

**Minutes of the Board of Commissioners
Multnomah Building, Board Room 100
501 SE Hawthorne Blvd., Portland, Oregon
Thursday, May 1, 2014**

BUDGET WORK SESSION #4

Chair Marissa Madrigal called the meeting to order at 1:10 p.m. with Vice-Chair Diane McKeel and Commissioners Liesl Wendt, Loretta Smith and Judy Shiprack present. Commissioner Shiprack was excused at 3:33 p.m.

Also attending were Jenny M. Madkour, County Attorney, and Marina Baker, Assistant Board Clerk.

[THE FOLLOWING TEXT IS THE BYPRODUCT OF THE CLOSED CAPTIONING OF THIS PROGRAM.]

CHAIR MADRIGAL: GOOD AFTERNOON AND WELCOME TO OUR AFTERNOON BUDGET WORK SESSIONS. OUR FIRST PRESENTATION IS ON THE CAPITAL BUDGET. BEFORE WE BEGIN I WOULD LIKE TO PROPOSE AN AMENDMENT. IN THE EXECUTIVE BUDGET I PROPOSED COMBINING SEVERAL POSITIONS THAT HAD TO DO WITH YOUTH DEVELOPMENT AND SUMMER WORKS. AND IN RESPONSE TO FEEDBACK FROM THE MULTNOMAH YOUTH COMMISSION I AM GOING PROPOSE AN AMENDMENT THAT WOULD RESTORE THE ORIGINAL STRUCTURE OF THOSE THREE POSITIONS FOR NEXT YEAR, WITH THE HOPE THAT WITH THEIR ENGAGEMENT OVER THE NEXT YEAR AND THE NEXT BOARD OF COMMISSIONERS THAT WE COULD FIGURE OUT A WAY TO BETTER COORDINATE THE VARIOUS ACTIVITIES ENGAGED WITH YOUTH DEVELOPMENT THAT WE DO AT THE COUNTY, AND ENSURE THAT THOSE PROGRAMS AREN'T SILOED AND ARE INSTEAD WORKING TOGETHER, WHICH WAS THE ORIGINAL INTENT OF THE PROPOSED BUDGET. SO THAT'S IT, ARE THERE ANY OTHER AMENDMENTS FROM OUR COMMISSIONERS? OKAY, GREAT, WITH THAT, TAKE IT AWAY CAPITAL TEAM.

Ms. Neburka: GOOD AFTERNOON, CHAIR MADRIGAL AND COMMISSIONERS. I'M JULIE NEBURKA FROM THE DEPARTMENT OF COUNTY ASSETS. WELCOME TO THE FISCAL YEAR 2015 CAPITAL BUDGET BRIEFING. WITH ME I HAVE JERRY ELLIOT, BRIAN VINCENT, AND KIM PEOPLES FROM THE DEPARTMENT OF COMMUNITY SERVICES. FIRST WE'LL GO OVER JUST A LITTLE OVERVIEW OF THE COUNTY'S KIND OF OVERALL CAPITAL PROGRAM. WE'LL TALK ABOUT SOME OF THE FINANCING AND FUNDING CONSIDERATIONS, ALTHOUGH MARK DID A GREAT JOB OF DESCRIBING YOUR DEBT OPTIONS YESTERDAY. WE WILL ALSO IDENTIFY SOME OF THE KEY POLICY DECISION POINTS WHERE ALL OF THE CAPITAL PROGRAMS WANT THE BOARD TO PARTICIPATE AND WEIGH IN. WE'LL GO THEN THROUGH THE TRANSPORTATION CAPITAL PROGRAM, FOLLOWING THAT WE'LL GO THROUGH THE FACILITIES AND I.T. CAPITAL

PROGRAM, BOTH FROM THE DEPARTMENT OF COUNTY ASSETS. WE'LL SWITCH OUR CAST IN MIDSTREAM FOR THAT. AFTERWARDS WE'LL HAVE QUESTIONS AND FOLLOW-UP.

Ms. Madkour: CHAIR, I HAVE JUST A MATTER OF POINT OF PROCEDURE. FOR THE MEMBERS OF THE AUDIENCE HERE AND THOSE OUT IN TV LAND, TODAY WE'RE MEETING AS THE COUNTY'S BUDGET COMMITTEE. ALTHOUGH YOU ARE ALL MULTNOMAH COUNTY COMMISSIONERS, YOU ALSO SERVE IN YOUR ROLE AS THE BUDGET COMMITTEE. THESE BRIEFINGS ARE DIRECTED TO YOU IN THAT ROLE.

>> THANK YOU.

>> THANKS.

>> SO I WANTED JUST TO REMIND EVERYONE WHAT CAPITAL EXPENDITURES ARE, RIGHT? THEY ARE FOR THE BIG STUFF, ITEMS OR PROJECTS WITH USEFUL LIFE OF MORE THREE YEARS, EQUIPMENT COSTING MORE THAN \$5,000, ROADS, BRIDGES, BUILDINGS, SOFTWARE PROJECTS THAT COST MORE THAN \$100,000. THAT'S JUST THE STRAIGHT-UP ACCOUNTING DEFINITION FROM OUR FINANCIAL POLICIES, AND THESE ARE THE SORTS OF THINGS THAT WE CAPITALIZE ON OUR BOOKS. CAPITAL PROJECTS EXPENDITURES HAVE A COUPLE OF CHARACTERISTICS, THEY ARE LUMPY. YOU KNOW, OFTEN WE HEAR, GOSH, WE STARTED THE PROJECT, WE APPROPRIATED THE DOLLARS, HERE IT IS A YEAR LATER, WHERE ARE WE? THE BEGINNING OF THAT PROJECT HAS LOTS OF PLANNING WITH PERMITTING, ALL KINDS OF THINGS. AND THEN BOOM, WE SPEND A LOT OF MONEY TO BUILD SOMETHING, AND THEN IT TAILS OFF AGAIN. THEY ARE ALSO TIME LIMITED AND NOT ONGOING. IF WE HAVE ISSUED DEBT TO FINANCE THAT PARTICULAR PROJECT THE TIME PERIOD CAN BE KIND OF LONG. WHEN WE CONSIDER SOME OF THE VERY LARGE CAPITAL EXPENDITURES WE ARE EITHER CONTEMPLATING IN THE COUNTY, OR THAT WE'RE ACTUALLY ALREADY DOING, THOSE HAVE A COUPLE OF ADDITIONAL SORTS OF CAPITAL REQUIRED FOR THEM TO BE SUCCESSFUL. YOU NEED EXTENSIVE PLANNING, LONG LEAD TIMES. AND OFTEN YOU NEED QUITE A BIT OF POLITICAL CAPITAL TO DO SOMETHING LIKE GET THE SELLWOOD BRIDGE FINANCED. OBVIOUSLY WE NEED FINANCIAL CAPITAL, AND WE NEED ORGANIZATIONAL CAPITAL. WE NEED TO MAKE SURE WE HAVE PEOPLE AND PROCESSES IN PLACE THAT CAN REALLY MAKE THAT PROJECT SUCCESSFUL. AND THE OTHER THING ABOUT THE VERY LARGE CAPITAL EXPENDITURES IS THAT THEY DO HAVE AN IMPACT ON FUNDING FOR ONGOING OPERATIONS. I THINK MARK TALKED TO YOU ABOUT THE GENERAL FUND'S SORT OF DEBT SERVICE CAPACITY YESTERDAY, AND WHAT KIND OF A BITE THAT WOULD TAKE OUT OF THE DOLLARS THAT YOU HAVE AVAILABLE FOR EVERYTHING ELSE. SO ALL OF THAT HAS TO BE TAKEN INTO ACCOUNT FOR THE SUPER BIG PROJECTS. THE OTHER THING THAT MAKES CAPITAL PROJECTS A LITTLE BIT HARD TO THINK ABOUT FROM

YOUR PERSPECTIVE IS THAT THEY ARE DISCRETE AND REALLY DIFFERENT FROM EACH OTHER. THE FUNDING AND TIMELINES AND SIZES CAN VARY GREATLY. IT'S A BIG DEAL FOR US WHEN WE HAVE TO REPLACE A BOILER IN A BUILDING, BUT NOT A BIG DEAL IN THE SAME WAY THAT HAVING TO REPLACE A BRIDGE IS A BIG DEAL. THAT MAKES IT HARD SOMETIMES TO PRIORITIZE AMONGST THE KINDS OF THINGS THAT WE HAVE ON DECK. ALSO THE FINANCING OPTIONS ARE NOT THE SAME FOR ALL PROJECTS AS WE'LL SEE A LITTLE BIT LATER ON THIS AFTERNOON. ONE TIME ONLY GENERAL FUND CAN ACTUALLY PAY FOR SOME OF THE SMALLER PROJECTS. IT CAN ALSO PAY FOR PARTS OF LARGER PROJECTS, OR WE CAN LEVERAGE TO IT BRING OTHER RESOURCES TO THE TABLE FOR THE REALLY BIG PROJECTS. AND THEN YOU KNOW, AS YOU HEARD ABOUT YESTERDAY, THOSE REALLY BIG PROJECTS MAY REQUIRE BORROWING, MAY REQUIRE US TO LEVY A FEE OR A TAX, SEEK OUT FEDERAL OR STATE GRANTS AND THOSE CAN BE ONE TIME ONLY, THEY CAN BE ONGOING OR THEY CAN BE BOTH. AND FINALLY, AGAIN, PROJECTS ARE NOT TYPICALLY DIRECTLY COMPARABLE TO EACH OTHER.

>> ALL OF THE COUNTY CAPITAL PROGRAMS THAT YOU'LL HEAR ABOUT TODAY SHARE THE FOLLOWING KINDS OF PLANNING PARAMETERS. THERE'S KIND OF A LONG-TERM TIME FRAME AND THAT VARIES DEPENDING ON THE CAPITAL PROJECT WE'RE CONSIDERING. FACILITIES DOES A 30-YEAR LOOK, I.T. DOES A FIVE-YEAR LOOK. SO IT JUST DEPENDS ON THE THING IN QUESTION. ALL OF THE PROGRAMS HAVE AN ACTUAL CAPITAL PROGRAM, WHAT ARE WE GOING DO IN THE NEXT FIVE YEARS, SO YOU CAN DO SOME OF THAT PLANNING UP FRONT AND MAKE SURE YOUR PROJECTS ARE STAGED FOR THE RIGHT YEAR TO COMPLETE. WE OF COURSE HAVE ANNUAL APPROPRIATIONS, THAT'S WHAT YOU'LL BE VOTING ON IN SEVERAL WEEKS FOR THE CAPITAL PROJECTS THAT WE EXPECT TO DO IN THE YEAR AHEAD. YOU KNOW, REALLY, CAPITAL PLANNING IS JUST A CONTINUOUS PROCESS, WE'RE ALWAYS EVALUATING THE CONDITIONS OF OUR EQUIPMENT, OUR BRIDGES, OUR ROADS, THINGS LIKE THAT. AND MAINTAINING THESE ASSETS IS ONE OF THE THINGS WE DO. SO WITH THAT I'LL TURN IT OVER TO THESE FINE FELLOWS FROM THE TRANSPORTATION PROGRAM.

Mr. Peoples: THANK YOU, JULIE. GOOD AFTERNOON, CHAIR MADRIGAL AND COMMISSIONERS, I AM KIM PEOPLES, THE DIRECTOR OF THE DEPARTMENT OF COMMUNITY SERVICES. I AM JOINED BY BRYAN VINCENT, A COUNTY ENGINEER WHO WILL BE PRESENTING TO YOU OUR TRANSPORTATION CAPITAL BUDGET, AND JERRY ELLIOTT, THE DEPARTMENT'S BUSINESS MANAGER. THE COUNTY MAINTAINS AND IS RESPONSIBLE FOR THE OPERATIONS OF 300 MILES OF ROADWAY AND TRANSPORTATION, ASSOCIATED INFRASTRUCTURE, AS WELL AS SIX WILLAMETTE RIVER BRIDGES. WE TAKE GREAT PRIDE IN THAT WORK AND WE PLAN APPROPRIATELY THROUGH A SUBSTANTIAL CAPITAL PLANNING PROCESS, WHICH BRIAN WILL INFORM YOU ABOUT MOMENTARILY. TODAY'S BRIEFING WILL JUST FOCUS ON THE CAPITAL COMPONENT OF THE ROAD AND THE

BRIDGE PROGRAM. AND WITH THAT I'M GOING TO TURN IT OVER TO BRIAN TO LAUNCH RIGHT INTO THIS YEAR'S 2015 TRANSPORTATION CAPITAL PROJECTS PROGRAM. THANK YOU.

Mr. Vincent: THANK YOU, KIM. GOOD AFTERNOON, CHAIR MADRIGAL, COMMISSIONERS, BRIAN VINCENT, COUNTY ENGINEER. AS MENTIONED, WE DO USE A THREE-STEP PROCESS. THE CAPITAL PROGRAM STARTS WITH A PLANNING EFFORT. IN TRANSPORTATION WE START WITH A 20-YEAR PLAN. THIS REALLY IS THE FULL VIEW OF THE TRANSPORTATION SYSTEM NEEDS. WE USE DIFFERENT FORECASTING TOOLS, BUT THAT'S THE WISH LIST FOR LACK OF A BETTER TERM. WE REFINED THAT DOWN TO THE FIVE-YEAR PROGRAM. WE UPDATE THAT EVERY TWO YEARS AND TRANSPORTATION PLANNING WILL BE BRINGING BACK AN UPDATE TO YOU LATER THIS YEAR. LASTLY, WE DO FOCUS, WHICH IS THE SUBJECT OF THIS PRESENTATION, THAT ONE YEAR EXPENDITURE EFFORTS. THE PROJECTS ARE LISTED AND THEN EVALUATED USING THESE CRITERIA HERE, FAIRLY EQUALLY WEIGHTED, BUT PROBABLY A PREFERENCE FOR SAFETY. THERE ARE SEVERAL FACTORS THAT GO INTO THE RANKING AND SCORING OF PROJECTS. THE FIRST CUT OUT OF FUNDING GOES TO SATISFY DEBT OBLIGATION. AT PRESENT WE STILL HAVE TWO, A CARRYOVER FROM THE 3RD RAILROAD CROSSING A FEW YEARS AGO, AND AFTER THAT MOST RECENTLY THE SELLWOOD PROJECT. AFTER THAT WE LOOK AT SYSTEM PRESERVATION AND OPERATIONS TAKING CARE OF WHAT WE ALREADY HAVE. LASTLY WE LOOK AT OPPORTUNITIES TO BUILD IMPROVEMENTS TO THE SYSTEM. SIGNIFICANT PROJECTS COMING UP IN THIS NEXT YEAR ARE A CONTINUATION OF THE SELLWOOD BRIDGE. WE HAVE TWO OTHER -- THREE OTHER SUBSTANTIAL BRIDGE PROJECTS AND I'LL TALK ABOUT MORE OF THOSE LATER. TWO SIGNIFICANT ROAD PROJECTS, ONE OUT IN EAST COUNTY, AND THEN OUT WEST TO CORNELIUS PASS ROAD. A LONG-STANDING PROJECT WE'RE FINALLY GETTING UNDERWAY IS THE REPLACEMENT OF THE BEAVER CREEK CULVERT IN TROUTDALE. A VERY IMPORTANT PROJECT IN THE FAIRVIEW AREA FOR ECONOMIC DEVELOPMENT, A MODEST IMPROVEMENT ON NORTHEAST SANDY BOULEVARD. I JUST WANT TO REITERATE THE PRIMARY SOURCE OF FUNDING IS THE STATE HIGHWAY FUND. THERE'S AN APPORTIONMENT FORMULA THAT WE RECEIVE A FAIR SHARE OF THAT. WE AUGMENT THAT WITH A SMALL COUNTY GAS TAX AND COUNTY VEHICLE REGISTRATION FEES. WE TAKE THOSE FUNDS AND RELY HEAVILY ON LEVERAGING THEM WITH GRANT OPPORTUNITIES AS THEY BECOME AVAILABLE THROUGH THE ODOT FHWA AND METRO SYSTEMS. THE CITY OF PORTLAND CONTINUES TO CONTRIBUTE TO THE SELLWOOD, AND THEY WILL DO SO IN 2015, AS WELL. THIS IS AN EXAMPLE FOR FY 15, WE PROJECT ALMOST \$45 MILLION COMING FROM OUR PRIMARY REVENUE SOURCE. AND THAT AGAIN PAYS DEBT OBLIGATIONS. THERE'S SOME FORMULA FOR IGA, COST SHARINGS, ET CETERA, AND ULTIMATELY LEADING TO OUR CAPITAL PROGRAM. SO I KIND OF JUMPED FROM THE PRIMARY REVENUE SOURCE INTO THIS. THIS IS THE RESIDUAL AFTER THOSE OTHER CUTS ARE MADE. THIS IS THE FY 15 PROJECTION FOR CAPITAL ON THE ROAD

SIDE. YOU CAN SEE THE LEVERAGE WE HAVE BEEN ABLE TO ACHIEVE THROUGH THOSE GRANT OPPORTUNITIES, ALMOST A 2-1 RATIO HERE. ON THE BRIDGE SIDE, THIS DOESN'T REALLY TELL THE WHOLE STORY. THIS IS JUST AN ANOMALY OF TIMING. OUR GRANT RECEIPTS ARE MUCH GREATER THAN THIS. FOR BUDGET PURPOSES THIS IS WHAT WE'RE LOOKING AT, COUNTY FUNDS ARE CONTRIBUTING ON THIS SLIDE A MORE THAN FAIR SHARE. AGAIN, THAT'S JUST A TIMING THING ON HOW FUNDS ARE FLOWING. THIS IS THE OVERALL CAPTURE OF CAPITAL EXPENSE, SELLWOOD IS PREDOMINANT HERE AND JUST A CONTINUING ISSUE AS WE'RE GOING INTO HEAVY CONSTRUCTION, A LOT OF EXPENDITURE FOR THAT PROJECT. THE OTHER TWO REFLECT THE ROAD AND BRIDGE IMPROVEMENTS RESPECTIVELY. THE GRAPHIC IN THE UPPER LEFT IS JUST A REMINDER THAT WE DO HAVE PARTNERS ON THE SELLWOOD AND HAVE RELIED ON THOSE AND WILL CONTINUE TO RELY ON THOSE IN FY 15. THIS SLIDE IS JUST TO, AGAIN, REITERATE THAT WE TAKE CARE OF OUR EXISTING SYSTEM FIRST. ON THE ROAD SIDE THIS IS A LOT OF PRESERVATION MAINTENANCE. A LOT OF RURAL, AS KIM MENTIONED, 300 MILES, A LOT OF THAT IS RURAL, AND A VERY COST-EFFECTIVE PROCESS IS JUST A CHIP SEAL PROGRAM. WE'RE ADDING IN A NEW ELEMENT THIS YEAR, WE HAVE A SUBSTANTIAL NUMBER OF FISH BARRIERS THROUGHOUT THE COUNTY. WE'RE GOING TO MAKE A FOCUSED EFFORT ON REMOVING THOSE STARTING THIS YEAR. WE HAVE A PRETTY MODEST CONSTRUCTION YEAR ON THE ROAD SIDE. THE ASPHALT OVERLAYS, WE'RE FORTUNATE THAT TAX RECEIPTS HAVE BEEN WHAT THEY ARE, AND WE'RE ABLE TO DO SOME SORELY NEEDED WORK THIS YEAR.

>> THE FIRST PROJECT LISTED THERE, THIS IS A VERY SMALL PROJECT BUT IT'S AN IMPORTANT LINK OUT IN EAST COUNTY. THE GOOD NEWS IS THAT WE ARE EMPLOYING A COMBINATION OF INTERNAL RESOURCES AND THEN A CONTRACTOR EFFORT TO GET THIS WORK DONE. SO IT'S KIND OF LEVERAGING WHAT LIMITED FUNDS WE HAVE.

>> THIS IS A REMINDER THAT PART OF OUR CAPITOL -- TRANSPORTATION CAPITOL, WE HAVE A 1% OR GREATER SET-ASIDE FOR BICYCLE AND PEDESTRIAN PROJECTS. HERE IN MULTNOMAH COUNTY WE AVERAGE ABOUT 2 TO 3%, IN THERE, DEPENDING ON THE PROJECTS. PROJECTS ON THE BOOKS IN THAT FUND THIS YEAR, A CONTINUATION OF SOME PEDESTRIAN CROSSINGS IN TROUTDALE. WE ARE COMPLETING SOME SIDEWALK PORTIONS OUT IN SANDY BETWEEN 201st, OR THE CITY OF GRESHAM CITY LIMITS, AND 207th. WE ARE ADDING A SIDEWALK COMPONENT CLOSE TO THIS BUILDING OVER ON THE HAWTHORNE BRIDGE, PREDOMINANTLY A PEDESTRIAN ACCESS. AND THEN A CONTINUATION OF SOME SIDEWALK WORK OUT IN AGAIN -- OUT IN TROUTDALE. THESE ARE THE PRIMARY ROAD PROJECTS WE TOUCHED ON. WELL INTO DESIGN HERE, THAT IS VERY EXCITING PROJECT FOR US IN EAST COUNTY. WE STILL ANTICIPATE CONSTRUCTION NEXT SUMMER. THE CORNELIUS PASS ROAD, AGAIN, THAT'S MOVING ALONG AS WELL. WE ARE REFINING WHAT WE WILL WIND UP FOR

RECOMMENDATION FOR THE SAFETY IMPROVEMENTS OUT THERE, THAT'S ROUGHLY A \$9 MILLION PROJECT. THE BEAVER CREEK CULVERT, AGAIN A LONG-STANDING EFFORT, PROBABLY A 10-YEAR EFFORT TO GET THAT UNDERWAY AND FINALLY GETTING TRACTION ON THAT, AND THAT WILL REMOVE A FULL FISH BARRIER. SANDY BOULEVARD, THIS IS REALLY STRONGLY DRIVEN BY EAST MULTNOMAH COUNTY TRANSPORTATION COMMITTEE AND THE CITY OF FAIRVIEW, A GOOD ECONOMIC LINK FOR BOTH FAIRVIEW AND WOOD VILLAGE. LASTLY, THE OXBOW PARK SLIDE REPAIR IS A SMALL PROJECT, BUT IT'S ONE THAT -- IT'S A VERY HEAVILY USED PARK, AND IT'S ONE WAY IN AND ONE WAY OUT, SO IT'S AN IMPORTANT PROJECT. WE'LL DESIGNED THIS YEAR, AND THEN HOPEFULLY UNDER CONSTRUCTION NEXT SUMMER OR FALL. FOR WORK BEYOND THIS YEAR, WE WILL LARGELY MOVE FROM DESIGN EFFORTS INTO CONSTRUCTION EFFORTS, SO THE SAME PROJECTS I JUST REFERENCED WILL BE MOVING INTO CONSTRUCTION, SANDY, ERATTA, CORN PASS AND BEAVER CREEK WILL ALL BE UNDERWAY. THIS LAST PROJECT ON HERE, AS COMMISSIONER MCKEEL KNOWS WELL, THIS IS A VERY IMPORTANT LINK OUT IN EAST COUNTY, NORTHEAST 38TH DRIVE. THIS IS ROUGHLY A \$10 MILLION PROJECT, WE WILL BE STARTING DESIGN ON THAT IN FY 16, WITH ANTICIPATED FUNDING FOR FY 18. I THINK IT'S A GOOD SEGUE TO THIS LAST BULLET HERE. I KNOW YOU'VE HEARD THAT TRANSPORTATION FUNDING IS A CHALLENGE. IF THERE IS NOT A RENEWED BILL AT THE FEDERAL LEVEL, WE DON'T KNOW WHAT WILL HAPPEN TO THESE FUTURE PROJECTS. 238TH WOULD BE A GREAT EXAMPLE OF THAT, IF THOSE FUNDS DRY UP OR THERE IS A REDUCTION IN THOSE FUNDS, PROJECTS LIKE THAT ARE SUBJECT TO BEING REDUCED OR ELIMINATED.

