STRATEGY OUTLOOK

1. The community has recently added additional revenues which has slowed the County road system’s deterioration; however resources are insufficient to meet needs.

2. Tillamook County manages an old road system. Approximately one-third of County transportation assets are in poor / very poor condition. This will grow over the next 10 years in spite of recent additional funding.

3. The Road Department is not able to maintain current service levels for the next 10 years. The majority of expenditures are reactive maintenance with most resources allocated to reacting to potholes, failed bridges, culverts & guardrails. The one exception to this is vegetation management (spraying), the only preventative maintenance program currently. Moving forward with more revenue, the focus will be on renewal.

4. Despite this, Tillamook County’s Road Department performs at a very high level because of the skills, knowledge of the road system and experience of its people. These people are very effective at managing increasing risks as assets reach the end of useful operating life. Staffing continues to be insufficient.

5. The Department’s asset management plan captures current knowledge and experience and has helped guide County road system planning. However this overarching asset management plan is the first stage of asset management improvement. The County needs to further develop asset plans that show varying funding scenarios, what can be done, what can’t be done and how the service level consequences and risks will be managed. This plan reflects this move.

6. Even with monies approved by voters in 2013, funding is insufficient. The County will continue to seek opportunities to fund needs outside budget authority by partnering with key stakeholders and applying for grants.

7. The County will continue to communicate levels of service based on best knowledge of the road system and available resources.

WHAT SERVICE LEVELS LOOK LIKE
(examples)

BUILDINGS

GOOD / FAIR QUALITY

POOR QUALITY

Service Activities

- Safely and effective shelter for TCPW employees, equipment and the materials used to provide county road services.
This Funding Scenario Summary shows the current and projected service levels, budget and expenditure profiles for the current Long Term Financial Plan balanced to the Asset Management Plan.

**FUNDING DESCRIPTION**
- Current condition/function/capacity
- Scenario 2A – No additional local revenues
- Scenario 2B – With Additional Local Revenues (GO Bond & Transient Lodging Tax)

Professional judgment by TCPWD staff has determined that an average annual renewal spend of $50,000 would be required to maintain the current level of service for the buildings. The lifecycle and 10 year costs are what is determined that needs to be spent annually to maintain the current levels of service for the asset class and prevent further decline in service levels. The available funding reflects the budgeted funding allocation for the category. Only 39% of lifecycle needs are being funded under both scenarios. This demonstrates that no additional funding is made available for the capital renewal of buildings from the GO bond & transient lodging tax.

**LONG TERM - LIFECYCLE COSTS**
Life Cycle Gap it is estimated that there will be an average annual funding shortfall of $106,000 each year over the whole of life of the Buildings asset class. This is based on the depreciation value from the Asset Register.

- Lifecycle Cost (annually) $174,000
- Lifecycle Available Funding (annually) $68,000
- Lifecycle Gap (annually) -$106,000
- Lifecycle Financing Indicator 39%

**MEDIUM TERM - 10 YEAR FINANCIAL PLANNING PERIOD**
It is estimated that there will be an average annual funding shortfall of $35,000 each year over the next 10 years to maintain the current level of service for the Buildings asset class.

- 10 Year Cost (annually) $103,000
- 10 Year Available Funding (annually) $68,000
- 10 Year Gap (annually) -$35,000
- 10 Year Financing Indicator 66%

**SUMMARY OF ASSET COSTS**

**20 Year Projected Operating & Capital Expenditure**

Source: NAMS PLUS U.S Buildings_2014_No Add Local Revenue_S2_V1 (Where no bars displayed the projected expenditure for this funding type is $0)
Tillamook County: Buildings

**FUNDING SCENARIO 2B – WITH ADDITIONAL LOCAL REVENUES (GO BOND FOR 10 YEARS & TRANSIENT LODGING TAX)**

This Funding Scenario Summary shows the current and projected service levels, budget and expenditure profiles for the current Long Term Financial Plan balanced to the Asset Management Plan.

