

Lead Agency: County Management

Program Contact: John Lindenthal

Program Offer Type: Internal Service

Related Programs:

Program Characteristics:

Executive Summary

The Asset Preservation (AP) Program is designed to create a self-sustaining fund which provides for the continuing reinvestment and capital work required to keep the County's Tier I* buildings safe, reliable, functional and efficient.

Program Description

The program creates accessible, functional, and energy efficient facilities that provide County services with space that meets their individual needs. The program focuses on the County's 30 primary owned Tier I* buildings and provides the funding to complete capital projects within these buildings. *A Tier I building is one which is designated for long-term retention and which meets current County standards. AP funding is intended to support replacement or repairs to essential building elements such as roofs, plumbing, electrical, heating ventilation air-conditioning (HVAC), American with Disabilities Act (ADA) modifications, seismic upgrades, and interior finishes that keep buildings functioning and optimizing their potential. The program prolongs building life and provides the County with assets that are worth their market value. It creates more usable buildings through upgrades in equipment, systems, and meeting of programs ever changing needs. The program continues to look at the long term County benefits by examining program needs, building needs, flexibility, cost efficiencies, building operations and maintenance. AP rates are still well below what is necessary to sustain the fund but are being raised on an incremental basis to achieve self-sustaining funding. As outlined in the Board-approved Facilities Strategic Plan, rates must be increased by 8% per year in order to create the needed reserves to address the projected needs of our Tier I buildings in the future. The AP Program creates an annual 5-year Capital Plan that focuses on the County's 30 owned Tier I buildings. It works in conjunction with the long-term Facilities Strategic plan. The Capital plan is based on a comprehensive database which identifies all projected replacement needs in Tier I buildings and then prioritizes and schedules needed work in the future. This allows Asset Preservation funds, bond/levy proceeds, grants, etc. to be invested based on priority.

Performance Measures

| Measure Type | Primary Measure | Previous Year Actual (FY08-09) | Current Year Purchased (FY09-10) | Current Year Estimate (FY09-10) | Next Year Offer (FY10-11) |
|--------------|--|--------------------------------|----------------------------------|---------------------------------|---------------------------|
| Output | Output Completed Projects | 69.4% | 85.0% | 72.7% | 85.0% |
| Outcome | Portion of Primary Owned Buildings which are rated as Tier I | 58.8% | 58.8% | 60.0% | 60.0% |
| Outcome | Project Management costs (\$/hr) | 92 | 95 | 95 | 91 |

Performance Measure - Description

The metric (output) for completed projects are those adopted stand-alone projects that are scheduled to be completed in current fiscal year. Only multi-year projects which are scheduled for completion in the subject year are included in the metric. The project completion metric is set at 85%. This allows for flexibility in adjusting project schedules due to County needs and unforeseen circumstances. In FY10 to date, we continue to have a larger than expected number of unplanned/emergency projects. This year it includes Stimulus (ARRA) projects. This unplanned and unscheduled work affects planned projects completion. Further, new project management personnel has required training in project and contract processes and has affected project delivery.

The Primary Owned Tier 1 building percentage change is due to the Martha Washington building. It was disposed of in FY10. Comparable project management costs at the City of Portland are \$103/hr in FY'09 (last year).

Legal/Contractual Obligation**Revenue/Expense Detail**

| | Proposed General Fund | Proposed Other Funds | Proposed General Fund | Proposed Other Funds |
|------------------------------|-----------------------|----------------------|-----------------------|----------------------|
| Program Expenses | 2010 | 2010 | 2011 | 2011 |
| Contracts | \$0 | \$0 | \$0 | \$125,000 |
| Materials & Supplies | \$0 | \$0 | \$0 | \$116,600 |
| Capital Outlay | \$0 | \$4,655,806 | \$0 | \$4,686,265 |
| Unappropriated & Contingency | \$0 | \$0 | \$0 | \$500,000 |
| Total GF/non-GF: | \$0 | \$4,655,806 | \$0 | \$5,427,865 |
| Program Total: | \$4,655,806 | | \$5,427,865 | |
| Program FTE | 0.00 | 0.00 | 0.00 | 0.00 |
| Program Revenues | | | | |
| Fees, Permits & Charges | \$0 | \$17,400 | \$0 | \$0 |
| Other / Miscellaneous | \$0 | \$4,638,406 | \$0 | \$5,427,865 |
| Total Revenue: | \$0 | \$4,655,806 | \$0 | \$5,427,865 |

Explanation of Revenues

3-4-2010 Estimated BWC \$2.9 million

\$25K Interest earnings fund 2509

\$2.4 million cash transfer from fund 3505 collected for Asset Pres fund from Depts

FY11 BWC includes the project balances as of 5-18-2010.

Significant Program Changes**Last year this program was:**

Last year this program was: #72072, Facilities Capital Asset Preservation (AP)

The proposed 8% increase in last years program offer(s) was funded for FY10 but the increase is dedicated to the deferred maintenance bond debt payment. This years Program Offer includes a rate increase of 8% as proposed in the Board approved Facilities Strategic Plan. Without the projected rate increases, the Asset Preservation will not be able to keep up with future building needs.