

<b>Department:</b>	County Assets	<b>Program Contact:</b>	Alene Davis
<b>Program Offer Type:</b>	Internal Service	<b>Program Offer Stage:</b>	As Adopted
<b>Related Programs:</b>	78204-19, 78206-19, 78213-19		

**Program Characteristics:**

### Executive Summary

The Capital Improvement Program actively monitors, upgrades, and improves the County's portfolio of Tier II and III buildings. The program preserves the County's assets by investing in improvements that maintain building values and provide accessible, functional, and energy efficient facilities for the operating programs that use them.

### Program Summary

The Capital Improvement Program (CIP) provides funding for the annual 5-year Capital Plan that focuses on the County's 17 primary owned Tier II and III buildings. 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 is 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 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 over a 10 year horizon.

The program allows Capital fees, 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. The program uses a PULSE (Planned Useful Life - System Evaluation) database to track building system life cycles.

Implementation of the Facilities Asset Strategic Plan (FASP) will also impact future capital needs. Efforts are underway County-wide to work on our building portfolio's recapitalization needs, which the current 8% annual CIP revenue increases are not adequate to address.

### Performance Measures

Measure Type	Primary Measure	FY17 Actual	FY18 Purchased	FY18 Estimate	FY19 Offer
Output	Percent of projects planned for completion during a fiscal year that are completed in that fiscal year	70%	75.0%	75%	80%
Outcome	Percent of Primary Owned Buildings rated as Tier 2 & 3	42%	42%	47%	46%

### Performance Measures Descriptions

PM #1: Percent of projects planned for completion during a fiscal year that are completed in that fiscal year.  
 PM #2: Percent of Primary Owned Buildings rated as Tier 2 & 3.

## Legal / Contractual Obligation

There are a number of projects carrying over into FY 2019 that have contractual obligations to vendors and/or service providers.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
<b>Program Expenses</b>	<b>2018</b>	<b>2018</b>	<b>2019</b>	<b>2019</b>
Contractual Services	\$0	\$7,859,814	\$0	\$9,179,789
Materials & Supplies	\$0	\$3,413,000	\$0	\$3,849,145
Capital Outlay	\$0	\$450,086	\$0	\$120,139
<b>Total GF/non-GF</b>	<b>\$0</b>	<b>\$11,722,900</b>	<b>\$0</b>	<b>\$13,149,073</b>
<b>Program Total:</b>	<b>\$11,722,900</b>		<b>\$13,149,073</b>	
<b>Program FTE</b>	0.00	0.00	0.00	0.00

<b>Program Revenues</b>				
Other / Miscellaneous	\$0	\$4,644,037	\$0	\$4,074,456
Financing Sources	\$0	\$234,870	\$0	\$286,364
Interest	\$0	\$35,000	\$0	\$39,037
Beginning Working Capital	\$0	\$5,074,821	\$0	\$7,500,797
Service Charges	\$0	\$1,734,172	\$0	\$1,239,038
<b>Total Revenue</b>	<b>\$0</b>	<b>\$11,722,900</b>	<b>\$0</b>	<b>\$13,139,692</b>

## Explanation of Revenues

Fund 2507 Capital Improvement Program:

- 50000 BWC \$7.4 million from Routine Project Carryover
- 50236 IG City of Portland share of Justice Center Projects \$1.2 million
- 50270 Interest on fund 2507 \$30,000
- 50310 Intl Svc Reimbursement CIP Fee from County Occupants \$4 million
- 50320 Cash Transfer revenue from External Clients \$128,318, from Fund 3505 per repayment agreement \$158,046

Fund 2503 Asset Replacement Revolving Fund:

- BWC \$111,102 from carryover
- Loan repayment from Sandy Drainage Improvement Project \$7,837

## Significant Program Changes

**Last Year this program was:** FY 2018: 78205 Facilities Capital Improvement Program

This offer increases BWC due to more projects having beginning working capital carryover.