



**METRO**

2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# Agenda

Meeting: Council Meeting  
Date: July 24, 1986  
Day: Thursday  
Time: 5:30 p.m.  
Place: Council Chamber

Approx.  
Time\*

Presented By

5:30 CALL TO ORDER  
ROLL CALL

5:35 1. WEST TRANSFER & RECYCLING CENTER (Action Requested:  
(30 min.) Adoption of One of the Resolutions Listed Below:)

Wexler

Consideration of Resolution No. 86-668, Selecting  
and Authorizing Acquisition of the Fairway Western  
Site for the Purpose of Constructing the West  
Transfer and Recycling Center

Consideration of Resolution No. 86-669, Selecting  
and Authorizing Acquisition of the Cornell Road Site  
for the Purpose of Constructing the West Transfer and  
Recycling Center

6:05 RECESS

6:15 2. Introductions  
(15 min.) 3. Councilor Communications  
4. Executive Officer Communications  
5. Written Communications to Council on Non-Agenda Items  
6. Citizen Communications to Council on Non-Agenda Items

6:30 7. CONSENT AGENDA (Action Requested: Adoption of Resolutions  
(5 min.) and Approval of Minutes and Contracts)

7.1 Approval of Minutes of May 29 and June 12, 1986

7.2 Consideration of Resolution No. 86-662, for the  
Purpose of Amending the Transportation Improvement  
Program to Include Phase II Funding for Extending  
the Service Life of the Hawthorne Bridge

Cotugno

7.3 Consideration of Resolution No. 86-663, for the  
Purpose of Amending the FY 87 Unified Work Program

Cotugno

\* All times listed on this agenda are approximate. Items may not be considered  
in the exact order listed.

(continued)

Metro Council, July 24, 1986

Approx.  
Time

Presented By

7. **CONSENT AGENDA (Continued)**

- |     |   |         |
|-----|---|---------|
| 7.4 | <u>Consideration of Resolution No. 86-666, for the Purpose of Amending the Concept Plan, Authorizing New Interstate Transfer Projects and Amending the Transportation Improvement Program</u> | Cotugno |
| 7.5 | <u>Consideration of Resolution No. 86-667, for the Purpose of Amending the Functional Classification System and the Federal-Aid Urban System</u>  | Cotugno |
| 7.6 | Consideration of Contracts for Worker's Compensation and Employee Health Benefits   | Boose   |
| 7.7 | Consideration of a Contract with Government Finance Associates for Finalcial Advisory Services  | Carlson |

8. **RESOLUTIONS**

- |                   |  |      |
|-------------------|--|------|
| 6:35<br>(15 min.) | 8.1 <u>Consideration of Resolution No. 86-670, for the Purpose of Establishing a Self-Insurance Program (Action Requested: Adoption of Resolution)</u> | Sims |
|-------------------|--|------|

9. **OTHER BUSINESS**

- |                   |   |                    |
|-------------------|---|--------------------|
| 6:50<br>(20 min.) | 9.1 Consideration of Approving a List of Alternative Technology Vendors to Which RFP's Will be Issued (Action Requested: Approval of List)  | Allmeyer           |
| 7:10<br>(10 min.) | 9.2 Consideration to Proceed with Phase II of the Resource Recovery Project and to Continue the Contract with Gershman Bickner & Bratton, Inc. for Professional Consulting Engineering Services (Action Requested: Motion to Proceed with Phase II of the Contract) | Allmeyer           |
| 7:20<br>(10 min.) | 9.3 Consideration of a Contract to Retain Dean Gisvold as Counsel for the Resource Recovery Project (Action Requested: Approval of Contract)  | Baxendale          |
| 7:30<br>(10 min.) | 9.4 Report from the Hazardous Waste Task Force (No Action Requested)  | Frewing/<br>Wexler |
| 7:40<br>(20 min.) | EXECUTIVE SESSION for the Purpose of Discussing Litigation Matters with Legal Counsel<br>(Held Under the Authority of ORS 192.660 (1) (h))  | Baxendale          |
| 8:00              | ADJOURN   |                    |

amn/5878C/313-6/07/16/86





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Portland, OR 97201-5398  
503/221-1646

# Agenda

Meeting: Council Meeting  
Date: July 24, 1986  
Day: Thursday  
Time: 5:30 p.m.  
Place: Council Chamber

## CONSENT AGENDA

The following business items have been reviewed by the staff and an officer of the Council. In my opinion, these items meet with the Consent Agenda Criteria established by the Rules and Procedures of the Council. The Council is requested to approve the recommendations presented on these items.

- 7.1 Council meeting minutes of May 29 and June 12, 1986
- 7.2 Resolution No. 86-662, Amending the Transportation Improvement Program to Include Phase II Funding for Extending the Service Life of the Hawthorne Bridge
- 7.3 Resolution No. 86-663, Amending the FY 87 Unified Work Program
- 7.4 Resolution No. 86-666, Amending the Concept Plan, Authorizing New Interstate Transfer Projects and Amending the Transportation Improvement Program
- 7.5 Resolution No. 86-667, Amending the Functional Classification System and the Federal-Aid Urban System
- 7.6 Contracts for Worker's Compensation and Employee Health Benefits
- 7.7 A contract with Government Finance Associates for Financial Advisory Services

Donald E. Carlson,  
Deputy Executive Officer

DEC:amn  
07/16/86

Site Descriptions (see Maps 1 and 2)

The Fairway Western property at 1770 NW 216th Avenue in Washington County is 14.66 acres. This is larger than the minimum 4 acres required for development of the transfer station (see map 2). The site is located approximately 1.8 miles south of the Sunset Highway, Cornelius Pass Road highway interchange. The site and surrounding land are zoned industrial. The existing development to the northeast and west are primarily small, light industries and farms. The development adjacent to the south is residential although the property is zoned industrial. The residential property consists of ten homes located along Cherry Lane. Land on the east side of the power corridor is zoned residential. The back property lines of the parcels along the north side of Cherry Lane abut the south property line of the site.

The site is located approximately 5 miles from the center of waste, therefore it is within the seven mile limit established by the WTRC Advisory Group. It is estimated that 71% of the traffic using a facility at this site would access the facility from the north and not pass through residential areas or through school zones. Map 3 describes the expected increases in traffic on the approaches to the Fairway Western Site. The increases vary from 11.4% on 216th Avenue North of the site to 1.2% on Cornell Road. Transfer trucks would travel north along 216th Avenue and Cornelius Pass Road to Sunset Highway. This access is consistent with the 1984 draft Solid Waste Management Plan criteria that the transfer station be located near major transportation corridors.

The overpass where the railroad tracks cross 216th is considered by Washington County as safety deficient and may require improvements. Also, the intersection of 216th and Cornell Road westbound may require safety improvements.

The site located at 21450 and 21480 NW Cornell road is 6.18 acres. The site is located approximately 1.2 miles from the Cornelius Pass, Sunset Road highway interchange. This site, and the surrounding properties, are zoned industrial. There are no residential properties adjacent to this site.

The site is located approximately 5 miles from the center of waste and is also within the seven mile limit established by the advisory group. It is estimated that 93% of the traffic using a facility at this site would not pass through residential areas or through school zones. Map 4 describes the expected increases in traffic on the approaches to the Fairway Western Site. The increases vary from 3.2% on the Cornell Road approach from the east to 0.9% on the Cornell Road from the west. Transfer trucks would travel north on Cornelius Pass Road



MEETING DATE July 24, 1986

CONSIDERATION OF RESOLUTION NOS. 86-668 AND 86-669  
FOR THE PURPOSE OF SELECTING A SITE FOR THE WASHINGTON  
TRANSFER AND RECYCLING CENTER AND AUTHORIZING THE  
EXECUTIVE OFFICER TO ENTER INTO NEGOTIATIONS TO  
ACQUIRE THE SITE.

DATE: July 16, 1986

Presented by: Randi Wexler

FACTUAL BACKGROUND AND ANALYSIS

The 1974 Solid Waste Management Plan identified the need for a West Transfer and Recycling Center, (WTRC). In August of 1984, Metro staff formed the WTRC Advisory Group comprised of representatives from local governments, industry, Metro staff and the public. The WTRC Advisory Group used local land use plans, development codes and the 1984 updated report on transfer stations to evaluate 80 sites. After considering the WTRC Advisory Group's recommendations from September 1985 to January 1986, the Metro Council on January 16, 1986 decided to review the sites in the Cornelius Pass Road/Sunset Highway 26 vicinity. On April 10 of 1986, the Council reiterated its interest in this area.

The Metro Council chose this area for two main reasons: first, because it preferred the proximity to Sunset Highway 26, a limited access highway, which is consistent with the Washington County Development Code and the updated report. Both require siting of a transfer center on or near major arterial roads or highways; second because most of the industrially zoned property in this area has not been developed, enhancing the likelihood of future compatible development.

At the June 25, 1986 Metro Council meeting, the Council decided not to proceed with the Sunset Highway Associates site located at the Sunset Highway 26/Cornelius Pass interchange.

This staff report evaluates two other sites in the vicinity. The first site is the Fairway Western property at 1770 NW 216th Avenue. The second site is located at 21450-21480 NW Cornell Road. The advantages and disadvantages of each site are outlined in the staff report. Resolutions for acquisition of each site are attached, but do not contain reasons for preferring one site over the other. The Council should state the reasons when adopting one of the resolutions for proceeding with site acquisition.

## DECISION MATRIX

Site	Center of Waste	Transportation	Flexibility for devel.	Landuse	Acquisition
Fairway Indus.	fair	fair	best	best	willing seller
Cornell Road	fair	good	good	best	willing seller

Fairway Western Site

A rating of "Fair" was given for the center of waste criterion because the parcel is located five miles from the center of waste.

A rating of "Fair" was given for the transportation criterion because the distance to Highway 26 is 1.8 miles from the freeway interchange. The intersection of 216th and Cornelius Pass Road may need to be realigned to provide safe crossing of the railroad tracks. Although the railroad overpass is more than 1000 feet from the site, it may be necessary to replace the railroad overpass over 216th to meet permit requirements stipulated by Washington County.

A rating of "Best" was given for the flexibility for development because there are no major development constraints at this site. The large size of the parcel allows for a high degree of flexibility.

A rating of "Best" was given for the landuse criterion because a transfer station is listed as an allowed use in an industrial zone.

The owner is a willing seller and an option agreement has been signed.

Cornell Road Site

A rating of "Fair" was given for the center of waste criterion because the parcel is located five miles from the center of waste.



to Sunset Highway. This access is consistent with the 1984 draft Solid Waste Management Plan criteria that the transfer station be located near major transportation corridors.

The intersection of Cornelius Pass Road and Cornell Road is being signalized this year.

The existing site contains two residences and several agricultural out buildings which are being offered with the property.

#### Site Description Summary

The Cornell Road site has fewer existing residential neighbors than the Fairway Western site. Preliminary investigation indicates that the transportation improvement costs may be less for the Cornell Road site. There are no apparent site specific problems with respect to either drainage or geotechnical considerations at either site. The proposed relocation of Cornell Road should not inhibit access to either site.

#### Staff Site Evaluation

To compare the Fairway Industrial site and the Cornell Road site, staff performed a comparative technical analysis on the two sites. Five categories were evaluated: solid waste technical aspects including center of waste and transportation, flexibility for development, landuse and acquisition of land. Center of waste is a measure of convenience for the public and collection industry and a measure of the cost to the region in operating a transfer station. Transportation issues are an important technical criteria, as well as a major concern expressed by the public. They consist of travel times, travel patterns and any alignment or safety improvements that might be necessary. Flexibility for development is a measure of usable acreage for both transfer operations and additional recycling including site specific drainage geotechnical concerns that might impact development. Landuse is a measure of the difficulty in acquiring the necessary permits. Acquisition of the land is a measure of whether or not the owner is willing to sell the property. A qualitative rating was given for each category of the decision matrix. Qualitative rating included: poor, fair, good or best. An explanation of each rating for the two sites is provided.

A rating of "Good" was given to the transportation criterion because the distance to Highway 26 is 1.2 miles . Within a year, the intersection of Cornell Road and Cornelius Pass Road will be signalized as a part of the current safety improvements program. The improved intersection design specifies a 42' roadway width for Cornell Road. This width will include turning lanes that will improve the efficiency of the intersection. Because of this no major transportation improvements are anticipated.

A rating of "Good" for the flexibility for development criterion was given because there are no major development constraints.

A "Best" rating was given for the land use criterion because the transfer station is listed as an allowed use in an industrial zone.

The Owner is willing to sell and has signed an option agreement.

In summary, the Cornell Road site is located closer to the highway interchange. If the Fairway-Western site is selected over the Cornell Road site we expect a shift of 22% of the traffic generated by the transfer station to Taulatin Valley Highway and Baseline Road thereby increasing the approach traffic on 216th Avenue south of the site. Neither of the sites present any major development constraints, but the larger size of the Fairway Western site allows for a higher degree of flexibility. Both sites are zoned industrial, and transfer stations are allowed but require a Type II process for permitting. Both sites are owned by willing sellers.

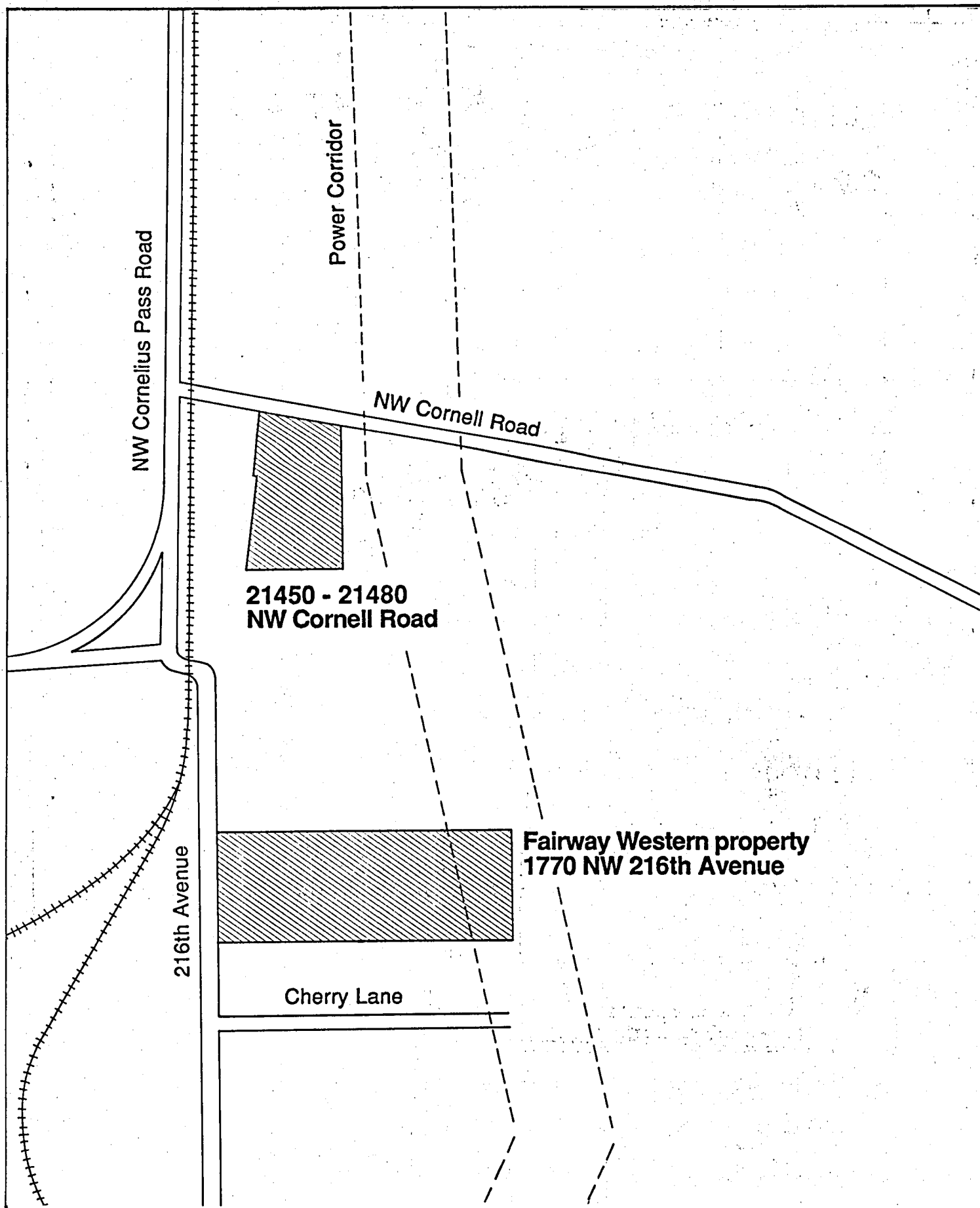
In conclusion, both sites are suitable for development of a transfer station.

The Federal Aviation Administration has stated that the two sites being considered will not adversely affect the Hillsboro Airport.

#### EXECUTIVE OFFICERS RECOMMENDATION

The Executive Officer has no recommendation.



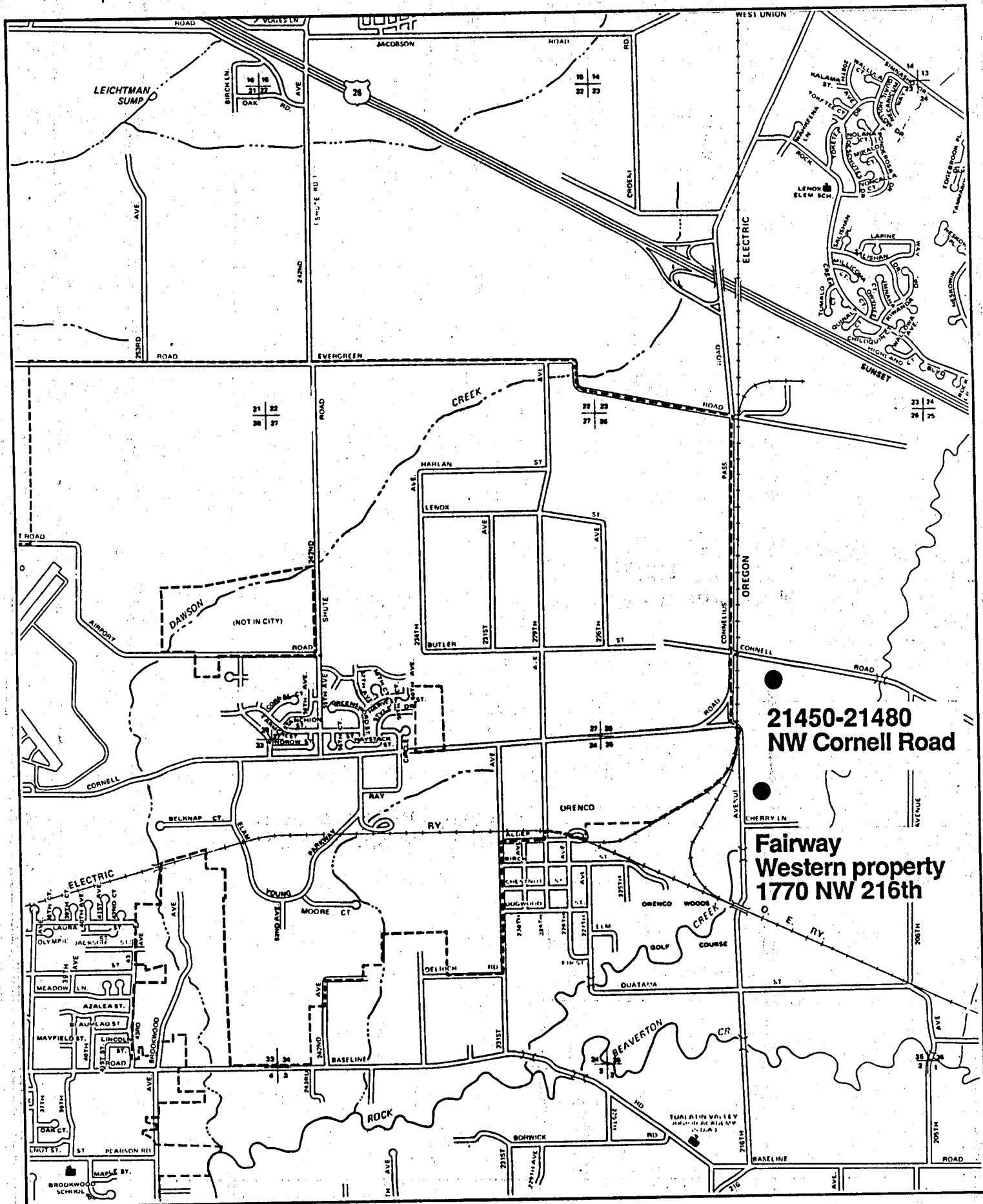


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## *Proposed Sites Map*

West transfer & recycling center  
Cornelius Pass area

Map 2

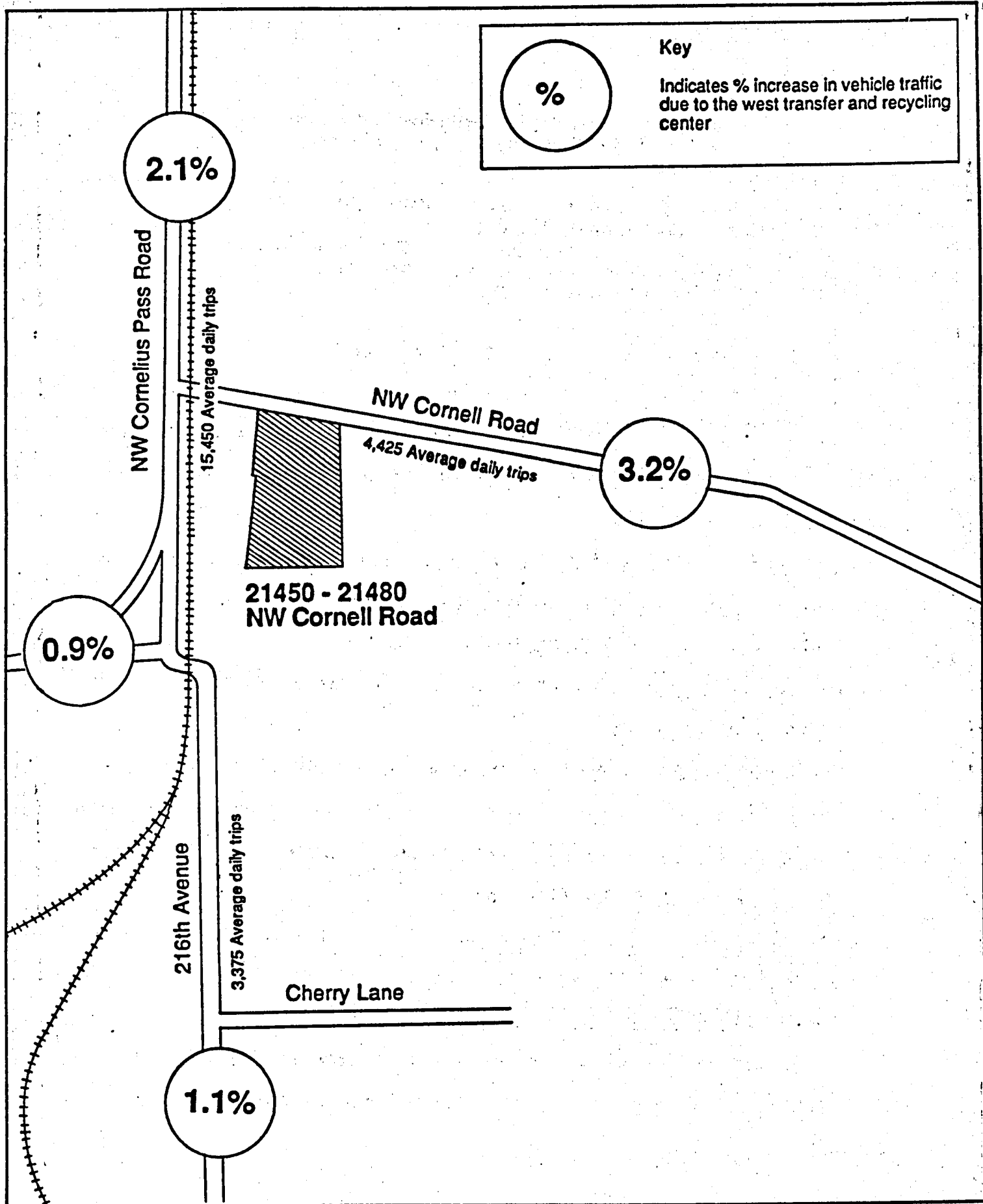


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## Proposed Locations Map

West transfer & recycling center  
Cornelius Pass area

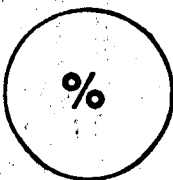




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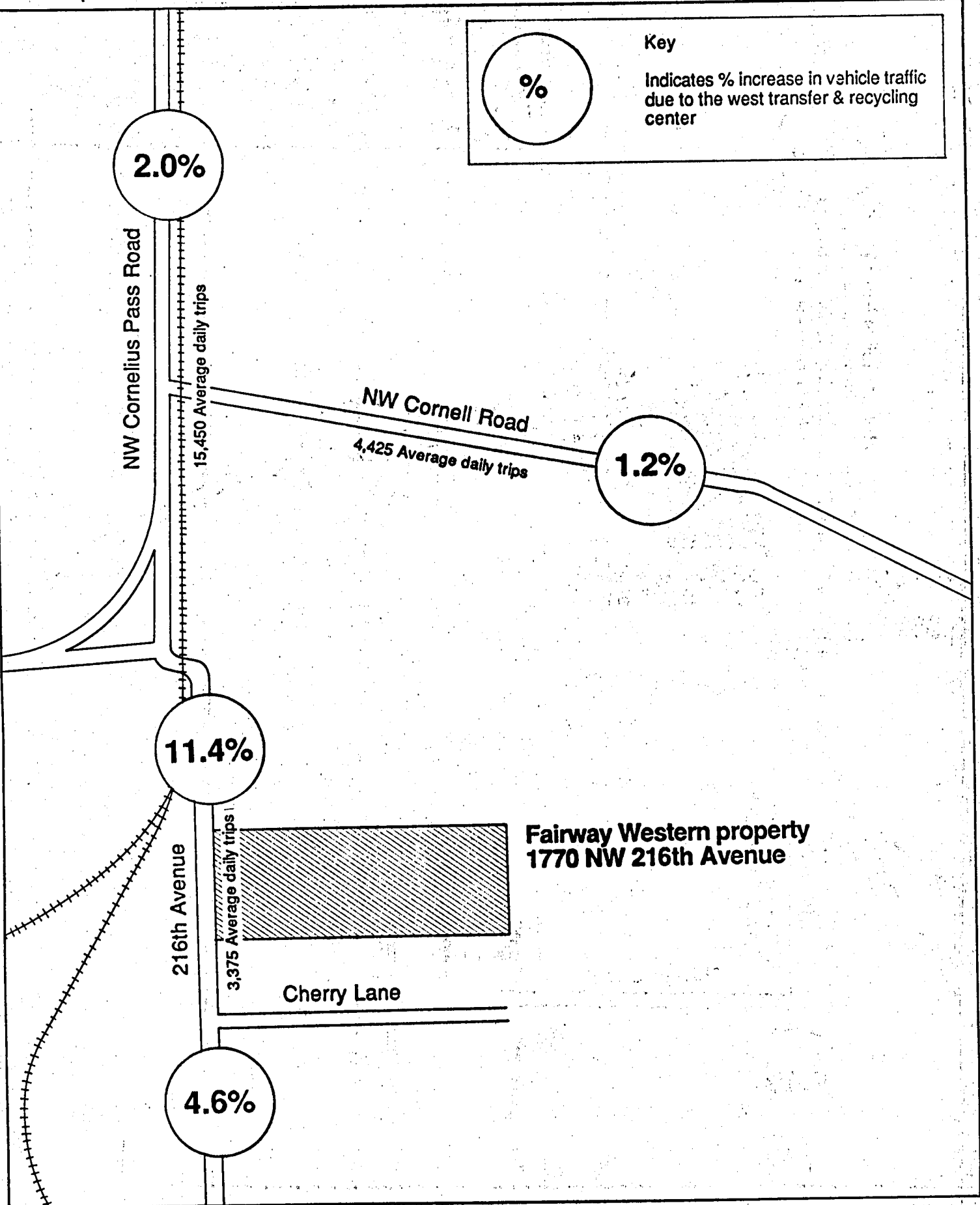
## *Cornell Road Site*

West transfer & recycling center  
Traffic impact map



Key

Indicates % increase in vehicle traffic  
due to the west transfer & recycling  
center



BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF SELECTING	)	RESOLUTION NO. 86-668
AND AUTHORIZING ACQUISITION OF THE)		
FAIRWAY WESTERN SITE FOR THE	)	Introduced by the
PURPOSE OF CONSTRUCTING THE WEST	)	Executive Officer
TRANSFER AND RECYCLING CENTER	)	

WHEREAS, The Council of the Metropolitan Service District (Metro) adopted Resolution No. 84-506, a resolution "For the Purpose of Adopting Solid Waste Transfer Station Strategies and Related Policies as a Component of the Solid Waste Management Plan Update 1984"; and

WHEREAS, The resolution identifies a need for three regional transfer stations in the Portland metropolitan area; and

WHEREAS, the resolution states that one of these transfer stations shall be located in Washington County and should be operational in 1986; and

WHEREAS, based on the information provided by staff, the July 24 Staff Report, and testimony at public hearings, the Council compared the Cornell Road site with the Fairway Western site at a public hearing; and

WHEREAS, Both sites comply with the existing standards for transfer stations identified in Exhibit A; now therefore,

BE IT RESOLVED,

1) That the Council selects the Fairway Western site in Washington County as the site for the West Transfer and Recycling Center.

