

Capital

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The County's Capital Budget

In FY 2006, the County will be completing the Justice Bond and Library Construction Bond Programs

The FY 2006 Multnomah County Capital Budget identifies funding for improvements on many of the County owned buildings, roads and Willamette River Bridges and for completion of major information system projects. The specific projects presented to the Board for approval are listed by each contributing County Fund at the conclusion of this section.

In May 1996, Multnomah County voters approved two measures that authorized the sale of General Obligation Bonds for major construction programs for public safety and libraries. The \$79.7 million Justice Bond Levy authorized projects to construct a new jail, expand the Inverness Jail, upgrade other jail facilities, pay for major data processing linkages in the corrections system, and fund other justice projects authorized by the Board. During the upcoming year construction will be complete on the Justice Center Detention Electronics project, as well as the Sheriff's Warrant and Inmate System that replaces a current mainframe information system. Completion is also expected on the District Attorney's Case Tracking System (CRIMES), repairs in the Inverness Jail kitchen and replacement of equipment at the Justice Center and Inverness facilities. The \$29 million Library Construction Bond Levy authorized the renovation of branch libraries, and upgrades to the library computer systems and linkages. During FY 2006 Library Services will be completing its library technology projects as the final phase of a program that included renovations or improvements on 16 of its library branches and buildings.

Facilities Capital

Facilities & Property Management (FPM) capital planning staff work with departments to identify potential new building projects. Criteria for facility project rating take into account these general considerations in order of priority: fire/life safety, building envelope, compliance issues, major system maintenance, tenant moves and building disposition potential. Available funds are assigned first to the highest-scoring projects. Departments were consulted on the prioritized project lists prior to presentation to the Board. FPM has recently updated its five year CIP (FY 2006-10) and presented it to the Board as part of the annual review of the County's Capital Budget.

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, paid by building tenants as a way to cover the cost of renovation or replacement of facility systems or improvements;
- Grants for specific capital projects;
- Certificates of Participation (Building Projects Fund) which are lease purchase agreements until paid in full by the County;

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- 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.

Limited ongoing funding for capital improvements

For most County construction funds, the FY 2006 Capital Budget is a carryover program of ongoing projects committed to by the Board in prior years. This is true for the two bond levy funds described on the preceding page and in the Building Projects Fund where there is very little new revenue being added for projects. For county owned buildings, tenants pay a renewal and replacement fee as part of their monthly building charges. For FY 2006, departments will be contributing a total of \$1.6 million to the Asset Preservation Fund (tier 1 space) and \$2.3 million to the Capital Improvement Fund (tier 2 and 3 space) through these monthly charges. Tier 1 buildings are those in best condition with major systems and repairs current. Tier 2 buildings are those that have deferred maintenance but can be brought to tier 1 status eventually. Tier 3 buildings are those for which upgrade is believed to be cost prohibitive. These two ongoing sources of revenue are not enough to cover the increasing major maintenance costs for tier 1 and 2 buildings.

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

The County's Financial & Budget Policies, found in Volume 1 of the FY 2006 Adopted Budget, 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.

Reducing County space will be key to reducing maintenance costs

The estimated \$120 million backlog of deferred maintenance projects not shown in the current five year CIP makes it essential that the County dispose of the buildings most cost prohibitive to maintain to reduce overall maintenance costs. One strategy that Facilities & Property Management is pursuing is to reduce the County portfolio of buildings by up to 20% during the next two years. FPM is working with departments to consolidate programs into the most efficient spaces, backfilling underutilized sites and stressing co-locations to reduce the number of county buildings. This project includes disposition of uneconomical structures and reducing the square footage by up to 10%. Reducing high maintenance space will allow the county to focus its capital investment on the remaining buildings owned, which will be even more important as the County moves toward sunset of the ITAX in FY 2007. FPM prepared a disposition plan early in FY2005 that laid out an aggressive 2 year disposition program/consolidation plan.

Seismic Evaluation

In 2003, the Board adopted Resolution 03-94 that directed Transportation and Facilities & Property Management to continue to assess earthquake risk to county structures and to develop plans for risk mitigation. They were further directed to address earthquake mitigation as part of annual budget

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prioritization in the Capital Improvement Programs and to include in these plans a detailed statement of all work needed to mitigate potential earthquake damage which, for budgetary reasons, is not included in the CIP. This unmet need now totals over \$133 million for buildings and \$122 million for the Willamette River Bridges.