>>> WE'RE GOING TO SHIFT TO THE BRIDGE SIDE. SIMILAR TO THE ROADS, WE TAKE CARE OF WHAT WE HAVE FIRST, THESE ARE THE SYSTEM PRESERVATION NEEDS. THE FIRST BULLET HERE, YOU'VE HAD OTHER BRIEFINGS. BUT THIS IS A VERY SIGNIFICANT PIECE. WE'RE UPDATING THE 20-YEAR CAPITAL PLAN FOR WHAT TO DO WITH THE WILLAMETTE RIVER BRIDGES. THE LAST UPDATE WAS 28 YEARS AGO. WE HAVE JUST BEEN KIND OF FAST-FORWARDING EVERY YEAR AS AN UPDATE. THIS IS A FRESH, MORE ROBUST LOOK, VERY EXCITING TO SEE THE RESULTS OF THAT. AND THAT IS SCHEDULED TO BE DELIVERED TO YOU IN A FORMAL VERSION IN NOVEMBER, BUT WE'LL HAVE DRAFTS AVAILABLE BEFORE THAT. A COUPLE OF OTHER SIGNIFICANT PIECES, THE MORRISON, THE CORE PROJECT WITH THE CENTER LOCKS, WE KNOW WE HAVE TO REPLACE THAT SOON. IT'S STILL FUNCTIONAL BUT WE HAVE A PLAN OF ACTION HERE. BUT WE ARE CURRENTLY POSTPONING THAT BASED ON WHAT WE WIND UP DOING WITH THE OTHER PART OF THE MORRISON. I'LL TALK MORE ABOUT THAT IN A MINUTE. AND THEN AS THESE STRUCTURES ARE CONTINUING TO GET OLDER, WE ARE EXPERIENCING SOME PROBLEMS WITH CONCRETES FALLING, SO THERE'S A PRETTY ROBUST EFFORT UNDERWAY TO REMEDY THOSE. JUST A REMINDER, SELLWOOD IS MAKING GREAT PROGRESS AS YOU WELL KNOW, STILL ON TRACK FOR COMPLETION TO SHIP TRAFFIC IN FALL OF NEXT YEAR, AND THEN

ABOUT ANOTHER YEAR TO FINISH THE REST OF THE PROJECT. THESE ARE THE SIGNIFICANT BRIDGE PROJECTS HERE IN THE NEAR TERM. FOR THE MORRISON DECK WE DO HAVE A PLAN OF ACTION TO IDENTIFY A REPAIR FOR THAT PROJECT. MORE TO FOLLOW ON THAT. THE BROADWAY PAINT PROJECT, THAT IS A CONTINUATION OF SOME WORK THAT HAD BEEN DONE IN PREVIOUS YEARS. ROUGHLY A \$10 MILLION PROJECT, DESIGN IS CURRENTLY UNDERWAY AND WE HOPE TO BE PAINTING THAT NEXT SUMMER. ANOTHER PROJECT ON THE BROADWAY IS THE REPLACEMENT OF THE GIANT ROLL WHEELS. THIS IS ABOUT A \$10.5 MILLION PROJECT. THE SCOPE OF WORK FOR THE DESIGN EFFORT IS IN DEVELOPMENT, THAT WE ANTICIPATE HAVING A CONSULTANT UNDERWAY LATER THIS YEAR, AND THEN WE ARE SCHEDULED TO GO TO CONSTRUCTION. WE'RE TRYING TO DOVETAIL THAT WITH THE OTHER PAINTWORK, EITHER IMMEDIATELY SUBSEQUENT TO THAT OR HOWEVER IT BEST FITS FOR THE COMMUNITY, BUT PROBABLY LATE 15, EARLY 16 FOR THAT. THIS LAST PROJECT HERE, THE BURNSIDE BRIDGE, THIS IS ROUGHLY A 3 TO \$34 MILLION PROJECT, SIGNIFICANT BECAUSE AS YOU KNOW BURNSIDE IS OUR LIFELINE ROUTE ACROSS THE RIVER. AND THIS WILL AGAIN -- SAME EFFORT, DESIGN EFFORT WILL BE LATER THIS YEAR AND HOPE TO BE UNDERWAY EITHER LATE THIS YEAR OR EARLY NEXT YEAR FOR DESIGN. THIS IS ANOTHER ONE THAT'S IN THAT 16-18 WINDOW FOR FUNDING, BUT WILL -- WE HAVEN'T IDENTIFIED THE FULL SCOPE OF WORK BUT JUST MISCELLANEOUS REPAIRS ON THE BURNSIDE. I'LL TALK A LITTLE BIT ABOUT SEISMIC. FIRST NOTE HERE, SEISMIC ANALYSIS IS GETTING A MORE ROBUST REVIEW AS PART OF OUR CAPITAL IMPROVEMENT PLAN, A LITTLE DIFFERENT TWIST OVER WHAT WE'VE DONE 20 YEARS AGO, AND THEN THOSE NUMBERS JUST KEEP GETTING CARRIED FORWARD. I'M NOT SURE WHAT THAT MEANS IN TERMS OF NUMBER. I THINK THE DESIGN TEAM PROBABLY FEELS THOSE NUMBERS WILL GO UP. THESE ARE JUST A LOT GREATER DEPTH OF UNDERSTANDING IN SEISMIC NEEDS THAN IT WAS 20 YEARS AGO. IN ORDERS OF MAGNITUDE, I THINK THESE NUMBERS ARE STILL IN THE BALLPARK, ROUGHLY \$220 MILLION. WE HAVE DONE SOME SEISMIC WORK, THE PHASE 1, WHICH IS BASICALLY TYING THE STUFF -- THE PART OF THE BRIDGE ABOVE THE WATER DOWN TO THE ABUTMENTS, THAT HAS BEEN DONE ON THE BURNSIDE. AND THAT'S IN PART WHY THE BURNSIDE IS A LIFELINE ROUTE AND MAYBE VICE VERSA. SAUVIE ISLAND WAS DESIGNED TO CURRENT STANDARDS SO THERE'S NO SEISMIC UPDATE. SELLWOOD IS DESIGNED TO CURRENT STANDARD, NO SEISMIC REQUIREMENT THERE.

>> I HAVE A QUESTION ABOUT THAT. SO WITH THE NEW TRIMET BRIDGE, SAUVIE ISLAND DESIGNED TO CURRENT STANDARDS, AND THEN TO SELLWOOD, WOULD WE STILL MAINTAIN THE BURNSIDE AS A LIFELINE? HOW IS THAT DECIDED? WOULD WE LOOK AT THIS DIFFERENTLY WITH NEWER BRIDGES THAT WOULDN'T REQUIRE SUCH A HUGE INVESTMENT?

>> GREAT QUESTION, CHAIR. THERE'S A LOT OF PLAYERS THAT GET TO WEIGH IN ON WHAT THAT PRIMARY ROUTE IS, SO THAT'S MORE OF A

REGIONAL DISCUSSION. I THINK OUR CONTRIBUTION TO THAT WOULD BE THAT YES, WE WOULD WANT TO MAINTAIN A CENTRALIZED LIFELINE ROUTE. AS YOU KNOW, THE LIGHT RAIL BRIDGE IS LIGHT RAIL SPECIFIC, SO VEHICULAR TRAFFIC IS PROHIBITED. SELLWOOD AND SAUVIE ARE QUITE DISTANT FROM THE CENTRAL PORTLAND CORE. I THINK OUR RECOMMENDATION WOULD BE TO CONTINUE TO LOOK AT THE BURNSIDE, THANK YOU.

>> I HAVE A QUESTION, AS WELL. IT SEEMS TO ME JUST LOOKING IN THE PAPER THAT THERE ARE SEISMIC EVENTS ALL AROUND US. AND I MEAN, WASHINGTON, CALIFORNIA, ALL THE TIME. AND I'M SO CURIOUS ABOUT THE IMPACT OF THESE SEISMIC EVENTS ON BRIDGES IN THE AREAS WHERE THEY OCCUR. SO THIS IS JUST A REQUEST THAT WE HAVE MAYBE SOME SORT OF ARC OF SEVERITY SORT OF RESULT, SO WE HAVE SOMETHING BETWEEN WHERE WE ARE NOW AND THE BIG ONE, AS POINTS ON OUR GRAPH, IN ORDER TO STAGE OUR PREPARATIONS. AND ALSO GIVE US A CONCEPT OF WHAT IS HAPPENING IN OTHER COMMUNITIES WHERE I PRESUME THEY ALSO HAVE BRIDGES OF SOME SORT, AND WHERE THEY HAVE HAD SEISMIC EVENTS.

>> THAT WOULD BE A GREAT BENCHMARK, COMMISSIONER SHIPRACK, TO SEE WHAT OUR PARTNER CITIES ARE DOING, SEATTLE MAYBE IN PARTICULAR WOULD BE A GOOD LOOK.

>> THANK YOU. YOU KNOW, AND THAT'S -- THAT'S BETTER THAN MY SUGGESTION ACTUALLY, SO I ACCEPT THAT. WHAT THEY ARE DOING IS OF COURSE KIND OF WHAT WE'RE STEERING AT. I'M ALSO VERY INTERESTED IN WHAT HAS BEEN THE IMPACT ON THEIR INFRASTRUCTURE OF THESE SEISMIC EVENTS THAT FALL SOMEWHERE ON THE SCALE BETWEEN, YOU KNOW, IMPERCEPTIBLE AND, YOU KNOW, A MADE FOR TV MOVIE. THANK YOU.

>> THANK YOU. THIS IS JUST A SUMMARY OF OUR DISCUSSION. AGAIN, PRIMARILY OUR PRIMARY FUNDING SOURCE IS THE STATE HIGHWAY FUND, COUNTY GAS TAX AND VEHICLE REGISTRATION FEES. OUT OF THAT WE TAKE CARE OF DEBT, PRESERVATION OF THE CURRENT SYSTEM, AND THEN LASTLY WE TAKE THE RESIDUAL TO OUR CAPITAL PROGRAM. HEAVILY RELY ON GRANT OPPORTUNITIES AND OUR TRANSPORTATION PLANNING GROUP HAS BEEN VERY SUCCESSFUL IN THE LAST FEW YEARS TO LEVERAGE THAT. WE WILL CERTAINLY RELY ON THIS BOARD AND OUR OTHER PARTNERS TO FIND ECONOMIES OF SCALE AND CONTINUED SUPPORT. BUT WE CONTINUE TO LOOK FOR WAYS TO LEVERAGE WHAT WE HAVE AS, YOU KNOW, NEW TECHNOLOGY OR TRENDS OR PARTNERING WITH OTHER PEOPLE TO MAXIMIZE OUR EFFORTS. WITH THAT, I WOULD ENTERTAIN ANY QUESTIONS.

>> Chair Madrigal: ANY QUESTIONS?

>> COMM. MCKEEL: I HAVE A QUESTION BACK ON THE SEISMIC. I GUESS WE'RE ALL THINKING ALONG THAT LINE. YOU'VE IDENTIFIED WHAT THE NEEDS ARE AND ON WHAT BRIDGES THOSE NEEDS ARE, CORRECT? THAT'S THE ONE SLIDE THAT WE LOOKED AT.

>> YES, I WANT TO ELABORATE ON THIS, COMMISSIONER MCKEEL. THESE ARE FAIRLY OLD NUMBERS ADJUSTED FOR INFLATION. PART OF THAT CAPITAL IMPROVEMENT PLAN WILL BE A MORE DETAILED, MORE ROBUST LOOK AT WHAT SEISMIC NEEDS REALLY MEAN ON THOSE STRUCTURES.

>> Comm. McKeel: OH, OKAY, SO A LITTLE MORE ASSESSMENT AROUND THAT, CORRECT? AND THEN I'M HEARING THAT THE BURNSIDE BRIDGE WOULD BE THE PRIORITY AS OF NOW. AM I CORRECT ON THAT?

>> I'M NOT SURE. I THINK IT REALLY WARRANTS, AGAIN, THAT REGIONAL CONSIDERATION, WE'VE HAD PRELIMINARY DISCUSSIONS WITH EMERGENCY MANAGEMENT. BUT THERE'S A LOT MORE PLAYERS AT STAKE. JUST TO HAVE A CONSISTENT IDENTIFICATION OF WHAT THAT ROUTE IS OR WHAT ASSET REALLY IS THE MOST BENEFIT FOR THE CITY AND THE REGION. IT WOULD BE MY GUESS THAT BURNSIDE WOULD FARE PRETTY WELL. BUT IT IS ALSO, YOU KNOW, ALMOST A 100-YEAR-OLD STRUCTURE. SO I HATE TO SAY I DON'T KNOW, BUT I THINK WE HAVE TO DEFER TO A BIGGER GROUP TO MAKE THAT DECISION.

>> AND THEN AROUND THE OTHER BRIDGES WHERE YOU HAVE THE NEEDS IDENTIFIED, HOW ARE THOSE PRIORITIZED? OR ARE THEY --

>> GREAT QUESTION. THAT'S PART OF THAT DEEPER ANALYSIS, AS PART OF THE CAPITAL IMPROVEMENT PLAN. SO WE'LL LOOK AT -- WHAT DOES IT MEAN -- WHAT IS THE OVERARCHING NEED. FIRST AND FOREMOST, WHICH BRIDGE HAS THE HIGHEST PRIORITY. AND THEN SECONDLY, DO WE WANT TO KEEP THE BRIDGE FROM FAILURE OR FALLING IN THE RIVER, OR DO WE WANT TO HAVE IT SERVICEABLE AS IN CONTINUED OPERATION AFTER AN EVENT. THAT MEANS BEING ABLE TO OPEN THE LIFT SPANS. SO THOSE HAVE ORDERS OF MAGNITUDE COSTS. SO THAT GETS ALL EVALUATED AS PART OF WHAT'S MORE IMPORTANT, DO WE LOOK AT THIS POSSIBILITY OF A 500-YEAR EVENT AND KEEPING THE BRIDGE FULLY OPERATIONAL, OR DO WE WEIGH THAT AGAINST KEEPING A BRIDGE -- REPAIRING A SERIES OF GIRDERS TO KEEP THE BRIDGE OPERATIONAL EVERY DAY. SO THERE'S SOME FACTORS THAT ARE CURRENTLY IN DEVELOPMENT THAT WILL HELP ANSWER THAT QUESTION.

>> OKAY. AS AS FAR AS THE ANALYSIS, DOES IT GO BROADER THAN THE WILLAMETTE RIVER BRIDGES? BECAUSE I KNOW WE OWN A NUMBER OF BRIDGES IN THE COUNTY, YOU KNOW, THESE ARE CERTAINLY THE LARGEST.

BUT IS THAT ANALYSIS GOING ON AROUND SOME OTHER SIGNIFICANT IMPACT BRIDGES AROUND THE COUNTY?

>> THE SHORT ANSWER IS NO. THE CAPITAL IMPROVEMENT PLAN IS SPECIFIC TO THE WILLAMETTE RIVER BRIDGES. WHAT IT HAS SHOWN US IS THAT WE DO NEED TO DO A SIMILAR VIEW FOR THE REST OF THE SYSTEM.

>> THANK YOU.

>> THANK YOU.

>> MADAME CHAIR, I HAVE A QUESTION.

>> THANK YOU FOR THE PRESENTATION. WHEN WILL THE CAPITAL IMPROVEMENT PLAN BE READY?

>> WE ARE SHOOTING FOR NOVEMBER OF THIS YEAR.

>> AND THE SECOND QUESTION, DO YOU HAVE THE UPDATES FOR THE LAST TWO YEARS FOR THE MONEY WE'VE ALREADY ALLOCATED FOR SINGLE-YEAR APPROPRIATIONS, AND WHAT THE STATUS OF THOSE PROJECTS ARE, AND WHAT THE VALUE OF THEIR ACCOUNTS ARE?

>> WITH -- FOR THE RESPECTIVE CAPITAL PRESENTATION?

>> UH-HUH.

>> WE CAN GET THAT.

>> ANY ADDITIONAL QUESTIONS? GREAT, THANK YOU.

>> THANK YOU.

Ms. Swackhamer: GOOD AFTERNOON, CHAIR MADRIGAL, COMMISSIONERS, I'M SHERRY SWACKHAMER, THE INTERIM DIRECTOR OF THE DEPARTMENT OF COUNTY MANAGEMENT AND THE CHIEF INFORMATION OFFICER FOR MULTNOMAH COUNTY. I AM -- HERE WITH ME TODAY IS MICHAEL BOWERS, OUR DIRECTOR OF FACILITIES MANAGEMENT, AND BOB LINK, OUR DEPUTY CIO. WE'RE HERE THIS AFTERNOON TO TALK ABOUT THE DEPARTMENT OF COUNTY ASSETS CAPITAL BUDGET FOR FACILITIES AND INFORMATION TECHNOLOGY. MICHAEL IS GOING TO START OUR PART OF THE BRIEFING OFF AND TALK ABOUT FACILITIES AND PROPERTY MANAGEMENT.

>> GOOD AFTERNOON, CHAIR MADRIGAL AND BOARD OF COUNTY COMMISSIONERS. I THINK THE BOARD WILL NOTICE THERE IS MANY PARALLEL APPROACHES TO HOW TRANSPORTATION APPROACHES PROJECT PLANNING,

AS WELL AS FACILITIES. HOPEFULLY YOU NOTICED THERE WERE -- WE'RE FAIRLY CONSISTENT IN THAT REGARD. THE CAPITAL PRESENTATION TODAY IS LARGELY FOCUSED ON THE STATUS OF ONE TIME ONLY PROJECT REQUESTS, AS WELL AS OUR MAJOR MAINTENANCE AND REPAIR PROGRAM AND THE LARGER PROJECTS AS JULIE MENTIONED EARLIER. TO HIGHLIGHT MAYBE THE MAJOR OBJECTIVES THAT WE FOCUS ON IN OUR FACILITIES DIVISION, OVERALL WE WANT TO DELIVER HIGH QUALITY PROFESSIONAL SERVICE. WHILE WE RECAPITALIZE OUR AGING INVENTORY, WE WANT TO RIGHT-SIZE OUR FACILITIES PORTFOLIO, SO WE'RE NOT OCCUPYING MANY BUILDINGS THAT MAYBE ARE LESS THAN OPTIMALLY FILLED AND BEING IN USE. OUR TEAM MAKES INVESTMENTS BASED ON BUILDING CONDITION. WE ASSESS THE END OF LIFE CYCLES OF BUILDING SYSTEMS, AS WELL AS THE BUILDING ITSELF. WE SEEK PARTNERSHIPS INSIDE THE COUNTY, AS WELL AS OUR EXTERNAL PARTNERS WITH OTHER AGENCIES. AND I THINK MOST IMPORTANT TO THE PUBLIC, WE WANT TO IMPROVE OUR WORK SPACES BUT WE ALSO WANT TO IMPROVE THE WORK SPACES THAT THE PUBLIC COMES TO OCCUPY, SINCE WE DO SERVE A VERY LARGE ROBUST POPULATION. SIMILAR TO THE DCS BRIEF, WE CREATE A 10-YEAR BUILDING INVESTMENT PLAN. THE CRITERIA THAT WE USE IS THE AGE OF A FACILITY AND ITS SYSTEMS, THE CONDITION. ANY UNIQUE SAFETY AND HEALTH ISSUES EMERGING OUT OF THAT FACILITY, AS WELL AS WORKPLACE DEMOGRAPHICS, IF THE POPULATION WE SERVE OR THE WORKFORCE THAT SERVES THAT POPULATION NEEDS TO BE IN A DIFFERENT SPACE WITHIN THE COUNTY. WE WANT TO TAKE THAT INTO CONSIDERATION, AS WELL. WE BOIL THAT DOWN TO A FIVE-YEAR INVESTMENT PLAN THAT ULTIMATELY LEADS TO OUR CURRENT YEAR INVESTMENT PLAN. AND BY THAT WE LOOK AT BUILDINGS IN THREE DIFFERENT CATEGORIES, TIER 1, TIER 2, TIER 3. TO SIMPLIFY HOW WE THINK ABOUT THOSE TIERS, TIER 1 WE SEEK TO PRESERVE IN GOOD CONDITION. TIER 2, WE SEEK TO IMPROVE TO GOOD CONDITION, BECAUSE IT'S NOT IN OPTIMUM CONDITION. TIER 3 WE WANT TO REMOVE. TIER 3 MEANS IT'S A BUILDING WE'VE CHOSEN NOT TO CONTINUE TO USE, WE WANT TO DISPOSE OF THAT SOMEHOW. THE GRAPH IS QUITE INTERESTING. WE SEEK RETURNS ON INVESTMENTS. SO WHEN WE UPGRADE A SYSTEM WE WANT SOMETHING FAR MORE EFFICIENT THAN WHAT WE'RE REPLACING IN THAT SYSTEM. THE MULTNOMAH BUILDING, THIS GRAPH SHOWS OVER FOUR FISCAL YEARS IN THIS BUILDING BY EFFICIENT INVESTMENT IN REPAIRS AND MAINTENANCE WE'VE DECREASED THE COST FOR REPAIRS AND UTILITIES OVER TIME SUBSTANTIALLY. WHILE THE RATES MAY GO UP WITH UTILITIES WE PAY FOR EVERY YEAR, THE AVERAGE COST HAS ACTUALLY STAYED THE SAME OR GONE DOWN IN MOST OF OUR BUILDINGS. THAT'S A TREMENDOUS SUCCESS STORY ABOUT HOW WE'VE LEVERAGED EACH INVESTMENT OVER TIME. THE NEXT SLIDE TALKS TO THE AVERAGE AGE AND CONDITION OF OUR PORTFOLIO. WE HAVE 131 BUILDINGS, 3.1 MILLION SQUARE FEET, MOST OF IT IS OWNED. THESE TWO PIECHARTS ARE QUITE INTERESTING. THE AVERAGE AGE OF OUR PORTFOLIO IS JUST UNDER 50 YEARS, 45% IS 50 YEARS OR OLDER. THE GOOD NEWS IS WE'VE BEEN MAINTAINING MUCH OF OUR

PORTFOLIO IN TIER 1 GOOD CONDITION. THE RISK IS, AS FUTURE GRAPHS WILL SHOW THROUGHOUT THE POWERPOINT SLIDE, IF WE DON'T START REPLACING SOME OF THAT INVENTORY AS IT HITS 50 TO 75 YEARS, THE PIE CHART ON THE RIGHT COULD CHANGE AND WE COULD HAVE MORE TIER 2, MORE TIER 3.