2) That the Council authorizes the acquisition of the Fairway Western site in Washington County as the site for the West Transfer and Recycling Center.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

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Richard Waker, Presiding Officer

DL/epv

07011086



2) That the Council authorizes the acquisition of the Cornell Road site in Washington County as the site for the West Transfer and Recycling Center.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

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Richard Waker, Presiding Officer

DL/epv

07011086

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF SELECTING )  
AND AUTHORIZING ACQUISITION OF THE )  
CORNELL ROAD SITE FOR THE PUR- )  
POSE OF CONSTRUCTING THE WEST )  
TRANSFER AND RECYCLING CENTER )

RESOLUTION NO. 86-669

Introduced by the  
Executive Officer

WHEREAS, The Council of the Metropolitan Service District (Metro) adopted Resolution No. 84-506, a resolution "For the Purpose of Adopting Solid Waste Transfer Station Strategies and Related Policies as a Component of the Solid Waste Management Plan Update 1984"; and

WHEREAS, The resolution identifies a need for three regional transfer stations in the Portland metropolitan area; and

WHEREAS, the resolution states that one of these transfer stations shall be located in Washington County and should be operational in 1986; and

WHEREAS, based on the information provided by staff, the July 24 Staff Report, and testimony at public hearings, the Council compared the Cornell Road site with the Fairway Western site at a public hearing; and

WHEREAS, Both sites comply with the existing standards for transfer stations identified in Exhibit A; now therefore,

BE IT RESOLVED,

1) That the Council selects the Cornell Road site in Washington County as the site for the West Transfer and Recycling Center.

the exception of the effects of odor and noise, which are addressed by the Washington County Zoning Code. The Code allows the transfer stations as a permitted use in industrial zones but requires potential noise and odor impacts be managed.

## EXHIBIT A

### APPLICABLE STANDARDS

The Metro Solid Waste Management plan, which was approved by DEQ, has the following criteria for evaluating sites for transfer stations:

1. Transfer stations should be located in industrial areas, and the surrounding area should be industrial or a conditional use permit must be obtained.
2. The transfer station should not conflict with existing land uses. The effects of noise, odors and traffic should be considered.
3. The transfer station should be near the major refuse producing areas (the center of waste).
4. Major access routes should be able to handle increased traffic, especially during peak hours of refuse transportation. The increase must be considered relative to the amount of truck traffic these roads presently receive.
5. Traffic control should be feasible at the site entrance and not impede the regular flow of traffic (p. 14-6 and 14-7.)

There are no standards for the relative weight to be given to each of these evaluating criteria.

The 1984 Draft Update to the Solid Waste Plan states it is not to be used as policy and may be refined through use. It contains these draft comments:

1. The transfer station should be located as close as possible to the center of waste (see Figure 4-4) [identified same center of waste as used]
2. The transfer stations should be located near major transportation corridors.

There are no standards for the relative weight to be given to each of these criteria.

Resolution 84-506 contains this criteria:

1. A transfer station be located in Washington County.

### Conclusion

These criteria are all addressed in the staff report with



Convention, Trade, and Spectator Facilities (CTS). The Executive Officer announced the City of Portland Council had adopted a resolution and ordinance in support of the CTS facility which was an excellent demonstration of unanimous support for the project.

4. WRITTEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

5. CITIZENS' COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

6. CONSENT AGENDA

Motion: Councilor DeJardin moved to approve the Consent Agenda and Councilor Van Bergen seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kafoury, Kelley, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors Cooper, Frewing, Hansen and Oleson

The motion carried and the following items were approved and adopted:

6.1 Minutes of April 16, 1986

6.2 Resolution No. 86-647, Amending the FY 1986 Transportation Improvement Program to Include an Updated Program of Projects Using Section 9 Funds

6.3 Metro Regional Federal Transportation Position Paper

7. ORDINANCES

7.1 Consideration of Ordinance No. 86-202, for the Purpose of Adopting Findings to Comply with LCDC 86-CONT-001 (Second Reading)

The Clerk read the Ordinance by title only a second time.

Motion: A motion to adopt the Ordinance was made by Councilors Kafoury and Kelley at the meeting of May 15, 1986.

Jill Hickley, Land Use Coordinator, reminded the Council this set of findings related to the last remaining unacknowledged portion of the

Agenda Item No. 7.1

Meeting Date July 24, 1986

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

May 29, 1986

Councilors Present: Councilors Cooper, DeJardin, Frewing,  
Gardner, Kafoury, Kelley, Kirkpatrick,  
Myers, Oleson, Van Bergen and Waker

Also Present: Rick Gustafson, Executive Officer

Staff Present: Don Carlson, Eleanore Baxendale, Ray  
Barker, Andy Cotugno, Doug Drennen, Jill  
Hinckley, Debbie Allmeyer, Rich McConaghy,  
Dennis Mulvihill and Norm Wietting

Presiding Officer Waker called the meeting to order at 5:35 p.m.

1. INTRODUCTIONS

None.

2. COUNCILOR COMMUNICATIONS

Councilor Kirkpatrick reported on the results of the May 20 Primary election and the Metro tax base measure that was before the voters. She said the Committee for Government Efficiency raised \$19,683, meeting their goal of raising between \$15,000 and \$20,000. The Committee spent \$18,900. She reported the tax base measure failed to pass with 74,484 of the District voters voting yes and 122,734 voting no. District-wide turnout was about 62 percent. Councilor Kirkpatrick said she planned to meet with staff the next day to discuss future funding options.

Presiding Officer Waker announced both Councilors Kelley and Van Bergen were re-elected in a landslide and he congratulated them on their respective victories.

3. EXECUTIVE OFFICER'S COMMUNICATIONS

West Transfer & Recycling Center. Executive Officer Gustafson referred to a letter sent to Councilors transfer station project. Eleanore Baxendale, General Counsel, reported that Richard Bemis, counsel representing Metro in acquisition matters related to the Cornelius Pass site, met with the property owner's attorney. She said an Executive Session would be scheduled for the June 12 Council meeting to discuss current litigation developments. She also reported the Washington County Commission would consider on June 2 or June 10 whether to amend their current zoning ordinance related to the Cornelius Pass site.

Urban Growth Boundary. The findings would go to the Land Conservation and Development Commission (LCDC) on July 24 to be considered for final acknowledgement, she reported.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Myers, Van Bergen and Waker

Absent: Councilors Cooper, Hansen and Oleson

The motion carried and the Ordinance was adopted.

## 8. RESOLUTIONS

### 8.1 Consideration of Resolution No. 86-648, for the Purpose of Adopting the Regional Convention, Trade, and Spectator Facilities Master Plan and Declaring Intent to Carry Out Recommendations of that Master Plan Related to Metro

Steve Siegel, Intergovernmental Resource Center Administrator, stated the Master Plan before the Council was the same plan recommended by the Regional Convention, Trade, and Spectator Facilities (CTS) Committee on May 15. He further explained the plan was contingent on whether the region's voters approved funding for the facility. A request for a \$65 million General Obligation bond measure would be before the voters on November 4, he said. He then summarized the four main components of the CTS Master Plan:

1. Establishing a regional commission to operate the CTS facilities;
2. Recommending the Holladay/Union site for a convention and trade show center;
3. Establishing a mission of Metro working with the Legislature and Department of Agriculture to potentially develop a agri-business center or agricultural resource product center; and
4. Establishing policies for long-term development and implementation of a stadium and arena.

Mr. Siegel reported the City of Portland Council had unanimously adopted a resolution approving the CTS Committee's recommendations and had adopted an ordinance designating the Holladay/Union site for the convention and trade show center. In response to Councilor Myers' question, he explained the City Council's action would amend



the CTS Committee's recommendation but those changes were minor. He also explained Metro was the only other government to formally adopt the CTS Master Plan. The City Council had adopted portions of the plan directly effecting the City.

Councilor Waker asked if it were true Multnomah County had yet to act on the CTS Master Plan. Mr. Siegel reported the County had adopted an ordinance to set in place a hotel/motel tax to fund the convention and trade show center. An intergovernmental agreement would soon be signed regarding this tax, he said. Also, over the next three years staff would seek the County's commitment to include the Exposition Center in the CTS Master Plan.

Councilor Kelley asked if the City of Portland had addressed the issue of urban improvements to the Holladay/Union site area and whether the community supported the changes addressed in the Master Plan. Mr. Siegel said it was important to understand the urban renewal area was not an element in financing the center. He explained, however, the City was committed to implementing a local improvement district in the area by March of 1987 and that step would be an important part of the project. Other financing would be provided by the state (\$15 million) and from a General Obligation bond measure (\$65 million). He thought the November bond measure would be successful and he expected good community support.

Councilor Frewing asked staff to review changes in the FY 1986-87 budget associated with the CTS project and to explain when those changes would be before the Council for consideration. Mr. Siegel said staff was still preparing the final project budget. He estimated between \$2 and \$3 million would be expended in FY 1986-87. The hotel tax, he explained, would provide revenue for some of those costs. Executive Officer Gustafson added he would submit a CTS supplemental budget to the Council for approval at a later date.

In response to Councilor Kafoury's question, Mr. Siegel said the new CTS commission would be appointed upon approval of the General Obligation bond measure, hopefully by July 1, 1987. He said the existing CTS Committee had agreed to work until that time to provide overall guidance for the project.

Councilor Kafoury asked if the Master Plan called for pursuing facilities other than the convention and trade show center. Mr. Siegel said the Council was being asked to develop a CTS program by 1990 to include providing \$50,000 to study future stages of the project and to spearhead an effort with other entities to study the feasibility of an agricultural center. He said the CTS Committee had a pool of money donated for such studies and had perceived the overall project on a state-wide level.

Metro Council  
May 29, 1986  
Page 5

Councilor Myers asked if by adopting the resolution the City of Portland would be committed to shed its responsibilities for the Exposition-Recreational Commission. Mr. Siegel responded that by adopting the CTS Master Plan both entities would be committed to mutually developing a workable transitional plan.

Presiding Officer Waker gave the public an opportunity to speak on the proposed CTS Master Plan.

Tom Dennehy, 16421 N.E. Holladay, Portland, testified he had observed the Portland City Council meeting on television when they had adopted the CTS Plan. He said the City Councilors had congratulated themselves for taking risks and making difficult decisions. Mr. Dennehy said he failed to see what risks had been taken since the public's money, not the Councilors', would be used for the project. He strongly urged private funds, such as additional hotel taxes, be used to finance the project. Finally, Mr. Dennehy challenged the Council to be straightforward when adopting a ballot title for the General Obligation bond measure and to save him the trouble of challenging a confusing title in court. He also questioned why the CTS Committee had suggested Metro be the lead agency for the convention center project, stating "you guys ain't done nothing right yet and I think you'll continue in the same pattern..."

John Christison, General Manager of the Exposition-Recreation Commission, testified he disagreed with Mr. Dennehy's testimony and was convinced a CTS facility would provide a very real opportunity to improve the local economy. He said adoption of the Master Plan would be a milestone in intergovernmental cooperation and would accomplish a much needed project.

The Presiding Officer thanked Mr. Christison for his testimony and for his fine work on the CTS project.

Motion: Councilor Oleson moved to adopt Resolution No. 86-648 and Councilor Cooper seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Myers, Oleson, Van Bergen and Waker

Absent: Councilor Hansen

The motion carried and Resolution No. 86-648 was adopted.

Councilor Van Bergen said he objected to Mr. Dennehy's earlier statement that Metro "ain't done nothing right, ever." He said he wished to go on record as taking an ongoing exception to such comments.

Councilor Kelley noted said she appreciated the remarks of constituents, even though she didn't always agree with them, because they kept her on the "straight and narrow."

## 9. OTHER BUSINESS

### 9.1 Review of Solid Waste Rate Policies Prior to Initiation of 1987 Rate Study

Rich McConaghy, Solid Waste Analyst, explained the Council would soon be asked to adopt rate policies for 1987. He said the Council had previously requested staff present preliminary information and policies and to provide an opportunity for Council direction and comment before returning with a final rate adoption document for adoption.

Mr. McConaghy reviewed the staff report. He discussed current rate policies established through Council Resolution No. 84-483 and Metro Ordinance No. 85-191 and proposed rate policies as they effected the diversion of waste from St. Johns Landfill. He explained staff were examining the following alternatives that would effect the flow of waste to St. Johns Landfill:

1. The City of Portland agreement for leasing St. Johns could have an impact of increasing disposal rates by \$2 per ton. The end use program could also increase rates by 40¢ per ton.
2. Staff would review the \$1 per ton landfill siting fee mandated by SB 662 and would report back to the Council on the effects of changing the current program.
3. Waste could be diverted by banning dried non-food waste from drop boxes disposed at St. Johns.

Presiding Officer Waker asked if staff were preparing long-term rate projections. He noted the long-term rates would have a relationship to costs for alternative technologies. Mr. McConaghy said staff could prepare a graph showing how rates would increase and how the new transfer station would effect rates.

### 9.2 Consideration of Proposed Time Schedule and Strategy for RFQ-I/RFP Process for Solid Waste Alternative Technologies

Doug Drennen, Engineering/Analysis Manager, stated the proposal



before the Council included a recommended time schedule for establishing a Technical Review Committee (TRC) and a Policy Review Committee (PRC). He said the PRC membership would include two or three Metro Councilors and one Clark County Commissioner. He then referred the Council to the staff report which described the composition, functions and responsibilities of both committees, the list of firms who responded to the Request for Qualifications and Information (RFQ-I) and a proposed calendar showing the sequence of activities and actions for the alternative technology project through April 1987.

Councilor Kirkpatrick questioned whether both the TRC and PRC committees were necessary. She also questioned why the request for proposals (RFP) could not be issued by December 1, 1986.

Executive Officer Gustafson answered the technical committee would conduct the lengthy interview process while the policy committee oversaw that process, made recommendations regarding a short list for the RFP and selected key points for full Council deliberation.

Councilor Frewing asked if the Council would evaluate comparative cost information submitted by vendors. Mr. Drennen said that information would be public but he cautioned it would be preliminary information.

Councilor Kafoury said she was interested in keeping the time schedule as short as possible and questioned the delay between work sessions 2 and 3 listed on the project calendar. Mr. Drennen explained the proposed schedule was designed to use the project consultants as efficiently as possible. He said time would be needed between the two sessions to prepare information for Council deliberation. The Council would also need ample time to review the information.

The Executive Officer then discussed ways the schedule could be shortened. He explained, however, the principal behind the proposed schedule was to first develop the short list, then the RFP, allow for the short list vendors to comment on the RFP, and finally to issue the RFP. He said that schedule suggested the Council adopt policy issues first so the policies could be used to develop the RFP. This, he said, would allow the Council to develop positions on risk, financing, ownership and other key issues based on those vendors still left in the process. The Executive Officer said the processes could be shortened if the Council instructed staff to draft the RFP immediately or when the short list was recommended. The process could also be shortened about two months by eliminating the vendor comment period, he said.

Councilor Kirkpatrick supported the last option because staff could be working on the RFP before the short list was developed. She said she understood the importance of a well-written RFP but believed the process could still be shortened.

Councilor Cooper agreed the time line could be shorten but he also felt adequate amount of time should be given vendors to bid on the highly technical project.

Councilor Gardner agreed with Councilor Cooper and requested the vendor comment period not be deleted. To do so, he said, could cause problems later on in the RFP process.

Motion: Councilor Frewing moved to approve the appointment of the Technical Review Committee (TRC) and the Policy Review Committee (PRC) as outlined in the staff report of May 21, 1986, and that the TRC consist of three Metro Councilors and one Clark County representative appointed as outlined in the staff report. Councilor Kafoury seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Myers, Oleson, Van Bergen and Waker

Absent: Councilor Hansen

Presiding Officer Waker stated his intent to appoint Councilor Gardner and two other Councilors to the TRC subject to Council review. After discussion, the Council agreed there was sufficient concern about the time schedule and that staff should work to compress the schedule where reasonable and practical. The Presiding Officer then suggested, after a short discussion, to first appoint the PRC and have them review the project schedule in concert with the Clark County Commissioner and have the Committee recommend how the time line could be shorted based on staff and Council schedules. Councilor Oleson added there was a consensus the Council was willing to shorten the schedule and take some risks on staff assumptions. Finally, the Presiding Officer requested Don Carlson and the Deputy Presiding Officer prepare a calendar listing all other issues the Council must address and to give that list to the PRC so it could assess the overall demands on the Council in relation to the alterntive technology project. The PRC could then bring back a revised calendar to the Council, he said.

9.3 Consideration of Establishment of a Regional Position Regarding the Need for Transit and Short and Long-Term Approaches for Financing Transit

The Presiding Officer noted since he had initially requested this item be placed on the agenda, the Tri-Met Board had changed its position on financing.

Andy Cotugno, Transportation Director, explained the staff report was drafted in response to the Tri-Met Board's suggestion of an income tax and included information regarding options to an income tax. He said the report generally supported the need for an short-term, increased revenue source as well as efforts to attain long-term, cost efficiency. He then said the Tri-Met Board had since adopted a budget that did not include an income tax. Instead, the operating budget was reduced by about 10 percent. Mr. Cotugno explained some of the cost saving measures effected service but the largest part of the savings had been achieved by reducing working capital from \$5 million to \$2.8 million.

Both Councilors Kelley and Myers discussed their experiences serving on Tri-Met committees and the difficulties in obtaining monies from fuel and income taxes. Councilor Myers asked whether JPACT intended to endorse a position regarding Tri-Met's current financial status.

Presiding Officer Waker answered JPACT's initial recommendation was not longer relevant. JPACT had, however, given its support to the Tri-Met Board without specifically supporting an income tax measure.

Councilor Frewing noted that since the Metro Executive Officer's FY 1986-87 budget included a regional governance study of Tri-Met, the Metro Council take a more active position to support Tri-Met. He suggested the Council might recommend Tri-Met reduce its service boundary to be the same as Metro's boundary, for example. He also suggested the Council conduct a workshop with Tri-Met's Board. Mr. Cotugno said JPACT would be very interested in those ideas.

Motion: Councilor Van Bergen moved to remand the Report on a Regional Position Regarding the Need for Transit and Short and Long-Term Approaches for Financing Transit back to JPACT for further consideration. Councilor Frewing seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Dejardin, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Myers, Oleson, Van Bergen and Waker

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Absent: Councilor Hansen

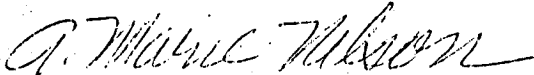
The motion carried.

EXECUTIVE SESSION

Presiding Officer Waker called the meeting into executive session under the authority of ORS 192.660(1)(h) to discuss litigation matters with counsel. After the executive session ended, the Council reconvened to its regular session.

There being no further business, Presiding Officer Waker adjourned the meeting at 8:00 p.m.

Respectfully submitted,



A. Marie Nelson  
Clerk of the Council

amn  
5919C/313-2  
07/09/86

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

June 12, 1986

Councilors Present: Councilors Cooper, DeJardin, Frewing,  
Gardner, Hansen, Kafoury, Kelley,  
Kirkpatrick, Oleson, Van Bergen and Waker

Councilors Absent: Councilor Myers

Also Present: Executive Officer Rick Gustafson

Staff Present: Don Carlson, Eleanore Baxendale, Randy  
Boose, Jill Hinckley, Ray Barker, Phillip  
Fell, Gene Leo, Kay Rich, Randi Wexler, Dan  
Durig and Doug Drennen

Presiding Officer Waker called the meeting to order at 5:35 p.m.

1. INTRODUCTIONS

None.

2. COUNCILOR COMMUNICATIONS

2.1 Declaration of a Vacancy of the District 9 Council Position to  
be Effective June 30, 1986, and Consideration of Procedure and  
Schedule for Filling that Position

Presiding Officer Waker noted he had received a letter from Councilor Myers explaining his business required him to relocate to Washington, D.C., and therefore, he would resign from the District 9 Council position effective June 30, 1986. Ray Barker, Council Assistant, then reviewed the options by which the vacant position could be filled. After discussion, the Council agreed to advertise the vacant position and to appoint a person at the July 10, 1986, meeting. It was the Council's general consensus that the six month's time between June 30 and January 1 (the date when a Councilor elected in November would begin to serve a term) was too long for District 9 to be without representation.

Motion: Councilor Gardner moved to declare the District 9 Council position vacant effective June 30, 1986, and Councilor Kelley seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner,  
Hansen, Kafoury, Kelley, Kirkpatrick, Oleson,  
Van Bergen and Waker

Absent: Councilor Myers



The motion carried.

Motion: Councilor Gardner moved to fill the vacant District 9 Council position in the manner recommended by staff in the staff (appointing the position) and Councilor Kelley seconded the motion.

Councilor Oleson suggested the Council wait to fill the position until after the August deadline for petitions for those wishing to fill the position by General election in November. Councilor DeJardin agreed no urgency existed to immediately fill the position.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick and Waker

Nays: Councilors Oleson and Van Bergen

Absent: Councilor Myers

The motion carried.

Motion: Councilor Van Bergen moved to authorize the Presiding Officer to appoint a citizen committee to assist in evaluating candidates for the vacant District 9 Council position and Councilor Kelley seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilor Myers

The motion carried.

### 3. EXECUTIVE OFFICER'S COMMUNICATIONS

Annual National Association of Regional Government Councils (NARC) Conference. Executive Officer Gustafson reported on highlights of the annual conference held in New Orleans. He said excellent discussions were conducted on the convention facility in Denver and on the New Hampshire hazardous waste pickup program. The Presiding Officer requested the Public Affairs Director distribute a summary of the conference to Councilors.

City of Wilsonville. The City appealed before the Land Use Board of Appeals Metro's recent decision not to adjust the Urban Growth Boundary as petitioned by the City. The Executive Officer said he would keep the Council apprised of further developments regarding the case.

Zoo Attendance. The Executive Officer reported the summer concert series had started successfully and it was hoped attendance for the fiscal year would be the highest in 23 years. Councilor Van Bergen asked if Metro had adequate liability insurance to cover concert nights. The Executive Officer said insurance coverage was adequate.

4. WRITTEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

5. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

6. RESOLUTIONS

6.1 Consideration of Resolution No. 86-653, for the Purpose of Confirming the Appointment of Lyndon A. S. "Tuck" Wilson to the Position of Convention, Trade and Spectator Facilities Director

Randy Boose, Personnel Officer, first reported the Council had adopted a resolution on May 15 establishing the position of Convention, Trade and Spectator Facilities (CTS) Director. He then reviewed the process for recruiting and evaluating candidates. Staff had contracted Roger Pringle, a personnel consultant, to assist with the selection process, he said.

Executive Officer Gustafson reviewed how the new CTS Director and other CTS staff would be incorporated into Metro's overall organizational structure and how staff would work with the various committees affiliated with the project. Metro staff would continue to assist the CTS Committee, he said, and would offer assistance in the areas of legal counsel, public affairs, land acquisition, financing and design and construction of the facility.

The Executive Officer then discussed the qualifications of Tuck Wilson, the candidate recommended for the CTS Director position. He explained Mr. Wilson's experience in administering the construction of Portland's Justice Center, after which the CTS project was modeled, made him well qualified for the position. Mr. Wilson was also very familiar with the Portland area, he explained.

Finally, Executive Officer Gustafson discussed the need to commence work on the project as quickly as possible given the general obligation bond election in November. He also expressed his intent for a Metro Councilor replace him on the CTS Committee.

Councilor Frewing asked when the Council could review the FY 1986-87 CTS project budget. Mr. Wilson said a preliminary work plan and supplemental budget would be presented to the Council on June 26. In Response to the Councilor's question, Mr. Wilson said his employment would terminate if the voters rejected the general obligation bond measure in November.

Councilor Kafoury explained she supported Mr. Wilson's appointment but was disturbed about the recruiting process for the position. She thought the process should have been more public and a special effort made to recruit minorities and women. She also noted the absence of women on CTS related committees and called for the appointment of women to those committees, explaining that at least 50 percent of the women in the metropolitan area would be asked to pay for the convention center facility.

Motion: Councilor Kafoury moved a business woman be represented on the CTS Design and Construction Advisory Committee and a business woman be represented on the Executive Committee of the CTS bond measure campaign. Councilor Kirkpatrick seconded the motion.

Executive Officer Gustafson said he was sensitive to Councilor Kafoury's urgings and gave his assurance woman and minotries would be represented on the committees. He thought the motion inappropriate, however, because the committees were not under the Council's direction.

Withdrawal of Motion: Councilor Kafoury withdrew her motion on the basis of the Executive Officer's arguement.

The Councilor again stressed her concern about the lack of representation of women on the CTS issue and the inappropriateness of that situation. Presiding Officer Waker said he had discussed the matter with the Executive Officer and had recommended a specific female to be appointed to the Design and Construction Committee. He said he would consider the matter a priority.

Referring to the CTS Director selection process, Councilor Kirkpatrick said she and a number of Councilors were concerned about the process even though she was supportive of the candidate selected. She then noted Metro's Personnel Rules had not been reviewed since 1981, were ambiguous about recruiting and other procedures,

and because a new Personnel Officer had been hired, staff should consider the review of those Rules a propriety project.

Motion: Councilor DeJardin moved to adopt Resolution No. 86-653 and Councilor Frewing seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilor Myers

The motion carried and the Resolution was adopted.

Mr. Wilson thanked the Council for their vote of confidence and explained he would be presenting preliminary work and financial plans to the Council on June 26. Councilor Van Bergen said he looked forward to Mr. Wilson's report at the June 26 Council meeting which he hoped would address affirmative action to include women on the Design and Construction Committee.

6.2 Consideration of Resolution No. 86-652, for the Purpose of Amending the Pay Plan to Change the Salary Level of the Position of Government Relations Manager, and Confirming the Appointment of Phillip Fell as Legislative Liaison

6.5 Consideration of Resolution No. 86-649, for the Purpose of Amending Joint Metro Resolution No. 86-603 and IRC Resolution No. 85-11-01 to Expend the Membership of the Bi-State Policy Advisory Committee

6.6 Consideration of Resolution No. 86-655, for the Purpose of Accepting the 1986 Oregon Primary Election Abstract of Votes of the Metropolitan Service District

Motion: Councilor Hansen moved to place Agenda Item Nos. 6.2, 6.5 and 6.6 (noted above) on the Consent Agenda and to adopt the three Resolutions. Councilor Kirkpatrick seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilor Myers

The motion carried and Resolution Nos. 86-652, 86-649 and 86-655 were adopted.

6.3 Consideration of Resolution No. 86-650, for the Purpose of Accepting the Hearings Officer's Report in Contested Case No. 85-7 (Kaiser), Furthering Annexation of the Affected Property to Metro and Expressing Council Intent to Amend the Urban Growth Boundary

Consideration of Exception to the Hearings Officer's Report filed by BenjFran. Jill Hinckley, Land Use Coordinator, said an exception had been filed by BenjFran regarding the hearings officer's report for the BenjFran, Kaiser and Riviera cases by the the Petitioners for the BenjFran. She said staff would present its report on this matter, make its recommendation, and then the petitioners would be given an opportunity to address the Council. She requested to Council determine how it wanted to handle the expectations before it proceeded to the merits of the case.

Ms. Hinckley explained the Hearings Officer, Adrienne Brockman, had consolidated alternative site and transportation issues which related to the BenjFran, Kaiser and Riviera petitions. Those issues were heard jointly for a joint record. At the time of that joint hearing, BenjFran did not object to any material entered as evidence by Kaiser or Riviera. Subsequently, at the end of April, the Hearings Officer's report was released which recommended the Kaiser and Riviera petitions be approved and the BenjFran petition be denied. Ms. Hinckley said staff had originally scheduled all three cases to be heard by the Council on June 12. May 22 was initially set as the deadline by which exceptions to the Hearings Officer's report could be filed. She then discussed the problem with Metro's Code regarding deadlines for exceptions. The Council, not the Executive Officer, was authorized to set deadline for exceptions. Therefore, when deadlines were set by staff, staff had no authority to deny those exceptions would be heard by the Council.

Ms. Hinckley further explained that after the May 22 deadline was established, the three petitioners appeared before the Council on May 15, all represented by Susan Quick, requesting the BenjFran petition be separated out from the other two and be considered on June 26. The reasons for the delay were to give BenjFran more time to prepare their exceptions and to not overload the Council by having the three issues considered on one evening. When that request was presented to the Council on May 15, staff advised the Council that an extension of Council consideration would also mean the deadline for filing exceptions would be extended two weeks. Ms. Hinckley noted the Council's action to extend the date of consideration represented the recognition of staff extending the



exceptions deadline. Staff also advised the Council that all parties had been consulted about the possibility of a new Council consideration date and that Bob Stacey, representing the 1000 Friends of Oregon, would be out of town throughout the month of July. Therefore, delay in Council consideration beyond June 26 would mean the item would have to be set forward to August for all parties to participate.

Ms. Hinckley reported that BenjFran filed non-specific exceptions to the Hearings Officers report on all three cases after staff's established deadline. She said BenjFran's representative was appearing at this meeting with a more specific supplement to the exceptions previously noted which went into more detail regarding the problems previously filed. Ms. Hinckley said she received those supplements to the exceptions after 6:00 p.m. at this meeting (June 12).

