



Agenda

COUNCIL MEETING

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: August 6, 1985
Day: Tuesday
Time: 5:30 p.m.
Place: Council Chamber

Approx.
Time*

Presented By

5:30	CALL TO ORDER ROLL CALL	
	1. Introductions	
	2. Councilor Communications	
	3. Executive Officer Communications	
	4. Written Communications to Council on Non-Agenda Items	
	5. Citizen Communications to Council on Non-Agenda Items	
6:00	6. APPROVAL OF MINUTES for the Meeting of July 11, 1985	
	7. ORDINANCES	
6:05	7.1 <u>Consideration of Ordinance No. 85-189, for the Purpose of Establishing Temporary Procedures for Hearing Petitions for Major Amendments to the Urban Growth Boundary (Second Reading and Public Hearing)</u>	Hinckley
6:25	7.2 <u>Consideration of Ordinance No. 85-190, for the Purpose of Amending Metro Code Section 2.05.045, Final Orders in Contested Cases (Second Reading and Public Hearing)</u>	Hinckley
	8. OTHER BUSINESS	
6:35	8.1 Consideration of a Contract with The Hallock Agency for Zoo Advertising Agency Services	Hartline
6:45	8.2 Consideration of a Contract with Browning-Ferris Ferris Industries of Oregon, Inc. for the Operation of the St. Johns Landfill	Geyer
7:00	9. COMMITTEE REPORTS	
7:05	EXECUTIVE SESSION Held Under the Authority of ORS 192.660(1)(d) (Labor Negotiations)	Carlson
7:20	ADJOURN	

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



Executive Officer Report

8-6-85

RICK GUSTAFSON, Executive Officer
METROPOLITAN SERVICE DISTRICT 527 SW Hall St., Portland, OR 97201-5287 503 221-1646

BUDGET

The adopted budget for FY 1985-86 was filed with the TSCC, the State Department of Revenue, and County Assessor's office on July 15.

BUILDING UPDATE

Subleases - Our first tenants Chris Thomas and Daryl Klein, attorneys, have moved into the new building. They are in temporary quarters while tenant improvements are being completed. Two other subleases are in negotiations; attorneys' offices for 1,000 sq. ft., and a CPA firm for 3,800 sq. ft.

Building Improvements - A pre-bid conference on construction of Metro's improvements was held July 31. Bids are due August 14 with Council action scheduled August 22.

Our office furnishings and panel systems are going out to bid this week with bids due on August 19.

REGIONAL REVENUE MEASURES

Metro's IRC completed a survey of local governments and special districts, asking which were likely to submit revenue measures to the voters in 1986. Four revenue measures are being considered by agencies in Multnomah County, 10 in Washington County, and 9 in Clackamas County. The sales tax election results will impact final decisions on submission of these measures.

CRIMINAL JUSTICE BLOCK GRANT FUNDS

FY 1985 Criminal Justice Block Grant funds are available. \$428,000 is available to statewide local agencies on a 50/50 matching basis. Applications for these funds must be submitted to Metro by August 12. The applications will be reviewed by the Regional Adult Corrections Task Force on August 20.

OREGON TRANSPORTATION COMMISSION

I appeared before the Oregon Transportation Commission's public hearing July 24. The OTC is developing criteria for a \$200 million construction program. This program will assist in funding economic development related highway projects in the metropolitan region.

REGIONAL COMMITTEE ON
CONVENTION, TRADE, AND
SPECTATOR FACILITIES

The Study Committees of the CTS have drafted major conclusions of their fact-finding efforts for presentation to the CTS full committee on August 6. This will be a public meeting to which the press and other interested parties have been invited. The CTS will formulate their final recommendations on September 10.

DATA SERVICES

An update of the 1990 and 2005 forecast, "A Regional Population and Employment Forecast to 1990 and 2005," is being printed and will be available this month. Cost for the publication is \$25.

The Population & Housing by Census Tract of the Portland Metropolitan Area is now available. This publication updates the 1980 census to April 1985. Cost is \$15.

DATA PROCESSING

We have taken delivery of the new MASSCOMP computer. This new equipment will expand our use of the EMME 2 computer.