>> IS THIS BY BUILDING OR BY SQUARE FOOT?

>> THIS IS ACTUALLY BY BUILDING NUMBER. THE OTHER ANALYSIS I WANT TO DO IS BY BUILDING SQUARE FOOT. IF IT WAS BY SQUARE FOOT THE TIER 1 WOULD BE SLIGHTLY LESS THAN WHAT'S SHOWN ON THIS SLIDE. THERE'S A FEW BUILDINGS LIKE THE DOWNTOWN COURTHOUSE THAT KICK THAT OUT OF PROPORTION BECAUSE WE HAVE A 320,000 SQUARE FOOT BUILDING.

>> OKAY, THANK YOU.

>> THIS SLIDE DEPICTS THE RESOURCES, REVENUE WE WILL WORK WITH IN FISCAL YEAR 15. FOR THE NONLIBRARY BUILDINGS WHICH IS 90% OF OUR PORTFOLIO, THERE ARE \$7.3 MILLION THAT WE WILL RECEIVE THROUGH THE DEPARTMENTS TO PAY FOR THE SQUARE FOOTAGE. BASED ON \$3.75 PER SQUARE FOOT THAT FEEDS INTO THAT PROGRAM, FOR THE LIBRARY FACILITIES, TIER 1, TIER 2, AND TIER 3, IT'S A LITTLE OVER \$1 MILLION NEXT YEAR. WITH THE LIBRARY DISTRICT BEING IMPROVED, WE WILL HAVE A SEPARATE ACCOUNT, WHICH JULIE WILL BREAK OUT A LITTLE LATER, TO TRACK THE LIBRARIES AS A DISTINCT CATEGORY OF PORTFOLIO. THE ONE-TIME RESOURCES THAT WE CURRENTLY ARE REQUESTING, AS WELL THE ONE-TIME RESOURCES THAT WE HAVE BEEN ALLOCATED IN THE PAST, I'M GOING TO TALK ABOUT A BRIEF STATUS UPDATE. THERE'S TWO ONGOING PROJECTS, THE HEALTH DEPARTMENT HEADQUARTERS AS WELL AS THE CENTRAL COURTHOUSE. WE'VE REQUESTED \$1 MILLION TO CONTINUE THE HEALTH DEPARTMENT WORK. TO GET THAT PROJECT PERMITTED WE'VE REQUESTED \$2.3 MILLION FOR THE CENTRAL COURTHOUSE TO CONTINUE THAT PLANNING WORK OVER THE NEXT FISCAL YEAR. THERE ARE TWO NEW PROJECTS THAT REQUESTS ARE BEING MADE. ANIMAL SERVICES REQUIRES A MUCH BETTER PUBLIC SPACE AT THEIR EDGEFIELD SITE THAT WE'RE LOOKING TO EXPAND. THE SHERIFF'S OFFICE HAS A COLUMBIA RIVER BOATHOUSE THAT WE WOULD LIKE TO DESIGN AND PERMIT THIS NEXT YEAR, NOT CONSTRUCT IT, AT THE COLUMBIA RIVER BOAT BASIN ON THE GLISAN METRO PROPERTY NEAR THE COLUMBIA RIVER. STATUS UPDATE ON THREE PRIOR REQUESTS FROM THE LAST TWO FISCAL YEARS, WE WERE ALLOCATED \$1 MILLION FOR HANSON SITE REDEVELOPMENT, ANOTHER \$1.2 MILLION FOR SHERIFF'S OFFICE ALTERNATE SITE AND RELOCATION TO START THAT PROCESS FOR HANSON, AS WELL AS AN FY 15 BUDGET NOTE THAT ALLOCATED \$1.1 MILLION FOR FIVE SPECIFIC PROJECTS TO REDUCE ENERGY AND MAINTENANCE COST. BY THE WAY, THOSE FIVE PROJECTS THAT I THINK COMMISSIONER SMITH INITIATED THAT BUDGET NOTE, THOSE FIVE PROJECTS

ARE ABOUT 50% COMPLETE. WE SHOULD FINISH ALL THOSE PROJECTS BY THIS COMING WINTER. PRETTY GOOD PROGRESS ON THOSE. I'LL TALK BRIEFLY IN THE NEXT FEW SLIDES ABOUT SOME OF THE RISKS AND WHAT WE'RE DOING TO MITIGATE THOSE RISKS IN TERMS OF INCREASING COSTS FOR OUR PORTFOLIO. IN THE BUILDING ENVIRONMENT THE AVERAGE BUILDING LIFE CYCLE IS UP TO 75 YEARS IDEALLY, IF IT'S BUILT WELL, WHICH IS A MUCH DIFFERENT CATEGORY AND LIFE CYCLE THAN MANY OTHER THINGS. WHEN THE BUILDING HITS 75 YEARS IT NEEDS A VERY BIG INVESTMENT, BIG B. OR PERHAPS REPLACED ALTOGETHER AFTER 75 YEARS. WE'RE WORKING VERY HARD AND DEALING WITH OUR MOST AT-RISK BUILDINGS TO BEGIN REPLACING THOSE. IT'S A PRETTY AGGRESSIVE CYCLE. THE HIGHEST PRIORITY PROJECTS I'LL MENTION ON THIS SLIDE, THE HEALTH DEPARTMENT HEADQUARTERS REPLACES THE MCCOY BUILDING, A 1920s VINTAGE BUILDING. WE HOPE TO COMPLETE THAT WITH THE BOARD'S APPROVAL THIS NEXT WINTER FOR THE FINAL CONSTRUCTION ALLOCATION BY THE FALL OF 2016. THE CENTRAL COURTHOUSE, WE HAVE A PRETTY ASSERTIVE SCHEDULE TO GET THAT SITE SELECTED AND GET THE FINANCIAL ANALYSIS PLAN COMPLETED FOR THAT BUILDING. THAT WOULD REPLACE A 1909, 1914 BUILDING THAT'S BEEN STUDIED SINCE 1969 FOR POTENTIAL REPLACEMENT. THE HANSON REDEVELOPMENT EVALUATION IS ESSENTIALLY, WHEN AND IF WE RELOCATE THE SHERIFF'S OFFICE COMPLEX AND OPERATION OFF OF THAT HANSON SITE, THAT SITE IS LOCATED SO IT MAY BE A GREAT PLACE TO RECONSTRUCT AND REBUILD 4.2 ACRES AS CAMPUS, IF YOU WILL, BY GETTING OUT OF LEASES OR OTHER BUILDINGS THAT ARE LESS VALUABLE TO THE COUNTY. SO WE HAVE AN EVALUATION THAT WE'RE STARTING THIS SUMMER WITH THAT FORMER ONE TIME ONLY MONEY TO START THAT. WITH THE HANSON SITE REPROGRAMMING, IN TERMS OF MOVING THE SHERIFF'S OFFICE OFF OF THAT SITE, A CONSULTANT HAS BEEN SELECTED. BY NEXT WINTER WE WILL HAVE AN EVALUATION, IN TERMS OF WHAT THE SHERIFF'S OFFICE NEEDS TO RELOCATE THAT OPERATION AND TO EITHER -- INTO EITHER LEASED OR NEW FACILITIES SOMEWHERE IN THE EAST PART OF MULTNOMAH COUNTY. WE SELECTED THAT CONSULTANT LAST MONTH, THE PROCESS IS UNDERWAY. I THINK JULIE'S GOING TO MENTION A COUPLE OF FINANCIAL NUANCES.

>> YEAH, SO FOR 2015, BECAUSE THERE'S SO MUCH KIND OF BIG DISCRETE WORK GOING ON, WE'VE CREATED TWO NEW CAPITAL CONSTRUCTION FUNDS, ONE FOR THE CENTRAL COURTHOUSE AND ONE FOR THE HEALTH DEPARTMENT HEADQUARTERS BUILDING. BOTH OF THOSE WILL RECEIVE LOTS AND LOTS OF ATTENTION, AND WE WANT TO BE ABLE TO EASILY KIND OF SHOW THE FINANCIAL RESOURCES THAT ARE APPROPRIATED FOR AND USED FOR THOSE TWO BUILDINGS. THE RESOURCES IN THOSE TWO FUNDS, THOUGH, ARE NOT ALL NEW. THE CENTRAL COURTHOUSE HAS A 42.5 MILLION APPROPRIATION. YOU SAY TO YOURSELF, WHERE DID THAT COME FROM. SO THE LARGE PARTS THAT ARE IN THERE, SEVERAL YEARS AGO YOU APPROPRIATED \$1 MILLION FOR DOWNTOWN COURTHOUSE PLANNING. WE'VE

USED SOME OF THAT, BUT WHATEVER'S LEFT WILL GO IN THERE. YOU ALSO REMEMBER BACK IN THE 30 YEARS OF PLANNING FOR THE DOWNTOWN COURTHOUSE, AT ONE POINT WE WERE CONSIDERING THE OPTION OF PUTTING A BUILDING ON THE WEST SIDE OF THE HAWTHORNE BRIDGE. AND WHEN THAT WAS AN ACTIVE OPTION THE PDC SORT OF FRONTED US ABOUT \$9 MILLION TO DO THE WORK TO MOVE THE RAMP OFF OF THAT SITE, SO WE'D HAVE A SQUARE BLOCK. IT TURNED OUT THAT THAT WAS NOT A BIG ENOUGH SITE FOR THE BUILDING. BUT WE STILL HAVE ABOUT \$9 MILLION NOW, AND SORT OF PENDING A DECISION ABOUT WHAT -- YOU KNOW, DO WE GIVE THAT BACK TO THE PDC, DO WE WORK IT OUT THAT WE CAN APPLY IT TO THIS PROJECT, IT'S JUST SITTING THERE. AND WE HAVE TO APPROPRIATE IT IN THE EVENT WE DO NEED TO FUND IT. THE OTHER BIG CHUNKS OF RESOURCES IN THAT FUND, ONE IS WE BELIEVE THAT WE WILL GET ABOUT \$15 MILLION FROM THE STATE FOR A SITE. AND IN THE EVENT THAT WE GET THAT MONEY WE WOULD NEED TO MATCH IT, RIGHT? THAT'S A REQUIREMENT OF THAT RESOURCE. SO MARK MENTIONED YESTERDAY THAT THERE WAS SOME ASSUMPTIONS ABOUT BORROWING IN THE CAPITAL PROGRAM. THAT'S ONE OF THE ASSUMPTIONS. WE ASSUME WE WOULD NEED TO BORROW WHATEVER WE NEED FOR THAT MATCH REQUIREMENT. THAT'S NOT SOMETHING WE'VE DONE YET, BUT IN THE EVENT THAT WE ARE ABLE TO DO THAT WE CAN. SO THAT IS WHAT MAKES UP THE RESOURCE IN THE CENTRAL COURTHOUSE FUND. SO THE HEALTH DEPARTMENT HEADQUARTERS, KIND OF THE SAME THING. YOU'LL RECALL THAT LAST YEAR YOU APPROPRIATED ABOUT \$5.4 MILLION FOR THE HEALTH DEPARTMENT HEADQUARTERS PROJECT. WE'VE USED THAT FOR PLANNING EFFORTS, AND THE REMAINDER WILL BE CARRIED OVER INTO THAT FUND. ADDITIONALLY WE DO ANTICIPATE THAT WE'LL GET THE \$26.9 MILLION FROM THE PDC IN THE CURRENT YEAR. THERE'S AN APPROPRIATION IN THERE FOR WHEN WE RECEIVE THAT. THEN THAT FUND HAS THE OTHER ASSUMED BORROWING TO MAKE UP THE DIFFERENCE BETWEEN RESOURCES ON HAND AND THE TOTAL ESTIMATED COST OF THE PROJECT. FINALLY, WE HAVE CREATED A LIBRARY CAPITAL FUND. THIS IS REALLY JUST SORT OF THE EQUIVALENT OF OUR ONGOING CAP FUNDS AND ASSET PRESERVATION FUNDS. AS MICHAEL MENTIONED, WE DO WANT TO KEEP RESOURCES FOR THE LIBRARY FACILITIES SEPARATED, SO THAT WE CAN SEE WHAT WE'RE DOING FOR THEM AND WHAT THEY HAVE PUT IN FOR THAT WORK. SO WE THINK THAT THESE NEW CAPITAL FUNDS WILL MAKE IT A LOT EASIER TO KEEP TRACK OF THESE THINGS GOING FORWARD.

>> JULIE, MADAME CHAIR, I HAVE A QUESTION BEFORE WE MOVE ON. FOR THE CENTRAL COURTHOUSE AND THE HEALTH DEPARTMENT HEADQUARTERS, CAN WE GET A LISTING OF ACTUALLY CASH ON HAND IN EACH OF THESE ACCOUNTS? IF IT IS NOT CLEAR WHAT WE HAVE ON HAND -- I DIDN'T KNOW ABOUT THE \$9 MILLION FROM PDC.

>> IT HAPPENED IN 2007, BEFORE MY TIME.

>> THAT'S BEEN THERE FOR QUITE A WHILE.

>> BUT WE HAVE THAT \$9 MILLION IN OUR ACCOUNTS? IT WOULD BE REALLY HELPFUL TO KNOW EXACTLY CASH ON HAND WHAT WE HAVE. AND THEN PUT ANOTHER LINE THAT SAYS WHAT WE HAVE COMMITTED, LIKE THE \$15 MILLION FROM THE STATE.

>> OKAY.

>> THANKS.

>> NOW THAT WE'VE COVERED THE MAJOR RECAPITALIZATION PROJECTS, THIS IS MAYBE MINOR, ALTHOUGH IT IS MAJOR MAINTENANCE AND REPAIR PROJECTS FOR SOME BUILDINGS. UNLIKE PRIOR YEARS WHERE WE LISTED MAYBE THE 60 PROJECTS INCLUDING THE \$25,000, \$30,000 PROJECTS, WE'VE FOCUSED ON THE MULTI-HUNDRED THOUSAND DOLLAR PROJECTS, LIKE 10. THE JUSTICE CENTER, WE'VE DISCOVERED IN THE LAST FEW YEARS THAT THE WATER PIPING SYSTEM REALLY NEEDS REPLACED. THE MAJOR TRUNK SYSTEM IN THE BUILDING IS LIKELY TO EXCEED A MILLION DOLLARS. WE ARE STARTING THAT DESIGN WORK AT THE MOMENT. IN THE MEAD BUILDING, WHICH IS ALSO AN OLDER BUILDING, I THINK 1930S VINTAGE PERHAPS, WE HAVE INTERIOR REPAIRS AND UPGRADES THAT WE'RE DOING IN MEAD. FOR THE LIBRARIES, WE'RE DOING A COUPLE OF REROOF PROJECTS FOR THE LIBRARY BUILDINGS. IN THE MULTNOMAH BUILDING WE HAVE ROOFING AND WINDOW LEAKAGE PROBLEMS IN SOME FLOORS, SO WE'RE SPENDING SOME SIGNIFICANT MONEY ON DOING THE PERIMETER WORK ON THIS BUILDING ON THE OUTSIDE. A CONTINUING PROJECT IS JUVENILE JUSTICE AND JAIL ELECTRONICS. I HAVE A SLIDE FOLLOWING TO KIND OF HIGHLIGHT THAT PROJECT. THAT'S ABOUT 50% COMPLETE OVERALL. IN INVERNES WE ARE WORKING ON SOME JAIL PROJECTS AND MECHANICAL SYSTEM REPLACEMENTS. MULTNOMAH COUNTY EAST, SOME BOILER REPLACEMENTS IN THE GATEWAY CHILDREN'S CENTER. WE HAVE SOME BUILDING OUTSIDE, EXTERIOR UPGRADES. THE NEXT SLIDE KIND OF HIGHLIGHTS THE STATUS OF A COUPLE OF THE LARGER, MOST SIGNIFICANT PROJECTS. JUVENILE JUSTICE CENTER AND INVERNES JAIL DETENTION ELECTRONICS, A GREATLY SUCCESSFUL PROJECT, I DID HAVE THE PRIVILEGE TO TOUR THE STATUS OF THAT PROJECT YESTERDAY. THE BOTTOM PICTURE ON THIS SLIDE SHOWS THAT TODAY IN THE DETENTION FACILITIES WE HAVE NINE INCH BY NINE INCH LITTLE MONITORS WITH TOGGLE SWITCHES AT THE DESK, THAT ARE EARLY 1990S, MID 1990s VINTAGE BEFORE DIGITAL ELECTRONICS WENT GREAT WITH TECHNOLOGY IMPROVEMENTS. THAT'S WHAT WE HAVE THROUGHOUT THE DETENTION ELECTRONICS FACILITY AT JUVENILE JUSTICE AND INVERNES JAIL. THERE IS A NEW 2-INCH TOUCH-SCREEN MONITOR REPLACING THE 9-INCH THINGS. THEY WILL BE CONNECTED TO THE CAMERAS THROUGHOUT THE INSIDE AND OUTSIDE OF THE FACILITY. THIS IS LIKE A 20-YEAR LIFE

CYCLE UPGRADE, I THINK IT'S ALMOST \$2 MILLION WHEN YOU INCLUDE BOTH FACILITIES TOGETHER. THE GREAT NEWS IS, IF YOU GO TO THOSE CONTROL ROOMS YOU HAVE WIRES AND WIRES AND SPAGHETTI AND CABLES EVERYWHERE. 60% OF THAT IS OBSOLETE AND WILL BE TAKEN OUT. ON THE MAINTENANCE SIDE, IT WILL BE GREAT TO CHASE THE SYSTEM FAILURE. THERE WILL BE NEON LIGHTS, OKAY, THIS IS WHERE THE MECHANIC NEEDS TO GO. FOR THE FABULOUS FIVE- OR SIX-PERSON ELECTRONICS SHOP, THIS WILL BE FANTASTIC TO TROUBLESHOOT. THINK OF THE DOWNTOWN COURTHOUSE THAT HAS THREE OR FOUR GENERATIONS OF THESE WIRES HAVE BEEN ABANDONED IN PLACE, WE'RE GETTING AHEAD OF THAT PROBLEM IN INVERNES JAIL AND JUVENILE JUSTICE, TO KIND OF TAKE CARE OF THAT ONCE AND FOR ALL. WE'RE NOT GOING TO LEAVE THE OLD STUFF ABANDANED IN PLACE, WE'RE GOING TO CLEAN UP ALL THOSE ROOMS. THE DEPUTIES AND THE CUSTODY FOLKS WERE REALLY EXCITED ABOUT THIS PROJECT. WE'RE ABOUT TO LAUNCH THE ENTIRE REPLACEMENT ABOUT THREE TO FOUR WEEKS FROM NOW. WE HAVE BEEN DOING DESIGN WORK AND PREP WORK. THAT'LL WRAP UP THIS SUMMER AND THEN WE'RE MOVING ON TO THE JAIL. THIS BUILDING IS PROBABLY NOT QUITE AS EXCITING WITH THE ROOFING AND WINDOW LEAK PROBLEMS.

>> FOR ANYONE WHO HAS SAT UNDER A LEAK, IT'S VERY EXCITING.

>> FOR FOLKS WORKING IN OFFICE SPACES WITH CEILING TILE LEAKS OR WINDOW LEAKS, WE HAVE \$1.4 MILLION THIS SUMMER, WE'LL TRY TO WRAP THAT UP BY NEXT WINTER. IN THIS BUILDING WE DO THAT EXTERIOR UPGRADE, THAT PROBABLY HASN'T BEEN DONE SINCE WE BOUGHT THE BUILDING AND GOT IT READY FOR OCCUPANCY FOR THE COUNTY. I WILL NOT LINGER ON SEISMIC MUCH. WE HAVE THE SAME ISSUES WITH OUR TRANSPORTATION FOLKS, IN THAT ABOUT THE SAME RISK OR LIABILITY. \$200 MILLION. THIS IS A LITTLE BIT OUTDATED, THIS IS A 2008-2009 STUDY. OBVIOUSLY AS WE REPLACE SOME OF THESE OLDER BUILDINGS, AND EITHER PROVIDE THEM FOR DEMOLITION OR SOME OTHER OWNER, THE LIABILITY WILL GO DOWN FOR US. THE EVALUATION, WE HAVEN'T DONE. COMMISSIONER SHIPRACK IS GOING BACK AND DOING A MORE DETAILED STRUCTURAL EVALUATION TO DETERMINE, IS THIS BUILDING SURVIVABLE IN A 5.0 OR 6.0. WE HAVEN'T DONE THAT SCALED KIND OF ANALYSIS. IT'S GOING TO BE A LITTLE MORE EXPENSIVE TO DO THAT BUT WE COULD CERTAINLY ADD THAT TO OUR TO-DO LIST. I THINK OUR HOPE LONG TERM IS THAT, IN CONJUNCTION WITH MAJOR RENOVATION THIS LIABILITY WILL GO DOWN OVER TIME. NEXT SLIDE, THE BLUE BARS HIGHLIGHT THE REPAIR AND MAINTENANCE RISK THAT THE COUNTY FACES FISCAL YEAR 17 TO FISCAL YEAR 36, UNTIL THE BUILDINGS REACH THEIR END OF LIFE, PERIOD. THE YELLOW BARS HIGHLIGHT THE RESULTS OF OUR INVESTMENTS PLAN IN THE HANSON FACILITY, THE DOWNTOWN COURTHOUSE AND REPLACING THE MCCOY BUILDING WITH THE NEW HEALTH CENTER. THAT WILL BEGIN TO SEE THE PAYBACK OVER THE NEXT 20 TO 25 YEARS IN OUR INVESTMENT PLAN.

WHEN WE COMPLETE OUR STRATEGIC PLAN NEXT WINTER AND LOOK AT MAYBE THE NEXT SET OF BUILDINGS THAT WE NEED TO TACKLE WITH THE EXISTING CASH FLOW, THIS WILL HOPEFULLY BEGIN TO GO DOWN EVEN FURTHER. YOU WANT TO START THOSE INVESTMENTS BY FISCAL YEAR 17 IDEALLY. THE RED LINE INDICATES OUR CASH FLOW LIMITS TODAY, THAT \$3.75 PER SQUARE FOOT.

>> AND WHAT IS CAUSING THAT BIG JUMP BETWEEN FY 16 TO 17 TO 21?

>> A FEW DIFFERENT THINGS. WE HAVE THE FORECAST THAT GOES OUT 30 YEARS AS TO WHEN THE AGE OF A BUILDING HITS ITS END OF USEFUL LIFE. BASED ON OUR PORTFOLIO BEING 50 YEARS OLD, THEY ARE BASED ON CERTAIN SYSTEMS IN THE COUNTY THAT WE MAY HAVE REPLACED IN THE 1980s OR 1970s. WE HAVE MANY THINGS HITTING THE SAME TIME PERIOD IN NEXT 30 YEARS, OF NEEDING REPLACED. THE OTHER THING I SHOULD MENTION, OUR STAFF IS EVALUATING, ARE THERE INTERIM MCGIVER KIND OF SOLUTIONS THAT THE OPERATING AND MAINTENANCE STAFF AND OTHERS CAN DO? WE HAVE BEEN ABLE TO DEFER SOME OF THESE SUCCESSFULLY. OTHER VALUATION WE'RE DOING IN HOUSES CAN WE DO SOME PREVENTION REPAIRS.

