



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST (revised 09/22/08)

Board Clerk Use Only

Meeting Date: 03/19/09
Agenda Item #: R-3
Est. Start Time: 9:35 AM
Date Submitted: 03/09/09

**COMMISSIONER COGEN MOVED AND
COMMISSIONER SHIPRACK SECONDED,
APPROVAL OF R-3.**

**BOB THOMAS AND JOHN LINDENTHAL EXPLANATION AND RESPONSE
TO QUESTIONS OF CHAIR WHEELER REGARDING ROOF REPAIRS.**

BUDGET MODIFICATION UNANIMOUSLY APPROVED. [5-0]

BUDGET MODIFICATION: DCM-08

**Agenda Title: BUDGET MODIFICATION DCM-08 Appropriating \$2,635,000 General Fund
Contingency Transfer for DCM Facilities to Conduct Urgent Building Repairs
on the Gladys McCoy and Hansen Buildings and to Reimburse for Maintenance
Costs at the Wapato Facility**

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date:	<u>March 19, 2009</u>	Amount of Time Needed:	<u>10 mins</u>
Department:	<u>County Management</u>	Division:	<u>Facilities and Property Management</u>
Contact(s):	<u>John Lindenthal, Bob Thomas</u>		
Phone:	<u>503-988-4213</u>	Ext.	<u>84213</u>
	I/O Address:		<u>Bldg 274/1</u>
Presenter(s):	<u>Bob Thomas, John Lindenthal</u>		

General Information

1. What action are you requesting from the Board?

Appropriate \$2,635,000 of General Fund contingency to conduct urgent building repairs on the Gladys McCoy and Hansen Buildings, and reimburse Facilities for FY09 operational expenses. \$1,850,000 will be used on the Gladys McCoy Building, \$500,000 for the Hansen Building, and \$285,000 for reimbursement for FY09 operational expenses at the Wapato Jail.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The McCoy and Hansen buildings had been identified as disposition buildings and replacement

options were being investigated and were in process. However, due to the time it has taken us to get here, the conditions of both buildings have raised their building issues to the point that short-term repairs are no longer effective.

Gladys McCoy Building projects scope of work is to replace the roof and roof mounted cooling tower (\$1,000,000) and complete other critical building repairs including the exterior windows and heat and ventilation system (HVAC) repairs critical to building operations (\$850,000).

The roof on the McCoy Building has been leaking and at this point is deteriorated beyond any repair strategy. The roof top cooling tower leaks, is well beyond life cycle, is critical to building operations and cannot be repaired effectively. The cooling tower also must be crane lifted off the building in order to complete re-roofing. Other critical repairs include the leaking exterior windows and HVAC system work.

The Hansen building project scope of work is to replace the roof (\$400,000) and complete other critical exterior building repairs (\$100,000). The roof on the Hansen Building has been leaking and at this point is deteriorating beyond any repair strategy. The windows and other elements of the building exterior are also in need of critical repairs.

For FY 2009, FPM had originally requested \$517,152 from the MCSO to maintain and capitally invest in both the short and long term facility needs. Ultimately FPM received no funding for Wapato, hence this request to fund the gap in FPM revenues. The Board provided through a FY 2009 Budget Note that Wapato expenses could be reimbursed through a General Fund Contingency Request. Facilities' is requesting \$285,000 for costs associated with maintenance and utilities for the Wapato Facility during FY 2009. This request assumes neither administration, nor Asset Preservation Capital funding.

3. Explain the fiscal impact (current year and ongoing).

The FY 2009 General Fund contingency will be decreased \$2,635,000. The FY 2009 Capital fund (2507) will be increased by \$2,350,000 and the Facilities Fund 3505 will be increased by \$285,000.

4. Explain any legal and/or policy issues involved.

N/A

5. Explain any citizen and/or other government participation that has or will take place.

N/A

ATTACHMENT A

Budget Modification

If the request is a Budget Modification, please answer all of the following in detail:

- **What revenue is being changed and why?**
General Fund contingency will be decreased by \$2,635,000.
- **What budgets are increased/decreased?**
The Facilities Capital fund (2507) will be increased by \$2,350,000 and the Facilities Fund (3503) will be increased by \$285,000.
- **What do the changes accomplish?**
Complete critical projects at the Gladys McCoy building and the Hansen building. Changes fund the ongoing operations at Wapato
- **Do any personnel actions result from this budget modification? Explain.**
N/A
- **How will the county indirect, central finance and human resources and departmental overhead costs be covered?**
N/A
- **Is the revenue one-time-only in nature? Will the function be ongoing? What plans are in place to identify a sufficient ongoing funding stream?**
This is a one-time only request for Fund 2507 for these critical capital project building repairs. Operating expenses for Wapato will continue unless the building is abandoned and totally shut down. Funding for FY10 operational expenses \$372,000 are currently requested through the Chair's Office.
- **If a grant, what period does the grant cover?**
N/A
- **If a grant, when the grant expires, what are funding plans?**
N/A

Contingency Request

If the request is a Contingency Request, please answer all of the following in detail:

- **Why was the expenditure not included in the annual budget process?**
Gladys McCoy building repairs were included in a program offer last year that was not purchased. The reason that it was not purchased is that a strategy to replace the Gladys McCoy building space with space at the Lincoln Building looked like it was going to happen. Portland Development Commission funding is being held up through a Land Use Board of Appeals (LUBA) appeals process. Further, the conditions at the Gladys McCoy building have deteriorated to the point that makes these project necessary to be funded this year.

Hansen building was also scheduled to be replaced by a new facility at the East County Justice Center (ECJC). The scope of work for this project is currently being reviewed. It appears that the Sheriff's office will need the use of this facility for some time. The conditions at the Hansen building

make the roof replacement and building exterior repairs necessary.

For both buildings, roof and exterior building projects require good weather conditions. Therefore, it is prudent to start the design and bid process prior to the end of the fiscal year.

The funds for Wapato were requested in FY09 through MSCO, however those funds set aside in the building management line for Wapato contingency funding was for both the first six months of mothball cost as the ramp up began as well as 6 months of operation at full use. MCSO did not fund and the funds reside in the General Fund Contingency account.

- **What efforts have been made to identify funds from other sources within the Department/Agency to cover this expenditure?**

The Department is not able to absorb such a large expenditure without contingency funding.

- **Why are no other department/agency fund sources available?**
- **Describe any new revenue this expenditure will produce, any cost savings that will result, and any anticipated payback to the contingency account. What are the plans for future ongoing funding?**

N/A

- **Has this request been made before? When? What was the outcome?**

Program offers had been submitted for the Gladys McCoy building over the last two fiscal years. The program offers were not purchased because there was a building space replacement strategy in place that looked viable.

<p><i>NOTE: If a Budget Modification or a Contingency Request attach a Budget Modification Expense & Revenues Worksheet and/or a Budget Modification Personnel Worksheet.</i></p>

ATTACHMENT B

BUDGET MODIFICATION: DCM-08

Required Signatures

Elected Official or
Department/
Agency Director:



Date: 03/06/09

Budget Analyst:



Date: 03/06/09