RESOURCE RECOVERY

Dan Durig, and Debbie Gorham, project manager for our Resource Recovery Symposium, attended the "Resource Recovery Leadership Institute" workshop in July. Dan serves as a member of the Board of the National Resource Recovery Association. Discussions at the workshop emphasized the importance of upcoming federal legislation concerning resource recovery facilities. The conference was sponsored by the U.S. Conference of Mayors and stressed the need for local officials to have a full understanding of development of the waste-to-energy process.

On August 2 and 3, Metro sponsored a Resource Recovery Symposium, featuring 14 presentations on alternatives to burying waste. The nine-member panel, including Metro Councilors Hardy Myers and Gary Hansen, will now prepare recommendations for the Council on which of these alternatives warrant further study. The symposium was an exceptional educational event which will prove useful in deliberations over the suitability of different systems for the Portland area.

WASHINGTON TRANSFER &
RECYCLING CENTER

Approximately 200 people attended the WTRC Advisory Group public meeting on July 16. Ten proposed sites were reviewed outlining the advantages and concerns raised during the recent series of neighborhood/public meetings.

Approximately 30 people offered additional comments on specific sites including Washington and Clackamas County officials.

The Advisory Group will meet again August 14 to formulate a recommendation for the Metro Council. A public hearing and Council action on the Advisory Group's recommendation is scheduled September 12.

ST. JOHNS LANDFILL

Norm Wietting, operations manager, will participate in a meeting with EPA in Washington, D.C. EPA will provide a briefing on major issues associated with the revised RCRA (Resource Conservation and Recovery Act) legislation that affect the existing sanitary landfill criteria.

HAZARDOUS WASTE

Dan Durig, Norm Wietting, and Dennis O'Neil, special waste project manager, toured the hazardous waste disposal, storage and treatment site at Arlington, Oregon. They were given extensive information on procedures and types of acceptable waste.

WORKSHOPS

A State Legislative Briefing sponsored by Metro for local jurisdictions was held July 30. Thirty persons representing 14 local jurisdictions attended. Discussion items included: State tax reform/sales tax; State gas tax; Oregon lottery; corrections facilities; and programs for medically needy.

A Historical Preservation Workshop and Tour was held July 31. Thirty-five persons representing 13 local jurisdictions participated. Discussion items included updates on legislation, grants, loans, tax credits, and local programs. An afternoon tour of recently restored buildings in downtown and Northwest Portland and Office Row in Vancouver was conducted.

GOLDEN MONKEY AND GIANT PANDA EXHIBIT

The Chinese delegation from Chongqing, China, visited Portland on July 24, 25 and 26. Negotiations are continuing with the Chinese to obtain approval from the Central Government of China to exchange zoo animals and conduct traveling exhibits of the golden monkey and giant pandas. An extensive report will be forwarded to the Council.

METRO NEWS

The Metro News featuring IRC, Solid Waste, Zoo, and Council news and photos was mailed at the end of July to 8,000 people. Several hundred more will be distributed to the region's libraries, city halls and other public locations.

We asked the post office for "address corrections" on this Metro News mailing so that we can delete incorrect addresses from the mailing list. For the past several months a staff committee has been studying Metro's mailing list system. The group surveyed employees to identify how the mailing list is currently being used and is reviewing improvements, including changes in the existing computer system.

The Metro News and the design of the Metro note card won Merit Awards in a communications contest sponsored by IABC (International Association of Business Communicators), Portland Chapter.

NEW EMPLOYEES

JULY 1985

Solid Waste

Elizabeth Ballard, Office Assistant (P-T)
Brian Keefe, Office Assistant

F&A

Carlos Rojas, Account Clerk 2

IRC

David Unsworth, Staff Assistant

Zoo

Bruce Parker, Gardner 1
(temporary to permanent)

KD/SR/gl
4076C/D1-2
08/06/85

Agenda Item No. 6

Meeting Date August 6, 1985

MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

July 11, 1985

Councilors Present: Councilors Cooper, DeJardin, Gardner,
Kirkpatrick, Kelley, Myers, Van Bergen, Waker
and Bonner

Councilors Absent: Councilors Hansen, Kafoury and Oleson

Staff Present: Don Carlson, Eleanore Baxendale, Jennifer Sims,
Vickie Rocker, Phillip Fell, Dennis Mulvihill,
Norm Wietting, Wayne Rifer, Judy Munro, Steve
Siegel, Kay Rich

Presiding Officer Bonner called the meeting to order at 5:30 p.m.