>> ONE OTHER THING I WOULD ADD IS THESE DO NOT INCLUDE SEISMIC NUMBERS.

>> THAT'S TRUE.

>> CHAIR MADRIGAL, I HAVE A QUESTION TO KIND OF PIGGYBACK ON WHAT THE CHAIR IS ASKING. SO AT THE 40 MILLION MARK, FY 17-21, DO YOU KNOW HOW MANY BUILDINGS THAT REPRESENTS?

>> HOW MANY BILLIONS.

>> BUILDINGS.

>> WE HAVE 131 BUILDINGS ALL TOGETHER, ABOUT 75%, 80% OF THOSE ARE OWNED, SO IT'S PROBABLY A LITTLE OVER 100 BUILDINGS.

>> SO THERE ARE 100 BUILDINGS COMING UP BETWEEN 17 AND 21, BETWEEN THAT \$40 MILLION? DOES THAT REPRESENT 100 BUILDINGS?

>> YES, MA'AM, THOSE ARE FIVE-YEAR INCREMENTS. THE AVERAGE AMOUNT OF DOLLARS WE HAVE PER YEAR IS AROUND \$8 MILLION. THE REVENUE, THAT \$40 MILLION PREDICTS THE CASH THAT WE HAVE. THE DIFFERENCE WILL NEED TO BE MADE UP FROM DISPOSITIONS OR ONE TIME ONLY MONEY, SOME CREATIVE FINANCING MECHANISMS, AS WE LOOK AT SOME OF THE OPTIONS WE HAVE.

>> SO I WANT TO MAKE SURE THAT I'M NOT ABUSING THE INFORMATION THAT YOU'RE PROVIDING. BUT IF WE WERE TO TAKE THE SPACES BETWEEN THE YELLOW BARS AND THE BLUE BARS, AND ADD THOSE SPACES TOGETHER ACROSS THIS PERIOD OF TIME, WOULD THAT BE THE TOTAL MONEY SAVINGS THAT OUR FACILITY'S CAPITAL PROGRAM ENJOYS, BY REPLACING THE COURTHOUSE, HANSON AND MCCOY BUILDINGS?

>> I WOULD STATE THAT LITTLE DIFFERENTLY, COMMISSIONER SHIPRACK. I THINK THAT'S COST AVOIDANCE OR MAYBE THE RISK OF UNPREDICTABLE BREAKDOWNS AND REPAIRS ASSOCIATED WITH A DEFERRED MAINTENANCE PROGRAM AND AGE AND CONDITION. ON THE ONE HAND YOU COULD SAY THAT'S SAVINGS, BUT IT'S PROBABLY MORE CHARACTERIZED AS COST AVOIDANCE KINDS OF ISSUES.

>> COST AVOIDANCE BEING HOW WE ARTICULATE SAVINGS THAT ACCRUE TO UNFUNDED LIABILITY ACCOUNTS?

>> YES. I ACTUALLY BELIEVE AS WE DO MORE ANALYSIS, FOR INSTANCE WITH THE DESIGN FOR MCCOY'S REPLACEMENT AND THE COURTHOUSE REPLACEMENT, THESE NUMBERS ARE PROBABLY UNDERSTATED. FOR EXAMPLE, I THINK THE TOTAL NUMBERS HERE ADD UP TO MAYBE 60, \$70 MILLION IF YOU LOOK AT THE PROFILE HERE. WE HAVE A RECENT STUDY ON THE COURTHOUSE THAT NEEDS A LITTLE MORE ANALYSIS THAT SAYS IF WE DECLARE ALL MECHANICAL, ELECTRICAL OR ELECTRONIC SYSTEMS, SOME OF THE STRUCTURES OBSOLETE, THAT COULD REACH MAYBE \$100 MILLION. AS SHERRY MENTIONED, SEISMIC LIABILITY ISSUES ARE NOT INCLUDED IN THIS SLIDE, EITHER. IF WE LOOK AT THE TOTAL PACKAGE OF RISK, COST AVOIDANCE AND BREAKDOWN, I THINK WE'LL SEE A GREATER PAYBACK. PART OF OUR STRATEGIC PLAN IS GETTING BETTER AT PREDICTING THAT ANSWER THROUGH OUR BUSINESS FINANCE TEAM.

>> I APPRECIATE THAT, BECAUSE THE LINES BECOME VERY SHARP WHEN YOU CONSIDER NECESSARY BUILDING MAINTENANCE EXPENDITURES LIKE ELEVATORS AND HEATING SYSTEMS AND PLUMBING SYSTEMS. THE TEAM THAT'S WORKING RIGHT NOW HAS DONE SOME ANALYSIS WITH JULIE AND HER STAFF TO LOOK AT THE AVERAGE MAINTENANCE COST IN A NEWER BUILDING. SOMETHING LIKE THE EAST COUNTY COURTHOUSE RECENTLY. THE AVERAGE MAINTENANCE COST, ALTHOUGH WE'RE PAYING DEBT SERVICE ON THAT, IS OFTEN LESS THAN HALF OF WHAT OUR OPERATIONS MAINTENANCE COST IS FOR CURRENT PORTFOLIO THAT'S PRE-AGED. IN SOME CASES WE COULD PROBABLY BEAT THAT NUMBER, SO IT IS SUBSTANTIAL.

>> THANK YOU, I APPRECIATE THAT. AGAIN, I JUST DON'T WANT TO KEEP KICKING THIS, BUT I WANT TO SAY I THINK THE WAY WE ARTICULATE OUR

NARRATIVE IS IMPORTANT. AND THESE ARE REAL INVESTMENTS WITH REAL RETURNS. AND I THINK WE CAN SHADE THOSE RETURNS AND WE CAN CATEGORIZE THEM AS CERTAIN -- OR, YOU KNOW, I THINK THERE'S AN ARC WHERE THERE'S A CERTAINTY, AND THEN THE ARC GOES OUT TO LIKELY, AND THEN PROBABLE AND POSSIBLE. I THINK ALL ALONG THAT ARC OF OUR NARRATIVE OF INVESTING IN BUILDINGS WE SHOW SAVINGS. SO I APPRECIATE YOU DESCRIBING THAT FOR US THIS WAY, AND I HOPE TO CONTINUE TO IMPROVE OUR NARRATIVE SO WE CAN COMMUNICATE THIS MORE ACCURATELY.

>> I WILL MENTION A FEW DISPOSITIONS AND WHERE OUR STRATEGIC PLAN IS HEADED. I'LL HIGHLIGHT THE STRATEGIC PLAN, BECAUSE THE SWEET SPOT YOU MENTIONED IS EXACTLY WHERE WE'RE TRYING TO HIT. WE DON'T WANT TO OVERINVEST AND REPLACE ONE TOO EARLY, WE DON'T WANT TO UNDERINVEST AND HAVE SOMETHING BREAK DOWN IN A HIGHLY EXPENSIVE SURPRISE, SO WE'RE TRYING TO HIT THAT SWEET SPOT. BETWEEN JULIE'S STAFF, SHERRY'S TEAM AND OUR ASSET MANAGERS, THAT'S THE STRATEGIC PLAN PURPOSE WE WANT TO BRING BACK NEXT SPRING AND FIGURE OUT WHAT'S THE NEXT TIER OF THINGS THAT REALLY HAVE THE HIGHEST RISK AND THE BEST RETURN ON INVESTMENT. ALONG WITH THAT, DISPOSITIONS ARE VERY PROMINENT. THE LONGER WE HOLD ON TO A FACILITY THAT WE'VE VACATED, THAT DOES HAVE A COST TAIL TO THAT. WE'RE ACTIVELY WORKING ABOUT FIVE DISPOSITIONS AT THE MOMENT, AND WE HAVE A FEW MORE THAT WE'RE GOING TO ADD. THE MORRISON BRIDGE HAD A SALES AND DEVELOPMENT AGREEMENT. WE HAVE THE WICKMAN FACILITY, THE EDGEFIELD PROPERTY NEAR ANIMAL SERVICES, THE COUCH STREET HOUSE' WOMEN'S TRANSITION CENTER, AND SOON TO BE ADDED THE MCCOY BUILDING, AS WE START TO PLAN OUT THE MOVE PROCESS OF THAT BUILDING. QUITE A LOT OF EXCITING THINGS, AND SOME OF THOSE ARE MOVING QUICKLY, WHICH WE'RE QUITE HAPPY ABOUT. IN SUMMARY, WE ARE LOOKING AT OUR STRATEGIC PLAN LONG TERM, MAKING GOOD SHORT-TERM INVESTMENTS THAT MIRROR WHAT A LONG TERM COMMITMENT IS TO CERTAIN FACILITIES, OR MAYBE LACK OF COMMITMENT TO FACILITIES IS. PACKAGING WORK PRODUCTS IN BETTER PACKAGES, SO WE CAN GET ECONOMY OF SCALE OUT OF ROOFING, ELEVATOR PROJECTS, MECHANICAL PROJECTS. SEEKING PARTNERSHIPS, I JUST WANT TO MENTION ONE GREAT PARTNERSHIP IN THE LAST COUPLE OF YEARS -- THE SOUTHEAST HEALTH CLINIC THAT WE CREATED, THAT WAS A PARTNERSHIP BETWEEN THE DEPARTMENT, THE HEALTH DEPARTMENT THAT HAD A GRANT. OUR DIVISION THAT HAD SOME MAINTENANCE AND REPAIR RESOURCES, WE MERGED THOSE TWO TOGETHER IN A VACANT BUILDING. SO WHEN THE DEPARTMENT OCCUPIED THAT AND OPENED, IT WAS ONE OF THOSE THINGS, WE SHOULDN'T HAVE TO TOUCH OR REPAIR THAT FOR QUITE A LONG TIME. ONE OF THE INTERNAL DEPARTMENT -- BY DEPARTMENT COOPERATIVE AGREEMENTS WE'RE TRYING TO DO, IS WHEN WE HAVE AN OPPORTUNITY, AND THIS BUILDING IS A KEEPER AT LEAST FOR THE NEXT 25-YEAR HORIZON,

WE'RE GOING TO TRY TO MERGE FUNDING FROM TWO OR THREE DIFFERENT DEPARTMENTS, GET IN THERE AND DO A GREAT JOB. THE CIO STAFF CAN GET IN AND DO SOME TECHNOLOGY UPGRADES, WORKPLACE UPGRADES CONCURRENTLY. SO WE'RE TRYING TO BE A LITTLE BIT MORE SOPHISTICATED IN OUR FIVE, 10, AND 15-YEAR PLANNING. WITH THAT, I WOULD BE HAPPY TO ANSWER ANY OTHER FACILITIES RELATED QUESTIONS.

>> ANY QUESTIONS FOR FACILITIES?

>> I THINK I KNOW THE ANSWER TO THIS, MICHAEL, BUT DOES THE MCCOY BUILDING FALL UNDER THE MCGIVER APPROACH, IN TERMS OF FIXES WHILE WE'RE WAITING FOR THE HEALTH DEPARTMENT HEADQUARTERS? I NOTICED IT WASN'T ON THE LIST FOR ANY UPDATES OR FIXES. FOR THE MCCOY BUILDING? WE HAVE HAD OUR TEAM GO IN THE MCCOY BUILDING, WE EVALUATED THE MINIMUM LEVEL OF INVESTMENT IT NEEDS FOR THE NEXT THREE YEARS BEFORE WE RELOCATE OUT OF THAT. THE BUILDING ON PAPER NEEDS \$19 MILLION IN REPAIRS. WE THINK IN THREE YEARS WE COULD GET BY WITH PROBABLY JUST A FEW HUNDRED THOUSAND DOLLARS OR LESS THAN A MILLION DOLLARS' REPAIRS. WE'VE MADE THAT EVALUATION. SO WE'RE TRYING TO SORT OF RETAIN THOSE DOLLARS SO IT CAN GO INTO THE CASH FLOW OF THE NEW HEALTH HEADQUARTERS.

>> ANY OTHER QUESTIONS FOR FACILITIES? OKAY. THANK YOU VERY MUCH. INFORMATION TECHNOLOGY.

>> GOOD AFTERNOON AGAIN, CHAIR MADRIGAL, COMMISSIONERS, SHERRY SWACKHAMER HERE AND BOB LEAK. WE ARE GOING TO TALK TODAY ABOUT THE INFORMATION TECHNOLOGY CAPITAL PROGRAM. WE WILL KICK THIS OFF WITH A LITTLE VIDEO. WE'VE BEEN ON AN ONGOING BASIS JEALOUS OF THE NICE PICTURES THE DEPARTMENT OF COMMUNITY SERVICES HAS SO WE BROUGHT ONE OF OUR OWN VIDEOS. [VIDEO]

>> WHAT DREW ME TO MULTNOMAH COUNTY WAS THE CHANCE TO BE PART OF SOMETHING WITH A DIRECT AND POSITIVE IMPACT ON THE PEOPLE IN MY COMMUNITY. AT MULTNOMAH COUNTY I HAVE A SENSE OF BELONGING. I HAVE A SENSE OF PURPOSE, AND I CAN MAKE A DIFFERENCE.

Ms. Hudson: MY NAME'S ANN HUDSON, I'M A SENIOR BUSINESS SYSTEMS ANALYST WITH APPLICATION SERVICES. WITHIN APPLICATION SERVICES, I'M PART OF THE HEALTH AND HUMAN SERVICES TEAM. AS A TEAM WE SUPPORT PROGRAMS THAT PROVIDE HEALTH CARE FOR THE UNINSURED AND UNDERINSURED COMMUNITY ACROSS THE COUNTY. THE ALSO INCLUDES PROGRAMS THAT RANGE FROM RESTAURANT INSPECTION TO FOOD HANDLERS LICENSING TO TESTING HOMES FOR LEAD AND OTHER CONTAMINANTS. WE ALSO PROVIDE SUPPORT FOR PROGRAMS FOR MENTAL HEALTH AND ADDICTION TREATMENT AND SERVICES RELATED TO DOMESTIC

VIOLENCE. MY FOCUS IS ON HUMAN SERVICES. MY CUSTOMERS ARE SOCIAL WORKERS, COMMUNITY HEALTH NURSES AND PROGRAM MANAGERS. IT'S A PRIVILEGE TO SUPPORT THESE PEOPLE IN THIS VERY IMPORTANT WORK. I WORK ON CASE MANAGEMENT PROJECTS, AND THAT COMBINES THE DATA FROM PROGRAMS ACROSS ACROSS AGING AND DISABILITY SERVICES. THE APPLICATIONS WE DEVELOP SHARE THIS COMMON DATABASE AND ALSO SHARE A LOT OF COMMON CODE. CONSOLIDATING THESE DATA INTO ONE DATABASE ALLOWS US TO ANSWER IMPORTANT QUESTIONS ABOUT THE PEOPLE WE'RE SERVING AND THE EFFECTIVENESS OF OUR PROGRAM. AND USING THE LATEST TECHNOLOGY REALLY PUTS US IN A POSITION TO PROVIDE HUGE VALUE TO OUR CUSTOMERS. WE CAN ACTUALLY MAKE PEOPLE'S LIVES BETTER, BECAUSE THEY ARE SPENDING MORE TIME WITH THEIR CLIENTS AND LESS TIME SITTING IN FRONT OF THE COMPUTER. THERE ARE MANY REASONS I STAY AT MULTNOMAH COUNTY, BUT TOP AMONG THE REASONS HAS TO BE WORKING WITH PEOPLE I RESPECT AND ADMIRE. I ALSO LOVE THE COUNTY'S FOCUS ON THE PHYSICAL WELL-BEING, NOT ONLY OF THE CONSTITUENTS, BUT OF THE EMPLOYEES. WE ENDOURAGE EACH OTHER TO STAY ACTIVE, WE TAKE WALKING MEETINGS WHEN WE CAN AND SOMETIMES WE EVEN TAKE RUNNING MEETINGS. BEFORE COMING TO MULTNOMAH COUNTY, MY FAVORITE JOB WAS WORKING FOR A SMALL BUT UP AND COMING SOFTWARE DEVELOPMENT COMPANY. MY COLLEAGUES WERE ENERGETIC, TALENTED AND PASSIONATE ABOUT THEIR WORK. THE WORK WAS MEANINGFUL AND CHALLENGING, AND OUR CUSTOMERS WERE LITERALLY SAVING PEOPLE'S LIVES. I FOUND ALL THAT HERE AT MULTNOMAH COUNTY, BUT WITHOUT THE ALL-NIGHTERS. THE I.T. DEPARTMENT IS LOOKING FOR PEOPLE WHO ARE INTERESTED IN MAKING A DIFFERENCE IN THEIR COMMUNITY, IN WORKING ALONGSIDE TALENTED PEOPLE WHO ARE PASSIONATE ABOUT THE WORK THEY DO. BECOMING A MEMBER OF A HIGH-FUNCTIONING TEAM AND DELIVERING HUGE BUSINESS VALUES TO THE COMMUNITY. [END OF VIDEO]

>> SOUNDS LIKE A GOOD PLACE TO WORK.

>> THANKS.

>> OKAY. SO BACK TO THE CAPITAL PROGRAM.

>> FIRST, I'LL GIVE THE BOARD JUST A LITTLE REMINDER ON WHERE WE GET FUNDS FOR THE CAPITAL PROGRAM IN I.T. PRIMARILY THOSE FUNDS COME FROM BOARD-APPROVED ONE TIME ONLY GENERAL FUNDS, AND THEY CAN BE NEW ALLOCATIONS. YOU'LL HEAR ABOUT A COUPLE OF NEW REQUESTS WE HAVE THIS YEAR IN A FEW MINUTES, AND THE CARRYOVER FROM PRIOR YEARS. WE CAN ALSO RECEIVE FUNDS FROM DEPARTMENTAL INTERNAL SERVICE ALLOCATIONS. GENERALLY THESE ALLOCATIONS ARE UTILIZED TO MAINTAIN THE CURRENT SYSTEMS THAT WE HAVE, AND TO DO SMALLER SYSTEMS AROUND \$75,000 AND UNDER. THERE ARE ALSO SOMETIMES

OPPORTUNITIES FOR GRANTS, AND WE HAVE USED DEBT FUNDING AND CREDIT BONDS IN THE PAST TO FUND LARGE PROJECTS. CURRENTLY ALL OF OUR FUNDING SOURCE IS FROM THE ONE TIME ONLY GENERAL FUND. SO AS I THINK YOU ALL KNOW, WE'VE BEEN TRYING TO HAVE A MORE FORMAL CAPITAL PLANNING PROCESS IN I.T. OVER THE LAST COUPLE OF YEARS. AND WE'RE TRYING TO BE CONSISTENT WITH THE WAY CAPITAL PLANNING IS DONE IN BOTH TRANSPORTATION AND FACILITIES. ALTHOUGH THE LENGTH OF TIME, AS MICHAEL MENTIONED, FOR I.T. VERSUS FACILITIES IS QUITE DIFFERENT. CURRENTLY WE TRY TO LOOK AT A GROUP OF PROJECTS THAT ARE NEEDED AND IN A ONE- TO FIVE-YEAR TIME FRAME, AND THEY ARE GENERALLY LARGE PROJECTS AND THE AMOUNT REQUIRED IS OVER \$75,000. WE ALSO HAVE AN ANNUAL CAPITAL REPLANNING PROCESS. THE OPS COUNCIL IS OUR GOVERNMENT STRUCTURE FOR I.T. PROJECTS. DEPARTMENTS HAVE AN OPPORTUNITY DURING THIS REPLANNING TWICE A YEAR TO BRING FORWARD NEW PROJECT REQUEST,S, IN SEPTEMBER AND IN JANUARY. WE WORK WITH THE OPS COUNCIL TO EVALUATE THOSE REQUESTS. WE COME TO THE BOARD TWICE A YEAR TO TALK ABOUT THE PROJECTS THAT WERE FUNDED FOR THE PREVIOUS YEARS, THEIR STATU,S, AND THEN TO HIGHLIGHT ANY NEW REQUESTS THAT WE HAVE. AS YOU MIGHT REMEMBER< WE WERE HERE A FEW MONTHS AGO TO DO THAT. ON THIS SLIDE I WON'T GO OVER THEM INDIVIDUALLY, BUT WE DO REEVALUATE THIS ON AN ANNUAL -- EVERY ONE TO TWO YEARS TO JUST ENSURE THAT THESE ARE STILL THE RIGHT PERSPECTIVE TO LOOK AT. AND THE OPS COUNSEL HAS REPRESENTATION FROM ALL THE DEPARTMENTS AND THE NON DES ACTUALLY. FROM OUR BRIEFING A FEW MONTHS AGO YOU MAY REMEMBER THIS LIST, THESE WERE THE PROJECTS FUNDED, VIA BEING APPROVED FOR THE 2014 BUDGET. THESE ARE THE PROJECTS THAT WE WILL BE CARRYING OVER AND COMPLETING IN 2015. BOB WILL PROVIDE AN UPDATE ON THESE IN JUST A FEW MINUTES. WE DO HAVE TWO NEW REQUESTS FOR FISCAL YEAR 2015. THE FIRST ONE IS AN INCREASE OR A CONTINUANCE OF THE PROJECT THAT IS CURRENTLY UNDERWAY TO REPLACE OUR AGING AND UNSUPPORTED PHONE SYSTEM. IT'S KNOWN AS THE NETWORK CONVERGENCE OR VOICE OVER I.P. PROJECT. IT'S BEEN VERY SUCCESSFUL UP TO THIS POINT. AGAIN, BOB WILL BE TALKING A LITTLE MORE ABOUT THAT LATER. THE SECOND PROJECT IS THE I.T. CONTINUITY OF OPERATIONS PROJECT. WE ARE LOOKING TO IMPROVE THE TECHNICAL INFRASTRUCTURE THAT WE HAVE THAT WILL BE NEEDED IN CASE OF AN EMERGENCY AND FASTER RECOVERY SITUATIONS, VIA OUR COUNTYWIDE REMOTE ACCESS AND THE ABILITY TO PROVIDE ALTERNATIVE WORK SITES. I'LL TALK MORE ABOUT THIS LATER. THIS PIE CHART REPRESENTS OUR REQUESTS FOR FISCAL YEAR 2015. IT INCLUDES THE CARRYOVER REQUEST OF \$5.2 MILLION. THAT IS BROKEN OUT BY PROJECT. IT INCLUDES THE TWO ONE TIME ONLY REQUESTS THAT I JUST MENTIONED, AND IT ALSO INCLUDES \$1 MILLION IN FUNDING FOR LIFE CYCLE REPLACEMENTS THAT THE BOARD APPROVED IN THE FISCAL YEAR 2014 BUDGET. AND THEN IN ANTICIPATION OF THE POTENTIAL REPLACEMENT OF OUR ERP SYSTEM, AND IN RECOGNITION OF A

MORE FORMALIZED PROCESS FOR THE CAPITAL PROGRAM. BOB IS GOING TO TALK ABOUT THE STATUS OF OUR CARRYOVER PROJECTS.

