000,000
Polar Bear Exhibit	ZIP004	12	0	0	0	0	0	100,000	100,000
TOTAL ZOO INFRASTRUCTURE AND ANIMAL WELFARE			1,778,699	14,696,830	13,645,179	12,188,000	4,900,000	300,000	47,508,708
GENERAL FUND RENEWAL AND REPLACEMENT									
Zoo Renewal and Replacement Projects	ZOO26	1	640,602	635,502	505,485	474,077	753,687	502,119	3,511,472
Zoo Micros POS System	ZV503	2	10,000	173,600	0	0	0	0	183,600
Perimeter USDA Fence	ZOO24	3	30,000	57,305	58,451	59,620	60,813	62,029	328,218
Zoo Parking Lot Replacement	ZR17	4	20,000	20,400	20,808	21,224	21,649	22,082	126,163
Zoo Railroad Track Replacement	ZR19	5	22,627	45,707	23,541	24,012	24,492	24,982	165,361
750 kw Generator	TEMP363	6	0	149,630	0	0	0	0	149,630
Roof Replacement Africafe	TEMP365	7	0	0	0	131,165	0	0	131,165
Penquinarium Interpretive Graphics	TEMP377	8	0	0	0	0	0	100,510	100,510
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			723,229	1,082,144	608,285	710,098	860,641	711,722	4,696,119
ZOO CAPITAL PROJECTS FUND									
Red Ape Reserve "Orangutan"	ZPR12	1	3,253,953	350,000	0	0	0	0	3,603,953
TOTAL ZOO CAPITAL PROJECTS FUND			3,253,953	350,000	0	0	0	0	3,603,953
TOTAL OREGON ZOO			5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722	55,808,780
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			50,052,899	Total number of Projects 21					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
GO Bonds Zoo	1,778,699	14,696,830	13,645,179	12,188,000	4,900,000	300,000
Donations	620,324	0	0	0	0	0
Fund Balance - Renewal and Replacement	723,229	1,082,144	608,285	710,098	860,641	711,722
Fund Balance	2,633,629	350,000	0	0	0	0
Total - Oregon Zoo	5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Red Ape Reserve "Orangutan"	188,382	139,064	101,568	73,066	51,404	553,484
TOTAL OREGON ZOO	188,382	139,064	101,568	73,066	51,404	553,484

The FY 2010-11 through FY 2014-15 Oregon Zoo capital budget includes 21 projects. Twelve projects are related to the Zoo Infrastructure and Animal Welfare Bond measure. Eight projects are regular renewal and replacement for the zoo, and one project is the completion of the *Red Ape Reserve* capital project.

OVERVIEW OF PROJECTS

The Zoo Infrastructure and Animal Welfare Bond project costs are preliminary and will be refined after completion of a capital master planning effort currently underway. The Construction Bond Master Plan project has been split into four distinct projects, a change from the previous year. Funding for all bond projects is adjusted from the prior year to demonstrate what is now expected to be expended in the five-year time period. Previously the projects had been listed at the original target cost estimates. As the Capital Construction Master Planning process continues, all bond-related project target budgets will be adjusted to the most current estimates. Adjustments to the scope of all projects will continue as design is completed.

Comprehensive Capital Master Plan (\$1,845,634): This project will clarify and refine bond project scopes, sequencing, shared infrastructure, physical access to construction areas, staging and sustainability initiatives needed to successfully complete the bond program. The effort is underway and estimated to conclude in June 2011 with a master plan document.

Land Use Planning - Plan District (\$1,931,105): The zoo's current conditional use permit and master plan will expire soon. The zoo is engaging the City of Portland and other stakeholders in a discussion of future land use, which may take the form of a Plan District instead of a conditional use master plan. Regardless of the land use method ultimately chosen, the costs for the public involvement process, the land use approval process and the development approval process will be substantial.

Water Main Replacement (\$300,000): Replace the zoo's current in-ground double check assembly with an above-ground double check pressure reducing assembly. The new assembly requires a heated building with lighting and service outlets.

