



METRO

Agenda

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

Meeting: **METRO COUNCIL**
Date: **January 24, 1991**
Day: **Thursday**
Time: **5:30 p.m.**
Place: **Metro Council Chambers**

REVISED AGENDA
Agenda Item No. 6.2
has been added to the
agenda

Approx.
Time*

Presented By

5:30 p.m. **CALL TO ORDER/ROLL CALL**
(15 min.)

1. **INTRODUCTIONS**
2. **CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS**
3. **EXECUTIVE OFFICER COMMUNICATIONS**
4. **CONSENT AGENDA**

5:45
(5 min.)

REFERRED FROM THE FINANCE COMMITTEE

4.1 **Resolution No. 91-1389, For the Purpose of Declaring Certain Property Surplus and Authorizing the Execution of a Sublease (Action Requested: Motion to Adopt the Resolution)**

4.2 **Resolution No. 91-1392, For the Purpose of Authorizing the Release of the Metropolitan Service District's Request for Proposal (RFP) for Audit and Tax Services for Fiscal Years 1991, 1992, 1993 (Action Requested: Motion to Adopt the Resolution)**

REFERRED FROM THE TRANSPORTATION AND PLANNING COMMITTEE

4.3 **Resolution No. 91-1380, Approving Use of Portland Region Federal-Aid Urban System Funds in Partial Support of the Oregon Roads Finance Study Update (Action Requested: Motion to Adopt the Resolution)**

5. **ORDINANCES, SECOND READINGS**

REFERRED FROM THE FINANCE COMMITTEE

5:50
(10 min.)

5.1 **Ordinance No. 91-381, Amending the FY 1990-91 Budget and Appropriations Schedule to Fund an Intergovernmental Agreement with the Special Districts Association of Oregon for Legislative Services to the District Public Hearing (Action Requested: Motion to Adopt the Ordinance)**

Wyers

* All times listed on the agenda are approximate; items may not be considered in the order listed.

6:00
(10 min.) 5.2 Ordinance No. 91-382, Amending the FY Buchanan
1990-91 Budget and Appropriations Schedule
to Increase the Convention Center Capital
Fund Personal Services Appropriation
Public Hearing (Action Requested: Motion
to Adopt the Ordinance)

REFERRED FROM THE REGIONAL FACILITIES COMMITTEE

6:10
(10 min.) 5.3 Ordinance No. ⁹⁰91-376A, Revising Admission McFarland
Fees and Policies at Metro Washington Park
Zoo Public Hearing (Action Requested:
Motion to Adopt the Ordinance)

6. RESOLUTIONS

REFERRED FROM THE REGIONAL FACILITIES COMMITTEE

6:20
(10 min.) 6.1 Resolution No. 91-1383, Acknowledging McFarland
Adjustments to the FY 1990-91 Budget of
the Metro Washington Park Zoo (Action
Requested: Motion to Adopt the Resolution)

6:30
(15 min.) 6.2 Resolution No. 91-1374, For the Purpose of Knowles
Confirming the Reappointment of Richard
Ares, Clackamas County, and Sam Brooks,
City of Portland, to the Metropolitan
Exposition-Recreation Commission (Action
Requested: Motion to Adopt the Resolution)

REFERRED FROM THE SOLID WASTE COMMITTEE

6:45
(10 min.) 6.3 Resolution No. 91-1387A, For the Purpose of Wyers
Authorizing Issuance of a Request for
Proposal for Coordination of Home Composting
Demonstration Sites and Entering Into a
Multi-Year Contract with the Most Qualified
Proposer, And Waiving the Requirement for
Council Approval of the Contract and
Authorizing the Executive Officer to Execute
the Contract Subject to Conditions (Action
Requested: Motion to Adopt the Resolution)

6:55
(10 min.) 6.4 Resolution No. 91-1385, For the Purpose of McLain
Approving Projects for the One Percent for
Recycling Program 1990-91 Fiscal Year
(Action Requested: Motion to Adopt the
Resolution)

(Continued)

REFERRED FROM THE TRANSPORTATION AND PLANNING COMMITTEE

7:05 6.5 Resolution No. 91-1379, Endorsing a Position
(10 min.) on the Surface Transportation Act of 1991
 (Action Requested: Motion to Adopt the
 Resolution)

7:15 6.6 Resolution No. 91-1378, For the Purpose of
(10 min.) Endorsing Westside Corridor Project
 Implementation Measures (Action Requested:
 Motion to Adopt the Resolution)

7. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

7:25 7.1 Metro ERC Resolution Nos. 102 and 104-111 Knowles
(10 min.)

7:35 ADJOURN



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REFERRED FROM THE REGIONAL FACILITIES COMMITTEE

6:10 (10 min.) 5.3 Ordinance No. 91-376A, Revising Admission Fees and Policies at Metro Washington Park Zoo Public Hearing (Action Requested: Motion to Adopt the Ordinance) McFarland

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6:55 (10 min.) 6.4 Resolution No. 91-1385, For the Purpose of Approving Projects for the One Percent for Recycling Program 1990-91 Fiscal Year (Action Requested: Motion to Adopt the Resolution) McLain

(Continued)

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(10 min.)

7:35 ADJOURN

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 91-1374, CONFIRMING THE REAPPOINTMENT OF RICHARD ARES, CLACKAMAS COUNTY, AND SAM BROOKS, CITY OF PORTLAND, TO THE METROPOLITAN EXPOSITION-RECREATION COMMISSION

Date: January 23, 1991

Presented by: Councilor Knowles

COMMITTEE RECOMMENDATION: At its meeting of January 22, 1991, the Council Regional Facilities Committee voted 5-0 to recommend Council adoption of Resolution No. 91-1374.

COMMITTEE DISCUSSION/ISSUES: Don Rocks introduced Mr. Ares and Mr. Brooks, who each made opening remarks. Councilor Bauer asked both nominees whether they saw MERC's role as advisory to the Council or as a quasi-independent body. Mr. Brooks said he didn't understand what a quasi-independent body would be, and drew the analogy of MERC as a "wholly-owned subsidiary" of Metro. In the analogy, the parent company doesn't hound the subsidiary on day-to-day affairs, but steps in if it is out of line. The Council has all authority for the actions of all its departments, including MERC. Mr. Ares agreed with Mr. Brooks' analogy, and cited his experience as a manager who reports to a board of directors. There are times when the board tells the manager "no."

Councilor Bauer asked the nominees whether they would abide by a Council decision overruling the Commission. Mr. Brooks said that they would have no choice. Mr. Ares said that the lines of authority are drawn to give Council such power; once the decisions are made, we go on to the next issue.

Councilors Knowles and Gardner praised both nominees, saying that they are both hard-working contributors to the Commission. Mr. Brooks closed the comments by asking that Council staff attend MERC sub-committee meetings; Councilor Knowles stated that he had already made this request of staff following an earlier conversation with Mr. Brooks, and Council staff will coordinate with MERC staff.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF CONFIRMING) RESOLUTION NO. 90-1374
THE REAPPOINTMENT OF RICHARD)
ARES AND SAM BROOKS TO THE) Introduced by Rena Cusma,
METROPOLITAN EXPOSITION-) Executive Officer
RECREATION COMMISSION)

WHEREAS, The Metropolitan Service District Code,
Section 6.01.030, provides that the Council confirms members to
the Metropolitan Exposition-Recreation Commission; and

WHEREAS, The Clackamas County Board of Commissioners
has nominated Clackamas County resident Richard Ares for
reappointment to the Metropolitan Exposition-Recreation
Commission; and

WHEREAS, The Council of the City of Portland has
nominated city resident Sam Brooks for reappointment to the
Metropolitan Exposition-Recreation Commission; and

WHEREAS, Richard Ares and Sam Brooks have performed
well the duties and responsibilities of Metropolitan Exposition-
Recreation Commissioners; and

WHEREAS, The Executive Officer has recommended Richard
Ares and Sam Brooks for reappointment to four year terms; and

WHEREAS, The Councils finds that Richard Ares and Sam

Brooks are well qualified to continue to carry out commission duties; now, therefore,

BE IT RESOLVED,

That Richard Ares and Sam Brooks are hereby confirmed for reappointment as members of the Metropolitan Exposition-Recreation Commission for the term beginning January 15, 1991 and ending January 15, 1995.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1990.

Tanya Collier, Presiding Officer



CLACKAMAS COUNTY

Board of Commissioners

December 7, 1990

RECEIVED
DEC 17 1990
METHU SERVICE DISTRICT
EXECUTIVE MANAGEMENT

DARLENE HOOLEY
CHAIR
ED LINDQUIST
COMMISSIONER
JUDIE HAMMERSTAD
COMMISSIONER
MICHAEL F. SWANSON
CHIEF EXECUTIVE OFFICER

The Honorable Rena Cusma
Executive Officer
Metro
2000 SW First Avenue
Portland, OR 97201-5398

Dear Rena:

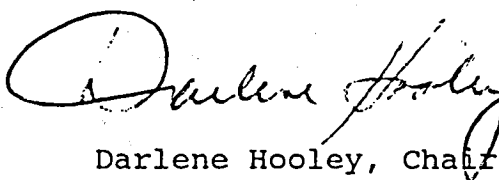
We have received your letter dated December 4, 1990 regarding the expiration of Richard Ares's term of membership on MERC.

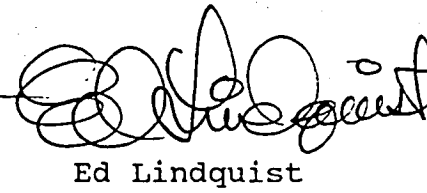
By unanimous decision, the Clackamas County Board of Commissioners is nominating Richard Ares for another term on MERC. We believe that Mr. Ares is the best possible nominee for this position. His experience, knowledge, and energy have been great assets to Clackamas County and to MERC.


Richard Ares is our only nominee. As we have only one nomination out of 7 positions, but have one-fourth of the population of the participating counties, it is our hope that the Executive Director and the other Metro councilors will give heavy consideration to our recommendation. The appointment of a new person would seriously diminish the ability of the commission to continue operating at full strength. Mr. Ares has done an outstanding job and his appointment for another term would provide continuity in philosophy and direction on MERC.

Thank you for your notification. We look forward to working with you and the other Metro councilors in the spirit of cooperation and good faith necessary to the continued success of regional efforts.

Sincerely yours,


Darlene Hooley, Chair


Ed Lindquist


Judie Hammerstad

RESOLUTION No. 34801

Nominate Sam Brooks, residing in the City of Portland, to serve as a member of the Metropolitan Exposition-Recreation Commission. (resolution)

WHEREAS, the Executive Officer of the Metropolitan Service District has invited the City to nominate candidates who are residents of the City of Portland to serve as members of the Metropolitan Exposition-Recreation Commission;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Portland, Oregon nominates the following named individual to serve on the Metropolitan Exposition-Recreation Commission:

SAMUEL BROOKS, for a term expiring January 15, 1995.

BE IT FURTHER RESOLVED, that the City Council requests the Executive Officer of the District to appoint, and the Council of the District to confirm, the forenamed individual as a member of the Metropolitan Exposition-Recreation Commission.

Adopted by the Council, JAN 09 1991

Mayor Clark
Phil Thompson:sf
January 9, 1991

BARBARA CLARK
Auditor of the City of Portland

By *Britta Olson* Deputy

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1374 FOR THE PURPOSE OF CONFIRMING THE REAPPOINTMENT OF RICHARD ARES, CLACKAMAS COUNTY, AND SAM BROOKS, CITY OF PORTLAND, TO THE METROPOLITAN EXPOSITION-RECREATION COMMISSION.

December 12, 1990

Presented by: Don Rocks

BACKGROUND

Mr. Ares and Mr. Brooks were initially appointed and confirmed under Ordinance 87-225 and represent, respectively, Clackamas County and the City of Portland. In the process of initially staggering terms of membership to assure overlap and continuity, both were accorded a first term of three years duration which shall expire January 15, 1991.

The Executive Officer has lettered both jurisdiction regarding their nominations. In both instances, the vote of the governing bodies renominated Ares and Brooks to be reappointed to serve a full four year term which shall run thorough January 15, 1995.

The Executive Officer has spoken with County Chair Darlene Hooley and Mayor Bud Clark as well as to the subject nominees. Both individuals have been active, have contributed to the progress and maturity of the Commission, are expected to continue in that mode in the best interests of the region and have expressed their desire to continue as Metro Exposition-Recreation Commissioners operating under Metro's authority and oversight.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 90-1374 for the confirmation of the reappointment of Richard Ares and Sam Brooks to serve four year terms on the Metropolitan Exposition-Recreation Commission.

Agenda Item No. 4.1
January 24, 1991

RESOLUTION NO. 91-1389

FINANCE COMMITTEE REPORT

RESOLUTION NO. 91-1389, DECLARING CERTAIN PROPERTY SURPLUS
AND AUTHORIZING THE EXECUTION OF A SUBLEASE

Date: January 18, 1991

Presented by: Councilor McFarland

COMMITTEE RECOMMENDATION: The Committee at its January 17, 1991 meeting voted unanimously to recommend Council adoption of Resolution No. 91-1389. All Committee members were present and voting.

COMMITTEE DISCUSSION/ISSUES: Jennifer Sims, Financial Services Manager, presented the Staff Report. Ms. Sims indicated that the proposed lease with the law firm of Moskowitz and Thomas for office space is a short term lease designed to coincide with potential relocation of Metro's offices. The terms of the lease are consistent with the current Thomas/Klein lease and provide for increased costs for parking and Metro base lease costs. In response to a question, Ms. Sims said the lease covers Metro's base lease and operating costs.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF DECLARING
CERTAIN PROPERTY SURPLUS AND
AUTHORIZING THE EXECUTION OF
A SUBLEASE

) RESOLUTION NO. 91-1389
)
) Introduced by Rena Cusma,
) Executive Officer

WHEREAS, The Metropolitan Service District has leased
the building at 2000 SW First Avenue, Portland, Oregon for
10 years; and

WHEREAS, Pursuant to ORS 271.310(3) it has been
determined that 4,729 square feet is not immediately needed for
public use; and

WHEREAS, Pursuant to ORS 271.360 a sublease has been
proposed with Moskowitz & Thomas for 1,512 square feet, attached
hereto as Exhibit A, and incorporated herein; now therefore,

BE IT RESOLVED,

1. That surplus is declared to exist at 2000 SW First
Avenue; and
2. That the Executive Officer is authorized to
execute the attached contract with Moskowitz & Thomas for
sublease of surplus property.

ADOPTED by the Council of the Metropolitan Service
District this _____ day of _____, 1991.

, Presiding Officer

STAFF REPORT

CONSIDERATION OF A SUBLEASE WITH MOSKOWITZ & THOMAS FOR
SPACE AT 2000 SW FIRST AVENUE, PORTLAND, OREGON

January 24, 1990

Presented by: Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

The purpose of this staff report is to present to the Council a proposed sublease for approval. The proposed Sublessee is Moskowitz & Thomas. Highlights of the sublease are as follows:

1. \$10.50 per square foot lease cost from February 1, 1991 to June 30, 1991 and \$12.10 per square foot lease cost from July 1, 1991 to January 31, 1992
2. no lease hold improvements
3. 1,512 square feet (including load factor) of office space located on the southwest corner on the fourth floor at Metro Center
4. occupancy - February 1, 1991 through January 31, 1992
5. up to five allocated parking spaces at a rate of \$70 per month

Thomas/Klein Law Offices, previously held a sublease for this office space on the southwest side of the fourth floor. The Thomas/Klein sublease is terminating January 15, 1991. Chris Thomas, one of the principals of the partnership, will continue the Thomas/Klein sublease through the end of January, 1991 and begin the new sublease with a new partner on February 1, 1991.

The proposed sublease is short-term to coincide with the potential relocation of Metro's offices.

THE EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of the sublease agreement with Moskowitz & Thomas.

FM:sg

C:\SHERRI\FM\MOSKTHOM.SR

OFFICE SUBLEASE

This Sublease made as of this FIRST day of FEBRUARY 1, 1991, between the METROPOLITAN SERVICE DISTRICT, a municipal corporation and public body of the state of Oregon, hereinafter referred to as "LESSEE," and MOSKOWITZ & THOMAS, hereinafter referred to as "SUBLESSEE."

RECITALS

1. LESSEE has leased the premises described herein from Lessor Amco-Portland, Inc., a corporation, under a separate Lease Agreement between Lessor and LESSEE, herein referred to as the "Master Lease" and attached hereto as Exhibit "A".

2. SUBLESSEE desires to sublease a portion of those premises from LESSEE.

3. The parties desire to have a Sublease Agreement defining the terms of the Sublease.

In consideration of the mutual covenants contained herein, the parties agree as follows:

1. Description of Premises. SUBLESSEE subleases from LESSEE a portion of the premises demised to LESSEE by Lessor

under the Master Lease, which portion of the premises subleased hereunder is described in Exhibit "B" which is attached hereto and incorporated herein.

2. Warranty by Lessee. LESSEE warrants and represents to SUBLESSEE that the Master Lease has not been amended or modified except as expressly set forth herein. In addition, LESSEE is not now, and as of the commencement of the term of this Sublease will not be, in default or breach of any of the provisions of the Master Lease, and LESSEE has no knowledge of any claim by Lessor that LESSEE is in default or breach of any of the provisions of the Master Lease.

3. Term of Sublease. The term of this Sublease shall commence FEBRUARY 1, 1991, and end on JANUARY 31, 1992, or ONE (1) year after the commencement date, ("termination date"), unless otherwise sooner terminated in accordance with the provisions of this Sublease or incorporated provisions of the Master Lease or unless extended as described in paragraph 13. If for any reason LESSEE does not deliver possession to SUBLESSEE on the commencement date, LESSEE shall not be subject to any liability for such failure, the termination date shall not be extended by the delay, and validity of this Sublease shall not be impaired, but rent shall abate until delivery of possession. Notwithstanding the foregoing, if LESSEE has not delivered possession to SUBLESSEE by FEBRUARY 1, 1991 then at any time

thereafter and before delivery of possession, SUBLESSEE may give written notice to LESSEE of SUBLESSEE's intention to cancel this Sublease. Such notice shall set forth an effective date for such cancellation which shall be at least fifteen (15) days after delivery of said notice to LESSEE. If LESSEE delivers possession to SUBLESSEE on or before such effective date, this Sublease shall remain in full force and effect. If LESSEE fails to deliver possession to SUBLESSEE on or before such effective date, this Sublease shall be cancelled, in which case all consideration previously paid by SUBLESSEE to LESSEE on account of this Sublease shall be returned to SUBLESSEE, this Sublease shall thereafter be of no other further force and effect, and LESSEE shall have no further liability to SUBLESSEE on account of such delay or cancellation. If LESSEE permits SUBLESSEE to take possession prior to FEBRUARY 1, 1991, such early possession shall not advance the termination date and shall be subject to the provisions of this Sublease, including without limitation, the payment of rent.

4. Rent. SUBLESSEE shall pay to LESSEE as rent, without deduction, setoff, notice, or demand, at 2000 S.W. First Avenue or at such other place as LESSEE shall designate from time to time by notice to SUBLESSEE, the following sums:

- a. During the first FIVE (5) MONTHS of the term, February 1, 1991 through June 30, 1991 the sum of \$1,322.71 per month in advance on the first day of each month of the term.

- b. Sub-paragraph 4a is based upon a rate of \$10.50 per square foot per year on 1512 square feet of subleased space.
- c. During the last SEVEN (7) MONTHS of the term, July 1, 1991 through January 31, 1992 the sum of \$1,524.60 per month in advance on the first day of each month of the term.
- d. Sub-paragraph 4c is based upon a rate of \$12.10 per square foot per year on 1512 square feet of subleased space.
- e. Subleased floor space in sub-paragraphs 4b and 4c includes a 10% load factor for use of common space which provides use of lobbies, elevators, rest rooms and other common areas and facilities.
- f. SUBLESSEE shall pay to LESSEE upon execution of this Sublease the sum of \$1,322.71 as rent for the first month of the term and \$1,524.60 for the last month of the term. If the term begins or ends on a day other than the first or last day of the month, the rent for the partial month shall be prorated on a daily basis. If Sublessee fails to pay rent or other charges when due under this Sublease, or fails to perform any of its obligations hereunder, Lessee may use or apply all or any portion of the last month rent for the payment of any rent or other amount when due hereunder and unpaid, for the payment of any other sum for which Lessee may become obligated by reason of Sublessee's default or breach, or for any loss or damage sustained by Lessee as a result of Sublessee's default or breach. If Lessee so uses any portion of the last month rent, Sublessee shall, within ten (10) days after written demand by Lessee, restore the last month rent to the full amount originally deposited, and Sublessee's failure to do so shall constitute a default under this Sublease. Lessee shall not be required to keep the last month rent separate from its general accounts, and shall have no obligation or liability for payment of interest on the last month rent. In the event Lessee assigns its interest in this Sublease, Lessee shall deliver to its assignee so much of the last month rent as is then held by Lessee.

- g. SUBLESSEE shall have the right to sublease up to five (5) parking spaces. The rate for each space shall be \$70.00 per month. The rate for each space shall be \$70.00 per month the first year. The rate shall not increase more than 10 (ten) percent each year thereafter. SUBLESSEE shall be obligated to sublease 4 (four) parking spaces. Rent for each space subleased shall be due and payable on the first day of the month. SUBLESSEE may terminate one (1) parking space sublease by giving LESSEE written notice thirty (30) days in advance of SUBLESSEE's to terminate. Neither failure by sublessee to sublease the fifth space at any time nor a termination by SUBLESSEE of the subleased space shall prevent SUBLESSEE thereafter from subleasing the fifth space as provided herein.

5. Operating Costs. It is understood that LESSEE is responsible under the Master Lease to pay all operating costs of the premises and that the monthly rent for the first year of the term of this Sublease includes payments by SUBLESSEE of its share of operating costs.

6. Extraordinary Operating Costs. The parties recognize that, by virtue of extraordinary use of the subleased premises by SUBLESSEE, SUBLESSEE's actual share of LESSEE's operating costs under the Master Lease could exceed 3.55 percent. Therefore, the parties agree that the above percentage is based only upon use of the premises during ordinary business hours under ordinary office use conditions and employing ordinary office equipment and occasional use during extraordinary business

hours. SUBLESSEE agrees not to incur higher operating costs due to extraordinary use of the premises and to pay as additional rent any such expenses incurred within forty-five (45) days of demand by LESSEE.

7. Use of Premises. The premises shall be used and occupied only for office purposes as allowed under the Master Lease and for no other use or purpose. No heating or air conditioning services will be available from 7:00 p.m. to 7:00 a.m. or on weekends. Elevator service will be available at all times.

8. Assignment and Subletting. SUBLESSEE shall not assign this Sublease or further sublet all or any part of the premises without the prior written consent of both LESSEE and the Lessor under the Master Lease. LESSEE agrees not to unduly withhold consent which allows SUBLESSEE to sublet a portion of the premises.

9. Applicable Provisions of Master Lease. All applicable terms and conditions of the Master Lease are incorporated into and made a part of this Sublease as if LESSEE was the Lessor thereunder, SUBLESSEE the LESSEE thereunder, and the premises the master premises, except that the following sections of the Master Lease are expressly not applicable:

Section 2 (Renewal Term), Section 4 (Utilities and Government Impositions), Section 8.6 and 8.7, Section 10 (Insurance and Indemnification), Section 11.1 and 11.4, Sections 22.3, Section 36 (Net Lease), Section 37 (Appraisal), Section 21 (Right of First Offer), Section 38 (Fix Up Period and Fix Up Work), and Section 39 (Early Termination).

SUBLESSEE assumes and agrees to perform the LESSEE's obligations under the Master Lease during the term to the extent that such obligations are applicable to the premises, except that the obligation to pay rent to Lessor under the Master Lease shall be considered performed by SUBLESSEE to the extent and in the amount rent is paid to LESSEE in accordance with Section 4 of this Sublease. SUBLESSEE shall not commit or suffer any act or omission that will violate any of the provisions of the Master Lease. LESSEE shall exercise due diligence in attempting to cause Lessor to perform its obligations under the Master Lease for the benefit of SUBLESSEE. LESSEE shall perform the obligations assigned to LESSEE by Sections 4, 6, 8, and 11.1 of the Master Lease. LESSEE shall perform repair and maintenance items applicable to the subleased premises and common areas as described in Schedule 1 to Exhibit "B" to the Master Lease. If the Master Lease terminates, this Sublease shall terminate and the parties shall be relieved of any further liability or obligation under this Sublease, provided however, that if the Master Lease terminates as a result of a default or breach by

LESSEE or SUBLESSEE under the Sublease and/or the Master Lease, then the defaulting party shall be liable to the non-defaulting party for all damage suffered as a result of such termination. Notwithstanding the foregoing, if LESSEE exercises any right to terminate the Master Lease in the event of the partial or total damage, destruction or condemnation of the Master premises or the building of which the Master premises are a part, the exercise of such right by LESSEE shall not constitute a default or breach hereunder.

10. Signage. Subject to consent by Lessor under the terms of the Master Lease, LESSEE shall provide SUBLESSEE's name and/or logo on standard exterior building signage in accordance with design review requirements. In addition, SUBLESSEE shall be entitled to interior signage provided by LESSEE. SUBLESSEE shall have no entitlement to exterior wall signage or to signs in any exterior window.

11. Attorney's Fees. In the event of any suit or action by either party to enforce any provision of this Sublease, or in any other suit or action arising out of or in connection with this Sublease, the prevailing party shall be entitled to recover its costs of suit or action and reasonable attorney's fees whether at trial or on appeal.

12. Insurance. SUBLESSEE must provide to LESSEE proof of and maintain insurance coverage for bodily injury and property damage liability for a combined single limit of five hundred thousand (\$500,000.000) dollars. SUBLESSEE shall have LESSEE named as an additional insured on any liability insurance coverage SUBLESSEE carries for activities conducted on the premises. This insurance shall be exhausted first as primary insurance, notwithstanding that LESSEE may have other valid and collectible insurance covering the same risk.

13. Lease Extensions. Monthly extensions to this SUBLEASE may be negotiated between LESSEE and SUBLESSEE prior to the January 31, 1992 lease termination date, on mutual agreement of both parties. A reasonable rent to be negotiated with LESSEE, which shall not be less than the rent stated in paragraph 4. SUBLESSEE shall give notice of its intent to extend 90 days prior to the termination of this Sublease, and negotiations on the rent shall begin promptly thereafter. If no agreement on a reasonable rental is reached by sixty (60) days prior to the termination of this Sublease, the parties shall jointly agree on a realtor to make a binding determination of the fair rental value, which determination shall be made not later than thirty-one (31) days before the Sublease expires. If SUBLESSEE has not executed an extension of the Sublease at the new rent thirty (30) days after determination by the appraiser or realtor the lease extension option shall expire.

14. Indemnification. Throughout the term of this Sublease, SUBLESSEE and LESSEE will indemnify and hold harmless each other from loss, liability and damage for personal injury and property damage, or either, resulting from SUBLESSEE's or LESSEE's acts or failure to act or SUBLESSEE's OR LESSEE's use of the premises.

15. Grace Period. Except for the ten day (10) grace period for payment of rent and charges in paragraph 4, if SUBLESSEE fails to perform any other obligations hereunder LESSEE shall provide written notice specifying the nature of the alleged default to SUBLESSEE thirty (30) days thereafter to cure or if the nature of the default is such that it cannot be completely cured within the thirty (30) day period and proceed diligently to complete the cure as soon as possible before LESSEE may declare a default. After giving thirty (30) day notice to SUBLESSEE, which may run concurrently with the notice of default, LESSEE may use or apply any portion of the last month's rent to cure such default following the procedures described in paragraph 4.

16. Condemnation. SUBLESSEE and LESSEE agree that if a reduction in rent results from condemnation as described in Section 14 of the Master Lease which affects SUBLESSEE's premises, then LESSEE shall reduce SUBLESSEE'S rent proportionate to the reduction in square footage of SUBLESSEE space.

17. Consent by Lessor. This Sublease shall be of no force or effect unless consented to by Lessor by Lessor's Consent to Sublease which is attached hereto and incorporated herein.

SUBLESSEE

Date: _____

By: _____

Title: _____

LESSEE

Date: _____

By: _____

Title: _____

A:\SUBLEASE

EXHIBIT B

The Subleased space is described as follows:

Fifteen hundred and twelve square feet located on the Southwest side of the fourth floor of Metro Center, 2000 SW First Avenue, Portland, Oregon.

A:\SUBLEASEA:\SUBLEASE

Agenda Item No. 4.2
January 24, 1991

RESOLUTION NO. 91-1392

FINANCE COMMITTEE REPORT

RESOLUTION NO. 91-1392A, AUTHORIZING THE RELEASE OF THE DISTRICTS REQUEST FOR PROPOSAL (RFP) FOR AUDIT AND TAX SERVICES FOR FISCAL YEARS 1991, 1992 AND 1993

Date: January 18, 1991

Presented by: Councilor Devlin

COMMITTEE RECOMMENDATION: At its January 17, 1991 meeting the Committee voted unanimously to recommend Council adoption of Resolution No. 91-1392. All Committee members were present and voting.

COMMITTEE DISCUSSION/ISSUES: Jennifer Sims, Financial Services Manager, presented the Staff Report. Ms. Sims indicated this resolution would authorize the Department to release the RFP for financial audit services for response by potential vendors. The current three year contract with KPMG Peat Markwick is soon to expire and the District needs to obtain the services of a new financial auditor for the next three years. Ms. Sims pointed out that the resolution also waives the requirement for subsequent Council review of the audit contract and authorizes the Executive to execute such a contract upon completion of the selection process.

Councilor Devlin expressed concern about the resolution as proposed by the administration. He indicated that the financial auditors work as much for the governing body of the District as for the Executive. He indicated that the Finance Committee has succeeded in developing a good relationship with the auditors and such working relationship should continue with whichever firm is selected. He proposed an amendment to the resolution which deletes the waiver and in effect requires that the proposed contract be presented to the Council for approval once the selection process is complete. He also requested the Chair of the committee to communicate with the administration that a Councilor or representative of the Council be included in the selection process.

Chairman Van Bergen indicated he had been involved in past selection processes and presumed he would be involved in the current process.

Council Staff pointed out that the proposed RFP included audit work for the Metro Exposition Recreation Commission and asked that someone explain what work was to be done. Don Cox, Accounting Manager, indicated that the scope of work will include that the auditors prepare a Special Report for the Metro ERC which is required by the Phase I Intergovernmental Agreement with the City of Portland and that his office and the Metro ERC staff still need to determine which audit work papers will be prepared by each staff.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING)
THE RELEASE OF AN RFP FOR)
METRO'S AUDIT AND TAX SERVICES)
FOR FISCAL YEARS 1991, 1992,)
AND 1993

RESOLUTION NO. 91-1392A

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metropolitan Service District (Metro) is required by ORS 297.465 to have an annual audit of the District's financial statements; and

WHEREAS, The Tax Reform Act of 1986 requires Metro to calculate arbitrage rebate on bonds the District has issued; and

WHEREAS, The contract with KPMG Peat Marwick will expire on April 28, 1991; and

WHEREAS, The request for proposal for audit and tax services has been subjected to Metro's internal review procedures; and

WHEREAS, The contract is subject to Council approval pursuant to Metro Code 2.04.033;

BE IT RESOLVED,

The Council of the Metropolitan Service District hereby authorizes the [attached] Request for Proposal for Audit and Tax services for Fiscal Years 1991, 1992, and 1993 attached as Exhibit A hereto to be issued by [Metro's] the Finance and Administration Department. [~~pursuant to Metro Code 2.04.033(b), waives the requirement of Council review of the contract and authorizes the Executive Officer to execute the contract.~~]

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

DEPARTMENT OF FINANCE & ADMINISTRATION
METROPOLITAN SERVICE DISTRICT

REQUEST FOR PROPOSALS
FOR
INDEPENDENT AUDIT AND TAX SERVICES

Neil Saling
Acting Director of Finance & Administration

Jennifer Sims
Financial Services Manager

Donald R. Cox, Jr.
Chief Accountant

December 31, 1990

NOTICE OF REQUEST FOR PROPOSAL

Summary

Requesting Entity: Metropolitan Service District
2000 S.W. First Avenue
Portland, OR 97201-5398

Contact Person: Donald R. Cox, Jr., CPA
Chief Accountant
Phone: (503) 220-1161

Response Due Date: -----, 1991
at 5:00 p.m. PST in
Metro's business offices
2000 S.W. First Avenue,
Portland, Oregon

Number of Copies of Response: Seven (7) copies of the firms
proposal shall be submitted.

Contract Period: March 1, 1991 - February 28,
1993

Nature of Work to be Performed: Examination of financial
statements for fiscal years
ended June 30, 1991, 1992 and
1993 (and at Metro's option,
tax services for items
required by the Tax Reform Act
of 1986 as amended)

METROPOLITAN SERVICE DISTRICT

REQUEST FOR PROPOSAL

INDEPENDENT AUDIT AND PROFESSIONAL TAX SERVICES
FOR THE PERIOD MARCH 1, 1991 -- FEBRUARY 28, 1993

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REQUEST FOR PROPOSAL
FOR
INDEPENDENT AUDIT SERVICES

(and professional services in tax matters)

I. INTRODUCTION

The Finance & Administration Department of the Metropolitan Service District (Metro) invites qualified independent certified public accountants to submit proposals to examine Metro's annual financial statements for the fiscal years ending June 30, 1991, 1992 and 1993, as well as providing certain tax services to Metro. A pre-proposal conference is scheduled for -----, at 2:00 p.m. in the Council Chamber at Metro's business offices, 2000 S.W. First Avenue, Portland, Oregon.

Metro hereby solicits your firm's proposal in accordance with the terms and conditions of this RFP and requests that it be submitted to Donald R. Cox, Jr., Chief Accountant, 2000 S.W. First Avenue, Portland, Oregon 97201-5398. Proposals will be due on January 31, 1991, at 5:00 p.m. (PST). Details concerning these projects and proposal are contained in this document. Metro has budgeted \$19,500 for this contract in FY 1990-91. The remainder of the audit and tax service fees will be paid from the FY 1992 budget which is currently being developed.

Purpose and Objective

The purpose and objective of this RFP is to obtain technical and cost proposals, covering fiscal years 1991, 1992 and 1993 from qualified independent certified public accounting firms. Our objective is to select the firm best qualified to provide:

1. Examination of the financial statements for Metro as required under generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations;
2. "Single Audit" covering Metro's federal, state and local grants for each year as required by the Uniform Single Audit Act of 1984 and OMB Circular A-128;
3. Technical assistance to Metro personnel on various accounting and reporting questions; and
4. Preparation of tax returns (forms) and arbitrage calculations as required by the Internal Revenue Code as it relates to bond proceeds (allowable yield/rebate) and other tax matters.

The firm recommended by the selection committee will be forwarded to the Executive Officer for her recommendation which will be carried to the Metro Council.

II. DESCRIPTION OF METRO AND RECORDS TO BE AUDITED

Organization and Operation

The Metropolitan Service District was organized under the provisions of Oregon Revised Statutes (ORS) chapter 268 to make available in the Portland metropolitan area public services not adequately available through previously authorized governmental agencies. Subject to the limitations of state law, Metro may provide the metropolitan area aspects of sewerage, solid and liquid waste disposal, control of surface water, public transportation and zoo facilities. ORS chapter 268 further allows the District to acquire, construct, alter, maintain, administer and operate major cultural, convention, exhibition, sports and entertainment facilities. It may also provide local area aspects of those public services that are transferred to the District by agreement between Metro and other public corporations, cities or counties. Formation of the District, which includes parts of Clackamas, Multnomah and Washington counties, was approved by voters within the District on May 26, 1970.

The 1975 Oregon Legislature expanded ORS chapter 268 to include operations and maintenance of zoo facilities. As a result of this legislation and the passage of a special tax levy, Metro began operation and funding the Washington Park Zoo as of July 1, 1976. This was accomplished by the assumption of the assets and liabilities of the Portland Zoological Society, with the Society providing sufficient funds to pay past liabilities. In addition, pursuant to an agreement effective July 1, 1976, the City of Portland transferred ownership of land, buildings, animals and other assets related to the Zoo, except for a railroad line and equipment subject to a perpetual lease agreement, to Metro.

By a vote of the electorate on May 23, 1978, as provided for by chapter 665, Oregon Laws 1977, the Metro Council was expanded to consist of 12 part-time councilors, each elected on a non-partisan basis from a single subdistrict. Additionally, approval was also granted, effective January 1, 1979, to abolish the Columbia Region Association of Governments and transfer its planning activities to Metro.

By vote of the electorate in November 1986, the District was authorized to finance, construct and operate a regional convention center. The Oregon Convention Center was completed and began operations in September 1990. Effective July 1, 1990, Metro, under the provisions of an intergovernmental agreement with the City of Portland, took over management responsibilities for the Memorial Coliseum, Civic Stadium and Portland Center for the Performing Arts. These activities, including the Convention Center, are operated by Metro's Metropolitan Exposition-Recreation Commission.