Ms. Hinckley noted the two choices before the Council regarding the exceptions received by BenjFran were: 1) to refuse to accept the additional material submitted by BenjFran at this meeting and not hear oral argument on the exception received last week on that grounds no specific issues had been identified in the exception; or 2) to set the Kaiser and Riviera matters over to June 26 to be considered with the BenjFran matter. The second option would allow all parties to be considered at the same time and all parties would have an opportunity to review and respond to the materials submitted by BenjFran. Staff recommended the Council take the course outlined in option 1) above because BenjFran had ample opportunity to submit exceptions in a timely manner and to delay the consideration of the Kaiser and Riviera matters would be inconsiderate to those petitioners.

Presiding Officer Waker declared that although he worked for BenjFran from time to time, he had no involvement with the BenjFran property in question, had no direct interests in that property and could make an unbiased decision on the matter.

The Presiding Officer invited other parties to comment on BenjFran's request for the Council to accept further exceptions to the Hearings Officer's report.

Greg Hathaway, 421 S.W. Sixth Avenue, Portland, an attorney representing BenjFran Development, agreed the exceptions filed on June 5 were general in nature. He explained, however, that Metro's rules did not indicate the exceptions had to be specific in nature. BenjFran's exception was stated in general terms in order to provide notice that his client had concerns with the Hearings Officer's findings on the three petitions. He said he intended to file a more specific exceptions at this evening's meeting that he could use as a

basis for oral argument. Mr. Hathaway asked the Council to honor his request stating it was important BenjFran's specific concerns be part of the record. Finally, he emphasized his interest was to have the proceedings progress as smoothly as possible.

Susan Quick, an attorney representing Kaiser Development Company, 101 S.W. Main Street, Portland, stated Kaiser agreed with staff's recommendation that the Council disallow the exceptions filed by BenjFran. She explained the Kaiser application had received support from the Portland Chamber of Commerce, the LCDC, the State Office of Economic Development, the Governor's Office, Portland Development Commission, Port of Portland, Sunset Corridor Association, 1000 Friends of Oregon and others, and noted her disappointment that BenjFran, a fellow developer, was not also supportive and had submitted exceptions for Council consideration at the eleventh hour. She appealed to the Council to employ its rules of reasonable and fundamental fairness and deny admission of BenjFran's new evidence. Ms. Quick then cited examples of how BenjFran had not complied with the established administrative process. Finally, she questioned whether BenjFran could be considered a party under Metro's rules, noting only parties could file exceptions. BenjFran, she said, had not participated in Kaiser's hearing, did not take a position on the merits and did not testify. She proposed BenjFran be given the opportunity to present their arguments when their case was heard before the Council on June 26. There was no benefit in the Council hearing the same argument as part of Kaiser's case, she said. In closing, Ms. Quick submitted a motion to deny BenjFran's exceptions.

Councilor Oleson asked staff to explain why the BenjFran's case was related to the Kaiser and Riviera Motors cases. Ms. Hinckley said it was the position of BenjFran that the Hearings Officer applied a different evidentiary standard - the way in which evidence was accepted - to their case than was applied to the Kaiser and Riviera cases.

DeMar Batchelor, representing Riviera Motors, supported staff's recommendation that the Council not receive exceptions filed by BenjFran relating to the Kaiser and Riviera Motors petitions. He said Metro Code Section 2.05 set the standard for opportunity for filing exceptions. Mr. Batchelor said staff May 2 notification to all parties had defined the process for filing the exceptions, the function of the exceptions and that the purpose of the deadline was to give an opportunity to the staff and Council to respond to the exceptions. That notice, he acknowledged, was later amended as was requested by the petitioners and a June 5 filing date was established to accommodate the later hearing date for BenjFran. Mr. Batchelor said BenjFran had not, until this evening, given notice that the

established deadlines were unfair, too short or in any way prejudicial to them. In conclusion, Mr. Batchelor acknowledged that BenjFran was an experienced developer and therefore, it was difficult to conceive they did not understand the process for filing petitions to the Urban Growth Boundary. He urged the Council to deny BenjFran's request.

In response to the Presiding Officer's question, Mr. Betchelor said he had no legal concerns about the matter beyond those relating to the Council proceedings.

Councilor Frewing asked if it were clear that each petitioner was not a party in the other two cases and that the joint hearings were held merely for convenience of the hearings officer and the separate parties. Mr. Batchelor said there were consolidated issues upon which a consolidated record was developed. Each petitioner was a party to that consolidated proceeding, he said. Mr. Batchelor agreed with the Councilor's assessment that BenjFran could be a party to the hearing without being a party to the final decision process because they did not participate in a way that would demonstrate adverse interest in Kaiser's petition.

Eleanore Baxendale said staff's interpretation of Section 2.05 of the Code was similar to that explained by Mr. Batchelor. The issue, however, would not be whether the petitioner demonstrated an adverse interest at the hearing. The exception would depend of whether the issues were raised at those consolidated hearings. Ms. Hinckley said she had not yet read BenjFran's exceptions submitted June 12 so she could not speak to that issue.

Mr. Batchelor said it was clear that at the hearing BenjFran did not suggest any opposition to the positions of Kaiser Development and Riviera Motors.

Mr. Hathaway, again addressing the Council, explained BenjFran had standing as a party because they participated in the consolidated hearings. The exceptions submitted were related to those hearings, he said. He explained he was advised by staff that BenjFran could file exceptions by June 5 and once the exceptions were filed, they would be given the opportunity to establish a relationship between the exceptions and the Kaiser and Riviera petitions. Mr. Hathaway said he was concerned that if it were not established how the Hearings Officer applied burden of proof in the other two cases, BenjFran could, from a legal standpoint, waive its right to raise that argument at their own hearing. He noted it was certainly not his intent the Council deny the other two applications based on BenjFran's exceptions filed at this meeting.

Ms. Baxendale explained the purpose of the consolidated hearings was to make sure the Council not be put in a position of making inconsistent decisions on the three cases. She said she had advised Mr. Hathaway that he could file exceptions. To the extent the exceptions in his own case raised issues which were also issues of fact in the other two cases, they would be considered in the other two cases. This, she said, would aid the Council in making a consistent decision. She explained, however, the exceptions that were actually filed were of a very general nature and did not conform to the standard explained previously to Mr. Hathaway.

In response to Councilor Oleson's question, Ms. Baxendale said based on the general nature of the exceptions filed to date by BenjFran, it did not appear BenjFran would lose any advantage by waiting to raise their issues on the date their case was heard before the Council.

At the Presiding Officer's request, Ms. Hinckly again summarized the Council's options: 1) to refuse to accept the additional material submitted by BenjFran at this meeting and not hear oral argument on the exception received last week on the grounds no specific issues had been identified in the exception; or 2) to hear the exceptions and to set the Kaiser and Riviera matters over to June 26 to be considered with the BenjFran matter. The second option would allow all parties to be considered at the same time and all parties would have an opportunity to review and respond to the materials submitted by BenjFran. She also recommended the Council establish a deadline for receiving further exceptions and information related to the petitions. Staff recommended the Council take the course outlined in option 1) above because BenjFran had ample opportunity to submit exceptions in a timely manner and to delay the consideration of the Kaiser and Riviera matters would be inconsiderate to those petitioners.

Motion: Councilor Kafoury moved the Council decline to accept supplemental exception materials submitted the evening of June 12, 1986, and to hear oral argument on the exceptions submitted June 5, 1986, related to the Kaiser petition. Councilor Oleson seconded the motion.

Councilor Van Bergen questioned why the three petitions were heard together. Ms. Hinckley explained the petitions were consolidated at the Council's request to allow them to be examined according to common criteria, she said.

Vote: A vote on the motion resulted in:

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Ayes: Councilors Cooper, DeJardin, Frewing, Gardner,  
Hansen, Kafoury, Kelley, Kirkpatrick, Oleson,  
Van Bergen and Waker

Absent: Councilor Myers

The motion carried.

Ms. Hinckley asked the Council to determine when the BenjFran matter would be heard before the Council. Due to scheduling conflicts and deadlines for submitting written materials for the Council agenda, staff recommended the matter be set over to August 28, 1986.

Mr. Hathaway explained BenjFran would prefer the case be heard in July.

Bob Stacey, representing 1000 Friends of Oregon and a party to the BenjFran case, requested the matter be heard June 26. He noted BenjFran had been granted extensions and now they were reluctant to accommodate the schedules of others.

Ms. Hinckley said it would be impossible to schedule the case on June 26 due to the time needed to prepare written exceptions, to allow other parties to respond and to have those reports printed in the meeting agenda packet.

The Councilors discussed the merits of holding the proceedings on the various dates under consideration.

Motion: Councilor Kelley moved to postpone consideration of the BenjFran matter to August 28, 1986, and Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Frewing, Gardner,  
Hansen, Kafoury, Kelley, Kirkpatrick, Oleson,  
Van Bergen and Waker

Absent: Councilor Myers

The motion carried.

At 7:20 p.m., Presiding Officer Waker called a ten minute recess. The Council reconvened at 7:30 p.m.

Consideration of Resolution No. 86-650. Ms. Hinckley introduced Adrienne Brockman, Hearings Officer for the Kaiser Development

Company's petition for a locational adjustment to the Urban Growth Boundary (UGB). Ms. Brockman explained after comparing all the important arguments, it became apparent two arguments should be consolidated for the Kaiser, Riviera Motors and BenjFran cases. Transportation issues were consolidated because many of the same roads were proposed to be used by all petitioners and she was concerned about whether the system would accommodate planned traffic. Because the petitioners are all proposed the same alternate site, that question was also considered at the consolidated hearing. Other matters, such as need and compatibility, were heard individually. At the close of the hearing, Ms. Brockman said she asked each petitioner to prepare a set of findings. Those findings were compared with the Hearings Officer's detailed notes and tape recordings of the proceedings and the final findings were then prepared.

Ms. Brockman then addressed the need argument for both the Kaiser and Riviera petitions. She explained she had posed the question, "was there a regional need?" The applicants presented facts to support a case for providing a variety of land parcels in the Sunset Corridor. The Hobson Report, she said, indicated high tech businesses tended to locate near one another and located near large labor forces and large educational institutions. The report also indicated large quantities of land would be needed to attract future high tech businesses in the Sunset Corridor. If the Kaiser petition were approved, two 60-acre and eight 30-acre parcels would be added to the UGB and the opportunity would exist for Kaiser to put together larger parcels. The Riviera petition, if approved, was more flexible in parcel size. In summary, Ms. Brockman said in her judgment the petitioner met the locational criteria.

Regarding the transportation element, Ms. Brockman said staff reviewed the petitioner's application and found the planned transportation system could accommodate all three of the applications. She cited figures provided on projected traffic impact to support her findings.

At the Presiding Officer's request, Ms. Brockman related her previous work history which included extensive education and experience in urban planning and law.

Councilor Frewing questioned why the applications had not included plans for bus transportation. Ms. Brockman explained no bus use could be assumed because the level of service and implementation schedule could not be determined with any sense of certainty. She said to include bus use would cause an opportunity for argument over assumptions.



Councilor Van Bergen asked Ms. Brockman to define the use of the word "high tech" as used in her findings. Ms. Brockman said the term was defined as part of the hearing process to mean a business that manufactured electronic parts. A more precise definition was contained in the findings. The Councilor was concerned other petitioners would want to apply the same standard and that a clear criteria be established in defining the term. Ms. Brockman explained that very clear criteria for the term existed under the provisions of Goal 14.

Councilor Kafoury said she was concerned about the lack of large lots available for development in the region. It had been demonstrated, she said, that large high tech businesses were looking to buy those type of lots. She did not think Kaiser and Riviera Motors had provided adequate assurance that large lot parcels would be preserved.

A discussion followed on the lot size issue. Councilor Kafoury said she needed more assurance on lot size before she could consider approving Kaiser's request. Presiding Officer Waker suggested drafting a separate policy statement which would be forward to the city of Hillsboro and Washington County instructing them of the Council's likelihood to entertain expanding the Boundary and under what general circumstances it would be amended. Councilor Frewing questioned whether the Council consider land use issues in these cases. Ms. Baxendale, responding the Councilor Frewing's question, explained certain needs were usually demonstrated as part of the petitioner's application. She said in the past, the Council had been very reluctant to enforce conditions on petitioners because those conditions were difficult to monitor and enforce. Councilor Van Bergen said he was interested in taking action that would increase regional employment but he was reluctant to take any action without clear criteria that would apply equally to all petitions.

Susan Quick explained the lot size issue was researched as part of Kaiser's permit process. Kaiser had planned for large lots as much as land constraints would allow, she said. The need study was based on 30 acres lots, she explained, because the city of Hillsboro had requested this increment be used. She said the combinations of two and three 30 acre parcels could certainly occur.

Ms. Hinckly advised the Council could address Councilor Kafoury's concern by amending the Hearings Officer's findings to include how the need for large lots would be met. She said a recently adopted LCDC rule relating to Goal 3 and needs based exceptions would provide for that type of condition. She said staff could study the record before recommending specific language and suggest language for an amendment at the June 26 Council meeting.

Metro Council  
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Councilor Cooper thought that requiring large lots would put unreasonable strains on land owners.

Motion: Councilor Kelley moved to adopt Resolution No. 86-650 and Councilor Cooper seconded the motion.

Councilor Cooper said that although he was not anti-growth, he would not support the Resolution in protest of actions by Sunset Corridor parties against the West Transfer and Recycling Center.

Councilor Kafoury urged the Council not to support adoption of the Resolution unless the issue of large lots could be resolved.

Councilor Van Bergen said he would support the Resolution although he would like not to support the petition for the reason stated by Councilor Cooper.

In response to Councilor Frewing's question, Ms. Hinckley said if the motion failed, the Council could consider the Resolution another time.

Vote: A vote on the motion resulted in:

Ayes: Councilors Hansen, Kelley, Van Bergen and Waker

Nays: Councilors Cooper, Frewing, Gardner, Kafoury, Kirkpatrick and Oleson

Absent: Councilor DeJardin and Myers

The motion failed.

Motion: Councilor Kafoury moved to delay consideration of the Resolution to June 26 and to remand the matter back to the Hearings Officer to amend the report to guarantee large lots. Councilor Kirkpatrick seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilors DeJardin and Myers

The motion carried.

Metro Council  
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Measure. She recommended the Council establish a Zoo tax levy for the March 1987 Special election.

Motion: Councilor Hansen moved to direct staff to prepare an ordinance establishing a Zoo tax levy for the November 1986 General election. Councilor Van Bergen seconded the motion.

A discussion followed about whether a Zoo tax levy could be placed on the November 1986 ballot. Councilor Kirkpatrick said a November election could compete with the November convention center general obligation bond measure and the busy Zoo summer season. She explained the deadline for submitting a ballot title for the November election would be July 24. She stressed the importance to launching a campaign that could be won.

Vote: A vote on the motion resulted in:

Ayes: Councilors Hansen and Van Bergen

Nays: Councilors Cooper, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Oleson and Waker

Absent: Councilors DeJardin and Myers

The motion failed.

Motion: Councilor Frewing moved to instruct the Presiding Officer to appoint a committee to prepare for a March 1987 Special Election on the Zoo tax measure. Councilor. Councilor Gardner seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilors DeJardin, Hansen and Myers

The motion carried.

#### EXECUTIVE SESSION

Presiding Officer Waker called the meeting into Executive Session at 9:00 p.m. under the authority of ORS 192.660(1)(h). Councilors present at the executive session included Cooper, Frewing, Gardner, Kafoury, Kelley, Kirkpatrick, Oleson, Van Bergen and Waker.

6.4 Consideration of Resolution No. 86-651, for the Purpose of  
Accepting the Hearings Officer's Report in Contested Case No.  
85-9 (Riviera), Furthering Annexation of the Affected Property  
to Metro and Expressing Council Intent to Amend the Urban  
Growth Boundary

Ms. Hinckley briefly introduced the item, explaining Ms. Brockman's report given earlier under Item 6.3 addressed the consolidated issues of need and transportation.

DeMar Batchelor, representing the petitioner, said he agreed with staff's recommendation.

Motion: Councilor Kafoury moved to adopt Resolution No. 86-651 and Councilor Gardner seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Frewing, Gardner, Hansen, Kafoury, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilors DeJardin, Kelley and Myers

The motion carried and Resolution No. 86-651 was adopted.

7. OTHER BUSINESS

7.1 Consideration of Petition to Remove Conditions from Waldow View  
Acres Approval

There was no discussion on the item.

Motion: Councilor Hansen moved to accept the petition and to assign it to a hearings officer. Councilor Kirkpatrick seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Frewing, Gardner, Hansen, Kafoury, Kirkpatrick, Oleson, Van Bergen and Waker

Absent: Councilors DeJardin, Kelley and Myers

The motion carried.

7.2 Presentation of Tax Measure Options

Councilor Kirkpatrick reported on the results of the May 20, 1986, Primary election and the resulting defeat of Metro's Tax Base

Metro Council  
June 12, 1986  
Page 17

The Presiding Officer called the meeting back into regular session at 10:10 p.m. There being no further business, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "A. Marie Nelson".

A. Marie Nelson  
Clerk of the Council

amn  
5937C/313-2  
07/16/86

STAFF REPORT

Agenda Item No. 7.2

Meeting Date July 24, 1986

CONSIDERATION OF RESOLUTION NO. 86-662, FOR THE  
PURPOSE OF AMENDING THE TRANSPORTATION IMPROVE-  
MENT PROGRAM TO INCLUDE PHASE II FUNDING FOR  
EXTENDING THE SERVICE LIFE OF THE HAWTHORNE BRIDGE

Date: July 10, 1986

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

PROPOSED ACTION

This action will amend the Transportation Improvement Program (TIP) to include a second phase project which will extend the service life of the Hawthorne Bridge.

Hawthorne Bridge (#2757) Phase II - Service  
Life Extension - HBR

HIGHWAY BRIDGE REPLACEMENT FUNDS

Preliminary Engineering	\$ 127,800
Construction	1,137,600
Match	140,600
Total	\$1,406,000

TPAC and JPACT have reviewed this project and recommend approval of Resolution No. 86-662.

BACKGROUND AND ANALYSIS

In April 1985, the TIP was amended to include emergency repairs (Phase I) on the Hawthorne Bridge to correct structural failure of the nine-foot diameter pulleys and lift guides.

This second phase will extend the service life of the 75 year old bridge an estimated 20 years and bring it up to current AASHTO standards. The work to be performed will cover mechanical, electrical, and structural repairs necessary to prevent malfunctions when raising and lowering the lift span. In addition, work to evaluate the need for and installation as needed of railings, signing, and traffic safety features will be undertaken. This option of rehabilitating the existing bridge is more cost-effective than replacement.



A project to replace three approach ramps was approved last October and is scheduled for construction in 1989. This Phase II project is scheduled for FY 1987 and is not part of the approach ramps project.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 86-662.

BP/sm  
5845C/462-4  
07/10/86

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING THE	)	RESOLUTION NO. 86-662.
TRANSPORTATION IMPROVEMENT PROGRAM	)	
TO INCLUDE PHASE II FUNDING FOR	)	Introduced by the
EXTENDING THE SERVICE LIFE OF THE	)	Joint Policy Advisory
HAWTHORNE BRIDGE	)	Committee on Transportation

WHEREAS, Through Resolution No. 85-569, the Council of the Metropolitan Service District (Metro) approved the use of Highway Bridge Replacement funds to cover emergency repairs (Phase I) to the Hawthorne Bridge; and

WHEREAS, The Oregon Department of Transportation (ODOT) has requested that Phase II of the Hawthorne Bridge rehabilitation be undertaken in FY 1987; and

WHEREAS, The project intent is to repair the bridge, extend its structural life, and bring it up to current safety standards; and

WHEREAS, This project does not form a part of the replacement of three approach ramps scheduled for FY 1989; now, therefore,

BE IT RESOLVED,

1. That Federal Highway Bridge Replacement funds be authorized for Phase II:

Preliminary Engineering	\$ 127,800
Construction	1,137,600
Match	140,600
Total	<u>\$1,406,000</u>

2. That the Transportation Improvement Program and its Annual Element be amended to reflect this authorization.

3. That the Council of the Metropolitan Service District finds the project in accordance with the Regional Transportation Plan and gives Affirmative Intergovernmental Project Review approval.

ADOPTED by the Council of the Metropolitan Service District this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

Richard Waker, Presiding Officer

BP/sm  
5845C/462-3  
07/01/86

STAFF REPORT

Agenda Item No. 7.3

Meeting Date July 24, 1986

CONSIDERATION OF RESOLUTION NO. 86-663 FOR THE  
PURPOSE OF AMENDING THE FY 87 UNIFIED WORK PROGRAM

Date: July 10, 1986

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Review approved project budgets to adjust priorities in response to loss of Tri-Met match.

TPAC and JPACT have reviewed this amendment and recommend approval of Resolution No. 86-663.

Background and Analysis

Resolution No. 86-638, adopted by the Council on April 22, 1986, approved the FY 87 Unified Work Program and budget which contained the transportation planning program. The approved work program budget was based on Tri-Met's contribution to local match in the amount of \$33,000 toward Metro's work program.

In June, the Tri-Met Board reduced their budget by 10 percent which resulted in a cut to their local match of \$25,778. In order to account for the loss of match, it is recommended that the FY 87 Unified Work Program budget be revised as shown on Attachment "A" with impacts as follows:

1. The LRT alternatives analysis should be downscoped to entail less detailed engineering analysis, although the general corridor feasibility study will be completed.
2. The Southwest and Southeast corridor studies have been upscoped accordingly as a shift in staff priorities.
3. Metro overmatch to Data has been reduced for use as replacement for the Tri-Met funds.
4. The RTP Update and Transit Privatization tasks have been fully retained because of the importance to the regional system.

Approval will mean that amendments can be submitted to UMTA for budget adjustments.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution  
No. 86-663.

KT/sm  
5882C/462-4  
07/10/86

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING THE	)	RESOLUTION NO. 86-663
FY 87 UNIFIED WORK PROGRAM (UWP)	)	
	)	Introduced by the Joint
	)	Advisory Committee on
	)	Transportation

WHEREAS, The Unified Work Program (UWP) describes all federally-funded transportation planning activities for the Portland/Vancouver metropolitan area to be conducted in FY 87; and

WHEREAS, On April 22, 1986, the Council of the Metropolitan Service District adopted the FY 87 Unified Work Program and budget by Resolution No. 86-638 which included Tri-Met match to Metro work activities; and

WHEREAS, The Tri-Met budget cuts have resulted in a loss of \$25,778 Tri-Met match to Metro; and

WHEREAS, The FY 87 Unified Work Program remains consistent with the proposed Metro budget submitted to the Tax Supervising and Conservation Commission; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District hereby:

a. approves the proposed revisions to the FY 87 Unified Work Program and budget as shown in Attachment "A".

b. authorizes budget amendments to affected grants be submitted to the proper federal agencies for approval.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986

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Richard Waker, Presiding Officer

## ATTACHMENT A

## PROPOSED UWP AMENDMENTS

	<u>FY 87</u> <u>Sec. 8</u>	<u>FY 87</u> <u>(e) 4</u>	<u>FY 86</u> <u>(e) 4</u>	<u>FY 85</u> <u>(e) 4</u>	<u>All Other</u> <u>Sources</u>	<u>Total</u>
SW Corridor						
Approved	\$ 7,500	\$ 7,500	\$ 0	\$ 0	\$ 10,699	\$ 25,699
±	-7,500	0	+25,625	+11,500	+4,676	+34,301
Proposed	\$ 0	\$ 7,500	\$ 25,625	\$11,500	\$ 15,375	\$ 60,000
SE Corridor						
Approved		\$107,000	\$ 0		\$ 81,331	\$ 188,331
±		+22,006	+7,500		+5,207	+34,713
Proposed		\$129,006	\$ 7,500		\$ 86,538	\$ 223,044
LRT						
Approved		\$ 22,006	\$156,982	\$11,500	\$ 33,615	\$ 224,102
±		-22,006	-63,813	-11,500	-17,173	-114,491
Proposed		\$ 0	\$ 93,169	\$ 0	\$ 16,442	\$ 109,611
Data						
Approved	\$ 29,534				\$137,665	\$ 167,199
±	+9,000				-9,000	0
Proposed	\$ 38,534				\$128,665	\$ 167,199
TIP						
Approved	\$ 10,000	\$ 63,494			\$ 38,306	\$ 111,800
±	-1,500	0			-375	-1,875
Proposed	\$ 8,500	\$ 63,494			\$ 37,931	\$ 109,925
All Other Tasks						
Approved	\$178,606	\$ 0	\$ 0	\$25,000	\$420,753	\$ 624,361
±	0	0	0	0	0	0
Proposed	\$178,606	\$ 0	\$ 0	\$25,000	\$420,753	\$ 624,361
Total						
Approved	\$225,640	\$200,000	\$156,982	\$36,500	\$722,369	\$1,341,492
±	0	0	-30,688	0	-16,665	-47,353
Proposed	\$225,640	\$200,000	\$126,294	\$36,500	\$705,704	\$1,294,139



## ATTACHMENT B

## FY 87 UNIFIED WORK PROGRAM FUNDING SUMMARY

fundup  
6/23/86

-----federal funding-----																	CARRY OVER			
PROJECT	87 PL/ODOT	87 SEC 8	87 E(4)	87 ODOT	87 SEC 9	29-9011 86 E(4)	29-9010 85 E(4)	29-9008 84 E(4)	23-9001 83 E(4)	86 SEC 9	90-0005 85 SEC 9	90-0003 84 SEC 9	23-9002 84 E(4)	90-1011 83 SEC 9	87 HPR	LOCAL MATCH	TOTAL			
RETRO:																				
RTP UPDATE & REFINEMENT	41759	38653			28000												16663	125075		
RTP FINANCING	2500	8353							14500								4447	30000		
RTP PRIVATIZATION/Retro		28000															7000	35000		
Tri-Net					14400												3600	18000		
SOUTHWEST CORRIDOR STUDY	7500		7500	1000		25625	11500										6875	60000		
SOUTHEAST CORRIDOR STUDY			129006	62449		7500											24089	223044		
PHASE I ALT ANALY/Retro						93169											16442	109611		
Tri-Net							20000	23817									9762	51579		
Portland							5000										882	5682		
DATA, GROWTH MONITORING	27681	38534															100983	167198		
TRAVEL MODEL REFINEMENT	27560	51324			34800					6000							23031	142815		
TECHNICAL ASSISTANCE	77480	7288		7500													7332	99600		
SAFIELD ASSESSMENT										14000							3500	17500		
TRANS IMPROVEMENT PROG	24601	8500	63494	5000													8330	109925		
COORDINATION/MANAGEMENT	40675	44988													0		11247	96910		
Retro SUBTOTAL	249856	225640	200000	75949	77200	126294	36500	23817	14500	20000	0	0	0	0	0	0	246383	1294139		
ODOT PLANNING ASSISTANCE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	168818	0	168818			
TRI-NET:																				
EFFICIENCY PLANNING					208880					36400							41320	306600		
INFORMATION SYSTEMS PLAN					228000												57000	285000		
PROJECT PLANNING					104000					94600		17718	395250	917020			356034	1884422		
SERVICE PLANNING					116866					45600							45600	228000		
SPECIAL AREA PLANNING					25200					20600	5600						12700	83500		
LONG RANGE PLANNING					106000					8000	6000						30000	150000		
PROGRAM ADMINISTRATION					4000												1000	5000		
Tri-Net SUBTOTAL	0	0	0	0	792380	0	0	0	0	224400	11600	17718	395250	917020	0	563654	2922522			
GRAND TOTAL	249856	225640	200000	75949	870060	126294	36500	23817	14500	244400	11600	17718	395250	917020	168818	808037	4385479			

Note: PL/ODOT is \$249,856, comprised of \$222,522 (89.06%) federal share and \$27,334 (10.94%) ODOT match

Meeting Date July 24, 1986

CONSIDERATION OF RESOLUTION NO. 86-666 FOR THE  
PURPOSE OF AMENDING THE CONCEPT PLAN, AUTHORIZING  
NEW INTERSTATE TRANSFER PROJECTS AND AMENDING THE  
TRANSPORTATION IMPROVEMENT PROGRAM

Date: July 10, 1986

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Adopt the attached resolution dealing with preliminary engineering (PE) projects set forth in Attachment "A." This action will:

1. Request Federal Highway Administration (FHWA) to refine the Interstate Transfer Concept Plan adopted in 1983. The refinements to the plan consist of changing the termini of selected projects and inclusion of specific street(s), structure(s), and other clarifying information.
2. Authorize Interstate Transfer funds for preliminary engineering projects in Attachment "A" as developed and recommended by the Transportation Improvement Program (TIP) Subcommittee.
3. Not constitute a priority commitment for use of newly allocated federal funds from any other source.
4. Require that if the project(s) are not built and FHWA requires repayment of federal funds for PE, the jurisdiction involved will be liable for such repayment.
5. Amend the TIP accordingly.

TPAC and JPACT have reviewed this amendment and recommend approval of Resolution No. 86-666.

Background

Resolution No. 83-417 approved a Concept Plan to define all proposed projects to be implemented by September 30, 1986, with

Interstate Transfer funds. This plan was required by the U. S. Department of Transportation (USDOT) and submitted to them in July 1983.

Recent communication from USDOT has requested that we review the Concept Plan previously submitted and identify any remaining projects we wish to advance (obligate) by the September 30, 1986, deadline. This action is necessary in order to maintain federal eligibility to use Interstate Transfer after September 30, 1986.