Planning for future Courthouse replacement and East County Court Facility

One of the buildings identified as having a high potential risk from earthquake damage is the Multnomah County Courthouse, built in 1912. As required in Resolution 04-028 adopted by the Board on March 11, 2004 the County will be moving forward with the various task forces to develop strategies for the financing and construction of the downtown Courthouse, renovation of the historic Courthouse, upgrades to the Justice Center and work on the East County court facility. The County has been working with the City of Gresham, Sheriff's Office, state courts and citizens in planning for the construction of a new East County justice facility. On May 12, 2005, the Board approved Resolution 05-076, adopting the project proposal for this facility and directed that a project plan be prepared.

Transportation Capital Program

Multnomah County is responsible for the maintenance, operation and capital improvement for six Willamette River bridges and 350 miles of County roads, including bicycle and pedestrian facilities. Most of these structures and roadways are significant components of the regional transportation system and require coordination and collaboration with multiple jurisdictions. The County's jurisdiction includes roads in unincorporated urban and rural 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 biennial schedule and adopted by the Board of County Commissioners. The current CIPP was adopted in February 2005. 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. There are no County General Funds used in the Transportation Capital Program.

The County uses all three sources to fund its Transportation Capital Improvement Program. The gap is widening between the transportation system's capital improvement and preservation needs and the resources available to address these needs. Funds derived from gasoline taxes and 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 incorporates street improvements as a requirement of development activity that is expected to affect the County's road system.

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Federal funding and money from private development 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 regarding which of the needed East County projects will be submitted to Metro for regional funding. The Board of County Commissioners gives final approval of applications for federal funds and any necessary associated Intergovernmental Agreements.

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). The 2003 OTIA III funds provided new statewide capital funds of which Multnomah County has received \$25 Million for the Sauvie Island Bridge Construction. The Willamette River Bridges FY 2006 capital program will complete multiple planning and design projects and begin the construction phase. The County's ability to effectively leverage County dollars against Federal and State is found on the project list in the following section under "Non-budget sources".

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FY 2006 Capital Improvement Program

*Categorized by County
Funds*

On the pages that follow, the County's FY 2006 Capital Improvement Program is categorized by the Fund that supports each project. Each Fund is dedicated for specific purposes as described by Board action, and projects assigned must adhere to the restrictions of that funding source.

The development of this program, from the early identification of a project 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 staffs, and County stakeholders and customers.

Justice Bond Fund 2500

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

Project	Total Budgeted Project Cost
Justice Center	
Detention Electronics-Project Completion	3,200,000
Detention Electronics - Speaker Installations	325,000
Kitchen Equipment Replacements	275,000
Inverness Jail	
Kitchen Floor Repairs	325,000
Washer and Dryer Replacements	300,000
District Attorney Mainframe Migration (CRIMES) Case Tracking System – Complete System	350,000
Sheriffs Warrants and Inmates System (ESWIS)- Mainframe Migration and System Development	1,315,000
ESWIS Reporting Software	250,000
Total Justice Bond Fund	6,340,000

Building Projects Fund 2504

Accounts for expenditures for acquiring property, remodeling, and the construction of 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 Business Application Systems Completion	451,000
Total Building Projects Fund	451,500

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Library Construction Bond Fund 2506

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.

Project	Total Budgeted Project Cost
Library Technology Projects	885,000
Total Library Construction Bond Fund	885,000

Capital Improvement Fund 2507

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

Facility Project	Total Budgeted Project Cost
Multnomah County Court House	
Emergency Notification Upgrades - Construction Phase	750,000
Air Handler 2nd floor	25,000
Roof Repairs	100,000
Justice Center	
Modifications First Floor	39,000
Kitchen Upgrades and Leak Remediation	140,000
Chiller Plant Upgrade	850,000
ADA-signage floors 1-3	39,000
Detention Electronics	608,657
Detention Electronics & Fire Alarm Upgrades	480,143
Security Upgrade (County %)	200,000
Macerator Installation	8,900
HVAC Dist 1-15	310,000
Terminal Units	300,000
Elevator 5-8	600,000
Domestic H2O boiler #1	80,000
Sewer pipe adj	15,000
Scholls View Plaza	
Tri County Crisis Disposition	25,000
Martha Washington Building	
Fire Door Replacement	7,500
Gladys McCoy Building	
Roof Replacement	117,000
Replace Condensate Pump	30,000
McCoy/Mead Water Service Upgrade	24,000
Mead Building	
2nd & 3rd floor lobby heat pump	48,000
Duct Cleaning	70,000
Roof Replace	175,000