Included in the District's combined financial statements are all activities and organizations with which the District exercises

oversight authority as demonstrated by financial interdependency and/or authoritative appointment of governing authority.

The District has one component unit-the Metropolitan Exposition-Recreation Commission (MERC), as related to Oregon Convention Center operations. Additional potential component unit activities is that of MERC's Spectator Facilities Fund, MERC Management Pool Fund, and the PCAA Capital Fund.

The Metropolitan Exposition-Recreation Commission and the Consolidation agreement between Metro and the City will require a separately issued Component Unit Financial Report (CUFR), which must be made available to the City of Portland no later than September 30, of each year under the terms of the intergovernmental agreement. To assist each audit firm in submitting their proposal, the consolidation agreement has been included in this request for proposal. The opinion of Metro's Accounting staff under current authoritative guidance is that activities accounted for in the Spectator Facilities and MERC Management Pool Fund be reported as a Fiduciary Fund Type in Metro's financial reports as they constitute an Enterprise Fund and component unit of the City of Portland under Phase I of the consolidation process.

Metro as a financial and economic unit is presented in financial statements consisting of several funds and account groups. The financial statements are prepared to conform fully with generally accepted accounting principles (GAAP) and to be in compliance with the pronouncements of the GASB and/or the Financial Accounting Standards Board (FASB) as appropriate. The auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with GAAP. The auditor will also provide compliance reports as required under federal and state laws.

Funds and Account Groups

The following table provides a complete listing of the funds and account groups used by Metro in fiscal year 1991.

<u>Fund Category</u>	<u>Generic Fund Type</u>	<u>Fund</u>	<u>Budgetary Funds</u>	<u>GAAP Basis*</u>	
Governmental Funds	General Fund	General	General	Modified Accrual	
	Special Revenue Funds	Zoo Fund	Zoo Operating	Modified Accrual	
			Planning Fund		Modified Accrual
			Transportation		Modified Accrual
	Capital Projects Fund	Zoo Capital	Zoo Capital	Modified Accrual	
	Debt Service Fund	Convention Center Debt	Convention Center Debt	Modified Accrual	
Proprietary Funds	Enterprise Funds	Solid Waste Fund	Solid Waste Revenue Fund	Accrual	
			Solid Waste Operating (closing in FY 91)		
			Solid Waste Debt Service (closing in FY 91)		
			Solid Waste Capital (closing in FY 91)		
			Solid Waste Reserve (closing in FY 91)		
			Convention Center Fund	Convention Center Operating Fund	Accrual
				Convention Center Project Management	
				Convention Center Project Capital	
			Building Mgmt. Fund	Building Mgmt. Fund	Accrual
			Internal Service Funds	Insurance Fund	Insurance	Accrual
	Support Services Fund	Support Services Fund	Accrual		

<u>Fund Category</u>	<u>Generic Fund Type</u>	<u>Fund</u>	<u>Budgetary Funds</u>	<u>GAAP Basis*</u>
Fiduciary Funds	Expendable Trust Funds	St. Johns Rehabilitation and Enhancement Fund	St. Johns Rehabilitation and Enhancement Fund	Modified Accrual
	Pension Trust Fund	Pension Trust Fund	(not budgeted)	Accrual
	Agency Fund	Spectator Facilities Fund	Spectator Facilities Fund	Accrual
		MERC Management Pool Fund	MERC Management Pool Fund	Accrual
		PCPA Capital Fund	PCPA Capital Fund	Accrual
General Long-Term Debt Account Group	----	----	----	
General Fixed Asset Account Group	----	----	----	

*For budgetary purposes, all funds are presently accounted for on the modified accrual basis.

Financial Activity

The current financial system permits recording of budget records and encumbrances in the accounting records (General Ledger). These records are maintained on the EDP system for reporting purposes (e.g., line-item budget to actual reports). Metro currently maintains two checking accounts: 1) accounts payable and 2) payroll (which is a "zero-balance account"). In addition, investments are made with various Oregon financial institutions (certificates of deposit, U.S. Treasury Securities, etc.) in accordance with Metro Code and state law. Monies for construction of the Oregon Convention Center are invested and monitored through an investment trust agreement with First Interstate Bank of Oregon, N.A. First Interstate Bank of Oregon maintains the following sub-accounts on Metro's behalf: 1) General Obligation Bond Proceeds account; 2) City Bond Proceeds account; 3) State Grant Proceeds account; 4) Debt Service account; and 5) Rebate account. A similar number of accounts are maintained for the Metro Northwest Transfer Station and Metro/Reidel Compost Project Revenue bonds. In addition to the above accounts, MERC maintains various checking, vault and other cash accounts used for their operations.

Metro's bond registrar and paying agent is Chase Manhattan Bank. Metro's co-registrar and co-paying agent on all bonds is First Interstate Bank of Oregon, N.A. Metro receives dedicated property tax revenue for bonded debt service and a tax base for zoo operations from three counties -- Multnomah, Washington and Clackamas -- and has receivable accounts for each. Metro employs approximately 1200 people during a fiscal year.

Other Systems, Records and Procedures

- Metro's written investment policies were adopted in the form of an ordinance forms the basis of an investment policy document.
- Fixed asset procedures were developed in FY1983-84. This system has not been fully implemented due to limited staff resources.
- All major systems, except for manual records maintained by MERC staff, are computerized (payroll, accounts payable, accounts receivable, general ledger, financial reporting), but each function maintains certain manual tasks as well. Certain systems are currently not integrated on the EDP system. (e.g. purchasing/ contracts).
- No internal audit staff currently exist. Internal audit functions are currently carried out by the existing Accounting staff as resources permit. All required audit workpapers and reports are prepared by the Accounting Division staff, except certain items prepared by MERC staff as required to successfully process audited financial information to the City of Portland.

- MERC maintains a separately operated accounting function which monitors the financial operations of MERC and processes documentation and transactions through Metro's Accounting Section for budget purposes.
- Organizational charts for the Finance & Administration Department, Financial Services Division, Accounting Section, MERC Administration have been included in Appendix C.

Reports Available

The Annual Financial Report for the Metropolitan Service District for the fiscal year ended June 30, 1990, is available upon request (as are the Schedule of Federal Financial Assistance and reports required by the Single Audit Act and management letter). Any of the above reports for years ended prior to June 30, 1990, are available for examination at the Chief Accountant's office.

The adopted budget for FY 1991 is available upon request. Contact the Chief Accountant for copies.

III. PROPOSED SCOPE OF WORK/SCHEDULE

Metro is seeking proposals from qualified firms to perform the following services and to deliver the products described:

- A. Audit Services -- the auditor shall examine the financial statements of all Metro funds and account groups; assist in preparation of, type and print the annual financial reports; and include an opinion in those reports regarding Metro's financial statements:

Reports Required -- The following reports are expected at the completion of the audits and in the quantities, form and times indicated.

1. Comprehensive Annual Financial Report (CAFR) of Metro

A report on the examination of the combined financial statements and related notes thereto, and auditor comments and disclosures required by the Minimum Standards for Audits of Oregon Municipal Corporations.

The combining, individual fund and account group financial statements and schedules, as listed in the supplementary data section of the 1989-90 CAFR, are to be examined "in relation to" the general purpose financial statements.

The audit firm shall submit preliminary drafts of the CAFR, including auditor comments and disclosures required by the Minimum Standards for Audits of Municipal Corporations, by October 15 of each year for review.

The audit firm shall print and assemble the Comprehensive Annual Financial Report and deliver to Metro 200 copies of the report by November 15 of each year.

2. Report on the Single Audit

A report on the results of a single audit of Metro's grants-in-aid is required by the Uniform Single Audit Act of 1984 and OMB Circular A-128, "Audits of State and Local Governments." Metro's Accounting staff will provide a schedule of grant activity and a draft schedule of Federal Financial Assistance; however, the audit firm is expected to type and print the Schedule of Federal Assistance reconciled to Metro's financial statements.

The audit firm shall submit two preliminary drafts of the single audit report by October 15 of each year for review and comment. The audit firm will prepare and deliver 150 copies of the final report no later than November 15 of each year.

The report on the single audit shall include at least:

- a. The audit firm's opinion on the financial statements and the Schedule of Federal Assistance. The Schedule of Federal Assistance shall show total expenditures for each federal assistance program as identified in the Catalog of Federal Domestic Assistance, and all other federal programs and grants which have not been assigned catalog numbers;
- b. The audit firm's report on the study and evaluation of internal control systems. The report must identify Metro's significant internal accounting controls, and those controls designed to provide reasonable assurance that federal programs are being managed in compliance with applicable laws and regulations. This report must also identify those controls which were not evaluated, and any material weaknesses identified as a result of the evaluation; and
- c. The audit firm's report on compliance containing:
 - (1) A statement of positive assurance with respect to those items tested for compliance including compliance with laws, rules and regulations pertaining to non-major programs and other items which could have a material effect on financial reports and claims for advances and reimbursements. In addition, the firm's report must disclose whether Metro has complied with laws and regulations that may have a material effect on each major federal assistance program;

- (2) A statement of negative assurance on those items not tested;
- (3) A summary of all instances of noncompliance;
- (4) An identification of total amounts of costs questioned, if any, for each federal assistance award, as a result of noncompliance; and
- (5) Other statements or reports to satisfy state and local governments' requirements.

If the audit firm finds indications of fraud, waste and illegal acts, or questioned costs, a separate written report to the funding agency is required.

3. Special Issue Financial Report for MERC financial activities related to the Spectator Facilities Management Pool and PCPA Capital Funds, prepared on an Enterprise basis. This report must be reconcilable to Metro's CAFR.
4. Management Letter(s)

The engagement should include recommendations to management, prepared by the audit firm in letter form, which include any findings, observations, opinions, comments or recommendations relating to internal control, accounting systems, data processing, compliance with laws, rules and regulations, or any other matters that come to the attention of the auditor during the course of the examination. Such recommendations shall not be construed as special or additional studies, but shall be limited to those usually associated with the study of internal control systems and procedures as a part of an examination of financial statements. The recommendations will be discussed with the appropriate oversight unit and Metro's officials prior to publication.

The discussion draft shall be submitted by October 31 of each year. Seventy five copies of the final letters will be required no later than November 15 of each year.

5. Secretary of State Summary of Revenues and Expenditures

The audit firm shall prepare the Summary of Revenues and Expenditures required by the Secretary of State for the State of Oregon and deliver the report to Metro no later than November 15 of each year.

GFOA Certificate of Achievement -- Metro is looking toward preparing a Comprehensive Annual Financial Report which will receive the Government Finance Officer's Association Certificate of Achievement for Excellence in Financial

Reporting indicating the report not only complies with generally accepted accounting principles and applicable legal requirements, but is also easy to read, efficiently organized and conforms to program standards.

Metro has never prepared such a report. It is the staff's intent to strive for submitting such a report in fiscal year ended June 30, 1991, and seeks audit firm assistance in achieving this objective.

Technical Assistance -- As a part of the overall audit contract, Metro expects to receive from the audit firm a variety of technical assistance throughout the fiscal year. This assistance would include answers to accounting, reporting or internal control questions.

Additional Services -- Proposals shall contain provisions for dealing with extraordinary circumstances discovered during the audit that may require an expansion of audit work beyond that which was originally planned.

In addition, the audit firm may be requested to perform special projects for Metro during the year. Because of variations in the demand for additional services, such work will be contracted for, provided and billed separately to Metro on an hourly basis. Proposals should describe the types of services available from the firm and the standard hourly fees to be charged for such services.

B. Tax Services

Metro has issued \$65,000,000 in General Obligation Convention Center bonds and in excess of \$60,000,000 in Solid Waste System revenue bonds which are subject to the new rebate requirements under the Tax Reform Act of 1986. The firm selected to perform tax services for Metro will be required to:

1. Calculate the allowable yield on investments.
2. Calculate the rebatable amount and report this figure to Metro and its trustee for the appropriate tax year, as well as the estimated liability at June 30, of each year for inclusion in Metro's Annual Financial Report.
3. Verify all Form 8038G which has been filed as required by law.
4. Assist in monitoring compliance by Metro in filing other required forms, such as the 8038GC and assist in their preparation.
5. Advise Metro staff on any bond-related tax issues.

6. Provide a variety of technical assistance throughout the year. This assistance would include answers to tax-related issues.
7. Proposals shall contain provisions for dealing with extraordinary circumstances discovered during tax work that may require an expansion of tax work beyond that work which was originally planned.
8. In addition, the firm selected to perform tax services may be requested to perform special projects for Metro during each year. Because of variations in the demand for additional services, such work will be contracted for, provided and billed separately to Metro on an hourly basis. Proposals should describe the types of services available from the firm and the standard hourly fees to be charged for such services.

C. Audit/Tax Contracts

Contract Period -- The audit and tax contract(s) will be for a period of three (3) years, March 1, 1991, through February 28, 1993. The successful proposer shall be required to sign Metro's standard Personal Services Agreement (Appendix D) along with the negotiated Scope of Work.

Prime Contractor Responsibilities -- Metro will negotiate and contract only with the successful audit/tax firm. The proposer shall have the responsibility to carry out the contract and shall be the only entity recognized to receive payment from Metro.

D. Mandatory Requirements

Audit Standards and Scope -- Each examination shall be made in accordance with Generally Accepted Auditing Standards, promulgated by the American Institute of Certified Public Accountants; the Minimum Standards for Audits of Oregon Municipal Corporations promulgated by the Secretary of State; Standards for Audit of Governmental Organizations, Programs, Activities and Functions, promulgated by the U.S. General Accounting Office; the Uniform Single Audit Act of 1984; OMB Circular A-128, Audits of State and Local Governments; Oregon and local laws and regulations; and consider the comments received from the GFOA Certificate of Achievement review, as appropriate.

All staff assigned to the engagement must have a minimum of a bachelors's degree in accounting or related subject area and must be properly supervised. The scope of each audit should be planned so as to preclude the necessity for exceptions arising from scope limitations and should be sufficient to enable the auditor to issue management letters. The scope of the audits as detailed in a formal Audit Plan, will be reviewed by Metro's Finance & Administration staff.

Matter of Public Record -- Final reports covering examination of financial statements, compliance with grant programs, and management letters will be a matter of public record. Copies of all management letters, together with Metro's response to such letters, may be forwarded to municipal bond rating agencies and other interested parties.

The audited financial statements may appear in all official statements or other documents covering the sale of Metro securities. A copy of a recent offering statement is available for review at Metro's offices.

Reporting Deadlines -- Metro's audited financial statements shall be submitted to the Secretary of State no later than December 31 after the June 30 fiscal year end.

E. Meetings and Progress Reports

1. Commencement of Work

Pre-audit conferences with Metro staff (and possibly Council) will be held no later than May 15, to discuss audit schedules. The audit firm will commence the audit at a mutually agreeable date (Metro's preference is for final full field work to begin approximately the third week of August).

2. Progress Reports

The audit firm and Metro management shall meet periodically to discuss audit-related problems (issues). At a minimum, monthly meetings will be held during the course of the audit engagement to report on the progress of the audit. The audit firm is expected to consult on accounting policy issues and render financial advisory services as deemed necessary. Any unusual conditions encountered during the course of the examination where services of the audit firm must be extended beyond the normal work anticipated will require written notification to the Chief Accountant and Financial Services Manager prior to the commencement of work.

3. Exit Conferences

Post-audit conferences to review the various reports and financial statements will be held with the Director of Finance & Administration, Financial Services Manager, Chief Accountant and other appropriate Metro officials. In regard to special reports required by the Metropolitan Exposition Recreation Commission, meetings with appropriate staff will be expected.

4. Council and Commission Meetings

Audit firm management shall be present at any meetings of the Metro Council and Metropolitan Exposition Recreation Commission when matters regarding the audit or related reports are discussed. Meetings with individual Councilors, Commissioners or managers may also be requested.

5. Meetings in Relation to Tax Matters

The firm performing tax services will attend meetings with appropriate Metro staff to explain procedures, requirements and forms or schedules prepared by the firm to enable Metro staff to gain an understanding of the requirements (etc.).

F. Work Products

Metro is responsible for closing the books, preparing trial balances, reconciling bank accounts and all other general ledger accounts performing other management functions. A detailed description of support and services to be provided to the auditor by Metro and MERC staff is included in Appendix B.

Metro currently has Zoo concession inventories of approximately \$180,000, for which a physical inventory is taken June 30 of each year by Zoo staff and an outside inventory firm. The audit firm will be responsible for inventory observation at no additional cost, if the audit firm deems it necessary.

Materials and working papers developed during the engagement will be maintained for a minimum of three (3) years from the date of the audit report and will be made available for examination by authorized representatives of the Cognizant Federal Audit Agency, the U.S. General Accounting office and Metro.

IV. PROPOSAL SUBMISSION REQUIREMENTS

General Information

A. Requesting Agency

Metropolitan Service District

B. Metro Contact

Donald R. Cox, Jr., CPA
Chief Accountant
2000 S.W. First Avenue
Portland, Oregon 97201-5398
(503) 220-1161

Submission Requirements

1. Proposal Deadlines

Proposals will be accepted until 5:00 p.m., PST, -----1991, at the office of the Chief Accountant, 2000 S.W. First Avenue, Portland, Oregon 97201-5398. Postmarked proposals are not acceptable. All proposals are to be clearly labeled "Annual Audit and Tax Services." Proposals are to include a "Technical Proposal" and a "Fee Proposal." The "Technical" and "Fee" proposals are to be submitted in separate, sealed envelopes clearly labeled. Seven (7) copies of each proposal are required.

DELIVERY IS THE SOLE RESPONSIBILITY OF THE PROPOSERS.
PROPOSALS RECEIVED (POSTMARKED) AFTER THE DATES INDICATED
ABOVE WILL BE RETURNED.

2. Multiple Proposals

No more than one proposal may be submitted by each firm.

3. Independent Price Determination and Guidelines

By submission of the proposal, the audit firm certifies that price offerings have been arrived at independently.

4. Proposal Procedure Questions and Requests

Any audit firm requiring further clarification of the proposal procedures contained herein should submit specific questions in writing by -----, 1991 to the Chief Accountant. A written response will be provided by -----, 1991, to those questions which are deemed appropriate. The response will be in the form of an addendum and will be sent to all firms in receipt of this RFP.

5. Accounting System Questions and Requests

Any audit firm requiring further clarification of accounting or data processing system information contained herein should submit specific questions or requests in writing no later than -----to the Chief Accountant.

A written response will be provided by ----- to those questions which are deemed appropriate. The response will be in the form of an addendum which will be sent to all firms in receipt of this RFP.

6. Signing of Proposals

The submission and signature of a proposal shall indicate the intention of the audit/tax services firm to adhere to the provisions described in this RFP.

Proposal Activities

1. Timetable

<u>Events</u>	<u>Dates</u>
Release of Formal RFP	-----
Pre-proposal Conference	-----
Proposals Postmarked/Received by	-----
Notification of Finalist(s)	-----
Presentations (optional)	-----
Appointment of Auditor not later than	-----

2. Pre-Proposal Conference

A pre-proposal conference will be held at 2:00 p.m. on -----
-----, in Metro's Council Chamber,
2000 S.W. First Avenue, Portland, Oregon. Metro and Metro
E.R. Commission staff will be available to answer questions
regarding the accounting system, work papers to be prepared
by Metro staff, the year-end closing timetable and the bid
process.

Attendance at this conference is mandatory. Please notify
the Chief Accountant if you plan to attend.

3. Presentations

At the option of the Audit/Tax Services Selection Committee,
certain firms may be required to make a presentation of their
proposal. This presentation will provide an opportunity to
clarify or elaborate on the proposal, but will in no way
provide an opportunity to change the fee originally proposed.
The Chief Accountant will schedule the time and location of
these presentations (if necessary) and notify the selected
firms.

4. Appointment of Audit/Tax Services Firm

The Auditor/Tax Services Selection Committee will make a
recommendation to the Executive Officer. The Executive
Officer will then make a recommendation for contract award.
This award is expected to take place in mid to late March
1991. All firms submitting a proposal will be notified in
writing of the recommendation and award of contract.

Other Conditions and Requirements

1. Restrictions on Contact

From the issue date of the RFP until a proposal is selected;
all contact with Metro employees concerning the RFP must be
cleared through the Financial Services Manager or Director of
Finance & Administration.

2. Independence

The American Institute of Certified Public Accountants' Rules on Independence, as interpreted by Metro, requires that assigned partners and principals of the successful audit firm divest themselves of all holdings of Metro indebtedness. To comply with this stipulation, each proposal shall indicate a willingness to conform.

3. Audit Firm Qualifications and Representations

Each audit firm shall complete and duly execute the Audit Form Qualifications and Representation Form (Appendix A) and submit it as part of the proposal.

4. Metro Clarification of Proposals

Metro reserves the right to obtain clarification of any point in a firm's proposal or to obtain additional information necessary to properly evaluate a particular proposal. Failure of a proposer to respond to such a request for additional information or clarification could result in rejection of the firm's proposal.

5. Confidentiality

The audit/tax services firm is required not to release any news or make any statements to the public, press, or other media relating to matters pertinent to the audit/tax services contract, or the CAFR, without prior approval from the Director of Finance & Administration.

Except in the case of written questions relating to proposal procedures or technical questions as provided for above, all communications between audit/tax services firms and Metro will be held in strict confidence until an audit/tax services firm is selected and an audit contract and tax services contract are signed.

6. Computer Time

Metro will generally not be able to make computer time available to the auditors. Accordingly, candidates shall consider this in their fee proposal.

7. Basis and Method of Compensation

Proposals shall set forth the hourly rates and the maximum amount of compensation to provide the contracted services for each of the three fiscal years requested. Meetings and out-of-pocket costs shall be considered as part of the proposal amount.

Firms are free to propose whatever method of compensation and payment that will be to the best advantage of both Metro and the firm.

In the event that Metro's ability to raise revenue is severely restricted, it may be necessary to reduce the scope of work and contract amount. **ACCORDINGLY, A NONAPPROPRIATION CLAUSE WILL BE CONTAINED IN THE FINAL AUDIT/TAX SERVICES CONTRACT.**

8. INSURANCE REQUIREMENTS:

The contractor shall provide (from insurance companies acceptable to Metro) General Liability insurance coverage with a combined single limit of not less than \$500,00. Before commencing work under this contract the contractor shall furnish Metro with a certificate of insurance evidencing coverage as specified, naming Metro as an additional insured.

9. Cost of Proposal

This RFP does not commit Metro to pay any costs incurred by any proposer in the submission or presentation of a proposal, or in making the necessary studies for the preparation thereof.

10. Disputes

In case of any doubt or difference of opinions as to the items to be furnished hereunder or the interpretation of the provisions of this RFP, the decision of Metro shall be final and binding upon all parties.

11. Rejection of Proposals

Metro reserves the right to reject any or all proposals received as a result of this request. Proposals may be rejected for one or more of the following reasons or others deemed appropriate by Metro:

- a. Failure of the proposer to adhere to one or more of the provisions established in this RFP.
- b. Failure of the proposer to submit a proposal in the format specified herein.
- c. Failure of the proposer to submit a proposal within the deadline established herein.
- d. Failure to adhere to ethical and professional standards during the proposal process.
- e. Lack of experience or qualifications necessary to perform the services.

12. Notice to Firms Regarding Solicitation

Metro staff are not permitted, by Metro Code, to accept anything of any value greater than \$100 per year from any contractor or potential contractor. This notification is provided so that firms are aware that any business conducted at a luncheon meeting to discuss proposals (etc.) will be at the direction of the Director of Finance & Administration or Financial Services Manager.

13. Subconsultants; Disadvantaged Business Program

A subconsultant is any person or firm proposed to work for the prime consultant on this project. Metro does not wish any subconsultant selection to be finalized prior to contract award. For any task or portion of a task to be undertaken by a subconsultant, the prime consultant shall not sign up a subconsultant on an exclusive basis.

In the event that any subconsultants are to be used in the performance of this agreement, consultant agrees to make a good faith effort, as that term is defined in Metro's Disadvantaged Business Program (Section 2.04.160 of the Metro Code) to reach the goals of subcontracting 7 percent of the contract amount to Disadvantaged Businesses and 5 percent of the contract amount to Women Businesses. Consultant shall contact Metro prior to negotiating any subcontracts. Metro reserves the right, at all times during the period of this agreement, to monitor compliance with the terms of this paragraph and Metro's Disadvantaged Business Program.

14. Validity Period of Proposal

The proposal shall be considered valid for a period of at least 90 days and shall contain a statement to that effect.

Proposal Content and Format

To simplify and expedite the review process, candidates are requested to prepare their proposals in the format specified below. The proposals should consist of two parts -- a technical proposal and a fee proposal. These parts should be submitted at the same time but in SEPARATE SEALED ENVELOPES clearly marked "Technical Proposal" and "Fee Proposal." Seven (7) copies of each proposal are required.

Technical Proposal Format

The Technical Proposal should be arranged in the following format.

Title Page

Include the RFP subject, name of the independent auditor, local address, telephone number, name and title of contact person, date of submission, and the period for which the proposal is effective.

Transmittal Letter

Transmittal letter should be no more than two pages long and include at a minimum:

1. A brief understanding of the audit and tax services to be performed;
2. A positive commitment to perform the services within the time period specified;
3. The names of the persons authorized to represent and legally bind the Proposer for 90 days following proposal submission, their title, address and telephone number (if different from the individual who signs the transmittal letter); and
4. Reference to a sealed envelope that contains the all-inclusive audit services fee for which the audit work will be done and the tax service fee. The fees should not be disclosed elsewhere in the proposal.

Audit/Tax Services Firm's Qualifications and Representations

Include the Audit/Tax Firm's Qualifications and Representations using the format presented in Appendix A.

Audit Services Summary of Audit Firm's Qualifications

1. Identify the audit managers, field supervisors and other staff who will work on the audit, including staff from other than the local office. Resumes describing relevant experience and continuing education for the auditor-in-charge up through the individual with final responsibility for the engagement should be included.
2. Describe the range of activities performed by the local office such as auditing, accounting, tax service or management services and recent local and regional office auditing experience similar to the type work requested.
3. If other audit firms are to participate in the audit, similar information should also be provided for these other firms.
4. Describe the firm's policies and practices regarding peer review, including dates of the most recent review and any significant findings.

Audit Firm's Approach to the Examination

Submit a work plan to accomplish the scope of work defined earlier in this RFP. The work plan should include time estimates (in hours) for each significant segment of the audit and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists (if any) should be described.

For example, the audit work plan for the single audit should completely cover what audit work will be accomplished to allow the auditor to issue:

- a. An opinion report on the financial statements;
- b. A report on the study and evaluation of internal control systems; and
- c. A report on Metro's control systems to assure compliance and whether Metro has complied with laws and regulations that may have an effect on major federal assistance programs.

The audit work plan should demonstrate the audit firm's understanding of the audit requirements of a single audit as specified in OMB Circular A-128 and the audit tests and procedures to be applied in completing the audit plan.

For a financial opinion audit, or financial and compliance audits other than a single audit, the instructions should be tailored to cover the audit work related to the scope of the financial statement audit. If other audit guidelines or regulations are applicable, the audit work plan should satisfy those audit requirements.

Provide a brief statement on the firm's policy for senior staff rotation once assigned to audit Metro.

Report Requirements

Demonstrate understanding of the reporting requirements of Metro and the Metropolitan Exposition-Recreation Commission and its oversight units by providing a schedule which lists the various reports, due dates and quantities to be provided by the audit firm. The specific reports required by OMB Circular A-128 for the single audit should also be listed.

Time Requirements

Provide detailed information on how the audit firm proposes to meet the timelines and reporting deadlines of the engagement. Audit milestones and dates should be provided.

Summary of Tax Services Firm's Qualifications

1. Identify the tax managers, supervisors and other staff who will work on the tax engagement, including staff from other than the local office. Resumes describing relevant

experience and continuing education for the staff assigned should be included.

2. Describe recent local or regional experience in tax matters similar to the type of work requested.

Tax Services Firm's Approach

Submit a work plan to accomplish the scope of work defined earlier in this RFP in regards to the tax matters. The plan should include time estimates (in-house) for each significant segment of the tax work and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists (if any) should be described.

Provide a brief statement on the firm's policy for senior staff rotation once assigned to the work required by Metro.

Filing Requirements

Demonstrate an understanding of the reporting (filing) requirements for Metro in the areas of tax-exempt obligations. Provide a schedule which lists appropriate filings and their due dates.

Time Requirements

Provide detailed information on how the firm proposes to meet the timelines and reporting deadlines of the engagement. Tax milestones and dates should be provided.

References

Provide a list of references (five) for which the audit firm has provided auditing and tax services within the last five years. The list must contain the name of the government, periods (fiscal years) audited, name of government official to be contacted, phone number and address of the government. (See Appendix A, question 10,16, and 17).

Fee Proposal Format

The Fee Proposal should be submitted in a SEPARATE SEALED ENVELOPE clearly identified. The Fee Proposal should list the total hours and dollar amounts for each of the following as well as include and specify out-of-pocket costs to be included in the fee:

	<u>Comprehensive Annual Financial Report for the Metropolitan Service District</u>		<u>Special Report For MERC</u>	
<u>Audit Services</u>	<u>Hours</u>	<u>Dollar Amount</u>	<u>Hours</u>	<u>Dollar Amount</u>
Examination of Annual Financial Report Preparation of the Management Letter				
Staff Assigned:				
Report on the Single Audit				
Printing of 200 Copies of the Comprehensive Annual Financial Report				
Printing of 150 Copies of the Report on the Single Audit				
Printing 150 Copies of the Management Letter				
Printing -----Copies of the Special Financial Report for MERC				
TOTAL AUDIT SERVICES FEE				
<u>Tax Services</u>				
Calculation of Arbitrage Earnings (yield) and Rebate Amount				
Preparation and review of Forms 8038G and 8038GC				
Report to Trustee/Metro Stating Rebate Amount				
TOTAL TAX SERVICES FEE				

Non-Audit/Tax Services

Assistance in achieving the GFOA Certificate of Achievement, and other technical assistance such as answers to accounting, reporting or internal control questions.

TOTAL FEE PROPOSAL

Additional Services

Provide a brief description of any other services that your firm could provide Metro and an approximation of the hourly charge for each such service. Such services would be contracted for on an "as needed" basis to be provided and billed separately.

The fee estimate for additional services should be presented for:

Partners
Managers
Senior staff
Junior staff

V. EVALUATION OF PROPOSALS

Proposals will be evaluated to determine which one best meets the needs of the Metropolitan Service District. After meeting the mandatory requirements, the proposals will be evaluated on both their technical (80 percent) and cost (20 percent) aspects.

Mandatory Requirements

There are two requirements that the audit firm must meet to enable the proposal to be evaluated further:

- The audit firm is properly licensed for public practice as an independent auditor and qualifies as a municipal auditor; and
- The audit firm must meet the independence standards of the GAO Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, ---- revision.

Technical Requirements

The technical evaluation of all qualifying proposals will represent 80 percent of the evaluation process and score. Points to be considered in the technical evaluation include:

- Responsiveness of the proposal in clearly stating an understanding of the work to be performed, demonstrated through an audit/tax work plan and time estimates for each major segment of the work plan;
- Organization and size of the firm, demonstrating the firm's ability to undertake an audit the size of Metro;
- Technical experience of the firm and prior experience with governmental and municipal audits and governmental tax work; and
- Qualifications of staff and consultants assigned to the audit and tax work as demonstrated through resumes stating education, governmental or tax (as applicable) experience, and position with the firm. The firm's policy with regard to rotation of audit/tax staff should also be stated.

Cost Evaluation

The evaluation of the proposed fees will consider the overall cost (audit fees plus out-of-pocket expenses) and the proposed audit hours and overall cost (tax fees plus out-of-pocket) and tax service hours. Both of these factors are important in evaluating the reasonableness of the fee and the proposers' understanding of the audit and tax services time requirements.

The total score resulting from the technical and cost evaluation will guide the selection of the audit/tax services firm. If more than one proposer, based on total scores, appears to be qualified to undertake Metro's audit and tax services, interviews with the Audit/Tax Services Selection Committee may be held before the final selection.

APPENDIX A

METROPOLITAN SERVICE DISTRICT
REQUEST FOR PROPOSAL FOR AUDIT SERVICES

January 15, 1991

PROPOSER'S QUALIFICATIONS AND REPRESENTATIONS

The Proposer makes the following statements and representations as part of the proposal:

General Information

1. Name (firm or individual) of Proposer.
2. Address.
3. Federal Employer Identification Number. _____
4. How long have you been in business? _____
5. Are you a corporation? Yes ___ No ___
If yes, please provide the date and state of incorporation, type of corporation, and list the names of all Portland area audit stockholders.
6. Are you a partnership? Yes ___ No ___
If yes, please list names of all Portland area audit and tax partners (identify by service).
7. Number of professional audit staff employed in the Portland area office. _____
8. Number of professional tax staff employed in Portland area office. _____
9. In the preceding five years, has the firm audited at least three different local governments serving populations of 30,000 or more with at least one of these being a special district? Yes ___ No ___

10. Is the firm presently engaged to perform audit services to any other governmental agencies within Oregon or Southwestern Washington? Yes ___ No ___

If yes, please provide the following:

<u>Name of Agency</u>	<u>Fiscal Year End</u>	<u>Contract Period Ends</u>	<u>Number of Audit Professional Assigned</u>
-----------------------	------------------------	-----------------------------	--

11. Does the firm have current experience in assisting audit clients in obtaining and/or retaining the GFOA Certificate of Achievement? Yes ___ No ___

12. Does the firm have current experience in the areas of bonds (tax-exempt) and the tax impacts on local government? Yes ___ No ___

13. Has the firm ever bid or submitted a proposal to Metro under another name? Yes ___ No ___

If yes, please list the name(s) used.

14. Does the firm have any outstanding bids or proposals for contracts with Metro? Yes ___ No ___

If yes, please provide the following:

<u>Subject</u>	<u>Requesting/Department</u>
----------------	------------------------------

15. Does the firm have any current contract awards from Metro?

Yes ___ No ___

If yes, please provide the following:

<u>Subject</u>	<u>Requesting/Department</u>	<u>Amount</u>
----------------	------------------------------	---------------

16. Please list no more than five municipal audit clients and/or provide any other information you feel would help the Selection Committee evaluate your firm for this engagement.

17. Please list no more than the five tax service clients and/or provide any other information you feel would help the Selection Committee evaluate your firm for this engagement.

ADDITIONAL REPRESENTATIONS

In addition to the foregoing general information, the Proposer certifies that:

18. The Proposer, if an individual, is of lawful age; is the only one interested in this proposal; and that no person, firm or corporation, other than that named, has any interest in the proposal, or in the contract proposed to be entered into.
19. The Proposer and each person signing on behalf of any Proposer certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of their knowledge and belief:
 - a. The prices in the proposal have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restraining competition as to any matter relating to such prices with any other proposer or with any competitor;
 - b. Unless otherwise required by law, the prices which have been quoted in the proposal have not been knowingly disclosed by the Proposer prior to the proposal deadline, either directly or indirectly, to any other proposer or competitor;
 - c. No attempt has been made nor will be made by the Proposer to induce any other person, partnership or corporation to submit or not to submit a proposal for the purpose of restraining trade;
 - d. No Council member or other officer, employee, or person, whose salary is payable in whole or in part from Metro is directly or indirectly interested in the proposal, or in the services to which it relates, or in any of the profits thereof;
 - e. Said Proposer is not in arrears to Metro upon any debt or contract, and is not a defaulter, as surety or otherwise, upon any obligation to Metro, and has not been declared irresponsible, or unqualified, by any department of Metro or the State of Oregon, nor is there any proceeding pending relating to the responsibility or qualification of the Proposer to receive public contracts, except (if none, Proposer will insert "none").
 - f. Said Proposer meets the independence requirements of the American Institute of Certified Public Accountants and the Standards for Audit of Governmental Organizations, Programs, Activities and Functions, ---- Revision, published by the U.S. General Accounting Office.

20. The Proposer has examined all parts of the RFP, including all requirements and contract terms and conditions thereof, and if its Proposal is accepted, the Proposer shall execute the proposed contract.
21. The Proposer is duly licensed to do business in the City of Portland and is licensed by the Oregon State Board of Accountancy as a Certified Public Accountant and Municipal Auditor.
22. The Proposer is certified as an EEO Affirmative Action Employer.
23. The Proposer has or will provide for all persons employed to perform the services covered by the proposal, or for any other contract for service, in accordance with Oregon Revised Statutes Section 656.001 to 656.794, either as a:
 - a. Carrier-insured employer, or as a
 - b. Self-insured employer as provided by ORS 656.407.

The Proposer further certifies that evidence of such coverage shall be filed with Metro's Contracts Officer and maintained in effect for the duration of the contract.