Attachment "A" has been prepared from recommendations of the TIP Subcommittee. It identifies the remaining project, its location in the Concept Plan, and the TIP action. In some cases, suggested changes to the Concept Plan are noted in order to accommodate changes in project scope which have occurred during the three-year interval. These changes generally consist of corrections to the termini, inclusion of additional streets and structures, and other minor clarifying details.

#### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 86-666.

BP/sm  
5900C/462-4  
07/10/86

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING THE	)	RESOLUTION NO. 86-666
CONCEPT PLAN, AUTHORIZING NEW	)	
INTERSTATE TRANSFER PROJECTS AND	)	Introduced by the Joint
AMENDING THE TRANSPORTATION	)	Policy Advisory Committee
IMPROVEMENT PROGRAM	)	on Transportation

WHEREAS, Metropolitan Service District Resolution No. 83-417 approved a Concept Plan for the expenditure of Interstate Transfer funds; and

WHEREAS, This plan was submitted to the U. S. Department of Transportation (USDOT) and defined all possible projects which could be implemented by the September 30, 1986, deadline; and

WHEREAS, USDOT has recently requested that the plan be reviewed for any remaining projects which could be implemented by the deadline date; and

WHEREAS, The Transportation Improvement Program (TIP) Subcommittee has undertaken such a review and has prepared a list of candidate preliminary engineering projects for implementation; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District approves the preliminary engineering projects described in Attachment "A."

2. That the Federal Highway Administration be requested to accept the minor housekeeping changes to the Concept Plan in light of the three-year interval since plan development.

3. That Interstate Transfer funds are authorized in the amounts and from the sources noted and that the Transportation Improvement Program be amended accordingly.

4. That this action is not a priority commitment of a project for use of newly allocated federal funds from any other source.

5. That if a project is not built and repayment of federal funds for preliminary engineering is required by FHWA, the jurisdiction involved will be liable for such repayment.

6. That the Council of the Metropolitan Service District finds these actions to be in accordance with the Regional Transportation Plan and gives Affirmative Intergovernmental Project Review approval.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

Richard Waker, Presiding Officer

BP/sm  
5900C/462-4  
07/09/86



ATTACHMENT "A"

INITIATION OF NEW PROJECTS  
TO THE INTERSTATE TRANSFER PROGRAM

CLACKAMAS COUNTY

- Highway 224 Frontage Roads - Lake to Johnson  
Concept Plan - New Project #37  
TIP - Add as new PE project \$ 25,000
- Bluff Road/Clackamas Road - 102nd Drive to 142nd  
Concept Plan - New Project #43  
TIP - Add as new PE project \$ 25,000
- Beavercreek Road Extension - Beavercreek to Warner-Milne  
Concept Plan - Active Project (formerly New Project #38);  
refine to extend easterly terminus to Oregon City Bypass
- Railroad/Harmony  
Concept Plan - Active Project #45; adjust to extend  
termini from 82nd Avenue east to include Sunnyside  
Road and Sunnybrook Road east of I-205 (Phase IV)  
TIP - Add as new project to cover PE for new phase \$ 25,000  
  
Note: Funding transferred from Railroad/Harmony  
Unit II Project
- Extension of SE 98th - Lawnfield to Mather  
Concept Plan - Active PE Project (formerly New  
Project #44); adjust to extend southerly terminus  
from Mather to 102nd at Clackamas Road
- Traffic Signal and Intersection Improvements  
Concept Plan - New Project #71  
TIP - Add as new PE project \$ 10,000

These projects will use funds transferred from the  
Sunnyside Project Reserve except as noted.

WASHINGTON COUNTY

- Baseline Road - 170th to Brookwood  
Concept Plan - New Project #55  
TIP - Add as new PE project \$ 25,000

WASHINGTON COUNTY (continued)

- Brookwood Avenue - TV Highway to Cornell Road  
Concept Plan - New Project #54  
TIP - Add as new PE project \$ 25,000
- Cornell Road - 158th to 185th  
Concept Plan - New Project #50; termini are 185th  
to Barnes Road; refine if necessary  
TIP - Add as new PE project \$ 25,000
- Traffic Signal and Intersection Improvements  
Concept Plan - New Project #71  
TIP - Add as new PE project \$ 10,000  
  
The above projects will use funds transferred from  
the Cornell Road Phase II Project
- Greenburg Road at Tiedeman Avenue Signal (Tigard)  
Concept Plan - New Project #71  
TIP - Add as new PE/construction project \$ 40,000
- Beaverton/Tualatin Hwy. at Burnham St. Signal (Tigard)  
Concept Plan - New Project #71  
TIP - Add as new PE/construction project \$ 31,713  
  
The above two projects will use surplus funds  
transferred from the 99W TSM project.

MULTNOMAH COUNTY

- 242nd Widening - Division to Glisan  
Concept Plan - New Project #35; adjust termini -  
Division to I-84  
TIP - Add new PE project \$ 18,000
- 221st/223rd Avenue Extension  
Concept Plan - Active Project #42; adjust termini  
to include Burnside to I-84  
TIP - Add as new PE project \$ 18,000
- Graham Road Structure  
Concept Plan - Active Project #40; refine plan  
to include structure if necessary  
TIP - Add as new PE project \$ 18,000

These projects will use funds transferred  
from the 242nd Avenue project.



MULTNOMAH COUNTY - continued

- Traffic Signal and Intersection Improvements

Concept Plan - New Project #71  
TIP - Add as new PE project

\$ 10,000

- Gresham LRT Access Roads Reconstruction - Kelly,  
8th, 10th, Main, Miller

Concept Plan - New Project #36; Adjust to  
include Cleveland Street  
TIP - Add as new PE project

\$ 15,000

- Stark Street - 257th to Troutdale Road

Concept Plan - New Project #34  
TIP - Add as new PE project

\$ 15,000

The above three projects will use funds transferred from  
S.E. Stark Street (221st/242nd).

CITY OF PORTLAND

- SE Foster Road - 122nd to Jenne Road

Concept Plan - Active Project #2  
TIP - Reactivate PE project

\$100,000

- Beaverton-Hillsdale Highway Phase II

Concept Plan - Active Project #31  
TIP - Phase I complete and in place;  
add new Phase II PE

\$ 50,000

- N. Rivergate Drive - Lombard to Portland Road

Concept Plan - New Project #2  
TIP - Add as new PE project

\$100,000

- N. Rivergate Slough Bridge Widening

Concept Plan - New Project #3  
TIP - Add as new PE project

\$ 50,000

- SW Multnomah Boulevard - Barbur to 45th

Concept Plan - New Project #4  
TIP - Add as new PE project

\$100,000

- N. Burgard - Columbia to Terminal

Concept Plan - New Project #22  
TIP - Add as new PE project

\$100,000

CITY OF PORTLAND (continued)

- Convention Center Circulation Program  
Concept Plan - New Project #8  
TIP - Add as new PE project \$ 50,000
  - Commercial Districts Circulation  
Concept Plan - New Project #17  
TIP - Add as new PE project \$ 50,000
  - Traffic Signal Improvements  
Concept Plan - New Project #21  
TIP - Add as new PE project \$ 25,000
  - System Improvements to Urban Standards  
Concept Plan - New Project #24  
TIP - Add as new PE project \$ 25,000
  - St. Johns Waterfront Industrial Access  
Concept Plan - New Project #28  
TIP - Add as new PE project \$ 25,000
  - Arterial Street 3-R Program  
Concept Plan - Active Project #36  
TIP - Reactivate PE for Follow-on Phase \$ 25,000
  - Everett/Glisan - NW 18th to Westover Road  
Concept Plan - Active Project #23  
TIP - Reactivate PE project \$ 25,000
- These projects will use funds transferred  
from the Airport Way - Unit III Project

CATEGORY I

- King/Harrison/42nd  
Concept Plan - Completed Project #44; incidental  
part of Gladstone/Milwaukie TSM with boundaries  
of Johnson Creek Boulevard, 82nd Avenue, I-205  
and 99E  
TIP - Add as new PE project with McLoughlin  
Boulevard to 82nd termini \$ 50,000

CATEGORY I - continued

- Johnson Creek Boulevard - McLoughlin Boulevard  
to 92nd

Concept Plan - New Project #24 (Street System  
Improvements, City of Portland); adjust to  
include full length of Johnson Creek Boulevard  
TIP - Add as new PE project

\$ 50,000

- Holgate - S.E. 17th to S.E. 28th

Concept Plan - Completed Project #6; adjust  
to extend terminus to 148th Avenue  
TIP - Add as new PE project

\$ 50,000

These Category I projects will use funds  
transferred from the McLoughlin Boulevard Reserve

5900C/462

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution  
No. 86-667.

BP/sm  
5942C/462-3  
07/10/86

STAFF REPORT

Agenda Item No. 7.5

Meeting Date July 24, 1986

CONSIDERATION OF RESOLUTION NO. 86-667 FOR THE  
PURPOSE OF AMENDING THE FUNCTIONAL CLASSIFICATION  
SYSTEM AND THE FEDERAL-AID URBAN SYSTEM

Date: July 10, 1986

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

This action will initiate a request to the Federal Highway Administration (FHWA) to classify and designate under the Federal-Aid System selected local streets in Clackamas County.

This action will upgrade two local street segments to the status of Collector and assign Federal-Aid numbers, thereby permitting use of federal funds on the affected streets.

Add as Collectors:

Sunnybrook Road Extension - 84th Avenue (FAU 9722) to Sunnyside Road at Valley View (FAU 9718)

S.E. 98th Avenue Extension (FAU 9725) - S.E. 98th Avenue at Mather to S.E. 102nd Avenue (FAU 9731)

JPACT has reviewed this amendment and recommends approval of Resolution No. 86-667.

Background and Analysis

Clackamas County is requesting that preliminary engineering projects be initiated using Interstate Transfer funds. Of the projects being requested (Resolution No. 86-666), two of these are not currently on the Federal-Aid System and are therefore not eligible for federal funds.

The Sunnybrook Extension is a key component to the Railroad/Harmony improvement project and would form Phase 4 of that project. The Railroad/Harmony project will improve Railroad/Harmony/Sunnyside from the Milwaukie Central Business District to I-205.

Changing their functional classifications and Federal-Aid designations, as noted under proposed action, will make these street segments eligible for federal funding.

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AMENDING THE	)	RESOLUTION NO. 86-667
FUNCTIONAL CLASSIFICATION SYSTEM	)	
AND THE FEDERAL-AID URBAN SYSTEM	)	Introduced by the Joint
	)	Advisory Committee on
	)	Transportation

WHEREAS, Clackamas County has requested through Resolution No. 86-666 that Interstate Transfer funds be authorized for selected preliminary engineering projects; and

WHEREAS, Two of the proposed projects are not currently on the Federal-Aid Urban System (FAUS); and

WHEREAS, To be eligible for federal funds, streets undergoing roadway improvements must be functionally classified and federally designated; and

WHEREAS, The proposed changes are consistent with the functions serving traffic circulations in the areas involved; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District amend the Functional Classification System to add as collectors those street segments appearing in Attachment "A."

- Sunnybrook Road Extension - 84th Avenue to Sunnyside Road
- S.E. 98th Avenue Extension - S.E. Mather Road to S.E. 102nd Avenue

2. That the Metro Council amend the Federal-Aid Urban System to incorporate Attachment "A."

3. That Federal-Aid route numbers be assigned accordingly.

4. That Metro staff coordinate the amendments with Oregon Department of Transportation.

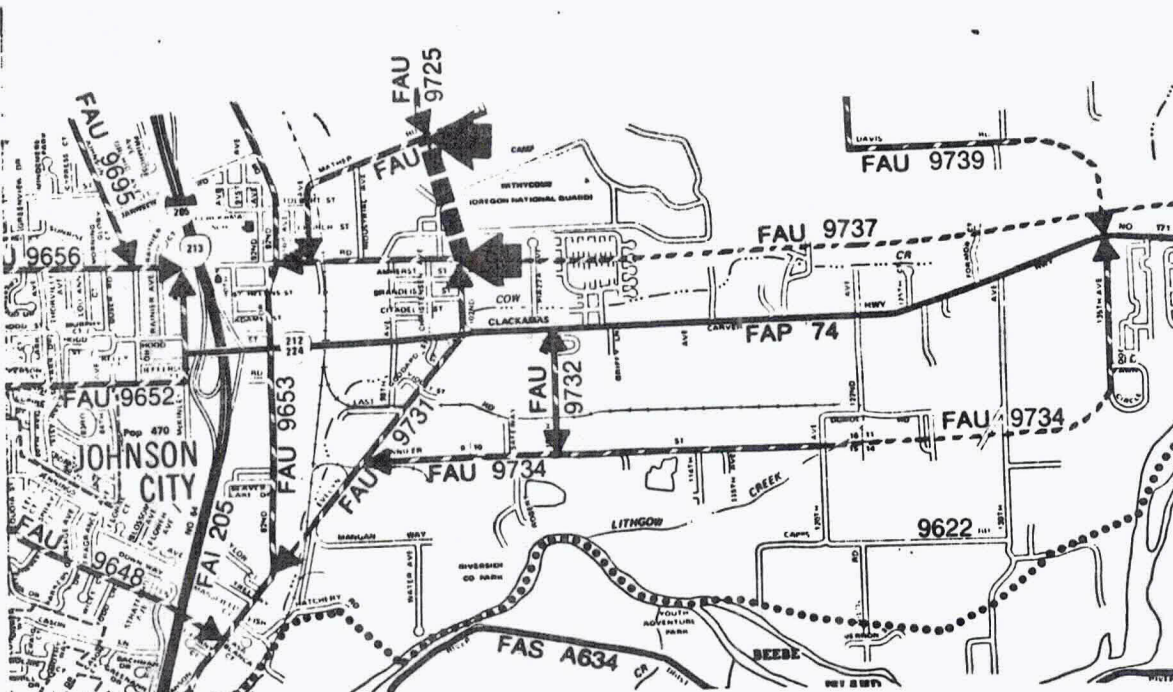
ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

Richard Waker, Presiding Officer

BP/sm  
5942C/642-2  
07/09/86



SUNNYBROOK ROAD EXTENSION



# FACILITIES PROPOSED FOR ADDITION TO THE FAU SYSTEM

CONSIDERATION OF CONTRACTS FOR WORKERS'  
COMPENSATION AND EMPLOYEE HEALTH BENEFITS

---

Date: July 10, 1986

Presented by: Randy Boose

FACTUAL BACKGROUND AND ANALYSIS

Metro provides a fringe benefit package to regular employees in addition to wages and salaries paid. These are listed and described briefly in Attachment A. As an employer, Metro must provide Social Security, Workers' Compensation and unemployment benefits. Metro has elected to also provide a health plan (including medical, dental, vision and prescription coverage), life insurance, a disability plan and a retirement plan. The benefits are administered by the Finance & Administration Department under applicable federal and state laws and carrier contracts. Except as described below, all contracts are ongoing and do not require renewal. The following contracts are re-evaluated on an annual basis. The following are evaluations for each contract.

Workers' Compensation -- Metro provides Workers' Compensation coverage as required by ORS Chapter 656. There are two basic approaches for determining premiums. One is to pay a set standard premium which is based on the size of payroll and risk level. This amount is fixed regardless of actual losses. The second approach is called a retrospective plan. Under this plan, the premium is determined through periodic evaluation of losses. The premium may be reduced or increased to set minimums and maximums depending on the level of risk assumed by the employer. This provides an incentive to employers to look at ways of improving their accident rates. Metro has a retrospective plan with the State Accident Insurance Fund of Oregon (SAIF). With their assistance, claims have been dramatically reduced resulting in considerable savings to Metro. Due to our good claims record we had a credit return in February and will have an 18 percent premium cost reduction for FY 1986-87.

Non-Union Health Plans

Kaiser -- Metro offers a health plan with this health maintenance organization (HMO). Kaiser rates have decreased 8 percent which puts our annual costs far below that quoted by other carriers. Six other HMOs were considered. Kaiser offers more services at a better rate than all of the other organizations.



Great-West -- Great-West proposes an 8 percent premium decrease in medical premiums; a 2 percent decrease in life insurance premiums; with no change in dental and vision premiums for FY 1986-87. This company offers an excellent plan with good coverages and fast service. The coverage was also marketed this year. Only one other company, Connecticut General, submitted a quote. Twenty-nine companies were contacted but all were unable to quote on our current program. Their proposed premium was less, but they provide less coverage.

The costs associated with each of these contracts were anticipated and are included in the adopted budget for FY 1986-87.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends that the Council approve continuation of the current contracts with Great-West and Kaiser. The Executive Officer also recommends that the Council approve continuation of the current contract with SAIF under the retro plan approach for Workers' Compensation. Fringe costs will be closely monitored for rate and conformance to the budget.

JS/CJV/gl  
1807C/392

STAFF REPORT

Agenda Item No. 7.7

Meeting Date July 24, 1986

CONSIDERATION OF A CONTRACT WITH GOVERNMENT  
FINANCE ASSOCIATES FOR FINANCIAL ADVISORY SERVICES

Date: July 16, 1986

Presented by: Donald E. Carlson

FACTUAL BACKGROUND AND ANALYSIS

The purpose of this contract is to obtain financial advisory services for several projected large capital financing projects including the Convention and Trade Show Center General Obligation bonds; west transfer station revenue bonds; and industrial development revenue bonds or other instruments necessary to finance the Solid Waste alternative technologies project or projects. In addition, the contract will provide for other financial advisory services as needed by Metro departments. For example, when the Zoo Master Plan is updated financial planning advice quite probably would be sought from the financial advisors. If bonds were utilized in the implementation of the Zoo Master Plan, the services of the financial advisor would be necessary.

Scope of Work

The District's financial advisor would assist in the development and issuance of bonds from the pre-issuance phase through certain aspects of debt administration after sale.

A detailed list of the services sought is included in the attached Request for Proposals (RFP) (see Exhibit A) which was sent to interested firms (pp. 5-8).

This contract will be for a three-year period like the District's Personal Service Contract for auditing services.

The Process

The District requested proposals from 13 firms, names of which were obtained from other local governments utilizing financial advisory services (see Exhibit B). In addition, a notice of a need for these services was published twice in The Oregonian and twice in the Daily Journal of Commerce.

Six firms responded to the RFP.

Bartle Wells Associates, San Francisco

Public Resources Advisory Group, New York

Government Finance Associates, Portland and Princeton, N.J.

Government Finance Research Center, Washington, D.C.  
(in conjunction with E. F. Hutton, San Francisco)

E. F. Hutton, New York  
(alternative technologies only)

Portland Northwest Securities, Portland and Seattle

A selection committee including staff from areas affected by bond financing (Solid Waste, Convention and Trade Show Center, Zoo, and Finance & Administration) rated the proposals using the attached criteria (see Exhibit C). Councilor DeJardin participated in the interview portion of the selection process.

Portland Northwest Securities proposal was found to be incomplete.

Total points and hourly rates for the remaining firms are as follows:

	<u>Total Points</u>	<u>Hourly Rates</u>
Government Finance Associates	752	\$50-\$100
Public Resources Advisory Group	728	\$95-\$160
E. F. Hutton (alternative technologies only)	701	\$125-\$175
Government Finance Research Center (with E. F. Hutton)	688	\$45-\$110
Bartle Wells Associates	655	\$40-\$110

Based on the ratings and committee discussions the following firms were interviewed:

Public Resources Advisory Group, New York

Government Finance Associates, Portland and Princeton, N.J.

Government Finance Research Center, Washington, D.C.  
(in conjunction with E. F. Hutton)

E. F. Hutton, New York  
(alternative technologies only)

Specific questions were asked where appropriate to help evaluate each firm. Areas of concern included:

1. Working relationship with municipal clients in Oregon;
2. Rating agency experience;
3. Demands on staff;



4. Special expertise;
5. Role and experience with alternative technologies project;  
and
6. Accessibility to staff.

#### Recommendation

Based on the interviews the committee recommends Government Finance Associates to be the District's financial advisor for the projected bond issues and other financial services.

Major consideration for this selection include GFA's considerable experience in Oregon with first-time issuers, their experience and expertise in bond ratings, their past experiences with Metro; and their accessibility to the District Council and staff.

The contract is proposed for a three-year period not to exceed \$155,000 plus out-of-pocket expenses such as travel. An hourly fee schedule and schedule of estimated charges by project are attached as Exhibit D. It is anticipated that the schedule of charges will be used as the basis for the Scope of Work for this contract. The overall administration of this contract will be the responsibility of the Deputy Executive Officer, but the financial advisor will work closely with each of the separate project teams. A summary of the maximum schedule of charges by project (not including out-of-pocket expenses) is as follows:

Convention and Trade Show Center	\$ 33,500
West Transfer Station	41,500
Alternative Technologies	53,000*
Other	<u>27,000</u>
	\$155,000

\*This amount based on one project only. Amount could be more depending on difficulty of financing proposal or more than one project.

A standard Personal Services Contract will be used with a Scope of Work attached similar to Exhibit D. The District's standard contract is attached as Exhibit E.

#### EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of the contract with Government Finance Associates for financial advisory services.

DC/gl  
5971C/462-2  
07/16/86

**REQUEST FOR PROPOSALS  
FOR  
FINANCIAL ADVISORY SERVICES**

**Metropolitan Service District  
2000 S. W. First Avenue  
Portland, Oregon 97201-5398  
(503) 221-1646**



## I. PURPOSE OF REQUEST

The Metropolitan Service District (Metro) of Portland, Oregon, is requesting proposals from financial firms to advise the District on the following:

### A. Bonds

1. The first debt issue will be approximately \$6 million in the form of revenue bonds, proceeds of which will be used to construct a solid waste transfer and recycling center in the western part of the Metro region. Proceeds of the revenue bond issue are tentatively desired to be received about November 1, 1986. This issue may or may not involve a public sale.
2. The second issue will be General Obligation Bonds in an amount approximating \$65 million, proceeds of which will be utilized for construction of a convention and trade show center in northeast Portland, Oregon. An election to approve or reject convention center General Obligation Bonds will occur November 4, 1986. The proceeds of the bond issue are tentatively to be received in June 1987, but may be needed earlier.
3. A Local Improvement District (LID) bond issue will also be an integral part of the convention center financing plan. The issue will approximate \$5,000,000. The area to be included in the LID is not yet determined. Proceeds of the issue are estimated to be needed in June 1987.

### B. Tax-Exempt Financing of Resource Recovery Project(s) (optional)

Assist in preparing a financial strategy for the project.  
(See Scope of Work, part B.)

### C. Other

Advice on other financial matters that may come to the attention of Metro over the next three years (e.g., stadium facilities, financing public aquariums, etc.) -- in particular, various alternative financing techniques and strategies.

## II. INSTRUCTIONS TO PROPOSERS

Firms are directed to base their proposals on the Scope of Work contained in this document. All proposals shall be submitted

to Metro in care of:

Donald R. Cox, Jr.  
Manager of Accounting  
Metropolitan Service District  
2000 S. W. First Avenue  
Portland, Oregon 97201-5398

no later than 5:00 p.m. (PDT), June 30, 1986. Any questions should be forwarded to Mr. Donald Carlson, Deputy Executive Officer, or Mr. Donald Cox at (503) 221-1646.

### III. SELECTION CRITERIA

Firms responding to this Request for Proposals will be evaluated on the basis of the following:

1. Past experience with similar type of work, as noted above, for government agencies and/or special districts. Firms preferably should have knowledge of and working experience with utility operations, financing solid waste facilities, and financing of public facilities comparable to convention centers. For the optional resource recovery Scope of Work -- participation in previous financings of resource recovery projects or acting as financial advisor to a public agency on such a project is desirable.
2. Experience, qualifications and time commitment of personnel assigned to this project determined from material provided by the applicant.
3. Organization of proposal and its responsiveness to the purpose and scope of services.
4. Ability to perform work within the proposed time frame.
5. Cost of services.

Please be advised that Metro has chosen to prohibit participation by the financial consultant in bond underwriting of any issue for which it has rendered financial consulting services.

### IV. BACKGROUND

The Metropolitan Service District (Metro) is the nation's first directly elected regional government. Established by voters in the region in May 1978, Metro serves the urban areas of Clackamas, Multnomah and Washington counties (including 24 cities), with a population of 935,000. Metro is governed by 12 Councilors who are elected from sub-districts, and an Executive Officer who is elected regionwide.

Metro is responsible for addressing issues of regional significance issues that cut across traditional city and county boundaries.

Through Metro's enabling legislation (Oregon Revised Statutes, chapter 268) the service district is a municipal corporation having a variety of specific authorized functions. The range of potential services include water and wastewater management, and providing for public transportation and terminal facilities. The District has the the ability to issue General Obligation Bonds, to levy serial

taxes and to establish a property tax base upon approval of the voters. Currently Metro owns and operates the Washington Park Zoo, is responsible for disposal of the region's solid waste, and provides development and transportation planning services to cities, counties and special districts in the region, as described below.

## METRO SERVICES

### Washington Park Zoo

Metro owns and operates the 64-acre Washington Park Zoo. The Zoo is a major cultural, educational and recreational facility which attracts visitors from throughout Oregon and the Pacific Northwest. Annual attendance is 775,000 which is more than any other admission attraction in the state.

The Zoo is funded through two major sources; 1) admission fees, concessions revenues, etc.; and 2) a serial tax levy. The current serial levy funds both operating and capital improvements and will be in effect through June 1987. Since Metro began operating the Zoo, there have been a number of improvements. These include the Cascades Stream and Pond Exhibit, the Alaska Tundra Exhibit, and remodeling of the Penguinarium and the primate facilities. A Master Plan recently completed proposes improvements to exhibits as well as investments to improve the function of the Visitor Services, parking and entranceway areas. The Zoo has not used debt financing for any improvements since Metro began its operation.

### Solid Waste

Metro is responsible for disposal of nearly one million tons of waste per year. This includes planning, developing and managing the region's landfills and transfer stations; and providing recycling promotion, education and local assistance programs. It does not include collection.

Metro through its operations directly handles approximately 600,000 tons of waste each year. To accomplish this Metro operates two facilities -- the St. Johns Landfill (owned by the City of Portland and operated by Metro), and the Clackamas Transfer & Recycling Center (owned and operated through contract by Metro).

Future facilities for handling solid waste are currently being planned. Most immediate is the region's second transfer station to serve Washington County. A new landfill is currently being sited to begin operating after the St. Johns facility is closed in 1989.

Funding for solid waste programs and operations is paid entirely through user fees. No taxes are used to fund these



services. Debt financing (borrowing from funds derived from State Pollution Control Bonds issued by the Oregon Department of Environmental Quality) has been used to fund major capital investments. Although revenue bonds could have been used, because of the more favorable interest rates provided by the Pollution Control Bonds in past years, no Metro public sale has occurred.

#### Intergovernmental Resource Center

Metro's IRC provides services to local governments in the region in the following areas: transportation planning, computer-based data research and analysis, and development services.

The primary service that IRC currently performs is in the area of transportation planning. Metro IRC works with cities, counties and other agencies to secure and allocate federal highway and transit funds to local governments in the region. Additionally IRC provides specialized computer-based data services to the private and public sectors, as well as development services by monitoring growth and urban development.

IRC is funded by two primary sources: 1) local agencies pay dues (based on population) as authorized by the state Legislature; and 2) from state and federal grants for the transportation planning services. Because IRC provides professional services, there are no capital or debt service requirements at this time.

#### V. SCOPE OF WORK

The objective of the contract is to have a qualified financial consultant assist Metro in the development and issuance of bonds -- from the pre-issuance phase through certain aspects of debt administration after sale. In addition, certain other matters over the next three years may come to Metro's attention which will require financial advisory services. Following are specifics regarding the services which the District would require: (Please provide a narrative description of the role your firm would play in the various areas noted.)

##### A. Bonds

##### 1. Pre-Issuance

- Provide an analysis of the effects of the currently proposed bond sales on potential future bond sales and propose an approach for bond issuance which will assure that future bonding options are not precluded. This will include an analysis of the appropriate financing technique for each project.

- Prepare a timetable for each bond sale.
- Develop a communication program with rating agencies, instituted investors, underwriters, and financial press.
- Advise Metro on the appropriate size, timing, maturity structure, and method of sale of the bonds, including an analysis of the costs of financing (i.e., interest, issuance costs, and related costs), redemption and call provisions, bond issuance, credit agreements, and bond covenants.
- Prepare the preliminary official statement and bid form.
- Assist Metro in developing the paying agent/registrar contract and, if appropriate, assist in preparing a request for proposal for paying agent/registrar services, and evaluating bids.
- Arrange informational meetings with underwriters and institutional investors.
- Apply for ratings from rating agencies. Compute required submissions and develop supplementary materials, as needed. Manage Metro bond sale presentations to the ratings agencies.
- Develop the mailing list of prospective underwriters and institutional investors.
- Develop the Request for Proposals for financial printer (typesetting, if needed, and printing preliminary official statement, notice of sale, and final official statement).
- Develop the Request for Proposals for bond printer.

## 2. Solicitation and Evaluation of Bids

- Assist Metro staff in the review of pre-issuance legal documents prepared by Bond Counsel and Metro staff.
- Manage the general distribution of the preliminary official statement, bid forms, and related documents. Ensure completion of the required notice of sale and certification of same.
- Attend Metro's bond sale to evaluate the bids and recommend award of bonds. Verify all bids and submitted on a True Interest Cost (TIC) basis.

- Advise Metro as to which bidder offered to purchase the bonds at the lowest cost to Metro, and whether Metro should accept or reject this bid.