1. INTRODUCTIONS

None.

2. COUNCIL COMMUNICATIONS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer's Monthly Report. Don Carlson referred the Council to the written monthly report and noted Metro would be sponsoring a resource recovery symposium on August 2 and 3 in the Council Chamber.

Legislative Report. Roger Martin presented an overview of Metro's activities with the 1985 Legislative Session and reviewed some of the difficulties in getting funding measures adopted. Mr. Martin reported that in contrast to difficulties with the House of Representatives, Metro received much support and assistance from the Senate, especially from Senator Glenn Otto. Support was obtained for all Metro measures except inclusion in the cigarette tax, he said.

Concerns were raised from Representatives and the Governor about when Metro would put a tax base before the voters. Mr. Martin explained the timing of this question seemed inappropriate in light of Legislators' attempts to reduce property taxes.

Mr. Martin said Legislators demonstrated a poor understanding of Metro's role in regional government and the need to educate state officials would be addressed by Phillip Fell in more detail.

Metro Council
July 11, 1985
Page 2

Mr. Fell reported the main issue before the 1985 Legislature was Metro's property tax base. SB 662 and Metro's role in solid waste management was another important issue. He explained Legislators' understanding of Metro's solid waste authority, activities and accomplishments was, for the most part, minimal. He referred Councilors to a memorandum distributed before the meeting which explained some of the problems encountered. He also said Legislators expected to see a very aggressive and immediate waste reduction campaign but had little concern for related costs.

Mr. Fell reported Metro was successful in working with the Port of Portland, Tri-Met, League of Oregon Cities and Oregon Counties to accomplish legislative goals. Metro, he said, was well entrenched in the local government network.

In summary, Mr. Fell explained Metro's tasks were complicated and not often understood by the Legislature. He said staff would discuss Metro issues with Legislators between sessions and present basic information about our activities and funding. Legislators would also be updated regarding projects. For example, he said, Legislators from Washington County would be kept abreast of issues about siting the Washington County Transfer & Recycling Center.

A discussion followed regarding educating Legislators about Metro issues. Mr. Martin explained he and staff would present a specific program to the Executive Officer for implementation.

Presiding Officer Bonner and Mr. Martin thanked the many Councilors who testified before legislative committees and worked for the passage of specific measures.

Metro Funding Issues. Mr. Carlson reported preliminary work had begun to prepare for funding issues that could be before the voters in 1986. He referred Councilors to his memorandum dated July 11, 1985, regarding a program and schedule for a decision on a May 1986 tax base election. Two questions were posed in the memo: whether to have a tax base measure on the ballot and, if so, the purpose or purposes of the measure. He then reviewed the proposed schedule of activities for gathering information. Councilors were requested to submit names of people staff should contact to attend tax advisory group meetings to Katie Dowdall.

Presiding Officer Bonner requested staff prepare concise summaries of the funding issues in order to answer questions from the public. Councilor DeJardin asked staff to prepare a summary of other local government funding issues that could be on the ballot in May of 1986. Mr. Carlson said IRC staff were currently compiling data and would share their findings with Councilors.

4. WRITTEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

Councilor Kelley said she had received a letter from a resource recovery finance specialist and had distributed copies to Councilors.

5. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

Judy Dehen, 2965 N.W. Verde Vista, Portland, Oregon, representing the Columbia Group of the Sierra Club, addressed the Council regarding the upcoming Solid Waste Alternative Technology Symposium. She said letters announcing the symposium were not received by at least two experts in alcohol technology. She was concerned about this oversight because firms interested in participating had to file a report with Metro the following week. In response to Presiding Officer Bonner's question, staff said they were aware of the situation.

Janet Kasameyer, 1212 S.W. Upland Drive, Portland, representing the Ladybug Theater Board of Directors, said she accepted that Metro had taken a position on the Ladybug Theater building and, as a result, the Theater had to relocate. She was concerned the Zoo's new Master Plan had addressed the Ladybug Theater only in the context of a possible alternative use for new building space and that a Theater representative had not been included in the master planning process. As a result of the Council's decision and the lack of adequate space at the Zoo to house the Theater, the Theater would no longer be part of the Zoo and a 20-year relationship had been terminated by default, she explained. She suggested that if the well-being and continuance of the Ladybug Theater had been viewed as an important and integral part of the Zoo facility, the end result would have been different.