>> GOOD AFTERNOON, COMMISSIONERS. I'M HERE TO LEND SOME ENTHUSIASTIC UPDATES AROUND ALL THE TECHNOLOGY PROJECTS THAT ARE GOING ON IN THE CAPITAL PROGRAM. WE WERE HERE A FEW MONTHS AGO, THERE HAS BEEN SOME PROGRESS IN SOME OF OUR AREAS. BUT AS JULIE MENTIONED EARLIER MANY OF THESE CAPITAL PROJECTS HAVE LONG LIFE CYCLES ASSOCIATED WITH THEM. I JUST WANT TO WALK THROUGH THE EIGHT THAT HAVE CURRENT STATUS, AND THEN I'LL TURN THINGS BACK OVER TO SHERRY RELATED TO THE NEW REQUESTS. SO WE'LL START WITH OUR PHONE CONVERSION PROJECT. YOU'LL SEE THE STATISTICS HERE. THE GOOD NEWS IS WE'RE HALFWAY THROUGH REPLACING THE PHONES, THE ACTUAL PHONES ON THE DESKS, OR THE TRANSITION TO WHAT WE CALL OUR SOFT PHONES, OR PHONES THROUGH A COMPUTER. WE ONLY COVERED A LITTLE BIT LESS THAN 20% OF THE FACILITIES. IT'S BECAUSE WE CHOSE TO DO OUR BIG FACILITIES FIRST, TAKE ON THE HARD WORK INITIALLY. THE REMAINING FACILITIES, THERE ARE A TOTAL OF 83 OF THOSE THAT WE'RE GOING TO BE CONVERTING THEIR PHONE SYSTEMS AROUND THAT ARE GROUPED BY REGION, AND THE TEAM IS STARTING TO MOVE ON WITH THAT, AS WE SPEAK. IN THE MEANTIME, WE DID HAVE A COUPLE OF FACILITIES THAT HAD FAILURES WITH THEIR PHONE SYSTEMS, WITH THEIR OLD SYSTEMS, AND WE WERE ABLE TO SQUEEZE IN AMONGST THE PLANNED ACTIVITIES TWO EMERGENCY CONVERSIONS TO THOSE FACILITIES. AND SO IT WAS REMINDER TO US OF THE URGENCY AROUND ADDRESSING THE PHONE SYSTEM FRAGILITY THAT EXISTS AND CONTINUING TO MAKE SURE WE'RE MAKING PROGRESS ON THAT WORK AGAINST OUR PLANS. OUR ORIGINAL BUDGET FOR THIS WORK WAS \$5.1 MILLION. THE REMAINING FUNDING THAT WE'RE CARRYING OVER TO FISCAL 15 IS A LITTLE BIT LESS THAN \$1 MILLION. WE MENTIONED THE ONE TIME ONLY REQUESTS THAT SHERRY WILL TALK THROUGH IN JUST A FEW MINUTES. WE ALSO EMBARKED ON A COUNTYWIDE BUDGET SYSTEM REPLACEMENT. THAT SYSTEM WAS BROUGHT TO LIFE EARLIER BACK IN THE FALL, AND HELPED TO PRODUCE THE BUDGET FOR 2015. THERE IS A SECOND PHASE OF THAT WORK THAT THE PROJECT TEAM IS WORKING ON THAT'S SCHEDULED TO START THIS SUMMER. THERE ARE SEVERAL COMPONENTS EMBEDDED IN THAT SECOND PHASE OF WORK INCLUDING CONTINUED REPORTING CAPABILITIES, ABILITY TO GET THE DATA OUT OF SYSTEM AND BE ABLE TO VIEW THAT IN DIFFERENT WAYS. THAT BUDGET WAS \$1.5 MILLION. THE CARRYOVER AMOUNT TO 2015 IS ABOUT HALF A MILLION DOLLARS. WE ARE ALSO HAPPY TO REPORT THAT WE'VE STARTED OUR WORK AROUND THE ENTERPRISE RESOURCE PLANNING REPLACEMENT SYSTEM. FOR MOST PEOPLE THAT'S KNOWN AS THE SAP EVALUATION, FOR MANY PEOPLE. THAT SYSTEM TOUCHES EVERY ASPECT OF OUR OPERATIONS AROUND THE COUNTY. IT'S ONE OF THE MORE SIGNIFICANT INVESTMENTS MADE OVER THE PAST DOZEN OR SO YEARS. WHEN WE WERE HERE A FEW MONTHS AGO WE TALKED ABOUT A STEERING COMMITTEE AND HOW AN

EVALUATION WAS UNDERWAY TO BRING A PARTNER ON BOARD TO DO AN EVALUATION OF OUR ERP SYSTEMS. WE SELECTED GARTNER AS THE PARTNER TO WORK WITH US, THEY STARTED A COUPLE OF WEEKS AGO. AND IN THE CURRENT FISCAL YEAR, OF THE FIVE PHASES OF WORK WE'VE IDENTIFIED, WE'LL COMPLETE THE FIRST COUPLE OF PHASES, MOST OF THAT IS ANALYSIS, INTERVIEWING TEAMS. THERE ARE SEVERAL DOZEN FOLKS THAT WILL BE PART OF THAT INTERVIEW PROCESS, AND TO HELP US WITH THE EVALUATION OF THAT EFFORT, WHAT WE MIGHT DO RELATED TO OUR ENTERPRISE RESOURCE PLANNING ACTIVITIES. THE BUDGET FOR THAT EFFORT WAS HALF A MILLION DOLLARS AND THE SIGNIFICANT PORTION OF THAT IS GOING TO BE SPENT IN FISCAL 15, AS WE RAMP UP THE EFFORTS NOW. THE BIGGER PORTIONS OF THE WORK ARE AFTER THE END OF THIS FISCAL YEAR. IN THE MEANTIME WE HAVE ONGOING NEEDS FOR KEEPING SAPs FUNCTIONAL. THERE'S A STEERING COMMITTEE THAT OVERSEES THIS WORK. THERE ARE THREE MAJOR PROJECTS THAT WERE FUNDED TO THE TUNE OF JUST UNDER \$900,000. THERE ARE TWO PROJECTS THAT ARE IN PROCESS OUT OF THAT. THE FIRST IS SOME OPTIMIZATION WORK AROUND OUR RESOURCE MANAGEMENT AND CAPABILITIES. WE ALSO COMPLETED THE NEXT PHASE OF OUR ELECTRONIC TIMESHEET ROLLOUT, SO THAT ALL OF THE MANAGEMENT AND SUPERVISORY PERSONNEL, NONREPRESENTED STAFF THAT ENTER TIMESHEETS, THEY ARE NOW DOING THAT ONLINE. THE APPROVALS OCCUR ONLINE. AND NOW WE'RE EVALUATING WHAT THE EFFORT WOULD BE TO EXTEND THAT ELECTRONIC CAPABILITY TO ALL THE REPRESENTED STAFF AROUND THE COUNTY. IN ADDITION, IN WORKING WITH THE DEPARTMENT OF HUMAN RESOURCES A PERFORMANCE MANAGEMENT TOOL HAS BEEN REQUESTED. THERE'S EVALUATION THAT'S GOING UNDERWAY, INITIAL EVALUATION AROUND THAT, AND THE STEERING COMMITTEE ANTICIPATES TO BE ABLE TO LOOK AT STARTING THAT EFFORT IN JULY OF THIS YEAR. SO THE BREAKDOWN OF THAT \$900,000 IS THE \$215,000 FOR THE OPTIMIZATION WORK WILL BE COMPLETED BY THE END OF THIS FISCAL YEAR. THE \$675,000 REMAINING OUT OF THAT BUDGET IS PART OF OUR CARRYOVER FOR FISCAL 15.

>> JUST TO CLARIFY, SRM IS OUR NEW CONTRACTING AND PROCUREMENT SYSTEM.

>> THEN WE HAVE THREE ADDITIONAL PROJECTS WITH -- THAT KIND OF FALL INTO THAT AREA AROUND CAPITOL PLAN, AND ACTIVITIES SOMETIMES DON'T FALL UNDER THE ALLOCATION OF THE FUNDING. I JUST WANTED TO HIGHLIGHT THESE THREE REALLY QUICKLY WITH THEIR CURRENT STATE. WE WERE WORKING -- ARE WORKING WITH THE DEPARTMENT OF COMMUNITY JUSTICE AROUND A DOCUMENT MANAGEMENT SYSTEMS, A PILOT OF THAT EFFORT WAS COMPLETED. PILOTS ARE GOOD BECAUSE THEY TELL YOU WHETHER YOU'RE ON THE RIGHT TRACK OR MAYBE NOT ON THE RIGHT TRACK. THAT PARTICULAR PILOT TOLD US WE WERE ON THE WRONG TRACK. AT THE CONCLUSION OF THE PILOT WE DECIDED TO STEP BACK AND TAKE A

LOOK AT AN ALTERNATIVE. THAT EVALUATION WAS COMPLETED AND WE'RE IN A CONTRACTING PHASE WITH AN ORGANIZATION TO BRING ON A NEW TOOL. WE'LL BE WORKING WITH THE SAME VENDORS THAT PROVIDED THE DOCUMENT MANAGEMENT SOLUTION TO THE STATE. WE'RE ABLE TO LEVERAGE SOME OF THEIR LESSONS LEARNED IN THE I.T. REALM WHERE WE CAN PARTNER WITH ORGANIZATIONS AND NOT HAVE TO GO THROUGH THE SAME LEARNING CURVE. WE TAKE ADVANTAGE OF THAT. AND OUR INITIAL GROUP THAT WE'LL WORK WITH FOR THAT LOOKS TO BE THE RECORDS MANAGEMENT TEAM. WE WILL THEN, GIVEN THE SUCCESS OR ANTICIPATED SUCCESS OF THAT EFFORT, COME BACK TO DCJ AND BRING THEIR PROJECT BACK TO LIFE AROUND DOCUMENT MANAGEMENT. OUR HOPE AND INTENT WITH THIS PARTICULAR SOLUTION IS THAT IT BECOMES WHAT WE WOULD CALL AN ENTERPRISE SOLUTION. IN OTHER WORDS, ONE DOCUMENT MANAGEMENT SYSTEM SOLUTION THAT WE CAN USE COUNTYWIDE AS OPPOSED TO HAVING MULTIPLE TYPES OF DOCUMENT MANAGEMENT SYSTEMS THROUGHOUT THE COUNTY. WITH OUR FACILITIES MANAGEMENT SYSTEM WE'VE BEEN WORKING TOGETHER WITH MICHAEL AND HIS TEAM AS THEY GO THROUGH SOME PROCESS IMPROVEMENTS, INTERNAL RESOURCES ARE WORKING ON THAT, IMPROVING WORK FLOWS, IMPROVING SOME OF THE DOCUMENTATION AND THE THINGS THAT THEY HAVE, WHICH THEN SETS THE STAGE FOR US TO BE ABLE TO DO AN EVALUATION FOR AN INFORMATION MANAGEMENT SYSTEM TO HELP SUPPORT THE FACILITIES ORGANIZATION. WE ANTICIPATE THAT WORK TO START IN THE NEW FISCAL YEAR, AND SO \$500,000 IS CARRYING OVER INTO FISCAL 15. THE LAST EFFORT HIGHLIGHTED ON THIS PAGE IS AROUND HEALTH CARE TRANSFORMATION. WE REPORTED A COUPLE OF MONTHS AGO THAT THIS FUNDING AMOUNT WAS TO BE USED FOR THINGS AS THEY COME TO LIGHT, AS HEALTH CARE TRANSFORMATION CONTINUES TO SET ITS STANDARDS IN PLACE AS IT DEALS WITH CHANGES IN LEGISLATION AT THE FEDERAL LEVEL OR THE STATE LEVEL. THEN WE CAN REACT TO THAT BY HAVING A FUNDING SOURCE AVAILABLE TO US AS THAT COMES TO LIGHT. HEALTH SHARE OF OREGON IS WORKING CLOSELY WITH US ON IDENTIFYING THE WORK THAT WE MIGHT NEED TO ACCOUNT FOR, RELATED TO THE ELECTRONIC TRANSACTIONS BETWEEN THE COUNTY AND THE STATE. AND THEN THERE'S A NEW EFFORT THAT WE'RE PARTNERING TOGETHER WITH HEALTH AND WITH HUMAN SERVICES AROUND SCHOOL BASED HEALTH CLINICS, AND AN IMPROVEMENT IN OUR MENTAL HEALTH SERVICES CAPABILITIES IN THE SCHOOL-BASED HEALTH CLINIC EFFORTS. AND SO THAT'S AN EXAMPLE OF WORK THAT HAS COME TO LIGHT THAT AT LEAST WE CAN BEGIN TO ADDRESS UNDER THE AUSPICES OF HEALTH CARE TRANSFORMATION. DO THAT ANALYSIS AND THEN COME BACK, BASED ON THAT ANALYSIS, AND PURSUE WHATEVER NEXT STEPS MIGHT NEED TO BE TAKEN.

>> ONE LAST PIECE, I DID WANT TO HIGHLIGHT THAT WE HAD ONE PROJECT THAT WE REPORTED TO YOU A COUPLE OF MONTHS AGO AROUND OUR MENTAL HEALTH REPORTING OPTIMIZATION. AND THAT WORK WAS

SCHEDULED TO BE DONE BY THE END OF THE FISCAL YEAR AND WE'RE HAPPY TO REPORT WE'RE ON TRACK TO FINISH THAT BY THE END OF THE FISCAL YEAR. THAT'S AN EFFORT THAT'S FINISHING UP THAT WE'VE PULLED OFF THE NEED TO CARRY OVER ANY FUNDING.

>> COMM. SMITH: SO IN TERMS OF THE HEALTH CARE TRANSFORMATION, THE KINDS OF THINGS THAT YOU WOULD NEED, WOULD THAT BE LIKE SOFTWARE? IS THAT WHAT YOU'RE ANTICIPATING?

>> IT CAN COVER THE ASPECT OF SOFTWARE. IN MANY CASES IT'S IMPROVING THE -- OR RESPONDING TO REPORTING REQUIREMENTS. AS A REGULATORY AGENCY IT IDENTIFIES THE TYPES OF REPORTS THAT IT MIGHT NEED, THE DEVELOPING OF THAT REPORTING CAPABILITY. OR A REGULATORY BODY MAY ASK FOR DATA THAT WE NEED TO ENSURE IS BEING CAPTURED BY THE SOFTWARE. AND SOMETIMES IT MIGHT BE NEW SOFTWARE THAT WE WOULD NEED TO PROCURE.

>> AND ARE YOU MAINTAINING OUR CONVERSATION WITH FAMILY CARE, AS WELL?

>> THROUGH --

>> CURRENTLY FAMILY CARE DOES NOT HAVE AN AUTOMATED SYSTEM. I KNOW THAT THE HEALTH CARE TEAM, HEALTH CARE TRANSFORMATION TEAM IS ACTIVELY WORKING WITH FAMILY CARE, BUT CURRENTLY WE DON'T HAVE ELECTRONIC INTERFACES WITH FAMILY CARE, BUT WE CERTAINLY WILL WHEN THAT IS NECESSARY. I THINK SOME OF THE OTHER THINGS THAT --

>> YOU ARE REQUIRED TO HAVE THAT, RIGHT?

>> I DON'T NECESSARILY KNOW THE ANSWER TO THAT. SOME OF THE OTHER KINDS OF TOOLS THAT GEALTH SHARE OREGON IS LOOKING AT ARE POTENTIAL INTERFACES BETWEEN BEHAVIORAL HEALTH AND PHYSICAL HEALTH. WE'RE CONSIDERING SOME ADDITIONAL REPORTING TOOLS AS WELL AS KINDS OF REPORTS, BUT REPORTING TOOLS THAT WILL BENEFIT THE HEALTH DEPARTMENT AND THE DEPARTMENT OF COUNTY HUMAN SERVICES.

>> COMMISSIONER SMITH, I BELIEVE I GOT A HEAD NOD FROM JOANNE FULLER, OUR DIRECTOR, THAT FAMILY CARE IS REQUIRED TO HAVE AN AUTOMATED SYSTEM. SO --

>> OKAY.

>> I ASSUME THAT WOULD BE IN DEVELOPMENT.

>> AND THEN I WILL FOLLOW UP ON OUR TWO NEW REQUESTS. THE FIRST ONE, AGAIN, IS IN ADDITION TO OUR CURRENT -- CURRENTLY FUNDED NETWORK CONVERGENCE VOICE OVER INTERNET PROTOCOL SYSTEMS. THIS HAS BEEN A VERY SUCCESSFUL PROJECT. WE'RE REQUESTING ADDITIONAL FUNDS TO PRIMARILY BE USED IN TWO AREAS. AS BOB MENTIONED THIS IS -- WE'RE VERY MUCH AT RISK BECAUSE OF THE AGE OF OUR CURRENT SYSTEM. WHEN WE LOOK AT THE 80 FACILITIES -- 83 ACTUALLY IN TOTAL -- THAT WE STILL NEED TO IMPLEMENT, WE LOOK FOR WAYS TO ACCELERATE THAT PROCESS. AND ONE WAY IS TO BRING IN SOME ADDITIONAL RESOURCES, LABOR RESOURCES TO AUGMENT OUR CURRENT TEAM.

>> AS WE GO INTO EACH OF THOSE AGED FACILITIES THAT MICHAEL MENTIONED, WE FIND THINGS THAT WE PROBABLY DIDN'T KNOW ABOUT, AND -- AND MULTIPLE GENERATIONS OF TECHNOLOGY THAT'S BEEN LEFT THERE. AND SO AS WE GO IN TO BRING IN VOICE OVER I.P., IT SIGNIFICANTLY IS MORE COSTLY IN SOME OF THOSE OLD BUILDINGS THAN WE COULD EVER ANTICIPATE. SO WE WOULD -- WE ARE ASKING FOR SOME ADDITIONAL RESOURCES TO SUPPORT THAT PROCESS. OUR FOCUS WILL BE TO COMPLETE ALL OF THIS WORK IN 2015, EXCEPT FOR THREE BUILDINGS, AND THAT'S THE DOWNTOWN COURTHOUSE, THE JUSTICE CENTER AND THE HANSON FACILITY.

[CLOSED CAPTIONING TRANSCRIBER SWITCH]

>> WE DON'T HAVE SEISMIC ISSUES IN I.T., EXCEPT THE MAKING TODAY OF REPLACING THE SAP MAY FEEL LIKE A SEISMIC EVENT. ANYWAY. AND HERE'S A&E AGAIN, AND WE'RE HAPPY TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

>> ANY QUESTIONS?

>> SINCE I'M HERE --

>> YOU HAD YOUR CHANCE TO ESCAPE.

>> YES.

>> THERE IS NO TRAPDOOR. I WANT TO CONCLUDE, OUR CAPITAL PRESENTATION FOR THIS YEAR, AS WE HAVE SAID, AS WE HAVE HEARD, THERE ARE MANY NEW INFRASTRUCTURE PROJECTS UNDERWAY, IN THE BRIDGES, THE FACILITIES, AND I.T. BUT, AS SHE SAID, OUR WORK IS NEVER DONE, AND IT'S A CONTINUAL PROCESS. AS SOON AS WE THINK WE ARE DONE, THE FUTURE IS UPON US, SO IN THE NEXT YEAR, WE'LL BE DOING MANY EVALUATIONS AND DESIGN WORK FOR, FOR PROJECTS TO FOLLOW.

UNLESS YOU HAVE OTHER QUESTIONS, THAT CONCLUDES OUR FISCAL YEAR 2015 CAPITAL PROGRAM PRESENTATION.

>> Chair Madrigal: THANK YOU. THANK YOU VERY MUCH.

>>> DO WE HAVE EVERYONE HERE WHO IS PLANNING TO PRESENT IN THE NEXT, IN THE MINI BRIEFING SCHEDULED TO START AT 3:00? WHY DON'T WE TAKE A TEN-MINUTE STRETCH AND RECONVENE AS THE BUDGET COMMITTEE. [TEN-MINUTE BREAK]

>>> YOUR ATTENTION PLEASE, IT LOOKS LIKE WE HAVE GOT EVERYBODY HERE FOR THE NEXT PRESENTATION. WE'LL GIVE EVERYONE A CHANCE TO SIT DOWN AND THEN GET, WE'LL GET GOING. I THINK JENNY IS HERE. SHERRY SWACKHAMER SHERRY.

