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The County's Capital Budget

In the adoption of its FY 2004 Budget the Board of County Commissioners has authorized a set of capital improvements to help preserve and enhance its county owned buildings, bridges, roadways and bicycle paths. These projects are listed at the end of this section by the County Fund that will be providing resources for them. The County's FY 2004 Capital Budget consists of projects being managed by three departments:

- Department of Business and Community Services:
 - Facilities and Property Management Division (F&PM), responsible for management of building space for County agencies and programs, through the County's owned and leased facilities.
 - Land Use and Transportation Division, responsible for six Willamette River bridges and hundreds of miles of arterial streets in the east Multnomah County urban area and rural roads in unincorporated Multnomah County.
 - Information Technology Division, managing Mainframe Migration and other information system projects.
- Multnomah County Sheriff's Office is managing the construction of the new Wapato Jail, and
- Department of Library Services is managing the construction of the new Hillsdale Branch Library.

In 1995, the County adopted guiding principles for management of its facilities.

The Multnomah County facility inventory consists of 130 buildings and approximately three and a half million square feet of building space. Managing these properties involves a careful balance of considerations - County policy, programming decisions, project planning, design, construction, occupancy, and experience. Developing a countywide site and structure selection policy has been a major focus of this past decade. The Board of County Commissioners adopted guiding principles for managing, acquiring, leasing, and disposing of County facilities and properties in 1995. These include:

- Ensuring that critical County facilities have a cost-effective functional lifespan of at least 40 years.
- Accommodating current space needs to reduce overcrowding.
- Meeting future space needs by acquiring additional facilities.
- Consolidating functions to achieve operational efficiencies and savings.
- Providing well-located, safe, and efficient facilities to provide quality customer service and increase employee productivity.
- Incorporating environmentally sensitive and energy-efficient

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systems into County facilities.

- Responding to technological innovations and incorporating technological rather than spatial solutions when appropriate.
- Pursuing innovative financing, such as public/private partnerships; ground lease of County properties in high value areas; leaseback and lease-purchase options; land swaps; and intergovernmental cooperation.

F&PM has recently completed a *Capital Improvements Projects Plan FY 2004-08* that formed the basis of the FY 2004 Facilities capital budget request. This contains a five year financial plan detailing the requirements and anticipated source of funding for the capital improvements.

Many needed capital projects remain unfunded. F&PM has identified a deferred maintenance liability of approximately \$107 million, and over the next fifteen years this is expected to grow to an estimated \$227 million for current County buildings.

Facilities Capital Funding Sources

Funding for facilities capital improvements come from a number of sources:

- General Obligation bonds, such as those approved by voters in 1996 for the renovation of County libraries and repaid from the collection of property taxes;
- Renewal and replacement fees (see Asset Preservation and Capital Improvement Fees, below), paid by building tenants as a way to cover the cost of renovation or replacement of facility systems or improvements;
- Certificates of Participation which are lease purchase agreements until paid in full by the County;
- Revenue Bonds which are secured by revenues dedicated for retirement of the debt;
- Full Faith and Credit Bonds which are repaid from general County revenues.

Asset Preservation and Capital Improvement Fees

An *Asset Preservation Fee* is intended to pay for the replacement of major building systems before they reach the end of their life cycle. This fee is applied to County owned buildings that are in good condition (Tier 1 buildings), and is collected from tenants at a rate that will ensure sufficient funds for necessary repairs in future years. In FY 2004, this fee (\$1.65 per sq. ft.) is budgeted to collect approximately \$1.4 million from tenants in these buildings. The Asset Preservation Fund FY 2004 project list is shown at the end of the Capital Budget Section.

Buildings that do not meet the criteria for Tier 1 are classified as

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Tier 2 or Tier 3 and are assessed a *Capital Improvement Fee* to fund ongoing capital needs of these assets. The FY 2004 Capital Improvement Fee (\$1.65 per sq. ft.) is budgeted to collect approximately \$2.0 million from tenants. The FY 2004 Capital Improvement Fund project list is shown at the end of the Capital Budget Section.

See Financial & Budget Policies for more information about capital asset management

The County's *Financial & Budget Policies*, found in a separate section at the rear of this budget volume, contains much greater detail on the capital asset management strategies employed by Multnomah County for its facilities and properties. In that section is additional information on capital improvement planning and funding, facility operations and long-term maintenance planning and funding, and property management.

Transportation Capital Improvement Projects

Multnomah County is responsible for the maintenance, operation, and capital improvements for six Willamette River bridges and 350 miles of County roads, including bicycle and pedestrian paths. Most of these structures and roadways are significant components of the Regional transportation system and require coordination and collaboration with multiple jurisdictions. The County also has jurisdiction over roads in unincorporated areas, in addition to paths, streets, bridges, and highways in urban areas of East County.