Construction Bond Issuance (\$649,682): The bond program paid issuance costs of \$29,682 in FY 2008-09 for a \$5 million private placement issuance. Future estimated issuance costs include a private placement in FY 2010-11, with a large general obligation bond issuance in FY 2011-12.

Veterinary Medical Center (\$9,199,996): The current veterinary facility is deficient. Medical center enclosures are being designed for ease of cleaning and disinfecting, reducing stress for animals, improving options for environmental enrichment and providing safe and efficient means to handle animals for medical treatments. The air from the animal holding areas will be isolated from other areas so zoo staff can safely quarantine and hold sick animals while reducing the risk of transmitting diseases to other animals and medical center personnel. Animal health and safety will be improved by replacing the zoo's aging and substandard veterinary and animal quarantine buildings with facilities that meet standards set by the Association of Zoos & Aquariums.

Upgrading Zoo Facilities to Save Water and Energy (\$546,132): An external consultant firm surveyed the entire zoo campus to support comprehensive campus-wide waste and storm water master planning. The zoo is currently completing a waste and storm water master plan that defines existing waste and storm water conditions on the zoo campus, defines drainage basins and proposes water management options. In addition, the zoo will undertake a major rebuilding of the water distribution system and installation of central plant piping systems. Leaking pipes will be replaced and drainage systems will be re-plumbed. Finally, a combination of solar panels, microturbines and absorption processes will generate energy on-site. Buildings will be designed to capture solar warmth, natural light and natural ventilation. The goal will be to produce substantial energy on-site. The refined scope, timing and costs associated with the waste and storm water, fresh water system rebuilding and energy generation projects will be a deliverable of the capital construction master planning effort.

Elephants On-Site Exhibit (\$19,606,159): The exhibit area will increase from 1.5 acres to approximately 6 acres. The space will be naturalized to include watering holes, shade structures, large trees and boulders, with a thicket of bamboo as a backdrop. The elephant barn will be replaced with a larger building featuring two communal rooms, several other rooms and upgraded conditions for elephants. The refined scope, timing and costs associated with the on-site elephant exhibit will be a deliverable of the capital construction master planning effort.

Penguin Filtration System Replacement (\$1,000,000): A modern filtration system that filters and recycles water for the 25,000-gallon penguin pool will reduce water usage by at least 80 percent, saving more than seven million gallons of water per year.

More Humane Enclosures for Apes and Monkeys (\$100,000): The rebuilt exhibit will provide expanded homes for primates and allow for the addition of smaller mammals and birds. Enlarged indoor and outdoor areas will give chimpanzees, mandrills and other monkeys and apes a sustainable and enriching environment. The new exhibit will be able to add new, younger chimps to an aging population. The refined scope, timing and costs associated with the primate exhibit will be a deliverable of the capital construction master planning effort.

Conservation Discovery Zone (\$230,000): This project will provide a dedicated space for the conservation education opportunities at the zoo. It will provide spaces for classes, camps, exhibits, presentations and hands-on learning for children, families and adults. There will be space for traveling and temporary exhibits. An Insect Zoo and Butterfly Lab will provide hands-on learning. The refined scope, timing and costs associated with this project will be a deliverable of the capital construction master planning effort. The zoo budgeted additional consultant assistance for planning this project in the next few years.

Elephant Off-site Facility (\$12,000,000): The zoo is currently identifying the site and facility needs for an off-site elephant facility. The timing of this project is uncertain, and funds have been set aside and budgeted should the zoo identify a property for acquisition that meets the long-term facility needs.

Polar Bear Exhibit (\$100,000): The world's largest land predators, polar bears need space, and this rebuild will offer them not only more room, but also a safer and more natural habitat to explore. The refined scope, timing and costs associated with this project will be a deliverable of the capital construction master planning effort. The zoo budgeted additional consultant assistance for planning this project in the next few years.

FY 2010-11 to 2014-15 Zoo Renewal and Replacement Projects (Five-year total of \$3,871,915): Five years of renewal and replacement projects include eight projects of more than \$100,000 that are listed in the project summary.

There is one project continued from the FY 2009-10 capital budget:

Red Ape Reserve exhibit (\$3,603,953): This \$3.6 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 zoo's 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 visitors to view, and animals to occupy, naturalistic exhibits. The project is funded from capital fund, donations and redeployed reserves.