24. The Proposer fully understands and submits its proposal with the specific knowledge that:
 - a. The selected proposal must be approved by the Metro Council.
 - b. In the event that the Proposer's proposal is accepted and receives all necessary approvals, the proposal will be incorporated into a contract containing general terms and conditions provided by the Director of Finance & Administration and the resultant contract must be approved as to form by Metro's Legal Counsel, and approved by the Executive Officer and Metro Council.

The undersigned hereby certifies to the truth and accuracy of all statements, answers and data contained in this proposal and application, and hereby authorizes Metro to make any necessary examinations of inquiries in order to make a determination as to the qualifications and responsibility of the Proposer. The undersigned has examined all parts of the Request for Proposals and understands that it is completely discretionary with the Auditor/Tax Services Selection Committee whether to accept, reject, or negotiate its proposal submitted pursuant thereto.

Signature of Proposer

Title

APPENDIX B

METROPOLITAN SERVICE DISTRICT
AUDIT/TAX SERVICES CONTRACTS
Fiscal Year 1991, 1992, 1993

Support and Services to be Provided by Metro Staff

The following work papers are generally prepared by Metro Accounting Section staff:

AUDIT WORK PAPERS

Trial Balances

General Fund

General Fund -- Budget to Actual

Special Revenue Fund:

Special Revenue Combining Trial Balance

Special Revenue Combining Income Statement

Special Revenue Combining Statement of Budgets

Zoo Operating Fund

Zoo Operating Fund -- Budget to Actual

Planning Fund

Planning Fund -- Budget to Actual

Transportation Planning Fund

Transportation Planning Fund - Budget to Actual

Zoo Capital Projects Fund

Enterprise Fund Combining Balance Sheet and Income Statement

Enterprise Fund Combining Statement of Cash Flows

Solid Waste Combining Trial Balance

Solid Waste Statement of Cash Flows

Solid Waste Combining Income Statement

Solid Waste GAAP Conversion Entries

Convention Center Combining Trial Balance *

Convention Center Combining Balance Sheet *

Convention Center Combining Income Statement *

Convention Center GAAP Conversion entries *

Budgetary Basis Trial Balances:

Solid Waste Operating Fund

Solid Waste Budget to Actual

Solid Waste Debt Service Fund

Solid Waste Capital Fund

Solid Waste Reserve Fund

Insurance Fund

Building Management Fund

Convention Center Operating Management/Capital Funds

Building Fund GAAP Conversion Entries

Building Fund Statement of Cash Flows

* Subject to MERC staff assistance in FY 91

Trust and Agency Funds:

- Spectator Facilities Fund *
- MERC Management Pool Fund *
- PCPA Capital Fund *
- Pension Trust Fund
- Pension Trust Fund Activity
- Pension Trust Fund Report Support
- Rehabilitation and Enhancement Fund
- Trust and Agency Combining Trial Balance
- Trust and Agency Combining Statement of Changes
in Assets and Liabilities
- General Fixed Asset Group of Accounts
- General Long-Term Debt Group of Accounts
- Client Adjusting Entries

Cash/Investments -- Lead Schedule (Unrestricted)

- Bank Reconciliations
- Outstanding Check Lists (Operation & Payroll Accounts)
- Deposits in Transit
- Cash Transfers Schedule (June 25 -- July 5)

Cash/Investments -- Lead Schedule (Restricted)

- Restricted Investments -- General Fund
- Restricted Investments -- Zoo Capital
- Restricted Investments -- Solid Waste
- Collateral Requirements Analysis
- Trust Account Lead and Detail Schedules - Convention Center, Debt
Services and Solid Waste Revenue Funds
- Accounts Receivable Lead Schedules (Accounts \$2,000 and 90 days past
due)

- Zoo Inventory Lead Schedule
- General Fixed Assets Summary
- General Fixed Assets Combining Schedule
- Fixed Assets -- General Fund
- Fixed Assets -- Zoo Fund
- Fixed Assets -- Disposals and Transfers
- Fixed Assets -- Planning Fund

Enterprise Fund Fixed Assets:

- Summary of Fixed Assets
- Summary of Additions
- Summary of Deletions
- Outlay Analysis -- Solid Waste Operating
- Outlay Analysis -- by Site
- Depreciation Schedule
- Support for Current Year Contributed Capital and Amortization

* Subject to MERC Staff assistance in FY 91

Payables

A/P Lead Schedule
Lease Payable Schedule
Retainage Payable -- Zoo Capital
Retainage Payable -- General Fund
Retainage Payable -- Enterprise Fund
Post-Closure and Liability Support
Deposits -- Enterprise Fund
Accounts Payable -- Payroll Lead Schedule
Accrued Vacation Summary
Accrued Vacation Supporting Detail
Analysis of Capital Leases
Accrued Interest
Solid Waste Debt Service -- Loans and Bonds Payable Footnote
Support
Interfund Transfers -- Lead Schedule
Property Tax Revenue/Reserve Lead Schedule
Property Tax Transactions
Property Tax Accrual
Calculation of Interest 'In Lieu of Taxes'

Interest Revenue Reasonableness Test
Commercial Disposal Fee Reasonableness Test
Public Disposal Fees Reasonableness Test
Solid Waste Tip Fee Fluctuation Analysis
Solid Waste Disposal Fee Reasonableness Test
Solid Waste Disposal Charges and User Fees
User Fee and Regional Transfer Charge Analysis

Commitments Schedule (contracts)
Solid Waste Quantities -- All Sites

Grants

Summary Schedule -- Grant Activity and End A/R Balance
Grant Billings at June 30
Schedule of Federal Financial Assistance
Revenues/Expenditures by Grant (current year)
Revenues/Expenditures by Grant (from inception)

Schedule of Closed Grants

Schedule of Indirect Costs

EDP and Other Reports

June 30 General Ledger
Detail Transaction Summary of Listing
June 30 Aged Trial Balance
Population Estimate for Oregon Counties/Cities
198X Material Costs (Solid Waste)
Budget Amendments and Supplemental Budget
Affirmative Action Plan
Indirect Cost Rate Proposal

**Fiscal Year Unified Work Program
Budget Hearing Notices**

Metro staff will also perform the following:

- a. Pulling Documents for verification of numbers and information
- b. Performing physical inventory counts of Zoo concession items.
- c. Assisting in drafting of the combined financial statements and supplemental schedules.

Note:

MERC Accounting Staff are currently responsible for preparation of the majority of workpapers related to MERC activities and the initial drafts of MERC's Financial Statements on a GAAP Basis.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 91-1392 FOR THE PURPOSE OF AUTHORIZING THE RELEASE OF THE METROPOLITAN SERVICE DISTRICT'S REQUEST FOR PROPOSAL (RFP) FOR AUDIT AND TAX SERVICES FOR FISCAL YEARS 1991, 1992, 1993

Date: January 9, 1991

Presented by: Jennifer Sims

PROPOSED ACTION

Adoption of Resolution No. 91-1384 would authorize the Finance and Administration Department to issue the request for proposal (RFP) document to firms interested in performing audit and tax services for the District for fiscal years ending 1991, 1992, and 1993.

The contract resulting from this RFP process is identified as "multi-year" contract in the Council-approved Contract List contained in the fiscal year 1990-91 Adopted Budget Document.

FACTUAL BACKGROUND AND ANALYSIS

The contract with KPMG Peat Marwick, who has performed audit and tax services work for the Metropolitan Service District, will expire April 28, 1991.

Annual audits of Metro's financial statements are required by the laws of the State of Oregon (ORS 297.465) and are a sound fiscal practice. Included in this RFP are related tax services for calculating the amount of arbitrage rebate accruing on Metro's various solid waste revenue and Convention Center general obligation bonds.

The RFP document proposed for issuance has been reviewed by Metropolitan Exposition-Recreation Commission staff and has received their approval. In addition, the RFP has been subjected to Metro's internal contract procedure review.

The most significant change in the RFP from those issued previously is the additional audit requirements brought about by the consolidation agreement for Metropolitan Exposition-Recreation Commission activities, including the requirement for a separate audited report to be made available to the City of Portland by September 30 of each year. For informational purposes, the RFP has asked for the fees to be broken down between Metro and Metropolitan Exposition-Recreation Commission related work effort.

BUDGET IMPACT

Audit fees for a particular fiscal year audit cross two fiscal years. The FY 1991 budget includes \$19,500 for this contract, with additional amounts to be requested in the FY 1992 budget request. Adequacy of budgeted amounts will depend upon proposals received and the final contract award.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 91-1392.

BEFORE THE COUNCIL
OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 91-1392
THE RELEASE OF AN RFP FOR METRO'S)
AUDIT AND TAX SERVICES FOR FISCAL) INTRODUCED BY RENA CUSMA,
YEARS 1991, 1992, AND 1993) EXECUTIVE OFFICER

WHEREAS, the Metropolitan Service District (Metro) is required by ORS 297.465 to have an annual audit of the District's financial statements; and

WHEREAS, the Tax Reform Act of 1986 requires Metro to calculate arbitrage rebate on bonds the District has issued; and

WHEREAS, the contract with KPMG Peat Marwick will expire on April 28, 1991;

WHEREAS, the request for proposal for audit and tax services has been subjected to Metro's internal review procedures;

WHEREAS, the contract is subject to Council approval pursuant to Metro Code 2.04.033;

BE IT RESOLVED,

The Council of the Metropolitan Service District hereby authorizes the attached Request for Proposal for Audit and Tax Services for Fiscal Years 1991, 1992, and 1993 to be issued by Metro's Finance and Administration Department and, pursuant to Metro Code 2.04.033(b), waives the requirement of Council review of the contract and authorizes the Executive Officer to execute the contract.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1991.

Presiding Officer

a:audrpf

Agenda Item No. 4.3
January 24, 1991

RESOLUTION NO. 91-1380

TRANSPORTATION and PLANNING COMMITTEE REPORT

RESOLUTION NO. 91-1380,
APPROVING USE of PORTLAND REGION FEDERAL-AID URBAN SYSTEM FUNDS
in PARTIAL SUPPORT of the OREGON ROADS FINANCE STUDY UPDATE

Date: January 23, 1991 Presented by: Councilor McLain

COMMITTEE RECOMMENDATION

At its January 22, 1991 meeting, the Transportation and Planning Committee voted unanimously (Bauer, Devlin, Gardner, McClain, and Van Bergen) to recommend Council adopt Resolution No. 91-1380.

BACKGROUND

The Oregon Highway Division, A.O.C. and L.O.C. recommend an update of the Oregon Roads Finance Study to develop a legislative proposal for 1993. Funding shares reflect the allocation of state highway revenues. Federal-Aid Urban (FAU) funds cover 15% of the cost of the study. The Portland region's share of the FAU portion of the cost is \$144,901, reflecting its share of FAU allocations. Of this sum, \$84,274 is the region's share. Portland takes separate action to pay the remaining \$60,627.

Resolution No. 91-1380

- o endorses completion of the Oregon Multi-Modal Transportation Plan and the Roads Finance Study
- o releases \$84,274 of regional FAU funds to ODOT

COMMITTEE DISCUSSION/ISSUES

Committee discussion and staff response centered on three issues:

- + What message is Metro sending by not insisting that planning funds be designated for multi-modal? TPAC had this concern, hence the first paragraph of the resolution: "That the Council...endorses completion of the Oregon Multi-Modal Transportation Plan...." ODOT has confirmed that it will do a multi-modal plan with other funds; it would welcome a contribution. ODOT relies extensively on Metro in the metropolitan region and for its multi-modal planning.
- + \$2 million is a lot of money in tight times to update a fairly recent study. It is money the region could use on local projects.
- + The study is a needs analysis, and is not project oriented.

TRANSPORTATION and PLANNING COMMITTEE REPORT

RESOLUTION NO. 91-1379,
ENDORING A POSITION
on the SURFACE TRANSPORTATION ACT UPDATE of 1991

Date: January 23, 1991 Presented by: Councilor Devlin

COMMITTEE RECOMMENDATION

At its January 22, 1991 meeting, the Transportation and Planning Committee voted unanimously (Bauer, Devlin, Gardner, McLain, and Van Bergen) to recommend Council adopt Resolution No. 91-1379.

BACKGROUND

Resolution No. 91-1379 endorses a uniform statewide position paper on issues relating to the adoption of the federal Surface Transportation Act of 1991.

ODOT developed the position paper with the input and participation of affected transportation organizations statewide, including JPACT.

JPACT, at its January 17, 1991 meeting, recommended approval of Resolution No. 91-1379.

The Governmental Affairs Committee, at its January 17, 1991 meeting, voted unanimously to recommend Council adopt Resolution 91-1379.

COMMITTEE DISCUSSION/ISSUES

Staff reviewed the position paper, emphasizing several topics of special importance to the Metro region: UMTA Section 3 ("grandfather" Westside LRT), Federal Match Ratios, and Match Ratio Equity.

Councilor Devlin raised the issues reported from the Governmental Affairs Committee's discussion: rural and (more flexible) urban "pots" of funding, as advocated by NARC, and the lobbying budget.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING USE)	RESOLUTION NO. 91-1380
OF PORTLAND REGION FEDERAL-AID)	
URBAN SYSTEM FUNDS IN PARTIAL)	Introduced by
SUPPORT OF THE OREGON ROADS)	David Knowles, Chair
FINANCE STUDY UPDATE)	Joint Policy Advisory
)	Committee on Transportation

WHEREAS, The Oregon Transportation Commission (OTC)/
Association of Oregon Counties (AOC)/League of Oregon Cities (LOC)
appointed Policy Committee has proposed an update of Oregon's road
needs and existing sources of revenues; and

WHEREAS, It is intended that the results of the study
will serve as a recommended package on which the 1993 Legislature
can base state and local road financing; and

WHEREAS, Costs of the study are to be financed from the
State Highway Fund at 60 percent, Federal-Aid Secondary funds
(counties) at 25 percent, and Federal-Aid Urban funds (urban areas)
at 15 percent; and

WHEREAS, The Metro region has been called upon to provide
its pro-rata share of the \$144,901 of Federal-Aid Urban funds; now,
therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service
District endorses completion of the Oregon Multi-Modal Transporta-
tion Plan and the Roads Finance Study.

2. That \$84,274 of regional Federal-Aid Urban funds is
hereby released to ODOT to support the study.

3. That the Metro Council recognizes that the City of Portland will have the option to take separate action (FAU or other funds) to provide its pro-rata share of \$60,627.

4. That the Metro Council finds these actions 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 _____, 1991.

Tanya Collier, Presiding Officer

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 91-1380 FOR THE PURPOSE OF APPROVING USE OF PORTLAND REGION FEDERAL-AID URBAN SYSTEM FUNDS IN PARTIAL SUPPORT OF THE OREGON ROADS FINANCE STUDY UPDATE.

Date: January 4, 1991

Presented by: Andrew C. Cotugno

PROPOSED ACTION

Adoption of this resolution would authorize \$144,901 of Federal-Aid Urban (FAU) funds as the Portland region's contribution toward the update of the Oregon Roads Finance Study based on pro-rata shares of the regions FY 1991 FAU allocations:

Region	\$ 84,274	(58.16%)
City of Portland	<u>\$ 60,627</u>	(41.84%)
	\$144,901	

Additionally, the resolution would recognize that the City of Portland, at its option, may take separate action (FAU or other funds) in providing its pro-rata share.

TPAC has reviewed the usage of these funds and recommends approval of Resolution No. 90-1380.

FACTUAL BACKGROUND AND ANALYSIS

The Oregon Highway Division, Association of Oregon Counties, and League of Oregon Cities have recommended an update of the Oregon Roads Finance Study.

The objective of the study is to develop a legislative proposal for the 1993 session for a roads financing package to meet the long-term needs of the cities, counties and state. Key elements of the study toward this objective include establishment of road needs for Maintenance, Preservation and Modernization of the city, county and state systems, evaluation of existing and potential revenue sources, and development of a recommended package to fund unmet needs.

The 18-month study is to begin in May with funding (\$1.8 million) to be provided as follows: 60 percent from the State Highway Fund, 25 percent from Federal-Aid Secondary funds on behalf of the counties, and 15 percent (\$270,000) from Federal-Aid Urban funds on behalf of the cities. The funding shares are based upon the current formula for distributing state highway revenues. This resolution approves the Portland regions's share (\$144,901) of the FAU portion of the funding based on FY 1991 pro-rata allocation of FAU funds statewide.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 91-1380.

Agenda Item No. 5.1
January 24, 1991

ORDINANCE NO. 91-381

FINANCE COMMITTEE REPORT

ORDINANCE NO. 91-381, AMENDING THE FY 1990-91 BUDGET AND
APPROPRIATIONS SCHEDULE TO FUND AN INTERGOVERNMENTAL
AGREEMENT FOR LEGISLATIVE SERVICES

Date: January 18, 1991

Presented by: Councilor Wyers

Committee Recommendation: At its January 17, 1991 meeting the Committee voted unanimously to recommend Council adoption of Ordinance No. 91-381. All Committee members were present and voting.

Committee Discussion/Issues: Jennifer Sims, Manager of Financial Services, presented the Staff Report. Ms. Sims indicated that this budget amendment was necessary to provide funds for the intergovernmental agreement with the Special Districts Association of Oregon to acquire legislative services during the 1991 Legislative Session.

The proposed change is in the General Fund; specifically, it is to move \$36,000 from Personal Services Category (Government Relations Manager line item) to the Materials and Services category (Miscellaneous Professional Services line item) in the Executive Management Department budget. Such funds are available because the Government Relations Manager position has been and will be vacant for the remainder of the fiscal year.

Council Staff pointed out that this proposal budget and appropriations schedule change was identified and anticipated when the Council approved the intergovernmental agreement by adopting Resolution No. 90-1377 on December 27, 1990.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE AMENDING ORDINANCE NO.)
90-340A REVISING THE FY 1990-91)
BUDGET AND APPROPRIATIONS SCHEDULE)
FOR THE PURPOSE OF FUNDING AN)
INTERGOVERNMENTAL AGREEMENT WITH)
THE SPECIAL DISTRICTS ASSOCIATION)
OF OREGON TO PROVIDE LEGISLATIVE)
SERVICES FOR THE DISTRICT)

ORDINANCE NO. 91-381

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Council of the Metropolitan Service District has reviewed and considered the need to transfer appropriations within the FY 1990-91 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

That Ordinance No. 90-340A, Exhibit B, FY 1990-91 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of funding an intergovernmental agreement with the Special District Association of Oregon, in the amount of \$36,000, to provide Legislative Services to the Metropolitan Service District.

ADOPTED by the Council of the Metropolitan Service District this

_____ day of _____, 1991.

Tanya Collier, Presiding Officer

ATTEST:

Clerk of the Council

EXHIBIT A
ORDINANCE NO. 91-381

FISCAL YEAR 1990-91	CURRENT BUDGET		REVISION		PROPOSED BUDGET			
	ACCOUNT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND: Executive Management								
Personal Services								
511110	ELECTED OFFICIALS							
	Executive Officer	1.00	67,000		0	1.00	67,000	
511121	SALARIES-REGULAR EMPLOYEES (full time)							
	Deputy Executive Officer	1.00	58,464		0	1.00	58,464	
	Managers (Finan., Const.)	0.30	18,432		0	0.30	18,432	
	Sr. Management Analyst	1.40	59,661		0	1.40	59,661	
	Asst. Management Analyst	0.40	12,576		0	0.40	12,576	
	Government Relations Mgr.	1.00	58,506	(0.50)	(27,690)	0.50	30,816	
	Sr. Public Info. Specialist	0.50	20,055		0	0.50	20,055	
	Administrative Assistant	1.00	28,362		0	1.00	28,362	
511221	WAGES-REGULAR EMPLOYEES (full time)							
	Administrative Secretary	1.20	28,055		0	1.20	28,055	
511235	WAGES-TEMPORARY EMPLOYEES (part time)							
	Temporary Administrative Support	1.00	13,765		0	1.00	13,765	
512000	FRINGE		113,111		(8,310)		104,801	
	Total Personal Services	8.80	477,987	(0.50)	(36,000)	8.30	441,987	
Materials & Services								
521100	Office Supplies		4,141		0		4,141	
521110	Computer Software		500		0		500	
521260	Printing Supplies		1,000		0		1,000	
521290	Other Supplies		100		0		100	
521310	Subscriptions		3,158		0		3,158	
521320	Dues		14,705		0		14,705	
524190	Misc. Professional Services		60,000		36,000		96,000	
525640	Maintenance & Repairs Services-Equipment		956		0		956	
525710	Equipment Rental		1,170		0		1,170	
525731	Operating Lease Payments-Building		2,700		0		2,700	
526200	Ads & Legal Notices		1,820		0		1,820	
526310	Printing Services		4,456		0		4,456	
526320	Typesetting & Reprographics Services		1,550		0		1,550	
526410	Telephone		3,870		0		3,870	
526420	Postage		3,390		0		3,390	
526440	Delivery Services		150		0		150	
526500	Travel		19,455		0		19,455	
526800	Training, Tuition, Conferences		6,165		0		6,165	
529500	Meetings		7,160		0		7,160	
529800	Miscellaneous		370		0		370	
	Total Materials & Services		136,816		36,000		172,816	
	Total Capital Outlay		4,400		0		4,400	
	TOTAL EXPENDITURES	8.80	619,203	(0.50)	0	8.30	619,203	

EXHIBIT B
ORDINANCE NO. 91-381
Schedule of Appropriations

	CURRENT APPROPRIATION	REVISION	PROPOSED APPROPRIATION
GENERAL FUND			
Council			
Personal Services	373,323		373,323
Materials & Services	308,570		308,570
Capital Outlay	3,800		3,800
Subtotal	685,693	0	685,693
Executive Management			
Personal Services	477,987	(36,000)	441,987
Materials & Services	136,816	36,000	172,816
Capital Outlay	4,400		4,400
Subtotal	619,203	0	619,203
General Expense			
Interfund Transfers	1,863,737		1,863,737
Contingency	100,000		100,000
Subtotal	1,963,737	0	1,963,737
Unappropriated Balance	65,000		65,000
Total General Fund Requirements	3,333,633	0	3,333,633

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 91-381 AMENDING ORDINANCE NO. 90-340A REVISING THE FY 1990-91 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF FUNDING AN INTERGOVERNMENTAL AGREEMENT WITH THE SPECIAL DISTRICT ASSOCIATION OF OREGON TO PROVIDE LEGISLATIVE SERVICES TO THE DISTRICT

Date: December 27, 1990

Presented by: Dick Engstrom
Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

The Governmental Relations Manager position has been vacant since November 7, 1990 due to the resignation of Greg McMurdo. A recruitment process was undertaken and finalist were interviewed by the Executive Officer and representatives from the Metro Council. It was determined that the agency would be better served to contract our lobbying services for the upcoming legislative session.

On December 27, 1990, the Council approved Resolution No. 90-1377, approving an intergovernmental agreement with the Special Districts Association of Oregon (SDAO) to provide legislative services to the District for the upcoming session. Metro is currently a member of the SDAO. As part of its membership dues structure, the SDAO contracts with Western Advocates to provide lobbying services on matters that generally affect all member districts. As the state's only metropolitan service district, Metro has a legislative agenda that is unique to the agency. Therefore, it does make sense to contract with SDAO for additional lobbying services.

As part of the agreement approved by Council, the Special Districts Association will provide office space including utilization of telephone and fax services. Metro will provide a part-time legislative aide to be utilized in tracking bills, scheduling hearings and coordinating appearances of Metro representative in Salem. This position is budgeted in the FY 1990-91 budget. In addition, Metro will pay a monthly fee of \$5,500 to the Special Districts Association for the services of Western Advocates and will reimburse SDAO for special expenses not to exceed a total amount of \$5,000. This reimbursement will occur only with prior approval of the Deputy Executive Officer or his designees.

The resources for this agreement are available in the Executive Management budget. Salary savings will be realized in Personal Services by not filling the Government Relations Manager position until next fiscal year. This action requests the transfer of \$36,000 of Personal Services appropriation to Materials & Services in the Executive Management Department.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 91-381, funding an intergovernmental agreement with the Special Districts Association to provide legislative services for the District.

kr:ord90-91:91-381:er
December 27, 1990

Agenda Item No. 5.2
January 24, 1991

ORDINANCE NO. 91-382

FINANCE COMMITTEE REPORT

ORDINANCE NO. 91-382, AMENDING THE FY 1990-91 BUDGET AND
APPROPRIATIONS SCHEDULE TO INCREASE THE CONVENTION CENTER
CAPITAL FUND PERSONAL SERVICES APPROPRIATION

Date: January 18, 1991

Presented by: Councilor Buchanan

Committee Recommendation: At its January 17, 1991 meeting the Committee voted unanimously to recommend Council adoption of Ordinance No. 91-382. All Committee members were present and voting.

Committee Discussion/Issues: Neil McFarland, Project Manager, presented the Staff Report. Mr. McFarland indicated that the original budget request approved by the Council provided for approximately 6 months of Project Office staff time to complete the work of the Convention Center construction project. Because subsequent decisions have been made to slightly expand the project (completion of the Sky View Terraces) additional staff time is needed to complete the work. Project Office staff is budgeted both in the Convention Center Project Management Fund and the Convention Center Project Capital Fund. The Management Fund has a sufficient budget and appropriation level to complete this work, but the Capital Fund does not.

In answer to a question from Council staff regarding potential savings in the Regional Facility project expenditures because of the shift in funds and workload, Mr. McFarland said there would not be any since the Regional Facility project work must be done also. That project is using temporary help as a result of the continued work on the Convention Center project.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE AMENDING ORDINANCE NO.)
90-340A REVISING THE FY 1990-91)
BUDGET AND APPROPRIATIONS SCHEDULE)
FOR THE PURPOSE OF INCREASING THE)
CONVENTION CENTER CAPITAL FUND)
PERSONAL SERVICES APPROPRIATION)

ORDINANCE NO. 91-382
Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Council of the Metropolitan Service District has reviewed and considered the need to transfer appropriations within the FY 1990-91 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

That Ordinance No. 90-340A, Exhibit B, FY 1990-91 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of increasing the Convention Center Capital Fund Personal Service appropriation by \$15,000 and decreasing the Capital Outlay appropriation by a like amount.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

ATTEST:

Clerk of the Council

EXHIBIT A
ORDINANCE NO. 91-382

FISCAL YEAR 1990-91		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCOUNT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
CONVENTION CENTER PROJECT CAPITAL FUND							
Personal Services							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Construction Coordinator	0.25	12,639		1,000	0.25	13,639
	Project Manager	0.40	23,406		4,000	0.40	27,406
	Senior Management Analyst	0.90	34,502		3,000	0.90	37,502
	Assistant Management Analyst	0.40	12,276		1,500	0.40	13,776
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.40	11,488		1,000	0.40	12,488
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.25	5,788		0	0.25	5,788
512000	FRINGES		30,030		4,500		34,530
	Total Personal Services	2.60	130,129	0.00	15,000	2.60	145,129
	Total Materials & Services		58,089		0		58,089
Capital Outlay							
571100	Purchases-Land		75,000				75,000
571300	Purchases-Buildings, Exhibits & Related		300,000				300,000
571500	Purchases-Office Furniture & Equipment		4,009,000				4,009,000
574110	Construction Management		240,000				240,000
574120	Architectural Services		500,000				500,000
574130	Engineering Services		140,000				140,000
574190	Other Construction Services		10,000				10,000
574500	Construction Work/Material		2,115,544				2,115,544
574510	Construction Work Other than Bldg		900,000				900,000
574520	Const. Work/Materials-Bldgs, Exhibits & Rel.		5,029,486		(15,000)		5,014,486
	Total Capital Outlay		13,319,030		(15,000)		13,304,030
	Total Interfund Transfers		167,500		0		167,500
Contingency and Unappropriated Balance							
599999	Contingency		4,004				4,004
	Total Contingency and Unappropriated Balance		4,004		0		4,004
	TOTAL EXPENDITURES	2.60	13,678,752	0.00	0	2.60	13,678,752

EXHIBIT B
ORDINANCE NO. 91-382
Schedule of Appropriations

	CURRENT APPROPRIATION	REVISION	PROPOSED APPROPRIATION
<hr/>			
CONVENTION CENTER PROJECT CAPITAL FUND			
<hr/>			
Personal Services	130,129	15,000	145,129
Materials & Services	58,089	0	58,089
Capital Outlay	13,319,030	(15,000)	13,304,030
Interfund Transfers	167,500	0	167,500
Contingency	4,004	0	4,004
	<hr/>	<hr/>	<hr/>
Total Convention Center Project Capital Fund Requirements	13,678,752	0	13,678,752

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 91-382 AMENDING ORDINANCE NO. 90-340A REVISING THE FY 1990-91 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF INCREASING THE CONVENTION CENTER CAPITAL FUND PERSONAL SERVICES APPROPRIATION

Date: December 27, 1990

Presented by: Neil McFarlane
Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

At the time the FY 1990-91 budget was prepared, it was anticipated that all major work associated with the Convention Center construction project would be completed by the time of the grand opening in September, 1990, with only a minor amount of work to be completed throughout the rest of the year. The current Convention Center Project Management and Capital Funds reflect personal services for an equivalent of six months of the fiscal year. The remaining six months of personal services is budgeted under the Regional Facilities Study as the staff was to transition to this project during the fiscal year.

Subsequent to the preparation of the FY 1990-91 budget, decisions were made regarding further construction related projects that have prolonged and increased the time commitment of the project staff. An analysis by project staff of Personal Services expenditures through the remainder of the year has indicated that the Management Fund would be able to absorb the additional increase but the Capital Fund would not. A transfer of appropriation in the amount of \$15,000 is requested from Capital Outlay to Personal Services in the Convention Center Project Capital Fund to fund the increased salary and fringe requirements.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 91-382, transferring \$15,000 in appropriation authority from Capital Outlay to Personal Services in the Convention Center Project Capital Fund to fund increased salary and fringe requirements.

kr:ord90-91:91-382:sr
December 27, 1990

Agenda Item No. 5.3
January 24, 1991

ORDINANCE NO. 91-376A

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING THE	)	ORDINANCE NO. 91-376-A
REVISION OF METRO CODE SECTION)	
4.01.060 REVISING ADMISSION FEES	)	Introduced by
AND POLICIES AT METRO WASHINGTON	)	Executive Officer
PARK ZOO	)	Rena Cusma

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

The Metro Council establishes fees and policies for admission to the Metro Washington Park Zoo. Voter approval of Ballot Measure Five requires a review and adjustment of the fees and policies at this time.

NOW THEREFORE,

Section 1. Metro Code Section 4.01.060 "Admission Fees and Policies" is amended to read as follows:

4.01.060 Admission Fees and Policies:

(a) Regular Fees:

(1) Definitions:

- (A) An Education discount is offered to groups of five (5) or more students in a state accredited elementary, middle, junior or high school or pre-school/daycare center. Qualifications for Education Discount include a minimum of one chaperon for every five (5) students of high school age or under; registration for a specific date at least two weeks in advance; and the purchase of curriculum materials offered by the Zoo, or submission of a copy of the lesson plan that will be used the day of the visit.
- (B) The Group Discount is defined as any group of twenty-five (25) or more (including school groups that have not met [~~the requirements for the Education Discount.~~] the advance registration and curriculum requirements for the Education Discount; groups of students not accompanied by a minimum of one chaperon

for every five students shall not qualify for the Group Discount).

(2) Fee Schedule:

Adult (12 years and over)	[\$3.50]	<u>\$4.50</u>
Youth (3 years through 11 years)	[\$2.00]	<u>\$2.50</u>
Child (2 years and under)		free
Senior Citizen (65 years and over)	[\$2.00]	<u>\$3.00</u>
Education Groups (per student)	[\$1.00]	<u>\$2.00</u>
Chaperons accompanying Education Groups	[\$1.00]	<u>free</u>
Groups other than Education groups 25 or more per group		20% discount from appropriate fee listed above

(b) Free and Reduced Admission Passes:

(1) Free and reduced admission passes may be issued by the Director in accordance with this Ordinance.

(2) A free admission pass will entitle the holder only to enter the Zoo without paying an admission fee.

(3) A reduced admission pass will entitle the holder only to enter the Zoo by paying a reduced admission fee.

(4) The reduction granted in admission, by use of a reduced admission pass (other than free admission passes), shall not exceed twenty percent.

(5) Free or reduced admission passes may be issued to the following groups or individuals and shall be administered as follows:

(A) Metro employees shall be entitled to free admission upon presentation of a current Metro employee identification card.

(B) Metro Councilors and the Metro Executive Officer shall be entitled to free admission.

(C) Free admission passes in the form of volunteer identification cards may, at the Director's discretion, be issued to persons who perform volunteer work at the Zoo. Cards shall bear the name of the volunteer, shall be signed by the Director, shall be non-transferable, and shall terminate at the end of each calendar year or upon termination of volunteer duty, whichever date occurs first. New identification cards may be issued at the

beginning of each new calendar year for active Zoo volunteers.

- (D) Reduced admission passes may be issued to members of any organization approved by the Council, the main purpose of which is to support the Metro Washington Park Zoo. Such passes shall bear the name of the pass holder, shall be signed by an authorized representative of the organization, shall be non-transferable, and shall terminate not more than one year from the date of issuance.
- (E) Other free or reduced admission passes may, with the approval of the Director, be issued to other individuals who are working on educational projects or projects valuable to the Zoo. Such passes shall bear an expiration date not to exceed three months from the date of issuance, shall bear the name of the pass holder, shall be signed by the Director and shall be non-transferable.

(c) Special Admission Days:

(1) Special admission days are days when rates established by this Ordinance are reduced or eliminated for a designated group or groups. Six special admission days may be allowed, at the discretion of the Director, during each calendar year.

(2) Three additional special admission days may be allowed each year by the Director for designated groups. Any additional special admission days designated under this subsection must be approved by the Executive Officer.

(d) [~~Special Free Hours: Admission to the Zoo shall be free for all persons from 3:00 p.m. until closing each Tuesday afternoon.~~]

Special Free Admission Tickets: A number of free admission tickets shall be distributed annually by the Zoo Director to social service agencies within the Metro area. These tickets shall be for the use of disadvantaged people who cannot afford regular Zoo admission. The tickets shall be dated and valid only for the fiscal year in which they are issued. The number of tickets to be issued each fiscal year must be approved in advance by the Executive Officer.

(e) Commercial Ventures: Proposed commercial or fund-raising ventures with private profit or nonprofit corporations involving admission to the Zoo must be authorized in advance by

the Executive Officer. The Executive Officer may approve variances to the admission fees to facilitate such ventures.

(f) Special Events: The Zoo, or portions thereof, may be utilized for special events designed to enhance Zoo revenues during hours that the Zoo is not normally open to the public. The number, nature of and admission fees for such events shall be subject to the approval of the Executive Officer.

Section 2. The Council declares that, in order to raise sufficient revenues to minimize disruption of Zoo operations caused by reduced property tax revenues resulting from the passage of Ballot Measure #5, an emergency exists pursuant to ORS 268.515(7), and the admission fees established by this Ordinance shall be effective on and after February 1, 1991.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

ATTEST:

Clerk of the Council

RC:DEC:lar
A:\LEGIS\91-376A-ORD

WRITTEN SUPPORT FOR Ordinance No. 90-376
AMENDING METRO Code Section 4.01.060
REVISING ADMISSION FEES AND POLICIES AT
METRO WASHINGTON PARK ZOO.

I believe THAT THE ADMISSION FEES AND POLICIES
PROPOSED TONIGHT SHOULD BE INSTITUTED FOR
THE following REASONS.

THE PASSAGE OF MEASURE 5 will IMPACT
THE ZOO WITH A LOSS OF TAX SUPPORT ESTIMATED
TO BE APPROX \$500,000. THE ZOO IS LOOKING TO
~~BOTH~~ OFFSET THAT LOSS by both cutting
EXPENSES AND INCREASING REVENUE. To cut
EXPENSES THEY ARE LOOKING AT closing some
exhibits, Reducing night keepers AND deferral
of some EQUIPMENT PURCHASES. I HATE TO
see ANY of those ITEMS HAPPEN but believe
IT MUST be DONE. TO INCREASE REVENUE THE
ZOO MUST RAISE ITS ADMISSION FEES MODESTLY.
THE fees currently ARE A BARGAIN COMPARED
TO SEVERAL OTHER WEST COAST ZOOS AND
WILDLIFE PARKS. IT IS ALSO A BARGAIN WHEN
COMPARED TO OTHER FORMS of ENTERTAINMENT/
EDUCATIONAL ACTIVITIES. JUST TO GO TO A MOVIE
COSTS MORE THAN even the PROPOSED fee FOR
Adults AND KIDS.

I feel our zoo has been improving
steadily over the last few YEARS AND HAS →

AN EXCELLENT REPUTATION AS BOTH A FUN
PLACE FOR ALL AGES AND A WONDERFUL
LEARNING PLACE.

