

Lead Agency: County Management

Program Contact: John Lindenthal

Program Offer Type: Internal Service

Related Programs: 72070, 72071B

Program Characteristics: In Target

Executive Summary

The Capital Improvement Program actively monitors, upgrades, and improves the County's portfolio of Tier II* and III*(substandard) buildings. The Program preserves the County's assets by investing in improvements that maintain building values and provide accessible, functional, and energy efficient facilities.

Program Description

The Capital Improvement Program (CIP) creates an annual 5-year Capital Plan that focuses on the County's 17 primary owned Tier II* and III** buildings. The plan works in conjunction with the Facilities Strategic Plan which provides a basis for a sound investment strategy that addresses building needs and includes projects ranging from equipment upgrades to construction of new facilities. *A Tier II building is one that is a desirable part of the County's long-term portfolio but has significant deferred maintenance needs which must be addressed. **A Tier III building is one that is not economical or impractical to bring to County standards and is therefore designated for disposition. Capital expenditures are avoided or minimized in Tier III facilities pending disposition of the building, if possible. The program allows Capital, bond/levy, grants, and other funding components to be distributed based on priorities established with the aid of a detailed needs assessment and a decision-scoring matrix. The program looks for project efficiencies that benefit the building users and extend the useful life of the building. The 5-year CIP Plan sets clear goals and fosters communication with departments as well as providing a tool to facilitate collaboration with both internal and external clients and building users. In FY10, the Facility Asset Management Evaluation (FAME) database projected a need of \$4.58/sq.ft. annually over a 30 year period excluding seismic. If seismic was included, it almost doubles the need. We use the FAME database as one indicator to determine building needs. Currently the rate for FY11 is \$2.75/sq.ft. and will be \$2.75/sq. ft. in FY12. The 8% increase in the rate for FY12 is in program offer 72071B. In addition to the annual increases, additional funding sources are needed.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY09-10)	Current Year Purchased (FY10-11)	Current Year Estimate (FY10-11)	Next Year Offer (FY11-12)
Output	Completed CIP Projects	67.2%	85.0%	78.9%	85.0%
Outcome	Portion of Primary Owned Buildings which are rated as Tier I*	60.0%	60.0%	60.0%	66.7%
Outcome	Project Management costs (\$/hr)	95	91	91	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, there were significant planned project delivery impacts due to American Recovery and Reinvestment Act (ARRA) Stimulus projects. In FY11 to date, we continue making progress in project completion metric. *A Tier I building is one which is designated for long-term retention and which meets current County standards. (MCIJ) Multnomah County Inverness Jail, the Laundry and Storage (3 buildings) are being moved to tier 1 status and East County Courts (ECC) being completed in FY12. Also, although, it is anticipated that the Penumbra Kelly Bldg. will be on the market in FY12, it is uncertain a transaction will close in FY12. This is one of a small number of other opportunities being evaluated at this time. Therefore, only the MCIJ buildings move and ECC have been added to the metric calculation. Comparable project management costs at the City of Portland will be \$106/hr in FY12.

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

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2011	2011	2012	2012
Personnel	\$0	\$0	\$0	\$109,951
Contracts	\$0	\$1,206,000	\$0	\$800,000
Materials & Supplies	\$0	\$826,000	\$0	\$2,300,000
Internal Services	\$0	\$25,000	\$0	\$475,000
Capital Outlay	\$0	\$45,275,900	\$0	\$32,717,468
Total GF/non-GF:	\$0	\$47,332,900	\$0	\$36,402,419
Program Total:	\$47,332,900		\$36,402,419	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$2,000,000	\$0	\$4,679,274
Intergovernmental	\$0	\$1,981,000	\$0	\$2,319,700
Other / Miscellaneous	\$0	\$43,351,900	\$0	\$29,403,445
Total Revenue:	\$0	\$47,332,900	\$0	\$36,402,419

Explanation of Revenues

BWC includes \$9.1M restricted Portland Dev Commission Bridge ramp project carryover & East County Court project carryover estimated at 12.6M and \$2M sale proceeds for Kelly Bldg.
 \$150K Direct Fed for reimbursement on Hydro Electric study
 \$1.5M Fed thru State for continuing reimbursement on ARRA HRS & BAS projects
 \$140K IG Charges for Service is the Final payment on Jail Bed rental from Clackamas and Washington Counties
 \$529K IG Charges for Service is shared cost reimbursement from City of Portland at MCDC
 Cash Transfer and Intl Svc Reimbursement is program fee collected at \$2.75 psf on all Tier 2 & 3 Owned Primary square feet

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

Last year this program was: #72071, Facilities Capital Improvement Program (CIP).
 This year, a One-Time-Only (OTO) Program Offer 72071B includes the rate increase of 8% as proposed in the Board-approved Facilities Strategic Plan. Without the projected rate increases, the CIP will be insufficient to meet future building needs. In addition, periodic infusions of additional funds and/or other funding strategies will be needed.
 Also, there is one Full-Time-Employee (FTE) limited duration that is funded from this program offer. This person is working on the deferred maintenance bond projects.