



Department of County Management

MULTNOMAH COUNTY OREGON

Finance and Risk Management Division

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Memorandum

To: Bob Thomas, Facilities Director
John Lindenthal, Capital Improvement Program Manager

From: Mindy Harris, Chief Financial Officer *Mindy Harris*
Interim Director, Department of County Management

Date: November 20, 2009

Subject: Authorization to Proceed with Deferred Maintenance Project – Courthouse Elevators Update

At the meeting of the Board of County Commissioners on November 5, 2009, we provided a briefing of the status of several capital projects for the Board's consideration for funding. At the briefing, the Board gave their consensus direction to proceed with the projects as presented.

The funding for the projects is yet to be finalized. However, financing options described to the Board included the use of one time only funding, issuance of a full faith & credit bond, or a combination thereof. In addition, during the description of the courthouse elevators maintenance project, the Board was informed that there is currently \$443,000 budgeted for debt service that will not be used for that purpose, and that Facilities will bring a budget modification request to reallocate these funds to the Courthouse Elevators maintenance project. Using these funds will leave a financing gap of \$307,000, as the project total cost is estimated at \$750,000.

The Board also gave its consensus direction for County to explore financing alternatives for the projects, including a directive to bring a resolution to the Board in early December whereby the Board would authorize up to \$13.9 million in full faith & credit debt. It is unclear at this time whether the projects will be financed with existing funding or through a debt issue, but it is sufficiently clear that the Board supports our proceeding with the projects however they may be financed.

Therefore, you have my approval to proceed with the maintenance project for the courthouse elevators, using the existing \$443,000 that was previously allocated for debt service, with the understanding that the remaining \$307,000 will be included in the financing package for all the projects once the financing strategy is finalized. Please see that the budget modification described above is presented to the Board for approval as soon as possible, and no later than January 14, 2010.

Please let me know if you have questions or need additional information or assistance.

C: Jana McLellan, COO
Mark Campbell, Sr. Revenue & Debt Analyst