The Land Use and Transportation Division publishes a five-year Transportation Capital Improvement Plan and Program (CIPP) that is updated on a regular schedule, and was most recently adopted by the Board of County Commissioners in June 2002. The CIPP forms the basis for the selection and funding of road and bridge projects.

Funding for Transportation Projects comes from several sources

Funding for roadway, bike, pedestrian, and bridge projects comes primarily from three sources: 1) State and County vehicle fuel taxes and registration fees; 2) Land development activity; and 3) Federal programs and allocations.

The County uses all three sources to fund its Transportation Capital Improvement Program. In the past few years, these sources have failed to keep pace with inflation, growing travel demands, increasing costs of environmental regulations, and the County's current preservation needs. Funds derived from gas taxes and vehicle registration fees are the most flexible; within guidelines imposed by the state constitution, the County has full discretion on how they are used. The county generally makes road improvements a requirement of development activity expected to affect the County's road system.

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Federal funding for transportation projects is based on an extensive evaluation of regional priorities

Federal funding and money from private development activity is usually project-specific. Most of the federal funds for road-related improvements are allocated by the regional government, METRO. METRO requires that projects meet specific criteria, are consistent with the Regional Transportation Plan, and have a local matching contribution from the County. The East Multnomah County Transportation Committee is involved in making decisions for East County projects submitted to METRO for funding. The Board of County Commissioners gives final approval of applications for federal funds and the associated Intergovernmental Agreements.

Willamette River Bridge Fund Projects

Most of the current capital projects on the Willamette River bridges are financed with federal and state funding. The two primary sources of federal funds are the Highway Bridge Replacement and Rehabilitation Program (HBRR) and the 5-year transportation funding legislation (TEA-21). In 2002, the state allocated \$7 million to the Broadway Bridge painting project that began in February 2003. State funding came from the Oregon Transportation Investment Act (OTIA) passed in the 2001 legislative session. The FY 2004 capital budget contains approximately \$1.4 million of County funding to match \$30.6 million in state and federal funding and is found in the Willamette River Bridge Fund project list in the following section.

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FY 2004 Capital Improvement Program Project Lists

On the pages that follow, Multnomah County's FY 04 Capital Improvement Program is categorized by the County Fund that supports each project. Each Fund is dedicated for specific purposes as described by Board action, and projects assigned to each fund must adhere to the restrictions of that funding source.

The development of this program, from the early identification of an idea through its formal adoption by the Board of County Commissioners, is a process that has carefully evaluated the best use of limited County resources. This program represents the collective effort of County departments, elected officials and their staff, and County stakeholders and customers.

Justice Bond Fund 2500

Proceeds for this fund are derived from the sale of General Obligation Bonds approved by voters May 21, 1996, and interest earned on these proceeds. Projects authorized are the expansion of Inverness Jail, the construction of new jail facilities, the upgrade of other jail facilities, and payment for major data processing linkages in the Corrections system or for other justice projects approved by the Board.

Facility Project	Total Budgeted Project Cost
Courthouse HVAC/Electrical	50,000
IBM Mainframe Migration	3,890,000
Justice Center Detention/Fire	3,608,007
Transition Housing Upgrades	154,000
Wapato Jail	18,876,000
Business & Community Services Reimbursement	124,000
Emergency Reserve for Contingency	176,000
Total Justice Bond Fund 2500	26,878,007

Senate Bill 1145 Fund 2502

This Fund accounts for State revenue for the building of jail beds to house convicted felons with sentences under twelve months. The revenues are payments from the State of Oregon.

Facility Project	Total Budgeted Project Cost
Cash Transfer to Justice Bond Fund - Wapato Jail	4,850,000
Wapato Jail Construction	6,870,000
Total SB 1145 Fund 2502	11,720,000

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Building Projects Fund 2504

This Fund accounts for expenditures for acquiring property, remodeling, and constructing County facilities. Resources are derived from certificates of participation or other financing proceeds and General Fund service reimbursements.

Facility Project	Total Budgeted Project Cost
Assessment & Taxation Y2K – System and Equipment	645,000
DCC Peninsula Office Roof Replacement	119,500
Health Information System	600,000
Public Safety Mainframe Migration	140,000
Library Technology Projects	1,287,000
SAP Information System Upgrade	1,300,000
Multnomah Bldg Elevator Conversion (Deferred Maintenance)	50,000
Multnomah Building Exterior Wall Sealing	376,000
Yeon Annex Emergency Generator	242,500
Yeon Complex Safety Modifications	160,000
East County Health Building	485,000
Business & Community Services Reimbursement	63,000
Issue Costs	75,000
Emergency Reserves for Contingency	112,000
Total Building Projects Fund 2504	5,655,000

Library Construction Bond Fund 2506

This Fund accounts for the renovation of branch libraries, and upgrades to Library computer systems and linkages. Proceeds are derived from the sale of General Obligation Bonds approved by the voters May 21, 1996, and interest earned on these proceeds.