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Facility Project	Total Budgeted Project Cost
Lincoln Bldg	
Move, Tenant Improvements	100,000
Dexco Building	
Building Disposition	30,000
Vector Control	
Sewer & Stormwater	300,000
Trailer Modular Office Foundation	65,800
Hansen Building	
Building Disposition	8,900
Multnomah County Inverness Jail	
Kitchen Floor/wall repairs	115,000
HVAC Modification	255,000
Sewer Macerator	40,000
Domestic Hot Water Heater replacements	70,000
Library Administration	
Elevator	100,000
Walnut Park	
Security Card Reader	12,000
HVAC Replacement	246,000
Tenant Improvements	60,000
Duct Cleaning	125,000
Branch Panels	135,000
Animal Shelter	
Duct Cleaning	20,000
Water Bowls	30,000
Roof Replacement	60,000
Penumbra Kelly Building	
Repair NE Retaining Wall	25,000
Cooling Tower Changeover-City Water	15,000
Develop AIA Contract	5,000
Data Center Fire Suppression	230,000
Multnomah County Correctional Facility	
Building Disposition	7,000
Gresham District Court	
Expansion-Plan	290,000
Morrison Building	
Building Demolition	500,000
John B Yeon Shops	
ADA-building improvements	54,000
Fire Alarm Fixture Upgrade	10,000
Retaining Walls East & West	348,000
Fire Alarm Upgrades	100,000
Replace Roof Skylights	200,000
Boiler Room Piping	21,000
Bridge Shops	
Masonry walls Repairs	100,000
Title Wave Bookstore	
Major ADA modifications	300,000
Roof Maintenance	100,000

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Facility Project	Total Budgeted Project Cost
Multiple Bldgs	
Transition Housing Upgrades	20,000
All Properties	
ADA Upgrades	200,000
Security Upgrade (Including Card Readers)	75,000
Architectural & Engineering Building System Evaluations	100,000
Building System Emergency Repair	500,000
Fire Life Safety Construction	150,000
Siting / Feasibility Studies	50,000
Architectural & Engineering Consultations for CIP	75,000
A & E Contracting	25,000
Emergency Expenditures	21,693
Dispositions & Related Moves	25,000
Small Energy Projects	25,000
Regional Arts 1% for Art	45,000
Asset Management Disposition Costs	170,000
Building Disposition-Summary Costs	1,670,000
Consultant contract -disposition	150,000
East County Justice Center	4,500,000
Central Library Foundation	220,000
Unappropriated Balance for Future Projects	9,500,000
Total Capital Improvement Fund	26,641,593

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Asset Preservation Fund 2509

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

Facility Project	Total Budgeted Project Cost
Portland Building	
Building Disposition	5,000
Juvenile Justice Complex	
Replace domestic hot water boilers	80,000
CMU Water Seal	175,000
Replace Hot Water Heater	50,000
Replace grill vents all registers	150,000
Walnut Park	
Tenant Improvements	100,000
North Portland Health Clinic	
Portland Clinic Card Reader	3,300
Optometry move	5,000
Elections Building	
ADA & HAVA Upgrade	310,000
ADA Upgrades	200,000
HAVA grant work	2,000,000
Misc. Capital Upgrades	75,000
Abate VAT	21,000
Southeast Health Center	
Duct Cleaning	35,000
ADA Upgrades	68,000
Disposition Tenant Improvements	60,000
SEHC HVAC	50,000
Replace HVAC Units #1-5	75,000
Fire Alarm Upgrades	150,000
Mid-County Health Center	
ADA Improvements	71,700
Add HVAC E Zone	20,000
Multnomah County East	
New O&M storage	75,000
Gateway Children's Center Service Building	
Roof Replacement	280,000
Landscape & P-lot lighting	90,000
Multnomah Building	
Chillers	215,000
Security ID	8,000
Boiler/Hot Water Boiler	10,000
Cooling Tower	28,000
Central Library	
Security Upgrade	5,000
Ballast Replacement	120,000
Roof Replacement	50,000
Capitol Hill Library	
Exterior Paint	15,000

