

NON-DEPARTMENTAL – BEAVERTON CENTRAL PLANT

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

Program Goal:

To provide reliable, cost-effective district heating and cooling services for space conditioning and hot water services to certain properties located at The Round in downtown Beaverton and to support opportunities to expand Central Plant services to new buildings in the Beaverton Creekside District. The Central Plant supports the Community Development Department’s mission to facilitate, promote, and plan for a safe and prosperous community by comprehensively preserving and enhancing development, a healthy economy, and sustainable growth of the city. *This program supports City Council goals #2: Use City resources efficiently to ensure long-term financial stability; #3: Continue to plan for, improve and maintain the City’s infrastructure; #4: Provide responsive, cost-effective service to the community.*

REQUIREMENTS	FY 2015-16 ACTUAL	FY 2016-17 ACTUAL	FY 2017-18 BUDGETED	FY 2018-19 PROPOSED	FY 2018-19 ADOPTED
POSITION					
PERSONNEL SERVICES					
MATERIALS & SERVICES	\$515,238	\$524,744	\$554,000	\$594,000	\$0
CAPITAL OUTLAY	0	0	134,500	129,500	0
DEBT SERVICE	180,252	170,331	106,692	106,692	0
TRANSFERS					
CONTINGENCY					
TOTAL	\$695,490	\$695,075	\$795,192	\$830,192	\$0

Program Objective (services provided):

Project Description

The Beaverton Central Plant (BCP) provides district heating and cooling services for living and commercial spaces to select buildings in the Creekside District, located near the Round Development. The Central Plant currently serves 328,733 square feet and has the capacity to serve one million square feet without expansion. A recent appraisal of the plant estimated a market value of \$3.9 million.

Core Process #1: Manage the Central Plant.

Outcome: to provide efficient Central Plant heating and cooling services to all possible customers

Measured by: the number of customers, the square footage served and connected to the Plant’s heating and cooling services, and the cost of those services

Key Indicators: the cost per square foot to provide service to the Plant customers

Progress on FY 2017-18 Action Plan:

- Maintained efficiency levels and condition of the Plant equipment and materials
- Supported ongoing tenant needs
- Worked with projects to support future expansion analysis to incentivize connection to the Plant’s services in the Creekside District
- Continued programming for energy management system optimization
- Installed Distributed Digital Controls for new tenants
- Promote efficient services and energy reduction consistent with the City’s Sustainability Goals

FY 2018-19 Action Plan:

- Maintain efficiency levels and condition of the Plant equipment and materials
- Support ongoing tenant needs
- Support future expansion analysis to incentivize connection to the Plant’s services