Facility Project	Total Budgeted Project Cost
Library Projects	2,150,000

Capital Improvement Fund 2507

This Fund accounts for proceeds derived from the sale of unrestricted property, interest income, and any service reimbursement or operating revenue from leased facilities. Expenditures are for capital acquisitions or for the retirement of lease/purchases. Authorized by Resolution 99-144.

Fund 2507 Projects	FY04 Total
Animal Control Kennel Floor	20,000
Animal Control Security Fencing	30,000
Bridge Shop Seal Masonry Walls	100,000
Central Library - Foundation	300,000
Countywide - A&E Contracting	200,000
Countywide - ADA Program	425,000
Countywide - Building System Emergency Repair	500,000

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Fund 2507 Projects	FY04 Total
Countywide - Dispositions & Related Moves	945,000
Countywide - Emergency Expenditures	16,487
Countywide - Fire Life Safety Construction	30,000
Countywide - Security Upgrades	295,000
Countywide Siting / Feasibility Studies	300,000
Countywide-A & E & Consultations for CIP	185,000
Countywide-A&E Build System Evaluations	100,000
Courthouse Fire Drain System	23,000
Courthouse Jail Elevator	25,000
Courthouse Emergency Fire Alarm	37,000
Courthouse ADA Emergency Notification	45,000
Courthouse Restroom	95,000
Courthouse 6th Floor Revision	120,000
Courthouse Sidewalk Elevator Access	179,000
Courthouse - #3 Boiler Repairs	6,000
Courthouse ADA Modifications	22,000
Children's Receiving Center Moves	20,000
Children's Receiving Center Phase 2 Construction	2,800,000
DCC Southeast Dist. Office Retaining Wall	46,000
DCC Southeast Dist. Office Roof Replacement	110,000
DCC Southeast Dist. Office HVAC Upgrades	175,000
East County Dental Clinic JAHCO Modifications	65,000
East County Primary Care	55,000
Gresham District Court South Roof Repairs	50,000
Gresham District Court Expansion	297,000
Gresham Probation Wall Repair West End of Bldg	35,000
Gresham Probation HVAC Modifications	210,000
Gresham Probation Planning ADA	85,000
Inverness Jail Infirmary HVAC Repairs	38,000
Inverness Jail Shower Regrouting and Renovation	75,000
Inverness Jail Air Distribution Ductwork	100,000
Inverness Jail Dorms 16 & 17 Modifications	150,000
Inverness Jail Kitchen Floor Repair	150,000
Inverness Jail HVAC Conversion to Central System	300,000
Justice Center Modify Control Panel in Booking	35,000
Justice Center Info System Replacement	140,000
Justice Center Kitchen Upgrades - Leak Remediation	180,000
Justice Center Plumbing / Piping Macerators	250,000
Justice Center Chiller #1 Upgrade	300,000
Justice Center Garment Conveyor	320,000
Justice Center HVAC Distribution # 1 - 15	340,000
Justice Center Air Distribution Terminal Units	608,000
Juvenile Justice Center Retro Commissioning	3,000
Kelly Bldg Repairs SW Retaining Wall	25,000
Kelly Bldg ISD Repairs	30,000
Kelly Bldg Foundation Repair	40,000
Kelly Bldg Fire Detection/Halon System Replacement	92,000
Kelly Bldg Water Sytem Bypass Replacement	100,000
Kelly Bldg Roof Refurbishment	155,000

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Fund 2507 Projects	FY04 Total
McCoy / Mead Bldgs Water Service Upgrade	80,000
McCoy Bldg Roof Repairs	300,000
Mead Bldg Exterior Atrium-Light Well Repairs	50,000
Mead Bldg Basement Water Proofing	150,000
Multnomah Building Moves - CIC	75,000
Multnomah Building Security Upgrade	10,000
North Portland Primary Care	11,000
Restitution Center Domestic Water and Sanitary Replacement	100,000
Restitution Center Roof / Parapet / Coping Repairs	420,000
Vector Control Water Line Upgrade	25,000
Vector Control Domestic Water Supply Upgrade	50,000
Vector Control Sewer and Drainage Upgrade	150,000
Wikman Juvenile/SE Replace Rear Retaining Walls	15,000
Womens Transition	180,000
BCS Services Reimbursement	23,000
Total Capital Improvement Fund 2507	13,016,487

Asset Preservation Fund 2509

Resources for this fund are derived from an asset preservation fee that is assessed to County building tenants. It accounts for expenditures for building system repairs, primarily before they have reached the end of their life cycle. Projects include scheduled maintenance such as boiler replacement, carpet replacement, roof replacement, etc.