CURRENT PROJECTS STATUS

The zoo completed the *Predators of the Serengeti* exhibit in FY 2009-10 and numerous renewal and replacement projects. The zoo bond projects, as indicated above, are still mainly in the master planning process.

PROJECT FUNDING

Of the \$56 million in zoo projects in the FY 2010-11 through FY 2014-15 CIP, \$47.5 million (85 percent) is funded from the Zoo Infrastructure and Animal Welfare Bond. The General Renewal and Replacement Fund provides \$4.7 million (8 percent). One capital project, *Red Ape Reserve*, will be completed in mid-2010.

OPERATIONAL IMPACT

The *Red Ape Reserve* exhibit is expected to raise an estimated half million dollars in net revenues over the five year period by increasing attendance.

UNFUNDED PROJECTS

With the passage of the Zoo Infrastructure and Animal Welfare Bond and the establishment of a fully funded General Renewal and Replacement Fund, the zoo does not have high priority unfunded projects.



**Parks and
Environmental
Services**



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
PARKS GENERAL FUND RENEWAL AND REPLACEMENT									
M. James Gleason Boat Ramp - Phase II & IV	70178	1	1,544,500	55,000	0	0	0	0	1,599,500
M. James Gleason - Parking Lot Repaving	TEMP375	2	0	0	337,500	0	0	0	337,500
Blue Lake Wetland, Pathway, Trail	TEMP368	3	0	0	195,595	0	0	0	195,595
Oxbow Park Hardened River Access	TEMP378	4	0	0	0	0	0	303,253	303,253
Regional Parks Renewal and Replacement	TEMP321	5	114,123	535,117	468,991	15,185	125,180	204,598	1,463,194
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			1,658,623	590,117	1,002,086	15,185	125,180	507,851	3,899,042
MRC GENERAL FUND RENEWAL AND REPLACEMENT									
Carpet Replacement	56180	1	128,395	141,161	120,150	0	0	0	389,706
Parking Structure Waterproofing	1301	2	450,000	450,000	0	0	0	0	900,000
Council Chamber Audio/Visual Upgrades	1511	3	143,300	0	0	140,851	0	0	284,151
Metro Regional Center Roof Replacement	TEMP109	4	0	0	0	0	512,404	0	512,404
Renewal and Replacement Property Services	TEMP308	5	56,070	125,082	113,785	20,535	104,743	0	420,215
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			777,765	716,243	233,935	161,386	617,147	-	2,506,476
GENERAL FUND									
Council/COO Building Space Remodel	01510	1	82,983	160,000	0	0	0	0	242,983
TOTAL GENERAL FUND			82,983	160,000	-	-	-	-	242,983
SOLID WASTE GENERAL ACCOUNT									
Metro Central Organics/Food Handling Area Impr.	76840	1	0	500,000	0	0	0	0	500,000
Improvements to Metro South truck entrance/exit	76840	2	0	110,000	0	0	0	0	110,000
Metro South - New Operations Supervisors' Office	76939	3	0	0	100,000	0	0	0	100,000
Metro Central - Tarping Station	76979	4	0	0	200,000	0	0	0	200,000
Expansion of MCS-HHW facility	TEMP330	5	0	0	0	863,000	0	0	863,000
Future Master Facility Plan Improvements	TEMP175	6	0	0	0	1,000,000	0	0	1,000,000
Reader Board at MSS entrance	TEMP328	7	0	0	0	0	200,000	0	200,000
TOTAL SOLID WASTE GENERAL ACCOUNT			-	610,000	300,000	1,863,000	200,000	-	2,973,000
SOLID WASTE LANDFILL CLOSURE									
St John's - Perimeter Dike Stabilization and Seepage Control	76986	1	456,771	1,666,783	6,000	3,000	3,000	3,000	2,138,554
St. John's - Re-establish Proper Drainage	76982	2	868,365	5,000	5,000	0	0	0	878,365
St. John's - Landfill Remediation	76995	3	0	1,000,000	1,000,000	1,000,000	0	0	3,000,000
TOTAL SOLID WASTE LANDFILL CLOSURE			1,325,136	2,671,783	1,011,000	1,003,000	3,000	3,000	6,016,919
SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT									
SW Renewal and Replacement Acct Non CIP	TEMP358	1	45,717	82,000	100,000	100,000	100,000	0	427,717
Metro Central HHW - Roof replacement	76933	2	0	150,000	0	0	0	0	150,000
Metro South - Compactor Replacement	76933	3	303,638	300,000	0	0	0	0	603,638
Metro South - Replace Ventilation Sys Components	76841	4	10,000	130,000	0	0	0	0	140,000
Metro Central - Scalehouse "C" Scale Replacement	76877	5	0	130,000	0	0	0	0	130,000
Metro South Transfer Station Bays -1 & 2 Ventilation Sys.	TEMP384	6	0	0	110,000	0	0	0	110,000
Metro South - Modify Entry Way to Operations Bld.	76842	7	0	0	175,000	0	0	0	175,000
Metro Central - Replace metal wall system	TEMP259	8	0	0	170,000	0	0	0	170,000
Metro Central - Baler Conveyor	TEMP262	9	0	0	220,000	0	0	0	220,000
Metro South Transfer Station - Roof replacement	TEMP345	10	0	0	0	335,000	0	0	335,000
Metro Central - Replace Slow Speed Shredder	TEMP343	11	0	0	0	600,000	0	0	600,000
Metro Central Standby Power Generator	TEMP307	12	0	0	0	135,000	0	0	135,000
Metro Central Station - High Speed Shredder Replacement	TEMP344	13	0	0	0	0	300,000	0	300,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT			359,355	792,000	775,000	1,170,000	400,000	-	3,496,355
TOTAL PARKS AND ENVIRONMENTAL SERVICES			4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851	19,134,775
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			14,930,913		Total number of Projects 34				