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Gresham Library	
Replace Roof	270,000
Holgate Library	
Exterior Pain	15,000
All Properties	
ADA Upgrades	205,000
Security Upgrade (Incl Card Readers)	100,000
Architectural & Engineering Building System Evaluations	100,000
Emergency Expenditures	22,224
UIC Upgrade Fund	25,000
Capital Repair & Maintenance	125,000
Regional Arts 1% for Art	25,000
Disposition Appraisals	33,000
Small Energy Projects	25,000
Asset Management	80,000
Unappropriated Balance for Future Projects	2,125,000
Total Asset Preservation Fund	7,750,224

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Road Fund 1501

Dedicated funds for construction, repair, maintenance, and operations of County roads. These projects receive funding from State Motor Vehicle sources, County gasoline tax, permits, development fees, and by intergovernmental agreement.

Project	Road Fund Budgeted Cost	Non-budget Sources	Total Project Cost
Glisan @ 202 nd Construction	220,000		220,000
223 rd Avenue (@ UPRR Railroad Crossing) Construction	387,384	3,320,000	3,707,384
282 Stone Road / Johnson Creek Construction	787,446		787,446
OTIA ~ Sandy Blvd Jurisdictional Construction	1,320,000		1,320,000
SE Division Street Sidewalk In-fill Construction	100,000		100,000
233 Ave @ Sandy Blvd * Project Dev. Construction	300,000		300,000
Phase 3A & 3B Signal Optimization Construction	100,000		100,000
NE 238th Dr Widening Construction	323,500		323,500
257th & Hensley Rd Signal Construction	255,000		255,000
Stark Street Viaduct Construction	142,157	570,000	712,000
OTIA ~ Beaver Creek Construction	1,363,000		1,363,000
OTIA ~ Corbett Hill Viaduct Construction	653,760		653,760
Corbett Hill Shoulder Repair Construction	762,777		762,777
NW Miller Rd Slide Repair Construction	41,424		41,424
NW Newberry Rd Culvert Repair Construction	163,217		163,217
NW Newberry Rd Slide Repair Construction	60,000		60,000
8 th Street Bridge (3 rd Party) Construction	60,000		60,000
Cornell Guardrail Construction	10,000		10,000
201 st Sump Replacement	40,000		40,000
County Asphaltic Concrete Overlay			
<i>Construction County Owned Streets</i>	200,000		200,000
<i>Construction East County Cities</i>	150,000		150,000
ADA – Sidewalk In-fills Construction	25,000		25,000
Various Streets/Culverts/Emergencies	50,000		50,000
Construction Reserve	200,000		200,000
COP debt Service (2.9 million FY00)	288,000		288,000
Total Road Fund	8,002,665	3,890,000	11,892,665

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Bicycle Path Construction Fund 1503 - Bicycle & Pedestrian Projects

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.

Location / Project Description	Bike Fund Budgeted Cost	Non-budget Sources	Total Project Cost
Morrison Bridge Accessibility Construction	150,000	1,300,000	1,450,000
Division Blvd Bike Lane Striping	30,000		30,000
Division Blvd /Sidewalk In-Fill Construction	50,000		50,000
Re-ramp 242 @ Burnside and Mid block Eastman	30,000		30,000
Miscellaneous Bike/Pedestrian Projects	98,000		98,000
Total Bike Fund	358,000	1,300,000	1,658,000

Willamette River Bridge Fund 1509

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

Location / Project Description	Bridge Fund Budgeted Cost	Non-budget Sources	Total Project Cost
Bridge Buildings	24,000		24,000
Capital Equipment	25,000		25,000
Construction			
Miscellaneous On-going Repairs	50,000		50,000
Miscellaneous Small Improvement	50,000		50,000
Sauvie Island Bridge	7,372,895		7,372,895
Burnside Main Deck	430,727	2,153,635	2,584,362
Future PE & CE for Sellwood Bridge	512,000	16,300,000	16,812,000 *
Future CE for Burnside Main Deck	861,453	4,307,265	5,168,718
Future CE for Sauvie Island Bridge	21,999,872	4,827,233	26,827,105
Total Bridge Fund	31,325,947	27,588,133	58,914,080

* - This figure represents the current secured funding. Total project cost will depend on the type of improvement required. Total project cost for a replacement bridge is estimated at \$90 million.