Facility Project	Total Budgeted Project Cost
Capitol Hill Paved Vehicle Surfaces	13,000
Countywide Underground Ingestion Collection Upgrade Fund	25,000
Countywide Capital Repair & Maintenance	100,000
Countywide A & E Build Sys Evaluations-2509	100,000
Countywide Security Upgrade	200,000
Countywide ADA Program - Annual	200,000
Countywide Emergency Expenditures	53,316
East County Health Clinic – Closeout Construction	50,000
Edgefield Properties Wetlands Mitigation	218,000
Elections Elevator Installation	30,000
Juvenile Justice Landscaped Areas Drainage	63,000
Juvenile Justice Masonry Walls & Window Sealing	285,000
Mid County Health Roof Replacement	315,000
Midland Branch Carpet Replacement	50,000
Multnomah Bldg Garage Repair leaky roof	100,000
Multnomah Bldg Green Roof Construction	25,000
Multnomah Bldg Cooling Tower-Refurbishment	56,000
Multnomah Bldg Boiler / Hot Water Generation	185,000
Multnomah Bldg 5TH Floor & Basement Improvements	1,275,000
Multnomah Bldg Chillers	200,000
SE Health Roof	265,000
BCS Reimbursement	40,000
Unappropriated Balance	1,875,000
Total Asset Preservation Fund 2509	5,723,316

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Road Fund 1501

This fund accounts for construction, repair, maintenance and operations of County roads. It receives funding from State Motor Vehicle sources, gas taxes, permits and development charges and through intergovernmental agreements.

	County Funds	Other Non Budgeted Funds	Total Cost
257 th Avenue @ Orient Drive Construction	2,110,000		2,110,000
223 rd Avenue (@ UPRR Railroad Crossing) Consultant	261,000	267,000	528,000
282 Stone Road / Johnson Creek Consultant	20,000		20,000
Orient @ Dodge Park Consultant	85,000		85,000
257 Ave (11th St – SE Powell) Construction	710,000		710,000
OTIA ~ Sandy Blvd Jurisdictional Consultant	20,000		20,000
Stark Street Blvd Storm Water Construction	150,000		150,000
NE 172 Ave @ Glisan Intersection Construction	201,000		201,000
233 Ave @ Sandy Blvd * Project Dev. Construction	440,000		440,000
Stark Street Viaduct Consultant	192,000	537,600	729,600
OTIA ~ Beaver Creek Consultant	37,600		37,600
OTIA ~ Corbett Hill Viaduct Consultant	25,000		25,000
Phase 3A & 3B Signal Optimization Construction	80,000		80,000
Corbett Hill Shoulder Repair Construction	274,000		274,000
Terwilliger Blvd Culvert Repair Construction	50,000		50,000
NW Newberry Rd Culvert Repair Construction	175,000		175,000
Dodge Park Road Culvert Repair Construction	92,000		92,000
317 th Avenue (East of Division Drive) Construction	29,110		29,110
Butler Road (East of Corbett Hill Road) Construction	32,000		32,000
Reed Road (East of Corbett Hill Road) Construction	55,535		55,535
County Asphaltic Concrete Overlay Construction County Owned Streets	200,000		200,000
Construction City of Troutdale	44,400		44,400
Construction City of Fairview	55,800		55,800
ADA – Sidewalk Infills Construction	45,000		45,000
Various Streets/Culverts/Emergencies On-going Repairs as Required	25,000		25,000
Safety Allotment	25,000		25,000
Construction Reserve	138,975		138,975
COP debt Service (2.9 million FY00)	288,000		288,000
Total ROAD FUND	5,861,420	804,600	6,666,020

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Bicycle Path Construction Fund 1503

This fund receives its revenue from one percent of the County's share of motor vehicle fees or through dedicated project grants and intergovernmental agreements.

	County Funds	Other Non Budgeted Funds	Total Cost
Misc. Bike and Pedestrian Projects	\$50,000		\$50,000
Total BIKE FUND	\$50,000		\$50,000

Willamette River Bridge Fund 1509

This fund accounts for funding from a share of the County's State Motor Vehicle fee and the County gasoline tax, dedicated Federal and State project revenues, and grants. Projects in the fund are limited to the Hawthorne, Morrison, Burnside, Sellwood, Broadway and Sauvie Island bridges.

	County Funds	Other Non Budgeted Funds	Total Cost
Broadway Bridge Phase 4, 5, 6, 7 Construction		\$26,337,000	\$26,337,000
Burnside Bridge Main Spans Rehab PE	\$198,000	\$792,000	\$990,000
Sauvie Island Bridge Replacement PE	\$1,200,000	\$3,500,000	\$4,700,000
Total BRIDGE FUND	\$1,398,000	\$30,629,000	\$32,027,000