>> MADAM CHAIR, MEMBERS OF THE COMMISSION, JOANNE FULLER, CHIEF OPERATING OFFICER AND INTERIM HEALTH DEPARTMENT DIRECTOR, AND WE HAVE MUCH OF THE SAME CROWD BACK TODAY THAT WAS HERE ON TUESDAY TO TALK TO YOU ABOUT OUR WORK WITH THE AFFORDABLE CARE ACT. WE'VE BEEN GIVING YOU A SERIES OF BRIEFINGS ON THE AFFORDABLE CARE ACT, SO WHAT WE'RE GOING TO FOCUS IN ON TODAY, REALLY, IS TWO THINGS. ONE IS, IS WHAT IS THE IMPACT OF THE AFFORDABLE CARE ACT ON THE BUDGET OF THE VARIOUS DIFFERENT PARTS OF THE ORGANIZATION THAT ARE AFFECTED BY THE AFFORDABLE CARE ACT, AND THEN SECONDLY, WHAT DO WE SORT OF SEE ON THE HORIZON THAT MIGHT NOT HAVE BEEN INCLUDED IN THE BUDGET THAT'S PROPOSED FOR NEXT YEAR, BUT IS CERTAINLY KIND OF THE NEXT SET OF ISSUES THAT WE'RE GOING TO NEED TO TACKLE WITH OUR HEALTH CARE TRANSFORMATION? WE'RE GOING TO START WITH, WITH THE SLIDE YOU ARE NOW FAMILIAR WITH, BUT, THIS IS THE REMINDER ABOUT, ABOUT THE, THE COMPLICATED RELATIONSHIP THAT WE'RE IN WITH THE AFFORDABLE CARE ACT AND THE FACT THAT, THAT IN A WORLD WHERE WE USED TO CALL THE SHOTS ABOUT A LOT OF THINGS, WE NOW HAVE A LOT OF PARTNERS THAT ARE KIND OF LOOKING OVER US AND MAKING SURE THAT WE DO IT THE WAY THAT THEY WANT US TO DO IT. SO, GO AHEAD, NEXT. SO, JUST AS A REMINDER, PART OF WHY YOU SEE ALL THESE PLAYERS UP HERE IS BECAUSE WE ARE ALL WORKING TOGETHER IN A COORDINATED COUNTY APPROACH TO, TO RESPOND TO, TO THE AFFORDABLE CARE ACT AND STAY AHEAD OF ISSUES AND THE IMPLEMENTATION OF SYSTEMIC CHANGES THAT WE NEED TO MAKE. WE ARE USING COUNTY PRINCIPLES OF EQUITY, TRANSPARENCY, AND COLLABORATION TO UNDERLIE ALL OF THE WORK THAT WE'RE DOING TOGETHER. WE MEET ON A REGULAR BASIS WITH DEPARTMENTAL LEADERS AND KEY DIVISION MANAGERS, AND INCLUDING GOVERNMENTAL RELATIONS AND COMMUNICATIONS, IN ORDER TO BE ABLE TO FIGURE OUT HOW WE CAN SPEAK WITH ONE VOICE IN THE VARIOUS DIFFERENT VENUES WHERE WE ARE TALKING TO ALL OF OUR DIFFERENT PARTNERS WITH AFFORDABLE CARE

ACT, AND WE CAN SHARE INFORMATION AND DEVELOP COUNTY-WIDE STRATEGIES FOR ADDRESSING THE ISSUES OF THE AFFORDABLE CARE ACT. SO, ONE OF THE BIG THINGS WITH, WITH THE AFFORDABLE CARE ACT THAT IS THE SORT OF -- WE ARE THRILLED, IS THE MEDICAID EXPANSION, AND IT'S ALSO THE, OH, MY GOSH, IT'S, IT'S KIND OF A SCARY THING, THE MEDICAID EXPANSION. THE NUMBERS ACROSS THE STATE HAVE, HAVE DRAMATICALLY EXCEEDED EXPECTATIONS. IN THE TRICOUNTY REGION, WE'RE PROJECTED TO INCREASE BY A TOTAL OF, OF 105,000 INDIVIDUALS BY THE END OF YEAR THREE. WE'RE NOW AT 85% OF THAT PROJECTION. SO, WE ARE FOUR MONTHS INTO THIS, AND WE'RE, WE'RE AT 85% OF WHERE WE THOUGHT WE WOULD BE AT YEAR THREE. SO, THAT'S, THAT'S, THAT MEANS THAT WE HAVE GOTTEN A HUGE INFLUX OF PEOPLE. THE, THE -- IN MULTNOMAH COUNTY, WE HAVE OVER 40,000 RESIDENTS THAT ARE NEWLY ENROLLED IN MEDICAID. NOW, AS WE'VE TALKED ABOUT BEFORE, SOME OF THE PEOPLE WERE ALREADY RECEIVING CARE AS UNINSURED INDIVIDUALS IN OUR, OUR FQHC AND THE OTHER FEDERALLY QUALIFIED HEALTH CENTERS ACROSS THE METRO AREA. HOWEVER, WE ARE ALL EXPERIENCING AN INFLUX OF BRAND NEW PATIENTS THAT WE NEED TO FIGURE OUT HOW TO ENGAGE IN CARE ASSESSMENT AND ENGAGE IN CARE. SO, IN THE HEALTH DEPARTMENT, AS YOU KNOW, ONE OF THE THINGS THAT WE'VE BEEN TRYING TO DO IS, IS TO GET PEOPLE ENROLLED, AND WE HAVE, AND WE'VE ENROLLED ABOUT 12,000 INDIVIDUALS. THE THING THAT I THINK IS, IS SUPER EXCITING ABOUT THIS, IS WE TALKED TO YOU IN JANUARY ABOUT, ABOUT THE TEMPORARY ELIGIBILITY SPECIALISTS THAT WE PUT WITH CORRECTIONS HEALTH AT THE JAIL TO START ENROLLING PEOPLE AT THE JAIL, AND, AND I BELIEVE THAT, THAT BY THE TIME I'M BACK TO PRESENT THE HEALTH DEPARTMENT BUDGET ON TUESDAY, WE WILL HAVE ENROLLED 2,000 PEOPLE WITH THE ELIGIBILITY SPECIALISTS AT THE JAIL. AND SO THAT'S JUST A VERY EXCITING -- IT'S A POPULATION OF PEOPLE THAT, YOU KNOW, ARE IN AND OUT OF MANY OF THEM ARE IN AND OUT OF THE JAIL, A LOT OF THEM ARE THE MOST VULNERABLE PEOPLE IN OUR COMMUNITY. THEY HAVE REALLY HIGH HEALTH NEEDS. WE REALLY BELIEVE THAT WE'RE GOING TO MAKE A SIGNIFICANT DIFFERENCE IN THEIR LIVES IF WE CAN GET THEM CONNECTED TO THE CARE THAT THEY NEED. SO, I JUST THINK IT'S A GREAT CONTRIBUTION OF MULTNOMAH COUNTY EMPLOYEES THAT WE'VE BEEN ABLE TO, ABLE TO DO THAT EFFORT.

>> AS YOU ARE LOOKING AT THAT DATA, I THINK THAT WOULD BE REALLY POWERFUL TO BE ABLE TO IDENTIFY HOW MANY OF THOSE PEOPLE HAD BEEN IN JAIL BEFORE, AND VERSUS NEW, I THINK, CLEARLY, WE HAVE A SENSE ANECDOTALLY THAT'S THE CASE, BUT IT WOULD BE GREAT TO PUT A NUMBER TO IT.

>> I DON'T KNOW IF WE ARE ABLE TO. I DON'T KNOW WHAT KIND OF INFORMATION WE HAVE CAPTURED ABOUT THOSE PEOPLE, OTHER THAN TO

SAY THAT WE HELPED THEM FILL OUT THE FORMS, BUT, WE'LL SEE WHAT WE CAN DO.

>> SCOTT, DO YOU WANT TO TALK ABOUT COMMUNITY JUSTICE?

>> I THINK THAT, THAT SCOTT TAYLOR, DIRECTOR AND, AND GINGER MARTIN HAS BEEN DOING THE, MOST OF THE CONVERSATIONS AND ENGAGE ELEMENT WITH THIS. WE'VE BEEN REALLY TRYING TO WORK AT HAVING OUR PEOPLE FOLLOW UP WITH THE EXCELLENT WORK THAT'S GOING ON BOTH IN THE PRISONS AND AT THE JAIL, AND WE'RE, WE'RE, WE'RE RECONSIDERING EVEN OUR SIGNING UP PEOPLE THAT AREN'T IN THE JAIL OR, WHAT THE SUCCESS BEING HAD IN THESE POPULATIONS OF PEOPLE BEING WILLING TO SIGN UP, IT'S KIND OF DEMONSTRATING TO US THAT PERHAPS, WE HAVE PUT AN ARTIFICIAL BARRIER ABOUT THAT IN THERE. SO, WE THINK THAT, THAT THE PEOPLE THAT ARE SIGNING UP ARE, ARE, ARE, ARE, ASSESS JOANNE SAID, THE NUMBERS ARE SURPRISING US AND, AND THE VOLUME AND, AND HOPEFULLY, WE'LL BE, WE'LL BE ABLE TO KEEP THEM FINISHING THE ENROLLMENT AND SIGNING UP, AND THAT'S ONE OF OUR CHARGES TO OUR, OUR OFFICERS AND OUR INTAKE OFFICE.

>> GREAT.

>> DO YOU WANT TO -- I DO NOT HAVE ANY SPECIFIC DATA BECAUSE MULTNOMAH COUNTY MENTAL HEALTH AND ADDICTIONS, THE ADDICTIONS DIVISION, WE DID NOT SPECIFICALLY SIGN PEOPLE TO ENROLL THEM, SO THERE WAS NO WAY TO TRACK THE NUMBERS, SO WHAT I CAN SAY IS THE SOCIAL SERVICE ACROSS THE BOARD, ALL THE SOCIAL SERVICES REALLY PITCHED IN TO GET PEOPLE SIGNED UP, AND SO, MANY OF OUR PROVIDERS WERE, WERE GRANT RECIPIENTS OF THE COVER OREGON GRANT AND, AND SO, YEAH, I'M, WHAT'S EXCITING, I THINK THAT'S WHERE WE'RE GETTING THIS GREAT OUTCOME OF NUMBERS, IS JUST BECAUSE OF THE COLLABORATIVE EFFORT ACROSS THE SYSTEM, SIGNING PEOPLE UP.

>> I DO WANT TO ADD THAT I THINK THAT WE'VE BEEN CHECKING WITH SOME OF MY PEERS, AND SOME OF THE PROJECTIONS THAT WE MADE ABOUT THE PERCENTAGE OF OUR CLIENTELE, WHO WOULD BE ELIGIBLE, APPEARS TO, TO ACTUALLY HAVE BEEN IN THE BALLPARK. SO, WE'RE EXCITED ABOUT THAT. HALF OF THE STORY IS ACCESS TO HEALTH CARE, AND THE OTHER ACCESS TO INSURANCE, THE OTHER PIECE IS ACCESS TO CARE. SO, FOR THE OVERWHELMING HEALTH PLAN POPULATION, THE CCOS ARE RESPONSIBLE FOR MANAGING ACCESS TO CARE, SO FOR US, THAT'S HEALTH CARE AND FAMILY CARE. SO WE'RE WORKING WITH PARTNERS, AND OUR OTHER FEDERALLY QUALIFIED HEALTH CENTER IN THE REGION, SO CENTRAL CITY, OHSU, RICHMOND, VIRGINIA GARCIA, AND HAVING LOTS OF CONVERSATIONS ABOUT HOW WE'RE, WE'RE PROVIDING ACCESS TO THE COMMUNITY. YOU WILL BE HAPPY IT HEAR THAT MULTNOMAH COUNTY IS A BIG PART OF THE

CCO'S ABILITY TO PROVIDE ACCESS. WE'RE A BIG PART OF THE SOLUTION, AND WORKING WITH THEM ON A LOT OF THESE CONVERSATIONS. I WANT TO TALK A BIT ABOUT MEDICAL CARE, SPECIFICALLY, SO WE'RE WORKING WITH HEALTH SHARE OF OREGON TO TRACK THE SYSTEM'S CAPACITY, AND HEALTH SHARE AND FAMILY CARE ARE MEETING THE STATE'S EXPECTATIONS FOR, FOR ACCESS TO CARE FOR THESE NEWLY ENROLLED MEMBERS OF OREGON HEALTH PLAN. WE'RE WORKING WITH THE PHYSICAL HEALTH INSURERS OF HEALTH SHARE, SO KAISER, CARE OREGON, PROVIDENCE -- PROVIDENCE AND TUALITY. WE'RE AT 95% OF CAPACITY. SO, WHAT THIS REALLY MEANS ON THE GROUND IS THAT THE CLINICS ARE BUSY. THEY ARE BUSTLING. THERE IS A HIGH DEMAND FOR OUR SERVICES. IT'S IMPORTANT, ALSO, TO NOTE THAT, THAT CLIENTS NOW HAVE MORE CHOICE THAN THEY HAVE HAD IN THE PAST, WHICH IS GREAT. IT'S ALSO PROMISING FOR, FROM MY PERSPECTIVE TO KNOW THAT THEY CONTINUE TO CHOOSE US AND CONTINUE TO COME AND SEEK OUR SERVICES. ANOTHER PIECE OF, OF DATA THAT, THAT HEALTH SHARE HAS KIND OF UNCOVERED IN THE DATA ANALYSIS IS THAT SOME PARTS OF THE, OF THE METRO AREA HAVE MORE ACCESS THAN OTHERS, SO WASHINGTON COUNTY, FOR EXAMPLE, HAS MORE ACCESS FOR CLIENTS, AND SO HEALTH SHARE AND SOME OF THE OTHER PARTNERS ARE KIND OF HAVING CONVERSATIONS ABOUT WHAT THAT MIGHT MEAN FOR CLIENTS WHO HAVEN'T ACCESSED CARE IN THE PAST. AND I WILL SAY A BIT ABOUT DENTAL SERVICES, AS WELL. WITH THE OREGON HEALTH PLAN EXPANSION, THIS IS, THIS HAS MEANT THAT A LOT OF PEOPLE HAVE ACCESS TO DENTAL CARE FOR THE FIRST TIME, SO WE'RE SEEING A LOT OF CLIENTS IN OUR CLINICS NOW WHO, WHO ARE COMING IN FOR A FIRST VISIT AND MAYBE HAVEN'T HAD ACCESS TO DENTAL INSURANCE OR DENTAL CARE FOR, FOR YEARS, OR SOMETIMES, EVER. BUT, CURRENTLY, WE'RE ABLE TO MEET THE DEMAND IN OUR SIX DENTAL CLINICS. WE'RE GOING TO KEEP KIND OF MONITORING THAT IN THE FUTURE TO MAKE SURE THAT THAT'S, THAT'S, THAT REMAINS TRUE.

>> SO ON THE MENTAL HEALTH SIDE, JUST AN ONGOING REMINDER ABOUT ROLES, SO THE HEALTH DEPARTMENT IS A DIRECT PROVIDER OF SERVICES, AND THEY BILL THE MEDICAL HEALTH PLAN FOR THEIR SERVICES FOR THE BULK OF THE SERVICES. SO, MENTAL HEALTH AND ADDICTIONS, WE ARE A FUNDER OF SERVICES FOR THE MENTAL HEALTH BENEFITS. I REPORTED TO YOU LAST FISCAL YEAR THAT WE WERE PRETTY MUCH ALREADY AT CAPACITY, AND WE'RE HAVING DIFFICULTY GETTING FOLKS IN THE DOOR, AND YOU DID ASK WELL, WHAT ARE YOU GOING TO DO ABOUT IT? WHICH IS A VALID QUESTION. SO, WE DID MEASURE AGAIN IN JANUARY, AS NEW FOLKS STARTED REQUESTING SERVICES AND, AND WE WERE OUT OF COMPLIANCE WITH THE TWO WEEK RULE THAT PEOPLE WERE SUPPOSED TO ENGAGE IN SERVICES, AND OUR SERVICE PROVIDERS REPORTED THEIR REQUEST FOR NEW SERVICES HAD DOUBLED. SO, IT WAS NOT EVEN JUST FROM NEW ENROLLEES, IT WAS ALSO EXISTING MEMBERS OF THE PLAN, SO WE JUST HAD AN EXPLOSION IN SERVICE REQUESTS, SO AS A RESPONSE TO THAT,

SINCE WE ARE RECEIVING ADDITIONAL INCOME, BECAUSE OF THE INCREASED ENROLLMENT, WE WERE ABLE TO REPROJECT OUR REVENUE, SO AS A RESPONSE TO THAT, OVER THE PAST SEVERAL MONTHS, WE HAVE PUSHED OUT OVER \$4 MILLION TO THE SYSTEM, SO THIS NOT ONLY PAYS FOR NEW PEOPLE RECEIVING SERVICES, BUT IT WAS ALSO TO A DEGREE, FRONT LOADING MONEY SO THAT THEY COULD RECRUIT MORE STAFF TO MEET THE DEMANDS, SO WE WILL NOW SEE HOW THAT AFFECTS OUR SERVICE DELIVERY, IF THAT LOOSENS AND HELPS PEOPLE GET PEOPLE IN THE DOOR QUICKLY. SO, THAT IS JUST, THAT HAS BEEN A RESULT IN THE PAST 30 DAYS. SO, WE'LL BE TRACKING THAT PROGRESS.

>> IF IT'S POSSIBLE, AND I DON'T KNOW HOW EASY THE DATA IS TO PULL, BUT, JUST TO GET A SENSE OF SCALE, IT WILL BE NICE TO KNOW HOW MANY PROVIDERS WE HAD BEFORE, HOW MANY VISITS THEY WERE ABLE TO DO, AND I REALIZE THAT IT'S NOT US PROVIDING IT. IT MIGHT BE HARDER, WITH THE HEALTH DEPARTMENT, WE ARE IN CONTROL OF THAT INFORMATION. BUT, HOW MANY ADDITIONAL PROVIDERS DID THE \$4 MILLION PAY FOR, AND WHAT DO WE EXPECT TO SEE IN, AS FAR AS AN INCREASE IN THE VISITS?

>> IT'S A GREAT QUESTION, AND VERY DIFFICULT TO MEASURE BECAUSE WE HAVE OVER 40 CONTRACTED ENTITIES AS PROVIDERS, AND WITHIN ALL THOSE PROVIDER, THEY HAVE ALL THE STAFF PROVIDING SERVICES. IN ONE OF OUR UPCOMING SLIDES, THAT'S ONE OF THE UNKNOWNNS. WE DON'T KNOW WHAT THE LEVEL OF SERVICE THAT PEOPLE ARE GOING TO NEED AS THEY REQUEST SERVICES. SO, IS THAT JUST A GENERAL OFFICE VISIT? OR IS THAT THE INTENSIVE COMMUNITY-BASED SERVICES, SO THAT'S WHERE WE'RE GOING TO HAVE TO WATCH WHAT LEVEL OF PROVIDER DO WE NEED, AND TO, TO WHAT LEVEL OF SERVICE BECAUSE THEY ARE DIFFERENT LEVEL CLINICIANS THAT PROVIDE THOSE SERVICES. A GREAT QUESTION. WE'RE GOING TO BE UNABLE TO ANSWER FOR A WHILE.

>> OK.

>> SO, WE WANTED TO TALK TO YOU ABOUT THE BUDGET IMPACT. SO, ONE OF THE THINGS FOR, FOR, FOR FISCAL YEAR 2015, WE HAVE -- WE FEEL LIKE WE HAVE APPROPRIATELY PROJECTED THE REVENUE IN PRIMARY CARE AND DENTAL FOR US TO BE ABLE TO HAVE ENOUGH REVENUE TO, TO ALLOW US TO MAINTAIN OUR CURRENT SERVICE LEVEL. WE AREN'T GOING TO REALLY HAVE A COMPLETE SENSE OF THAT UNTIL WE'RE A FEW MONTHS INTO THE NEXT FISCAL YEAR. AND WE, WE HAVE -- WE HAD ORIGINALLY, IN THE BUDGET, PROPOSED A BUDGET OFFER TO EXPAND OUR DENTAL CAPACITY SOMEWHAT, AND WE, WE FEEL LIKE WE DON'T NEED TO DO THAT YET, SO WE HAVE, WE HAVE PUT THAT -- WE HAVEN'T INCLUDED THAT IN THE PROPOSED BUDGET, BUT, WE MAY BE COMING BACK NEXT FISCAL YEAR TO THE BOARD TO GET APPROVAL FOR THAT. THAT'S A FULLY FEE FUNDED PROGRAM OFFER, SO WE WOULD NOT BE ASKING FOR ADDITIONAL GENERAL FUNDS,

BUT WE WOULD NEED THE APPROVAL OF THE BOARD TO EXPAND THAT DENTAL CAPACITY. SO, THAT'S, THAT'S -- THAT'S REALLY WHERE WE'RE AT IN TERMS OF THE BUDGET IMPACT ON PRIMARY CARE AND DENTAL. I HAVE TO TELL YOU, I THINK WE'RE GOING TO REALLY HAVE TO WATCH THIS SITUATION. WE HAVE SEEN A DRAMATIC INCREASE IN THE NUMBER OF ENSURED INDIVIDUALS WHO WE ARE SEEING IN PRIMARY CARE IN DENTAL. THAT IS REALLY WHAT'S MAKING THE DIFFERENCE TO OUR BOTTOM LINE, AND MAKING US MORE COMFORTABLE WITH THE PROJECTIONS FOR NEXT YEAR. WE HAVEN'T SEEN AN INCREASE IN THE VISIT CAPACITY. WE ARE GOING TO BE FULLY STAFFED FOR PROVIDERS FOR, FOR A PRIMARY CARE BY THE MIDDLE OF JULY. I'M LOOKING AT SAMIE AND, AND, BUT, STILL, EVEN, YOU KNOW, WHEN A NEW PHYSICIAN OR A NURSE PRACTITIONER SHOWS UP, THERE IS STILL SOME TIME PERIOD THAT IT TAKES FOR THEM TO GET COMFORTABLE TO BE ABLE TO FULLY CARRY AND MANAGE A LOAD OF THE KINDS OF PATIENTS THAT WE SERVE IN OUR PRIMARY CARE CLINICS. SO, IT'S GOING TO BE A WHILE BEFORE WE HAVE A SENSE OF WHAT THE VISIT CAPACITY IS OUT THERE AND WHAT WE NEED TO DO FOR OUR FOOTPRINT. AND AS SAMIE SAID, OUR PATIENTS NOW HAVE CHOICE, AND SO WE DON'T KNOW IN THE LONG RUN WHAT THE REAL CAPACITY IS WE'RE GOING TO NEED BECAUSE IT MAY BE THAT, THAT, THAT OUR, OUR -- THE DEMAND FOR OUR FQHC SERVICES DECREASES OVER TIME AS PATIENTS CHOOSE TO GO OTHER PLACES. SO, THAT'S -- THIS IS GOING TO BE SORT OF THE, THE STORY WE'RE GOING TO BE TELLING YOU FOR A WHILE AS WE CONTINUE TO WATCH THESE METRICS AND MAKE SURE THAT WE'RE, WE'RE, WE'RE CORRECTLY BALANCED BETWEEN OUR FEE ASSUMPTIONS AND WHETHER WE'RE MEETING THE ASSUMPTIONS AND OUR EXPENSES.

>> WE'RE AT 95% OF CAPACITY WITH THE EXISTING PROVIDERS. WE HAVE MORE PROVIDERS COMING ON, ONLINE OVER THE NEXT FEW MONTHS, SO WE'RE BUDGETED FOR, SO WE KNOW WE'LL SEE AN INCREASE THERE. ARE YOU ALSO SAYING THAT, THAT WHEN WE ARE -- WHEN WE ARE SEEING SOMEONE THAT THE BILLING DOESN'T NECESSARILY -- I'M TRYING TO, TO, TO, TO MAKE SENSE OF BOTH THOSE STATEMENTS, THAT WE'RE BOTH AT CAPACITY, BUT WE'RE ALSO WORRIED ABOUT THE VISITS STILL.

>> RIGHT.

>> I CAN SAY I'M A BIT -- IN THE CURRENT BILLING STRUCTURE THAT WE'RE LIVING IN, UNTIL ALTERNATIVE PAYMENT METHODOLOGY HAPPENS IN THE NEW FISCAL YEAR, THERE IS A LONG LAG PERIOD BETWEEN WHEN WE'RE PAID VERSUS WHEN THE VISIT HAPPENS. SO, I THINK IT WILL TAKE A WHILE FOR US TO TRULY KNOW THE CAPACITY, YOU KNOW, IF WE ARE REALIZING THE NEW HIRES AND THE NEW VISITS THAT ARE OCCURRING.

>> OK.

>> A FOLLOW-UP QUESTION TO THAT. BECAUSE CLIENTS DO HAVE CHOICE NOW, ARE THERE STRATEGIES AROUND RETAINING CLIENTS? ATTRACTING CLIENTS? OR, YOU KNOW, ASKING THEM ABOUT THE CUSTOMER SERVICE?

>> SO, THERE IS A COUPLE OF ISSUES HERE. ONE IS, AS THE GOVERNMENT, YOU KNOW, WHAT'S OUR ROLE? YOU KNOW, IF CLIENTS IN LARGE NUMBERS CHOOSE OTHER PLACES TO RECEIVE CARE, AND RECEIVE QUALITY CARE THERE, AND THOSE, THOSE SYSTEMS ARE ABLE TO MEET THE NEEDS OF OUR CLIENTS, WE MAY DECIDE WE SHRINK THE FOOTPRINT RATHER THAN TRYING TO KIND OF, LIKE A BUSINESS, SORT OF KEEP THE DOORS OPEN AND KIND OF KEEP OUR REVENUE FLOWING IN. SO THAT'S KIND OF ONE THING TO CONSIDER. ANOTHER, IN TERMS OF THE EXISTING PATIENTS, I THINK, WE HAVE A STAFF THAT REALLY UNDERSTANDS THE NEEDS OF PATIENTS THAT HAVE MULTIPLE ISSUES AND CHALLENGES THAT THEY ARE BRINGING TO US. WE HAVE A, A CULTURAL DIVERSE CAPACITY AND WHO COME FROM A VARIETY OF CULTURES, THAT A LOT OF OTHER PROVIDERS MAY OR MAY NOT HAVE. SO, I THINK THAT THERE IS SOME ATTRACTIVE QUALITIES THERE. BUT, I THINK THAT WE ARE ALSO GOING TO, TO NEED TO CONTINUE TO LOOK AT, AT STRATEGIES FOR PATIENT ENGAGEMENT AND, AND WE HAVE SOME PLACES WHERE WE NEED TO THINK ABOUT OUR, OUR, OUR PHYSICAL FACILITIES AND WHETHER THEY ARE WELCOMING ENOUGH FOR PEOPLE IN AN ENVIRONMENT WHERE THEY MAY HAVE MORE CHOICES WHERE THEY FEEL LIKE THEY WANT TO SEEK THEIR CARE.