I WANT TO SEE OUR ZOO CONTINUE
ON ITS COURSE AND DO NOT WANT TO SEE
ANY REDUCTION IN ITS EXHIBITS ETC. THE
RATE (ADMISSION FEE) INCREASE I BELIEVE IS
NEEDED TO ASSURE THIS CONTINUED EXCELLANCE
IN ITS GOAL OF CARING NOW FOR THE FUTURE
OF LIFE.

I BELIEVE THAT THE INCREASE TO THE
ADMISSION FEE IS NOT ONLY NEEDED BUT IS
JUSTIFIED BECAUSE THE PROPOSAL ALSO ADDRESSES
WAYS TO REDUCE COSTS WHICH IS THE OTHER
FACTOR THEY MUST CONSIDER. IF THE PROPOSAL
DID NOT INCLUDE REDUCING EXPENSISES I
WOULD NOT AS STRONGLY SUPPORT IT AS I DO,
BUT I WOULD STILL SUPPORT IT.

Julie Hollister-Smith
12-20-90

246-2749

12-20-90

METRO COUNCIL

TESTIMONY IN SUPPORT OF ZOO ENTRANCE FEE INCREASES

BY — N. KIRK TAYLOR, BOARD MEMBER FRIENDS OF W.A. PARK ZOO

YOU ARE ENCOURAGED TO SUPPORT THE FEE INCREASE

1. THE ZOO NEEDS THE ADDITIONAL REVENUE TO OFFSET

A \$500,000 LOSS IN TAX REVENUE

2. NEARLY \$200,000 HAS BEEN CUT FROM ZOO BUDGET.

FOLLOWING A THOROUGH ANALYSIS OF ZOO BUDGET

BY ZOO DIRECTOR

3. OUR ZOO MUST BE KEPT UP TO SCRATCH — OR

IT'S NOT WORTH VISITING — WE NEED CONSTANT

REINVESTMENT IN ANIMALS & EXHIBITS.

4. FRIENDS OF ZOO BOARD IS COMMITTED TO AN

EXCELLENT FUND RAISING PROGRAM TO

HELP THE ZOO ON CAPITAL PROJECTS — BUT

OUR HELP CAN'T DO EVERYTHING.

5. CONSIDER THIS — AT THE PRESENT TIME

IT COSTS MORE (\$4⁰⁰) TO PARK A CAR

AT THE MEMORIAL COLISEUM THAN

VISIT THE ZOO (\$3⁵⁰) — WHERE PARKINGIS FREE.6. THE ZOO IS MORE ENLIGHTENING THAN ANY

OTHER PORTLAND ACTIVITY — IT'S STILL A

BARGAIN AT THE NEW PROPOSED FEE.

N. Kirk Taylor

N. KIRK TAYLOR, MEMBER BOARD OF TRUSTEES

FRIENDS OF THE W.A. PARK ZOO

Amendments to Section 4.01.060 Admission Fees and Policies:

We propose to amend Section 4.01.060 of the Metro Code, subsection a.1.(B) to further define Group Discount as it applies to school groups.

(a) Regular Fees:

(1) Definitions:

(B) The Group Discount is defined as any group of twenty-five (25) or more (including school groups that have not met [~~the requirements for the Education Discount.~~] the advance registration and curriculum requirements for the Education Discount. Groups of students not accompanied by a minimum of one chaperon for every five students shall not qualify for the Group Discount).

We further propose to amend Section 4.01.060 of the Metro Code, subsection a.(2), Fee Schedule, to say that chaperons accompanying Education groups are admitted free.

(2) Fee Schedule:

Adult (12 years and over)	[\$3.50]	<u>\$4.50</u>
Youth (3 years through 11 years)	[\$2.00]	<u>\$2.50</u>
Child (2 years and under)	free	
Senior Citizen (65 years and over)	[\$2.00]	<u>\$3.00</u>
Education Groups (per student)	[\$1.00]	<u>\$2.00</u>
Chaperons accompanying		
Education groups	[\$1.00]	free
Groups other than Education groups		
25 or more per group		20% discount from appropriate fee listed above



METRO

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

CASEY - Memo
OK by me
DEC 20 12/20/90

EXHIBIT D
(Fin Comm/Ord 90-376A)

DATE: December 19, 1990
TO: Dan Cooper
FROM: Casey Short
RE: Emergency Clause for Ordinance 90-376

RECEIVED
DEC 19 1990
4:45 PM
METRO SERVICE DISTRICT
OFFICE GENERAL COUNSEL

Don Carlson asked me to draft an emergency clause for Ordinance 90-376, raising admission fees at the Zoo, and to run it by you. In doing the background work, I ran across a December 22, 1987 memo from you to Don on this same issue. In that memo, you indicated that your reading of ORS 268.515 led you to conclude that, "[i]f Metro needs more money to keep facilities open then it can override the delay period. Otherwise it cannot."

Your opinion led to Council's not approving an emergency clause with its 1987 Zoo admission fees ordinance (87-235A). Council had, however, included an emergency clause in its 1985 ordinance adopting fees (85-185). The financial emergency then was the need to achieve a 50/50 mix of revenues between fees and taxes.

In order to meet the legal requirements as I understand them, I've drafted the following language to be incorporated into 90-376 by amendment at the Committee level.

WHEREAS, In order to raise sufficient revenues to allow Zoo operations to continue with minimal disruption despite significant reduction in property tax revenues resulting from voter approval of Ballot Measure #5, it is necessary that the admission fees established herein be effective on February 1, 1991, and an emergency exists pursuant to ORS 268.515(7);

Section 2. The Council declares that, in order to raise sufficient revenues to minimize disruption of Zoo operations caused by reduced property tax revenues resulting from the passage of Ballot Measure #5, an emergency exists pursuant to ORS 268.515(7), and the admission fees established by this ordinance shall be effective on and after February 1, 1991.

Please review the above, somewhat contorted, language and let me know before tomorrow's Zoo and Finance committee meetings whether it's OK with you; please suggest changes as appropriate.

Thanks.

ZOO COMMITTEE REPORT

ORDINANCE NO. 91-376A AMENDING METRO CODE SECTION 4.01.060
REVISING ADMISSION FEES AND POLICIES AT METRO WASHINGTON
PARK ZOO

Date: January 7, 1991

Presented by: Councilor McFarland

Committee Recommendation: At its January 3, 1991 meeting the Council Zoo Committee voted to recommend Council adoption of Ordinance No. 91-376A. Councilors McFarland and Knowles voted aye; Councilor Gardner abstained. Councilors Saucy and DeJardin were excused.

Committee Discussion/Issues: Sherry Sheng, Zoo Director, and Kay Rich, Assistant Director, presented the staff report. Ms. Sheng discussed the budget cuts and service reductions the Zoo is implementing this fiscal year in anticipation of reduced revenues next year, brought about by the passage of Ballot Measure #5. Councilor Knowles wanted a formal directive to the staff to make those cuts, to ensure that they are made and to show the public that savings were implemented before fee increases were enacted. He moved that the Committee recommend Council support of a Resolution which formally directs the Zoo staff to enact the cuts Ms. Sheng had described. The motion was approved unanimously. Council staff was directed to prepare such a Resolution for Council consideration at the same meeting as Ordinance 91-376A is considered. (That Resolution is No. 91-1383.)

Chair McFarland opened the public hearing. Mr. Roger Jennings introduced himself as a member of the board of directors of the Friends of the Zoo, and spoke in support of the fee increase. He spoke of tremendous improvements in the zoo visitor's experience that he has seen in the last twenty years, and gave his opinion that the zoo needs enough revenue to continue providing a quality experience for visitors.

Following the public hearing, the Committee discussed an amendment suggested by Chair McFarland. She suggested that a maximum of 1 chaperon to 4 students be entitled to free admission. Ordinance 91-376A requires a minimum of 1 chaperon to 5 students, but there is no maximum; the concern was that there was a potential for abuse of the provision for free admission of chaperons. Councilor Knowles pointed out that state law requires a higher adult to child supervision ratio for young children, and a maximum ratio might be contrary to that law. Further, pre-school and day care classes are included in the Code's definition of education groups, so they would be affected by the suggested amendment. The Committee decided to keep the language as it is, and suggested that staff monitor chaperon admissions to see whether there were any abuses.

Councilor Gardner raised two issues related to the free admission policy in 4.01.060(d). First, he reported a concern held by members of the Finance Committee that the change from Free Tuesday afternoons to a free admission ticket distribution system could keep some people from coming to the Zoo. He offered an amendment to line 2 of that section, changing the word "may" to "shall." The sentence would then read, "A number of free admission tickets shall be distributed annually by the Zoo Director to social service agencies within the Metro area."

He then asked staff to respond to an amendment which would add a section (2) to 4.01.060(d), to read, "Admission to the Zoo shall be free for all persons from 3:00 p.m. until closing on the first Tuesday of each month."

Ms. Sheng spoke to the proposal to institute one free Tuesday afternoon per month. The Zoo has to staff up for free Tuesdays, especially in security personnel. Her experience with fewer free days at the Seattle Aquarium was that such a program did not promote a quality visitor experience. She asked that the Council not mix aspects of free tickets and free admission times because of the unknown fiscal impact and administrative problems. Councilor Gardner reiterated his belief that eliminating the free Tuesday afternoons would cause a large segment of the population to find the zoo unaffordable or difficult to afford. Though he thinks that we will lose these people as zoo supporters, he did not move his amendment.

The Committee then voted 3-0 in favor of Councilor Gardner's amendment changing the word "may" to "shall" in 4.01.060(d) (Gardner, Knowles, McFarland). The Committee then voted 2-0 (Knowles, McFarland) to recommend Council adoption of Ordinance 91-376A, with Councilor Gardner abstaining.



METRO

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

Memorandum

DATE: December 31, 1990
TO: Council Zoo Committee
FROM: Donald E. Carlson, ^{DD} Council Administrator
RE: FINANCE COMMITTEE REPORT -- ORDINANCE 90-376A

Please find attached a revised Finance Committee Report regarding Ordinance 90-376A. The revised report includes corrections and information that was inadvertently omitted from the original report.

DEC:lar
A:\CORESP\90-376A.MEM

REVISED FINANCE COMMITTEE REPORT (12/31/90)

ORDINANCE NO. 90-376A AMENDING METRO CODE SECTION 4.01.060
REVISING ADMISSION FEES AND POLICIES AT METRO WASHINGTON
PARK ZOO

Date: December 28, 1990 Presented by: Councilor Van Bergen

Committee Recommendation: At its December 20, 1990 meeting the Committee voted unanimously to recommend Council Adoption of Ordinance No. 90-376A. All Committee members were present and voting.

Committee Discussion/Issues: Sherry Sheng, Zoo Director, and Kay Rich, Assistant Director, presented the staff report. Ms. Sheng indicated the ordinance was developed in response to the passage of Ballot Measure No. 5 at the November General Election. The Zoo Department has re-examined the Five Year Financial Plan to develop a long-term financial strategy for maintaining quality programs at the Zoo. Immediate actions taken by the Zoo Department will be to reduce expenditures in the current fiscal year and to propose this admission fee increase now rather than wait until next year when it was originally anticipated. Ms. Sheng indicated the resulting admission fee from this ordinance is comparable to that charged at other zoos in the West and at other local entertainment/educational facilities.

Committee members expressed concern about the change in policy regarding admission for low income or needy citizens (elimination of Tuesday free days after 3:00 p.m. and inclusion of a ticket distribution system to social service agencies) indicating such a system might not reach a lot of people or families such as the working poor. Committee members suggested Zoo staff closely monitor this change to assess its impact on citizens and its effectiveness to reduce costs. Also, Committee members suggested the financial policy that sets a ratio of approximately 50% tax and 50% non-tax revenue (Resolution No. 84-444) should be reviewed in light of Ballot Measure No. 5.

Two persons appeared at the meeting and presented written testimony in support of the ordinance. The letters from Julie Smith and N. Kirk Taylor are attached as Exhibits A and B respectively.

In response to Council Staff questions, Mr. Rich indicated, 1) Council will receive the revised Five Year Financial Plan for review during the FY 1991-92 budget process; 2) the total amount of funds to be cut this fiscal year is \$198,491 and this will result in approximately \$277,000 in savings next fiscal year; 3) three, the fee increase will raise approximately \$175,000 in additional income this fiscal year and approximately \$342,000 in next fiscal year; and 4) the additional Actual FY 1990-91 Operating Fund Balance of \$849,000 is needed to replace lower than anticipated enterprise income this fiscal year (admission

and food sales) and to maintain sufficient fund balance for cash flow purposes during next fiscal year.

The Committee approved two amendments to the Ordinance which are incorporated in Ordinance No. 90-376A. The first amends Section 4.01.060(a)(1) and (2) to further define the Group Discount as it applies to schools and allows for free admission for chaperons (this encourages school groups to use chaperons). (See Exhibit C, attached.) The second amendment adds an emergency clause to the Ordinance so it can go into effect on February 1, 1991. (See Exhibit D, attached.)

GVB:DEC:lar
A:LEGIS\90-376A2.RPT

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 90-376
FOR THE PURPOSE OF AMENDING METRO CODE SECTION 4.01.060
REVISING ADMISSION FEES AND POLICIES
AT METRO WASHINGTON PARK ZOO

Date: December 5, 1990

Presented by: Y. Sherry Sheng

FACTUAL BACKGROUND AND ANALYSIS

With the approval by the voters of Ballot Measure #5 it has become necessary for the Zoo to re-examine the five year financial projections. In order for the Zoo to maintain a quality program in Caring Now for the Future of Life we must consider reduced costs as well as enhanced revenues.

To assist in meeting the challenges presented by Measure #5 the Zoo has reviewed its programs and is reducing budgeted expenditures for fiscal year 1990-91 by \$198,491. These reductions will help maintain the fund balance needed to assure cash flow until taxes are distributed in November/December of each year. These savings for 1990-91 have been achieved by: the closure of the Childrens Zoo and Night Country which will allow a more efficient use of Animal Management and Facilities Management staff plus a savings in utilities and materials needed for repairs; a reduction in night keeping staff; not running the train except for ZooLights from December 15 to March 15; a more efficient use of Visitor Services, the deferral of equipment purchases and the deferral of a money measure for Animals Around Us. These and other savings will continue through subsequent fiscal years. By 1994-95 Zoo staffing is projected to be 11.54 FTE's less than shown in the 1989 Five Year Financial Plan. Part of the reduction relates to lower projected attendance because of the delay in Animals Around Us.

In 1984, the Metro Council adopted the following policies relating to the Zoo:

1. The Zoo shall rely on property tax for a portion of its revenue;
2. A ratio of approximately 50 percent tax and 50 percent non-tax revenue shall be maintained for funding zoo operations; and
3. The Council shall annually review admission fees to assist in meeting policy 2 above.

The Five-year Financial Plan prepared in 1989 projected revenues and costs in accordance with these policies. The passage of Ballot Measure #5 and the estimated loss of approximately \$500,000 of tax support requires the review of admission policies at this time. The current admission schedule is \$3.50 for adults, \$2.00 for senior citizens and youths and \$1.00 for individuals in education groups. The recommended new fee schedule is \$4.50 for adults, \$3.00 for senior citizens, \$2.50 for youths and \$2.00 for individuals in education groups. The new admission fee schedule will assist in providing the non-tax revenues required to balance the budget and keep non-tax revenues in excess of 50% of the O & M budgets.

The actual level of attendance and revenues during any fiscal year is subject to the opening of new exhibits, weather conditions and other circumstances beyond the Zoo's control. Actual amounts may vary either positively or negatively compared to projections.

Expenses are monitored to conform with revenues. The proposed fee increase is readily justifiable based on the expanded services provided by the Zoo including the new Africa Rain Forest Exhibit that will open this year. In addition to the new exhibit the zoo will provide programs that include: the Birds of Prey Show, the Zoo Lights Festival, summer concerts, animal keeper talks, summer camps, special classes and a new October special event.

The proposed admission rate at the Zoo remains a bargain compared to similar institutions in the west and to other educational and entertainment facilities in the Metro area as shown in Tables I and II. The recent trend of increased visitors does suggest that visitors to the zoo are willing to pay a fair admission fee for an experience that leaves them with some new knowledge in an increasingly sophisticated and pleasing environment. Recent surveys conducted for the Zoo indicate that people will consider the proposed fee a fair one.

TABLE I: SELECTED WEST COAST ZOOS

	<u>Adults</u>	<u>Youth</u>	<u>Seniors</u>
Wildlife Safari	\$8.50	\$5.25	\$7.00
	+ \$1 per car		
San Francisco Zoo	\$6.00	\$3.00	\$3.00
Los Angeles Zoo	\$6.00	\$2.75	\$5.00
Denver Zoo	\$4.00	\$2.00	\$2.00
Rio Grande Zoo	\$4.00	\$2.00	\$2.00
Point Defiance Zoo (Tacoma)	\$5.50	\$3.75	\$5.00
Woodland Park Zoo (Seattle)	\$4.00	\$2.00	\$2.00
Hogle Park Zoo (Salt Lake)	\$4.00	\$2.00	\$2.00

TABLE II: SELECTED METRO AREA EDUCATIONAL/ENTERTAINMENT FACILITIES

	<u>Adults</u>	<u>Youth</u>	<u>Seniors</u>
Movie Theaters	\$6.00	\$3.00	\$3.00
OMSI	\$4.50	\$3.00	\$3.50
Shows at Expo Center (avg.)	\$4.00	\$2.00	\$4.00
High Desert Museum (Bend)	\$4.50	\$2.50	\$4.00
Pittock Mansion	\$3.00	\$1.00	\$2.50
Children Museum	\$3.00	\$2.50	\$3.00
Japanese Gardens	\$3.50	\$2.00	\$2.00
Art Museum	\$3.00	\$1.50	\$3.00
World Forestry Center	\$3.00	\$2.00	\$2.00

In addition to changes in the fee structure staff is suggesting a change in the way free admission to the Zoo is handled. Instead of granting free admissions on Tuesday after 3:00 p.m. the staff is recommending that a number of tickets, predetermined annually and approved by the Executive Officer, be distributed to the various social service agencies within Metro for use by disadvantaged individuals. This procedure would more directly aid those in need than the current practice, which allows for access irrespective of need. It also allows those in need to attend at times most convenient to them rather than a set time only.

In summary, the proposed new rate structure and special free admission policy will assist to:

- provide over 50% of the costs for maintenance and operations from non-tax sources
- allow us to adequately care for the service needs of our visitors (custodial, landscaping, visitor services, security, etc.)
- provide proper care for the animals on exhibit
- maintain the considerable capital assets at the Zoo

Staff Recommendation:

Based on the forgoing information it is recommended that the admission rates be increased to \$4.50 for adults, \$3.00 for senior citizens, \$2.50 for youths and \$2.00 for students and chaperons and that the policy regarding special free admission be changed as described above.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 90-376.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING THE	)	ORDINANCE NO. 90-376
REVISION OF METRO CODE SECTION 4.01.060)	
REVISING ADMISSION FEES AND POLICIES AT)	
METRO WASHINGTON PARK ZOO	)	Introduced by Rena Cusma, Executive Officer

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

The Metro Council establishes fees and policies for admission to the Metro Washington Park Zoo. Voter approval of Ballot Measure Five requires a review and adjustment of the fees and policies at this time.

NOW THEREFORE,

Metro Code Section 4.01.060 Admission Fees and Policies is amended to read as follows:

4.01.060 Admission Fees and Policies:

(a) Regular Fees:

(1) Definitions:

- (A) An Education discount is offered to groups of five (5) or more students in a state accredited elementary, middle, junior or high school or pre-school/daycare center. Qualifications for Education Discount include a minimum of one chaperon for every five (5) students of high school age or under; registration for a specific date at least two weeks in advance; and the purchase of curriculum materials offered by the Zoo, or submission of a copy of the lesson plan that will be used on the day of the visit.
- (B) The Group Discount is defined as any group of twenty-five (25) or more (including school groups that have not met the requirements for the Education Discount).

(2) Fee Schedule:

Adult (12 years and over)	\$3.50	<u>\$4.50</u>
Youth (3 years through 11 years)	\$2.00	<u>\$2.50</u>
Child (2 years and under)	-free	
Senior Citizen (65 years and over)	\$2.00	<u>\$3.00</u>
Education Groups (per student)	\$1.00	<u>\$2.00</u>
Chaperons accompanying Education Groups	\$1.00	<u>\$2.00</u>
Groups other than Education groups 25 or more per group		20% discount from appropriate fee listed above

(b) Free and Reduced Admission Passes:

(1) Free and reduced admission passes may be issued by the Director in accordance with this Ordinance.

(2) A free admission pass will entitle the holder only to enter the Zoo without paying an admission fee.

(3) A reduced admission pass will entitle the holder only to enter the Zoo by paying a reduced admission fee.

(4) The reduction granted in admission, by use of a reduced admission pass (other than free admission passes), shall not exceed twenty percent.

(5) Free or reduced admission passes may be issued to the following groups or individuals and shall be administered as follows:

(A) Metro employees shall be entitled to free admission upon presentation of a current Metro employee identification card.

(B) Metro Councilors and the Metro Executive Officer shall be entitled to free admission.

(C) Free admission passes in the form of volunteer identification cards may, at the Director's discretion, be issued to persons who perform volunteer work at the Zoo. Cards shall bear the name of the volunteer, shall be signed by the Director, shall be non-transferable, and shall terminate at the end of each calendar year or upon termination of volunteer duty, whichever date occurs first. New identification cards may be issued at the beginning of each new calendar year for active Zoo volunteers.

(D) Reduced admission passes may be issued to members of any organization approved by the Council, the main purpose of which is to support the Metro Washington Park Zoo. Such passes shall bear the name of the pass holder, shall be signed by an authorized representative of the organization, shall be non-transferrable, and shall terminate not more than one year from the date of issuance.

(E) Other free or reduced admission passes may, with the approval of the Director, be issued to other individuals who are working on educational projects or projects valuable to the Zoo. Such passes shall bear an expiration date not to exceed three months from the date of issuance, shall bear the name of the pass holder, shall be signed by the Director and shall be non-transferable.

(c) Special Admission Days:

(1) Special admission days are days when the rates established by this Ordinance are reduced or eliminated for a designated group or groups. Six special admission days may be allowed, at the discretion of the Director, during each calendar year.

(2) Three additional special admission days may be allowed each year by the Director for designated groups. Any additional special admission days designated under this subsection must be approved by the Executive Officer.

~~(d) Special Free Hours--Admission to the Zoo shall be free for all persons from 3:00 p.m. until closing each Tuesday afternoon.~~

(d) Special Free Admission Tickets: A number of free admission tickets may be distributed annually by the Zoo Director to social service agencies within the Metro area. These tickets shall be for the use of disadvantaged people who cannot afford regular Zoo admission. The tickets shall be dated and valid only for the fiscal year in which they are issued. The number of tickets to be issued each fiscal year must be approved in advance by the Executive Officer.

(e) Commercial Ventures: Proposed commercial or fund-raising ventures with private profit or nonprofit corporations involving admission to the Zoo must be authorized in advance by the Executive Officer. The Executive Officer may approve variances to the admission fees to facilitate such ventures.

- (f) Special Events: The Zoo, or portions thereof, may be utilized for special events designed to enhance Zoo revenues during hours that the zoo is not normally open to the public. The number, nature of and admission fees for such events shall be subject to the approval of the Executive Officer.

ADOPTED by the Council of the Metropolitan Service District this
_____ day of _____, 1990.

Tanya Collier, Presiding Officer

ATTEST:

Clerk of the Council

Agenda Item No. 6.1
January 24, 1991

RESOLUTION NO. 91-1383



METRO

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

Memorandum

DATE: January 17, 1991
TO: Interested Persons
FROM: Paulette Allen, Clerk of the Council
RE: AGENDA ITEM NO. 6.1

The Regional Facilities Committee report for the above-referenced agenda item will be distributed at the Council meeting January 24, 1991.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ACKNOWLEDGING	)	RESOLUTION NO. 91-1383
ADJUSTMENTS TO THE FY 1990-91)	
BUDGET OF THE METRO WASHINGTON	)	INTRODUCED BY COUNCIL
PARK ZOO	)	ZOO COMMITTEE

WHEREAS, the property tax limitation approved by the voters at the November 6, 1990 general election will cause a revenue reduction of over \$500,000 to the Metro Washington Park Zoo in the 1991-92 fiscal year; and

WHEREAS, Zoo staff have proposed a combination of service reductions and revenue increases in fiscal year 1990-91 to accommodate the reduction in property tax revenue; and

WHEREAS, projected savings from the service reductions will total \$198,491 in FY 1990-91; and

WHEREAS, the Council Zoo and Finance committees have recommended Council approval of Ordinance No. 90-376A, revising admission fees and policies at Metro Washington Park Zoo; and

WHEREAS, in its deliberations on Ordinance No. 90-376A the Zoo Committee recommended Council adoption of a resolution which formally acknowledges staff's proposed service reductions and which further directs staff to implement those reductions; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

1. Acknowledges that Zoo staff have developed a plan to combine service reductions and revenue increases in fiscal year 1990-91 in order to improve the financial position of the Zoo

Operating Fund in anticipation of reduced property tax revenues in 1991-92; and

2. Directs Zoo staff to reduce expenditures by a minimum of \$198,491 below budgeted amounts in the remainder of fiscal year 1990-91.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

ZOO COMMITTEE REPORT

RESOLUTION NO. 91-1383, ACKNOWLEDGING ADJUSTMENTS TO THE FY 1990-91 BUDGET OF THE METRO WASHINGTON PARK ZOO

Date: January 8, 1991

Presented by: Councilor McFarland

Committee Recommendation: At its January 3, 1991 meeting the Council Zoo Committee voted unanimously to recommend Council adoption of a Resolution which acknowledges budget cuts imposed at the Zoo in response to the passage of Ballot Measure 5, and which directs the Zoo Department to enact those cuts. Councilors McFarland, DeJardin, Gardner, and Knowles voted aye; Councilor Saucy was excused.

Committee Discussion/Issues: In its discussion of Ordinance No. 90-376A, the Zoo Committee received a report from Zoo Director Sherry Sheng which described the service reductions/budget cuts planned or implemented at the Zoo. Zoo management began discussing possible money-saving measures prior to the passage of Measure 5, and identified some potential cuts. Following the election, Zoo management has developed a mix of service reductions and revenue increases to keep its budget balanced while maintaining a quality visitor experience. Part of this strategy calls for admission fee increases (Ordinance 90-376A) and service reductions in the current fiscal year, to build the 1990-91 ending fund balance and help absorb the projected loss of over \$500,000 in 1991-92 property tax revenues.

Service reductions are expected to produce \$198,491 in savings in FY 90-91. The measures being implemented are:

- Closure of the Children's Zoo
- Closure of Night Country exhibit
- Eliminating Zoo train operations in the winter, after Zoo Lights through March 15
- Reduction in night animal keeping service
- Reduction and reconfiguration of Visitor Services workers
- Deferral of equipment purchases
- Deferral of Animals Around Us ballot measure
- Reduced use of paid management intern

In the cases of exhibit closures, the animals will be sold or otherwise properly housed elsewhere. In response to a question, Ms. Sheng said that the Night Country space might be available for educational uses in the future, though it is not very well suited for such uses.

Councilor Knowles stated that he wanted the full Council formally to recognize that these cuts were being made, and to direct Zoo staff to implement them. The Committee concurred in the suggestion that its staff be directed to prepare such a Resolution. Councilor Knowles then moved that the Committee recommend Council adoption of a Resolution which formally directs staff to make the cuts they have recommended.

Agenda Item No. 6.2
January 24, 1991

RESOLUTION NO. 91-1374

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF CONFIRMING) RESOLUTION NO. 90-1374
THE REAPPOINTMENT OF RICHARD)
ARES AND SAM BROOKS TO THE) Introduced by Rena Cusma,
METROPOLITAN EXPOSITION-) Executive Officer
RECREATION COMMISSION)

WHEREAS, The Metropolitan Service District Code,
Section 6.01.030, provides that the Council confirms members to
the Metropolitan Exposition-Recreation Commission; and

WHEREAS, The Clackamas County Board of Commissioners
has nominated Clackamas County resident Richard Ares for
reappointment to the Metropolitan Exposition-Recreation
Commission; and

WHEREAS, The Council of the City of Portland has
nominated city resident Sam Brooks for reappointment to the
Metropolitan Exposition-Recreation Commission; and

WHEREAS, Richard Ares and Sam Brooks have performed
well the duties and responsibilities of Metropolitan Exposition-
Recreation Commissioners; and

WHEREAS, The Executive Officer has recommended Richard
Ares and Sam Brooks for reappointment to four year terms; and

WHEREAS, The Councils finds that Richard Ares and Sam

Brooks are well qualified to continue to carry out commission duties; now, therefore,

BE IT RESOLVED,

That Richard Ares and Sam Brooks are hereby confirmed for reappointment as members of the Metropolitan Exposition-Recreation Commission for the term beginning January 15, 1991 and ending January 15, 1995.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1990.

Tanya Collier, Presiding Officer



CLACKAMAS COUNTY

Board of Commissioners

December 7, 1990

RECEIVED
DEC 17 1990
METRO SERVICE DISTRICT
EXECUTIVE MANAGEMENT

DARLENE HOOLEY
CHAIR

ED LINDQUIST
COMMISSIONER

JUDIE HAMMERSTAD
COMMISSIONER

MICHAEL F. SWANSON
CHIEF EXECUTIVE OFFICER

The Honorable Rena Cusma
Executive Officer
Metro
2000 SW First Avenue
Portland, OR 97201-5398

Dear Rena:

We have received your letter dated December 4, 1990 regarding the expiration of Richard Ares's term of membership on MERC.

By unanimous decision, the Clackamas County Board of Commissioners is nominating Richard Ares for another term on MERC. We believe that Mr. Ares is the best possible nominee for this position. His experience, knowledge, and energy have been great assets to Clackamas County and to MERC.

Richard Ares is our only nominee. As we have only one nomination out of 7 positions, but have one-fourth of the population of the participating counties, it is our hope that the Executive Director and the other Metro councilors will give heavy consideration to our recommendation. The appointment of a new person would seriously diminish the ability of the commission to continue operating at full strength. Mr. Ares has done an outstanding job and his appointment for another term would provide continuity in philosophy and direction on MERC.

Thank you for your notification. We look forward to working with you and the other Metro councilors in the spirit of cooperation and good faith necessary to the continued success of regional efforts.

Sincerely yours,

Darlene Hooley *Ed Lindquist* *Judie Hammerstad*
Darlene Hooley, Chair Ed Lindquist Judie Hammerstad

RESOLUTION No. 34801

UNCLAS

Nominate Sam Brooks, residing in the City of Portland, to serve as a member of the Metropolitan Exposition-Recreation Commission. (resolution)

WHEREAS, the Executive Officer of the Metropolitan Service District has invited the City to nominate candidates who are residents of the City of Portland to serve as members of the Metropolitan Exposition-Recreation Commission;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of Portland, Oregon nominates the following named individual to serve on the Metropolitan Exposition-Recreation Commission:

SAMUEL BROOKS, for a term expiring January 15, 1995.

BE IT FURTHER RESOLVED, that the City Council requests the Executive Officer of the District to appoint, and the Council of the District to confirm, the forenamed individual as a member of the Metropolitan Exposition-Recreation Commission.

Adopted by the Council, JAN 09 1991

Mayor Clark
Phil Thompson:sf
January 9, 1991

BARBARA CLARK
Auditor of the City of Portland
By
Britta Olson Deputy

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1374 FOR THE PURPOSE OF CONFIRMING THE REAPPOINTMENT OF RICHARD ARES, CLACKAMAS COUNTY, AND SAM BROOKS, CITY OF PORTLAND, TO THE METROPOLITAN EXPOSITION-RECREATION COMMISSION.

December 12, 1990

Presented by: Don Rocks

BACKGROUND

Mr. Ares and Mr. Brooks were initially appointed and confirmed under Ordinance 87-225 and represent, respectively, Clackamas County and the City of Portland. In the process of initially staggering terms of membership to assure overlap and continuity, both were accorded a first term of three years duration which shall expire January 15, 1991.

The Executive Officer has lettered both jurisdiction regarding their nominations. In both instances, the vote of the governing bodies renominated Ares and Brooks to be reappointed to serve a full four year term which shall run thorough January 15, 1995.

The Executive Officer has spoken with County Chair Darlene Hooley and Mayor Bud Clark as well as to the subject nominees. Both individuals have been active, have contributed to the progress and maturity of the Commission, are expected to continue in that mode in the best interests of the region and have expressed their desire to continue as Metro Exposition-Recreation Commissioners operating under Metro's authority and oversight.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 90-1374 for the confirmation of the reappointment of Richard Ares and Sam Brooks to serve four year terms on the Metropolitan Exposition-Recreation Commission.

Agenda Item No. 6.3
January 24, 1991

RESOLUTION NO. 91-1387

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 91-1387A, FOR THE PURPOSE OF AUTHORIZING ISSUANCE OF A REQUEST FOR PROPOSALS FOR COORDINATION OF HOME COMPOSTING DEMONSTRATION SITES AND ENTERING INTO A MULTI-YEAR CONTRACT WITH THE MOST QUALIFIED PROPOSER, AND WAIVING THE REQUIREMENT FOR COUNCIL APPROVAL OF THE CONTRACT AND AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE THE CONTRACT SUBJECT TO CONDITIONS

Date: January 17, 1991

Presented by: Councilor Gardner

Committee Recommendation: At the January 15, 1991 meeting the Committee voted 4-0 to recommend Council adoption of Resolution No. 91-1387A. Voting in favor were Councilors Gardner, McFarland, McLain and Wyers. Councilor DeJardin was excused.

Committee Issues/Discussion: Pamela Kambur, Associate Management Analyst, explained that the Request for Proposals will result in a personal services contract for coordinating home composting demonstration sites. The total amount of the contract will be \$34,000, with \$16,800 to be expended in FY 1990-91, and \$17,200 in FY 1991-92.

Council staff noted that the Resolution also includes language waiving Council approval of the contract, although this is not reflected in the title. The contract was designated as Type "B" on the FY 1990-91 contracts list, because Solid Waste Department staff initially intended to expend the funds within one fiscal year. Since the expenditure now will occur over two fiscal years, Council approval of the contract is required under Metro Code Section 2.04.033(b).

Reasons set out in the Solid Waste Department staff memorandum which would support the request to waive Council approval include timing considerations, and the fact that the only change in the contract is the timing.

Councilor McFarland said it should be Council policy that whenever Council approval of the final contract is waived, the waiver should be reflected in the title of the Resolution. She also said that any waiver should be subject to conditions to ensure there are no changes subsequent to release of the procurement documents.

The Committee voted to amend the Resolution to include four amendments recommended by Council staff:

1. Changing the title to include language clarifying that an additional purpose of the Resolution is to waive Council approval;

SOLID WASTE COMMITTEE REPORT
Resolution No. 1387A
January 17, 1991
Page Two

2. Amending paragraph 3 of the Resolution to correct a typographical error in citing the Metro Code, and also to note that the waiver is granted subject to conditions.

3. Designating the Request for Proposals as Exhibit A to the Resolution.

4. Adopting and attaching Exhibit B, stating that waiver is subject to two conditions: 1) the amount of the contract shall not exceed \$34,000; 2) the contract shall conform in all material respects to the scope of work and other terms of the Request for Proposals.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING)
ISSUANCE OF A REQUEST FOR)
PROPOSAL FOR COORDINATION OF)
HOME COMPOSTING DEMONSTRATION)
SITES AND ENTERING INTO A)
MULTI-YEAR CONTRACT WITH THE)
MOST QUALIFIED PROPOSER, AND)
WAIVING THE REQUIREMENT FOR)
COUNCIL APPROVAL OF THE)
CONTRACT AND AUTHORIZING THE)
EXECUTIVE OFFICER TO EXECUTE)
THE CONTRACT SUBJECT TO)
CONDITIONS)

RESOLUTION NO. 91-1387A
Introduced by Rena Cusma,
Executive Officer

WHEREAS, Approximately 26% of the residential wastestream currently landfilled is comprised of yard debris; and

WHEREAS, The "Regional Yard Debris Plan" establishes a goal to promote source reduction of yard debris in addition to recycling collection options; and

WHEREAS, Home composting demonstration sites will provide opportunities for residents to take self-guided tours of home composting systems in operation and provide a learning laboratory for composting workshops; and

WHEREAS, The FY 1990-91 Metropolitan Service District budget authorizes a \$70,000 expenditure for the establishment of four home composting demonstration sites throughout the region; and

WHEREAS, It is in the best interest of Metro to acquire the services of a contractor as soon as possible in order to establish the sites in preparation for Spring yard cleanups and gardening activities; and

WHEREAS, Pursuant to Metro Code Section 2.04.033(a)(1) Council approval is required because the agreement commits the District to expenditures for continuation of the Project in the next fiscal year; and

WHEREAS, Pursuant to Section 2.04.033(6) of the Metro Code, the Council may, at the time it approves a Request for Proposals, Exhibit A, waive the requirement of Council approval of a contract prior to execution of the Contract by the Executive Officer; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District approves the Request for Proposals for Coordination of Home Composting Demonstration Sites.