### 3. Closing

- Manage bond printing procedures, including oversight of the printing, execution, signing, and delivery of the bonds. Maintain close communication with underwriters, bond note company, paying agent/registrar, and the securities depository, if applicable.
- Compile comments and prepare the final official statement.
- Manage the bond closing procedures, ensuring completion of closing documents (e.g., certificate as to official statement, no litigation certificate, non-arbitrage certificate, certificate of authentication, receipt of bond forms, and final Bond Counsel opinion).
- Work with Metro's Bond Counsel concerning the completion of all required legal documents associated with the sale.

### 4. Debt Administration

- Assist Metro in arranging for investment of bond proceeds in compliance with Oregon Law regarding investment of public funds, Metro's investment policies, and federal arbitrage regulations.
- Complete a post-sale analysis of market results.
- If requested, assist Metro in reviewing reports furnished by Metro's paying agent/registrar.

### 5. Other Bond Tasks

- Make presentations to the Metro Council, Council committees, Bond Counsel, and/or staff as needed.
- Provide other services normally provided to clients which relate to bond sales.

## B. Resource Recovery (Optional)

In addition to the two bond issues currently being considered, Metro's Solid Waste Department is involved with procurement and implementing a resource recovery project(s). A two-stage process is underway and RFQ/Is have been accepted. Thirteen qualification statements were received and are currently being reviewed. Once the



short listed firms are selected, an RFP will be prepared to solicit specific proposals.

Metro is seeking a financial consultant to assist in preparing a financial strategy for implementing the project. Initially the firm will advise Metro on issues relating to preparing an RFP. The firm will be required to prepare analyses of impacts on tip fees using alternative financing arrangements and evaluating risk postures for Metro, as needed. The firm selected will be an integral part of the resource recovery team. Currently, Gershman, Brickner and Bratton (GBB) are acting as management and technical advisors. If Metro elects to issue Industrial Development Bonds (IDB) on behalf of the project, the financial advisor will assist in activities as outlined in Scope A for this issue.

Metro considers your proposal for the Resource Recovery Project as an alternative and will exercise its option to select one firm for Scope A, and another for Scope B, or one firm for all work. If you believe your firm can provide these services as well as those presented in parts A and C of the Scope of Work, please indicate your willingness to do so. Likewise, if your firm does not feel qualified for the resource recovery option or for any other reason (i.e., conflict of interest) cannot perform the work of this option, please so indicate.

C. Other Financial Advice

- Over the course of the next three years, certain other matters may come to Metro's attention which would require the expertise of the financial consultant. Examples of the types of projects, more long-term in nature than the bond issues noted above, are potential stadium facilities and/or public aquarium. The extent of involvement in these projects is unknown at this time.

VI. QUALIFICATION

- A. How is the firm organized and how will its resources be put to work for Metro?
- B. List your most recent financial advisory relationships within the state of Oregon. Please include the names, addresses, and phone numbers of contact persons. Briefly describe the work performed, including the dollar amount of the issues or other financings.
- C. Outline your firm's experience during the past two years with the major rating agencies. Discuss this experience and its potential applicability to Metro.

- D. Describe any innovations you have developed or worked on for tax-exempt security issues, briefly outlining the problem, your solution, and the results.
- E. Please attach a recent representative example of a municipality's official statement in which you acted as financial advisor.
- F. For each of the projects noted above, outline your firm's experience during the past two years on such projects.

#### VII. PERSONNEL

- A. What individuals would be assigned to Metro? Please include brief resumes.
- B. What would be their availability?
- C. What other individuals would be available to Metro?

#### VIII. COMPENSATION

Please explain the firm's proposed fee schedule for the work proposed and for various financing alternatives. Explain how fees may differ in the cases of a competitive versus negotiated sale. If the firm proposes that Metro bear the costs of incidental expenses associated with a financing, clearly state what type of incidental expenses Metro will be expected to bear. The firm should submit a bid on a time and materials basis for each project, with a not-to-exceed price stated for each bond issue. Hourly rates of the personnel assigned to the project(s) should be provided, as well as an estimate of hours to complete the project (where appropriate).

Please be advised that Metro has chosen to prohibit participation by the financial consultant in bond underwriting of any issue for which it has rendered financial consulting services.

A copy of Metro's standard contract is attached for your information.

All firms submitting proposals will be notified when a consultant has been selected. (See attached schedule.) Metro reserves the right to reject any or all proposals, to waive irregularities and technicalities and to accept the proposal(s) deemed most advantageous to the District.

DC/gl  
5668C/351-5  
06/17/86

ATTACHMENT A

Tentative Schedule

Request for Proposal Issued	June 16, 1986
Proposals Due at Metro	June 30, 1986 (5 p.m.)
Evaluation of Proposals by Metro staff	July 1-3, 1986
Interviews with Selected Finalists	July 7-9, 1986
Selection of Firm to Recommend to Council	July 10, 1986
Final Report Due for Council Meeting	July 11, 1986
Council Meeting to Award Contract	July 24, 1986
Financial Consultant/ Bond Counsel Work Begins	July 25, 1986

5668C/351-5  
06/17/86



# METRO

2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

EXHIBIT B

June 17, 1986

5839C/351-5  
06/17/86

Dear :

**Metro Council**

Richard Waker  
Presiding Officer  
District 2

Jim Gardner  
Deputy Presiding  
Officer  
District 3

Bob Oleson  
District 1

Corky Kirkpatrick  
District 4

Tom DeJardin  
District 5

George Van Bergen  
District 6

Sharron Kelley  
District 7

John Frewing  
District 8

Hardy Myers  
District 9

Larry Cooper  
District 10

Marge Kafoury  
District 11

Gary Hansen  
District 12

Executive Officer  
Rick Gustafson

Metro is requesting qualified firms with experience in public financing to perform financial consulting services for the District to include two future bond sales. Metro is considering a three-year agreement. The attached "Request for Proposals" contains the formal Scope of Work to be performed. Your proposals should briefly address the issues presented. It is not necessary to submit elaborate materials, but only information that, in your opinion, substantiates the qualifications of your firm to perform this work.

Proposals must be submitted to Metro in care of:

Donald R. Cox, Jr.  
Manager of Accounting  
Metropolitan Service District  
2000 S. W. First Avenue  
Portland, Oregon 97201-5389

By 5:00 p.m. (PDT), June 30, 1986. Questions regarding this project or the RFP can be addressed by calling Mr. Donald Carlson, Deputy Executive Officer, or myself at (503) 221-1646.

Thank you for your time and effort in regard to this project. Metro looks forward to receiving your proposal.

Sincerely,

Donald R. Cox, Jr.  
Manager of Accounting

DC/gl  
5840C/351

Mr. Thomas Mitchell  
First Interstate Bank of Oregon  
Public Finance Group T-15  
P. O. Box 3131  
Portland, Oregon 97208  
Mr. Mitchell\_

Mr. Ed Wells  
Bartle Wells Association  
1636 Bush Street  
San Francisco, California 94109  
Mr. Wells\_

Public Resources Advisory Group  
74 Trinity Place  
Suite 1102  
New York, New York 10006  
Sirs\_

Mr. James J. Lowary & Company  
Francis McDonough  
180 Maiden Lane  
New York, New York 10038  
Sirs\_

Mr. Mark Gardiner  
Government Finance Associates  
1211 S. W. 5th Avenue  
Suite 1200  
Portland, Oregon 97204  
Mark\_

Mr. Philip M. Chen  
Shearson Lehman/American Express  
Foster & Marshall Division  
222 S. W. Columbia Street, #1500  
Portland, Oregon 97201-3986  
Mr. Chen\_

Mr. Dale Zimmerman  
Seattle Northwest Securities  
Seafirst, 5th Avenue Plaza,  
Suite 3700  
Seattle, Washington 98104  
Mr. Zimmerman\_

Mr. Kevin Peterson  
A. G. Edwards & Sons, Inc.  
4412 S. W. Barbur Boulevard  
Portland, Oregon 97201  
Mr. Peterson\_

Mr. John E. Petersen  
Government Finance Research Center  
1750 K Street, N.W., Suite 200  
Washington, D.C. 20006  
Mr. Petersen\_

Mr. Mike Lewis  
Portland Northwest Securities  
1300 S. W. Fifth Avenue  
Portland, OR 97204  
Mr. Lewis\_

Mr. James C. Joseph  
E. F. Hutton & Company, Inc.  
580 California Street, Suite 2200  
San Francisco, CA 94104  
Mr. Joseph\_

Mr. Thomas J. Wright  
Wright Enterprises  
123 N. E. 3rd, Suite 333  
Portland, OR 97232  
Mr. Wright\_

Northwest Program Management Center  
411 First Avenue, South, Suite 300  
Seattle, WA 98104-2567  
Sir\_

5839C/351-5  
06/17/86

## EVALUATION CRITERIA - FINANCIAL ADVISOR PROPOSALS

EXHIBIT C

Firm Rated: \_\_\_\_\_  
Evaluation by: \_\_\_\_\_

<u>Criteria:</u>	<u>Points</u>	<u>Weight</u>	<u>Total</u>
1. Organization of firm.		3	
2. Recent financial advisory relationships in the State of Oregon.		3	
3. Rating agency experience over the last two years.		5	
4. Innovations in tax-exempt financing (problem, solution, resolution)		3	
5. Official Statement example.		3	
6. Experience with:			
a) General Obligation bond issues		5	
b) Revenue bonds		5	
c) Resource Recovery (Optional)		5	
d) Other financial advisory experience		2	
7. Quality of personnel assigned.		5	
8. Availability of personnel		3	
9. Cost		1	

All criteria have a potential 5 rating points (5=high, 1=low).

Total available points:

## HOURLY FEE SCHEDULE

We are including a general schedule of rates which will be utilized in determining individual engagement fees. As a rule of thumb, revenue bonds and issues of a more complex nature demand a greater degree of expertise and dedication of time.

## Schedule of Rates

President and Vice Presidents	\$100 per hour
Assistant Vice Presidents	\$ 80 per hour
Associates and Financial Analysts	\$ 50 per hour

Government Finance will also pass through out-of-pocket expenses on a month-by-month basis. These pass-through expenses would include but are not limited to:

- Communications costs, i.e. Federal Express, postage, telecommunications, printing and copying expenses.
- Travel costs, i.e. expenses for travel outside the metropolitan area, airfare, overnight accommodations, meals.

Production costs and legal fees directly related to the development of disclosure documents during the planned issuance of debt by Metro will be the responsibility of Metro. All such costs are reimbursable from bond proceeds and estimated costs will be factored into the sizing of any bond issue which Metro may undertake during the period of engagement. In most cases these costs will be billed directly to Government Finance Associates and will be reflected on our bill which will be forwarded to Metro.

Since Government Finance Associates does not participate in the direct sale or marketing of securities, our firm does not have hidden costs for the placement of various debt instruments nor do we charge for miscellaneous fees other than those directly related to the issuance of debt. Likewise, it is not anticipated that there would be any miscellaneous fees for services outside of our normal scope of duty.



**Government Finance Associates, Inc.**

**SCHEDULE OF CHARGES BY PROJECT**

**BOND ELECTIONS**

Government Finance Associates will charge up to a maximum of \$7,000 plus direct expenses including travel at 20 cents per mile. The total billing may be paid from bond proceeds following the bond closing.

**BOND ANTICIPATION NOTE SALE COSTS**

GFA would charge up to a maximum of \$5,000 to advise on the sale of BANs. This fee may be paid from the note proceeds.

**GENERAL OBLIGATION BOND SALES**

The following charges would be made on each general obligation bond sale.

	<u>Est. Hours</u>	<u>Maximum Not-to- Exceed</u>
1. Researching and writing the Official Statement and the Offering Circular (various staff)	80	\$ 5,000
2. General consulting, which consists of:  Issue Structuring General Coordination Rating (pre-presentation) Notifications Marketing Sale of Bonds Registration of Bonds Closing		
The maximum general consulting charge: (Vice Presidents and Asst. V.P.)	100	10,000
3. Travel - at Metro's request and expense. Each sale will involve one trip at no charge. Time in travel is not charged.		20 cents per mile or cost of airfare

Government Finance Associates, Inc.

4. Production Services

Government Finance Associates will manage the production of the Official Statement but does not provide the service itself. While "high side" cost estimates are provided below, the actual cost can vary widely depending upon the ultimate length or degree of revisions of the Official Statement.

Estimated Maximum

Copying and Printing

GFA will subcontract the draft copying and final printing of the Official Statement and Offering Circular to a firm experienced in printing Official Statements.

Preliminary OS and circular Typeset	5,000
Final Official Statement (Number of statements set by underwriter)	2,000

Distribution

GFA will manage the mailing list and preparation of the mailing labels. GFA subcontracts the actual mailing of the Statements as well as the notifications and Official Statement request forms. Federal Express charges for materials sent to the rating service or insurance companies and for materials sent to Metro is billed directly

Mailing Costs	900
Federal Express (mostly, materials to rating service).	600

5. Rating Service Presentation (for each one as required):

Presentation (includes preparation, rehearsal and presentation)	3,000
--	-------

Travel

Actual Expenses  
(around \$1,500 per  
person; group is  
usually 4-5 persons)

**Government Finance Associates, Inc.**

Other costs of a bond sale which Government Finance Associates does not cover in its fee:

	<u>Estimated Cost</u>
Bond Counsel	\$20,000
Local Counsel	NA
Publication of Notice	
Local Paper	400
Daily Journal of Commerce	500
Bond Buyer	2,500
State Treasury Debt Report	150
Rating Service Fee	3,500 - 5,000 each service
Insurance Premium	NA
Printing Bonds	2,000
Registrar/Paying Agent:	1,500 per year

All costs of selling bonds may be paid from bond proceeds.

**REVENUE BOND SALES**

The following charges would be made on each revenue bond sale. Revenue Bond sales are generally more complex in preparation and at the time of sale, when negotiations with the underwriter is required.

	<u>Est. Hours</u>	<u>Maximum Not-to- Exceed</u>
1. Researching and writing the Official Statement and the Offering Circular	100	\$ 7,000
2. A flat fee for general consulting, which consists of:		
Issue Structuring		
General Coordination		
Document Review Meetings		
Feasibility Coordination		
Rating		
Marketing		
Sale of Bonds - Pricing conferences		
Registration of Bonds		
Closing		
The maximum general consulting charge:	200	20,000

All costs of production and distribution remain the same for revenue bonds.

**Government Finance Associates, Inc.**

	<u>Est. Hours</u>	<u>Maximum Not-to- Exceed</u>
3. Rating Service Presentation (for each one as required):		
Presentation (includes preparation, rehearsal and presentation)		\$ 6,000
Travel		Actual Cost

**FINANCIAL STRATEGY FOR IMPLEMENTING THE SOLID WASTE PROJECT**

Planning Services	100	\$10,000
Issuance of IDBs (see Revenue Bonds)		

**OTHER FINANCIAL ADVICE**

Bond Issues	as described by type above	
General Financial Planning per project	100	10,000
Enterprise Financial Planning per project	100	10,000

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT dated this \_\_\_\_\_ day of \_\_\_\_\_ 1986, is between the METROPOLITAN SERVICE DISTRICT, a municipal corporation, hereinafter referred to as "METRO," whose address is 2000 S.W. First Avenue, Portland, Oregon 97201-5398, and \_\_\_\_\_, hereinafter referred to as "CONTRACTOR," whose address is \_\_\_\_\_, for the period of \_\_\_\_\_, 19\_\_, through \_\_\_\_\_, 19\_\_, and for any extensions thereafter pursuant to written agreement of both parties.

## W I T N E S S E T H :

WHEREAS, This Agreement is exclusively for Personal Services;

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

## CONTRACTOR AGREES:

1. To perform the services and deliver to METRO the materials described in the Scope of Work attached hereto;
2. To provide all services and materials in a competent and professional manner in accordance with the Scope of Work;
3. To comply with all applicable provisions of ORS Chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the state of Oregon, as if such provisions were a part of this Agreement;
4. To maintain records relating to the Scope of Work on a generally recognized accounting basis and to make said records available to METRO at mutually convenient times;
5. To indemnify and hold METRO, its agents and employees harmless from any and all claims, demands, damages,

actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, with any patent infringement arising out of the use of CONTRACTOR'S designs or other materials by METRO and for any claims or disputes involving subcontractors; and

6. To comply with any other "Contract Provisions" attached hereto as so labeled.

METRO AGREES:

1. To pay CONTRACTOR for services performed and materials delivered in the maximum sum of \_\_\_\_\_ written out \_\_\_\_\_ and \_\_\_\_/100THS (\$\_\_\_\_\_) DOLLARS and in the manner and at the time designated in the Scope of Work; and

2. To provide full information regarding its requirements for the Scope of Work.

BOTH PARTIES AGREE:

1. That METRO may terminate this Agreement upon giving CONTRACTOR five (5) days written notice without waiving any claims or remedies it may have against CONTRACTOR;

2. That, in the event of termination, METRO shall pay CONTRACTOR for services performed and materials delivered prior to the date of termination; but shall not be liable for indirect or consequential damages;

3. That, in the event of any litigation concerning this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to an appellate court;

4. That this Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any condition, be assigned or transferred by either party; and

5. That this Agreement may be amended only by the written agreement of both parties.

\_\_\_\_\_  
METROPOLITAN SERVICE DISTRICT

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_/gl  
GL0056. (P)  
6/11/86



CONSIDERATION OF RESOLUTION NO. 86-670  
ESTABLISHING A SELF-INSURANCE PROGRAM

Date: July 14, 1986

Presented by: Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

As reported in the attached memo (Exhibit 1) to the Council dated July 7, 1986, Metro is now partially self-insured for general liability. Resolution No. 86-670 is proposed for the purpose of setting direction for a self-insurance and risk management program and establishing claims settlement authority.

The four sections of the Resolution and their purpose are as follows:

Section 1 - This establishes a self-insurance and risk management policy.

Section 2 - This requires the Executive Officer to prepare a program and procedures for self-insurance and risk management. The program will include detailed administrative direction and procedures regarding placement of insurance, staff responsibilities, loss prevention and reduction measures, claims administration, Insurance Fund management and reporting requirements.

Section 3 - As Metro's level of self-insurance increases so does the complexity of administering the budget. The Executive Officer's program will build on Insurance Fund policy set out in this Resolution and establish more specific fund management requirements. These will comply with Oregon Budget Law and Generally Accepted Accounting Principles (GAAP). Claims and loss history (Exhibit 2) will be considered in determining budget and reserve amounts.

Section 4 - This sets out levels of authority for setting claims and establishes the role of the Council. The dollar amounts correspond directly to those used for approval of contracts.

The implementation of this program will require more staff time than a fully-insured program, the move to self-insurance is a positive step in controlling the agency's risks and in managing our resources.

Finally, for your information, the three year designation of Agent of Record (insurance broker) expires on January 1, 1987. Proposals will be solicited in advance and a thorough selection process will be conducted.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 86-670.

JS/gl  
5940C/462-2  
07/14/86

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ESTABLISHING  
A SELF-INSURANCE PROGRAM

) RESOLUTION NO. 86-670

)  
) Introduced by the  
) Executive Officer

WHEREAS, The Metropolitan Service District seeks to  
maintain a fiscally sound approach to the insuring of risks; and

WHEREAS, A study of all liability losses over the past  
nine years has been conducted and has established a sufficient data  
base to make reasonable predictions of future liability losses; and

WHEREAS, Certain costs of insurance have escalated to  
levels far in excess of expected losses and costs of administration;  
and

WHEREAS, The District has the capacity, both financially  
and professionally, to adopt programs which are designed to minimize  
and stabilize the cost of risks through risk management, loss  
control and a degree of self-insurance; now, therefore,

BE IT RESOLVED,

Section 1. The Metropolitan Service District's policy  
with respect to all risks of accidental loss shall have as its  
purpose:

A. To minimize the long-term cost to the District of all  
activities related to the control of accidental losses;

B. To self-insure risks which can be safely borne by the  
District at a cost which is less than that commercially available  
for equivalent coverage; and

C. To enact practices which seek to reduce and prevent  
accidental losses.

Section 2. The Executive Officer is hereby directed to prepare, administer and maintain a self-insurance and risk management program and implementing procedures.

Section 3. Insurance Fund Resources and Requirements shall be managed as follows:

A. Agency Operating Funds shall make annual transfers to the Insurance Fund based on a cost allocation plan.

B. Expenditures from the Insurance Fund may include insurance premiums, liability claims, insurance deductibles, property damage payments, administration, adjustment and other related costs.

C. Reserves shall be accumulated to sufficiently fund projected losses.

Section 4. Responsibility and authority for the settlement of claims shall be as follows:

A. The Executive Officer may resolve claims not exceeding \$10,000 per cause of action.

B. The Council Management Committee may resolve claims between \$10,000 and \$50,000 per cause of action.

C. All claims exceeding \$50,000 per cause of action shall be referred, with the recommendation of the Executive Officer, to the Council for approval prior to settlement.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1986.

Richard Waker, Presiding Officer



**METRO**2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# Memorandum

Date: July 7, 1986

To: Metro Council

From: Jennifer Sims, *JS* Director of Management Services

Regarding: FY 1986-87 Insurance Program

The purpose is to report a significant change in the general liability coverage, inform you of the status of other coverages and brief you on a recommended action for the July 24, 1986, Council meeting. A summary of current coverages by areas of risk and a description of the changes which have taken place is in Attachment "A."

General Liability Insurance -- As indicated in Attachment "A," Metro has insurance for most areas of risk. Limits and deductibles have been carefully reviewed to maximize value for our insurance dollar. While costs for most coverages have increased, in this insurance "crisis," the most shocking cost increases have been for general liability.

Three steps were taken in reviewing and analyzing options regarding liability coverage. First, LMC & Associates were hired under contract to study Metro's insurance program. The study concluded that Metro should consider self-insurance. Second, contacts were made with other jurisdictions to share experience and information. This reinforced the LMC study conclusions. Finally, a committee of key staff listed in Attachment "B" was formed to consider our broker's marketing report on liability and assess the options. The committee's recommendations have been implemented and are now in effect as shown in Attachment A. In summary, Metro is self-insured for general liability except for a layer covering claims between \$100,000 and \$300,000. Liquor liability has first dollar coverage up to \$300,000.

A fundamental risk management concept states that insurance should only be purchased to cover exposures which the agency can't afford to cover. It appears that Metro is capable of dealing with the liability exposures the agency faces now and in the foreseeable future. The compelling reasons why Metro should self-insure the bulk of its liability exposure are as follows:

- Claims activity and actual losses have been very low.
- We have an effective safety and emergency response program.
- We have statutory ability to generate revenue to meet requirements.
- We have adequate resources currently (fund balances) to meet short-term needs.
- Statutory limits on tort liability for public agencies in Oregon provide some protection against extreme awards.

While the current insurance "crisis" was clearly the catalyst that started our investigation of self-insurance, this is not merely a response to an immediate problem. It is proposed as a positive business decision, and as a prudent use of public resources.

#### Budget Impact

When the Insurance Fund was established through a supplement budget in FY 1985-86, a five-year plan and cost projection were prepared. The intent, at that time, was to build a reserve to fund the \$100,000 liability deductible. The FY 1986-87 adopted budget reflects a continuation of last year's program and coverages. An administrative amendment is proposed to implement the self-insurance program as follows:

	<u>Current 86-87</u>	<u>Proposed 86-87</u>
Insurance	\$314,204	\$188,607
Claims	0	125,597
Contractual Services	3,000	3,000
Contingency (Reserves)	<u>60,000</u>	<u>60,000</u>
Total Fund	\$377,204	\$377,204

This change simply reallocates premium savings to claims (to be paid). This provides a total of \$185,597 (contingency plus claims) available to pay claims in FY 1986-87 with no increase in the total fund budget. If the good loss record continues and similar premium savings can be realized in future years, a self-insurance pool of \$450,000 will be available for FY 89-90. This amount appears adequate at this time considering Metro's loss record. Further, a larger claim would take years to process and give time to budget possible payment. The impact of the convention and trade show center project has not been determined yet. LMC has recommended that we insure that risk until a claims history is established.



Self-Insurance and Risk Management Program Administration

Over the last year, staff has worked with LMC & Associates, and our broker, Fred S. James & Co., to set up a risk management program. We are continuing to refine all aspects of the program including safety, accident report procedures, adjuster needs, claims processing, recordkeeping and budget management. The Management Services Division is responsible for the program with Ed Stuhr taking the lead. His work is fully coordinated with all departments and General Counsel.

Recommended Council Action

A resolution will be presented at the July 24, 1986, Council meeting for your consideration which would accomplish the following:

1. Clarify the intent of the budget vis a vis the change in liability coverage.
2. Direct the Executive Officer to prepare and administer a risk management program and procedures.
3. Establish the role of the Council in awarding claims settlements. Contract procedures are proposed as the model with claims up to \$10,000 approved by the Executive Officer; \$10,000 to \$50,000 approved by the Council Management Committee; and over \$50,000 approved by the Council.

Insurance and tort reform are expected to be major topics of the 1987 legislative session. The Council should be prepared to take a position on this matter as it has potentially far-reaching budget and policy impacts on Metro.

ATTACHMENT "A"

COMPREHENSIVE GENERAL LIABILITY INSURANCE

SUBJECT OF COVERAGE: District premises and activities.

TERM: July 1, 1986, to January 1, 1987

LIMITS: \$300,000 Combined Single Limit Bodily Injury and Property Damage.

DEDUCTIBLE: \$100,000 per occurrence self-insured retention.

ANNUAL PREMIUM: \$70,000

COVERAGE DESCRIPTION: Insures the District's legal liability arising out of their premises and operations for the perils of bodily injury, property damage, and personal injury.

EXCLUSIONS: Environmental impairment and pollution damage.

KEY CHANGES: Formerly \$10,000,000 limit, excess liability not provided. Total premium savings compared to last year for liability is \$129,272.

LIQUOR LIABILITY INSURANCE

SUBJECT OF COVERAGE:

Serving of alcoholic beverages on District premises.

TERM:

July 1, 1986, to January 1, 1987

LIMITS:

\$100,000

General liability layer covers \$100,000 to \$300,000.

DEDUCTIBLE:

None

ANNUAL PREMIUM:

\$3,693.00

KEY CHANGES:

This is a new separate policy providing first dollar coverage. Coverage was previously included in general liability.

PUBLIC OFFICIALS LIABILITY INSURANCE

SUBJECT OF COVERAGE: District and employees of the District.

TERM: July 1, 1986, to July 1, 1987

LIMITS: \$1,000,000

DEDUCTIBLE: \$25,000

ANNUAL PREMIUM: \$33,000

COVERAGE DESCRIPTION: It insures the District, its Directors, and employees against liability arising out of a wrongful act subject to various exclusions.

EXCLUSIONS:

- Willful violation of Metro ordinances.
- Willful violation of any local, state or federal law.
- Action taken for personal profit or advantage.
- Failure to maintain insurance.
- Defense only is provided for employment-related issues including discrimination, failure to promote and wrongful action.

KEY CHANGES:

- Limit increased from \$500,000 and deductible increased from \$10,000.
- Premium increased from \$10,554.

CRIME INSURANCE

SUBJECT OF COVERAGE:

Loss of money and securities.

TERM:

July 1, 1986, to July 1, 1987

LIMITS:

\$125,000

DEDUCTIBLE:

None

ANNUAL PREMIUM:

\$6,275

COVERAGE DESCRIPTION:

Covers the loss of money and securities both on and away from premises from the perils of destruction, disappearance or wrongful abstraction.

KEY CHANGES:

None

FIDELITY BOND

SUBJECT OF COVERAGE:

All employees except those who are required by law to furnish a faithful performance bond.

TERM:

July 1, 1986, to July 1, 1987

LIMITS:

\$500,000

DEDUCTIBLE:

None

ANNUAL PREMIUM:

\$2,331

COVERAGE DESCRIPTION:

Protects the District against loss arising out of the failure of employees to faithfully perform their duties in the handling of funds and property for the District. The limit of liability applies per loss.

EXCLUSIONS:

Any present or prior dishonesty will not void coverage as respects any employee under the bond unless known by the insurance manager or delegated assistant or member of the management staff.

KEY CHANGES:

None



COMPREHENSIVE AUTOMOBILE LIABILITY INSURANCE

SUBJECT OF COVERAGE: District vehicles.

TERM: July 1, 1986, to July 1, 1987

LIMITS: \$500,000 Combined Single Limit Bodily  
Injury and Property Damage. ACV  
Comprehensive and Collision.

DEDUCTIBLE: \$ 100 - Comprehensive  
1,000 - Collision  
Per schedule

ANNUAL PREMIUM: \$21,472

COVERAGE DESCRIPTION: Insures the District's legal liability  
arising out of the ownership,  
maintenance, or use of automobiles. Also  
provides physical damage insurance on  
those vehicles as outlined above.

KEY CHANGES: Premium increased from \$18,647.

PROPERTY INSURANCE

SUBJECT OF COVERAGE: All buildings, equipment, furniture, and fixtures within the District in the state of Oregon.

TERM: July 1, 1986, to July 1, 1987

LIMITS: \$27,817,214 total value  
\$12,000,000 per occurrence

DEDUCTIBLE: \$1,000 per loss

ANNUAL PREMIUM: \$40,037 estimate

COVERAGE DESCRIPTION: The limit of liability applies to blanket buildings and equipment throughout the District. Coverage is on a replacement basis for the perils of fire, extended coverage, and "all risk" subject to various exclusions.

EXCLUSIONS: Earthquake and flood

KEY CHANGES: Property values has been reassessed and increased.