Councilor Kelley asked if the Ladybug Theater had located an alternative space. Ms. Kasameyer responded the Theater was still looking for space and hoped to relocate soon.

In response to Councilor Gardner's question, Ms. Kasameyer explained Gene Leo could not assure the Theater would have predominate use of the multi-use auditorium included in the Master Plan. Also, the auditorium would not be completed for another three to five years.

6. APPROVAL OF MINUTES

Motion: Councilor Kirkpatrick moved the minutes of the meeting of June 13, 1985, be approved. Councilor Waker seconded the motion.

Vote: A vote on the motion resulted in:

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

Absent: Councilor Hansen, Kafoury and Oleson

The motion carried and the minutes were approved.

7. RESOLUTIONS

7.1 Consideration of Resolution No. 85-580, for the Purpose of Extending the Completion Deadline for Petitions for Locational Adjustments of the Urban Growth Boundary Received by July 1, 1985

Jill Hinckley discussed the information contained in the staff report. There was no discussion about the Resolution.

Motion: Councilor Kirkpatrick moved the adoption of Resolution No. 85-580 and Councilor Kelley seconded the motion.

Vote: A vote on the motion resulted in:

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

Absent: Councilor Hansen, Kafoury and Oleson

The motion carried and Resolution No. 85-580 was adopted.

8. OTHER BUSINESS

8.1 Consideration of Alternatives for Developing Metro's Solid Waste Management Plan Subsequent to the Passage of SB 662

Dennis Mulvihill reported his memo to the Council of July 13, 1985, had outlined the legal basis for Metro's solid waste management planning and the alternatives Metro might use in developing their policy and program options. The passage of SB 662, however, would alter the process and timetable for implementing the Solid Waste Management Plan. Mr. Mulvihill said staff were meeting with the Department of Environmental Quality (DEQ) to reach an understanding of how the legislation should be interpreted.

Mr. Mulvihill reported staff were working to develop a two-phase plan. Phase one would allow Metro to use its authority to achieve a substantial reduction in the volume of waste disposed in landfills and and would identify the role of local governments in the waste

reduction process. Local government participation would be voluntary, he said, but staff would work to achieve good cooperation. Phase two would allow Metro to develop all its planning authorities. This would occur after an understanding was reached with DEQ about the interpretation of SB 662, he said.

The main impact of S.B. 662, Mr. Mulvihill explained, was the shortened time frame for developing a Solid Waste Management Plan, especially the public and local government involvement phases of the plan adoption.

Wayne Rifer discussed specific work to be accomplished before January 1, 1986, and reviewed the "Principles of the Waste Reduction Program Planning Effort" as contained in the staff report. He then distributed handouts describing the final product, primary considerations and work schedule for the Waste Reduction Program and reviewed this material in more detail. Mr. Rifer emphasized the citizen involvement process would have to be brief and staff were in the process of planning a process that would provide public input within a limited time frame.

Councilor Hansen was concerned staff would be interpreting the input of citizens for the Council and thought the Council should be directly involved in the process. He understood a consultant would be contracted to design a citizen participation program and requested the Council approve the program before it was implemented. Presiding Officer Bonner said he planned to appoint two Councilors to work with staff and consultants to develop such a program to be approved by the Council.

Councilor Hansen then asked if the planning process would take into consideration whether tax credits for energy recovery facilities would be available after January 1, 1986. Mr. Rifer said the question struck on one of the most difficult issues staff had to address. Staff were in contact with Senator Packwood and other federal officials to determine an answer to that question. One scenerio, he said, was that any capital intensive project initiated after January 1 would cost the public more money. Councilor Hansen suggested a plan be developed which would allow for submission of energy recovery facility proposals at a key time rather than at the end of the waste reduction planning process. Mr. Rifer said staff would work to achieve this goal.

Regarding citizen involvement in the Waste Reduction Plan, Councilor Waker said it would be naive to assume an expanded citizen participation process was the same as a vote. It would be impossible to conduct a referendum between now and January 1, he said, and the Council would be in a position of exercising its best judgment on the issues.