2. That the Director of the Solid Waste Department is requested to advertise for proposals and do all other things necessary to solicit proposals for Coordination of Home Composting Demonstration Projects.

3. That the Council of the Metropolitan Service District, pursuant to Section [~~2.04.03(6)~~] 2.04.033(b) of the Metro Code, waives the requirement of Council approval of the contract resulting from the proposal process, subject to the conditions in Exhibit B attached hereto, and authorizes the Executive Officer to execute a contract for the Coordination of Home Composting Demonstration Projects to the most qualified proposer in accordance with the requirements of the Metro Code, if the conditions are met.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

REQUEST FOR PROPOSAL
for
Coordination of "Home Composting Demonstration Sites"

RFP #90R-142-SW

January 1991

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RFP #90R-142-SW

REQUEST FOR PROPOSAL
for
Coordination of "Home Composting Demonstration Sites"

I. INTRODUCTION

The Metropolitan Service District (Metro) was created by the Oregon Legislature in 1977 and approved by the voters of Clackamas, Multnomah and Washington counties in 1978 as a directly elected regional government. Metro is governed by a 12-member council, elected from subdistricts in the region, and an executive officer, elected region-wide.

Metro serves the 1 million residents of the urban areas of the three counties. Among other municipal services, Metro is responsible for the management of solid waste disposal and recycling in the Portland metropolitan region. The Waste Reduction Section of the Metro Solid Waste Department is responsible for the coordination and implementation of regional recycling programs.

II. BACKGROUND/HISTORY OF PROJECT

Yard debris represents 26% of the residential wastestream by weight. To encourage diversion of this material from the landfill, the "Regional Yard Debris Plan" (Metro, 1990) identifies two waste reduction methods: source reduction and recycling collection options. The development of four home composting demonstration sites and the provision of educational workshops are programs designed to promote source reduction--keeping a significant portion of residential yard debris from ever entering the regional disposal wastestream.

Recent public opinion surveys reveal approximately 30% of the region is already home composting. However, it is unclear how much of the total amount generated by each resident is composted. The goal of this project is to increase both the number of people participating in home composting and the amount of material each resident is composting.

III. DESCRIPTION OF PROJECT

Four home composting demonstration sites will be established in the Metro region. Modeled after a highly successful program developed by Seattle Tilth, composting systems will be available for residents to view composting in action. In order to meet site design criteria for various residential settings (ranging from inner city to suburban and rural), each of the four demonstration sites will establish approximately a dozen fully-operating composting systems. This variety of holding units and turning units at each site will enable residents to compare the relative advantages and disadvantages of each system.

To provide convenient access for residents throughout the region, one site in each of the three metropolitan counties and a fourth site in the city of Portland have been identified. The three suburban locations are tentatively planned at Community College sites in cooperation with horticulture instructional programs. The urban location is planned in cooperation with the Portland Bureau of Parks and Recreation at a Community Gardens site.

In addition to providing the opportunity for self-guided tours, the individual sites will provide a learning environment for "hands on" workshops. Workshops topics may range from "How to build a compost bin" to "How to manage a compost pile". Instructional materials will be available for distribution.

Attachment A summarizes the estimated timeline for development of the Project. The successful proposer shall cover the first ten months of project development including the following 3 phases:

- 1) Startup (approximately 2 months: February and March)
- 2) Stage 1 Operations (7 months: April through October)
- 3) Evaluation (1 month: November)

After a 3 month winter closure, a new contract could be awarded for continuation of the Project for another 4 months if funds are appropriated in the FY 1991-92 budget.

To accomplish this Project, Metro's current fiscal year budget includes an appropriation of \$70,000. Of this amount, \$34,000 is available for the personal services contract awarded to the successful proposer. The remaining \$36,000 is intended for site development and equipment costs that will be procured by Metro.

Metro anticipates the personal services contract will cover the costs of a full time (40 hours per week) "Project Coordinator" during the first 10 months of the Project. Contractor must ensure that one full time staff member, designated as the Project Coordinator, is available to provide services to Metro for no less than 40 hours per week. Contractor may supply additional personnel to perform tasks as deemed appropriate by contractor to supplement the Project Coordinator in the performance of Sections 1.1 through 1.8, 2.3 and other tasks as may be agreed upon by Metro's Project Manager and Contractor.

The Project Coordinator will rotate between the four sites on a regularly scheduled shift each week providing at least 8 hours per week of on-site maintenance and coordination at each site. The fifth day of each week the Project Coordinator will be available for workshops (approximately one workshop each month per site for seven months).

To ensure the long-term success of the Project, Metro will facilitate quarterly meetings of a Project Steering Committee. Members of the Steering Committee will include representatives of the site-sponsors, Master Gardeners and other interested gardening groups. During these quarterly meetings, program development and long-term strategies for the continuation of the Project will be discussed. Metro anticipates contractual assurances by the site-sponsors that continued maintenance of the sites and free public access for self-guided tours will be minimum levels of service after direct funding by Metro has been terminated (June 30, 1992).

IV. SCOPE OF WORK

The successful proposer (hereinafter referred to as the "Contractor" or "Project Coordinator") shall perform the following duties during a minimum 40 hour per week schedule:

1. SITE DEVELOPMENT

- 1.1 Develop site design plans for each of the 4 sites after consultation with individual site sponsors and Metro staff.
- 1.2 Develop detailed specifications for permanent site equipment/materials and prepare listings of vendors for the Metro Project Manager to facilitate competitive bids on Metro purchase of equipment/materials.

- 1.3 Investigate and relay written responses to the Metro Project Manager regarding initial requests for donation of bin systems by commercial vendors.
- 1.4 Confirm receipt of equipment/materials, assemble, oversee and monitor the construction of each site per approved site designs. This includes physical labor for the construction of bins and other site development tasks.
- 1.5 If subcontracting of site construction tasks are necessary (for example, grading or fencing), develop detailed specifications and listings of vendors for procurement by the Metro Project Manager.
- 1.6 Manage the on-site coordination of sub-contractors to ensure successful completion of required tasks.
- 1.7 Locate and reclaim materials from the wastestream, and construct a minimum of 3 composting bins at each site to demonstrate reuse of common materials in the wastestream. If these materials must be purchased, specifications will be developed for the Metro Project Manager to procure with site development funds.
- 1.8 Coordinate the development of informational signage and a project kiosk for each site in order to facilitate Metro procurement.

2. SITE MAINTENANCE

- 2.1 Schedule a minimum 8-hour shift per week at each site during which maintenance of compost bin operations and coordination with site sponsors is accomplished.
 - a. Coordinate with grounds maintenance personnel from each site to ensure an adequate supply of incoming materials are brought to the site for composting and ensure finished compost is used for appropriate purposes.
 - b. Maintain piles to ensure turning produces adequate aeration and compost temperatures; moisture content is sufficient and the proper mix of materials is achieved to produce high quality compost.

c. Maintain records of compost turning dates, temperatures, volumes, etc. for each bin. Share this information with workshop participants.

2.2 Assure printed materials are available at each site during the week for individuals wanting to take self-guided tours.

2.3 Manage and schedule the use of the chipper at each site including transport of the equipment between sites as needed.

3. WORKSHOP COORDINATION

3.1 Conduct hands-on workshops to teach methods of compost bin construction and/or management of a compost pile to community members and/or organized groups.

3.2 Schedule a minimum of one workshop per month at each site. Since the Project Coordinator will be staffing each of the four sites for one day of each week, these workshops will be scheduled on the fifth day of each week.

3.3 Produce informational handouts for distribution to workshop participants after approval by the Metro Project Manager.

3.4 Obtain and provide necessary expendable materials such as reclaimed lumber, wire mesh, nails, etc. for workshop participants. The cost of these items shall be borne by Contractor and will be included in the proposal cost. Metro will reimburse contractor for the cost of items not to exceed \$3,000 upon submission by Contractor.

4. PROMOTION, EDUCATION AND OUTREACH

4.1 Coordinate publicity efforts between Metro staff and Site Sponsors to promote awareness of sites via:

- a. Written materials (brochures, handouts, etc) distributed to appropriate outlets
- b. Public Service Announcements distributed on a regular basis to local print and electronic media to promote the sites
- c. Graphics and short articles available to local governments for inserting in periodic mailings.

4.2 Coordinate with the Metro Project Manager the development of educational "how to" materials and listings of retail outlets for manufactured composting bins.

4.3 Provide presentations and/or slide shows to community groups to promote home composting.

5. OVERALL PROJECT COORDINATION

5.1 Facilitate the flow of communication between Metro, site sponsors and other interested community groups.

5.2 Provide support to the Metro Project Manager in staffing the quarterly meetings of the Project Steering Committee.

5.3 Provide monthly project status reports to the Metro Project Manager including site-specific records of composting operations, estimates of tours taken, numbers of workshop participants and results of participant written evaluations.

5.4 Assume responsibility for the day-to-day direction and internal management of any efforts of subcontractor and/or volunteers.

V. POTENTIAL SUBCONTRACTORS

The Contractor will contact the Metro Project Manager prior to negotiating any subcontracts. In the event that any subcontractors are to be used in the performance of this agreement, the Contractor will make a good faith effort, as defined in Metro's Disadvantaged Business Program, (Section 2.04.160, Subsection (b) of the Metro Code), to reach the goals of subcontracting 7% of the contract amount to Disadvantaged Business Enterprises (DBE's) and 5% of the contract amount to Women Owned Business Enterprises (WBE's).

Metro does not wish any subcontractor selection be finalized prior to contract award. For any task or portion of a task to be undertaken by a subcontractor, the Contractor shall not sign up a subcontractor on an exclusive basis. The Contractor shall assume responsibility for the day-to-day direction and internal management of the subcontractor effort.

Metro reserves the right, at all times during the period of this agreement, to monitor compliance with the terms of the preceding Subcontractor paragraphs. Contractor shall provide Metro with all information necessary to determine compliance with Metro's Disadvantaged Business Program.

Information regarding Metro's Disadvantaged Business Program can be obtained from Metro's Disadvantaged Business Program Liaison Officer, A.M. Hazen at (503) 221-1646.

VI. PROPOSAL INSTRUCTIONS

Submission of Proposals

Five (5) copies of the proposal (printed double-sided, on recycled paper and if bound, reusable binding preferred) shall be furnished to Metro, addressed to:

Pamela K. Kambur, Waste Reduction Analyst
Metropolitan Service District
Solid Waste Department
2000 S.W. First Ave.
Portland, OR 97201-5398

Deadline

Proposals will not be considered if received after 4:00 p.m. PST, February 11, 1991. Postmarks are not acceptable.

RFP as Basis for Proposal

This RFP represents the most definitive statement Metro will make concerning information upon which proposals are to be based. Any verbal information that is not contained in this RFP will not be considered by Metro in evaluating proposals. All questions relating to the RFP are to be directed to Pamela Kambur. Any question, that in the opinion of Metro, warrants a written reply or RFP amendment will be furnished to all parties receiving a copy of this RFP. Metro will not respond to questions received after January 29th, 1991.

VII. PROPOSAL CONTENTS

Proposals should contain the following information and must be valid for ninety (90) days:

1. **Signed Letter of Transmittal** to contain a brief summary of the key points of the proposal. Indicate who will

be the project coordinator and that the proposal will be valid for ninety (90) days after the transmittal date. State the name, title address, and telephone number of an individual or individuals with authority to contractually bind the company during the period in which Metro is considering proposals.

2. Project Workplan

- 2.1 Describe how the project outlined in the Scope of Work will be done within the given time frame and budget. Present a detailed timeline for accomplishing the Scope of Work.
- 2.2 Describe the specific types of home composting systems you would recommend using and why.
- 2.3 Provide a sample workshop curriculum and describe the specific audience targeted.

3. Qualifications and Experience

- 3.1 **Staffing/Project Coordinator Designation:** Identify specific personnel assigned to major project tasks, their roles in relation to the work required, percent of their time on the project, and special qualifications they may bring to the project including any pertinent academic training. Include a detailed task analysis estimating the time spent on each task by the Project Coordinator during the various phases of the project. The Project Coordinator will spend a minimum of 40 hours per week on this project.

List similar projects undertaken by the Contractor and/or subcontractor(s) for each major component area (i.e. compost site development and maintenance, workshop coordination, promotion and education, and project management).

- 3.2 **Samples of Work:** Submit an example of an educational/promotional handbook or brochure that you have written and designed. If you have photographs or drawings of compost bins you have constructed, you may attach samples of these as well.
- 3.3 **References:** Provide at least two current professional references who are supportive of the

Contractor's professional qualifications to meet the requirements of this contract. Include names, business mailing addresses, and business telephone numbers of references.

- 3.4 **Independent Contractor Requirements:** Contractor must qualify as an independent contractor pursuant to criteria established in ORS 701.025 and 701.030. In order to be eligible for consideration, Contractor's proposal must demonstrate that contractor is so qualified.

4. **Cost/Budget**

List all project costs associated with the performance of this contract. Present a detailed budget of expenditures including the following line items:

- 4.1 Staffing (including hourly billing rates)
a. Project Coordinator
b. Others
- 4.2 Mileage
- 4.3 Workshop Construction Materials
- 4.4 Printed Materials for Workshops
- 4.5 Other Itemized Costs (including any matching funds, in-kind services or volunteer efforts.)

5. **List of Sub-consultants and Sub-contractors**

Metro encourages the use of certified DBE's and WBE's. If any portion of the work is to be sub-contracted, include a statement regarding the percentage participation by DBE and WBE vendors, or if good faith efforts have been made as defined by the Metro code, Section 2.04.160. If applicable, complete the attached DBE/WBE compliance forms with your application. A copy of the Metro Ordinance adopting these procedures is also attached (Attachment B).

6. **Exceptions**

Proposers wishing to take exception to, or comment on the Home Composting Demonstration Sites Project language or any other aspect of this RFP are encouraged to document their concerns in this section of the proposal. Exceptions should be succinct, thorough, and organized.

VIII. GENERAL PROPOSAL/CONTRACT CONDITIONS

Limitations of Award:

This RFP does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to accept or reject any and all proposals received as a result of this request, to negotiate with all qualified sources, or to cancel all or part of this RFP.

Contract Type:

Metro intends to award a personal services contract with the selected contractor of this project. A copy of the standard contract that the contractor will be required to execute is attached (see Attachment C).

Payment Schedule:

Payments shall be made monthly after receipt of a detailed billing from Contractor for all work performed in the previous month.

Validity Period and Authority:

The proposal shall be considered valid for a period of at least ninety (90) days and shall contain a statement to that effect. The proposal shall contain the name, title, address, and telephone number of an individual or individuals with authority to bind the company during the period in which Metro is evaluating the proposal.

Insurance Requirements:

The Contractor shall provide (from insurance companies acceptable to Metro) General Liability insurance coverage with a combined single limit of not less than \$500,000. Before commencing work under this contract the Contractor shall furnish Metro with a certificate of insurance evidencing coverage as specified, naming Metro as an additional insured. In addition, Contractor shall maintain, in force, workers compensation insurance coverage as required by the State of Oregon.

IX. EVALUATION OF PROPOSALS

Evaluation Procedures:

Proposals that conform to the proposal instructions will be evaluated by a selection committee. Finalists will be interviewed during the week of February 11th, 1990. At that time, the proposer should be prepared to give a fifteen (15) minute presentation outlining their proposal. The presentation will be followed by a question and answer period.

Evaluation Criteria:

The criteria used in evaluating each submitted proposal shall include but not be limited to:

1. Compliance with the RFP.
2. Demonstrated understanding of the project goals.
3. Designation of a Project Coordinator with the following minimum qualifications:
 - 3.1 Evidence of personal knowledge of and experience with the compost systems to be demonstrated and an understanding of the applications for the finished product(s).
 - 3.2 Evidence of personal knowledge of and experience recording technical and scientific data regarding the composting process.
 - 3.3 Experience and ability in working with government, private industry, and not-for-profit organizations.
 - 3.4 Experience and ability to provide educational workshops to diverse community audiences.
 - 3.5 Experience and qualifications in organizing similar projects.
4. Quality and comprehensiveness of proposed project work plan.
5. Commitment to delivering quality results at a reasonable cost.
6. Ability to adhere to the required timelines.

X. TENTATIVE SCHEDULE

January 15, 1991	Publication of RFP notice in area newspapers
January 25	Mailing of RFP to parties who have requested copies
February 11	Proposals due
February 11-13	Interviews and contractor selection
February 14-15	Final contract negotiations
February 18	Contractor begins work on project
April 15	Demonstration sites open to the public
April - November	Contractor keeps Metro apprised on progress via monthly written report
November 15	Contractor submits draft of final report for approval by Metro
November 15 - November 30	Staff Review and evaluation
November 30	Termination of Contract
December - February 1992	Winter closure of Project sites
February 1992	2nd RFP process (if funding is authorized in the FY 1991-92 budget)
March - June 1992	Stage 2 Site Operations
June 30, 1992	Termination of 2nd Contract

Dkt
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FOUR HOME COMPOSTING DEMONSTRATION SITES

ATTACHMENT

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	
	FY 1990-91 FUNDS						Extension (No extra funding)						FY 1991-92 FUNDS						
SELECT STAFF (one month)	[Redacted]																		
STARTUP (two months) - finalize site negotiations - select and order materials - construction - develop written materials	[Redacted]																		
STAGE I (seven months) Onsite Tours and Workshops - maintenance - outreach - open for tours one day/week - one workshop per site/month	[Redacted]																		
Mid-Project Evaluation (one month)	[Redacted]																		
Winter Closure (three months)	[Redacted]																		
STAGE II (four months) Onsite Tours and Workshops - maintenance - outreach - open for tours one day/week - one workshop per site/month - development of ongoing finance mechanisms	[Redacted]																		

EXHIBIT B

CONDITIONS OF WAIVER OF COUNCIL APPROVAL

The Council of the Metropolitan Service District waives the requirement for Council approval of the contract for coordination of home composting demonstration sites, subject to the following conditions:

- (1) The amount of the contract shall not exceed \$34,000.
- (2) The contract shall conform in all material respects to the scope of work and other terms of the Request for Proposals.



METRO

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

Memorandum

TO: Council Solid Waste Committee

FROM: Karla Forsythe, ^{KVF} Council Analyst

DATE: January 9, 1991

RE: Resolution No. 91-1387

Solid Waste Department staff has requested approval of Resolution No. 91-1387, for the purpose of authorizing issuance of a request for proposals for coordination of home composting demonstration sites and entering into a multi-year contract with the most qualified proposer. Although not reflected in the title of the Resolution,, the Department also requests that the Council waive the requirement of Council approval of the contract.

Council staff recommends that the Solid Waste Committee amend this Resolution, in order to conform to Metro Code provisions. Council staff recommends amending the title of the Resolution to include language reflecting the waiver of the requirement of Council approval, and further amending the Resolution to adopt conditions for waiver of Council approval.

Approval requirements under the Metro Code

If a contract requires Council approval and is subject to Request for Proposals (RFP) procedures, the Council must approve the RFP prior to release of the proposal to vendors (Metro Code Section 2.04.033(b)).

This contract requires Council approval. Under Metro Code Section 2.04.033(a)(1), the Council must approve any contract which commits the District to the expenditure of revenues or appropriations not otherwise provided for in the current fiscal year budget at the time the contract is executed. Originally, the Department intended to expend the funds during FY 1990-91, and the contract was designated by the Council as a "B" contract in the budget, exempting it from further approval. The Department now intends to expend funds for this contract during FY 1991-92 as well as the current fiscal year. Because of this change, the contract now commits the District to an expenditure for which the current budget does not provide, i.e. an expenditure in the next fiscal year. Council approval of the contract therefore is required.

Since the contract is subject to request for proposals procedures, and since Council approval of the final contract is required

STAFF REPORT
Resolution No. 91-1387
Solid Waste Committee
Page 2

Council approval of the initial RFP documents is required as well. However, under Section 2.04.033, the Council can waive contract approval.

Waiver procedures and policy

Metro Code Section 2.04.033(b) provides that at the time of Council approval of RFP documents, the Council may waive the requirement of Council approval of the contract and authorize the Executive Officer to execute the contract subject to any conditions specified by the Council at the time of the waiver.

The Council in the past has waived contract approval to expedite the contracting process, if there are no apparent policy reasons why waiver should not be granted. Resolution No. 91-1387 states that it is in the best interest of Metro to acquire the services of a contractor as soon as possible in order to establish the sites in preparation for Spring yard cleanups and gardening activities. Timing appears to be a consideration in authorizing waiver (although it is not clear why this Resolution was not brought forward at an earlier date). Additionally, the Council originally designated the contract as "B", which would have exempted it from the approval requirement. The only change appears to be the expenditure of funds in two fiscal years rather than one, so there is no new policy reason to require Council approval of the contract. For these reasons, Council staff believes waiver is justified.

Recommended amendments

To ensure that a contract for which Council approval is waived does not vary from the terms of an RFP which the Council has approved, the waiver should be subject to conditions as provided in the Metro Code. The following amendments (underlined) would incorporate conditions and other necessary technical changes to the Resolution:

1. Amend the title to add language indicating that the Resolution waives the requirement of Council approval of the contract. The amended title would read: "For the Purpose of authorizing issuance of a request for proposals for coordination of home composting demonstration sites and entering into a multi-year contract with the most qualified proposer, and waiving the requirement for Council approval of the contract and authorizing the executive officer to execute the contract subject to conditions."

2. Amend paragraph 3 of the Resolution to read:

That the Council of the Metropolitan Service District, pursuant to Section [2.04.03(6)] 2.04.033(b) of the Metro Code, waives the requirement of Council approval of the contract resulting from the proposal process, subject to the conditions in Exhibit B attached hereto, and authorizes the Executive Officer to execute a contract for the Coordination of Home Composting Demonstration Projects to the most qualified proposer in accordance with the requirements of the Metro Code, if the conditions are met.

3. Designate the Request for Proposals as Exhibit A to the Resolution.

4. Attach Exhibit B to the Resolution, to read as follows:

Exhibit B: Conditions for Waiver of Council Approval.

The Council of the Metropolitan Service District waives the requirement for Council approval of the contract for coordination of home composting demonstration sites, subject to the following conditions:

(1). The amount of the contract shall not exceed \$34,000.

(2). The contract shall conform in all material respects to the scope of work and other terms of the Request for Proposals.

Council staff will provide an amended draft of the Resolution for Committee review at the January 15, 1991 meeting.

STAFF REPORT

CONSIDERATION OF REQUEST FOR PROPOSALS FOR COORDINATION OF HOME COMPOSTING DEMONSTRATION SITES AND ENTERING INTO A MULTI-YEAR CONTRACT WITH THE MOST QUALIFIED PROPOSER

Date: January 2, 1991

Prepared by: Debbie Gorham
Pamela Kambur

FACTUAL BACKGROUND AND ANALYSIS

The "Regional Yard Debris Plan" identifies both source reduction and recycling collection goals to address the reduction of yard debris (currently comprising 26% by weight of the total residential wastestream). Home composting is one means of source reduction. The home composting demonstration sites will give residents the option of self-guided tours to view various composting systems at each site and/or participate in "hands-on" workshops.

The current fiscal year Waste Reduction budget includes \$70,000 to establish four home composting demonstration sites in the Metro region. Staff has started preliminary negotiations with four site sponsors including: the horticulture instructional programs at Clackamas Community College, Mt. Hood Community College, Portland Community College at Rock Creek, and the City of Portland Parks and Recreation Bureau's Community Gardens Program. Representatives from each of the four sites have expressed enthusiasm for the Project and will assist Metro staff in the development of Intergovernmental Agreements to assure operational support for the Project after Metro funds are exhausted.

The Request for Proposals (Attachment A) includes an estimated timeline for the entire Project ending on June 30, 1992. The extension of the Project beyond this fiscal year will enable eleven months of complete operations at the sites (excluding three months of site closure next Winter).

BUDGET IMPACT

Of the \$70,000 total budget authorization, \$34,000 covers the costs of the personal services contract to provide coordination at the four sites. The following summarizes these funds:

	<u>FY 1990-91 Authorization</u>			
	<u>Expended by</u>	<u>Carried Forward</u>		
	<u>June 30, 1991</u>	<u>into FY 1991-92</u>		
Metro Site Development	\$36,000	+ -0-	=	\$36,000
Personal Services Contract	\$16,800	+ \$17,200	=	<u>\$34,000</u> \$70,000

In addition to the \$17,200 carry-over into the next fiscal year, \$13,300 will be requested in the 1991-92 FY budget to extend the Project another four months (March through June of 1992).

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 91-1387.

PK:gbc
compost\rfpstaff.rpt

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING	)	RESOLUTION NO. 91-1387
ISSUANCE OF A REQUEST FOR PROPOSAL)	
FOR COORDINATION OF HOME COMPOSTING)	
DEMONSTRATION SITES AND ENTERING INTO)	
A MULTI-YEAR CONTRACT WITH THE MOST	)	Introduced by Rena Cusma,
QUALIFIED PROPOSER	)	Executive Officer

WHEREAS, approximately 26% of the residential wastestream currently landfilled is comprised of yard debris; and

WHEREAS, the "Regional Yard Debris Plan" establishes a goal to promote source reduction of yard debris in addition to recycling collection options; and

WHEREAS, home composting demonstration sites will provide opportunities for residents to take self-guided tours of home composting systems in operation and provide a learning laboratory for composting workshops; and

WHEREAS, the FY 1990-91 Metropolitan Service District budget authorizes a \$70,000 expenditure for the establishment of four home composting demonstration sites throughout the region; and

WHEREAS, it is in the best interest of Metro to acquire the services of a contractor as soon as possible in order to establish the sites in preparation for Spring yard cleanups and gardening activities; and

WHEREAS, pursuant to Metro Code Section 2.04.033(a)(1) Council approval is required because the agreement commits the District to expenditures for continuation of the Project in the next fiscal year; and

WHEREAS, pursuant to Section 2.04.033(6) of the Metro Code, the Council may, at the time it approves a Request for Proposals, waive the requirement of Council approval of a contract prior to execution of the Contract by the Executive Officer; now, therefore,

BE IT RESOLVED,

1. That the Council of the Metropolitan Service District approves the Request for Proposals for Coordination of Home Composting Demonstration Sites.

2. That the Director of the Solid Waste Department is requested to advertise for proposals and do all other things necessary to solicit proposals for Coordination of Home Composting Demonstration Projects.

3. That the Council of the Metropolitan Service District, pursuant to Section 2.04.03(6) of the Metro Code, waives the requirement of Council approval of the contract resulting from the proposal process, and authorizes the Executive Officer to execute a contract for the Coordination of Home Composting Demonstration Projects to the most qualified proposer in accordance with the requirements of the Metro Code.

ADOPTED by the Council of the Metropolitan Service District this ____ day of _____, 1991.

Tanya Collier, Presiding Officer

Agenda Item No. 6.4
January 24, 1991

RESOLUTION NO. 91-1385

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 91-1385, FOR THE
PURPOSE OF APPROVING PROJECTS FOR THE ONE PERCENT
FOR RECYCLING PROGRAM 1990-1991 FISCAL YEAR

Date: January 17, 1991

Presented by: Councilor McLain

Committee Recommendation: At the January 15, 1991 meeting the Committee voted 4-0 to recommend Council adoption of Resolution No. 91-1385. Voting in favor were Councilors Gardner, McFarland, McLain and Wyers. Councilor DeJardin was excused.

Committee Issues/Discussion: Judith Mandt, Assistant to the Solid Waste Director, presented the report from the 1% for Recycling Committee. The 1% Committee recommended funding eleven projects, for a total amount of \$407,000.

With regard to funding a proposal for a vermiculture project, Councilor Gardner asked whether the product would compete with the product from the Riedel Mass Composter. Dan Holcombe, Oregon Soil Corporation, said the vermiculture product is aimed at a specific, limited market, and will not be competing with the Composter product.

With regard to funding a proposal to encourage recycling in a local business district, Councilor McLain asked whether businesses had been surveyed to gauge their willingness to participate. Stephen Engel, Project Coordinator for Waste Matters Consulting, said there had been informal contacts, but not a survey. Leigh Zimmerman, Associate Solid Waste Planner, indicated that there was a strong interest in recycling in the targeted community.

With regard to funding a proposal to develop an education project for grades K-6 in Clackamas County schools, Councilor McLain asked how distribution would be handled. Ms. Mandt explained that the project will be conducted in North Clackamas School District No. 12. However, she thinks the project will have universal application and can be reproduced, although there are no plans to do so in this grant.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 91-1385
PROJECTS FOR THE ONE PERCENT FOR)
RECYCLING PROGRAM 1990-91 FISCAL YEAR) Introduced by Rena Cusma,
) Executive Officer

WHEREAS, A One Percent for Recycling Program was established by Ordinance No. 88-250B on July 14, 1988, to foster implementation of innovative recycling projects and programs; and

WHEREAS, An Advisory Committee was created to develop criteria and guidelines for the One Percent for Recycling Program; and

WHEREAS, Recommended criteria, guidelines and a Request for Proposals were adopted by the Council of the Metropolitan Service District on September 13, 1990, (Resolution No. 89-1233); and

WHEREAS, The Advisory Committee received and evaluated 39 proposals and interviewed 12 proposers; and

WHEREAS, The Recycling Advisory Committee has recommended 10 projects to be funded, in addition to Phase II of the OMSI Recyclotron exhibit funded at \$60,000 for a total of 11 projects during this funding cycle; and

WHEREAS, Four hundred and seven thousand dollars (\$407,000) for recycling projects is available this fiscal year to fund projects; and

WHEREAS, The resolution was submitted to the Executive Officer for consideration and was forwarded to the Council for approval; now therefore,

BE IT RESOLVED, That the Council of the Metropolitan Service District, as provided in Section 5.04.050 (a) of the Metro Code, approves the projects recommended by the One Percent for Recycling Committee as shown in Exhibit A.

ADOPTED by the Council of the Metropolitan Service District this _____ day of _____, 1991.

Tanya Collier, Presiding Officer

JM:ay
January 7, 1991
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STAFF REPORT

REPORT ON RECOMMENDATIONS OF THE ONE PERCENT FOR RECYCLING ADVISORY COMMITTEE FOR FISCAL YEAR 1990-91.

Date: January 7, 1991

Presented by: Judith Mandt
Leigh Zimmerman

This staff report presents the recommendations by the 1% For Recycling Advisory Committee for the 1990-91 funding cycle and constitutes the 1% For Recycling Project List. This year, \$407,000 is available for the Program.

History: The program was established in the 1988-1989 fiscal year; this is the third funding cycle. An advisory committee serves in a review capacity to solicit proposals and make recommendations for the project list. The committee is comprised of seven members, two from each of the three counties and appointed by the Executive Officer, and the chair, who is a Metro Councilor appointed by the Presiding Officer. The committee began meeting in the summer to review and revise the program criteria and guidelines for the 1990-91 fiscal year. These criteria and guidelines as well as the Request For Proposals were presented to and approved by the Council, September 13, 1990. Proposals were solicited for a period of 45 days with advertisements placed in newspapers of local circulation. There were 39 proposals submitted by the proposal deadline of 4:00 p.m., November 1, 1990 totaling approximately \$2.6 million.

The proposals, which were divided into the two categories promotion/education and waste reduction, were reviewed during November and December. The committee was assisted by Solid Waste and Public Affairs staff in conducting the proposal evaluation; a standard evaluation tool was used to score assigned points to the proposals, based upon the extent to which the program objectives identified in the criteria and guidelines were met. Emphasis was placed on projects featuring market development for recycled products and/or source reduction, or "pre-cycling." The committee continues the policy of requiring that the proposer's identity be withheld until the review process is completed. This is done in order to protect objectivity and to ensure that proposals are evaluated solely on their merits. Following evaluation, the committee selected 12 proposals for further consideration. Interviews were conducted in Metro offices December 5 and 12.

The committee selected 10 projects from this group for a program total of \$347,000. Phase II of the OMSI "Recyclotron" project will be funded at \$60,000, bringing the total to \$407,000.

At the conclusion of each project, an evaluation will be conducted by the proposer and Metro staff using evaluation methods identified in the contract Scope of Work. Conclusions

from these assessments will be compiled into a report for the Council and other interested parties.

The proposals that have been selected by the committee for funding are shown as Attachment A attached to this report.

EXECUTIVE OFFICER'S COMMENTS

The proposals recommended for funding by the 1% For Recycling Committee meet the criteria established for this year's program. As such, they represent the Projects List Specified in Metro Code Section 5.04.050(a) for this program for the 1990-91 fiscal year.

Attachment A

TWO-YEAR PROJECTS

OMSI
Oregon Museum of Science and Industry
4015 SW Canyon Road

\$60,000

Project Coordinator:
Cory Samia

Waste Shed: Region Wide

Project: Phase 2 of "Recyclotron" and Related Computer Game
Promotion/Education

This continues an educational project funded in two phases; \$40,000 was requested for phase 1 using 1989-90 fiscal year funds and \$60,000 was requested for the next year to conclude the project in phase 2. The project will develop an interactive sculpture exhibit and related computer game called the "Recyclotron". This Rube Goldbergesque exhibit will be built and installed in the Global Issues Hall of the new OMSI facility, scheduled to open in spring 1992.

This machine will be an exhibit of solid waste production. The "Recyclotron" integrates solid waste, recycling and landfilling into one see-at-a-glance contraption. The viewer will observe household office and industrial trash handling by watching garbage units traveling in the "Recyclotron". Some units will go to the landfill, some will go to recycling centers. Some will return for immediate reuse while others will remain inert until all of the units are used up and the "Recyclotron" is started again. To activate the machine, the viewer is asked to make choices concerning waste disposal on the computer. The idea is to bring the garbage/recycling experience home by providing choices to personalize the viewer's involvement.

During Phase 1, research was conducted, and development and design of the computer program for the exhibit was initiated. Phase 2 will complete the design, construction, and installation of the "Recyclotron." Progress on phase 1 to date is on schedule. We are very encouraged by the enthusiasm and initiative of OMSI staff. We have been included in all stages of development; cooperation and consultation is excellent. The timeline proposed for this project was 24 months; it is expected to be complete by June, 1992.

ONE-YEAR PROJECTS (In order of dollar amount funded)

Oregon Soil Corporation
17810 SW Bunker Oak Road
Beaverton, OR 97006

\$93,000

Project Coordinator:
Dan Holcombe

Waste Shed: Multnomah County/Portland

Project: Vermiculture Technology
Waste Reduction

This project will result in construction of a vermiculture plant to demonstrate the technological viability of using red tiger and other hybrid worms to process biodegradable waste materials into a product for agricultural use. Vermicompost is currently in high demand in the nursery industry and the technology is very simple. Worms are cultivated to consume select wastes such as produce, prepared food (restaurant waste), and yard waste. Droppings from the worms are then screened from the material in which the worms are cultivated, and sold as a soil supplement.

While the product, which is currently being produced in small quantities in the metro region is in high demand, the market has had slow success because the supply is limited. This is a little understood technology, leading to difficulty in securing capital for development. It is, however, technically feasible and produces a very high quality fertilizer. An existing plant owned by this proposer is currently in operation and produces vermicompost. However, its size limits the amount of material that can be consumed and processed. Funding made available through this project will permit the proposer to install and test the continuous flow reactor design he has proposed. This is a major innovation in vermiculture; if the operation is successful, it can be scaled up to a full-sized commercial reactor, and could result in moving this technology from a lo-tech, small batch process to a commercially viable process.

This project will be constructed in cooperation with Riedel Environmental Technologies, the company that constructed Metro's composter facility. The plant is targeted to come on line shortly after the Composter facility is in operation and will consist of a 2,500 ton continuous flow reactor constructed on a site adjacent to the Composter facility made available by Riedel to the proposer for this purpose. A 4,000 square foot building will house the reactor and other mechanical components of the plant. Riedel will provide 1,000 tons of raw Dano material and an additionally 1,500 tons will be secured from the region's waste stream from restaurants and produce suppliers contracted by the proposer.

The project schedule calls for a March 1 start date with site development, construction, and testing completed by mid-June. Acquisition of breeding stock and harvesting and testing will be completed by early October. December through March will be spent

preparing and marketing the product for availability for spring markets in 1992.

A vermiculture project was submitted to the committee in the first year of funding but was not selected. The committee deemed this to be sufficiently innovative, and found that the connection with Riedel added a strengthening dimension to the proposal that had previously been lacking. This project has the added virtue of producing no residue and has established markets by submittal of letters of intent from purchasers. There is optimism and potential that once this pilot project proves the viability of this technology, a larger plant or other plants could be constructed using private capital to assist in reducing waste that must be landfilled and to produce a usable product for which there is a continuing demand in the marketplace.

The term for this project is one year from start up date.

