

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 02-136

Establishing a Policy for Construction of Major Facilities Capital Projects

The Multnomah County Board of Commissioners Finds:

- a. At the direction of the Chair and with the support of the Board and the Cabinet, Facilities and Property Management (FPM) has initiated a significant improvement strategy for managing facilities capital projects.
- b. A Capital Construction Audit, prepared by the County Auditor's Office and issued in September 2002, assessed the County's ability to carry out major construction projects and found deficiencies in upfront planning controls, decision-making responsibilities and authority, and technical skills and tools. The Audit contained recommendations for improvement in internal administrative procedures and found the need for improved lines of responsibility and authority.
- c. It is the Board's policy to maintain its authority to review and approve Major Facilities Capital Projects to insure consistency with departmental budgets, the Capital Improvement Plan, and overall County policies and strategies.
- d. There is a need to revise the County's Facilities Capital Project Administrative Procedures to conform with the following project planning process improvements.

The Multnomah County Board of Commissioners Resolves:

1. Revised County Facilities Capital Project Administrative Procedures shall be developed by FPM for approval by the Chair for the planning and management of each facilities project with a capital budget greater than \$1,000,000, (hereafter referred to as a Major Facilities Capital Project).
2. The Revised County Facilities Capital Project Administrative Procedures shall describe each procedural phase and step and designate the following four phases as the key Planning Milestones for County reviews and approvals:
 - a. ***Preliminary Planning Proposal:*** Sponsoring departments shall notify FPM of program service needs which may affect facilities. FPM, in consultation with the sponsoring department(s), shall prepare an initial estimate of program requirements, project scope and costs, funding sources, and assess the Project's consistency with the County's overall policies, plans, and strategies, and develop a cost estimate for the next planning phase, development of the Project Proposal.
 - b. ***Project Proposal:*** FPM shall be responsible for preparing a Project Proposal which shall refine the findings produced during the Preliminary Planning Proposal phase. For the Project Proposal, FPM shall also

investigate project justification, feasibility, and alternatives, risk identification and assessment, probable project milestone dates, and develop a cost estimate for the next phase, development of the Project Plan.

- c. **Project Plan:** After approval of a Project Proposal, FPM shall prepare a Project Plan. The Project Plan shall contain five main components: Project Charter; Project Development Plan; Siting Plan; Operational Funding Plan; and Capital Funding Plan. The sponsoring department(s) shall develop the Siting Plan, which includes a plan for public involvement, submit the plan to the Chair for approval, and implement the Siting Plan. FPM shall consult with the sponsoring department(s) and the Finance Director in the preparation of the Project Plan.
- d. **Project Design and Construction:** After adoption of the Project Plan, FPM shall commence project design and construction. FPM, the sponsoring department(s), and the Finance Director shall jointly be responsible for updating the components of the Project Plan prior to the bidding and the construction phases. Project Construction Approval shall occur before a Major Facilities Capital Project can proceed to bidding and construction.

3. **Major Roles and Responsibilities:** The Facilities Capital Project Administrative Procedures shall identify roles and responsibilities for Major Facilities Capital Projects as follows:

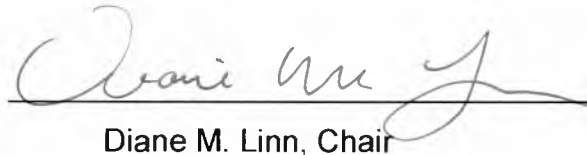
- a. **Board of County Commissioners:** Approval of Major Facilities Capital Projects consistent with overall County policies and strategies. Approval of the annual Capital Improvement Plan and Budget. Approval of Major Facilities Capital Projects at each of the four key planning milestones described above: Preliminary Planning Proposal; Project Proposal; Project Plan; Project Design and Construction. Approval of substantial changes to project scope and budget as defined in the Facilities Capital Project Administrative Procedures.
- b. **County Chair:** Executive oversight and direction for Major Facilities Capital Projects. Approval of Major Facilities Capital Projects at each of the four key planning milestones described above, and approval of the Siting Plan within the Project Plan phase.
- c. **Cabinet:** Guidance and coordination of County-wide and inter-departmental issues and capital project budget priorities. Advice on the Capital Improvement Plan. Review of Major Facilities Capital Projects at each of the four key planning milestones described above and allocation of project funding to proceed with the Project Proposal phase.

- d. **County Finance Director:** Preparation of and updating of the Project Capital Funding Plan as part of the Project Plan and Project Construction Approval.
- e. **Sponsoring Department(s):** Notice to FPM of program service needs which may affect facilities. Program technical information to enable FPM to plan and manage Major Capital Projects. Preparation and management of proposed operational budgets and the Operational Funding Plan for programs to be located in Major Facilities Capital Projects.
- f. **Facilities and Property Management Division:** Overall planning and management of Major Facilities Capital Projects, including production of project documents and coordination of approvals as described above. Project planning services as described above in response to requests from sponsoring department(s). Track, review, and advise the Department, Cabinet, Chair, and Board on significant changes in scope, siting, function, and budget.

ADOPTED this 17th day of October 2002.



BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON


Diane M. Linn, Chair

REVIEWED:

THOMAS SPONSLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By


John S. Thomas, Assistant County Attorney