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance - Renewal and Replacement	1,465,520	1,004,255	2,011,021	1,346,571	1,142,327	507,851
Donations	3,000	0	0	0	0	0
Fund Balance - Capital Reserve	82,983	770,000	300,000	1,863,000	200,000	0
Grants	1,327,223	1,094,105	0	0	0	0
Fund Balance - Landfill Closure	1,325,136	2,671,783	1,011,000	1,003,000	3,000	3,000
Total - Parks and Environmental Services	4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Renewal and Replacement	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)
Total Expenditures	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)
Net Contribution (Cost) PES	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)

OVERVIEW OF PROJECTS

Of the 11 projects for Parks and Natural Areas Management and Property Services, 10 are scheduled renewal and replacement projects. The largest project is the repair to the Metro Regional Center parking structure. One project completes the Metro Center third floor remodel, adding a council conference room and various needed offices.

Projects for the Solid Waste Operating program fall into three categories:

General Account

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 2008-09. 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.

There are currently seven approved projects, three of which are new. The largest General Account project planned for FY 2010-11 is the Metro Central Organics/Food Handling Area Improvements.

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. Every three years the program 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 in 2008, and this capital budget reflects the findings of the study. During FY 2010-11 Solid Waste Operations will review renewal and replacement procedures to determine if they will be combined with the other renewal and replacement program that funds the General Fund asset renewal and replacement.

Of the 13 projects in the capital budget, only one is new, the Metro South transfer station bays 1 and 2 ventilation repairs. Previously approved major projects scheduled to begin at Metro South in FY 2010-11 are the roof replacement at Metro Central's Household Hazardous Waste facility, the Metro Central "C" scale replacement at the scalehouse and compactor replacements.

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.

CURRENT PROJECTS STATUS

One project in Parks and Natural Areas Management area, improvements to the M. James Gleason Boat Ramp is substantially complete. A small amount is carried forward to FY 2010-11.

All renewal and replacement projects that are scheduled to be completed in FY 2009-10 are on track to be completed.

Of the 11 Solid Waste Operations projects planned for this fiscal year, two are complete, four are expected to be completed by year end, two are ongoing projects at the landfill, one is canceled and the balance will be carried forward into FY 2010-11 or later.