City of West Linn
4100 Norfolk Street
West Linn, OR 97068

\$40,000

Project Coordinator
Ed Druback

Waste Shed: West Linn

Project: The "Most Liveable City Program" - Precycling Campaign
Promotion/Education

This 1½ grant will fund a "precycling" campaign in the city of West Linn. This promotion and education project, similar to one conducted in Champaign, Illinois, promotes precycling in all segments of the community by establishing "model" stores, churches, shops, homes, etc. To become a "model," a business or other organization will work with program staff to develop standards that incorporate the reduce, reuse and recycle components of the state hierarchy for waste management. The purpose of the "Most Liveable City Program" is to develop community-wide support for precycling.

Examples of standards to achieve "model" designation include 1) a copy shop that gives a discount for two-sided copying, uses recycled paper and provides in-house recycling for high-grade papers; 2) a church or service organization that uses washable cups, prints on recycled paper and has in-house recycling of other materials; and 3) a homeowner who uses reusable shopping bags, buys in bulk and buys products with recyclable packaging.

West Linn has about 400 businesses, many of which are home occupations. This project could cover almost all of these in the first year. Schools, dry cleaners, real estate offices, bike shops and newspapers are examples of specific organizations/shops that would be eligible for "model" status.

Metro's grant will pay for two part-time promotion and education specialists and for flyers, advertising, and other promotional needs. The committee recommends this project because it proposes a creative/innovative approach to promoting precycling--an area the 1% program targeted this year. The standards that are developed can be used to expand the program to other areas of the region.

The project is proposed to begin in March and will continue for six months with follow-up evaluation.

Waste Matters Consulting
and Becker Projects
8000 NW Sixth Ave., #210
Portland, OR 97209

\$39,980

Project Coordinators:
Stephen Engel and
Charlotte Becker

Waste Shed: Portland

Project: Recycling in a local business district
Promotion/Education and Waste Reduction

This 1% project will carry out a comprehensive commercial recycling program in the Northwest Portland Business District bounded by I-405, Vaughn, Burnside and NW 30th Avenue. The objectives of the program are to increase waste reduction by providing promotion/education, waste audits and common-area collection bins, as well as working with haulers to establish collection routes and long-term service. As a result of the project, the grantee will develop a "model" for other similar business districts.

The applicants plan to survey all businesses within the designated area, to perform a waste evaluation of approximately 500 businesses and more detailed waste audits of at least 60 businesses. They will work with offices, industrial clients, retail stores and restaurants to analyze a variety of recyclable materials, including glass, paper, plastics and metals. Corrugated cardboard, office paper and computer paper will be emphasized. A final report will be prepared that will recommend approaches to increasing recovery in this business district and others.

The proposal has waste reduction and promotion/education components. It has the potential to divert approximately 500 tons of waste per year from the landfill. Although Metro currently has a commercial recycling program, this project will supplement, not duplicate, these activities Metro's current focus is training and education for local governments to perform waste audits. Metro is requiring cities and counties to implement a uniform commercial recycling program as part of the Year Two Annual Waste Reduction Programs.

Metro's waste audits have mainly been for large businesses. There has not been sufficient staffing to handle small businesses or to cover a large area such as that proposed in this project. The

results of this project should provide a useful model for local governments as they develop their programs and at the same time target a large part of the waste stream that can be recycled.

The 1% advisory committee recommends this program because it offers an innovative approach to commercial recycling by targeting businesses in a high density local business district, including many small retail establishments. The person-to-person contact within a socially-conscious community should result in significant waste reduction and serve as a catalyst for a self-sustaining program.

The project is scheduled to begin in March and continue through December, 1991.

Environmental Plastics
18574 South Hwy 99E
Oregon City, OR 97045

\$35,400
Project Coordinator:
Stanley Kezar

Waste Shed: Region Wide/Clackamas County

Project: Cleaning system for contaminated plastics
Waste Reduction

This project will design and fabricate a cleaning system for post consumer and post industrial plastic materials at an existing plastics recycling plant in Clackamas County. This system would enable recycling of materials that can't be recycled because they are contaminated with dirt or other materials such as food, and thus they are landfilled. This project targets dirty polystyrene foam and dirty low density polyethylene (LDPE) packaging, two items for which there is a good demand for recycled product and of which there are high volumes, when compared with other components, of the waste stream.

Post industrial polystyrene foam and LDPE packaging materials contaminated with such materials as paper, glue, and food, and used agricultural film would be washed in the cleaning system and processed for reuse.

This system will consist of a shredder-pre washer, cold water washer, hot water rinse, air classifier, dewatering screw and densifier. A variety of plastics can be run through the system, thus increasing recycling of other plastics as well. The system is expected to be capable of processing 240,000 pounds (120 tons) of dirty plastic per month, for a total of 1,440 tons diverted from landfills for the one-year duration of this project. Once the system is on line and in production, and has been proven, the proposer expects to market the system to other reprocessing companies for incorporation into their plants. Thus, this project can be expected to contribute to the recycling of thousands of tons of material over the long term.

The proposer has 14 years experience in the plastics recycling industry and operates a plant in Oregon City. He has assisted in the start up of three plastics reprocessing plants, two of which incorporated limited cleaning systems for industrial scrap. Using his own design, he and his staff will fabricate the machine at his plant. Using his own personnel will ensure quality control and assure that all specifications are met; this will also assist in controlling costs.

There is presently no capacity in the region for recycling contaminated plastics. Literally thousands of cubic feet of plastic film are disposed by the nursery industry alone for agricultural use; once the film has been used in the field on the ground and on greenhouses, it is covered with dirt. This process will provide a place for these materials to be taken so that they can be recycled and processed into new product.

There is demand for reprocessed plastic material. The proposer has stated that all materials processed through the cleaning system are pre-sold. The proposer currently has as clients several major nationally-known plastics reprocessors who have indicated that they will consume all the plastics the system is capable of producing. With the passage of laws coming into effect in other states, the demand for post consumer and post industrial recycled plastics has significantly increased and may outstrip the supply of this material.

The term of this project is eight months from start up date.

John Inskip Environmental Learning Center/ \$34,400
Northwest Resource Conservation Institute
19600 S. Molalla Avenue
Oregon City, OR 97045

Project Coordinator:
Gerald Hermann

Waste Shed: Region Wide

Project: Alternative Building Materials Reuse Program
Waste Reduction and Promotion/Education

This 1% For Recycling grant will allow the Environmental Learning Center to construct a processing center for salvageable building materials at its campus in Clackamas County. The grant will also provide funds to work with local government officials and the Home Builders' Association to amend building codes/design review standards to encourage reuse of certain building materials in construction projects.

The project should divert approximately 750 tons of building materials from disposal sites. Youth training and work release employees will sort and process the materials collected from approximately 150 drop boxes for construction/demolition debris.

They will de-nail, remove paint and cut down to standard lengths, as required. The salvaged materials will be reused, often in conjunction with lumber made from recycled plastics, for special projects such as bus shelters, benches, signage and picnic tables, and for home building applications.

This project also includes an outreach program for government officials and home builders. The Environmental Learning Center will consult with planners and architects to establish new building code compliance standards that permit reused and reprocessed building materials. They will conduct seminars throughout the Metro region, in cooperation with the Home Builders' Association, to promote the use of salvaged building materials and recycled plastic products. They will produce a "how-to" flyer and a directory of materials and applications.

The grantee is providing approximately \$30,000 of in-kind support. Metro will provide partial payment of personnel costs, processing center building improvements and training/outreach seminars. The committee recommends this project because it addresses the "reuse" level of the state hierarchy and it targets construction/demolition debris which comprises 16 percent of the region's waste stream. In addition, the project tackles obstacles to reuse/recycling of building materials: the need to amend building codes and to educate home builders.

Project start-up is planned for April 1991 and will continue through December.

Gale and Associates
Howard Grabhorn and Anne Gale
591 NW Queens Ct E.
Hillsboro, OR 97124

\$29,770

Project Coordinator:
Anne Gale

Waste Shed: Washington County

Project: Baled wood chip product to recycle wood from construction/demolition debris **Waste Reduction and Promotion/Education**

This project will separate wood from construction/demolition debris that would normally be landfilled and develops a baled wood chip product to be used for erosion control. This wood chip product can replace hay bales or plastic fencing currently being used to control erosion. Both of these products are landfilled after a construction project is completed. The wood chip bales can serve as ground cover or a soil amendment after a project is over.

The project should divert 11,714 tons of material from the landfill. One of the principals, Howard Grabhorn, already receives loads of construction/demolition debris at his limited purpose landfill in Washington County. As part of this proposal, he will grind,

separate and recycle the wood from this material. He already has the equipment required to separate and process the wood waste and has tested various grinds of material. Once the wood is removed from the rock, concrete, dry wall, etc. it will be ground into pellets and baled using either metal wiring or biodegradable cloth bags. It will then be marketed to potential users in the county.

The Unified Sewerage Agency's Surface Water Management Program establishes soil erosion control as an integral part of the \$500 million clean-up of the Tualatin River. The applicant intends to market the wood chip product to the USA and to builders for erosion control at new construction sites. In addition to diverting material from the landfill, the grantee contends that this product is more economical and environmentally sound than existing soil erosion control techniques.

The grantee is providing approximately \$38,000 of in-kind funds for equipment and processing costs. Metro's grant will pay for promotion and marketing of the new wood chip product. The 1% advisory committee recommends this project because it develops an innovative, economically viable product from recycled materials. It also targets construction/demolition debris at a facility already receiving this waste for disposal. Therefore, the supply of material and processing ability exist and the likelihood of long-term viability is enhanced.

This is a one-year project that is scheduled to begin in April, 1991.

Babyland Diaper Service
5224 NE 42nd
Portland, OR 97218

\$28,050

Project Coordinator:
Steffanie Anderson

Waste Shed: Region Wide

Project: Reusable cloth bags to replace plastic disposable bags used for diaper delivery and pick up
Waste Reduction

Babyland Diaper Service provides at-home and institutional delivery and pick up of cloth diapers in the metropolitan area. This project would provide funds for them to purchase 5,000 nylon taffeta bags to use in delivery and pick up of diapers from their customers. The reusable cloth bags will replace disposable plastic bags currently being used by the company. The company currently serves 4,000 residences, 4 hospitals, and 10 daycare centers in the metropolitan area. On a yearly basis, 416,000 bags, or about 17 tons of plastics that are not recycled are being disposed by this proposer. They seek to reduce their waste and conserve resources by providing reusable cloth bags to clients, thus

responding to customer complaints about one-time-only use plastic bags.

The company will purchase 5,000 nylon taffeta bags to distribute to customers, about 1/3 of the customer volume they serve. The estimated life of the bags is two years, thus this project will result in diverting about 34 tons of plastic from the landfill. Using these bags for this portion of their customer base will enable them to determine how practical a solution these bags actually are and to allow for this small company to gear up for the scale of change in operations this alternative may represent.

The committee believes that this is an innovative proposal because it tests a bag that is currently not known to be used for this purpose. If it proves to be an appropriate design and material for full commercial use, they expect to convert their full service base. The committee also recognizes the educational value this proposal represents, because the change will be advertised as a waste reduction endeavor.

The term of this project is two years from start up date.

O'Neill & Company
806 SW Broadway, Suite 400
Portland, OR 97205

\$19,000

Project Coordinator:
Debbie Palermini

Waste Shed: Washington County

Project: 1991 Street of Dreams Construction Recycling Project
Waste Reduction and Promotion/Education

This is a cooperative project with the Homebuilders Association of Metropolitan Portland, and Northwest Natural Gas. A recycling demonstration project will be conducted on site during construction of the 1991 Street of Dreams, located this year on Bull Mountain in Washington County. A workshop will also be developed and offered to all homebuilders to acquaint them with recycling methods they can employ themselves and with recycled products available for home construction.

The objective of this proposal is to find ways to break down the barriers to recycling in the construction industry and find cost effective ways to avoid disposal of reusable materials as waste. The proposer will develop a simple brochure entitled, "How and Where to Take Construction Debris" which will help builders and subcontractors determine the costs and logistics involved in getting materials to the proper locations. Brochures will be distributed through the Homebuilders Association and through the construction supplier network of lumber yards, manufacturers, permit counters at local jurisdictions, etc.

This method, as well as direct notification, will also be used to announce a one-day workshop for homebuilders on "How, Where, and Why To Build With Recycled Materials." The workshop will be conducted as part of the West Coast Homebuilders conference scheduled for this spring, and will have as a major theme the changing resource base of building materials. A directory of the kinds of recycled building materials that are available and where to purchase them will be included as part of the workshop. Vendors will be invited to display and discuss their recycled products, which would include such items as plastic lumber, new insulation products, recycled landscaping materials, recycled waferboard panel construction, etc.

The proposer will coordinate setting up a construction site recycling operation. The contract hauler will provide containers and builders will be encouraged to recycle their construction debris. On-site assistance to the builders and subcontractors on separating materials will be provided by intern students from Portland State University under the direction of Jerry Blake.

Promotion is an important aspect of this proposal. Approximately 100,000 people visited the Street of Dreams in 1990, a number that is expected to be repeated in 1991. Over 800,000 consumers will be reached by the promotional campaign that is planned for the 1991 event. Northwest Natural Gas will publicize the pilot recycling project as part of their promotional campaign. A special kick-off event will be sponsored by Northwest Natural Gas to announce the pilot; exhibit and displays focusing on "how to" and "why" recycle will be featured. This effort will be coordinated with Metro's Public Affairs staff and 1% Well Spent! will be acknowledged on all display materials.

At the conclusion of the project, an evaluation will be conducted to determine the amount of construction debris that was diverted from disposal facilities, the types and quantities of materials recycled and where and how they were delivered. A random sample survey of Metro area builders will be conducted to determine remaining barriers to waste reduction and recycling in the residential construction industry and revealing attitudes toward recycling. The proposer will assess the potential for continued efforts and suggest ways for ongoing homebuilders' participation to encourage and increase further recycling in this industry.

The term of this project is ten months from start up date.

O'Neill and Company
806 SW Broadway, Suite 400
Portland, OR 97205

\$17,400

Project Coordinator:
Margaret Norton-Arnold

Waste Shed: Portland

Project: In-Store Plastics Recycling, Durst's Thriftee Market
Promotion Education

This 1½ grant will fund an in-store plastics recycling program at Durst's Thriftee Market in Portland at 21st and NW Glisan. The objective of the project is to demonstrate a successful supermarket recycling program for plastics and to encourage other stores in the Metro area to establish similar programs.

Durst's Thriftee Market currently has bins available to receive HDPE milk jugs and bottles as well as polystyrene and polypropylene food containers. The store delivers plastics weekly to Sunflower Recycling Cooperative for processing and marketing. The biggest problem with the current program is sorting of different types of plastics. The proposed project will address this and other barriers to plastics recycling, including processing and marketing issues.

Specifically, the grantee will survey customers to identify who is recycling at the store. They will calculate the store's actual costs and benefits for the current program and inventory what is being recycled. Next, they will design and implement an educational campaign for customers and conduct a second survey and inventory to determine its effectiveness. Educational techniques that will be used include in-store displays, "shelf-talkers" and labels to identify recyclable plastics, printed information on grocery bags, bag inserts, advertising and labels for recycling bins.

Finally, the grantee will work with the Public Affairs Department to prepare 100 handbooks containing the results of the study, copies of educational materials and practical information on how to set up a program, such as how much space to allocate and where, and how to measure costs and benefits.

The 1½ committee recommends this project because it offers a different and innovative approach to plastics recycling through grocery stores. It also addresses a major obstacle to plastics recycling which is proper identification and sorting of materials. It is a small-scale project, which has the support of the store owner and has a processor to market the materials collected. They are offering approximate \$5,000 of in-kind services. Other stores in the area have also expressed interest in establishing similar programs using the results of this pilot project.

This is a seven-month project scheduled for start-up in May, 1991.

Earth Aid
9877 SE 33rd Avenue
Milwaukie, OR 97222

\$10,000

Project Coordinator:
Mary K. King

Waste Shed: Clackamas County

Project: Earth Aid Kits and Boxes, an education project for grades K-6 in Clackamas County schools Promotion/Education

This is a proposal to produce kits to be distributed to elementary school teachers that will contain prepared instructions/lesson plans to supplement education curricula in the classroom. The kits will contain materials, activities, songs, skits, and lessons that teach the recycling, pre-cycling, and responsible consumerism message.

At the present time, there are few to virtually no materials in the schools pertaining to waste reduction and recycling for teachers to use, other than what Metro has produced in recent years. The puppet shows and the excellent teachers' kits already produced, however, are not sufficient and additional materials are needed in all the schools. This particular proposal concentrates on schools in the Clackamas County School District. If successful, it could be expanded to other school districts in the region.

Teachers will be provided with a grade-level specific, proactive environmental curriculum that provides one lesson per grade level for each week of the school year. The kits will be contained in large green boxes displaying white crosses to emphasis the message Earth Aid kit (playing off the familiarity of the red first aid kit). Lessons would be geared to simple preparation and offer a cross section of disciplines: math, language, science, social studies, music, art, etc. Lessons would be printed on 5x7 cards, color-coded to the disciplines and number-coded to the recycling emphasis. Cards for independent student participation and lessons for the computer may also be included as designs for the kits progress.

This project is proposed by a teacher in the Clackamas School District who plans to take a 6-month sabbatical to work on this project. She has the cooperation of her employer in this effort and will have assistance from the school district in distribution. The objective of this project is to communicate at the elementary school level the importance of the environmental ethic and integrate environmental education into the general school curriculum on an ongoing basis through high quality activities. The proposer originally requested \$6,000 for this project. The committee, however, believed so strongly in the importance of this endeavor, that they increased the amount to \$10,000, to provide more assistance in preparation and to make more kits available to a larger number of students.

This project is expected to be complete by June 1992.

Agenda Item No. 6.5
January 24, 1991

RESOLUTION NO. 91-1379

GOVERNMENTAL AFFAIRS COMMITTEE REPORT

RESOLUTION NO. 91-1379, ENDORSING A POSITION ON THE SURFACE
TRANSPORTATION ACT UPDATE OF 1991.

Date: January 18, 1991 Presented by: Councilor Devlin

Committee Recommendation: At its January 17, 1991 meeting the Governmental Affairs Committee voted unanimously to recommend Council adoption of Resolution No. 91-1379. Voting were Councilors Devlin, Collier, and DeJardin. Councilors Hansen and Knowles were absent.

Committee Discussion/Issues: Councilor Devlin explained that the role of the Governmental Affairs Committee in reviewing this Resolution was to determine whether it was in conflict with other federal legislative items of the District. The substantive issues will be reviewed by the Transportation & Planning Committee.

Andy Cotugno briefly explained that the Resolution endorses the position on the Surface Transportation Act reauthorization that represents Oregon's position on the issue. JPACT has endorsed this position.

There is one potential point of inconsistency: the position paper does not speak to the possibility of separating highway funds into urban and rural pots, with more flexibility given to the urban funds to allow alternatives such as transit. ODOT does not support this position, which NARC does support. Metro thus finds itself in a slightly awkward position on this issue.

Councilor Devlin asked whether the Resolution affected the \$15,000 budgeted to help lobby on this issue. Mr. Cotugno said that he did not think the issue was resolved, and would require further analysis.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ENDORSING A	)	RESOLUTION NO. 91-1379
POSITION ON THE SURFACE TRANS-)	
PORTATION ACT UPDATE OF 1991	)	Introduced by
	)	David Knowles, Chair
	)	Joint Policy Advisory
	)	Committee on Transportation

WHEREAS, The United States Congress will be considering adoption of the Surface Transportation Act of 1991; and

WHEREAS, Major restructuring of federal transportation funding programs is anticipated; and

WHEREAS, Implementation of needed transportation improvements in the Portland metropolitan area will be significantly impacted by the new Surface Transportation Act; and

WHEREAS, ODOT has developed a proposed statewide position on the interests to be reflected in the new Surface Transportation Act which accomplishes most of the Portland region's long-range objectives although it does not fully set aside funds intended for urban areas; and

WHEREAS, The Joint Policy Advisory Committee on Transportation has recommended adoption of this position; now, therefore

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

Endorses the state position paper on the Surface Transportation Act Update as reflected in Exhibit A.

ADOPTED by the Council of the Metropolitan Service District this ____ day of _____, 1991.

Tanya Collier, Presiding Officer

ACC:mk
91-1379.RES
01-22-91

Resolution No. 91-1379
Exhibit A

D R A F T

**OREGON'S POSITION ON
SURFACE TRANSPORTATION
ASSISTANCE ACT**

OREGON DEPARTMENT OF TRANSPORTATION

December, 1990

INTRODUCTION

Congress this year will consider the reauthorization of federal highway and transit programs. Although budget constraints may prevent it, this year's reauthorization has been seen to be a major program restructuring, reflecting the impending completion of the Interstate System among other factors.

Oregon has much at stake in this legislation. It is important, therefore, the state determine what are the most critical elements to it and marshal its efforts toward enacting a favorable piece of legislation.

Recognizing the importance of this legislation and the need for Oregon to develop a comprehensive, statewide position, Oregon Transportation Commission Chairman Michael Hollern formed a task force to develop statewide priorities for the new reauthorization bill. Chairman Hollern invited participants representing varied interests throughout the state and different modes of transportation. Those invited to participate were: Metro's Joint Policy Advisory Committee on Transportation (JPACT); Oregon Business Council; Oregon Public Ports Association; Oregon Transit Association; League of Oregon Cities; Association of Oregon Counties; Chair, Senate Transportation Committee; and Chair, House Transportation Committee.

The task force met twice during the month of December, 1990, to formulate the Oregon position. The following document represents the State of Oregon position and priorities on the new Surface Transportation Assistance Act (STAA) as identified by the task force.

1. UMTA Section 3

The federal funding source for the Westside light rail transit line (LRT) is the "new start" component of the UMTA, Section 3 Program. Other possible extensions of Portland's MAX System will seek funding from this same source.

Funding levels for Section 3 have declined by over 35 percent since 1983, while prices have risen over 20 percent. Competition for these funds has intensified as well. There are now 69 new starts in various stages of development. The estimated cost of those projects in at least the "alternatives analysis" stage of the EIS process exceeds \$13 billion. The "new start" program is being replenished at a rate of about \$420 million per year. It is important, then, that this program remain sufficiently funded and accessible for Oregon projects.

One, a "grandfather" clause needs to be included in the highway/transit reauthorization act to ensure the 75/25 match ratio for which the Westside has been developed is maintained. It is likely that Congress in this legislation will increase the local match requirement for future new starts to 50/50. The Westside can be protected by exempting projects having full funding agreements, letters of intent or letters of commitment from the revised match ratios.

An associated concern, best mentioned here, is retention of the Interstate Transfer (FAIX) program which still contains funding credits for a transit project in the I-205 corridor (\$17 million) and other transportation projects in the Portland region.

Two, federal funding should be increased for new starts in recognition of both lost purchasing power and increased demand for fixed guideway solutions to urban transportation problems. A number of cities are recognizing, as Portland has, the important role LRT and other fixed guideway transit must play in solving urban transportation problems.

Smaller urban districts seeking to use Section 3 for bus fleet expansion or replacement will have a particularly difficult time competing for funds. Rogue Valley Transportation District (RVTD), for instance, needs to replace its 23 bus fleet. RVTD receives \$338,000 in Section 9 (FY '91 funds). Standard diesel buses cost about \$190,000 each. So, RVTD's Section 9 apportionment is just enough to replace two buses a year, if it is all used for capital outlay. As a practical matter, RVTD fleet replacement requires a small Section 3 grant.

Three, efforts to switch the funding source for Section 3 from the Mass Transit Account of the Highway Trust Fund to the General Fund should be opposed. More susceptible to budget cuts, General Fund support for UMTA programs has declined by over half since the mid-1980's, even though all states and transit districts receive funds from this source. Switching Section 3 to the General Fund, while other UMTA programs are funded from the Trust Fund, would reduce political support for General Fund revenues to a limited number of cities.

2. Interstate Preservation

Preservation of the Interstate System (IS) must be the top priority of the Federal-aid Highway Program. The 42,800 mile system links every state and major urban area with standard, high-quality, limited access highways. One percent of the nation's highways, the Interstate System accommodates 21 percent of vehicle miles traveled.

Because of the Interstate System's importance to national mobility, interstate commerce, rural development and international trade, the system cannot be allowed to structurally or functionally deteriorate. The nation must protect its investment.

AASHTO has estimated that to meet current structural and functional needs requires an annual federal FAI-4R investment of \$6.38 billion. (This assumes a 90/10 federal/state match ratio in 1994 dollars.) To make all improvements required to meet identified structural deficiencies and to provide acceptable service levels in the face of future traffic growth, will require a \$15.03 billion annual FAI-4R investment.

Ensuring the Interstate System is adequately preserved will require additional federal funds. Proposals to fold the Interstate in with selected major arterial highways in a "Highway System of National Significance" (NHS), creates a special problem. The focusing of federal and state construction dollars on the Interstate System over the last several decades has created considerable demand in many states for off-Interstate improvements, particularly to highways providing access to the Interstate System. A non-dedicated funding source for FAI-4R, as the NHS program would be, may result in siphoning funds away from needed Interstate preservation.

Oregon supports, therefore, keeping the Interstate System as a distinct component of the NHS and having a higher federal match ratio (90/10) for 3R and operational improvements on this system. This lower state matching requirement should deter states from diverting funds to less essential investments.

3. Public Lands Compensation

Over 50 percent of Oregon is federally-owned land. Although sparsely populated, this land must be provided highway access for recreation and resource development. Twenty percent of the State Highway System is on federal land.

States and local governments with large federal land holdings face abnormally high per capita highway preservation costs due to supporting roads on tax-exempt public lands.

The Federal-aid Highway Program traditionally has compensated states with large public land holdings with additional funds and other provisions. This needs to be continued. There are three mechanisms for accomplishing it in the next highway/transit reauthorization bill.

One, the allocation formula for the NHS should include a factor for state land area, as well as factors reflecting highway system size and use. While beneficial to large states in general, land area better compensates states with large public land holdings than highway system size alone.

Two, sliding scale provisions which permit a reduction in state matching requirements for states with large federal land holdings should be retained. These provisions should apply to both the NHS and Urban/Rural programs administered by FHWA.

Three, the Federal Lands Highway Program, which is used for roads on parks, forest lands and indian reservations, should be retained. Similarly, retention of the Public Lands Program should be sought. Currently this is a \$40 million/year set aside for improvements to highways which, due to their location within federal lands and away from population centers, have difficulty competing for other federal aid funds against highways having higher traffic volumes. The program works on a discretionary/application basis, but over time the distribution of funds reflect a state's share of federal land holdings.

4. UMTA Sections 9, 18 and 16(b)(2)

UMTA Sections 9 and 18 provide operating and capital assistance to urban and rural transit providers respectively. Supported by the General Fund, these programs (particularly Section 9) have seen major losses in federal funds in recent years.

This trend should be reversed. As federal funds have declined, costs have risen. The Section 18 capital program in Oregon for the 1991-1993 biennium is projected at \$618,500, the smallest it has ever been. A standard, 35 foot, diesel bus currently sells for \$190,000; a 15-passenger van for \$20,000--a 40 percent increase over 1980 prices. This funding/price squeeze has created a large backlog of unfunded capital investment in Oregon's small city transit districts.

In addition to reducing funding, the federal government also is trying to limit funding to capital projects only. (Currently, Section 9 operating assistance is "capped".)

This will hurt Oregon's transit districts. Ballot Measure 5 will cause districts like Salem to lose property tax revenue. Because Measure 5 permits capital improvement bond levies over the \$10 per thousand limit, making it relatively easier to raise capital funds locally, federal operating assistance will become more important.

General Fund support for transit, therefore, should be increased and operating assistance should be retained as a legitimate use of federal funds.

The UMTA 16(b)(2) program funds the purchase of vehicles providing transportation for the elderly and handicapped. Although less susceptible than other UMTA programs to recent budget cuts, applications for vehicle replacement in this program consistently exceed revenues by two or three times. Again, program demand coupled with lost purchasing power are at odds with a continually shrinking federal transit program.

5. Bridge Program

One out of every five Oregon highway bridges over 20 feet in length is structurally or functionally deficient. Nationally, 40 percent of highway bridges have deteriorated enough to require traffic restrictions, or are functionally inadequate for the type of traffic presently using them.

The magnitude of the bridge deficiency problem and the critical importance of bridges to the nation's highway system require bridge rehabilitation and replacement continue as federal priorities. The retention of a distinct bridge program, which allocates funds for bridges both on and off the federal-aid system and provides discretionary funds for larger projects, is necessary to provide the greatest assurance highway bridge deficiencies are corrected.

The presence of a separate bridge program which allocates moneys to on-system and off-system bridges and provides discretionary funds for larger projects eliminates the need for a bridge deficiency factor in the NHS allocation formula, as proposed by some eastern states. The recommended minimum value for discretionary projects should be \$10 million for NHS projects and \$5 million for off-system projects. Otherwise, too many Oregon bridges would not qualify for funding.

FHWA currently proposes to administratively replace its bridge sufficiency rating regulation which determines each state's relative share of deficient bridges and, thereby,

serves as the basis for allocating bridge funds among states. Initial review of the proposed regulation suggests the introduction of a bias favoring East Coast or rapidly urbanizing states having more bridges underdesigned for the functional class of road they serve. Further, the regulation would enable far fewer off-system bridges to qualify for funding. Since 85 percent of Oregon bridges are in rural areas and 42 percent are off-system, these changes could adversely affect federal bridge funds coming to Oregon.

Upon final determination of these effects, a legislative remedy may be appropriate.

6. Federal Match Ratios

USDOT is proposing to increase nonfederal matching requirements for most highway and transit program elements. The match ratio for the NHS is to be 75/25 and 60/40 for the urban/rural flexible program. UMTA programs also would change; Sections 18, 9 and 3 would drop to 60/40 with rail new starts at 50/50.

This reflects the declining contribution of the federal government to surface transportation, coupled with the desire of USDOT to retain policy leadership. Increasing matching requirements as federal funding continues to decline, however, creates certain problems.

First, a greater percentage of transportation projects will have to comply with federal requirements and standards than otherwise would be necessary. In a period of inadequate infrastructure investment, this is an unnecessary and costly inefficiency.

Second, inordinate amounts of state and local money will chase federal dollars, biasing investment priorities and rewarding wealthy states in competition for discretionary funds.

Third, local governments already have difficulty matching federal funds within highway obligation constraints. Higher matching ratios will exacerbate this problem.

Consequently, federal matching requirements should not be increased. The solution to both a shrinking federal role and inadequate investment levels is increased federal highway and transit funding.

7. Match Ratio Equity

Typically, there are a variety of ways of meeting transportation objectives. In a given urban corridor, options might include adding capacity to an existing highway, increasing bus service supported by additional park and ride lots, improving parallel streets and local circulation networks, or constructing an LRT line.

The current draft USDOT legislation proposes different match ratios for each alternate funding source which could be applied toward one of these options. As described above, the lowest nonfederal match would be for freeway improvements and the highest for LRT. Improvements to adjacent streets and increased bus service also would have higher matching requirements than freeway expansion.

This difference in match ratios can be expected to bias investment decisions. A superior approach would be a consistent 75 percent federal share across all federal highway and transit programs with the exception of funding for Interstate preservation (see above). Funding for capacity expansion of the Interstate System, however, should require the same state match as other programs, 25 percent.

8. Urban Corridor Planning and Funding

FHWA has proposed requiring the development of a multimodal "congestion management system" as a component of the urban transportation planning process in areas over 200,000 population.

Congestion levels and locations would be identified for both current and future conditions on the NHS. A system for monitoring changes in congestion would be established. Strategies for

dealing with congestion on the NHS, including both operational improvements and demand reduction, then would be developed. Major capacity expansions of the NHS only should be considered after exhausting more cost effective solutions and finding them inadequate for handling future traffic at acceptable service levels.

This type of comprehensive, multimodal approach will be necessary if congestion is to be kept at acceptable levels on the NHS. Unfortunately, FHWA seems unwilling to take the next logical step, which is to allow NHS funds to be used for improvements on parallel streets or to increase transit service. The FHWA approach, therefore, would require the search for cost effective solutions, but limit the expenditure of funds to capital projects on the NHS route itself or to limited operational improvements on or immediately adjacent to the NHS route.

Instead, states could develop and adopt NHS "Investment Strategies" for their urbanized areas based upon FHWA's proposed congestion management system. These strategies would have to include all NHS corridors within an urban area to be in compliance with adopted regional land use and transportation plans and be supportive of local clean air objectives. They should have both long and short range components demonstrating the cost-effectiveness of proposed solutions in meeting interstate travel objectives and maintaining service levels on the NHS within the urbanized area.

Upon FHWA approval, states could apply Federal-aid NHS funds for the purposes set forth in the strategies, including increased transit service or improvements to parallel arterials.

9. Land Use Planning Incentives

Solutions to traffic congestion and the provision of adequate, affordable mobility for urban residents ultimately must be derived from sound land use planning. Continuation of today's urban development patterns and the transportation systems "supportive" of these patterns, have been shown in California, among other places, to lead inexorably to gridlock, a reduction in quality of life and a heavy economic cost on society. A problem is created which becomes very difficult to correct.

The solution lies in land use configurations and densities which avoid travel patterns and volumes which cannot be served effectively. Federal transportation programs should offer incentives to urban governments to undertake the type of planning and land use activities conducive to efficient urban transportation. This is particularly important for transit capital projects which are used to induce, as well as support higher density developments. The next highway/transit reauthorization act should support stronger urban land use and transportation planning. One, the act should strengthen the role of metropolitan planning organizations to ensure a regionwide approach by requiring the adoption of long-range land use and transportation plans containing defined urban boundaries.

Two, the cost effectiveness evaluation criteria for UMTA, Section 3 "new starts" should include the adoption of a land use plan which requires minimum densities for property adjacent to fixed guideways and sets forth the actions necessary to achieve those densities.

Three, the "new start" criteria also should be modified to require UMTA consideration of certain factors, including air quality, energy conservation, joint development opportunities, reduced auto reliance and the forestalling of highway construction, in determining whether to fund a project. Further, projects demonstrating these characteristics should require less nonfederal match.

Four, joint development projects, which enhance transit operational self-sufficiency through inducing ridership and the generation of lease revenues, should be encouraged by making such projects eligible for UMTA grants. Again, reduced matching requirements for jurisdictions supporting these developments with higher densities, parking restrictions, and other mechanisms should be available.

10. Scenic Highways

The growth in tourism and recreational driving will place unique demands on particular highways. In Oregon, U.S. 101 is one such highway.

The Coast is the most traveled tourist destination in the state and is experiencing steady growth in visitor traffic. This growth is fueling the expansion of travel-related business activity in coastal urban areas, additional tourist-related development and growth in highway traffic volumes for both urban and rural areas. Coupled with this are significant increases in the number of recreational vehicles, bicycles and tour buses, which must share the highway with auto and truck traffic, and an aging driving population which can benefit from appropriate signing and highway design features.

Traditional planning is not adequate to meet these diverse transportation demands while preserving and enhancing the environmental and aesthetic qualities of scenic corridors like the Oregon coast.

Oregon has initiated a special scenic corridor planning effort for the Coast. The federal government should support such efforts, enabling them to be multistate in character and sufficiently comprehensive to incorporate needed local land use, environmental protection, access control and urban design changes critical for managing complementary development. This can be accomplished through a scenic highway planning and development program for the Pacific Coast Highway corridor that could serve as a model for other significant scenic/recreational routes throughout the nation.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 91-1379 FOR THE PURPOSE
OF ENDORSING A POSITION ON THE SURFACE TRANSPORTATION ACT
UPDATE OF 1991

Date: January 7, 1991

Presented by: Andrew C. Cotugno

PROPOSED ACTION

Adopt Resolution No. 91-1379 endorsing the statewide position paper on issues relating to the adoption of the Surface Transportation Act of 1991 by the U.S. Congress. The position paper was developed by ODOT with the input and participation of affected transportation organizations statewide, including Metro.

FACTUAL BACKGROUND AND ANALYSIS

The Surface Transportation Act (STA) provides the framework for federal investment in highway and transit improvements, defining program categories, requirements and limitations, funding level and local match requirements.

The current STA expires on September 30, 1991 and a new one must be adopted by the U.S. Congress prior to that time for federal funding to continue. A new act is considered every 4-6 years. The current act is consistent with the program emphasis of the past 40 years, centered on building the Interstate system. The new act promises to be significantly changed from the past program.

Key elements of the Federal Highway Administration (FHWA) and Urban Mass Transportation Administration (UMTA) proposals are as follows:

FHWA

Highways of National Significance
Urban Flexible Program
Rural Flexible Program
Bridge Program

UMTA

Discretionary Grant Program
- Rail Modernization
- New Rail Starts
- Bus Capital Improvements
Large Urban Area Formula Funding
Small Urban and Rural Area Formula Funding

Attachment A provides a more detailed explanation and evaluation of the FHWA and UMTA proposals together with a series of principles of

interest approved by TPAC, JPACT and the Metro Intergovernmental Relations Committee.