>> CHAIR MADRIGAL.

>> Commissioner Smith: IT SOUNDS LIKE WE, WE HAVE REALLY OVERDONE IT TO A DEGREE BECAUSE WE'RE DOING SUCH A GREAT JOB BECAUSE HEALTH CARE TRANSFORMATION HAS -- THE WHOLE IDEA WAS THAT, THAT WE DIDN'T HAVE -- WE WANTED TO MAKE SURE THE PATIENTS DIDN'T HAVE MULTIPLE VISITS. AND SO, IT SOUNDS LIKE WE ARE KIND OF SOLVING MANY, MANY DIFFERENT PROBLEMS IN ONE VISIT, WHERE IT WOULD TAKE, YOU KNOW, THREE OR FOUR BEFORE, BUT NOW, BECAUSE WE COMBINED ALL THESE SERVICES AND WRAP-AROUND SERVICES THAT, YOU KNOW, THERE IS NO NEED BECAUSE I WAS GOING TO ASK YOU TO, TO KIND OF EXPLAIN THAT A BIT MORE, JOANNE BECAUSE WHEN YOU SAY WE HAVE 40,000 NEW, NEW FOLKS WHO ARE IN THE SYSTEM IN MULTNOMAH COUNTY, AND PEOPLE ARE THINKING OH, THAT'S GREAT, THEY ARE PROBABLY, YOU KNOW, OOZING WITH DOLLARS, BUT UNDERSTANDING THE FACT THAT THERE IS NOT THE MULTIPLE VISIT FACTOR THAT HAPPENED PRIOR TO, SO, THAT'S WHAT YOU ARE, YOU ARE, WHAT YOU ARE TALKING ABOUT. AND I THINK THAT, THAT WE'RE BEING VERY EFFICIENT WITH, WITH OUR SYSTEM AND, AND IT'S, IT'S PROBABLY, PROBABLY COSTING US.

>> AND, AND REALLY, TRYING TO MEET, YES, COMMISSIONER, ABSOLUTELY,

AND REALLY TRYING TO MEET PATIENT'S NEEDS. NONE OF US WANTS TO GO BACK TO THE DOCTOR MULTIPLE TIMES IF WE CAN GET IT SOLVED ONCE, SO, YOU KNOW, REALLY, TRYING TO MEET PEOPLE'S NEEDS, BUT AS LONG AS WE'RE PAID ON THIS, THIS FEE PER SERVICE MODEL, YOU KNOW, IT'S TWO THINGS. ONE IS WE ARE UNDERCUTTING OUR FEE STRUCTURE BY NOT HAVING PEOPLE COME BACK MULTIPLE TIMES, EVEN THOUGH WE'RE DOING THE RIGHT THING FOR PATIENT CARE. AND SECONDLY, SOME OF THE THINGS THAT YOU WOULD DO TO ENGAGE PATIENTS IN CARE, ARE THINGS THAT AREN'T BILLABLE ACTIVITIES UNDER A FEE FOR SERVICE MODEL. SO, WE REALLY DO NEED TO MOVE TO OTHER MODELS, AND WE ARE GOING TO TALK ABOUT THAT FEATURE HERE, WE NEED TO MOVE TO, TO THE ALTERNATIVE PAYMENT METHODOLOGY IN ORDER TO, TO BE ABLE TO HAVE THE, THE INCOME STREAM TO, TO, TO HIRE THE STAFF TO DO THE KIND OF PATIENT ENGAGEMENT TYPE OF THINGS THAT WE NEED TO DO. WE ALSO NEED TO KEEP LOOKING AT THINGS LIKE OUR STRATEGIES FOR DEALING WITH NO SHOWS, THE PERCENTAGE OF, OF VISITS THAT WE SCHEDULE FOR, FOR, FOR SAME DAY OR NEXT DAY OR SAME WEEK OR, OR, AND WHAT THE MIXES ARE, AND SO THAT WE HIT THE SWEET SPOT THAT, THAT ALLOWS PEOPLE TO GET THE CARE WHEN THEY NEED IT, AND THAT THEY SHOW UP FOR THE APPOINTMENTS AND DON'T DECIDE OH, I CAN LIVE WITH THIS OR I DON'T NEED TO GO TO THE DOCTOR, OR WHATEVER. THEN DON'T SHOW, AND WE HAVE EXPENSIVE PROVIDER TIME THAT WE CANNOT BILL FOR.

>> Commissioner Smith: WHEN YOU TALK ABOUT THE ALTERNATIVE PAYMENT SYSTEM, ARE YOU TALKING ABOUT THE GLOBAL BUDGET THAT WE WOULD GET FROM THE STATE?

>> IT WOULD -- YES. GLOBAL BUDGET IS SHORTHAND FOR IT BUT IT WOULD BE AN UP FRONT PAYMENT PER MONTH FOR, FOR WHAT WE'RE CURRENTLY GETTING AS THE WRAP-AROUND PAYMENT FOR THE PATIENTS WHO HAVE BEEN ASSIGNED TO US BY FAMILY CARE AND HEALTH SHARE. AND WE WOULD GET THAT PAYMENT FROM THE STATE IN LIEU OF THAT WRAP-AROUND PAYMENT, AND THEN WE WOULD NEED TO NEGOTIATE WITH FAMILY CARE BECAUSE WE WOULD THEN WANT THEM TO HAVE THE SAME PAYMENT STRUCTURE, AS WELL, WHERE THEY PAID US WHAT WOULD HAVE BEEN, WHAT THEY WOULD HAVE PAID US FOR THE PATIENTS AS AN UP FRONT PAYMENT.

>> Commissioner Smith: WE DON'T HAVE THOSE DOLLARS?

>> NO, WE DO NOT.

>> Commissioner Smith: THANK YOU.

>> WHAT DO WE DO ABOUT NO SHOWS RIGHT NOW? WHAT DO WE DO WHEN SOMEBODY NO SHOWS?

>> WE, WHEN NEW CLIENTS COME INTO THE PRACTICE, WE HAVE A POLICY THAT IS REVIEWED WITH THE PROVIDER AND, AND THERE IS A CONTRACT MADE IF SOMEONE IS SORT OF A REPEAT OFFENDER SHARING THAT, YOU KNOW, THAT THEY ARE TAKING AWAY ACCESS FROM SOMEONE WHO WOULD VERY MUCH LIKE A CLINIC VISIT. SO, IT'S REALLY A CONVERSATION BETWEEN THE PROVIDER AND THE CLIENT, IF THERE ARE REPEATED NO SHOWS, AND IT'S A CONVERSATION SOMETIMES ABOUT WHAT, YOU KNOW, WHAT'S THE OBSTACLE? IS IT TRANSPORTATION? IS IT CHILDCARE, YOU KNOW, WHAT CAN WE DO TO HELP?

>> YEAH.

>> SO WE TRY TO HAVE DISCHARGING PATIENTS BE THE LAST OPTION.

>> SO, IN CORRECTIONS HEALTH, THERE IS TWO NEW OPPORTUNITIES THAT THE AFFORDABLE CARE ACT IS PROVIDING US. ONE IS THE MEDICAID INSURANCE COVERAGE FOR PEOPLE WHO ARE HOSPITALIZED FOR 24 HOURS OR MORE. SO, THOSE INDIVIDUALS, THE HOSPITAL, INSTEAD OF THE HOSPITAL BILLING US, THE HOSPITAL CAN BILL TO MEDICAID IF THE PERSON IS COVERED UNDER THE OREGON HEALTH PLAN. AND WE ARE GOING TO BE OVER THE NEXT YEAR, NEEDING TO WATCH THE PROGRESS OF THAT. WE ARE BEGINNING TO SEE THE POSITIVE IMPACT OF, OF, OF THAT CHANGE. HOWEVER, THERE IS SOME THINGS THAT THE HOSPITALS COULD DO, CAN DO THAT CAN BE STRATEGIES THAT CAN UNDERCUT THAT. THAT ONE IS, IS THEY CAN ACTIVELY WORK ON PEOPLE'S HEALTH AND DISCHARGE THEM AT 23 HOURS, DID HE 23-HOUR MARK, AND/OR IF WE HAVE NOT GOTTEN THAT PERSON ENROLLED IN OHP OR SOMEWHERE ALONG THE LINE, THE HOSPITAL CAN NEGLECT TO ENROLL THEM IN OHP, AND THAT CAN RESULT IN THEM BILLING US INSTEAD OF BILLING OHP. THE OREGON HEALTH PLAN. SO, WE'RE GOING TO NEED TO REALLY PAY ATTENTION TO WHAT'S GOING ON WITH THIS AND LOOK AT HOW THE PRACTICES ARE SHIFTING AND TRY TO STAY ON TOP, ON TOP OF THAT -- THAT, THAT SITUATION. THE OTHER, THE OTHER OPPORTUNITY THAT WE HAVE IS, IS THAT COMMERCIAL HEALTH INSURANCE IS A COMBINATION OF THE AFFORDABLE CARE ACT AND LEGISLATION THAT THE STATE OF OREGON IS GOING TO, TO, TO REQUIRE PEOPLES' COMMERCIAL PLANS TO COVER THEM WHILE IN THE JAIL BEFORE THEY ARE CONVICTED, SO PRETRIAL, IS GOING TO ALLOW AN OPPORTUNITY FOR US TO, FOR THE PEOPLE WHO HAVE INSURANCE BILLED TO THEIR INSURANCE.

>> CAN I JUMP IN HERE? CAN I JUST GO BACK IN TIME AND CAN WE SNAG AND PRESERVE A BIT OF WHAT YOU JUST SAID, JOANNE? IT IS DEFINITIONALLY THE NON SENSE OF THAT INMATE EXCLUSION FROM OHP, ELIGIBILITY, WHICH IS THIS GAME PLAYING AROUND, IS IT 23 HOURS? IS IT 24 HOURS? IS IT, IS THE PAPERWORK FILLED OUT OR NOT FILLED OUT? THAT'S ALL, ALL EXPENSIVE IN TERMS OF OUTCOMES FOR, FOR PATIENTS, AND IT'S EXPENSIVE BECAUSE IT

HAS TO BE A REAL PERSON THERE PLAYING IT, THE TOGGLES ON THE GAME. IT IS DEFINITIONALLY NONSENSE, SO THANK YOU FOR THAT, WHICH YOU SAID SO, SO, SO, SO CLEARLY AND WITHOUT A TRACE OF IRONY, WHICH MEANS THAT I HAVE TO ROLL BACK THE TAPE AND PLAY IT BACK FOR US AND JUST CALL IT. THAT IS NONSENSE.

>> SO, YEAH, SO THE ROOTS OF THIS, AS YOU SAID, COMMISSIONER, ARE THE FACT THAT THE OREGON HEALTH PLAN DOES NOT COVER INDIVIDUALS WHO ARE INCARCERATED. AND THAT, ACTUALLY, WAS -- THAT'S FEDERAL POLICY, RIGHT, SO THAT WAS, ACTUALLY -- IT WAS A CONSCIOUS ACT OF THE FEDS THAT THEY, THEY CONTINUED THAT, THAT PRACTICE, WHICH OUR COUNTY AND MANY COUNTIES HAVE, HAVE TRIED TO TALK TO THE FEDERAL GOVERNMENT ABOUT, WHICH IS THAT, YOU KNOW, THIS REALLY SHIFTS CARE FOR PEOPLE AS A BURDEN ON LOCAL GOVERNMENTS, AND HAS, HAS MEANT THAT JAILS HAVE, HAVE HAD A REALLY HIGH HEALTH CARE COST BECAUSE OF THAT.

>> I'M NOT BLAMING, JUST SAYING, AND I DON'T THINK THAT, THAT THERE WAS NECESSARILY A FULL AWARENESS OF, OF THE, OF THE END GAME.

>> YES. SO, THAT CONTINUES UNDER THE, THE AFFORDABLE CARE ACT.

>> ABSOLUTELY.

>> SO THESE ARE SUBPOPULATIONS THAT WE HAVE OPPORTUNITIES FOR, NOT KIND OF WHOLESAL BILLING TO OHP FOR ALL OF THE, OF THE THINGS THAT WE'RE DOING IN CORRECTIONS HEALTH. AND, AND WE, IN ORDER TO, TO, TO TAKE ADVANTAGE OF THE COMMERCIAL BILLING OPPORTUNITY, WE'RE FIRST GOING TO NEED TO DO SOME REAL ANALYSIS OF WHAT SYSTEMS WE NEED TO PUT IN PLACE TO DO THAT. BECAUSE WE HAVEN'T BEEN BILLING FOR ANY CARE AT THE JAIL, BECAUSE WE HAD NO OPPORTUNITY TO DO IT, WE DON'T, DON'T DO IN THE JAIL, YOU KNOW, WE DON'T CODE THINGS LIKE THEY DO IN THE CLINIC, CODE ACTIVITIES FOR BILLING PURPOSES, FOR EXAMPLE. THAT TAKES PROVIDER TIME TO DO THAT, RIGHT, SO BECAUSE WE HAVE NO, NO REASON TO DO THAT, WE HAVE NOT DONE THAT. WE WOULD NEED TO PUT THE BILLING MODULE OF EPIC INTO THE JAIL, WHICH WE HAVE NOT DONE BECAUSE IT DID NOT MAKE ANY SENSE TO DO THAT BEFORE. WE WOULD NEED TO LOOK AT -- WE REALLY NEED TO DO SOME ANALYSIS OF WHICH OF THE ACTIVITIES THAT WE ARE DOING IN CORRECTIONS HEALTH REALLY ARE BILLABLE. PROVIDERS MAY HAVE PROVIDER PANELS THAT YOU HAVE TO BILL TO FOR YOUR INSURANCE. IF OUR PROVIDERS ARE NOT ON THE PANELS, YOU KNOW, THEY ARE, THEY ARE OUTSIDE OF PLAN. OR, THERE MAY BE ACTIVITIES THAT WE'RE DOING THAT, THAT, THAT, THAT DON'T MEET THE THRESHOLDS OF CARE, SO, THERE IS A LOT OF UNDER THE COVER'S WORK THAT NEEDS TO HAPPEN BEFORE WE CAN SAY WE THINK WE'RE GOING TO GET X AMOUNT OF MONEY FOR

CORRECTIONS HEALTH FROM THIS CHANGE THAT WAS MADE. SO, STAY TUNED TO THAT ONE.

>> I AM AN OPTIMIST, I BELIEVE IN EVOLUTION. [LAUGHTER]

>> I FIND IT FASCINATING THAT THE HOSPITALS ARE ALSO ON THE BOARD OF HEALTH SHARE, WHICH IS THE, YOU KNOW, THEY ARE OHP, YOU KNOW. SO, IT'S KIND OF AN INTERESTING GAME.

>> YES.

>> DO YOU WANT TO TALK ABOUT MENTAL HEALTH?

>> YEAH.

>> ACTUALLY, YOU ARE ON THAT --

>> WE'RE ON THE SAME ONE.

>> GOOD. GOOD.

>> SO, ON THE MENTAL HEALTH PLAN, WE PRESENTED THIS TO YOU MANY TIMES, SO THIS IS KIND OF REDUNDANT INFORMATION TO A DEGREE. BUT, OVER THE NEXT YEAR, WE'RE GOING TO STILL NEED TO BALANCE OPPOSING FORCES, SO WE HAVE A NICE INCREASE IN REVENUE BECAUSE WE HAVE SEEN APPROXIMATELY 33% INCREASE OF MEMBERS FOR THE MENTAL HEALTH PLAN, SO THAT, THAT INCREASES OUR REVENUE ON, ON THE, THE MEDICAID SIDE. ON THE OTHER SIDE, WE HAVE STATE GENERAL FUNDS, WHICH, WHICH IS WE RECEIVED A DECREASE, SO, I THINK ON THE BUDGET DOCUMENTS, IT SHOWS MEDICAID, INCREASED REVENUE 14.5 MILLION AND, AND ON THE STATE GENERAL FUND SIDE, WE'RE SEEING A DECREASE OF APPROXIMATELY 10.5 MILLION. SO, THE, THE PREMISE ON THE STATE WAS ALL OF THESE FOLKS WHO HAVE BEEN UNINSURABLE NOW WILL BE MOVING TO MEDICAID AND WILL BE INSURED AND BE COVERED, SO THAT WAS THE DRAWBACK. THEN IF YOU REMEMBER THE STATE THEN PUT THAT MONEY OUT TO, STATEWIDE IN THE MENTAL HEALTH INVESTMENTS. SO, WE HAVE THIS JOCKEYING OF MONEY IN MULTIPLE PLACES, AND WE'RE GOING TO HAVE TO SEE IN THE NEXT YEAR WHAT THE IMPACT IS. EARLY PROJECTIONS ARE, I CAN'T EVEN SAY PROJECTIONS, BUT EARLY OBSERVATIONS IS, IS THAT, THAT THERE MAY BE SOME TRUTH TO THAT. WE MAY BE SEEING MORE SHIFTS TO THE MEDICAID SIDE, AND LESS OF A PULL ON THE STATE GENERAL FUNDS, BUT WE STILL DON'T KNOW YET. WHEN WE JUST DO A SMALL CASE OF THE MULTNOMAH TREATMENT FUND, ABOUT 33% OF THE PEOPLE ARE MEDICARE, SO THEY ARE NOT GOING TO BE IMPACTED BY, BY MEDICAID EXPANSION. SO, THAT'S ON THE MENTAL HEALTH PLAN SIDE, AND THAT'S WHAT THE JUGGLE IS, WE HAVE THIS GREAT REVENUE, BUT WE STILL HAVE

PEOPLE WHO HAVE SEVERE AND PERSISTENT MENTAL ILLNESS ON MEDICARE AND ARE NOT GOING TO BE ABLE TO BENEFIT FROM, FROM THE, THE ENHANCED SERVICES BECAUSE MEDICARE LIMITS THE SERVICE THAT THEY CAN RECEIVE. AND SO THE, THE -- THE STATE GENERAL FUNDS AND COUNTY GENERAL FUNDS SUPPLEMENT THAT POPULATION TO HELP THEM GET THE SERVICES THAT THEY NEED TO REMAIN STABLE. I THINK --

>> I HAVE A QUESTION ON THAT. WHAT WAS THE CALCULATION THE STATE USED ON THE 10.5?

>> THAT, I DO NOT KNOW. I DON'T KNOW IF ANY OF OUR FINANCE PEOPLE ARE HERE, OR THEY WOULD HAVE TO, HAVE TO DISCUSS WHERE THOSE CALCULATIONS CAME FROM.

>> I AM CURIOUS IF IT WAS ON UTILIZATION OR PREVENTION, SOME BALANCES? OR --

>> I COULD GET THAT INFORMATION TO YOU. I CAN GO BACK AND CHECK IN WITH THE FINANCE FOLKS. SURE, I CAN DO THAT. ANY OTHER QUESTIONS ON THIS SIDE? FOR THIS PIECE? I WOULD LIKE TO INTRODUCE OUR, OUR ADDICTION'S MANAGER, DEVARSHI BAJPAI, WHO WILL BE TALKING ABOUT THE NEXT COUPLE OF BULLET POINTS.

>> DEVARSHI BAJPAI, ADDICTION SERVICES MANAGER FOR MENTAL HEALTH AND ADDICTIONS. SO, WITH THE, THE AFFORDABLE CARE ACT, AND EVERYTHING ELSE THAT YOU'VE BEEN HEARING ABOUT, THERE'S BEEN AN INCREASE IN THE POPULATION OF THE MEDICAID COVERED PEOPLE. AND, AND THAT, THAT -- THEY HAVE ACCESS TO ADDICTION TREATMENT AS PART OF THAT. WE ARE GOING TO SEE AN INCREASED DEMAND AND TREATMENT. WE'RE GOING TO SEE PEOPLE BEING ABLE TO GET TREATMENT, BUT THE PROBLEM IS GOING TO BE THAT WE HAVE A LIMITED CAPACITY OF RESIDENTIAL TREATMENT BEDS, AND THAT'S UNLIKELY TO EXPAND, AT LEAST ANYWHERE IN THE SHORT-TERM. SO, WE'RE GOING TO HAVE MORE PEOPLE THAT NEED TREATMENT AND MORE PEOPLE THAT NEED THE BEDS THAT CAN'T ACCESS THEM. SO THE AFFORDABLE CARE ACT HAS ALLOWED US TO BE ABLE TO SHIFT, TO BE ABLE TO INCREASE THE INTENSITY OF SERVICES THAT SOMEBODY CAN RECEIVE IN OUTPATIENT TREATMENT, AND WRAP AROUND THEM THINGS LIKE HOUSING, EMPLOYMENT, CHILDCARE, AND ALL THOSE KINDS OF THINGS THAT HELP PEOPLE BE SUCCESSFUL WHILE IN THE COMMUNITY, AND WE'LL BE ABLE TO SHORTEN THE LENGTH OF STAY IN RESIDENTIAL TREATMENTS SO PEOPLE CAN GET WHAT THEY NEED WHILE LIVING AT HOME OR IN A COMMUNITY AND, AND WHERE THEY ARE GOING TO BE LIVING LONG-TERM, TOO. SO, WE THINK THAT WILL, WILL IMPROVE OUTCOMES AND, AND IT'S, IT'S -- WE HAVE JUST -- SO FAR WE HAVE SEEN SOME OF THE AGENCIES HAVE HAD, HAVE HAD BIG INCREASES IN THEIR MEDICAID POPULATIONS, AND THE CONTRACTORS THAT WE WORK WITH, AND

SOME OTHERS HAVE HAD VERY LITTLE TO CHANGE IN THEIR POPULATIONS. THE, THE AGENCIES THAT TEND TO SERVE THE PEOPLE AND MAKE MORE THAN 138% OF THE FEDERAL POVERTY LEVEL, BUT, LESS THAN 200%, SO THEY ARE NOT ABLE TO AFFORD TREATMENT THROUGH THEIR OWN RESOURCES AND, AND, AND IN SOME CASES, HAVE NOT PAID FOR, FOR INSURANCE YET. SO, SO, IT'S GOING A DIFFERENT, AT A DIFFERENT PACE AND, AND WE'RE, WE'RE, WE'RE WORKING WITH ALL OF THEM TO TRY TO MANAGE THAT TRANSITION TO, TO BEING ABLE TO FUNDS MORE WRAP-AROUND. SOME ARE GOING FASTER THAN OTHERS.