**CITY OF BEAVERTON, OREGON
FISCAL YEAR 2018-19 BUDGET
CURRENT LEVEL OF SERVICES**

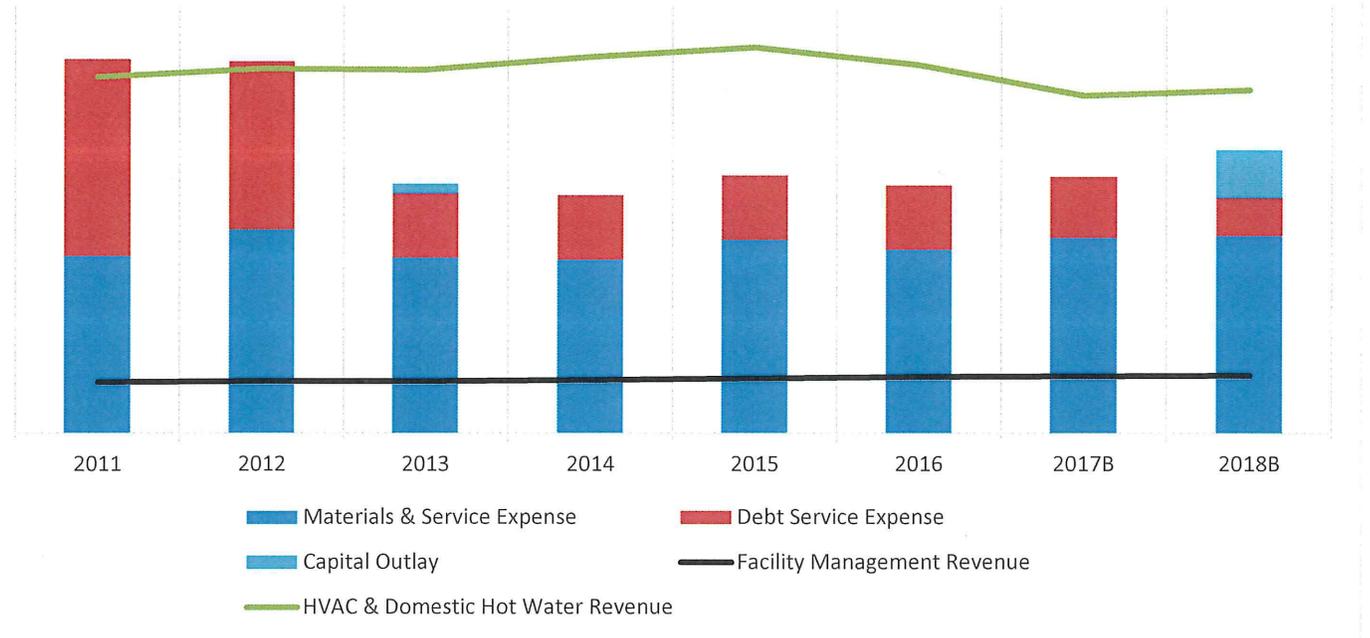
FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

- Complete contracts to assist in any future service potential
- Promote efficient services and energy reduction consistent with the City’s Sustainability Goals
- Continue programming for energy management system optimization
- Install Distributed Digital Controls for new tenants
- Promote efficient services and energy reduction consistent with the City’s Sustainability Goals

Performance Measures:	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Budgeted/Revised	FY 2018-19 Proposed
Hold operating expenses at or below budget	Objective Met	Objective Met	Meet objective	Meet objective
Cost to operate plant	\$695,490	\$695,075	\$651,492*	\$710,692*
Cost per square foot of service	\$2.12	\$2.11	\$1.98	\$2.16
Number of square feet served:				
Commercial	234,401	234,401	234,401	234,401
Residential	<u>94,332</u>	<u>94,332</u>	<u>94,332</u>	<u>94,332</u>
Total	328,733	328,733	328,733	328,733

**Does not include new construction costs for expanding service area.*

Beaverton Central Plant Revenues & Expenditures
FY 2011-2016 Actual
FY 2017-2018 Budget



CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2018-19 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

Performance Outcomes and Program Trends:

The day-to-day plant operations are carried out by a third-party contractor. The City provides contract oversight, financial management, and strategic planning for the Central Plant. The Central Plant will be expanded as needed to meet future project build-out at The Round and Westgate, as well as adjacent properties in the Beaverton Creekside District, which may utilize the plant for services. Funds for the extension of the plant to serve the proposed parking garage (retail area) as well as the Beaverton Center for the Arts appear in the Capital Outlay portion of the budget.

High-quality maintenance and problem resolution are critical to service customers and are key areas of focus for staff and contractors. The Plant has the capacity to expand by adding additional customers, and with increased heating and cooling loads the plant will become more efficient. The highest efficiencies will be achieved through careful oversight and management.

As capacity is demanded by new customers, there will be increased demands on staff as customers connect and utilize the services offered by the highly efficient heating and cooling system. Continued high level maintenance and operations of the Plant, as well as response to service calls, must be maintained to realize the benefits of the efficient technology.

Education is necessary to understand the Plant and the efficiencies it brings to its users. Tours should continue to display this system and share the sustainability benefits of district heating and cooling systems.