MAJOR FUNDING SOURCES

Most capital projects associated with Parks and Natural Areas Management have been funded by dedicated funding sources. Of the projects included from FY 2010-11 through FY 2014-15, all are funded by the General Renewal and Replacement Fund.

Primary financing for Solid Waste Operations projects is derived from reserves established for the purpose indicated.

OPERATIONAL IMPACT

Operating costs include a component for renewal and replacement where appropriate.

UNFUNDED PROJECTS

Seven projects are on the unfunded list. All projects have been identified as important to the mission of Parks and Environmental Services but are of lower priority than those listed in the active capital budget. These projects include improvements at Blue Lake and the development of a nature center at Oxbow Park. The emergency generator project at Metro Regional Center is canceled. Four solid waste operations projects on the unfunded list are awaiting further study.

**Research
Center**



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Regional Land Information System (RLIS)	94403	1	\$864,616	\$32,000	\$27,000	\$23,000	\$32,000	\$19,000	\$997,617
Transportation Modeling Services Cluster Upgrade	43990	2	\$161,576	\$25,000	\$50,000	\$68,200	\$25,000	\$25,000	\$354,778
TOTAL GENERAL FUND			\$1,026,192	\$57,000	\$77,000	\$91,200	\$57,000	\$44,000	\$1,352,395
TOTAL RESEARCH CENTER			\$1,026,192	\$57,000	\$77,000	\$91,200	\$57,000	\$44,000	\$1,352,395
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			326,200	Total number of Projects 2					

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

The work performed by the Transportation Research and Modeling Services (TRMS) provides the base data used by Metro and local jurisdictions in the region to develop transportation alternatives. It uses a sophisticated system of interconnected servers and workstations for the development and application of travel demand forecasting models. In FY 2001–02 TRMS replaced the existing computer system with a new, more powerful modeling system called Transportation Simulations. This travel modeling system requires very large amounts of processing power. The financing mechanism for the project was a three-year internal loan from another Metro fund. TRMS 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 payment is funded with General Fund revenues.

The Data Resource Center operates a network of computers to provide forecasting, mapping and decision-making tools needed by Metro programs, 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 center replaces portions of the RLIS system each year. The replacement schedule covers GIS work stations, plotters and specialized printers, 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 Data Resource Center work is funded with General Fund revenues. The remainder is billed to users and contracting agencies.

OVERVIEW OF PROJECTS

Both projects in this center are regular replacement of equipment and software to complete the center's mission.

PROJECT FUNDING

Project funding is from the General Fund and allocations to users of the services both inside and outside of Metro.



Sustainability Center



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
NATURAL AREAS FUND									
Natural Areas Acquisition	TEMP98	1	61,392,319	31,513,590	36,005,264	21,292,644	20,937,532	1,685,259	172,826,608
TOTAL NATURAL AREAS FUND			61,392,319	31,513,590	36,005,264	21,292,644	20,937,532	1,685,259	172,826,608
NATURAL AREAS FUND									
40-Mile Loop Trail Construction	71730	1	250,000	689,000	0	0	0	0	939,000
Graham Oaks Nature Park	70480	2	3,177,007	500,000	0	0	0	0	3,677,007
Willamette Cove Nature Park	TEMP186	3	0	300,000	0	0	0	0	300,000
TOTAL NATURAL AREAS FUND			3,427,007	1,489,000	0	0	0	0	4,916,007
TOTAL SUSTAINABILITY CENTER			64,819,326	33,002,590	36,005,264	21,292,644	20,937,532	1,685,259	177,742,615
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			112,923,289	Total number of Projects 4					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
G.O. Bonds - Open Spaces	63,870,508	32,389,380	36,005,264	16,093,232	20,937,532	1,685,259
Interest on Bond	0	0	0	5,199,412	0	0
Excise Tax	476,318	0	0	0	0	0
Grants	222,500	613,210	0	0	0	0
Other	250,000	0	0	0	0	0
Total - Sustainability Center	64,819,326	33,002,590	36,005,264	21,292,644	20,937,532	1,685,259

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Graham Oaks Nature Park	(209,439)	(217,207)	(225,358)	(233,878)	(233,878)
Natural Areas Acquisition	(395,895)	(407,772)	(420,035)	(432,636)	(445,615)
40-mile Loop Trail Construction		(2,000)	(2,000)	(2,000)	(2,000)
Total Sustainability Center	(605,334)	(626,979)	(647,393)	(668,514)	(681,493)

The Sustainability Center capital projects include the acquisition of natural areas and the planning and development of new facilities for the parks system.