### OVERALL ASSET PROVISION - FUNDING SCENARIO 2B ADDITIONAL LOCAL REVENUE

#### Current Quality/Condition

<table>
<thead>
<tr>
<th>Confidence in Data</th>
<th>10 Year Quality/Condition - Scenario 2B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>53% Good 14% Fair 33% Poor</td>
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</table>

#### Current Function

<table>
<thead>
<tr>
<th>Confidence in Data</th>
<th>10 Year Function - Scenario 2B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>53% Good 20% Fair 28% Poor</td>
</tr>
</tbody>
</table>

#### Current Capacity

<table>
<thead>
<tr>
<th>Confidence in Data</th>
<th>10 Year Capacity - Scenario 2B</th>
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<tbody>
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<td>53% Good 14% Fair 33% Poor</td>
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### SUMMARY OF ASSET COSTS

#### LONG TERM - LIFECYCLE COSTS

Life Cycle Gap it is estimated that there will be an average annual funding shortfall of $106,000 each year over the whole of life of the Buildings asset class. This is based on the depreciation value from the Asset Register.

- Lifecycle Cost (annually): $174,000
- Lifecycle Available Funding (annually): $68,000
- Lifecycle Gap (annually): -$106,000
- Lifecycle Financing Indicator: 39%

#### MEDIUM TERM - 10 YEAR FINANCIAL PLANNING PERIOD

It is estimated that there will be an average annual funding shortfall of $35,000 each year over the next 10 years to maintain the current level of service for the Buildings asset class.

- 10 Year Cost (annually): $103,000
- 10 Year Available Funding (annually): $68,000
- 10 Year Gap (annually): -$35,000
- 10 Year Financing Indicator: 66%

### 20 Year Projected Operating & Capital Expenditure

![Graph showing projected operating and capital expenditure over 20 years.]

Source: NAMS PLUS US Buildings_2014_With Add Local Revenue_S2_V1 (Where no bars displayed the projected expenditure for this funding type is $0)

---

**FUNDING DESCRIPTION**

- Current condition/function/capacity
- Scenario 2A – No additional local revenues
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Professional judgment by TCPW staff has determined that an average annual renewal spend of $50,000 would be required to maintain the current level of service for the buildings. The lifecycle and 10 year costs are what is determined that needs to be spent annually to maintain the current levels of service for the asset class and prevent further decline in service levels. The available funding reflects the budgeted funding allocation for the category. Only 39% of lifecycle needs are being funded under both scenarios. This demonstrates that no additional funding is made available for the capital renewal of buildings from the GO bond & transient lodging tax.
**Tillamook County: Buildings**

### Comparison of Funding Scenarios

**Comments**
- 15 Buildings, 2 in poor condition now, estimate 8 in poor condition by 2022
- All resources are now allocated to reacting to risk incidents
- No preventative maintenance program is in place and risk incidents will progressively spread across the network

**Management Activities**
Overall maintenance and renewal is being deferred and loss of investment is a threat. All buildings originally built in the 1900s. Quarterly OSHA inspections assure health and safety of workers. However deferred maintenance (painting, roof and siding repairs) are deferred due to lack of funds and personnel. There are 15 buildings in 3 Maintenance Yards (12 in Central, 2 in North, and 1 in South Districts). Two buildings were painted in 2011. A sign shop was built in 2011.

### Risks
- Buildings not to code
- Buildings functionally inadequate
- Buildings in poor condition

### Risk Management Strategy
- Address critical maintenance defects identified in 2012 given available funding
- Provide reactive building maintenance
- Communicate need

### Current Quality/Condition

<table>
<thead>
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<th>10 Year Quality/Condition - Scenario 2B</th>
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<tbody>
<tr>
<td>High</td>
<td>33%</td>
<td>58%</td>
</tr>
<tr>
<td>Moderate</td>
<td>16%</td>
<td>12%</td>
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<tr>
<td>Low</td>
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<td>30%</td>
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<tr>
<td>Moderate</td>
<td>16%</td>
<td>24%</td>
</tr>
<tr>
<td>Low</td>
<td>51%</td>
<td>53%</td>
</tr>
</tbody>
</table>

**ASSETS IN GOOD / FAIR CONDITION**

- Current: 86%  
- Scenario 2A: 50%  
- Scenario 2B: 50%

**ASSETS IN POOR CONDITION**

- Current: 14%  
- Scenario 2A: 50%  
- Scenario 2B: 50%
This document has been developed on the best available information and continues to be refined.