City of Beaverton - Finance
 Budget Preparation - 2019

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 13 NON-DEPARTMENTAL
 PROGRAM: 0006 BEAVERTON CENTRAL PLANT

OBJ	2016 - ACTUAL		2017 - ACTUAL		2018 BUDGETED		2018	2019 - PROPOSED		2019 - RECOMD		2019 ADOPTED	
	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	EST AMT	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE
CLASS: 10 MATERIALS & SERVICES													
351	UTILITIES EXPENSE												
	160,486		169,323		145,000		180,000	185,000		185,000		185,000	
431	PLANT MAINTENANCE												
	59,176		68,284		90,000		76,500	90,000		90,000		90,000	
511	PROFESSIONAL SERVICES												
	222,316		213,877		245,000		204,000	245,000		245,000		245,000	
551	RENTS AND LEASES												
	73,260		73,260		74,000		73,300	74,000		74,000		74,000	
TOTAL CLASS: 10 MATERIALS & SERVICES													
	515,238		524,744		554,000		533,800	594,000		594,000		594,000	
CLASS: 15 CAPITAL OUTLAY													
682	CONSTRUCTION												
					109,500			109,500		109,500		109,500	
683	CONST DESIGN & ENGR INSPECTION												
					25,000		5,000	20,000		20,000		20,000	
TOTAL CLASS: 15 CAPITAL OUTLAY													
					134,500		5,000	129,500		129,500		129,500	
CLASS: 20 DEBT SERVICE													
791	PAYMENT OF CONSTRUCTION LOAN												
	180,252		170,331		106,692		106,692	106,692		106,692		106,692	
TOTAL CLASS: 20 DEBT SERVICE													
	180,252		170,331		106,692		106,692	106,692		106,692		106,692	
TOTAL PROGRAM: 0006 BEAVERTON CENTRAL PLANT													
	695,490		695,075		795,192		645,492	830,192		830,192		830,192	

BP WORKSHEET & JUSTIFICATION

FUND: 001 GENERAL FUND
 DEPT: 13 NON-DEPARTMENTAL
 PROGRAM: 0006 BEAVERTON CENTRAL PLANT

OBJ	OBJECT DESCRIPTION	JUSTIFICATIONS
-----	--------------------	----------------

351 UTILITIES EXPENSE
 CENTRAL PLANT PROJECTED UTILITIES COST: NW NATURAL & PGE \$185,000

431 PLANT MAINTENANCE
 STANDARD PLANT MAINTENANCE \$90,000

511 PROFESSIONAL SERVICES
 CENTRAL PLANT OPERATIONS AND MAINTENANCE, ABM OVERSIGHT. \$84,000
 ABM OPERATIONAL LABOR \$70,000
 PLANT ANALYSIS PERFORMANCE REVIEW \$7,500
 SPECIALTY/TECH CONSULTANTS. \$4,500
 OPERATIONS AND MAINTENANCE. \$79,000

551 RENTS AND LEASES
 PLANT SPACE LEASE PAYMENT TO CITY AS BUILDING OWNER FOR 4,742 SF @ \$15.45 PER SF \$74,000

682 CONSTRUCTION
 CENTRAL PLANT EQUIPMENT & CONNECTIVITY UPGRADE FOR BCA \$100,000
 (BALANCE OF CONSTRUCTION IN FY 2019-20 \$229,000) CENTRAL PLANT EQUIPMENT & CONNECTIVITY UPGRADE FOR SKB
 PARKING GARAGE \$9,500

683 CONST DESIGN & ENGR INSPECTION
 CENTRAL PLANT BCA CONNECTIVITY CONSTRUCTION DESIGN & ENGINEERING \$20,000

791 PAYMENT OF CONSTRUCTION LOAN
 STATE CONSTRUCTION LOAN PAYMENT FOR BEAVERTON CENTRAL PLANT. THE FIRST LOAN WAS
 PAID OFF IN MAY 2017 AND THE SECOND LOAN WILL CONTINUE TILL JUNE OF 2022.
 LOAN 2 MONTHLY PAYMENT \$8,891