SPECIAL PROPERTY INSURANCE

SUBJECT OF COVERAGE:

- A. Damage to scheduled railroad equipment, tools, and other mobile equipment.
- B. Loss of income arising out of damage to railroad equipment.
- C. Damage to paintings and other fine arts in the District's care, custody and control.
- D. Direct damage to Fred the Mastodon.
- E. Damage to printings and fine arts owned by the District.

TERM:

July 1, 1986, to July 1, 1987

LIMITS:

- A. \$1,343,008
- B. 117,000
- C. 30,950
- D. 25,000
- E. 84,343

DEDUCTIBLE:

- A. \$2,500/\$5,000
- B. 24 Hours
- C. \$250
- D. \$500

ANNUAL PREMIUM:

Estimated \$10,075

COVERAGE DESCRIPTION:

"All risk" of direct physical loss to the above classes and items of property of the District or others subject to the various exclusions and limitations of the form.

KEY CHANGES:

Property under Schedules A and E have been reassessed resulting in premium reduction estimated at \$4,386.

BOILER AND MACHINERY INSURANCE

SUBJECT OF COVERAGE:

All hot water heating boilers, unfired pressure vessels, steam boilers, refrigerating air conditioning, mechanical and electrical apparatus, and one locomotive boiler located throughout the District.

TERM:

July 1, 1986, to July 1, 1987

LIMITS:

\$500,000 - Direct Damage  
\$125,000 - Loss of Income  
Locomotive Boiler

DEDUCTIBLE:

12 hours

ANNUAL PREMIUM:

\$1,724

COVERAGE DESCRIPTION:

Loss of covered items arising out of a sudden and accidental breakdown of an object or a part thereof which manifests itself at the time of the occurrence by physical damage to the object and necessitates repair or replacement of the object or part thereof.

KEY CHANGES:

Premium increased \$345.

**ATTACHMENT "B"**

**Metro ad hoc staff committee on insurance:**

**Eleanore Baxendale, General Counsel  
Don Carlson, Deputy Executive Officer  
Kay Rich, Assistant Zoo Director  
Jennifer Sims, Director of Management Services  
Ed Stuhr, Analyst & Risk Manager  
Norm Wietting, Solid Waste Operations Manager**

**METROPOLITAN SERVICE DISTRICT  
SUMMARY OF LIABILITY CLAIMS  
July 1, 1976 to July 31, 1985**

<u>ENTITY</u>	<u># CLAIMS</u>	<u>%</u>	<u>PAID</u>	<u>RESERVES</u>
Zoo	43	79	44,647	115,353
Land Fill	1	9	18,964	-0-
Automobile	10	12	25,086	-0-
	<u>54</u>	<u>100</u>	<u>\$88,697.</u>	<u>\$115,353</u>

Total Incurred: \$204,050

Total Excluding Auto: \$178,964

Average Annual exclud. Auto: \$ 22,149

Average Paid losses excl. Auto: \$ 7,006



**METRO**

2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# Memorandum

Agenda Item No. 9.1

**DATE:** July 15, 1986

Meeting Date July 24, 1986

**TO:** Members of the Council

**FROM:** Debbie Gorham Allmeyer, Solid Waste Analyst

**REGARDING:** Staff report on "Consideration of approving a list of alternative technology vendors to which RFPs will be issued."

Before you on July 24th will be a recommendation of the Policy Review Committee for the Resource Recovery Project, on a list of vendors to which Request for Proposals (RFP) will be issued. You will be requested to approve the list.

The staff report for "Consideration of Approving a list of Alternative Technology vendors to which RFPs will be issued" will be available Tuesday, July 22nd, and will be delivered to you.

The Policy Review Committee has not yet concluded their review of the Technical Review Committee's evaluation of the 13 firms that submitted responses to Metro's RFQ/I. I anticipate that this review will be completed on July 18, after which I will amend the current draft staff report and forward the final copy to you.



Meeting Date July 24, 1986

CONSIDERATION OF APPROVING A LIST OF ALTERNATIVE  
TECHNOLOGY VENDORS TO WHICH RFPs WILL BE ISSUED

Date: July 11, 1986

Presented by: Debbie Allmeyer

FACTUAL BACKGROUND AND ANALYSIS

In mid-March the Council adopted a resolution authorizing a competitive process for selection of "up to the five most qualified firms for each technological type and/or volume size based on an evaluation," for disposal of up to 48 percent of the waste in the Metro area. A two-part RFQ/I-RFP solicitation and selection process would be used. On May 29, 1986, the Council approved the appointment of two committees, both a technical review committee, and a policy review committee, who would review and assess the responses received by Metro.

The Technical Review Committee (TRC) has accomplished review and evaluation of the 13 responses to Metro's RFQ/I. The Policy Review Committee (PRC) has convened with the TRC to discuss their findings and formulate recommendations concerning: 1) the most qualified firms for receipt of the RFP, 2) the best strategy for obtaining proposals for more than one technology and potentially more than one size project, and 3) the ranges of waste to be allocated to different technologies described within the RFPs.

At this time Council consideration is requested for authorization of the shortlist for the RFP. If authorization can be gained for the RFP strategy and waste allocation description concurrently, it is desirable, but not imperative. The critical objective at this time is reaching consensus on which firms are most qualified to receive the RFP.

The members of the two committees who prepared the following recommendations are listed below.

TECHNICAL REVIEW COMMITTEE MEMBERSHIP

Dan Durig, Metro Director of Solid Waste  
Doug Drennen, Metro Engineering Manager, Solid Waste  
Debbie Allmeyer, Metro Resource Recovery Project Manager,  
Solid Waste  
Eleanore Baxendale, Metro General Counsel, Executive Management  
Bob Zier, Gershman, Brickner, and Bratton, Metro consultant

## TECHNICAL REVIEW COMMITTEE MEMBERSHIP (continued)

Delyn Kies, member of Metro SWPAC, Director of Solid Waste,  
City of Portland  
George Stillman, Director of Public Works, Clark County  
Bob Dreyfuss, member Clark County Solid Waste Advisory  
Commission

## POLICY REVIEW COMMITTEE MEMBERSHIP

Corky Kirkpatrick, Metro Councilor  
Sharron Kelley, Metro Councilor  
Jim Gardner, Metro Councilor  
Dave Sturdevant, Clark County Commissioner

## METHODOLOGY

The TRC based their evaluation on perusal of the written documentation provided by each vendor, the audio-visual presentation they provided, and a group interview process lasting 1.5 hours with each vendor. The evaluation criteria and evaluation form used by the TRC to assess the relative merits of the responses is included as Appendix I.

Each member evaluated each firm (or joint partnership) independently. The committee then deliberated as a group to arrive at which proposals are most qualified, in keeping with Council Resolution No. 86-635 for the purpose of exemption to the public contracting procedure for resource recovery facilities. A copy of this Resolution is included as Appendix II.

## SHORTLIST RECOMMENDATION

The 13 firms that responded to Metro's RFQ/I on May 19, 1986, are:

American Ref-fuel  
Combustion Engineering  
DITT  
Foster Wheeler  
Fluor Engineers  
GSX  
Laurent Bouillet-Howard  
McClarran and Associates  
National Resource Recovery Corporation  
Reuter/Buhler-Miag  
Riedel Environmental/DANO  
Schnitzer-Ogden  
Westinghouse

Six firms are recommended as qualified for receipt of the RFP(s) to be issued by November 1, 1986. Two of the three compost responses are included in the recommendation, and four of the mass incineration and refuse-derived fuel responses are considered qualified.



The most qualified firms utilizing compost technologies are:

Reuter, using the Buhler-Miag technology

Riedel Environmental, with the DANO technology

The vermi-culture compost response submitted by McClarran and Associates was an innovative, environmentally sound approach. The most qualified responses, however, were stronger in more of the six criteria than was McClarran and Associates.

The most qualified firms utilizing mass burn or RDF technologies are:

American Ref-Fuel

Combustion Engineering

Fluor Engineers

Schnitzer-Ogden

The most qualified firms were rated higher in more categories than the others and, hence, are recommended for selection for the shortlist to receive the RFP.

#### RFP AND WASTE ALLOCATION STRATEGY

It is recommended that two RFPs be issued, one directed to the composting technologies and the other to RDF and mass burn technologies. RFP #1, for compost technologies, could be directed toward either 100,000 TPY or 200,000 TPY. RFP #2, for RDF and mass burn technologies, could be directed toward 250,000, 350,000, or 450,000 TPY, inclusive of Clark County waste. In the event acceptable proposals were received from both a compost technology and an RDF or incineration project, up to 550,000 TPY of Clark County and Metro waste could be processed, leaving at least 100,000 TPY of Metro waste unprocessed. In any event, with any combination, flexibility will be retained.

Firms will be asked to respond to each quantity specified in the RFP they receive, though it will not be compulsory that they do so. The range of figures for the different volume size projects will be valuable to Metro in evaluating economy of scale issues as well as in assessing the potential "fit" of different combinations of approaches.

#### GSX

One of the more interesting and innovative approaches in response to the RFQ/I was submitted by GSX Corporation. This firm requested that 100,000 TPY of commercial waste only be delivered to a plant that would recover materials and produce a high quality RDF.



The plan called for the expansion of the existing Oregon Processing and Recycling Center (OPRC) facility.

The technology and process were extremely responsive to Metro's overall solid waste reduction program, however, GSX is not interested in receiving residential waste. Rather than continue in the RFP process, GSX instead will increase handling of high grade material as more drop box loads are routed to their facility in the near future, and over time. Metro will facilitate increased materials recovery in the region in a number of different ways concurrent with the progress of the resource recovery project, and thereafter. At such time that programs for utilization of high-grade waste residue are ready to be implemented, GSX and other interested firms will be invited to respond.

Metro's solid waste reduction program calls for evaluating commercial waste loads to determine if further high grading to enhance materials recovery can occur. Metro will also evaluate whether or not additional materials recovery operations are needed throughout the region. In light of Metro's desire to recycle as much material as possible, and take advantage of the opportunity GSX has proposed, Metro staff will pursue immediately both administrative and regulatory methods of routing more commercial waste from throughout the region to the OPRC for processing. This effort is designed to maximize the existing materials recovery capabilities in the region.

#### RECOMMENDATION OF THE POLICY REVIEW COMMITTEE

The PRC met with the TRC to render a decision on the shortlist and RFP strategy on July 18, 1986. Dave Sturdevant, the representative from Clark County, was unable to attend.

A motion passed unanimously that Reuter and Riedel, both representing compost technologies, receive the RFP. A motion also passed unanimously that two RFPs be issued: one for compost technologies, and another for mass burn and RDF. Again, the PRC unanimously agreed that the compost RFP address 100,000 and 200,000 TPY project proposals, and that the RFP directed to mass burn and RDF technologies address 250,000; 350,000; and 450,000 TPY project proposals.

Before arriving at a decision on the firms to receive the latter RFP, the PRC carefully considered the evaluation done by the TRC. A "description of scoring results" for the nine firms in contention reflects the findings of the TRC and is attached as Appendix III. A summary of the qualifications of all firms that submitted responses is attached as Appendix IV.

Considerable discussion ensued regarding the relative financial strength of Westinghouse (not recommended "most qualified" by the TRC) as compared to Schnitzer-Ogden. The financial scores provided by Public Resources Advisory Group, subcontractor to GBB, are attached as Appendix V. Though Westinghouse is substantially

stronger financially than, for instance, Ogden Corp., both companies are qualified to implement a resource recovery project. When all criteria used in the evaluation were considered, Westinghouse was not among the most qualified, despite their financial strength.

The PRC voted to recommend American Ref-Fuel, Combustion Engineering, Fluor Engineers, and Schnitzer-Ogden to receive the RFP, with one dissenting vote. Notes from the meeting on July 18 are attached as Appendix VI.

#### PHASE II (PROCUREMENT) BUDGET ESTIMATES

Attached as Appendix VII is a brief memo showing consultant services with budget estimates for Phase II, or the Procurement Phase, of the resource recovery project.

#### AMENDED TIME SCHEDULE FOR RESOURCE RECOVERY PROJECT

Attached as Appendix VIII is an updated calendar of events for the RFQ/I-RFP process.

#### ACTION REQUESTED

Approval of six named firms for receipt of the RFP.

#### EXECUTIVE OFFICER'S RECOMMENDATION

DA/gl  
5953C/462-2  
07/22/86

## COMBINED EVALUATION CRITERIA AND EVALUATION FORM

FIRM EVALUATED \_\_\_\_\_

EVALUATED BY: \_\_\_\_\_

RFQ/I responses will be evaluated in six major areas as summarized below:

1. Solid Waste and Resource Recovery Experience

Firms responding to the RFQ/I will be evaluated on the basis of their demonstrated expertise in the design and construction of solid waste management/resource recovery systems, in operating experience, and in construction management. Metro is particularly interested in reviewing performance data of an existing operating facility similar to that which is proposed here. Process trains should be no less than 70 percent of the process trains proposed for the Metro project producing similar products. Firms will also be evaluated on the basis of their involvement in the marketing of recovered resources.

- a) Number and size of resource recovery plants designed. \_\_\_\_\_
- b) Number and size of resource recovery plants constructed. \_\_\_\_\_
- c) Number and size of resource recovery plants operated. \_\_\_\_\_
- d) Do any of the plants listed in a, b, or c above have nominal capacities for each process train in excess of 70 percent of those proposed for Metro? \_\_\_\_\_
- e) Has the firm marketed recovered resources? \_\_\_\_\_

Score: Assign two points to each of the above to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, 1 for a satisfactory response, and 2 for an outstanding response and insert to the right.

Weighting for this criterion

15%

Weighted Score: Score x Weighting \_\_\_\_\_

2. General Management and Technical Experience

Firms will be evaluated on the basis of their demonstrated overall management and technical expertise and experience as reflected in the success of significant and complex solid waste projects. Special emphasis will be placed on the firm's track record in working with the public sector and on the firm's building and operation of facilities similar to that proposed.

- a) Has the firm implemented a resource recovery solid waste project of at least 226,500 tons per year? \_\_\_\_\_
- b) How did the firm handle the institutional relationships (such as utilities, public utility commissions, permitting authorities, etc.) needed to implement the resource recovery projects cited (evaluators will need information from interview process for this criterion)? \_\_\_\_\_
- c) Has the firm responded only to RFP processes or has the firm actively developed projects on its own? \_\_\_\_\_

Score: Assign 4 points to a and b and 2 points to c above to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, one-half of the allowable for satisfactory response and the maximum for an outstanding response.

Weighting for this criterion \_\_\_\_\_ 15%

Weighted Score: Score X Weighting \_\_\_\_\_

### 3. Financial Stability and Strength

Firms will be evaluated on the basis of their financial capability, solvency, and net worth as an indication of their ability to absorb possible overruns or losses. Minimum requirements are:

- i. evidence of a firm's ability to obtain performance and payment bond(s) for the construction of the project(s) with a satisfactory security company for a minimum of 100 percent of the facility cost;
  - ii. commitment to provide an appropriate amount of equity if the project is to be privately owned;
  - iii. evidence of an investment grade rating with a nationally recognized rating service; and
  - iv. the guarantor(s) having net assets of 150 percent of the installed capital cost of the project. In the case of a joint venture, the nature of the agreement between firms will be evaluated with emphasis on how financial obligations would be assigned and how it relates to the management of risks.
- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? \_\_\_\_\_  
 If not, has the firm provided letters of commitments from insurers of sufficient financial strength satisfactory to Metro? \_\_\_\_\_
  - b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the facility? \_\_\_\_\_



Does the firm have a record of placing its funds in a project in return for the equity? \_\_\_\_\_

c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's BBB? \_\_\_\_\_

d) Does the guarantor(s) have stockholder's equity in excess of 150 percent of the likely capital cost of the facility? \_\_\_\_\_

Score: Assign 3 points to a and c above and 2 points to b and d to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, one-half of the allowable for a satisfactory response, and the maximum for an outstanding response. \_\_\_\_\_

Weighting for this criterion \_\_\_\_\_

20%

Weighted Score: Score x Weighting \_\_\_\_\_

#### 4. Corporate Commitment

Firms will be evaluated on their present and past corporate commitment to resource recovery as a business area as evidenced by staffing, past projects, levels of research and development, and past financing commitments. Included in this evaluation is the firm's willingness to enter into a full service type of agreement for this project as well as the firm's involvement in project financings of a similar financial magnitude.

a) How long has firm been in resource recovery business? \_\_\_\_\_

b) Is the funding by the corporation on the increase, level, or decreasing? \_\_\_\_\_

c) Does the firm support R&D in the resource recovery industry? \_\_\_\_\_

d) Does the firm enter into turnkey, full service, or other arrangements to suit the client or does the firm have a rigid approach to contracting with the public sector? \_\_\_\_\_

Score: Assign one point to a and three points to b, c, and d to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, one-half of the allowable for a satisfactory response, and the maximum for an outstanding response. \_\_\_\_\_

Weighting for this criterion \_\_\_\_\_

15%

Weighted Score: Score x Weighting \_\_\_\_\_

#### 5. Development Approach

Firms will be evaluated on the appropriateness of their technical and marketing approach to meeting local needs and on the experience of the approach in meeting reliability requirements similar to those proposed in product sales agreement(s).

Commitments to using specific equipment and subcontractors will be included in this evaluation. Material recovery including composting, RDF, and mass burn are considered appropriate technology.

**MANDATORY:** Is the technology proposed an appropriate technology?  
(MUST BE YES) \_\_\_\_\_

- a) Does the proposer provide letters of commitment from the likely energy market? \_\_\_\_\_
- b) Does the technology match the market and the likely contractual requirements? (i.e., Is the approach effectively integrated?) \_\_\_\_\_
- c) Is the proposed equipment reliable and capable of performing to specifications in this project? \_\_\_\_\_
- d) Are energy and materials balances provided and are they reasonable? \_\_\_\_\_
- e) Has the proposer designated a suitable site(s)? \_\_\_\_\_

Score: Assign two points to each of the above to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, 1 for a satisfactory response, and 2 for an outstanding response. \_\_\_\_\_

Weighting for this criterion \_\_\_\_\_

20% \_\_\_\_\_

Weighted Score: Score x Weighting \_\_\_\_\_

## 6. Public Acceptability

Firms will be evaluated on the degree to which the public in the metropolitan area will judge responsiveness to the hierarchy of Metro's appropriate technologies.

- a) As well as a commitment to building resource recovery facilities for profit, does the firm demonstrate a sensitivity to waste reduction, reuse, and recycling? \_\_\_\_\_
- b) Has the firm structured recycling into any of its contracts for providing waste disposal services? \_\_\_\_\_
- c) Does the firm demonstrate a sensitivity to minimizing the environmental impact of its activities? \_\_\_\_\_

Score: Assign 3 points for each of a) and b) and 4 points for c) to arrive at a score from 0 to 10 allowing 0 for an unsatisfactory response, one-half of the allowable for a satisfactory response, and the maximum for an outstanding response. \_\_\_\_\_

**15%**

• ~~\_\_\_\_\_~~

### Scoring Summary:

Criterion	Score	Weight	Weighted Score
1.		15%	
2.		15%	
3.		20%	
4.		15%	
5.		20%	
6.		15%	
		<b>Total</b>	

**Scorer's Name:**

In signing this summary, the scorer certifies that he or she has no direct or indirect financial interest in the firm being evaluated.

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

APPENDIX II  
Certified A True Copy of the Original Thereof  
Clerk of the Council

FOR THE PURPOSE OF AUTHORIZING AN ) RESOLUTION NO. 86-635  
EXEMPTION TO THE PUBLIC CONTRACT- )  
ING PROCEDURE SET OUT IN METRO ) Introduced by the  
CODE SECTION 2.04.001 ET SEQ FOR ) Executive Officer  
SOLID WASTE DISPOSAL SERVICES FROM )  
A RESOURCE RECOVERY FACILITY(IES) )

WHEREAS, The Metropolitan Service District (Metro) has determined, as part of its Solid Waste Reduction Program adopted in Resolution No. 85-611, that a resource recovery facility(ies) is necessary for disposal of up to 48 percent of the municipal solid waste (MSW) in the Portland tri-county planning area; and

WHEREAS, Metro has determined that there are three acceptable alternative technologies, namely, material recovery including composting, refuse-derived fuel (RDF), and mass burn, for resource recovery as a result of the symposium it sponsored; and

WHEREAS, The successful vendor will be an experienced contractor and be required to propose an effective technology, economically and technically feasible, with substantial performance guarantees, environmental acceptability, financial viability, and public acceptability; and

WHEREAS, Solid Waste disposal services includes full service, modified full service, and turnkey proposals but not architect and engineer proposals; and

WHEREAS, Metro Code Section 2.04.011 of the Metro Contract Procedures identifies such contracts as public contracts, and requires such contracts be entered into based on competitive bids; and

WHEREAS, As part of the competitive process Metro wishes to select up to the five most qualified firms for each technological type and/or volume size based on an evaluation, not only of the price quoted for tipping MSW for disposal at the facility, but also of the technical feasibility of the disposal method and its compliance with ORS 459, as well as the procurement approach (full service, modified full service, turn-key), and the risk allocation between Metro and the private parties involved, including the type of guarantees provided Metro by the vendor; and

WHEREAS, The two-part Request for Qualifications/Information (RFQ/I) and Request for Proposals (RFP) solicitation and selection process described in the Staff Report is unlikely to encourage favoritism or substantially diminish competition because the contract will be nationally advertised, the contractual criteria and evaluation criteria will be clearly stated in the RFQ/I and the RFP, because vendor's comments and questions on the RFQ/I and RFP will be addressed, and because competition will be limited only on the basis of ability to carry out the contract, and will encourage competition for the project(s) Metro desires; and

WHEREAS, The solicitation and selection process set out in the Staff Report will result in substantial cost savings because it will allow Metro the opportunity to eliminate all unacceptable proposals prior to the RFP, and to ultimately select that vendor or vendors whose proposal, inclusive of economic, technological, procurement, financial, and political variables is most effective; now, therefore,

BE IT RESOLVED,

That the contract(s) for the solid waste disposal services from a resource recovery facility(ies) is exempted from the competitive bid process because the Council of the Metropolitan Service District finds that the requirements of Metro Code Section 2.04.011(c) have been met.

ADOPTED by the Council of the Metropolitan Service District this 13th day of March, 1986.

  
Richard Waker, Presiding Officer

DA/srs  
5263C/445-4  
03/24/86



DESCRIPTION OF SCORING RESULTS FOR NINE FIRMS EVALUATED \*

Members of the Technical Review Committee (TRC) scored each of the thirteen firms using the attached Evaluation Criteria and Evaluation Form. Written material, audio-visual presentations, and information obtained during interviews were used.

The Committee looked for overall strength to determine which firms were the "most qualified." The summary sheets describe the information presented by each vendor to demonstrate its strength in each area, and the numbers turn this information into a rating to help analyze which vendors are "most qualified."

Though an evaluation form with a numerical rating system was used, the resulting scores are only indicators of overall strengths and weaknesses of the firms, and by no means absolute. Numerical ratings can be subjective and numbers are only an indication of the evaluation each committee member made.

Best efforts were made to discuss judgments as a group in light of the difficulty in making black or white decisions on, for example, what score a firm would get for resource recovery experience if the technology had been implemented, but the joint venture partners had never brought a project to fruition. These and many other subtleties of the evaluation process render results that are not flawless, but reflect the integrity of the process and people who worked hard to interpret their findings to point to those firms most qualified to receive the RFP.

Six criteria were used to evaluate firms: 1) Solid Waste & Resource Recovery Experience, 2) General Management and Technical Experience, 3) Financial Stability and Strength, 4) Corporate Commitment, 5) Development Approach, and 6) Public Acceptability. Criteria number 1, 2, 4 & 6 were worth 15 points, and criteria number 3 & 5 were worth 20 points.

To be considered most qualified, a vendor had to have a most qualified score on at least 5 of the 6 criteria. A most qualified raw score was at least 6 out of 10. A most qualified weighted score was at least 9 out of 15 for criteria number 1, 2, 4 & 6 or 12 out of 20 for criteria number 3 & 5.

OVER, please

The following shows criteria for which each vendor was not considered most qualified, as well as total weighted average scores done by the Technical Review Committee. Scores were out of a possible high score of 100.

<u>VENDOR</u>	<u>SCORE</u>	<u>CRITERIA NOT MOST QUALIFIED</u>
American Ref-fuel	78.4	#1-no plants operating yet, but have experience in all other areas
C-E	81.0	#1-5 plants under contract only, but have experience in all other areas
D.I.T.T.	67.9	#5, #6-no U.S. depth nor experience in putting project together & implementing
Fluor	75.4	#1-no full service implementation, but have developed projects
Foster-Wheeler	41.0	#1, #5, #6-no site nor dev. approach
LBH-PRC	57.7	#1, #6-new team with no proj. dev. exp.
N.R.R.C.	63.0	#1, #2-only small scale, experimental projects-little full service experience
Schnitzer-Ogden	83.0	strong in all areas; plants operating
Westinghse	67.7	#1, #2, #6-several plants in dev. stage; primary exp. has been in equipment sales

The firms recommended for the shortlist are those firms for which only one or no criteria were below a raw score of 6. These firms include:

American Ref-fuel  
 Combustions Engineering  
 Fluor Engineering  
 Schnitzer-Ogden

\*the three compost responses and GSX response were scored and evaluated prior to the mass burn and RDF submissions and were not retained, so cannot be reproduced. No numerical scores for individual criteria for the nine mass burn and RDF firms were retained. Only the total weighted average scores are available.

Debbie G. Allmeyer/Eleanore S. Baxendale 7/14/86

## DESCRIPTION OF SCORING RESULTS FOR NINE FIRMS EVALUATED \*

Members of the Technical Review Committee (TRC) scored each of the thirteen firms using the attached Evaluation Criteria and Evaluation Form. Written material, audio-visual presentations, and information obtained during interviews were used.

The Committee looked for overall strength to determine which firms were the "most qualified." The summary sheets describe the information presented by each vendor to demonstrate its strength in each area, and the numbers turn this information into a rating to help analyze which vendors are "most qualified."

Though an evaluation form with a numerical rating system was used, the resulting scores are only indicators of overall strengths and weaknesses of the firms, and by no means absolute. Numerical ratings can be subjective and numbers are only an indication of the evaluation each committee member made.

Best efforts were made to discuss judgements as a group in light of the difficulty in making black or white decisions on, for example, what score a firm would get for resource recovery experience if the technology had been implemented, but the joint venture partners had never brought a project to fruition. These and many other subtleties of the evaluation process render results that are not flawless, but reflect the integrity of the process and people who worked hard to interpret their findings to point to those firms most qualified to receive the RFP.

Six criteria were used to evaluate firms: 1) Solid Waste & Resource Recovery Experience, 2) General Management and Technical Experience, 3) Financial Stability and Strength, 4) Corporate Commitment, 5) Development Approach, and 6) Public Acceptability. Criteria number 1, 2, 4 & 6 were worth 15 points, and criteria number 3 & 5 were worth 20 points.

To be considered most qualified, a vendor had to have a most qualified score on at least 5 of the 6 criteria. A most qualified raw score was at least 6 out of 10. A most qualified weighted score was at least 9 out of 15 for criteria number 1, 2, 4 & 6 or 12 out of 20 for criteria number 3 & 5.

OVER, please

The following shows criteria for which each vendor was not considered most qualified, as well as total weighted average scores done by the Technical Review Committee.. Scores were out of a possible high score of 100.

<u>VENDOR</u>	<u>SCORE</u>	<u>CRITERIA NOT MOST QUALIFIED</u>
American Ref-fuel	78.4	#1-no plants operating yet, but have experience in all other areas
C-E	81.0	#1-5 plants under contract only, but have experience in all other areas
D.I.T.T.	67.9	#5, #6-no U.S. depth nor experience in putting project together & implementing
Fluor	75.4	#1-no full service implementation, but have developed projects
Foster-Wheeler	41.0	#1, #5, #6-no site nor dev. approach
LBH-PRC	57.7	#1, #6-new team with no proj. dev. exp.
N.R.R.C.	63.0	#1, #2-only small scale, experimental projects-little full service experience
Schnitzer-Ogden	83.0	strong in all areas; plants operating
Westinghse	67.7	#1, #2, #6-several plants in dev. stage; primary exp. has been in equipment sales

The firms recommended for the shortlist are those firms for which only one or no criteria were below a raw score of 6. These firms include:

American Ref-fuel  
 Combustions Engineering  
 Fluor Engineering  
 Schnitzer-Ogden

\*the three compost responses and CSX response were scored and evaluated prior to the mass burn and RDF submissions and were not retained, so cannot be reproduced. No numerical scores for individual criteria for the nine mass burn and RDF firms were retained. Only the total weighted average scores are available.

Debbie G. Allmeyer/Eleanore S. Baxendale 7/14/86

Categories in which firms were considered "most qualified."