>> SO, I THINK WHAT'S BEEN HAPPENING TO DEVARSHI AND GINGER HAVE BEEN WORKING CLOSELY TOGETHER BECAUSE A LOT OF OUR PROVIDERS ARE THE SAME PROVIDERS. WE REALLY HAVE BEEN WORKING ON HOW DO WE CHANGE THE WAY WE DO THE BILLING, AND HOW DO WE WATCH WHAT PEOPLE -- HOW WE PAY THEM FOR WHAT THEY DO. WHAT WE'RE EXPECTING IS, IN THE BUDGET WE PREPARED, WE EXPECT ABOUT 70% OF THE POPULATION TO QUALIFY, AND SO THAT MEANS THAT 30% THEN WE KEPT TO CONTINUE HELPING PAY FOR, FOR THE KIND OF SERVICES THAT WE NEEDED, AND WE REALLY HAVE BEEN EXAMINING THE EFFECTIVENESS OF THE EXPERIENCE. SO, ALONG WITH WHAT DEVARSHI WAS SAYING, WE'RE MOVING MONEY OUT OF OUR RESIDENTIAL BUDGET, AND WE'RE MOVING IT INTO THE INTENSIVE OUTPATIENT, AND WHAT THAT REALLY DOES FOR US, WE FOUND THAT WE HAD A LARGE NUMBER OF PEOPLE THAT WERE BEING PLACED IN RESIDENTIAL, OFTEN MORE FOR, FOR THE STABILITY OF THE HOUSING THAN THE TREATMENT THAT WAS NECESSARY, AND SO BY NOW, HAVING THE ABILITY TO HAVE THE TREATMENT PAID FOR, IT ALLOWS US TO SHIFT THAT INTO OTHER THINGS THAT WE KNOW WILL PROVIDE THAT STABILITY SO THAT THEY, ACTUALLY, WILL ATTEND TREATMENT AND CAN BE HELD IN TREATMENT, AND SO, THINGS LIKE THE HOUSING, THE, THE EMPLOYMENT, THE TRANSPORTATION, THE ABILITY FOR CHILDCARE, AND THOSE KINDS OF THINGS THAT IN THE PAST, WE WERE REALLY STRAPPED TRYING TO FIGURE OUT, WHICH DO WE PAY FOR OR WHAT, AND NOW WE HAVE SHIFTED TO BE ABLE TO TAKE WHAT WE ARE CALLING RECOVERY SUPPORT SERVICES, SO WHEN YOU SEE OUR BUDGET, THAT'S WHAT IS LAID IN THERE FOR AND, AND AS EVERYBODY HAS SAID, FOR THE NEXT YEAR OR SO, WE ANTICIPATE THIS BEING, BEING A CONTINUOUS, DID WE GET IT RIGHT? DO WE HAVE THE RIGHT VOLUME? DID WE -- DO WE NEED TO INCREASE THIS AND DECREASE THIS SERVICE, SO, SOME OF THE OTHER WORK YOU HAVE ALLOWED US TO DO, WITH OUR, OUR, OUR PARK PROGRAM OR OUR ASSESSMENT RESIDENCE, THAT ALLOWS US TO START TRYING TO TARGET MORE PRECISELY WHO NEEDS WHAT AND WHICH OF THOSE THINGS ARE PAID FOR NOW IN TREATMENT, AND THEN WE'RE KEEPING AN EYE ON SOME OF OUR PEERS IN THE STATE TO ALSO SEE WHAT KINDS OF SERVICES PEOPLE ARE ENGAGING IN, AND I USED SOME OF THE VERY SMALL COUNTIES AS CANARIES. THEY ARE TELLING ME RAPIDLY WHAT THEY ARE SEEING, AND WE'RE SO MUCH BIGGER. IT TAKES US A WHILE LONGER TO NOTICE THAT, BUT THEY SORT

REAL QUICK, SO IT LETS US SEE WE BETTER BUILD THIS CAPACITY OR THAT CAPACITY, SO THAT'S WHERE WE'VE BEEN WORKING TO TRY AND, AND USE A COMMON BILLING AND A COMMON DEFINITION, AND SO THE MEETING WITH, WITH THE, THE LEADERS OF OUR DIFFERENT PROVIDERS, HAVE ENJOYED CONVERSATIONS, AND DEVARSHI CAN TALK MORE ABOUT THAT IF YOU ARE INTERESTED. BUT I THINK WE'VE BEEN TRYING TO WORK A COORDINATED MODEL WITH THEM.

>> GREAT.

>> ANY QUESTIONS ON THAT SUBJECT?

>> Commissioner Smith: I HAVE A QUESTION, UNDER CORRECTIONS HEALTH, IS THAT THE SYSTEMS THAT YOU THINK THAT THE CORRECTIONS HEALTH IS TALKING ABOUT, SCOTT, OR --

>> I'M NOT SURE -- WELL --

>> SO THE HEALTH DEPARTMENT RUNS CORRECTIONS HEALTH.

>> YEAH.

>> YEAH.

>> YES.

>> OK. THANK YOU.

>> IN TERMS OF ONE, IS YOU KNOW, A YEAR AGO, WE IMPLEMENTED EPIC CARE EVERYWHERE, AT, AT THE JAIL, WHICH MEANT THAT THEY WERE ON THE SAME ELECTRONIC MEDICAL RECORD AS THE REST OF OUR CLINIC SYSTEM, AND ABOUT 85% OF THE PROVIDERS, PRIMARY CARE PROVIDERS, AND THE, IN THE METRO AREA, BUT, THERE IS A MODULE FOR EPIC THAT'S REALLY DESIGNED TO BE TIED INTO THE BILLING SYSTEMS, AND WE DON'T USE THAT IN THE JAIL BECAUSE RIGHT NOW, WE CANNOT, SO WE WOULD NEED TO IMPLEMENT THAT, AND WE WOULD NEED TO TRAIN PEOPLE IN HOW TO USE IT. WELL NEED TO FIGURE OUT THE PROCESS FLOW OF WHAT BILLING WOULD LOOK LIKE COMING FROM THE JAIL, GOING TO VARIOUS PRIVATE INSURERS, AND THEN COLLECTING THE PAYMENT AND ALL OF THAT. SO THAT'S THE SYSTEM -- I'M TALKING ABOUT THE I.T. SYSTEMS, BUT ALSO, BUT ALSO, PEOPLE SYSTEMS TO, TO MAKE THAT FLOW WORK.

>> Commissioner Smith: WOULD THAT INCLUDE THE SPECIAL SESSION IN REGARDS TO US BEING ABLE TO BUILD PRIVATE INSURERS OF THE PRE-ADJUDICATED INMATES, TOO?

>> YES, THIS WOULD BE IN ORDER FOR US TO DO THAT, TO BE ABLE TO BUILD THROUGH, TO BILL THROUGH THE PRIVATE INSURANCE. THAT'S SOMETHING THAT HASN'T BEEN A POSSIBILITY, SO WE HAVE NOT BILLED, HAD THE CAPACITY TO DO IT.

>> SO, FOR THE HOSPITAL, THE HOSPITAL COSTS, WE DON'T NEED A NEW SYSTEM?

>> NO.

>> THEY ARE BILLING US, AND NOW, THEY MAY BILL PRIVATE INSURANCE OR, OR, OR MEDICAID.

>> OR US.

>> OR US.

>> THE REAL QUESTION IS, INTERNALLY WHEN SOMEONE IS BEING TREATED, IN THE JAIL, WOULD IT BE WORTH IT, THE COST OF HAVING THE SYSTEM AND TRAINING PEOPLE TO BILL THE, YOU KNOW, BECAUSE, BECAUSE IT WOULD ALSO JUST BE THE PRETRIAL PEOPLE, SO ARE THERE ENOUGH PRETIME PEOPLE WHO ARE SICK AND STILL HAVE INSURANCE TO MAKE IT WORTH OUR WHILE TO, TO, TO BILL AND RECOUP THE COSTS?

>> Commissioner Smith: THEY SAID IT WAS 500,000, THE MINIMUM.

>> SO THAT'S FOR CIVIL ANALYSIS. IT'S UNCLEAR WHAT ASSUMPTIONS ARE IN THAT. WE HAVE TO HAVE NURSES 24-7 TO BE ABLE TO DO A HEALTH ASSESSMENT OF PEOPLE WHO ARE COME AND ARE BOOKED. BECAUSE IT IS NOT A FULL PHYSICAL, IT'S HIGHLY UNLIKELY ANYBODY'S INSURANCE WILL PAY US FOR THAT TIME TO DO THAT. SO WE'LL SEE PEOPLE PRETRIAL, UNINSURED, AND WE'RE DOING THAT ASSESSMENT, AND WE HAVE TO DO THAT FOR OUR OWN PROVISION OF HEALTH CARE SERVICES AND MEETING MINIMUM STANDARDS, BUT IT'S VERY UNLIKELY THAT'S A BILLABLE ACTIVITY. SO, THERE IS A LOT OF THINGS THAT WE DO IN THE JAIL THAT WE MAY DO WITH PEOPLE THAT, THAT WOULD BE ELIGIBLE UNDER THIS, AND EVEN IF WE BUILT THE SYSTEM TO BILL FOR IT, IT MAY NOT BE BILLABLE. SO, WE HAVE REALLY GOT TO DO THE ANALYSIS TO MAKE SURE THAT, THAT THE COST BENEFIT, WHAT THE COST BENEFIT LOOKS LIKE FOR US. AND SO THAT'S, THAT'S -- THAT, WE HAVE NOT MADE ASSUMPTIONS ABOUT THAT IN THE BUDGET. WE'RE GOING TO BE WORKING ON THAT ANALYSIS IN THE NEXT YEAR.

>> Commissioner Smith: OR WE COULD DO IT THE OLD FASHIONED WAY, AND JUST WRITE IT UP AND SEND THEM A BILL.

>> THEY DON'T PAY THAT WAY ANY MORE.

>> WHAT IS THIS?

>> IS THAT MULTNOMAH COUNTY?

>> I JUST WANTED TO ADD, AS USUAL, I THINK THAT, THAT THIS CONVERSATION JUST ADDS EVEN MORE PRESSURE TO THAT CONVERSATION ABOUT, ABOUT OUR WHOLE RELEASE AND OUR PROCESS AROUND THAT BECAUSE WE'RE GOING TO HAVE A VARIETY OF PEOPLE THAT MAY ALL OF A SUDDEN BE ELIGIBLE TO BE TREATED IF THEY WERE NOT SITTING IN THE JAIL, AND HOW DO WE IMPROVE THE SECURITY THAT THEY WILL SHOW UP, AND IN EXCHANGE FOR, FOR, FOR WHAT THEY WOULD COST US TO KEEP INSIDE OVER AND ABOVE THE NORMAL INCARCERATION, AND THAT, THAT -- WE HAVE NOT REALLY HAD TO HAVE THAT CONVERSATION AS A FACTOR IN ANALYZING PEOPLE SO FAR.

>> HISTORICALLY, THERE HAVE BEEN SORT OF CASE-BY-CASE BASES THAT BETWEEN THE JAIL AND CORRECTIONS HEALTH, THEY HAVE WORKED ON GETTING PEOPLE OUT THAT WERE COSTING THE COUNTY A LOT OF MONEY IN CORRECTIONS HEALTH COSTS, AND WE WEREN'T GETTING A LOT OF PUBLIC SAFETY BENEFIT BY HOLDING THEM IN THE JAIL FOR A LONG PERIOD OF TIME. AND DCJ AND THE SHERIFF WORKED WITH JUDGES AND CORRECTIONS HEALTH TO MAKE THAT HAPPEN. BUT, I THINK THAT SCOTT IS RIGHT ON. IT'S LIKE THERE WILL BE MORE OPPORTUNITY FOR US TO FIGURE OUT WHAT GOALS ARE WE ACHIEVING BY KEEPING PEOPLE IN JAIL? DO WE REALLY MAKE THE PUBLIC SAFETY BY KEEPING SOMEBODY IN JAIL WHO IS ON DIALYSIS OR WHO NEEDS A LOT OF MEDICAL CARE, AND IS THERE A WAY THAT WE COULD MONITOR THAT PERSON'S CRIMINAL BEHAVIOR AND GET THEM OUT OF OUR JAIL WHERE THEY ARE VERY -- COSTING US A LOT OF MONEY AND KEEP THE PUBLIC SAFE?

>> I THINK YOU ARE ON.

Ms. Swackhamer: GOOD AFTERNOON, SHERRY SWACKHAMER, THE DEPARTMENT OF COUNTY ASSETS AND CHIEF INFORMATION OFFICER. I PROMISE THIS IS THE LAST SLIDE THAT I HAVE TO DO. [LAUGHTER] I HOPE. I THINK WE TALKED ABOUT THIS IN AN EARLIER PRESENTATION THAT I DID THIS AFTERNOON, WITH THE AFFORDABLE CARE ACT AND HEALTH SYSTEMS TRANSFORMATION. THERE WILL BE INVESTMENTS IN INFORMATION TECHNOLOGY, BOTH INFRASTRUCTURE, TO GET TO THE QUESTION COMMISSIONER SMITH ASKED EARLIER. IT COULD BE INFRASTRUCTURE, SOFTWARE, OR INTEGRATION TOOLS. WE'RE CURRENTLY WORKING WITH THE SCHOOL-BASED MENTAL HEALTH GRANT ON ANALYZING WHAT WOULD IT TAKE TO, TO, TO, TO INTEGRATE OUR BEHAVIORAL HEALTH AND PHYSICAL

HEALTH SYSTEMS? THAT'S ONE OF THE FIRST AREAS THAT WE SEE A NEED. AND IF THE COUNTY CONTINUES TO BE, TO HAVE THE MENTAL HEALTH BENEFIT, WE MAY LOOK, MAY NEED ADDITIONAL SYSTEMS ON THE FINANCIAL AND DATA REPORTING SIDE, MUCH LIKE, LYING, LIKE A COMMERCIAL HEALTH PLAN THAT WE DON'T CURRENTLY HAVE TODAY. I DID MENTION, ALSO, WE ARE LOOKING AT, AT SOME DIFFERENT REPORTING TOOLS LIKE DASH-BOARDING TOOLS THAT WOULD PROVIDE BOTH DCHS AND THE HEALTH DEPARTMENT WITH SOME ADDITIONAL REPORTING CAPABILITIES THAT WE DON'T HAVE TODAY. WE ARE ASKING TO, TO, TO CARRY FORWARD THE 400,000 THAT WAS DESIGNATED FOR HEALTH CARE TRANSFORMATION.

>> GREAT.

>> SO WE HAVE NOT MADE ANY ASSUMPTIONS ABOUT THE ALTERNATIVE PAYMENT METHODOLOGY AS WE'RE SAYING IN THE, IN THE BUDGET. WE'RE ASSUMING ON THE HORIZON FOR THE FUTURE, WE'RE IN NEGOTIATIONS WITH THE STATE. WE HOPE THAT DURING THE NEXT FISCAL YEAR, WE WILL GO TO THE ALTERNATIVE PAYMENT METHODOLOGY FOR THE WRAP-AROUND PAYMENT, AND THEN WE CAN FIGURE OUT WHAT THAT MEANS FOR US IN TERMS OF THE REVENUE SIDE AND THE EXPENSE SIDE. THE HEALTHY COLUMBIA WILLAMETTE, YOU RECEIVED A BRIEFING RECENTLY WITH GREAT DISCUSSION ABOUT THAT COMMUNITY ASSESSMENT, AND SO YEAR GOING TO CONTINUE TO NEED TO -- AND THAT, OF COURSE, IS TIED TO THE AFFORDABLE CARE ACT BECAUSE IT'S A REQUIRED COMMUNITY ASSESSMENT FOR ALL OF THE PARTNERS THAT ARE AT THAT TABLE, AND SO WE CONTINUE TO WORK WITH THEM TO NEGOTIATE THE DEVELOPMENT OF THE IMPLEMENTATION PLAN.

FOR THE MENTAL HEALTH PLAN, YOU DID HEAR KIND OF AN INTRODUCTORY CONCEPT FROM SUSAN MYERS, THE DEPARTMENT DIRECTOR, THAT SHE HAS ENGAGED THE HELP OF CONSULTANTS, TECHNICAL ASSISTANTS CONSULTANTS, WHO ARE REVIEWING THE MEDICAID OPERATIONS, AS WELL AS OUR ROLE AS THE LOCAL MENTAL HEALTH AUTHORITY, AND THEY WILL BE PROVIDING RECOMMENDATIONS TO YOU ABOUT WHAT THE NEXT STEPS FORWARD WILL BE.

>> FOR THE DEPARTMENT OF COMMUNITY JUSTICE, WHAT THIS MEANS IS UP UNTIL NOW, WE'VE BEEN CONTRACTING FOR SPECIFIC SERVICES, SO, SO WE WOULD BE, FOR EXAMPLE, TALKING ABOUT ALCOHOL AND DRUG SERVICE AND WORKING ON CRIMINALITY. WORKING ON THE COGNITIVE THINKING THAT, THAT GOES ALONG WITH THE SUBSTANCE ABUSE. AND NOW, WE'RE GOING TO BE IN A ROLE WHERE THE PROVIDER IS BEING PAID TO WORK ON THE SUBSTANCE ABUSE ADDICTION, NOT ON THE CRIMINALITY. SO, WE'RE, WE'RE WORKING WITH OUR DIFFERENT PROVIDERS TO ADD THOSE PIECES, AND IT'S GOING TO BE A DIFFERENT KIND OF BILLING PROCESS, AND SUSTAINABILITY BECAUSE WE KNOW THAT WE HAVE TO WORK ON, ON, ON,

SO MOST PEOPLE ARE NOT WORKING ON PEERS AND ASSOCIATES WHILE THEY ARE WORKING ON SPECIFIC ADDICTION ISSUES. SO, WE WILL HAVE TO COMPLIMENT THE PAYMENT THAT'S COMING THROUGH FOR THE ALCOHOL AND DRUG STREAM IF WE WANT THOSE SPECIFIC ISSUES OVER AND ABOVE THE HOUSING AND THE OTHER THINGS THAT I TALKED ABOUT, AND WHEN WE WORK WITH SPECIALIZED POPULATIONS, WE'RE GOING TO HAVE TO, TO ADJUST THAT FOR THOSE POPULATIONS, AND THAT WILL AFFECT WHO IS WILLING TO DO THAT IN THIS MARKET AND WHO IS NOT. WE'LL BE WORKING WITH A VARIETY OF OUR PREVIOUS PROVIDERS, AND WE'VE BEEN WORKING UP UNTIL NOW TO TRY TO REDESIGN WHAT WE PAY FOR AND WHAT, WHAT THEY CAN, THEY CAN BILL FOR.

>> SO, IN TERMS OF THE RISKS, YOU HAVE HEARD A LOT ABOUT THE RISKS. THE TECHNOLOGY AND UPGRADES, THE, THE FACT THAT WE DON'T HAVE THE ALTERNATIVE PAYMENT METHODOLOGY YET, THAT WOULD BE A REALLY STABILIZING THING FOR US. THE MENTAL HEALTH EXPANSION, THE NEED TO EXPAND MENTAL HEALTH CAPACITY, THE COORDINATED CARE ORGANIZATIONS CURRENTLY, YOU KNOW, WE ALL KNOW THAT PREVENTION AND THE LINK BETWEEN HEALTH CARE AND PREVENTION IS WHAT'S GOING TO, TO, TO REALLY TRANSFORM HEALTH IN AMERICA AND, AND THE VISION OF THE AFFORDABLE CARE ACT IS THAT, THAT, THAT MEDICAID PAYMENTS WILL BE PAYING FOR THINGS THAT ARE MORE PREVENTION ORIENTED, BUT WE ARE NOT THERE YET. THAT'S, THAT'S STILL, STILL, IF WE NEVER GET THERE, THAT WILL BE A PROBLEM SO WE NEED TO BE PUSHING, AND WE ARE THE PEOPLE PUSHING FOR US TO GET THERE. AND YOU HAVE HEARD ABOUT, ABOUT HOW, HOW OTHER, OTHER FUNDERS ARE BEGINNING TO DECREASE OUR FUNDING FOR SOCIAL SERVICES BECAUSE OF THE EXPECTATION THAT, THAT MEDICAID IS PICKING UP THE SLACK, AND WE'LL NEED TO REALLY WATCH THAT BALANCE BECAUSE THE COUNTY GENERAL FUNDS COULD WIND UP BEING PRESSURED TO, TO FILL THOSE GAPS IF MEDICAID DOESN'T PICK UP WHERE THEY ARE EXPECTED TO PICK UP. AND CAPACITY, SAMIE AND I WERE TALKING ABOUT THE CAPACITY IN THE CLINICS, AND THERE IS MENTAL HEALTH CAPACITY ISSUES, AND THERE IS DRUG AND ALCOHOL CAPACITY ISSUES, AND IT'S A NATIONAL ISSUE, IT'S A STATEWIDE ISSUE, AND AS EVERYONE FIGURES OUT HOW TO DEAL WITH THE, THE NEEDS OF PEOPLE WHO ARE, ARE GOING TO NEED CARE, WHO HAVE, WHO, LET'S BE CLEAR, THESE CITIZENS DIDN'T JUST MAGICALLY APPEAR. THEY HAVE BEEN HERE, AND THEY HAVE NEEDED CARE, AND THEY HAVE NOT GOTTEN THE CARE THAT THEY NEEDED, AND NOW, THEY HAVE INSURANCE, AND THAT CREATES AN ENTITLEMENT TO THE CARE THAT NEEDS TO BE ADDRESSED. SO THAT'S, THAT'S, THAT'S OUR PRESENTATION.

>> GREAT. FULLY QUESTIONS?

>> I HAVE, I DON'T HAVE A QUESTION BUT A COMMENT, WHICH YOUR LAST COMMENT WAS A PERFECT LEAD-IN TO, SO A PLUG, NEXT WEEK OUR OFFICE

IS HOSTING A FORUM ON MAY 9 TO LOOK AT THIS. A LOT OF THE NONPROFITS OUT IN THE WORLD ARE SEEING HEALTH CARE TRANSFORMATION AS THE GOLDEN TICKET TO THEIR FUNDING STRATEGY, WHICH IS NOT PANNING OUT. IT'S MORE COMPLICATED THAN THAT. SO IT'S A CONVERSATION BETWEEN THE CCOS, THE HEALTH DEPARTMENT, AND THE TRANSPORTATION CENTER AND THE NONPROFIT COMMUNITY TO REALLY HAVE A CONVERSATION ABOUT THESE ISSUES, BECAUSE THEY ARE NOT AT A DECISIVE MOMENT. SO, IT'S CLARIFYING EXPECTATIONS. I'M LOOKING FORWARD TO THAT DISCUSSION NEXT WEEK.

>> THANK YOU, COMMISSIONER.

>> THANK YOU.

Chair Madrigal: ANYTHING ELSE? THANK YOU VERY MUCH. VERY INFORMATIVE. I KNOW IT TOOK A LOT OF WORK TO PULL TOGETHER, ACROSS THE DEPARTMENTALS, PUTTING ON THE COUNTY-WIDE HAT. WE APPRECIATE IT. AND, AND SINCE THERE IS NO FURTHER BUSINESS, WE ARE ADJOURNED. THANK YOU. [GAVEL]

ADJOURNMENT

The meeting was adjourned at 3:55 p.m.

This transcript was prepared by LNS Captioning and edited by the Board Clerk's office. For access to the video and/or board packet materials, please view at:
http://multnomah.granicus.com/ViewPublisher.php?view_id=3

Submitted by:
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Board of County Commissioners
Multnomah County