Metro Council
July 11, 1985
Page 6

Councilor Van Bergen said although he supported public participation, he did not think much would be gained by it in this case. Councilors, he said, should have a good notion of what the public would accept which usually related to how much money they would be willing to pay for solid waste disposal. He did not think the public would be willing to pay a high fee for energy recovery even if it were be argued the environmental future was at stake.

Councilor Cooper thought if mandatory source separation would be proposed, staff should plan for plenty of citizen participation. He did not encourage this alternative, saying it involved too much government intervention.

Presiding Officer Bonner appointed Councilors Kelley, Gardner and himself to review the public involvement alternatives and propose a plan for Council adoption. He also appointed Councilors Hansen and Myers to serve on the panel of judges for the Alternatives Technology Symposium.

EXECUTIVE SESSION

Presiding Officer Bonner called the meeting into executive session at 7:10 p.m. under the authority of ORS 192.660(1)(h). All Councilors present at the regular session were present at the executive session. The Council reconvened into regular session at 7:20 p.m.

9. COMMITTEE REPORTS

Council Management Committee. Councilor Van Bergen announced the July 18 meeting had been canceled due to lack of agenda items.

Multnomah County Solid Waste Task Force. Councilor Gardner reported the committee had completed its work and a final report would be presented to the Board of County Commissioners on July 18, 1985.

There being no further business, Presiding Officer Bonner adjourned the meeting at 7:25 p.m.

Respectfully submitted,



A. Marie Nelson
Clerk of the Council

amn
3982C/313-2
07/23/85

Meeting Date August 6, 1985

CONSIDERATION OF ORDINANCE NO. 85-189 ESTABLISH-
ING TEMPORARY PROCEDURES FOR HEARING PETITIONS
FOR MAJOR AMENDMENTS TO THE URBAN GROWTH BOUNDARY
(Second Reading)

Date: July 16, 1985

Presented by: Jill Hinckley

FACTUAL BACKGROUND AND ANALYSIS

Up to six petitions for major amendment of the Urban Growth Boundary (UGB) may be received this year, three of them for contiguous parcels in the Sunset Corridor. The Metropolitan Service District (Metro) has not adopted specific procedures for major UGB amendments. The attached ordinance would adopt, with some minor changes, the procedures for hearing minor amendment requests (locational adjustments) and identify the LCDC goals as the applicable standards.

The ordinance thus establishes a procedure familiar to petitioners, staff and the Council. The Council should be aware, however, that when it discovers overlapping issues between cases, it will have to take certain special steps to protect the due process rights of affected parties. Furthermore, it may sometimes find itself presented with facts and argument in one case that convince it that its findings and decision in an earlier case were incorrect, without being able to amend the previous action.

An alternative approach was considered to try to provide the Council with more information before it made any decisions. This alternative would have postponed hearings on any petitions until all were received, and then allowed the Hearings Officer to consolidate cases for hearing as needed to address interrelated issues.

Staff met with all potential petitioners to discuss the process, and found uniform opposition to consolidation of cases. Petitioners argue that consolidation would cause harmful delay for some parties, place them in a seemingly more competitive position relative to one another, and dramatically expand the cost and complexity of the process.

On balance, the case-by-case approach seems the simplest, fairest and most manageable. It follows a process the parties, Council, and the Hearings Officer are most familiar with, and

reduces the burden on petitioners. In addition, Hearings Officer changes can be apportioned according to costs under Metro's current fee schedule. With consolidation, it would be difficult to determine how to allocate total changes appropriately. An outline of the steps in this process is enclosed as Attachment 1.

At its July 25 meeting, the Council approved one amendment to the Ordinance which has been incorporated in the attached version. Other material requested by Council members will be forwarded to the Council and interested parties prior to the August 6 meeting. The public hearing on this matter has been continued to the August 6 meeting.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 85-189.

JH/srs
3879C/236-5
07/26/85



Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: August 2, 1985
To: Metro Council
From: Jill Hinckley, Land Use Coordinator
Regarding: Possible Amendments to Ordinance No. 85-189,
Establishing Temporary Procedures for Hearing
Petitions for Major Amendments to the Urban Growth
Boundary

At the July 25 meeting of the Council of the Metropolitan Service District (Metro), Councilor Kafoury asked staff to draft language for two possible amendments to proposed Ordinance No. 85-189. Each of these is presented below.