		#1	#2	#3	#4	#5	#6
American Ref-fuel	78.4		X	X	X	X	X
C-E	81.0		X	X	X	X	X
D.I.T.T.	67.9	X	X	X	X		
Fluor	75.4		X	X	X	X	X
Foster- Wheeler	41.0		X	X	X		
LBH-PRC	57.7		X	X	X	X	
N.R.R.C.	63.0			X	X	X	X
Schnitzer- Ogden	83.0	X	X	X	X	X	X
Westinghse	67.7			X	X	X	

## AMERICAN REF-FUEL

The response from American Ref-Fuel was among the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This highly qualified joint venture of Browning Ferris Industries (BFI) and Air Products, Inc. provided evidence of solid experience, financial strength, corporate commitment, and approach and which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for American Ref-Fuel of most qualified to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the two members of the joint venture combined their respective strengths to be very responsive to Metro's requirements. American Ref-Fuel will begin construction of their Hempstead, New York, facility within the next four months. American Ref-Fuel presently has several other projects in various stages of development. As to the size of these facilities, the Boston, Massachusetts, project is identical to that proposed for Metro. None of the facilities under development by American Ref-Fuel are nearing commercial operations in the short term (the next two years), but this should be a relatively minor problem considering the worldwide experience with Deutsch Babcock Anlagen (DBA) plans equal to and larger than that proposed here. In the area of marketing of recovered resources, American Ref-Fuel has marketed electricity from these projects, and BFI has been in the recycling business since 1969.

In General Management and Technical Experience, all of the projects American Ref-Fuel has implemented have exceeded 226,500 tons per year. American Ref-Fuel and its personnel have worked extensively with utilities, public utility commissions, permitting agencies, and the like. American Ref-Fuel has responded to RFPs and has also developed the Houston project which required the additional development efforts as would be required for the Metro project. American Ref-Fuel and its personnel have participated in every aspect of development of alternative technology projects.

With respect to Financial Stability and Strength, BFI and Air Products, Inc. are both substantial companies. American Ref-Fuel has obtained the performance and payment bonds on all their projects, and American Ref-Fuel has committed \$286 million for equity in its present projects and would optimize any tax benefits which would accrue if the project were privately owned to the equity contributed. Relative to the project's likelihood of receiving an investment grade rate, BFI is rated "A+" and Air Products, Inc. is rated "A" by Standard and Poor's. BFI had a net worth of \$550 million and Air Products, Inc. had a net worth of \$1,163 million as of the end of 1985.



With respect to Corporate Commitment, American Ref-Fuel has been in the resource recovery business for many years. In addition, BFI has been in the materials recovery R&D area in Houston and Toronto. American Ref-Fuel has been actively expanding its staff with a 35 percent growth rate over the past three years. American Ref-Fuel is implementing and has implemented projects to suit the particular needs of the client and does not enter projects with a rigid approach. American Ref-Fuel has been flexible in its approach to ownership, financing, risk allocation, and size but does prefer the full-service approach.

American Ref-Fuel has not done a complete development of their approach for the disposal of Metro's municipal solid waste. The joint venture has had discussions with local energy markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided; American Ref-Fuel had CH<sub>2</sub>M HILL do a site review for the facility; and some of the cost information requested is provided.

American Ref-Fuel responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and BFI has operated buyback centers, provided curbside collection for community recycling and is willing to structure recycling cooperation into any of its projects. The Essex County, New Jersey, plant incorporates a sophisticated ferrous recovery system into the flow. American Ref-Fuel is committed to minimizing the environmental impact of its activities.

5948C/459

## COMBUSTION ENGINEERING (CE)

The response from CE was overall one of the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This highly qualified firm provided evidence of solid experience, financial strength, corporate commitment, and approach and which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for CE of most qualified to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, CE's strength is responsive to Metro's requirements. CE has started design and construction of three projects (Hartford, Connecticut; Honolulu, Hawaii; and Detroit, Michigan) using their technical approach. CE has another project in San Francisco in an advanced stage of development. In the area of marketing of recovered resources, CE has marketed electricity and steam from these projects, and CE has some experience in the marketing of ferrous metals.

In General Management and Technical Experience, all of the projects CE has implemented have exceeded 226,500 tons per year. CE and its personnel have worked extensively with utilities, public utility commissions, permitting agencies, and the like. CE has responded to RFPs and has also provided similar additional development efforts in their projects as would be required for the Metro project. CE and its personnel have participated in every aspect of development of alternative technology projects.

With respect to Financial Stability and Strength, CE is a substantial company. CE has obtained the performance and payment bonds on all their projects, and CE has guaranteed to obtain equity for the project so as to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, CE's debt is rated "A" by Standard and Poor's. CE had a net worth of \$604 million as of the end of 1985.

With respect to Corporate Commitment, CE has been in the resource recovery business for many years. CE has been actively expanding its staff both from marketing standpoint as well as supporting research internally and externally with respect to combustion control and the environmental impact of resource recovery facilities. CE is implementing and has implemented projects to suit the particular needs of the client and does not enter projects with a rigid approach. CE has been flexible in its approach to ownership, financing, risk allocation, and size.

CE has done a complete development of their approach for the disposal of Metro's municipal solid waste. CE has provided letters from energy markets for which the project is suited to meeting their

requirements both contractually as well as technically. Energy and material balances are provided; a Gilmore Steel owned site is identified for the facility; and the cost information requested is quite complete.

CE responded positively relative to the Public Acceptability criterion in their discussion of their technology's flexibility to respond to the client's needs. CE has actively supported minimizing the environmental impact of its activities.

5948C/459

## DITT

Overall, the response from DITT was not among the best (based upon the Metro criteria) received by Metro to the Request for Qualifications and Information (RFQ/I). This qualified firm provided evidence of solid experience and financial strength, but only limited evidence of corporate commitment, approach and sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that the DITT response has resulted in the firm not being recommended to receive a Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, DITT has considerable strength and could be responsive to Metro's requirements. DITT, through its parent company, EDF, has developed, designed, constructed, owned, and operated four large projects utilizing various mass burn technologies throughout France. As to the size of these facilities, they are all larger than that proposed for Metro. In the area of marketing of recovered resources, EDF has marketed electricity, steam clinker, and ferrous metals from these projects.

Regarding General Management and Technical Experience all four of the projects EDF has implemented have exceeded 226,500 tons per year. DITT and its personnel have worked with utilities, public utility commissions, permitting agencies, and the like, in the Rialto and Cincinnati projects. DITT has responded to RFP's and EDF has developed complete projects. However, with only six employees in the United States, DITT would be hard pressed to provide the efforts that would be required for the Metro project.

With respect to Financial Stability and Strength, EDF is a very substantial company, However, DITT has very limited resources if the firm were without a parent guarantee from EDF. Performance and payment bonds on the project would be required if EDF did not make the technical guarantees (a DITT guarantee is not sufficient unless backed by EDF). EDF has no U.S. tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, EDF's commercial paper is rated "AAA" by Standard and Poor's. EDF has a net worth of over \$20 billion.

So far as Corporate Commitment is concerned, EDF has been in the resource recovery business for 40 years: both in ferrous recovery and with mass burn technology. Additionally, DITT has been expanding its marketing staff. The DITT representative stated that DITT implements projects to suit the particular needs of the client and does not enter projects with a rigid approach.

DITT has undertaken a very limited development of their approach for the disposal of Metro's municipal solid waste. While energy and material information for other EDF plants is provided, no site is identified for the facility and the cost information requested is incomplete.

Further, DITT did not respond relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy.

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## FLUOR ENGINEERS

The response from Fluor Engineers was overall among the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This highly qualified team provided evidence of solid experience, financial strength, corporate commitment, and approach and which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for the joint venture of Fluor Engineers/Riley Stoker/Rader of most qualified to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the three members of the joint venture combined their respective strengths to be very responsive to Metro's requirements. Riley has designed and constructed eight projects utilizing various technologies. As to the size of these facilities, they have ranged from 100 TPD to 2,000 TPD which encompasses that proposed for Metro. Facilities nearing commercial operations are operated by Takuma which has worldwide experience with plants larger than that proposed here. In the area of marketing of recovered resources, the team has experience in many of these projects. Takuma, Riley's licensor, has developed 30 projects completely, and Fluor has developed the Wallingford, Connecticut, and Springfield, Massachusetts, projects. Relative to the RDF technology in which Riley and Rader combine their experience, they refer to Pontiac, Michigan; Ames, Iowa; Columbus, Ohio, and Bremerton, Washington, among others.

In General Management and Technical Experience, several of the projects in which the Fluor team has been involved have exceeded 226,500 tons per year. Members of the Fluor team and their personnel have worked with utilities, public utility commissions, permitting agencies, and the like. The Fluor team has responded to RFPs and has also provided other services to projects such as that which would be required for the Metro project.

With respect to Financial Stability and Strength, Fluor and its partners are all substantial companies. Team members have obtained performance and payment bonds on all their projects, and Southern Electric and Portland General Corporation (letters of interest included) have the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, debt of the partners is rated in a range from "A-" to "BBB+" by Standard and Poor's. Fluor had a net worth of over \$1 billion as of October 31, 1985.

With respect to Corporate Commitment, Fluor and its partners have been in the resource recovery business for many years: Riley in the stoker and boiler area, and Rader with the RDF technology. Fluor has been actively expanding its staff. The team is



implementing and has implemented projects to suit the particular needs of the client and does not enter projects with a rigid approach. The team has indicated a flexible approach to ownership, financing, risk allocation, and size for the Metro project.

The Fluor team has provided as complete a development of their approach for the disposal of Metro's municipal solid waste as could reasonably be expected at this stage of the procurement. The joint venture has provided letters from energy markets for which the project is suited to meeting its requirements both contractually as well as technically. Energy and material balances are provided; a site(s) is identified for the facility(ies); and the cost information requested is complete.

The Fluor team responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy.

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## FOSTER WHEELER (FW)

The response from FW was not responsive (based upon the Metro criteria) to the Request for Qualifications and Information (RFQ/I) issued by Metro. This firm provided evidence of solid experience and financial strength but did not demonstrate a corporate commitment and approach and did not therefore promise a sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this firm has not been recommended to receive one of the Request for Proposals (RFP).

Relative to the criteria of Solid Waste and Resource Recovery Experience, FW has the strength to be responsive to Metro's requirements. FW has designed and constructed at least three projects utilizing mass burn technology that FW is presently developing. As to the size of these facilities, the Camden County, New Jersey, project is nearly 70 percent of the level of that proposed for Metro. In the area of marketing of recovered resources, FW may have marketed electricity from its other projects but the information is not readily available.

In General Management and Technical Experience, the Camden, New Jersey, project exceeds 226,500 tons per year. FW and its personnel may have worked with utilities, public utility commissions, permitting agencies, and the like. FW has responded to RFPs and may have provided similar additional development efforts in their other projects such as that which would be required for the Metro project (but it is not possible to determine from their submittal).

With respect to Financial Stability and Strength, FW is a substantial company. FW has obtained performance and payment bonds on other projects, and FW has the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. FW has provided equity in other resource recovery projects. Relative to the project's likelihood of receiving an investment grade rating FW's debt is currently rated but Smith Barney has documented that FW has a potential rate of at least "BBB." FW had a net worth of \$408 million at the end of 1985.

With respect to Corporate Commitment, FW has been in the resource recovery business for many years; primarily providing boiler equipment several years ago, but presently with full service approach. FW has been actively expanding its staff. FW does not seem to enter projects with a rigid approach, rather seems to have been flexible in its approach to ownership, financing, risk allocation and size.

FW has not developed its approach for the disposal of Metro's municipal solid waste.

FW did not respond to the Public Acceptability criterion in their discussion relating to Metro's hierarchy.

## **GSX WASTE TRANSFER, INC.**

The response from GSX Waste Transfer Inc. (GSX) would have been one of the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro except for their requirement that their project receive a specific part of the waste stream, which Metro was not willing to accommodate for this procurement. This highly qualified firm provided evidence of solid experience, financial strength, corporate commitment, and approach, which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this response would have rated a recommendation for GSX of most qualified to receive one of the Request for Proposals (RFP) had it not been for the above referenced policy decision.

Relative to the criterion of Solid Waste and Resource Recovery Experience, GSX's strength is very responsive to Metro's requirements. GSX has designed, constructed, and operated the Oregon Processing and Recycling Center (OPRC) and has and is developing several additional projects in landfill gas recovery. As to the size, the OPRC is below the 70 percent level desired by Metro, but this would be a relatively minor problem considering both the smooth operation of the OPRC project and the experience GSX has in solid waste handling and processing. In the area of marketing of recovered resources, GSX has marketed the products from the OPRC and is among the most qualified firms in the marketing of recovered resources in the United States.

In General Management and Technical Experience, the project GSX has proposed is well under 226,500 tons per year and the criterion would not apply. GSX and its personnel have worked extensively in permitting agencies and the like, but not with utilities and public utility commissions. GSX has responded to RFPs and has also provided similar additional development efforts in many of their projects such as that which would be required for the Metro project. GSX and its personnel have participated in many aspects of the development of alternative technology projects.

With respect to Financial Stability and Strength, GSX's parent is a substantial company. Since GSX is proposing to finance the expansion through its parent with its own funds and Genstar has the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned the project as conceived is very strong. Relative to the project's likelihood of receiving an investment grade rating, Genstar had a net worth of over one billion Canadian dollars as of the end of 1985.

With respect to Corporate Commitment, GSX has been in the resource recovery business for many years. GSX has been actively expanding its marketing and research staff. GSX is and has implemented projects to suit the particular needs of the client but does prefer the full-service approach as proposed.

GSX has done a complete development of their approach to the disposal of Metro's municipal solid waste. GSX has provided letters from ongoing markets for which the project is suited to meeting the requirements both contractually as well as technically. Energy and material balances are provided; a GSX owned site is offered for the facility; and the cost information requested is complete.

GSX responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and the GSX OPRC is a major recycling operation. The GSX project, if implemented, would be a strong resource recovery situation. GSX has actively supported minimizing the environmental impact of its activities.

LAURENT BOUILLET-HOWARD/PRC (LBH/PRC)

The response from LBH/PRC was not overall among the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This qualified team provided evidence of experience, financial strength, corporate commitment, and approach which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this firm has not been recommended to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the members of the joint venture combined their respective strengths to respond to Metro's requirements. Laurent Bouillet has designed, constructed, and operated six projects utilizing the technology that LBH/PRC have proposed for Metro. As to the size of these facilities, the projects span the range of 65 TPD to 300 TPD. Some of the facilities in commercial operations are in excess of the 70 percent level desired by Metro. The weakness in the experience of this team is that LBH's experience is primarily in France and PRC's experience is primarily in resource recovery consulting. In addition, this group has never worked together on projects previously.

In General Management and Technical Experience, many of the projects LBH has implemented have exceeded 226,500 TPY. PRC and its personnel have worked with utilities, public utility commissions, permitting agencies, and the like. PRC has provided development efforts in many of their projects such as that which would be required for the Metro project. LBH/PRC and its personnel have participated in many aspects of the development of alternative technology projects but none in a coordinated follow through manner in the United States.

With respect to Financial Stability and Strength, LBH and PRC are both substantial companies. PRC can obtain performance and payment bonds on projects exceeding \$100 million, and PRC has the tax appetite to effectively use any tax benefits which would accrue if the project were partially owned by PRC. The other partners have also committed to providing equity in the project. Relative to the project's likelihood of receiving an investment grade rating, PRC's debt would be rated "BBB" by Standard and Poors. PRC had a net worth of \$68 million as of June 30, 1985.

With respect to Corporate Commitment, PRC and LBH have been in the resource recovery business for many years: PRC in the consulting area since 1969, and LBH with their mass burn technology since 1974. PRC has been expanding its staff and has established a privatization division as well as supporting research internally and externally with respect to a computerized combustion control system and LBH has continuing R&D on sludge combustion. The team indicates a flexible approach to ownership, financing, risk allocation, and size.

LBH/PRC has done a relatively complete development of their approach for the disposal of Metro's municipal solid waste. The joint venture has contacted energy markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided; a site is identified for the facility; and the cost information requested is nearly complete.

LBH/PRC responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy. The joint venture partners of LBH/PRC have actively supported minimizing the environmental impact of their activities.

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## **MCCLARRAN & ASSOCIATES**

Overall, the response from McClarran & Associates (McClarran) was not among the best (based upon the Metro criteria) received by Metro to the Request for Qualifications and Information (RFQ/I). This firm provided evidence of experience, but only limited evidence of financial strength, commitment, approach and sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that the McClarran response has not been recommended to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, McClarren could be responsive to Metro's requirements, but its approach is weak since the primary thrust of the approach is to sell equipment rather than offer a service. McClarren has under development 14 projects utilizing the proposed composting technology. As to the size of these facilities, they are all about the size of that proposed for Metro. In the area of marketing of the compost and recovered resources, McClarran does not own any of these projects.

Regarding General Management and Technical Experience, all fourteen of the projects that McClarran has under development exceed 226,500 tons per year. McClarran and its personnel have not worked extensively with permitting agencies and the like. McClarran has not responded to RFPs in the past and McClarran has not developed complete projects. Thus, with only a few employees, it seems McClarran would be hard pressed to provide the efforts that would be required for the Metro project.

With respect to Financial Stability and Strength, McClaran has very limited resources and the firm would need a guarantee from a firm of major financial strength. Performance and payment bonds on the project would be required which McClarran has not had in the past. McClarran has little tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, it is highly unlikely. McClarran has an unknown net worth.

So far as Corporate Commitment is concerned, McClarran, via "Red" McClarran, has been in the resource recovery business for 20 years, but the approach needs a major commitment from a financing source.

McClarran has undertaken a very limited development of their approach for the disposal of Metro's municipal solid waste. While information for composting facilities is provided, no site is specifically identified for the facility and the cost information requested is incomplete.

Further, while McClarran did not respond relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, the approach would address Metro's hierarchy positively.

## NATIONAL RESOURCE RECOVERY CORPORATION (NRRC)

The response from NRRC (with its major subcontractor, General Electric (GE)) was not overall among the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This qualified team provided evidence of experience, financial strength, and approach which promised sensitivity to the Portland ethic, but limited corporate commitment from GE. The following provides more detail as to the Technical Review Committee's finding that this firm has not been recommended to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the two members of the joint venture combined their respective strengths to respond to Metro's requirements. NRRC has designed and constructed two projects utilizing an RDF technology that NRRC is developing. As to the size of these facilities, they are considerably smaller than that proposed for Metro. All of the facilities commercial operations are below the 70 percent level desired by Metro. This is a problem considering that they are not operated by NRRC, and GE's Biddeford, Maine, experience is also at a smaller scale than that proposed here. In the area of marketing of recovered resources, NRRC has marketed cans but that experience is weak relative to other qualified firms.

In General Management and Technical Experience, none of the projects NRRC has been involved with have exceeded 226,500 tons per year. NRRC and its personnel has not worked extensively with utilities, public utility commissions, permitting agencies, and the like, but GE may have some experience in its other projects. The additional development efforts in their other projects such as would be required for the Metro project do not seem to be extensive. NRRC and its personnel have not participated in many aspects of the development of alternative technology projects.

With respect to Financial Stability and Strength, GE is an extremely substantial company but NRRC has limited resources. GE will obtain performance and payment bonds on its projects, but prefers not to put these in place to save the project money (relying instead on its financial strength). GE has the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned, but GE has indicated no interest in owning any resource recovery project. Relative to the project's likelihood of receiving an investment grade rating, GE's debt is rated "AAA" by Standard and Poor's. However, the likelihood of GE's credit being available to the project appears limited. GE had a net worth of nearly \$14 billion at the end of 1985.

With respect to Corporate Commitment, NRRC has been in the resource recovery business for many years, and GE for a few years. GE seems to be expanding its staff from a marketing standpoint. NRRC and GE have implemented projects to suit the particular needs of the client but GE seems to have a rigid approach to ownership.

NRRC provided more complete material on their approach for the disposal of Metro's municipal solid waste during their interview (not with the original submittal). The joint venture has provided letters from energy markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided, a site is identified for the facility, and some of the cost information requested is provided.

NRRC responded to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and NRRC activities are in recycling projects. NRRC and GE have actively supported minimizing the environmental impact of their activities.

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## REUTER/BUHLER-MIAG

The response from Reuter/Buhler-Miag was one the best (based upon the Metro criteria) of the composting responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This qualified team provided evidence of solid experience, corporate commitment, and corporate approach, which promised sensitivity to the Portland ethic but had limited financial strength for accomplishing the project. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for the joint venture of Reuter/Buhler-Miag of most qualified to receive only the composting Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the two members of the joint venture combined their respective strengths to be responsive to Metro's requirements. Buhler-Miag has designed and constructed more than 100 projects utilizing their composting technology world wide. None of these plants are operated by the joint venture. As to the size of these facilities, most are as large or larger than that proposed for Metro. The 400 TPD facility in Minneapolis which will be operated by Reuter is above the 70 percent level desired by Metro. In the area of marketing of recovered resources, Reuter is currently negotiating marketing contracts for the RDF and compost from the Minneapolis facility.

In General Management and Technical Experience, nearly all of the projects the joint venture has implemented have exceeded 100,000 tons per year. Reuter and its personnel have worked with permitting agencies and the like on the Minneapolis project. In responding to this RFP, the joint venture has provided evidence of a flexible approach.

With respect to Financial Stability and Strength, although Reuter is not as large as many of the other firms offering their qualifications for the mass burn/RDF RFP, they have indicated a commitment to private financing and ownership of their facility. Metro must therefore clearly inform Reuter that their joint venture must be structured to give Metro extremely limited financial exposure if the project were privately owned by them. Relative to the project's likelihood of receiving an investment grade rating, if bonds were issued the project as a "pure" project structure without any bond insurance or letters of credit, the project would probably not be investment grade by Standard and Poor's criteria, since Reuter had a net worth of only \$19.8 million as of the end of 1985.

With respect to Corporate Commitment, Reuter and Buhler-Miag have both been in the resource recovery business for many years: Buhler-Miag in the resource recovery area for 30 years and Reuter with waste processing for 16 years. Reuter has been actively expanding its staff both from a marketing standpoint as well as Buhler-Miag supporting research internally and externally with respect to its resource recovery facilities. Reuter states that it will implement projects to suit the particular needs of the client and does not enter projects with a rigid approach.

Reuter/Buhler-Miag has done a relatively complete development of their approach to the disposal of a part of Metro's municipal solid waste. The joint venture has provided letters from markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided; a site is identified for the facility; and the cost information requested is quite complete.

Reuter/Buhler-Miag responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and Reuter has structured major recycling into this project. The Reuter/Buhler-Miag project, if implemented as a composting project for 100,000 tons per year, could be a strong situation and minimizes the environmental impact of this part of the project.



## **RIEDEL ENVIRONMENTAL SERVICES, INC.**

The response from Riedel Environmental Services, Inc. (Riedel) was one of the best (based upon the Metro criteria) of the composting responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This qualified team provided evidence of solid experience, corporate commitment, and approach and which promised sensitivity to the Portland ethic but had limited financial strength for accomplishing the project. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for Riedel of most qualified to receive only the composting Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the members of the Riedel team combined their respective strengths to be responsive to Metro's requirements. Motherwell has designed and constructed over ten plants but does not operate any of the projects utilizing Dano technology that Riedel is proposing to develop. As to the size of these facilities, the nominal Dano line is rated at 150-200 tons per eight hour shift, which is similar to that proposed for Metro. Some of the facilities nearing commercial operations are above the 70 percent level desired by Metro, and this should therefore be no problem considering the worldwide experience with Dano plants larger than the smallest proposed here (which will be applicable to the composting RFP). In the area of marketing of compost and recovered resources, Riedel is proposing to take all the risk of the marketing of the compost and any other products.

In General Management and Technical Experience, the London Motherwell-Dano project at 400,000 tons per year exceeds the 226,500 tons per year criterion. Riedel and its personnel have worked with permitting agencies and the like in its related activities and its subcontractor, Cogan Sharpe Cogan, has experience in this area. Riedel will respond to RFPs and will also provide similar additional development efforts in their projects such as that which would be required for the Metro project. Riedel is actively marketing in this area.

With respect to Financial Stability and Strength, Riedel is of limited financial strength, but its parent, a privately held company, may have resources which are sufficient to finance the project privately. Riedel has committed to provide financing for any project they propose. So long as Metro makes very clear that Riedel must require

extremely limited risk of Metro for the project, then Riedel may be able to implement the project. Riedel had a net worth of only three million dollars as of the end of 1985.

With respect to Corporate Commitment, the team members have been in the resource recovery business for many years: Motherwell for at least 15 years. Riedel has been actively expanding its staff both from a marketing standpoint and went public specifically to expand in this field. Riedel attempts to stay current on the research in the field but does not presently do any internal research and development. Riedel is willing to implement projects to suit the particular needs of the client. To minimize risk, Metro must have a relatively rigid approach to ownership, financing, risk allocation, and size relative to Riedel.

Riedel has done a reasonable development of their approach to the disposal of Metro's municipal solid waste. The joint venture has not provided letters from markets for which the project is suited to meeting but Riedel would assume all risk for markets. A material balance is provided but no energy balance as it does not apply; a site is identified for the facility(ies); and the cost information requested is nearly complete.

Riedel responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and Riedel has structured major recycling into this project. Riedel asserts that minimizing the environmental impact of its and other activities is its primary business activity.

## SCHNITZER/OGDEN MARTIN

The response from Schnitzer/Ogden Martin was overall one of the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This highly qualified team provided evidence of solid experience, financial strength, corporate commitment, and approach and which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this response rates a recommendation for the joint venture of Schnitzer/Ogden Martin of most qualified to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, the two members of the joint venture combined their respective strengths to be very responsive to Metro's requirements. Ogden has designed, constructed, and very nearly operated at least two (Tulsa and Marion County) of the six projects utilizing Martin technology that Ogden presently has in various stages of development. As to the size of the facilities, the Hillsborough County, Florida, project is identical to that proposed for Metro. The facilities nearing commercial operations are below the 70 percent level desired by Metro, but this should be a relatively minor problem considering both the probable timing of the Hillsborough County, Florida, project and the worldwide and county-wide experience with Martin plants larger than that proposed here. In the area of marketing of recovered resources, Ogden has marketed electricity from these projects and Schnitzer is probably one of the most qualified firms in the marketing of ferrous metals in the United States.

In General Management and Technical Experience, all of the projects Ogden has implemented have exceeded 226,500 tons per year except the Marion County project. Ogden and its personnel have worked extensively with utilities, public utility commissions, permitting agencies, and the like. Ogden has responded to RFPs and has also provided similar additional development efforts in many of their projects such as that which would be required for the Metro project. Ogden and its personnel have participated in every aspect of the development of alternative technology projects.

With respect to Financial Stability and Strength, Ogden and Schnitzer are all substantial companies. Ogden has obtained the performance and payment bonds on all their projects, and Schnitzer has the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, Ogden's Indianapolis project is a "pure" project structure without any bond insurance and was rated "A" by Standard and Poor's. Ogden had a net worth of \$308 million as of the end of 1985.

With respect to Corporate Commitment, Schnitzer and Ogden have been in the resource recovery business for many years: Schnitzer in

the ferrous recovery area and Ogden with the Martin mass burn technology. Ogden has been actively expanding its staff both from a marketing standpoint as well as supporting research internally and externally with respect to combustion control and environmental impact of resource recovery facilities. Ogden is and has implemented projects to suit the particular needs of the client and does not enter projects with a rigid approach. Ogden has been flexible in its approach to ownership, financing, risk allocation, and size.

Schnitzer/Ogden has done a relatively complete development of their approach to the disposal of Metro's municipal solid waste. The joint venture has provided letters from energy markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided; a Schnitzer-owned site is offered for the facility; and the cost information requested is nearly complete.

Schnitzer/Ogden responded positively relative to the Public Acceptability criterion in their discussion relating to Metro's hierarchy, and Ogden has structured major recycling cooperation into several of its projects. The Schnitzer/Ogden project, if implemented, may well be the strongest ferrous recovery situation from a mass burn facility in the country. Schnitzer/Ogden have actively supported minimizing the environmental impact of their activities.

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## WESTINGHOUSE

The response from Westinghouse was not overall among the best (based upon the Metro criteria) of the responses to the Request for Qualifications and Information (RFQ/I) received by Metro. This very qualified firm provided evidence of experience, financial strength, corporate commitment, and approach which promised sensitivity to the Portland ethic. The following provides more detail as to the Technical Review Committee's finding that this firm has not been recommended to receive one of the Request for Proposals (RFP).

Relative to the criterion of Solid Waste and Resource Recovery Experience, Westinghouse is responsive to Metro's requirements. Westinghouse has designed and has under construction five projects utilizing the O'Connor combustor technology that Westinghouse proposes. As to the size of these facilities, the York County, Pennsylvania, project is the largest facility (1,000 TPD). The facilities nearing commercial operations are below the 70 percent level desired by Metro, but this should be a relatively minor problem considering both the probable timing of the York County, Pennsylvania, project and the fact that the scale up of the combustor satisfies the criterion as Westinghouse proposes four units for Metro. In the area of marketing of recovered resources, Westinghouse is marketing electricity from the York County project and is presently in negotiations.

In General Management and Technical Experience, all of the projects Westinghouse has under development are less than 226,500 tons per year except the York County project. Westinghouse and its personnel have worked with utilities, public utility commissions, permitting agencies, and the like. Westinghouse has responded to RFPs only for O'Connor technology but has also provided similar additional development efforts in their fluidized bed projects in Erie and Collier counties such as that which would be required for the Metro project. Westinghouse and its personnel have participated in some aspects of the development of alternative technology projects.

With respect to Financial Stability and Strength, Westinghouse is a very substantial company. Westinghouse will obtain performance and payment bonds on all projects if the client wishes but company policy is to avoid this for cost savings. Westinghouse has the tax appetite to effectively use any tax benefits which would accrue if the project were privately owned. Relative to the project's likelihood of receiving an investment grade rating, Westinghouse debt is rated "AA" by Standard and Poor's. Westinghouse had a net worth of over \$3 billion as of the end of 1985.