Metro's input and participation in the development of the ODOT position paper was based upon achieving these principles. All of these principles are reflected in the position paper with the exception of the proposal to separate urban and rural program aspects of the program designed to fund Highways of National Significance.

Establishment of funding clearly designated to urban areas is still of interest to ensure implementation of the Regional Transportation Plan but is not recommended as a federal position at this time. Successful adoption of the proposed series of positions in the new Surface Transportation Act would make very significant progress in this direction. As such, unified support for a statewide position is recommended.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 91-1379.

ACC:lmk
91-1379.RES
1-7-91



METRO

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

Memorandum

ATTACHMENT A

Date: October 29, 1990
To: JPACT
From: *M* Andrew C. Cotugno, Transportation Director
Re: Surface Transportation Act Reauthorization

FHWA and UMTA have released legislative proposals for their respective components of the Surface Transportation Act. These are in the process of review by the Office of the Secretary of Transportation and the Office of Management and Budget. A Draft bill is expected to be submitted to Congress in February, 1991.

Attached is an overview of the key elements of the FHWA and UMTA proposals (more details are available upon request), together with an evaluation of the implication of the proposal to urban areas and a recommendation for adopting a position.

ODOT has initiated an effort to establish a statewide position through the participation of statewide interest groups.

JPACT IS REQUESTED TO REVIEW THIS PROPOSED POSITION AND PROVIDE GUIDANCE ON THESE ISSUES IN ORDER TO EFFECTIVELY PARTICIPATE IN THE STATEWIDE EFFORT. IN DECEMBER/JANUARY, AFTER THE ODOT EFFORT IS COMPLETED, A FORMAL POSITION WILL BE SUBMITTED TO JPACT FOR ADOPTION.

ACC:lmk

Attachment
CC: TPAC

FHWA Legislative Proposal Highlights

A. NHS Program

1. A National Highway System (NHS) category is proposed, representing a consolidation of the previous categories for "Interstate" and the "major" "Primary" routes (3.5 percent of the total public road miles). 50-70 percent of highway funding would be distributed through this program.

	<u>Current STA</u>	<u>Proposed STA</u>
Interstate	\$3.15 b.	\$0 b.
Interstate-4R.	2.815	0
Primary.	2.325	0
NHS.	<u>0</u>	<u>8.65</u>
	\$8.29 b.	\$8.65 b.

2. NHS funding will be distributed to the states. The states will select improvements on the NHS routes in cooperation with local officials through the MPO's.
3. Fund flexibility for alternatives to upgrading the NHS route will be limited to operational improvements to parallel arterials, HOV lanes on the NHS route, and park-and-ride lots.
4. Match ratio will be 90 percent for operational and rehabilitation-type improvements; 75 percent for other capital improvements; 60 percent for start-up costs of traffic management and control systems; 35 percent on toll facilities.

By comparison, the basic existing federal share is 90 percent for Interstate and 75 percent for Primary. Both the new and the old STA increase these federal shares if the state contains a large amount of federal lands. In Oregon, the revised shares are currently 92 percent and 88 percent, respectively, and would be higher than the basic rates under the new STA.

5. The Interstate system will be retained and signed for the motorist. NHS funds can be used to build or upgrade additional routes which can be signed as Interstate routes if they meet Interstate standards and connect with the Interstate system.
6. Use of NHS funds on beltways or bypasses in areas over 200,000 population will be for improvements designed to ultimately provide for multi-lane divided highways with separate lanes for through traffic and with access limited to interchanges with other NHS routes.

7. NHS funding would be used for high-speed, intercity rail studies, use of highway rights-of-way and highway design modifications.
8. Set-aside within the NHS category will be created for discretionary funding of high cost, large scale, access-controlled projects on the Interstate system or routes directly connected to the Interstate system. Funding will be paid back as a loan through future years appropriation.
9. Funds will be distributed 70 percent on the basis of fuel consumption and 30 percent total public road mileage. By comparison, current Interstate-4R funds are distributed on the basis of Interstate lane miles (55%) and Interstate vehicle miles traveled (45%); current Primary funds are distributed on the basis of rural population (22%), urban population (33%), rural area (22%) and rural mail delivery routes (22%).

The effect is to shift the distribution away from one which emphasizes the geographic size of the state to one which emphasizes the population size of the state (at Oregon's detriment).

B. Urban Program

1. An "Urban/Rural Program" is proposed representing a consolidation of the "minor" portion of the "Primary" system, the FAU system plus all other Collector routes not currently on the FAU system and, in the rural areas, the FAS system.
2. Funding for the Urban/Rural program would be more than double the existing FAU/FAS level.

	<u>Current</u> <u>STA</u>	<u>Proposed</u> <u>STA</u>
FAU	\$0.75 b.	\$0 b.
FAS	0.6	0
Urban/Rural	<u>0</u>	<u>3.3</u>
	\$1.35 b.	\$3.3 b.

3. Flexibility for use on transit allowed (although transit improvements on NHS routes not clear).
4. Federal project approvals and inspections would be replaced with overall program approval. EIS requirements would still apply.
5. 60/40 match ratio.

6. Funding distributed to each state based upon what they paid in; funds available until spent.

C. Bridge Program

1. Revised formula approach for funding distribution to states would remain with NHS, off-system and other (i.e., FAU system and FAS system) set-asides; set-aside shares not defined; formula basis unclear.
2. "Discretionary" Bridge program expanded to all facilities except off-system (i.e., allows FAU bridges).
3. Minimum threshold for Discretionary funding -- \$10 million for NHS and \$5 million for other routes.
4. Discretionary funding requires toll feasibility analysis; criteria not defined.
5. 75/25 match ratio.

D. Additional Requirements

1. Pavement Management System required for NHS system by the states.
2. Bridge Management System required for NHS and all other systems for which bridge funds will be used (i.e., all bridges).
3. Congestion Management Plan required in urban areas greater than 200,000 population by the states in cooperation with MPO's.
4. Safety Management System required for the NHS system by the states.

UMTA Program Highlights

1. Revised overall program funding level as follows:

	<u>Current STA</u>	<u>Proposed STA</u>
General Fund	\$2.3 b.	\$1.8-1.48 b.
Gas Tax.	<u>1.4</u>	<u>2.2-3.2</u>
	\$3.7 b.	\$4.0-4.68 b.

This increase is accomplished through a draw-down of the trust fund surplus rather than a gas tax increase.

2. Funding for discretionary versus formula programs is proposed to be reversed with discretionary funded from the General Fund rather than the gas tax (as provided by the current STA) and vice versa. This provides greater assurance for formula funds, responds to the objections of some rural states that they pay gas taxes but never receive discretionary funding and leaves New Starts exposed to future budget cuts because of the General Fund source of revenue.
3. Changes Rail Modernization program from current distribution to eight old rail cities to all rail cities.
4. Funding for New Starts = \$500 million per year without separate category for Washington, D.C. Metro (current = \$400 million plus \$100 million Washington, D.C. Metro).
5. Urban program equivalent to current urban Section 9 plus Rail Modernization; Rural program equivalent to current Section 9 (small city), Section 18 (rural) and Section 16(b)(2) (private, nonprofit). Section 16(b)(2) program in urban areas unclear.
6. Changes the federal share from 75 percent to 60 percent.
7. Eliminates use of Section 9 funding for operating assistance but allows an expanded definition of "Materials and Supplies" under the capital program.
8. Allows flexibility to use transit formula for highways.
9. Retains current recipients in areas over 200,000 population; distributes funds through states to areas under 200,000.

ACC:lmk
 FHWALEG.OL
 10-24-90

Evaluation of Legislative Proposals

According to the U.S. Department of Transportation report to Congress, "The Status of the National's Highways and Bridges: Conditions and Performance," 40 percent of the needs nationwide are for Modernization improvements in the metropolitan areas. In addition, 16 percent are for Interstate Rehabilitation, a portion of which are in the metropolitan areas. The FHWA/UMTA legislative proposals do not ensure these needs will be met nor that an equitable share of the funds will be targeted to the metropolitan areas. Furthermore, the proposals provide insufficient flexibility and will inherently bias funding decisions against projects that can most cost-effectively meet urban mobility objectives.

The FHWA/UMTA proposals continue the past trend of disinvesting in the urban areas, emphasizing intercity highway improvements and skewing funding that does flow to urban areas toward major highway improvements. Particular concerns are as follows:

A. Urban Mobility Not Adequately addressed:

1. The major funding categories to meet Urban Mobility objectives are either through NHS program or UMTA-New Starts program. The NHS program will receive 50-70 percent of all the FHWA funding (@ \$8+ billion) while the New Starts program will continue at a meager \$.5 billion.
 - a. NHS provides bias toward major highways without adequate flexibility for alternatives involving upgrading parallel arterials, bus service expansion, rail construction or demand management even if these will more cost-effectively meet NHS congestion objectives.
 - b. New Start funding inadequate to meet legitimate demand for New Start facilities. The overall funding level is increased \$100 million/year but will also include Washington, D.C. Metro. In addition, shifting the New Start program from the gas tax to the General Fund puts this funding level in jeopardy.
 - c. NHS funding to states for both urban and intercity improvements reinforce bias for intercity improvements at the expense of urban mobility improvements. Since the Rural NHS is intended to connect all urban areas of population greater than 10,000, urban vs. rural competition will be significant.

d. Level of NHS funding intended for urban areas not necessarily targeted to urban areas. The level of funding is based upon the overall NHS needs (urban and rural) but the distribution is not targeted.

e. Match ratio bias in favor of NHS improvements (75/25) rather than urban arterials (60/40) or New Starts (60/40).

2. The Urban program (FHWA and UMTA) which is intended to meet the balance of the urban system needs is insufficient to meet urban needs. "Urban" funding would be spread across a larger system. FAU system would be expanded with more large scale facilities shifted from the FAP system and added smaller facilities (all Collector routes).

3. Added requirements that urban areas implement Congestion Management Plans are not accompanied with resources and flexibility to meet requirements.

4. The FHWA/UMTA programs should be restructured to ensure a balanced approach to meeting key national objectives affecting:

- a. Urban/suburban growth and gridlock
- b. Urban air quality
- c. International economic competitiveness

B. Intercity Improvements Partially Satisfied

1. The philosophy of NHS for intercity connections appears acceptable (involving connecting all urban areas of 10,000 population or greater) but should not be the priority at the expense of urban mobility.

2. An artificial mileage cap (150,000 miles) could limit intended function of NHS, but all mileage levels under consideration (120,000 to 180,000) represent a significant increase over the Interstate system (44,000 miles).

3. Preservation of the Interstate system could be jeopardized by shifting funds to Preservation and Modernization on a much larger NHS system.

Recommendation

A. Principles

1. Urban areas should be assured funding through a formula approach to the greatest extent possible.

2. A federal Discretionary program for NHS and New Starts should be provided to supplement formula programs for large scale, high-cost projects.
3. Funding available to urban areas should be sufficiently flexible to meet objectives through the most cost-effective alternative available. Modal bias resulting from funding availability, match ratios or difference in administrative requirements should be eliminated.
4. Comprehensive Congestion Management requirements should be a joint responsibility of the state and urban area, including the state Department of Transportation, MPO, cities, counties and transit operators, and should be the primary basis for targeting funds to urban mobility needs. Congestion management requirements should apply to UMTA programs in addition to FHWA.

B. Proposed Changes to FHWA/UMTA Proposals

1. Designate NHS system in urban areas only for the purpose of defining a congestion management requirement for facilities of national significance (NHS routes into and through urban areas) rather than for targeting funds for NHS improvements.
2. Standardize match ratios at 75/25.
3. Increase funding for New Start program with reliable trust fund dollars.
4. Retain "New Starts" and NHS "Discretionary" programs for high-cost, large scale projects.
5. Maintain Bridge program.

C. Alternatives for Distributing Funds to Meet Urban Mobility Objectives

Alternative 1

- . Maintain "NHS" and "Urban" categories as currently proposed.
- . Suballocate urban portion of "NHS" funds to urban areas.
- . Allow use of the urban NHS allocation for preservation projects on the NHS system identified by the state.
- . Allow use of the urban NHS allocation for actions identified by the state and the region in the Congestion

Management Plan to meet level-of-service objectives on the NHS system. Allow sufficient flexibility to fund highway, transit, arterial or demand management improvements that most cost-effectively benefit the NHS route.

- . Suballocate FHWA "Urban" funds and UMTA "Urban" funds to each urban area to meet mobility objectives off the NHS system. Allow use of highway funds for transit; transit funds for highways.

Alternative 2

- . Maintain an Interstate-Preservation category to be administered by the state in both urban and rural areas.
- . Merge the funding intended for NHS "Urban" Modernization with the FHWA "Urban" program and the UMTA "Urban" program into a single category with suballocations to each urban area.
- . Allow first priority use of the consolidated "Urban" funding program for cost-effective actions identified by the state and the region in the Congestion Management Plan to meet level-of-service objectives on the NHS system.
- . Allow use of the consolidated "Urban" funding program on mobility improvements off the NHS system if reasonable progress on the NHS system can be demonstrated.

1991 SURFACE TRANSPORTATION ACT UPDATE PROGRAM OPTIONS

CURRENT S.T.A.

URBAN:	FAI/FAI-4R	FAP	FAU	HBR	UMTA Sec. 9	New Starts
RURAL:			FAS		Sec. 18	
MATCH RATIO	92/8	88/12	88/12	80/20	75/25	75/25

FHWA/UMTA PROPOSAL

URBAN:	NHS	FHWA-URBAN	HBR	UMTA-URBAN	New Starts
RURAL:		FHWA-RURAL		UMTA-RURAL	
MATCH RATIO	75/25	60/40	75/25	60/40	60/40

JPACT-ALTERNATIVE 1

URBAN:	NHS-URBAN	FHWA-URBAN	HBR	UMTA-URBAN	New Starts
RURAL:	NHS-RURAL	FHWA-RURAL		UMTA-RURAL	
MATCH RATIO	75/25	75/25	75/25	75/25	75/25

JPACT-ALTERNATIVE 2

URBAN:	FAI-3R	FHWA-URBAN	HBR	UMTA-URBAN	New Starts
RURAL:		FHWA-RURAL		UMTA-RURAL	
MATCH RATIO	75/25	75/25	75/25	75/25	75/25

Agenda Item No. 6.6
January 24, 1991

RESOLUTION NO. 91-1378

TRANSPORTATION and PLANNING COMMITTEE REPORT

RESOLUTION NO. 91-1378,
ENDORISING WESTSIDE CORRIDOR PROJECT IMPLEMENTATION MEASURES

Date: January 23, 1991 Presented by: Councilor Devlin

COMMITTEE RECOMMENDATION

At its January 22, 1991 meeting, the Transportation and Planning Committee voted unanimously (Bauer, Devlin, Gardner, McLain, and Van Bergen) to recommend Council adopt Resolution No. 91-1378.

BACKGROUND

Resolution No. 91-1378

- o endorses HB 2128 (LC 1204) which provides the state's half of the local match for the Westside LRT project
- o endorses HB 2296 (LC 2193) which provides a streamlined land use decision-making and review process
- o approves an amendment to the Intergovernmental Agreement among Metro, Tri-Met, ODOT, Portland, and Washington and Multnomah counties providing for local agreement to follow the streamlined land use process

The Governmental Affairs Committee, at its January 17, 1991 meeting, voted unanimously to recommend Council adopt Resolution No. 91-1378.

COMMITTEE DISCUSSION/ISSUES

Committee discussion and staff response centered on three issues:

- + These measures should not be perceived as "supersiting," although exceptions to process may make subsequent exceptions easier. HB 2296 recites about four-and-one-half pages of background, including prior public reviews and the federal match issue, which distinguish these unique "fast track" circumstances.
- + The Councilors' wholehearted support for the measures.
- + The need to communicate to all Councilors that opposition to one or another locational decision will be very vocal, heated and prominently reported. It is important to understand the background, the streamlined process, and the project itself.

GOVERNMENTAL AFFAIRS COMMITTEE REPORT

RESOLUTION NO. 91-1378, ENDORSING WESTSIDE CORRIDOR PROJECT
IMPLEMENTATION MEASURES

Date: January 18, 1991

Presented by: Councilor DeJardin

Committee Recommendation: At its January 17, 1991 meeting the Committee voted unanimously to recommend Council adoption of Resolution No. 91-1378. Voting were Councilors Devlin, Collier, and DeJardin. Councilors Knowles and Hansen were absent.

Committee Discussion/Issues: Chair Devlin explained that the role of the Governmental Affairs Committee in reviewing this Resolution was to determine whether it was in conflict with any other element of Metro's legislative agenda. The substantive issues will be reviewed by the Transportation & Planning Committee.

Andy Cotugno gave a brief summary of the Resolution. It endorses adoption of HB 2128 providing the state's portion of the local match for Westside IRT, and endorses a proposal to expedite the appeal process for the project in order to keep the project within its very tight time line.

The Committee supported the proposed Resolution, and found that it was not in conflict with Metro's legislative agenda. The funding element is to come from tobacco tax, which is not specified elsewhere as a funding source. The Committee briefly discussed whether the expedited appeal process could be construed as a supersiting bill, and they determined that it did not give such authority to anyone.

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ENDORSING	)	RESOLUTION NO. 91-1378
WESTSIDE CORRIDOR PROJECT)	
IMPLEMENTATION MEASURES	)	Introduced by
	)	David Knowles, Chair
	)	Joint Policy Advisory
	)	Committee on Transportation

WHEREAS, ODOT has committed funds for the associated highway improvements in the 1990-1996 Six-Year Highway Improvement Program; and

WHEREAS, The Westside Corridor Project is comprised of Light Rail Transit (LRT) from Portland to Hillsboro and improvements to the Sunset Highway and Highway 217; and

WHEREAS, The Westside Corridor Project is the region's number one priority; and

WHEREAS, The United States Congress has directed that a full-funding contract for 75 percent federal participation be executed by September 30, 1991; and

WHEREAS, The allowable federal participation will likely change to a maximum of 50 percent after September 30, 1991; and

WHEREAS, Steps to be completed prior to execution of the Full-Funding Contract include publishing the Supplemental Draft Environmental Impact Statement, conducting a public hearing, selecting and approving the Preferred Alternative, and completing the Final Environmental Impact Statement; and

WHEREAS, The voters of the metropolitan area approved \$110 million of general obligation bonds toward the needed LRT local matching funds; and

WHEREAS, Portland, Washington County and Metro will provide an additional \$21 million toward the needed LRT local matching funds; and

WHEREAS, Completion of the decision-making process and funding commitments in an expeditious manner is critical to maintain the schedule to sign a Full-Funding Agreement by September 30, 1991; and

WHEREAS, the project is consistent with the Regional Transportation Plan; now, therefore

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

1. Endorses HB 2128 (Exhibit A) to be adopted by the Oregon Legislature providing for a commitment of state funds to complete the local match commitment for the LRT project.
2. Endorses LC 2193 dated December 24, 1990 (Exhibit B) to be adopted by the Oregon Legislature providing for an expedited process for judicial review of land use appeal(s) of the approved Westside Corridor Project Preferred Alternative including the explanation of the basis for the bill as reflected in the recitals.
3. Authorizes amendment to the Westside Transit Corridor Planning Coordination Agreement (Exhibit C) to ensure an expedited decision-making process.

ADOPTED by the Council of the Metropolitan Service District this ____ day of _____, 1991.

Tanya Collier, Presiding Officer

HB 2128

LC 1204
11/15/90 (JB/bg)

FINAL
DRAFT

DRAFT

SUMMARY

Requires first \$10 million in annual revenue from cigarette taxes otherwise credited to General Fund to be transferred into Regional Light Rail Extension Construction Fund.

Provides for termination of transfer of cigarette tax moneys to Regional Light Rail Extension Construction Fund when moneys are no longer needed for Westside corridor light rail extension.

Prohibits expenditure of moneys from Regional Light Rail Extension Construction Fund unless Director of Transportation determines, with respect to construction phases of project, elements of project which are designated for state participation and estimates total amount of state's funding obligation.

Declares emergency, effective July 1, 1991.

A BILL FOR AN ACT

1
2 Relating to light rail system extensions; creating new provisions; amending
3 ORS 323.455 and 391.120; and declaring an emergency.

4 Be It Enacted by the People of the State of Oregon:

5 SECTION 1. (1) Notwithstanding ORS 323.455, of the moneys paid over
6 to the State Treasurer by the Department of Revenue under ORS 323.455, the
7 State Treasurer in each fiscal year shall transfer \$10 million from the sus-
8 pense account established under ORS 293.445 to the Regional Light Rail
9 Extension Construction Fund established by ORS 391.120. Moneys trans-
10 ferred to the Regional Light Rail Extension Construction Fund under this
11 section shall be taken from those moneys that are otherwise required under
12 ORS 323.455 to be credited to the General Fund.

13 (2) In each fiscal year, the State Treasurer shall transfer and credit the
14 amount of money specified in this section to the Regional Light Rail Exten-
15 sion Construction Fund before crediting any moneys to the General Fund
16 under ORS 323.455.

17 (3) Moneys credited to the Regional Light Rail Extension Construction

NOTE: Matter in bold face in an amend- section is new; matter [italic and bracketed] is existing law to be omitted

1 Fund under this section shall be transferred to the fund at the same time
2 as the cigarette tax moneys are distributed to cities and counties under ORS
3 323.455.

4 (4) Moneys transferred to the Regional Light Rail Extension Construction
5 Fund under this section may be expended for any purpose for which moneys
6 in the Regional Light Rail Extension Construction Fund may be lawfully
7 expended under ORS 391.120.

8 (5) The transfer of moneys to the Regional Light Rail Extension Con-
9 struction Fund authorized by this section shall cease when the Director of
10 Transportation certifies in writing that transfers of moneys under this sec-
11 tion are no longer necessary because:

12 (a) Moneys in the Regional Light Rail Extension Construction Fund are
13 sufficient for the payment of all amounts committed to be paid under all
14 written agreements or commitments entered into between the Director of
15 Transportation and the Tri-County Metropolitan Transportation District
16 pursuant to ORS 391.120 with respect to the Westside corridor extension of
17 light rail referred to in ORS 391.120(2)(a); and

18 (b) The Westside corridor extension of light rail referred to in ORS
19 391.120(2)(a) has been completed and such project has been accepted by the
20 Department of Transportation, and all claims, suits and actions arising out
21 of such project that could create a liability payable out of the moneys in the
22 Regional Light Rail Extension Construction Fund have been resolved.

23 (6) The Director of Transportation shall deliver a copy of such certif-
24 ication to the Governor and the State Treasurer. Upon receipt of the direc-
25 tor's written certification that transfer of moneys to the Regional Light Rail
26 Extension Construction Fund under this section is no longer necessary, the
27 State Treasurer shall thereafter credit moneys received from the Department
28 of Revenue under ORS 323.455 to the General Fund as required by ORS
29 323.455.

30 SECTION 2. ORS 323.455 is amended to read:

31 323.455. (1) All moneys received by the department from the tax imposed

1 by ORS 323.030 (1) shall be paid over to the State Treasurer to be held in a
2 suspense account established under ORS 293.445. After the payment of re-
3 funds and except as provided in section 1 of this 1991 Act, eleven-
4 fourteenths shall be credited to the General Fund, one-fourteenth is
5 appropriated to the cities of this state, one-fourteenth is appropriated to the
6 counties of this state and one-fourteenth is continuously appropriated to the
7 Public Transit Division of the Department of Transportation for the purpose
8 of financing and improving transportation services for elderly and disabled
9 individuals as provided in ORS 391.800 to 391.830.

10 (2) The moneys so appropriated to cities and counties shall be paid on a
11 monthly basis within 35 days after the end of the month for which a dis-
12 tribution is made. Each city shall receive such share of the money appro-
13 priated to all cities as its population, as determined under ORS 190.510 to
14 190.590 last preceding such apportionment, bears to the total population of
15 the cities of the state, and each county shall receive such share of the money
16 as its population, determined under ORS 190.510 to 190.590 last preceding
17 such apportionment, bears to the total population of the state.

18 (3) The moneys appropriated to the Public Transit Division of the De-
19 partment of Transportation under subsection (1) of this section shall be dis-
20 tributed and transferred to the Elderly and Disabled Special Transportation
21 Fund established by ORS 391.800 at the same time as the cigarette tax mon-
22 eys are distributed to cities and counties under this section.

23 SECTION 3. ORS 391.120 is amended to read:

24 391.120. (1) The Regional Light Rail Extension Construction Fund, sepa-
25 rate and distinct from the General Fund, is established in the State Treasury.
26 All moneys in the fund are appropriated continuously to the Public Transit
27 Division of the Department of Transportation for the purposes specified in
28 this section. Interest received on moneys credited to the Regional Light Rail
29 Extension Construction Fund shall accrue to and become part of the Re-
30 gional Light Rail Extension Construction Fund.

31 (2) The Public Transit Division may expend moneys in the Regional Light

1 Rail Extension Construction Fund to finance the preliminary engineering
2 phase, final design phase, advanced right of way acquisition phase or con-
3 struction and acquisition of equipment and facilities phase of projects for
4 extensions to the Tri-County Metropolitan Transportation District's light
5 rail system, as designated in the Regional Transportation Plan adopted by
6 the metropolitan service district in 1989, as amended from time to time. The
7 Director of Transportation may enter into written agreements with the Tri-
8 County Metropolitan Transportation District that commit the department to
9 pay anticipated funds from the Regional Light Rail Extension Construction
10 Fund to the district for the purpose of financing such costs of extending the
11 district's light rail system, including servicing any obligations entered into
12 by the district to finance the costs of extending the district's light rail sys-
13 tem, which written agreements may provide for the remittance of such funds
14 on such periodic basis, in such amounts, over such period of years and with
15 such priority over other commitments of such funds as the director shall
16 specify in the commitment. Any such written agreements or commitments,
17 when executed by the director and accepted by the district, shall be solely
18 conditioned upon actual funds available in the Regional Light Rail Extension
19 Construction Fund and shall be valid, binding and irrevocable in accordance
20 with its terms, subject only to the requirements of subsection (3) of this
21 section. The extensions to the light rail system for which projects may be
22 authorized and financed from the Regional Light Rail Extension Con-
23 struction Fund include:

- 24 (a) The Westside corridor.
- 25 (b) The Interstate 5 North corridor.
- 26 (c) The Interstate 205 corridor.
- 27 (d) The Milwaukie corridor.
- 28 (e) The Barbur corridor.
- 29 (f) The Lake Oswego corridor.
- 30 (g) Appropriate branches to the Banfield corridor.
- 31 (h) Appropriate branches to the corridors specified in paragraphs (a) to

1 (f) of this subsection.

2 (3) Notwithstanding any written agreement entered into by the Di-
3 rector of Transportation under subsection (2) of this section, no moneys
4 shall be expended from the Regional Light Rail Extension Construction Fund
5 for the preliminary engineering phase, final design phase, advanced right of
6 way acquisition phase or construction and acquisition phase of projects un-
7 less the Director of Transportation determines:

8 (a) That all state and local approvals are in place for the phase of the
9 specific project for which funding is being sought;

10 (b) That assurances are in place for obtaining all moneys, other than
11 moneys for which the determination is being made, necessary to enable
12 completion of the phase of the specific project for which funding is being
13 sought and that the Tri-County Metropolitan Transportation District has
14 agreed to provide an amount of money equal to that being provided by the
15 Regional Light Rail Extension Construction Fund for the phase of the spe-
16 cific project for which money is being sought; [and]

17 (c) With respect to the phase of the specific project for which funding is
18 being sought, that the body of local officials and state agency representatives
19 designated by the metropolitan service district which functions wholly or
20 partially within the Tri-County Metropolitan Transportation District and
21 known as the Joint Policy Advisory Committee on Transportation has certi-
22 fied that the phase of the specific project is a regional priority[.]; and

23 (d) With respect to construction phases of any project, the elements
24 of the project that are designated for state participation and an esti-
25 mated total amount of the state's funding obligation.

26 (4) When the actual expenditures for a phase of a specific light rail
27 project fall short of the estimated expenditures for the project, those moneys,
28 other than federal moneys, that are not required for that phase of the project
29 shall remain in the Regional Light Rail Extension Construction Fund for use
30 in completing other projects described in subsection (2) of this section.

31 (5) On or before August 31 in each year, the Director of Transpor-

1 tation shall certify to the Governor and the State Treasurer whether
2 or not there existed, as of the end of the immediately preceding fiscal
3 year, an unobligated balance of moneys in the Regional Light Rail
4 Extension Construction Fund that was derived from the moneys re-
5 quired to be transferred to the Regional Light Rail Extension Con-
6 struction Fund under section 1 of this 1991 Act. If the Director of
7 Transportation certifies that there existed such an unobligated balance
8 of moneys derived from the moneys required to be transferred to the
9 Regional Light Rail Extension Construction Fund under section 1 of
10 this 1991 Act, an amount equal to the unobligated balance as of the
11 end of the immediately preceding fiscal year shall revert to the Gen-
12 eral Fund, and the State Treasurer shall credit such amount to the
13 General Fund on or before the September 15 next following the date
14 of the certification by the Director of Transportation.

15 [(5)] (6) The Director of Transportation shall certify the unobligated bal-
16 ance of the Regional Light Rail Extension Construction Fund, and that un-
17 obligated balance shall revert to the General Fund if the Director of
18 Transportation determines that all projects referred to in subsection (2) of
19 this section have been completed and the projects have been accepted by the
20 Director of Transportation and all claims, suits and actions arising out of
21 the projects have been resolved.

22 (7) For purposes of subsections (5) and (6) of this section, moneys
23 in the Regional Light Rail Extension Construction Fund derived from
24 the moneys required to be transferred to the Regional Light Rail Ex-
25 tension Construction Fund under section 1 of this 1991 Act shall be
26 obligated to the extent such moneys are needed to fund the amounts
27 committed to be paid in the current or any future fiscal year under
28 any written agreement or commitment entered into by the Director
29 of Transportation under subsection (2) of this section.

30 (8) The Public Transit Division of the Department of Transportation
31 may deduct from the Regional Light Rail Extension Construction Fund

1 the costs associated with administering the fund.

2 SECTION 4. This Act being necessary for the immediate preservation of
3 the public peace, health and safety, an emergency is declared to exist, and
4 this Act takes effect July 1, 1991.

5

Revised to Findings

LC 2193
Processed But Not
Drafted By Legisla-
tive Counsel
12/24/90 (JB/rc)

DRAFT

SUMMARY

Declares that approval of Westside Corridor Project under this Act is consistent with applicable statewide planning goals.

Establishes procedures for Tri-County Metropolitan Transportation District when conducting hearing for adoption of final order selecting route and improvements for corridor project.

Requires amendment of specified comprehensive plans and land use regulations to make them consistent with final order.

Grants exclusive jurisdiction for review of final order to Land Use Board of Appeals or Supreme Court.

Provides procedure for judicial review of final order.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1

2 Relating to Westside Corridor Project; and declaring an emergency.

3 Whereas Portland metropolitan area governments are united in seeking
4 federal funding for a transportation facility, known as the Westside Corridor
5 Project. Since 1983, the Metropolitan Service District's Regional Transpor-
6 tation Plan, based upon recommendation of the Tri-County Joint Policy Ad-
7 visory Committee on Transportation, has identified the project as the
8 Portland metropolitan region's highest transportation priority. The Depart-
9 ment of Transportation has identified the project as its highest transporta-
10 tion priority. The Department of Environmental Quality has identified the
11 project as a high air-quality priority in the region. The Department of En-
12 ergy has identified the project among its emission reduction strategies for
13 the Portland metropolitan area; and

14 Whereas at a total estimated cost over \$900 million, the project would be
15 the largest public works project in Oregon history. To obtain federal funds

1 at 75 percent of the project cost, the Tri-County Metropolitan Transportation
2 District must sign a full funding agreement with the Urban Mass Transpor-
3 tation Administration by September 30, 1991. Thereafter, a change in federal
4 law will reduce federal participation in the project from the current 75 per-
5 cent level to 50 percent or less of project cost. The difference between the
6 federal contribution at 75 percent of project cost and 50 percent of project
7 cost is approximately \$227 million; and

8 Whereas the Portland metropolitan area has demonstrated strong political
9 and financial support for the project. In November 1990, 74 percent of those
10 voting in the tri-county region approved a \$125 million bond measure in-
11 creasing local property taxes to fund the project; and

12 Whereas the Tri-County Metropolitan Transportation District must com-
13 plete certain steps necessary to obtain a full funding agreement with the
14 Urban Mass Transportation Administration by the September 30, 1991,
15 deadline. In January 1989, the Tri-County Metropolitan Transportation Dis-
16 trict submitted to the Urban Mass Transportation Administration a supple-
17 mental draft environmental impact statement to allow the project to go
18 forward. The Tri-County Metropolitan Transportation District had expected
19 to release the supplemental draft environmental impact statement and hold
20 public hearings thereon by March 1989. However, the Urban Mass Trans-
21 portation Administration has requested revisions and new information, re-
22 sulting in delay in releasing the supplemental draft environmental impact
23 statement; and

24 Whereas Metro's Regional Transportation Plan and the acknowledged
25 comprehensive plans of the affected counties and cities already authorize
26 light rail transit usage. Those determinations were not appealed; and

27 Whereas aside from determinations to be made under federal law, the only
28 outstanding land use related issues to be resolved are a choice between an
29 above-ground or tunnel rail alignment through the Sunset Canyon in the
30 City of Portland, a choice between the Henry Street and Burlington North-
31 ern rail alignments in the City of Beaverton, and issues related to elements

1 of the highway improvements included in the project. Under federal law,
2 these matters cannot be decided until after the Urban Mass Transportation
3 Administration has accepted the supplemental draft environmental impact
4 statement and a public hearing on the supplemental draft environmental
5 impact statement has been held. Upon acceptance by the Urban Mass
6 Transportation Administration, the supplemental draft environmental impact
7 statement must be circulated for 45 days, during which the Tri-County Met-
8 ropolitan Transportation District will hold a public hearing on the docu-
9 ment. Following the hearing, the Tri-County Metropolitan Transportation
10 District must adopt a Preferred Alternative Report, determining whether or
11 not to build the project and, if to build, determining the alignment; and

12 Whereas following Tri-County Metropolitan Transportation District's
13 adoption of the Preferred Alternative Report, Tri-County Metropolitan
14 Transportation District must prepare a Final Environmental Impact State-
15 ment for Urban Mass Transportation Administration approval and then
16 complete and sign the full funding agreement. Approximately 45 days are
17 required to complete the Final Environmental Impact Statement process.
18 This includes time to gain necessary signatures from the United States En-
19 vironmental Protection Agency, up to 14 days to distribute the Final Envi-
20 ronmental Impact Statement for publication in the Federal Register, and a
21 30-day circulation period. At the conclusion of this Final Environmental
22 Impact Statement process, the Urban Mass Transportation Administration
23 can sign the Federal Decision of Record giving final approval to the project.
24 Thereafter, approximately 30 days are required for the Urban Mass Trans-
25 portation Administration and the Tri-County Metropolitan Transportation
26 District to complete negotiations on and enter into the full funding agree-
27 ment; and

28 Whereas upon the Tri-County Metropolitan Transportation District's de-
29 termination of the light rail route and associated highway improvements,
30 affected local governments and the Metropolitan Service District may need
31 to amend their comprehensive or functional plans or make other land use

1 decisions necessary to be consistent with the Tri-County Metropolitan
2 Transportation District's determination. Each of these actions could consti-
3 tute a land use decision subject to appeal to the Land Use Board of Appeals
4 and the appellate courts. The time required for these local governments and
5 agencies to make necessary land use decisions, and for the Land Use Board
6 of Appeals and the appellate courts to review those decisions and enter final
7 orders, would extend well beyond the September 30, 1991, deadline for signing
8 the full funding agreement, and thereby could cause the region to lose fed-
9 eral funding at the 75 percent level; and

10 Whereas under federal law and practice, the Tri-County Metropolitan
11 Transportation District must assure the Urban Mass Transportation Admin-
12 istration that all land use decisions concerning the determination to build
13 the project and determination of the light rail route and associated highway
14 improvements are fully and finally resolved prior to completion of the Final
15 Environmental Impact Statement, entry of the federal Decision of Record and
16 Urban Mass Transportation Administration approval of the full funding
17 agreement. To accomplish these steps and enter into the full funding agree-
18 ment by September 30, 1991, all land use issues concerning whether to build
19 the project and selection of project alignment must be fully and finally re-
20 solved no later than July 15, 1991; and

21 Whereas to avoid multiple appeals that jeopardize the Tri-County Metro-
22 politan Transportation District's ability to complete and sign a full funding
23 agreement for 75 percent federal funding by September 30, 1991, it is neces-
24 sary to consolidate all land use decisions required to approve the alignment
25 for the project into a single land use decision. Because the Tri-County Met-
26 ropolitan Transportation District is the agency preparing the supplemental
27 draft environmental impact statement, adopting the Preferred Alternative
28 Report, preparing the Final Environmental Impact Statement and negotiating
29 the full funding agreement with the Urban Mass Transportation Adminis-
30 tration, the Tri-County Metropolitan Transportation District is the most
31 appropriate body to make the consolidated decision on behalf of all affected

1 local governments; and

2 Whereas the project plays a critical role in reducing traffic congestion in
3 the Portland metropolitan area and enhancing the movement of people and
4 goods. The project is necessary to avoid unacceptable levels of congestion
5 and improve transportation and air quality in the metropolitan area; and

6 Whereas an emergency need exists to complete the route selection and
7 associated highway improvement decision process and fully resolve the re-
8 lated land use issues by July 15, 1991, in order to obtain federal funding for
9 the project, from downtown Portland to downtown Hillsboro, at the 75 per-
10 cent level. It is in the interest of the people of the State of Oregon to provide
11 for a speedy, efficient and exclusive process for judicial review of the related
12 land use issues in order to complete the funding process by September 30,
13 1991, and retain approximately \$227 million in federal funding. This Act shall
14 be liberally construed to accomplish such purposes; and

15 Whereas the supplemental draft environmental impact statement for
16 which the Tri-County Metropolitan Transportation District must obtain Ur-
17 ban Mass Transportation Administration approval by September 30, 1991,
18 includes only that portion of the project between downtown Portland and
19 SW 185th Street. The remaining portion, extending west to downtown
20 Hillsboro, will be addressed in a separate draft environmental impact state-
21 ment which the Tri-County Metropolitan Transportation District will pre-
22 pare following completion and signing of the full funding agreement. Under
23 federal legislation, the full funding agreement can be extended at the 75
24 percent funding level to include that portion from SW 185th to downtown
25 Hillsboro; now, therefore,

26 **Be It Enacted by the People of the State of Oregon:**

27 **SECTION 1.** As used in this Act, unless the context requires otherwise:

28 (1) "Administrator" means the State Court Administrator.