County Needs

REQUEST: An amendment to incorporate Council policy on "subregional needs."

RESPONSE: Amend Section 3, p. 6 to add the following sentence:

In general, the findings of need required by factors 1 and 2 of Goal 14 (Urbanization) shall address regionwide land needs. However, these findings may be limited to just one county if the Council finds that the requested UGB amendment serves implementation of the Goal 14 for the region better than maintaining the existing UGB.

(Note: The above language rewords the Council's existing policy in the interests of greater clarity and specificity. The original policy was adopted by Resolution No. 79-83 and accepted by LCDC as part of its acknowledgment of the UGB. The portion of the DLCD staff report that discusses that policy and the acknowledgment order that references it are both attached. The policy itself is quoted in its entirety in the DLCD staff report.)

Consideration

REQUEST: An amendment to allow consolidation of related case.

RESPONSE: Amend the ordinance as follows:

Remove the brackets that now delete subsection 3.01.060(b), p. 5, to restore language allowing the hearings officer to consolidate cases for hearing.

Add the following after the end of Section 3, p. 6:

Section 4:: Petitions received before October 7, 1985, shall not be scheduled for hearing until after October 7, 1985. Petitions received after October 7, 1985, shall not be scheduled for hearing until after July 1, 1986.

Section 5: The Executive Officer shall select from the list of names approved by the Council one Hearings Officer to hear all petitions for major amendment of the UGB received by October 6, 1985. Following consultation with District staff and prospective petitioners, this Hearings Officer shall issue rules for the consolidation of related cases and allocation of charges. These rules shall be designed to avoid duplicative or inconsistent findings, promote an informed decision-making process, protect the due process rights of all parties, and allocate the charges on the basis of cost incurred by each party.

Renumber the existing Section 4 to become Section 6.

JH/gl
4052C/D5-2

cc: Interested Parties

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE ESTABLISHING)	ORDINANCE NO. 85-189
TEMPORARY PROCEDURES FOR HEARING)	
PETITIONS FOR MAJOR AMENDMENTS)	
TO THE URBAN GROWTH BOUNDARY)	

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. The purpose of this ordinance is to establish procedures for hearing petitions for major amendments of the Urban Growth Boundary (UGB) received by January 1, 1986. A petition for major amendment of the UGB is any petition to amend the UGB which does not qualify as a petition for locational adjustment as defined by Code Section 3.01.010(h).

Section 2. The following sections of the Code, amended as shown, shall apply to petitions for major amendments:

3.01.010 Definitions:

(a) "UGB" means the District Urban Growth Boundary adopted pursuant to ORS 268.390 and 197.005 to 197.430.

(b) "District" has the same meaning as in Chapter 1.01.

(c) "Council" has the same meaning as in Chapter 1.01.

(d) "Goals" means the statewide planning Goals adopted by the Oregon Land Conservation and Development Commission at OAR 660-15-000.

(e) "Petition" means a petition to amend the UGB.

(f) "Property owner" means a person who owns a legal interest in the property.

(g) "Legal Description" means a written description which appears on the UGB map as adopted by the Council or a written description from which the adopted map was drafted or which was adopted by Metro or its predecessor CRAG to describe the mapped UGB.

(h) "Locational Adjustment" means an amendment to the District UGB which includes an addition or deletion of 50 acres or less or a combination of an addition and deletion resulting in a net change of

10 acres of vacant land or less, and which is otherwise consistent with the standards indicated in Section 3.01.040.

(i) "Irrevocably committed to non-farm use" means, in the case of a plan acknowledged by LCDC, any land for which a Goal No. 3 exception has been approved by LCDC, or in the case of a plan that has not yet been acknowledged by LCDC, land that is [not possible] impractical to preserve for farm use, within the meaning of Goal No. 2, Part II.

(j) "Vacant land" means:

- (1) for lots of one acre or less with a dwelling unit, no vacant land;
- (2) for lots of one acre or less with no dwelling unit, vacant land is the entire lot;
- (3) for lots in excess of one acre, vacant land is the gross area of a lot, less one acre multiplied by the number of dwelling units on the lot, but not less than zero.