With respect to Corporate Commitment, Westinghouse (in conjunction with O'Connor) has been in the resource recovery business for several years: O'Connor with the rotary kiln mass burn technology and Westinghouse since 1983, when it acquired O'Connor.

Westinghouse has been actively expanding its staff both from a marketing standpoint as well as supporting research internally and externally with respect to combustion systems such as fluidized bed combustion of RDF. Westinghouse is implementing and has implemented projects to suit the particular needs of the client and does not enter projects with a rigid approach. Westinghouse has been flexible in its approach to ownership, financing, risk allocation, and size.

Westinghouse has done a relatively complete development of their approach for the disposal of Metro's municipal solid waste. Westinghouse has provided letters from energy markets for which the project is suited to meeting their requirements both contractually as well as technically. Energy and material balances are provided; the St. Johns Landfill is suggested as the site for the facility, and the cost information requested is nearly complete.

Westinghouse has indicated a knowledge of Metro's hierarchy which responds to the Public Acceptability criterion. Westinghouse actively supports minimizing the environmental impact of its activities through the O'Connor technology and the fluidized combustor.

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## **Public Resources Advisory Group**

74 Trinity Place, Suite 1102

■ New York, New York 10006 ■

(212) 571-2525

**MEMORANDUM TO:** Gershman, Brickner and Bratton, Inc.

**FROM:** Public Resources Advisory Group

**SUBJECT:** Evaluation of Financial Stability and  
Strength  
  
Metropolitan Service District of Portland  
Request for Qualifications/Information  
Resource Recovery Project

**DATE:** June 11, 1986

As part of the project team for the development of a Request for Proposals for the Resource Recovery Project for the Metropolitan Service District of Portland ("Metro"), we have reviewed thirteen proposals received by Metro. Our review was undertaken in order to provide an evaluation of the financial stability and strength of each respondent pursuant to the Combined Evaluation Criteria and Evaluation Form dated May 15, 1986. Attached is our evaluation of the financial stability and strength of each respondent and specific reasons for our ratings.



## Public Resources Advisory Group

FIRM: American REF-FUEL

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 3

The proposer indicated that no performance/payment bond should be required as Air Products and BFI will guarantee project completion. However, based on other projects Air Products and BFI both could attain the necessary performance/payment bonds.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 2

Twenty-five percent is guaranteed if no change in tax law.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 3

BFI and Air Products are rated "A+."

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 2

The combined companies have shareholders' equity of over \$1.6 billion.

TOTAL SCORE

10

20% OF SCORE

2

## Public Resources Advisory Group

FIRM: Combustion Engineering (CE)

	<u>Score</u>
a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?	<u>3</u>
Satisfactory evidence provided.	
b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?	<u>1.5</u>
CE appears to favor public ownership. If private ownership is desired, CE will attempt a leveraged lease using third party equity. If this fails, CE will guarantee equity commensurate with tax benefits	
c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"	<u>3</u>
CE is rated "A1" from S&P.	
d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?	<u>2</u>
CE has shareholders equity of over \$664 million.	
TOTAL SCORE	<u>9.5</u>
20% OF SCORE	<u>1.9</u>

## Public Resources Advisory Group

FIRM: DITT

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 3

This firm is a wholly-owned subsidiary of Electricite de France, the largest electric utility company in the world. The response indicates that Electricite de France will provide a performance bond for the project.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 0

The commitment of DITT to provide equity capital is very questionable based on their response. This questionable commitment is further enhanced by the probable lack of "tax-benefit appetite" of a foreign-owned firm.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 3

DITT per say has no credit rating. However Electricite de France has certain U.S. dollar denominated bonds outstanding which are rated "Aaa" by Moody's.

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 1

If the guarantor is Electricite de France, yes. If the guarantor is DITT, no. This needs to be clarified.

TOTAL SCORE

7

20% OF SCORE

1.4

## Public Resources Advisory Group

FIRM: Flour Engineers, Inc.

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 3

Satisfactory evidence provided.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 1

Flour anticipates providing 50% of equity capital with remainder coming from third party equity using a financing lease. This could cause a more difficult project implementation.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 3

Flour is rated "A-" by Standard & Poor's.

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 2

Flour estimates project costs at \$124 million and has shareholders' equity of over \$1 billion.

TOTAL SCORE

9

20% OF SCORE

1.8

## Public Resources Advisory Group

FIRM: Foster Wheeler Energy Resources, Inc.

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 3

No comments necessary due to proposal guarantee of Foster Wheeler Corporation.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 2

A firm commitment of Foster Wheeler Corporation was made.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 2

Foster Wheeler Corporation has no ratings. However, they provided a letter from Smith, Barney, Harris Upham indicating the potential for an "A" rating. Our analysis indicates, based on public information available, Foster Wheeler would be rated at least "BBB."

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 2

The expected project cost is \$/30,000,000 and Foster Wheeler has stockholders equity of \$408,000,000.

TOTAL SCORE

9

20% OF SCORE

1.8

## Public Resources Advisory Group

FIRM: GSX, a subsidiary of Genstar Corp.

	<u>Score</u>
a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?	<u>3</u>
Satisfactory evidence provided, especially in lieu of small capital amount.	
b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?	<u>2</u>
The firm has committed to finance the entire facility with cash provided by Genstar Corp.	
c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"	<u>0</u>
No ratings available.	
d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?	<u>0</u>
Based on our review of the proposal, it appears as though GSX will be guarantor and not Genstar. No financial information regarding GSX was presented.	
TOTAL SCORE	<u>5</u>
20% OF SCORE	<u>1</u>

## Public Resources Advisory Group

FIRM: Laurent Bouillett-Howard/PRC Engineering

	<u>Score</u>
a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?  PRC Engineering has provided sufficient evidence.	<u>3</u>
b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?  The proposal appears to indicate 25% equity based on third party equity using a leveraged lease. No guarantee of the provision of equity is made.	<u>1</u>
c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"  None of the firms are rated, but PRC believes it would be rated "BBB." We tend to agree based upon publicly available information.	<u>1.5</u>
d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?  PRC has equity of \$186 million with project costs estimated between \$28 and \$60 million.	<u>2</u>
TOTAL SCORE	<u>7.5</u>
20% OF SCORE	<u>1.5</u>



## Public Resources Advisory Group

FIRM: McClarren and Associates

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 0

No evidence provided.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 0

The proposal is for municipal ownership and private management.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 0

No ratings are currently in place.

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 0

No financial statements were provided.

TOTAL SCORE

0

20% OF SCORE

0

## Public Resources Advisory Group

FIRM: National Resource Recovery Corporation/  
General Electric

	<u>Score</u>
a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?	<u>3</u>
They believe no performance bond is necessary due to General Electric guarantee. However, GE can clearly demonstrate capability.	
b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?	<u>0</u>
The commitment is made. They indicate they would attempt to arrange third party equity.	
c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"	<u>3</u>
NRRC is not rated but the guarantor, GE, is rated "Aaa."	
d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?	<u>2</u>
GE has shareholders' equity of over \$13.9 billion.	
TOTAL SCORE	<u>8</u>
20% OF SCORE	<u>1.6</u>

## Public Resources Advisory Group

FIRM: Reuter/Buhler-Maig

Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?

0

Not clear from proposal.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?

1

Have committed to a minimum of 10%.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"

0

Neither company is rated.

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?

0

Buhler-Maig is privately held and presents no financial data. Reuter has equity of \$19.8 million with project costs estimated at \$52 million.

TOTAL SCORE

1

20% OF SCORE

0.2

## Public Resources Advisory Group

FIRM: Riedel Environmental Technologies, Inc. (RET)

- |   | <u>Score</u> |
|---|--------------|
| a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?   | <u>0</u>     |
| Satisfactory evidence not provided.   |              |
| b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?                               | <u>1</u>     |
| It is unclear from proposal regarding equity contribution. The firm proposes to finance project through local lending institution and/or publicly offered IDBs. |              |
| c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"  | <u>0</u>     |
| The guarantor, RET, has no credit rating.   |              |
| d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?  | <u>0</u>     |
| RET currently has equity of approximately \$3 million.  |              |

TOTAL SCORE 1

20% OF SCORE 0.2

## Public Resources Advisory Group

FIRM: Schintzer/Ogden Martin Systems, Inc.

### Score

- a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project? 3

Satisfactory evidence provided.

- b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project? 2

Yes.

- c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?" 3

Ogden Corporation, the guarantor, is rated "Baa" by Moody's, which is similar to the "BBB" Standard & Poor's rating.

- d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility? 2

Ogden Corporation's equity is \$308 million.

TOTAL SCORE 10

20% OF SCORE 2

## Public Resources Advisory Group

FIRM: Resource Energy System Division (Westinghouse)

	<u>Score</u>
a) Has the firm been able to obtain performance and payment bonds on other projects which approximate or exceed the likely facility cost for Metro's project?  Satisfactory evidence provided.	<u>3</u>
b) Has the firm committed to provide capital for the equity commensurate with expected tax benefits if the firm owns the project?  Yes. However, the proposer indicates that equity will be provided (via a leveraged lease) at the "in service" date. Westinghouse will guarantee the availability of equity.	<u>1.5</u>
c) What is the rating on debt issued by the firm and does it exceed Standard & Poor's "BBB?"  Westinghouse, the guarantor, is rated "AA-/A1" (S&P/Moody's).	<u>3</u>
d) Does the guarantor(s) have stockholders' equity in excess of 150% of the likely capital cost of the facility?  Westinghouse has equity of over \$3.2 billion and the project is estimated at \$110 million.	<u>2</u>

TOTAL SCORE 9.5

20% OF SCORE 1.9

MINUTES OF THE PRC

July 18, 1986

PRC: Jim Gardner, Sharron Kelley, Corky Kirkpatrick  
Excused: Dave Sturdevant

TRC: Debbie Allmeyer, Eleanore Baxendale, Doug Drennen,  
Bob Dreyfuss, Delyn Kies, Bob Zier (on phone)  
Excused: Dan Durig

Staff: Norm Wietting

Guests: Michael Rollins

Allmeyer: Distributed staff report with total scores and with a  
Chart of criteria in which vendors were most qualified.  
Briefly explained staff report.

Explained that Councilor Kelley was concerned about not  
including Westinghouse and about Ogden's financial  
situation due to a pending law suit.

Baxendale: Explained that the resolution exempting this project  
from public bid allowed selection of up to five vendors  
in each technology; adding Westinghouse would not be a  
problem if a rationale for selecting Westinghouse as  
"most qualified" was given by the Committee.

Kelley: Explained that she was very concerned about financial  
integrity. Financial ability affects the cost of doing  
the project because it is reflected in the terms of the  
financing. Westinghouse has a net worth of \$3 billion  
and Schnitzer/Ogden has a net worth of \$300 million.  
Westinghouse also had a credit rating of AA-/A1 while  
Schnitzer/Ogden has a rating of BBB/Baa. In addition,  
Ogden is involved in litigation which could affect its  
financial ability. The financial ability criteria only  
evaluated whether the firms met a threshold level of  
financial commitment and bond ratings but it did not  
then compare the vendors to determine whether one was  
more qualified than another. She felt this was a  
serious weakness in the evaluation.

Zier: Confirmed Kelley's statement of the net worth of both  
firms. He pointed out that Schnitzer/Ogden is putting  
its assets behind this project and was therefore putting  
itself at risk, unlike Westinghouse. Westinghouse is  
looking toward a leveraged lease, resulting in Metro  
ownership rather than in a Westinghouse commitment of  
its own funds and the resulting risk.



The Ogden litigation is over the terms of sale of a former Ogden subsidiary where the value of the assets is in dispute. Ogden has set aside a sum in excess of the appraiser's recommendation (\$30 million set aside) and this was shown already in the financial statement.

Bond ratings would be better for Westinghouse than for Schnitzer/Ogden if everything were equal, but the projects are not equal, he said. If we had a project (i.e. site, power sale contract, etc.) and were seeking contractors, then the project would be equal and Westinghouse would be less expensive.

**Allmeyer:** With regard to experience and ability to put together a project, Westinghouse seems superior to DITT which scored .2 higher than Westinghouse. DITT has an eight-person team in the U.S. which is already committed to another project. Also, they provided no information on development approach. Westinghouse has three contracts in the works which, although smaller than the Metro project, are full service projects. Westinghouse scored low because in the past they have been an equipment supplier, not an actual developer. The plant in Japan is not operated by Westinghouse; Westinghouse bought out the licensee of the technology used in Japan.

**Motion:** Moved by Kirkpatrick, seconded by Kelley, to have two RFP's: one for RDF/mass burn and one for compost, with specified tonnages of 250,000, 350,000 and 450,000 tons per year for the former and 100,000 and 200,000 tons per year for the latter.

In general discussion on the composting, the following points were considered.

- The smaller sizes were appropriate for composters because there is no experience with this technology in the United States and therefore, the risks and markets are unknown.
- Composters proposed at 100,000 ton level and indicated economic advantages if scale increased.
- Composters were new and did not have the same financial strength as traditional technologies, so they are taking a greater risk.

- Lower capability is acceptable because composting is higher on state heirarchy.

Motion carried unanimously.

Kelley: Reiterated her concerns about Ogden's financing and felt that financial ability is the bottom line. It affects the cost of the project. All things being equal, Westinghouse was better.

A general discussion about including Westinghouse followed with these points being considered.

- Ogden has financial ability.
- Finance was weighted on adequacy and can be comparatively evaluated in RFP for effect on cost.
- Westinghouse was most qualified in three out of six areas and the most qualified did well on five out of six.
- Westinghouse would be better than DITT on the basis of development capability.
- Westinghouse's superior bond rating is for Westinghouse, not for this project. The bond rating is tied to the project. Ogden has proven projects.
- Westinghouse project is not tested in this county with our waste composition. Viability of project is as important a cost factor as financing, maybe more so.
- Difference in technologies was considered in the ratings by looking at experience.

Motion: Motion by Kirkpatrick, second by Gardner, to recommend Reuter/Buhler-Miag and Reidel Environmental/DANO to receive compost RFP and American Ref-fuel, Combustion Engineering, Fluor Engineers and Schnitzer/Ogden for the second RFP.

Vote: Aye: Gardner and Kirkpatrick. No: Kelley.

In a discussion there was consensus that issuing RFP's could be staggered to allow adequate time for preparation and review as long as Council awarded both contracts simultaneously.

BUDGET ESTIMATES FOR PHASE II OF RESOURCE RECOVERY PROJECT

<u>Consulting Services</u>	<u>Budget</u>	<u>Consultant/Phase II</u>
Management & Technical	\$125,000	GBB \$100,000
Legal	\$100,000	
Project Counsel		Hanna, McEwen, Rankin \$ 30,000 (1)
Bond Counsel		Stoel Rives \$ 50,000
Financial	\$ 75,000	GFA \$53,000 (2)
<u>TOTAL</u>	\$300,000	\$233,000

The remaining \$67,000 is to be used as contingency for Phase III, which is the Negotiation Phase, and for miscellaneous contracts during Phase II. These project costs will be considered for inclusion in the Bond issue if Metro participates in the project financing.

(1) Project Counsel-In-house counsel is part of the project team and will be used to the extent possible

(2) Financial Advisor-Additional financial services may be required during this phase.

Doug Drennen:dga:7/22/86

Aug 1-Sept 1      Staff review and review by legal counsel  
and financial advisors

September 1      First draft of RFP #2 (compost) due to Metro from GBB.

September 11     Final draft RFPs for Council review and approval  
and for submission to vendors.

October 3        Vendors comments due.

October 15       Issue final RFP #1 for mass burn and RDF.

November 1       Issue final RFP #2 for compost.

November        Evaluation criteria for RFP developed

December        \* Staff report on evaluation criteria and procedure.  
Approval requested for process.

1987

February 1       RFP responses due. Reconvene TRC and PRC.

February/April   Review and evaluation period.

May              Selection of Successful vendor(s).

## TIME SCHEDULE

<u>DATE</u>	<u>ACTION</u>
<u>1986</u>	
January 1	Solid Waste Reduction Program submitted to DEQ.
February 25	Contract with GBB executed for consulting/engineering services.
March 14	RFQ/I issued.
May 19	RFQ/I responses due. Thirteen received.
May 29	Staff report on RFQ/RFP schedule. Presiding Officer appoints Policy Review Committee (PRC).
June 4	Initial meeting of Technical Review Committee (TRC) and PRC to receive RFQ responses.
June 10	Viewing of audio-visual presentations.
June 17	TRC briefing for interviews with vendors.
June 18,19,20	Interviews with 12 firms, 1.5 hours each.
June 19	Worksession with TRC and PRC on key issues.
June 25	TRC qualifying of responses to RFQ/I.
June 27	SW Reduction Program officially approved by Environmental Quality Commission.
June 30	TRC qualifying of responses to RFQ/I.
July 11	TRC submits recommendations for shortlist to PRC.
July 18	PRC renders decision on list of vendors to receive RFP.
July 24	* PRC recommends shortlist to Metro Council. Approval requested on shortlist. Approval requested for continuation of GBB contract for Phase II, or Procurement phase.
July 25	Metro staff notifies firms.
August 1	First draft of RFP #1 (mass burn and RDF) due to Metro from GBB.

STAFF REPORT

Agenda Item No. 9.2

Meeting Date July 24, 1986

CONSIDERATION TO PROCEED WITH PHASE II OF THE RESOURCE RECOVERY PROJECT AND TO CONTINUE THE CONTRACT WITH GERSHMAN, BRICKNER, AND BRATTON, INC. FOR PROFESSIONAL CONSULTING ENGINEERING SERVICES

Date: July 14, 1986

Presented by: Debbie Allmeyer

FACTUAL BACKGROUND AND ANALYSIS

On February 27, 1986 the Council approved a \$235,270 contract with Gershman, Brickner and Bratton, Inc. (GBB) for professional consulting engineering services for assistance in the implementation of Metro's resource recovery project. During that meeting a motion was made by Councilor Kirkpatrick that the contract be approved "with the understanding only \$50,000 would be spent during FY 1985-86 and the contract would be reviewed before approving additional phases." Councilor DeJardin seconded the motion.

Phase I of the project, the "procurement planning" phase is nearing completion, as the list of vendors for receipt of the RFP is finalized. The "procurement" phase follows, with the issuance of the RFP.

GBB has worked successfully with staff on the project thus far. They played a significant role in finalizing the draft RFQ/I soon after they were under contract, and in preparing evaluation criteria for the responses to the RFQ/I. They contributed heavily in conceptualization and production of the premium cost methodology work that the Council used to adopt an ordinance on premium cost for alternative technology projects. Most recently they have participated in the extensive evaluation process used to deliver a recommendation of firms to receive the RFP, as well as on the RFP strategy itself.

As of May 31, 1986 the activity to date on the contract totals \$35,771.64. The month of June will show involvement with the RFQ/I evaluation process, and will bring the total expenditure for Phase I, the Procurement planning phase, to approximately \$50,000, as budgeted. Phase II costs are estimated to be \$100,000.

Council approval is requested for continuation of the contract with the firm Gershman, Brickner, and Bratton, Inc. as consulting engineering services are necessary for the successful implementation of the project.

ACTION REQUESTED: Approval of continuation of contract with Gershman, Brickner, and Bratton, Inc., to proceed with Phase II.



Meeting Date July 24, 1986CONSIDERATION OF A CONTRACT TO RETAIN DEAN GISVOLD  
AS COUNSEL FOR THE RESOURCE RECOVERY PROJECT

Date: July 16, 1986

Presented by: Eleanore Baxendale

FACTUAL BACKGROUND AND ANALYSIS

Metro General Counsel requires the assistance of an attorney familiar with municipal law and resource recovery projects for the preparation of the RFP and contract for this project (Bond Counsel services will be provided separately). Resource recovery projects have peculiar legal risks and legal issues which do not normally arise in municipal business. General Counsel has attended a special seminar and reviewed current literature on resource recovery projects, but believes that specialized expertise is the most efficient and effective way to protect Metro's legal interests. It is envisioned that outside Counsel would be the primary legal advisor on resource recovery issues and General Counsel would be the primary legal advisor on Metro and general municipal issues, although it is necessary that the outside Counsel also have a sensitivity to these issues as well.

In selecting outside Counsel the criteria considered are experience, ability to work with staff and price.

Dean Gisvold of McEwen Gisvold Rankin and Stewart has been selected because he has an unparalleled combination of expertise in both the resource recovery and the Metro/municipal areas. Mr. Gisvold represented Metro for many years and was Metro's sole legal advisor (on non-bond matters) for the Oregon City resource recovery project. That project involved two years of intensive legal negotiations, giving Mr. Gisvold extensive experience in the development of such contracts.

Employing Mr. Gisvold for this project will allow Metro to draw on this past experience, rather than having to familiarize new attorneys with Metro's organization, goals and concerns. Furthermore, there is a dearth of Oregon law firms familiar with these projects who do not represent vendors, leading to hiring Counsel from out of state and compounding the problems of familiarity with distance.

Mr. Gisvold has worked with Solid Waste staff and the General Counsel to their satisfaction.

Mr. Gisvold's rates are very competitive: the firm will charge \$95.00 per hour.



The not to exceed amount is currently estimated to be \$30,000 which represents about 320 hours. The previous fees for two years' work were about \$100,000. It is difficult to estimate the number of hours needed for this contract because the project team is much larger and includes the General Counsel unlike the Oregon City project. Contract extensions may be required as work progresses or negotiations are needed.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends the Council approve the contract with Dean Gisvold of McEwen Gisvold Rankin and Stewart for an amount not to exceed \$30,000.

ESB:amn  
07/16/86

SCOPE OF WORK

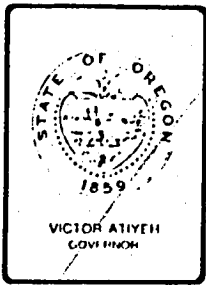
1. Services will be performed at a rate not to exceed \$95.00 per hour.
2. Services are to be lead legal counsel in drafting and negotiating request for proposal and contract for resource recovery project, and to assist General Counsel on matters of Metro authority and municipal law relating to this project.

ESB:amn

07/16/86

COOPER - MOVE  
OLESON - SECOND

I move that the Council set over consideration of Resolutions No. 86-668 (S.W. 216th site) and 86-669 (Cornell Road site) to the August 14th meeting; and that, staff prepare a resolution for Council consideration selecting the S.W. 209th and T.V. Highway location as the site of the WTRC to be considered at the August 14th meeting along with a Public Hearing to review prior testimony and hear any new testimony on the S.W. 209th site.



*Department of Transportation*  
**HIGHWAY DIVISION**

Metro Region

9002 SE. McLOUGHLIN BLVD., MILWAUKIE, OREGON 97222 PHONE 653-3090

July 14, 1986

In Reply Refer To  
File No.:

ANDY COTUGNO  
Transportation Director  
Metropolitan Service District  
2000 SW First  
Portland, OR 97201

OIG PL AUDIT

I want to indicate my thanks to you and your staff for developing and administering what I think is a very good financial management program for the transportation planning at MSD.

Given the complexities of managing Federal, Local, and State funding with their various regulations, the system that you have developed for needed documentation and control is quite good.

Hopefully, the auditors are as impressed as I am. Anyway, we all know that this type of effort is seldom seen (unless criticized) or appreciated, and I wanted to pass along my compliments for the work that you have done in this area.

Original Signed By  
Theodore A. Spence

THEODORE A. SPENCE  
Plan and Program Manager

TAS/cmt

cc: Rick Gustafson  
Karen Thackston



**METRO**

2000 S.W. First Avenue  
Portland, OR 97201-5398  
503/221-1646

# *Executive Officer Report*

July 24, 1986

## **BIRTH ANNOUNCEMENT**

Yang Yang and Hong Hong are the proud parents of a baby Golden Monkey early this morning. This is the first time a rare Golden Monkey has given birth outside of China. Sex of the baby is unknown at this time. Mother and baby are reported to be doing well!

## **GOLDEN MONKEY EXHIBIT**

The Zoo will be hosting the Director of the Chongqing Zoological Gardens and the Director of Urban and Rural Construction and Environmental Protection from Beijing for the closing ceremonies of the Golden Monkey Exhibit. Tentative plans call for a closing dinner on the evening of August 12. Updated information will be available as travel itineraries are confirmed.

## **CONVENTION, TRADE, AND SPECTATOR FACILITIES**

Following Council action on July 10, referring the General Obligation bond measure for the Convention and Trade Show Center to the November ballot, election notice was filed with Multnomah County on July 11, 1986.

The Financing Report for the Bond Measure was submitted to TSCC on July 18, 1986.

The Intergovernmental Agreement for receipt of hotel/motel tax revenue has been signed by both Multnomah County and Metro.

Metro will begin receiving these monies on a quarterly basis in December. The first quarter is estimated to be \$318,000 for a total of \$1.2 million to be available for Metro's use during this fiscal year.

An RFP for the convention center's Construction Manager has been issued. Bids for the services of an architect to develop concept sketches of the proposed center have been solicited.

A fact sheet and brochure are being developed for the project.

## **EXPO**

July 24-27 the Zoo will be participating in the Greater Portland Days ceremony being held at the Oregon Pavilion of EXPO '86.



## AUDIT

Auditors from the U. S. Department of Transportation Inspector General's Office received Metro's procedures for meeting federal requirements for planning and grant management. They were pleased with Metro's operations and found no areas of concern.

## CURBSIDE RECYCLING

Joan Saroka of the Metro staff will be at local Fred Meyer stores this week to promote curbside recycling with displays on "Save the Earth with a Brown Paper Bag." Promotional displays were at the following stores:

- July 23 - Eastside Fred Meyer  
(148th & Division)
- July 24 - Clackamas Fred Meyer  
(I-205 & Highway 212)
- July 25 - Beaverton Fred Meyer  
(Highway 217 & Canyon Road)

On July 22, Vickie Rocker was a guest on AM Northwest explaining curbside recycling. Later that day, she and Joan Saroka answered questions on recycling on the KEX talk show.

During the week of July 21-28 the Metro home recycling display will be at the Multnomah County Fair.

Sharron Kelley had a one-half hour talk program on Rogers Cablesystems the evening of July 23 regarding curbside recycling.

## FRIENDS OF THE ZOO

A new lecture series sponsored by the Zoo, Friends of the Zoo, and American Association of Zookeepers is being planned for the winter season. The lectures will be held at the World Forestry Center. High quality speakers will deal with topics on polar bear management in the wild, whale migration, the Washington Park Zoo's elephant programs, and the Fish and Wildlife Service's California Condor program. In addition the Friends of the Zoo are planning to improve their newsletter format and increase the publication from quarterly to bimonthly.

## ELEPHANT MUSEUM FUND-RAISING

We have received notification from the M. J. Murdock Charitable Trust of their declaration of our success in meeting a \$75,000 challenge grant for the Lilah Callen Holden Elephant Museum. This completes fund-raising for the elephant museum and we look forward to opening the facility this fall.

## AUDIT

Auditors from the U. S. Department of Transportation Inspector General's Office received Metro's procedures for meeting federal requirements for planning and grant management. They were pleased with Metro's operations and found no areas of concern.

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Sharron Kelley had a one-half hour talk program on Rogers Cablesystems the evening of July 23 regarding curbside recycling.

## FRIENDS OF THE ZOO

A new lecture series sponsored by the Zoo, Friends of the Zoo, and American Association of Zookeepers is being planned for the winter season. The lectures will be held at the World Forestry Center. High quality speakers will deal with topics on polar bear management in the wild, whale migration, the Washington Park Zoo's elephant programs, and the Fish and Wildlife Service's California Condor program. In addition the Friends of the Zoo are planning to improve their newsletter format and increase the publication from quarterly to bimonthly.

## ELEPHANT MUSEUM FUND-RAISING

We have received notification from the M. J. Murdock Charitable Trust of their declaration of our success in meeting a \$75,000 challenge grant for the Lilah Callen Holden Elephant Museum. This completes fund-raising for the elephant museum and we look forward to opening the facility this fall.





**METRO**

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# *Executive Officer Report*

July 24, 1986

## **BIRTH ANNOUNCEMENT**

Yang Yang and Hong Hong are the proud parents of a baby Golden Monkey early this morning. This is the first time a rare Golden Monkey has given birth outside of China. Sex of the baby is unknown at this time. Mother and baby are reported to be doing well!

## **GOLDEN MONKEY EXHIBIT**

The Zoo will be hosting the Director of the Chongqing Zoological Gardens and the Director of Urban and Rural Construction and Environmental Protection from Beijing for the closing ceremonies of the Golden Monkey Exhibit. Tentative plans call for a closing dinner on the evening of August 12. Updated information will be available as travel itineraries are confirmed.

## **CONVENTION, TRADE, AND SPECTATOR FACILITIES**

Following Council action on July 10, referring the General Obligation bond measure for the Convention and Trade Show Center to the November ballot, election notice was filed with Multnomah County on July 11, 1986.

The Financing Report for the Bond Measure was submitted to TSCC on July 18, 1986.

The Intergovernmental Agreement for receipt of hotel/motel tax revenue has been signed by both Multnomah County and Metro.

Metro will begin receiving these monies on a quarterly basis in December. The first quarter is estimated to be \$318,000 for a total of \$1.2 million to be available for Metro's use during this fiscal year.

An RFP for the convention center's Construction Manager has been issued. Bids for the services of an architect to develop concept sketches of the proposed center have been solicited.

A fact sheet and brochure are being developed for the project.

## **EXPO**

July 24-27 the Zoo will be participating in the Greater Portland Days ceremony being held at the Oregon Pavilion of EXPO '86.