OVERVIEW OF PROJECTS

This capital plan includes the acquisition of natural areas and planning and construction of two new parks facilities at Graham Oaks and Willamette Cove.

CURRENT PROJECT STATUS

Sustainability Center projects planned for FY 2009-10 included the completed Cooper Mountain and Mt. Talbert Nature Park, in addition to land acquisition made under the Open Spaces and Natural Areas bond funds. The Nature and Golf Learning Center at Blue Lake Park, which was to be funded initially by an interfund loan through the construction phase, has been postponed and moved to the unfunded list due to the economic climate.

PROJECT FUNDING

The four projects in this fund are funded by the Natural Areas Bond Fund.

OPERATIONAL IMPACT

Operating costs include a component for renewal and replacement where appropriate and the expected operating costs of the new parks.

UNFUNDED PROJECTS

There are currently two unfunded projects for this center, the Smith and Bybee South Shore Trail and Bridge and the Nature and Golf Learning Center at Blue Lake Park.



Unfunded projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the CIP 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, operating units may request their inclusion.

Key To Unfunded Lists

Project Title: Name given to project.

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* or *Medium* priority relative to other projects.

Estimated Project Cost: Preliminary estimate of capital costs for the project expressed in 2009 dollars. A blank field here means the cost is unknown.

		Type	Priority	Estimated Cost
PARKS AND ENVIRONMENTAL SERVICES				
Parks and Natural Areas Management				
TEMP66	Blue Lake Park Improvements Phase 1	New	Medium	8,900,000
TEMP67	Blue Lake Park Improvements Phase 2	New	Medium	3,000,000
71772	Oxbow Park - Diack Environmental Education Center	New	Medium	1,767,645
Total Parks and Natural Areas Management				13,667,645
Solid Waste Operations				
76929	Metro South - Install High Capacity Baler	New	Medium	791,000
76931	Metro South - Wood Processing Capacity	New	Medium	804,000
76932	Metro South -Wood Staging Structure	New	Medium	480,000
Temp103	Metro South - Installation of Compactor for Public Unloading Area	New	Medium	880,000
Total Solid Waste Operations				2,955,000
SUSTAINABILITY CENTER				
Parks Planning and Development				
GF201	Nature and Golf Learning Center at Blue Lake Park	New	High	11,097,888
TEMP298	Smith and Bybee South Shore Trail and Bridge	New	High	1,323,750
TOTAL				\$12,421,638

Current project status reports

The Current Projects Status Report is used to report on the progress toward completion of existing projects and to assist in preparing the capital budget. Included are previously approved projects that were expected to be completed by the end of FY 2009-10. Status reports are grouped by operating unit.

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: Incomplete, carried forward, complete, canceled or unfunded.

Completion Date: The original expected completion date for projects.

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 or canceled.