3.01.025 Local Position on Petition:

(a) Except as provided in subsection (b) of this section, a petition shall not be [accepted and shall not be] considered [a] completed [petition under Section 3.01.020] for hearing unless the petition includes a written action by the governing body of each city or county with jurisdiction over the area included in the petition which:

- (1) recommends that Metro approve the petition; or
- (2) recommends that Metro deny the petition; or
- (3) expresses no opinion on the petition.

(b) The requirement of paragraph (a) of this section shall be waived if the applicant shows that a recommendation from the governing body was requested six months or more before the petition was filed with the District and that the governing body has not reached a decision on that request.

(c) If a city or county holds a public hearing to establish its position on a petition, the city or county should:

- (1) provide notice of such hearing to the District and to any city or county whose municipal boundaries or urban planning area boundary abuts the area affected; and
- (2) provide the District with a list of the names and addresses of parties testifying at the hearing and copies of any exhibits or written testimony submitted for the hearing.

3.01.030 Local Action to Conform to District Boundary:

(a) A city or county may, in addition to the action required in Section 3.01.025, approve a plan or zone change to implement the proposed adjustment in the area included in a petition prior to an amendment of the District UGB if:

(1) The District is given notice of the local action,

(2) The notice of the local action states that the local action is contingent upon subsequent action by the District to amend its UGB, and

(3) The local action to amend the local plan or zoning map becomes effective only if the District amends the UGB consistent with the local action.

(b) If the city or county has not contingently amended its plan or zoning map to allow the use proposed in a petition, and if the District does approve the UGB amendment, the local plan or map change shall be changed to be consistent with the UGB amendment. That change shall be made at the next regularly scheduled plan or zoning map review or within 1 year, whichever comes first.

3.01.035 Standing to Petition for Amendment:

(a) A petition may be filed by:

(1) A county with jurisdiction over the property or a city with a planning area that includes or is contiguous to the property; or

(2) The owners of the property included in the petition or a group of more than 50 percent of the property owners who own more than 50 percent of the land area in each area included in the petition.

(b) Petitions to extend the UGB to include land outside the District shall not be accepted unless accompanied by:

(1) A copy of a petition for annexation to the District to be submitted to the Portland Metropolitan Area Local Government Boundary Commission pursuant to ORS ch. 199; and

(2) A statement of intent to file the petition for annexation within ninety (90) days of Metro action to approve the petition for UGB amendment under Section 3.01.070 of this chapter. (Ordinance No. 81-105, Sec. 7; amended by Ordinance No. 82-133, Sec. 1)

3.01.050 Filing Fee: Each petition submitted by a property owner or group of property owners pursuant to this chapter shall be accompanied by a filing fee in an amount [to be] established by resolution of the Council. Such fees shall be generally sufficient

to defray the actual cost to the District of processing such petitions.

3.01.055 Notice of UGB Adjustment Hearing:

(a) The notice provisions established by this section shall be followed in UGB hearings on petitions for UGB adjustments. These notice provisions shall be in addition to the District notice provisions for contested case hearings contained in the District Code Section 2.05.005 and to the notice requirements of OAR 660-18-000.

(b) Notice of public hearing shall include:

- (1) The time, date and place of the hearing.
- (2) A description of the property reasonably calculated to give notice as to its actual location.
- (3) A summary of the proposed action.
- (4) Notice that interested persons may submit written comments at the hearing and appear and be heard.
- (5) Notice that the hearing will be conducted pursuant to District rules for contested cases.

(c) Not less than 10 days before the hearing, notice shall be mailed to the following persons:

- (1) The petitioner(s).
- (2) All property owners of record within 500 feet of the property subject to petition. For purposes of this subsection, only those property owners of record within 500 feet of the subject property as determined from the maps and records in the county departments of taxation and assessment are entitled to notice by mail. Failure of a property owner to receive actual notice will not invalidate the action if there was a reasonable effort to notify record owners.
- (3) All cities and counties in the District and affected agencies as determined by the Executive Officer.

(d) Notice shall be published in a newspaper of general circulation in the District not more than twenty (20) nor less than ten (10) days prior to the hearing.

(e) The hearing may be continued without additional notice.

