

Lead Agency: County Management

Program Contact: John Lindenthal

Program Offer Type: Internal Service

Related Programs: 72070, 72071B

Program Characteristics: In Target

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 34 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), Americans 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 current rate for FY11 is \$2.75/sq.ft. and will continue to be \$2.75/sq. ft. in FY12. The 8% increase in the rate for FY12 is in program offer 72071B. The AP Program creates an annual 5-year Capital Plan that focuses on the County's 34 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 (FY09-10)	Current Year Purchased (FY10-11)	Current Year Estimate (FY10-11)	Next Year Offer (FY11-12)
Output	Output Completed Projects	77.3%	85.0%	84.8%	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 the 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. (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
Contracts	\$0	\$125,000	\$0	\$300,000
Materials & Supplies	\$0	\$116,600	\$0	\$2,025,000
Capital Outlay	\$0	\$4,686,265	\$0	\$2,573,938
Unappropriated & Contingency	\$0	\$500,000	\$0	\$1,550,000
Total GF/non-GF:	\$0	\$5,427,865	\$0	\$6,448,938
Program Total:	\$5,427,865		\$6,448,938	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Fees, Permits & Charges	\$0	\$0	\$0	\$2,964,182
Other / Miscellaneous	\$0	\$5,427,865	\$0	\$3,484,756
Total Revenue:	\$0	\$5,427,865	\$0	\$6,448,938

Explanation of Revenues

Cash Transfer and Intl Svc Reimbursement is program fee collected at \$2.75 psf on all Tier 1 Owned Primary square feet.

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

Last year this program was: #72072, Facilities Capital Asset Preservation (AP). 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 Asset Preservation will be insufficient to meet future building needs. Also, (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.