		Year First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Actual Expenditures as of Dec. 31, 2009
INFORMATION SERVICES							
Information Services							
1524	Learning Management System	2008-09	Carried Forward	6/30/11	115,000	Unchanged	40,923
56135	Develop Enterprise Business Applications Software	1998-99	Carried Forward	6/30/11	193,000	50,000	334,528
OREGON ZOO							
Zoo Visitor Experience							
TEMP363	750 kw Generator	2008-09	Carried Forward	6/30/11	149,630	Unchanged	-
ZVS03	Zoo Micros POS System	2008-09	Carried Forward	6/30/11	183,600	Unchanged	1,162
ZIP001	Veterinary Hospital	2008-09	Carried Forward	6/30/12	4,500,000	13,391,119	383,954
ZAR19	Predators of the Serengeti	2002-03	Complete	6/30/10	1,900,000	6,970,000	6,510,599
ZPR12	Red Ape Reserve "Orangutan"	2007-08	Carried Forward	6/30/11	1,800,000	3,550,000	2,707,257
ZPR13	Primate Building Roof Replacement	2007-08	Complete	6/30/10	120,000		99,250
PARKS AND ENVIRONMENTAL SERVICES							
Parks and Natural Areas Management							
70171	M. James Gleason Boat Ramp Renovation Phase III & IV	2008-09	Carried Forward	6/30/11	1,200,000	1,599,500	235,939
CEM101	Lone Fir Cemetery Improvements	2009-10	Carried Forward	6/30/11	170,000	Unchanged	709
Property Services							
1505	Rebuild Metro Regional Center planters	2006-07	Carried Forward	6/30/11	65,000	195,000	51,649
1301	Parking Structure Waterproofing	2007-08	Carried Forward	6/30/12	150,000	900,000	
1510	Council/COO Building Space Remodel	2007-08	Carried Forward	6/30/11	450,000	228,000	39,247
Solid Waste Operations							
76839	Power Surge Protection for scalehouses at MSS & MCS	2007-08	Complete	6/30/10	150,000	Unchanged	12,000
76840	Improvements to Metro South truck entrance/exit	2009-10	Carried Forward	6/30/11	11,000	Unchanged	
76841	Metro South - Replace Ventilation System	2004-05	Carried Forward	6/30/11	100,000	140,000	-
76870	Metro Central Bay 2 Concrete Floor	2009-10	Canceled	6/30/10	250,000	Canceled	
76968	Metro Central-HHW- Ventilation System Replacement	2004-05	Complete	6/30/10	100,000	150,000	25,578
Temp263	Metro Central- Scalehouse A Inbound scale	2007-08	Complete	6/30/09	90,000	110,000	105,520
76964	Metro Central - Chimney Removal	2002-03	Complete	6/30/10	175,000	500,000	195,052
76969	Metro Central - Truckwash	2004-05	Complete	2/20/10	180,000	350,000	103,367
76842	Metro South - Modify Entry Way to Operations Bld	2008-09	Carried Forward	6/30/11	175,000	Unchanged	
76973	Metro Central - Rainwater Harvesting	2002-03	Canceled	4/1/10	310,000	Unchanged	40,204
76979	Metro Central - Tarping Station	2009-10	Carried Forward	6/30/11	200,000	Unchanged	

							Actual
							Expenditures as
							of
	Year First		Completion	Original Cost	Revised Cost	Actual	
	Authorized	Project Status	Date	Estimate	Estimate	Expenditures as	
							Dec. 31, 2009
SUSTAINABILITY CENTER							
Parks Planning and Development							
71730	40 Mile Loop Trail Construction At Blue Lake Park	2009-10	Carried Forward	6/30/11	800,000	939,000	-
70463	Graham Oaks Nature Park	2008-09	Carried Forward	6/30/11	3,420,898	Unchanged	537,592
70463	Cooper Mountain Nature Park	2008-09	Complete	9/30/09	3,000,000	Unchanged	2,953,188
GF201	Nature and Golf Learning Center at Blue Lake Park	2009-10	Unfunded	6/30/10	11,691,609	Unchanged	535,201

Capital Asset Management Policies

In FY 2000–01 the Metro Council raised concerns about the lack of comprehensive agency asset management policies. The Presiding Officer established a Systems Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations. 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 budget and the budget that will give the Council a clearer picture of the total capital needs of the agency.

In 2001 via Resolution No. 01-3113, Council approved the Metro Capital Asset Management Policies. During FY 2002–03, operating procedures were developed to ensure consistent application of these policies.

The policies are reviewed and affirmed annually by the Metro Council as part of the budget adoption process.

CAPITAL ASSET MANAGEMENT POLICIES

The following policies 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 its 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 (hereto referred as the capital budget). 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 capital budget shall be included in the proposed budget.

The primary method for Metro departments to fulfill the need for multi-year planning is the capital budget process. The capital budget 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 \$100,000* and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least five years. (*Effective July 1, 2009, per Resolution 08-3941A)

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 two percent of the current facility replacement value.

6. The capital budget 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 capital budget 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 capital budget 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.