29 (2) "Affected local governments" means the cities of Portland, Beaverton
30 and Hillsboro; the Counties of Washington and Multnomah; and the Metro-
31 politan Service District established pursuant to ORS chapter 268.

1 (3) "Board" means the Land Use Board of Appeals.

2 (4) "Court" means the Oregon Supreme Court.

3 (5) "Criteria" means the criteria with which the project or project exten-
4 sion must demonstrate compliance, as provided in section 3 of this Act.

5 (6) "District" means the Tri-County Metropolitan Transportation District
6 of Oregon established under ORS 267.010 to 267.390, or its successor agency.

7 (7) "Final order" means the final written order or orders of the governing
8 body of the district selecting the light rail route and associated highway
9 improvements for the project or the project extension.

10 (8) "Project" means the Westside Corridor Project between downtown
11 Portland and S.W. 185th Avenue in Hillsboro, including project alternatives
12 or options as set forth in the Westside Corridor Project Supplemental Draft
13 Environmental Impact Statement.

14 (9) "Project extension" means an extension of the project from S.W. 185th
15 Avenue to downtown Hillsboro.

16 (10) "Tri-County Metropolitan Transportation District" means the Tri-
17 County Metropolitan Transportation District.

18 **SECTION 2.** (1) The Legislative Assembly reaffirms its commitment to
19 the land use policies of this state and its municipal corporations. Except for
20 demonstration of compliance with the criteria set forth in this Act, the
21 Legislative Assembly finds that the project complies with all applicable
22 comprehensive plan provisions of Multnomah and Washington Counties and
23 the Cities of Portland, Beaverton and Hillsboro. The Legislative Assembly
24 finds that approval of the project under the provisions of this Act is con-
25 sistent with applicable statewide planning goals as follows:

26 (a) Goal 1 (Citizen Involvement): Tri-County Metropolitan Transportation
27 District's process for adopting the Supplemental Draft Environmental Impact
28 Statement has involved citizen advisory committee meetings and other public
29 meetings at which interested members of the public have had the opportunity
30 to participate and share their views on the project. The process set forth in
31 this Act provides for a public hearing before Tri-County Metropolitan

1 Transporation District for interested persons to submit testimony. Affected
2 local governments also have provided opportunity for citizen participation
3 throughout the process and will provide further opportunity prior to Tri-
4 County Metropolitan Transporation District's adoption of the preferred al-
5 ternative report.

6 (b) Goal 2 (Land Use Planning): Consideration of the project has been
7 coordinated among affected cities and counties, Metropolitan Service Dis-
8 trict, Tri-County Joint Policy Advisory Committee on Transportation, De-
9 partment of Transportation and other affected state and federal agencies.
10 Tri-County Metropolitan Transporation District, Department of Transporta-
11 tion, Metropolitan Service District and the affected cities and counties also
12 have entered into an intergovernmental agreement, known as the Westside
13 Corridor Project Planning Coordination Agreement, to insure appropriate
14 coordination of the project. Through compliance with this Act, the decision
15 whether to build and the decision regarding route selection and associated
16 highway improvements will be supported by an adequate factual base and
17 will be consistent with affected comprehensive plans.

18 (c) Goal 5 (Natural Resources): Goal 5 will be met through compliance
19 with the criteria provided for in this Act.

20 (d) Goal 6 (Air, Land and Water Quality): The project will improve mo-
21 bility, reduce noise and congestion and improve air quality in the tri-county
22 region. The Department of Environmental Quality has identified the project
23 as a high air quality priority in the region.

24 (e) Goal 7 (Natural Hazards): Goal 7 will be met through compliance with
25 the criteria provided for in this Act.

26 (f) Goal 8 (Recreational Needs): Goal 8 does not apply because the project
27 does not involve recreational facilities. However, the project will enhance
28 public access to the Metro Washington Park Zoo, Washington Park,
29 Washington County Fairgrounds and other recreational facilities within the
30 project area, thereby facilitating public enjoyment of those recreational fa-
31 cilities.

1 (g) Goal 9 (Economy of the State): The project will provide better
2 commuter and passenger service to metropolitan area residents. The project
3 will improve public accessibility to jobs, housing, commercial areas and
4 recreational facilities. The project also will stimulate and improve economic
5 development in the area served by light rail transit stations. Acquisition of
6 federal funding at 75 percent of project cost will reduce the local and state
7 share of the project, thereby freeing those public funds for other purposes
8 which benefit this state economy.

9 (h) Goal 10 (Housing): Light rail encourages housing types and densities
10 commensurate with the needs and desires of Oregon residents and supports
11 urbanization at more efficient housing densities.

12 (i) Goal 11 (Public Facilities and Services): The project is a public facility
13 already included in the acknowledged comprehensive plans of affected juris-
14 dictions. Light rail will provide an efficient transportation service to support
15 urban development.

16 (j) Goal 12 (Transportation): The project will reduce principal reliance on
17 the automobile, contribute to improved air quality, conserve energy, facili-
18 tate the flow of goods and services and conform with local comprehensive
19 plans which authorize light rail transit.

20 (k) Goal 13 (Energy Conservation): Light rail transit reduces principal
21 reliance on gasoline consumption and conserves energy.

22 (L) Goal 14 (Urbanization): Light rail transit will increase mobility within
23 the urban growth boundary and create incentives for residential, commercial
24 and industrial development at appropriate densities and intensities to sup-
25 port maximum efficiency of land uses.

26 (2) The Legislative Assembly finds that all other statewide planning goals
27 do not apply to the Westside Corridor Project.

28 **SECTION 3.** The following procedures shall govern the conduct of the
29 district in conducting a hearing for adoption of a final order. The procedures
30 in ORS 197.763 shall not apply to proceedings regarding adoption of a final
31 order.

1 (1) The district board shall identify the criteria that apply to the project
2 or project extension. Prior to identification of the criteria, the district shall
3 prepare or cause to be prepared a plan analysis, in coordination with affected
4 local governments. The plan analysis shall identify those plan policies of the
5 affected local governments that are applicable to the project and the project
6 extension; those plan policies of the affected local governments with which
7 the project or project extension already has demonstrated compliance; and
8 criteria with which the project or project extension must demonstrate com-
9 pliance in order to satisfy those plan policies of the affected local govern-
10 ments with which the project or project extension has yet to demonstrate
11 compliance. The actions of the district board under this subsection shall not
12 be subject to judicial or administrative review.

13 (2) The district shall publish notice of the hearing on the project or
14 project extension in a newspaper of general circulation within the district
15 at least seven days prior to the hearing. No other form of notice is required.
16 The notice shall identify the project or project extension and the street ad-
17 dress where the staff report and the criteria may be found. The notice shall
18 also identify the date, time and location of the hearing and state that failure
19 by any person to raise an issue, in person or by letter, or failure to provide
20 sufficient specificity to afford the district an opportunity to respond to the
21 issue precludes appeal to the board or court based on that issue.

22 (3) A copy of the staff report shall be available for inspection at no cost
23 at least seven days prior to the hearing on the project or the project exten-
24 sion. The district may amend the staff report as it considers necessary prior
25 to the hearing.

26 (4) The district board shall establish a procedure for public hearing on
27 the project and the project extension. The procedure need not be that pro-
28 vided for contested case proceedings under ORS 183.413 to 183.470 and need
29 not provide for continuances.

30 (5) At the commencement of the hearing, a statement shall be made to
31 those in attendance that:

1 (a) Lists the criteria;

2 (b) States that testimony shall be directed toward the criteria; and

3 (c) States that failure to raise an issue, prior to the close of the public
4 hearing, with sufficient specificity to afford the district board an opportunity
5 to respond to the issue precludes review by the board or court on that issue.

6 (6) The district board may take official notice of any matter as authorized
7 by the Oregon Evidence Code or rules adopted by the district board.

8 (7) Following the close of the public hearing on the project or the project
9 extension, the district board shall adopt a final order. The district board may
10 continue the matter as it considers necessary for the purpose of final order
11 adoption. The district board shall consider comments by affected local gov-
12 ernments and the public in rendering its final order. The final order shall
13 be accompanied by written findings demonstrating compliance with the cri-
14 teria.

15 **SECTION 4.** (1) A final order shall require the state and all counties,
16 cities, special districts and political subdivisions to:

17 (a) Amend their comprehensive or functional plans, including public fa-
18 cility plans, and their land use regulations, to make them consistent with the
19 final order; and

20 (b) Issue the appropriate permits, licenses and certificates necessary for
21 the construction of project or project extension facilities. Permits, licenses
22 and certificates may be subject to reasonable and necessary conditions of
23 approval, but may not, either by themselves or cumulatively, prevent the
24 implementation of a final order.

25 (2) A final order shall be fully effective notwithstanding any other pro-
26 vision of state or local law.

27 (3) Plan and land use regulation amendments required under subsection
28 (1) of this section shall not be reviewable by any court or agency.

29 (4) Issuance of permits, licenses and certificates to implement a final or-
30 der may be the subject of administrative and judicial review as provided by
31 law. However, such review shall not have the effect of preventing the im-

1 plementation of a final order. The district may contest the necessity or
2 reasonableness of conditions of approval through administrative or judicial
3 review as provided by law.

4 (5) Each state or local government agency that issues a permit, license
5 or certificate for the project or project extension shall continue to exercise
6 enforcement authority over the permit, license or certificate.

7 **SECTION 5.** (1) Except as otherwise provided in section 7 of this Act,
8 and notwithstanding ORS 183.400, 183.482, 183.484 and 197.825 or any other
9 law, exclusive jurisdiction for review of a final order relating to the project
10 is conferred on the board and the Supreme Court as provided by this Act.

11 (2) Review of a final order relating to the project shall be initiated within
12 three days of adoption of that final order by personal delivery to the board,
13 to the State Court Administrator and to the district of a notice of intent to
14 appeal as required by this section.

15 (3) A person may petition for review of a final order relating to the
16 project if the person:

17 (a) Personally delivered a notice of intent to appeal the final order as
18 provided in subsection (2) of this section;

19 (b) Appeared before the district board orally or in writing in relation to
20 the project; and

21 (c) Is affected by residing or owning property within sight or sound of the
22 project or is adversely affected economically in excess of \$10,000 in value
23 exclusive of mitigation or compensation.

24 (4) A person's failure to raise an issue, orally or in writing, before the
25 district board, precludes that person from petitioning for review of that is-
26 sue.

27 (5) The notice of intent to appeal shall:

28 (a) Contain an affidavit stating the facts which support the petitioner's
29 standing as provided in subsection (3) of this section;

30 (b) State with particularity the grounds on which the petitioner assigns
31 error; and

1 (c) State the residence or business address of the petitioner to which
2 documents may be delivered, and the telephone and facsimile number or
3 numbers where the petitioner may be reached during normal business hours.

4 (6) The district shall personally deliver to the board and the administrator
5 a record of its final order proceedings one day following the delivery of a
6 notice of intent to appeal. The record shall be available to the public for the
7 actual costs of preparation. The record shall consist of the final order, the
8 notice of the final order hearing, the minutes of the hearing, any
9 audiocassette recordings of the hearing, a statement of matters which have
10 been officially noticed and documents presented during the hearing. The
11 district shall provide one copy of the record to each petitioner at no charge.

12 (7) Any objection to the record shall be personally delivered to the board,
13 the administrator and the district within four days following delivery of the
14 record to the board. Within four days thereafter, responses to objections to
15 the record shall be personally delivered to the board and delivered to the
16 residences or offices of the persons objecting. Thereafter, the board shall rule
17 expeditiously on objections. The board's ruling on objections shall not affect
18 the briefing schedule or decision timeliness set forth in this Act.

19 (8) No stays of proceedings or interventions shall be permitted.

20 (9) Within 10 days following adoption of a final order, the petitioner shall
21 personally deliver a petition for review to the board, the administrator and
22 the district. The petition for review shall set out in detail each assignment
23 of error and shall identify those portions of the record in which the
24 petitioner raised in the final order hearing the issue as to which error is
25 assigned. The petition for review shall comply with the specifications for
26 briefs set forth in the Oregon Rules of Appellate Procedure.

27 (10) Within 17 days following adoption of the final order, the district shall
28 personally deliver to the board, the administrator and the petitioner the
29 district's response to the petition for review. The response shall comply with
30 the specifications for answering briefs set forth in the Oregon Rules of Ap-
31 pellate Procedure.

1 (11) Within 24 days following adoption of the final order, the board shall
2 hear oral argument. The board shall issue a final opinion within 15 days
3 following oral argument. The final opinion of the board shall be in the form
4 of a recommendation to the court that the final order be affirmed or re-
5 manded, stating reasons for the recommendation.

6 (12) The board shall recommend remand of the final order only if it finds
7 that the final order:

8 (a) Is unlawful in substance in that the district has improperly construed
9 the criteria applicable to the project;

10 (b) Is unlawful in procedure, but error in procedure shall be cause for
11 remand only to the extent that the provisions of this Act have not been fol-
12 lowed and that noncompliance has prejudiced a petitioner's substantial
13 rights;

14 (c) Is unconstitutional; or

15 (d) Is not supported by substantial evidence in the whole record.

16 (13) The board forthwith shall file with the administrator the final opin-
17 ion and a copy of its own record. The board shall provide copies of its final
18 opinion to the parties and shall inform the parties of the filing of the final
19 opinion by telephone or facsimile.

20 (14) Neither the board nor the court shall substitute its judgment for that
21 of the district board as to any issue of fact or any issue within the discretion
22 of the district board.

23 (15) Proceedings for review under this Act shall be given priority over
24 all other matters before the board and court.

25 (16) The 77-day period provided under ORS 197.830 (14) applicable to all
26 other appeals pending before the board at the time a notice of intent to ap-
27 peal is delivered to the board under this section shall be extended 14 days.

28 **SECTION 6.** (1) Any party seeking court review of the board's final
29 opinion shall personally delivery a request for review to the administrator
30 and district within three days following the board's filing of its final opinion
31 with the administrator and shall personally delivery a copy of the request

1 for review to all parties appearing before the board. If a request for review
2 is not filed within the time provided in this subsection the board's final
3 opinion shall become a final, nonappealable order.

4 (2) Within seven days following the filing of a request for review, any
5 party appearing before the board may submit a supplemental memorandum
6 to the court. The supplemental memorandum shall comply with the specifi-
7 cations for petitions for review set forth in the Oregon Rules of Appellate
8 Procedure.

9 (3) The court may hold oral argument and shall decide the matter with
10 the greatest expediency, consistent with this Act.

11 (4) The court shall affirm or remand the final order, in whole or in part.
12 The court shall base its decision on the standards for review set forth in of
13 section 5 (12) of this Act. If the court remands, the district shall respond
14 as to those matters remanded by adopting a final order on remand.

15 (5) If the court remands, the court shall retain jurisdiction over the mat-
16 ter. Within seven days following adoption of a final order on remand, the
17 parties before the court shall submit memoranda to the court with respect
18 thereto. The court's decision on the final order on remand shall be based on
19 the standards set forth in section 5 (12) of this Act.

20 **SECTION 7.** If a final order relating to the project is adopted on or after
21 March 30, 1991, then notwithstanding any contrary provisions of this Act:

22 (1) The Supreme Court shall have exclusive jurisdiction to review the
23 final order relating to the project and shall directly determine the validity
24 of that final order under such rules of procedure as it may establish, con-
25 sistent with sections 1 to 3 and 7 of this Act. In such event, the board shall
26 have no jurisdiction to review any proceedings under this Act.

27 (2) The notice of intent to appeal the final order shall be personally de-
28 livered to the administrator and the district within the times set forth and
29 shall contain the information required by section 5 of this Act.

30 (3) The record on appeal shall be the record as defined in section 5 of this
31 Act.

1 **SECTION 8.** Modifications to a final order resulting from adoption of the
2 final environmental impact statement under regulations implementing the
3 National Environmental Policy Act of 1969, as amended, or required by the
4 Federal Government to execute a full funding agreement shall be considered
5 technical and environmental mitigation measures and shall not be reviewable
6 by any court or state agency.

7 **SECTION 9.** The requirements in section 5 of this Act shall apply to a
8 final order of the district on the project extension, except that the timelines
9 set forth in ORS 197.805 to 197.835 shall apply to review by the board.

10 **SECTION 10.** This Act being necessary for the immediate preservation
11 of the public peace, health and safety, an emergency is declared to exist, and
12 this Act takes effect on its passage.

13

Revised December 21, 1990

WESTSIDE TRANSIT CORRIDOR
PLANNING COORDINATION AGREEMENT

THIS AGREEMENT is entered into this _____ day of _____, 1990, by the Metropolitan Service District (Metro), Oregon Department of Transportation (ODOT), Tri-County Metropolitan Transportation District of Oregon (Tri-Met), Washington and Multnomah counties, political subdivisions of the State of Oregon, and the cities of Beaverton, Hillsboro and Portland, incorporated municipalities of the state of Oregon.

WHEREAS, ORS chapter 190 authorizes units of local government and state agencies to enter into agreements for the performance of any or all functions and activities that a party to the agreement, its officers or agents, have authority to perform; and

WHEREAS, Statewide Planning Goal 11 (Facilities Planning), ORS 197.190, ORS 268.385, and OAR 660-11-015(2) require that city and county public facility plans and actions related to transportation facilities shall be coordinated with each other and state and federal providers of public facilities; and

WHEREAS, ORS 197.185 and OAR 660-11-015(3) require special districts to assist in the development of public facility plans for those facilities they provide, and to enter into intergovernmental cooperative agreements with affected jurisdictions or Metro to coordinate the plans and programs of the District affecting land use; and

WHEREAS, The Westside Corridor Project Draft Environmental Impact Statement (DEIS) was completed in 1982; and

WHEREAS, The Westside light rail transit was the recommended corridor and mode of transportation in the 1983 Preferred Alternative Report for the Westside Corridor from Downtown Portland to S.W. 185th Avenue; and

WHEREAS, Tri-Met prepared a DEIS Evaluation Report in January 1989 which identified changed circumstances and changes to the proposed action which would result in significant environmental impacts not addressed in the DEIS, and recommended supplementing the 1982 DEIS; and

WHEREAS, A Supplemental Draft Environmental Impact Statement (SDEIS) is being prepared by Tri-Met and ODOT, with the concurrence of the Urban Mass Transportation Administration (UMTA) and Federal Highway Administration (FHWA), to evaluate impacts of changed circumstances since 1982; evaluate the impacts of LRT alignment option and highway improvement refinements to

the 1983 Preferred Alternative; and evaluate a No-Build alternative as required by the National Environmental Policy Act, a Transportation Systems Management (TSM) alternative as required by UMTA, and short term options also required by UMTA; and

WHEREAS, A Preferred Alternative Report recommending an alternative is anticipated after hearings on the SDEIS technical findings; and

WHEREAS, Metro has initiated, with the concurrence of UMTA, an Alternative Analysis and Draft Environmental Impact Statement (AA/DEIS) for the Hillsboro Corridor west of 185th Avenue terminus of the Westside Corridor Project; and

WHEREAS, The Hillsboro AA/Draft EIS will evaluate an LRT extension, a TSM alternative, and a No-Build Alternative west of 185th Avenue; and

WHEREAS, A Preferred Alternative Report recommending an alternative is anticipated in the spring of 1991 after hearings on the AA/DEIS; and

WHEREAS, The Westside Corridor Project and Hillsboro Project Preferred Alternative adoption will be independent decisions; and

WHEREAS, To obtain federal funds at 75 percent of project cost, Tri-Met must complete a Final Environmental Impact Statement (FEIS) and sign a Full Funding Agreement with the Urban Mass Transportation Administration (UMTA) by September 30, 1991. Thereafter, a change in federal law will reduce federal participation in the project from the current 75 percent level to 50 percent or less of project cost; and

WHEREAS, Strong political and financial support for the Westside Corridor Project was demonstrated by 74 percent voter approval of a \$125 million bond measure increasing local property taxes in the tri-county region to fund a light rail build option; and

WHEREAS, Tri-Met is engaged in steps necessary to obtain a Full Funding Agreement with UMTA by the September 30, 1991, deadline. Tri-Met had originally expected to release the SDEIS and hold public hearings thereon by March 1989. Now, UMTA is expected to publish the SDEIS after January 1, 1991. Upon acceptance and publication by UMTA, the SDEIS must be circulated for 45 days, during which Tri-Met will hold a public hearing on the document. Following the hearing, Tri-Met must adopt a Preferred Alternative Report, identifying the alignment for the Westside Corridor Project; and

WHEREAS, A short time remains to specify a single agency to issue the "final order" in compliance with state land use processes; and

WHEREAS, After the SDEIS public hearing and prior to Tri-Met's public hearing and action on a Preferred Alternative Report, Tri-Met seeks recommendations from affected local governments; and

WHEREAS, State, regional, and local governments seek to coordinate facility planning for this-major-regional transportation-corridor-from-the-time selection of a project configuration may-first-be-adopted consistent with proposed legislation to amend state land use processes for this project;

NOW, THEREFORE, METRO, ODOT, TRI-MET, MULTNOMAH COUNTY, WASHINGTON COUNTY, AND THE CITIES OF BEAVERTON, HILLSBORO AND PORTLAND AGREE AS FOLLOWS:

- I. Plan and Zoning Review: Metro, Counties and Cities hereby agree to initiate staff review of existing regional functional plan, comprehensive plan, public facility plan and land use regulation provisions relating to transportation in the Westside Corridor. These parties shall identify amendments to regional functional plans, local comprehensive plan policies, public facility plan elements, land use regulations and other adopted comprehensive plan implementation measures that are required if a "build" option is selected in the Preferred Alternative Reports, and to identify local plan and land use regulation requirements for which findings of consistency will be necessary.
 - A. The cities of Portland, Beaverton, and Hillsboro, and Washington and Multnomah counties agree to prepare by January 15, 1991, explanations of compliance with applicable plan policies for project options set forth in the Westside Corridor Project SDEIS, including identification of specific criteria to comply with applicable plan policies remaining to be satisfied.
 - B. Tri-Met agrees to compile these explanations of compliance and identified remaining criteria into the "plan analysis" document proposed in draft legislation for use in explanation of the proposed legislation.

II. Preferred Alternative Recommendations

- A. After the SDEIS hearing and closure of the record each County and City governing body, the Metro Council, and the Oregon Transportation Commission shall consider a Resolution recommending a project alternative from the SDEIS or a no-build option to be the Preferred Alternative. The parties agree that action shall be taken by each governing body so that the Resolutions may be part of the record at Tri-Met's hearing on the Preferred Alternative Report.
- B. Tri-Met shall consider the remaining parties' recommendation of a Preferred Alternative in a public hearing on its Preferred Alternative Report.

III. Adoption of Preferred Alternative Report and Final Order

- A. Tri-Met shall adopt the Preferred Alternative Report selecting a Preferred Alternative, as required by federal procedures, after consideration of recommendations from the remaining parties. A separate action, based on the same hearing and record, called the Final Order, is identified in proposed legislation as the final decision to build the Preferred Alternative for state land use purposes. The final decision for state law purposes shall be accompanied by project findings based on the criteria for compliance with remaining local plan policies identified in the proposed legislation.
- B. All parties hereby agree to provide staff participation in the development of land use findings for applicable criteria for any project configuration in the Preferred Alternative Report considered for adoption by all affected jurisdictions. Tri-Met shall be responsible for coordinating the development of Project land use findings with the participation and assistance of all parties.

IV. Plan Amendments

All parties hereby agree to consider and take action on the Preferred Alternative Report as follows:

- A. Metro shall make any appropriate amendments to its Regional Transportation Plan necessary to be consistent with the Final Order of Tri-Met selecting a Preferred Alternative project, including a no-build option.
- B. Each County and City shall make any appropriate amendments to its comprehensive plan necessary to be consistent with the Final Order of Tri-Met selecting a Preferred Alternative project, including a no-build option.
- C. ODOT shall take such action as may be required by its certified state agency coordination program for its planning to be consistent with the Final Order of Tri-Met selecting a Preferred Alternative project, including a no-build option.
- V. Local Implementation: Implementation of comprehensive plan provisions for any Westside Corridor Project or Hillsboro Project will require detailed project design and mitigation specifications. These details are beyond the scope of a Preferred Alternative Reports project recommendation. Such design specification decisions shall be accomplished at design review or permit approval by each city or county consistent with its comprehensive plan, public facility plan, and zoning ordinance for that portion of the Westside Corridor or Hillsboro facility within its jurisdiction.

Specifically, in the City of Portland additional design specification decisions may include, but are not limited to the following actions: design review approval; land use approval for tracks, transit stations, electrical substations, and/or park-and-ride facility, if required by the underlying zone; the approval of easements, street use permits and/or subsurface leases pertaining to City rights-of-way; City Engineer order requiring relocation of existing facilities to accommodate construction; City Forester review under the proposed Scenic Resources Protection Plan, if adopted; review and selection of E zone mitigation measures, if applicable; and condemnation of property to accommodate construction, if necessary.

In Washington and Multnomah counties, public utility special use permits may be required for any park-and-ride facilities, transit centers, and relocation of public utilities. Facilities permits may be required

for LRT crossings of county roads, drainage pipes or other structures.

In the City of Beaverton, additional design specification decisions may be made following any necessary amendments to the General Plan and Development Code resulting from the adoption of a preferred alignment by one or more of the following actions: review by the Facilities Review Committee, which may include review of easements, street use permits, utilities, electric substations, and related technical issues; design review approval; floodplain alternation approval, land use approval for tracks, park-and-ride lots, and/or stations and related facilities; and the condemnation of property necessary to accommodate construction of the selected preferred alternative.

In the City of Hillsboro, additional design specification decisions may include, but are not limited to the following actions: Development Review approval; floodplain alteration approval, cultural resource alteration approval, land use approval for transit stations, electrical substations, and/or park-and-ride facilities, if required by the underlying zone; the approval of easements, street use permits and/or subsurface leases pertaining to City rights-of-way; relocation of existing facilities to accommodate construction; and condemnation of property to accommodate construction, if necessary.

- VI. Joint Defense of Appeals: All parties hereby agree that the appeal of any-party's-action Tri-Met's adoption of a Final Order to LUBA or the courts Oregon Supreme Court based on the regional-goal land-use project findings in III. above, shall cause the remaining parties who have adopted the Preferred Alternative-Reports-or a Resolution of-Intent recommending the same Preferred Alternative that Tri-Met adopts to intervene as parties to the appeal upon Tri-Met's request, with coordinated participation and representation in defense of the recommendation decision. An appeal based on additional-plan-or-land use-regulation-amendments-and-findings-in-III.7-above, or an implementation action under IV. V., above, shall be the responsibility of the affected jurisdiction with the cooperation of all remaining parties, as appropriate.

VII. Coordination of Planning and Implementation Actions:

A. Definitions

1. Regional Transportation Plan means the regional functional plan for transportation adopted by Metro pursuant to ORS 268.390(2) containing transportation project recommendations and requirements identified as necessary for orderly and responsible development of the metropolitan area.
2. Comprehensive Plan shall have the meaning set forth in ORS 197.015(5).
3. Land Use Regulation shall have the meaning set forth in ORS 197.015(11).
4. Supplemental Draft EIS is the document being prepared by Tri-Met and ODOT with the concurrence of UMTA and FHWA to comply with the requirements of NEPA.
5. Preferred Alternative Report is the report being prepared to define the preferred alternative of light rail transit and any needed highways for the Westside Corridor Project.
6. Westside Corridor Project is the transit and highway project from downtown Portland to 185th Avenue.
7. Hillsboro Project is the project from 185th Avenue to the Hillsboro Transit Center.

- B. Metro, Counties and Cities shall provide all parties with the appropriate opportunity to participate, review and comment on proposed amendments to or adoption of the regional transportation plan, comprehensive plans, or implementing regulations relating to a Westside Corridor project. The following procedures shall be used by these parties to notify and involve all parties in the process to amend or adopt a regional transportation plan, comprehensive plan, or implementing regulation relating to a Westside Corridor project:

1. The party with jurisdiction over a proposed amendment, hereinafter the originating party, shall notify the other parties, hereinafter responding parties, of the proposed action at the time such planning efforts are initiated, but in no case less than forty-five (45) days prior to the final hearing on adoption. The specific method and level of involvement may be finalized by "Memorandums of Understanding" negotiated and signed by the planning directors or other appropriate staff of the respective parties. "Memorandums of Understanding" shall clearly outline the process by which the responding party shall participate in the adoption process.
2. The originating party shall transmit draft recommendations on any proposed actions to the responding parties for review and comment before finalizing. Unless otherwise agreed to in a "Memorandum of Understanding," responding parties shall have ten (10) days after receipt of a draft to submit comments orally or in writing. Lack of response shall be considered "no objection" to the draft.
3. The originating party shall respond to the comments made by the responding party either by a) revising the final recommendations, or b) by letter to the responding party explaining why the comments cannot be addressed in the final draft.
4. Comments from the responding parties shall be given consideration as a part of the public record on the proposed action. If after such consideration, the originating party acts contrary to the position of a responding party, the responding party may seek appeal of the action through the appropriate appeals body and procedures.
5. Upon final adoption of the proposed action by the originating party, it shall transmit the adopting ordinance to the responding party as soon as publicly available, or if not adopted by ordinance, whatever other written documentation is available to properly inform the responding party of the final actions taken.

VIII. Amendments to this Facilities Planning Coordination Agreement

- A. The following procedures shall be followed by all parties to amend the language of this agreement:
1. The party originating the proposal, shall submit a formal request for amendment to the responding parties.
 2. The formal request shall contain the following:
 - a. A statement describing the amendment.
 - b. A statement of findings indicating why the proposed amendment is necessary.
 - c. If the request is to amend a recommendation of the Preferred Alternative Report, a map which clearly indicates the location of the proposed change and surrounding area.
 3. Upon receipt of a request for amendment from the originating party, responding parties shall schedule a review of the request before the appropriate governing bodies with forty-five (45) days of the date the request is received.
 4. All parties shall make good faith efforts to resolve requests to amend this Agreement. Upon completion of the review, the reviewing body may approve the request, deny the request, or make a determination that the proposed amendment warrants additional review. If it is determined that additional review is necessary, the following procedures shall be followed:
 - a. All parties shall agree to initiate a joint study. Such a study shall commence within thirty (30) days of the date it is determined that a proposed amendment creates a disagreement, and shall be completed within ninety (90) days of said date. Methodologies and procedures regulating the conduct of the joint study shall be mutually agreed upon by all parties prior to commencing the study.

b. Upon completion of the joint study, the study and the recommendations drawn from it shall be included within the record of the review. The party considering the proposed amendment shall give careful consideration to the study prior to making a final decision.

B. The parties will jointly review this Agreement every two (2) years to evaluate the effectiveness of the processes set forth herein and to make any amendments. The review process shall commence two (2) years from the date of execution and shall be completed within sixty (60) days. All parties shall make a good faith effort to resolve inconsistencies that may have developed since the previous review. If, after completion of the 60-day review period inconsistencies still remain, any party may terminate this Agreement.

METROPOLITAN SERVICE DISTRICT

OREGON DEPARTMENT OF
TRANSPORTATION

TRI-COUNTY
METROPOLITAN TRANSPORTATION
DISTRICT OF OREGON

WASHINGTON COUNTY

MULTNOMAH COUNTY

CITY OF BEAVERTON

CITY OF HILLSBORO

CITY OF PORTLAND

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STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 91-1378 FOR THE PURPOSE OF ENDORSING WESTSIDE CORRIDOR PROJECT IMPLEMENTATION MEASURES

Date: January 8, 1991

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

PROPOSED ACTION

Adopt Resolution No. 91-1378 relating to implementation measures for the Westside Corridor project:

1. Endorsing adoption by the Oregon Legislature of HB 2128 providing the state's half of the local match for the Westside LRT project.
2. Proceeding with two measures to expedite and streamline the decision-making process for the approval of the preferred alternative for the Westside Corridor project.
 - a. Endorsing adoption by the Oregon Legislature of LC 2193 providing for a streamlined decision-making and review process under Oregon land use law; and
 - b. Authorizing execution of an amendment to the Inter-governmental Agreement between Metro, Tri-Met, ODOT, Portland, Washington County and Multnomah County providing for local agreement to follow this streamlined process.

BACKGROUND

HB 2128

The intended financing approach for the Westside Corridor project includes the following elements:

- a. 75 percent UMTA funding for the LRT project provided for in the '91 Appropriations Bill and required to be executed in a Full-Funding Agreement by September 30, 1991 upon securing all aspects of the required local match and upon completion of the required EIS process.
- b. Funding for the Sunset Highway and Highway 217 aspects of the project by ODOT as provided in the '90-96 ODOT Highway Improvement Program.

- c. Provision of one-half the local match for the LRT project by a combination of Tri-Met General Obligation bonds as approved by the voters in the November 1990 general election, plus commitment of an additional \$21 million of local funds from jurisdictions representing benefitted constituencies as follows:

Tri-Met	\$ 7 million
Metro	2
Portland.	7
Washington County	5
	<hr/>
	\$21 million

- d. Provision of one-half the local match for the LRT project by the Oregon Legislature.

HB 2128 will be considered by the Oregon Legislature to provide their half of the local match. The bill provides a two-step mechanism: first, a commitment of \$10 million per year revenue stream from the existing cigarette tax to the Regional Light Rail Construction Fund and, second, use of the revenue stream to repay incurred debt necessary to provide the required local match amount.

This resolution endorses adoption of HB 2128 by the Oregon Legislature.

LC 2193

The Oregon Legislature will consider adoption of LC 2193 providing for a streamlined decision-making process and an expedited procedure for judicial review of the project decision under Oregon land use law. Key provisions include:

- a. Definition of the Tri-Met Board of Directors' decision to be the final order for selection of the preferred corridor alternative based upon input and recommendation from Metro, Portland, Washington County, Multnomah County and ODOT.
- b. Requirement that any comprehensive or regional plans requiring amendment must be consistent with this final order.
- c. Definition of the criteria for adoption of the final order.
- d. Definition of the procedures, criteria and schedule for appeal of the final order for judicial review by the state Land Use Board of Appeals (LUBA) and the Oregon Supreme Court.

This action is necessitated by the delay in starting the project approval process due to delays in the schedule for federal approval and release of the Supplemental Draft

Environmental Impact Statement (SDEIS). Under previously established schedules, a more lengthy decision-making and judicial review schedule could have been possible. However, since the final deadline of September 30, 1991 to sign the Full-Funding contract under provisions of the existing Surface Transportation Act cannot be delayed, current schedules for releasing the SDEIS require compressing the schedule. This proposal maintains the key requirement for public hearings and input, jurisdictional input and judicial review but with a very specifically defined procedure and schedule. Integral to the bill are the recitals reflected on pages 1 through 5 describing the unique circumstances necessitating this bill.

This resolution endorses adoption of LC 2193 by the Oregon Legislature.

Intergovernmental Agreement

The Current Intergovernmental Agreement was executed between the eight parties of the Westside Corridor project consistent with a process involving a more lengthy decision-making process. This amended agreement provides for the same eight jurisdictions to agree to the more streamlined process provided for by LC 2193.

This resolution authorizes execution of the amended Intergovernmental Agreement.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 91-1378.

ACC:lmk
1-8-91
91-1378.RES