3.01.060 Hearing:

(a) All petitions accepted under this chapter shall receive a contested case hearing. The hearing shall be conducted by a

hearings officer pursuant to District procedures for contested cases contained in District Code Chapter 2.05.

[(b) Proposed UGB amendments may be consolidated by the hearings officer or presiding officer for hearings where appropriate.]

(c) The proponent of a proposed UGB amendment shall have the burden of proving that the proposed amendment complies with the applicable standards in this chapter.

3.01.065 Staff Review and Report: All petitions shall be reviewed by District staff and a report and recommendation submitted to the Hearings Officer or the Council not less than five (5) days before the required hearing. A copy of the staff report and recommendation shall simultaneously be sent to the petitioner(s) and others who have requested copies.

3.01.070 Council Action on Petitions:

(a) Following public hearings on all petitions for UGB changes, the Council shall act to approve or deny the petitions in whole or in part or approve the petitions in whole or in part subject to conditions consistent with the applicable standards in Sections 3.01.040 through 3.01.050 of this chapter.

(b) Final Council action following a hearing shall be as provided in Code Section 2.05.045. Parties shall be notified of their right to review before the Land Use Board of Appeals pursuant to 1979 Or. Laws, ch. 772.

(c) When the Council acts to approve in whole or in part a petition affecting land outside the District:

(1) Such action shall be by resolution expressing intent to amend the UGB if and when the affected property is annexed to the District within six months of the date of adoption of the Resolution.

(2) The Council shall take final action, as provided for in paragraphs (b) and (c) of this section, within thirty (30) days of notice from the Boundary Commission that annexation to the District has been approved.

3.01.075 Notice of District Action: The District shall give each county and city in the District notice of each amendment of the UGB. Such notice shall include a statement of the local action that will be required to make local plans consistent with the amended UGB and the date by which that action must be taken.

Section 3. The standards for approval of petitions for major amendment of the UGB shall be the applicable Statewide Planning

Goals adopted by the Land Conservation and Development Commission.

Section 4. This ordinance shall apply only until new procedures for major amendment hearings are adopted as part of Metro's periodic review of the UGB.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1985.

Ernie Bonner, Presiding Officer

JH/srs
3879C/236-4
07/26/85

ATTACHMENT 1

Proposed Process for Hearing Petitions for Major Amendment of the Urban Growth Boundary

1. Petitions submitted as completed. (Petitioners are encouraged but not required to use the forms available for the locational adjustment process.)
2. Comment requested from affected local governments.
3. Hearing date scheduled following local action.
4. LCDC 45-day notice issued.
5. Notice to property owners and affected groups mailed.
6. Staff report released.
7. Hearing held.
8. Hearings Officer Report served on parties.
9. Parties may file written exceptions to Hearings Officer's Report.
10. Hearings Officer's Report, and any exceptions, presented to Council for consideration on the record. If Council, on its own motion, or upon the recommendation of staff or Hearings Officer, identifies any findings in Hearings Officer's report that are incompatible with findings in previous decision, it may remand the case for a limited hearing on the issue in question.
11. Parties have opportunity at remand hearing to argue why earlier adopted findings should be superseded.
12. An amended report is returned to Council; exceptions taken only on new evidence.
13. Council makes its final decision.

STAFF REPORT

Agenda Item No. 7.2

Meeting Date August 6, 1985

CONSIDERATION OF ORDINANCE NO. 85-190 AMENDING
CODE SECTION 2.05.045 FINAL ORDERS IN CONTESTED
CASES (Second Reading)

Date: July 16, 1985

Presented by: Jill Hinckley

FACTUAL BACKGROUND AND ANALYSIS

Section 2.05.045 of the Code of the Metropolitan Service District (Metro) sets out procedures for adoption of final orders in contested cases including petitions for amendment of the Urban Growth Boundary (UGB). Currently, this section allows the Council only to adopt an order proposed by the Hearings Officer or to remand the order to him or her for revisions. This requirement has proved burdensome in the past, when staff or a Councilor has sought specific changes in the proposed findings. The anticipated need for the Council to make a series of complex decisions on petitions for major amendment provides the impetus to amend this section to give the Council more flexibility. Several other minor changes to this section have also been proposed.

This ordinance will also affect the handling of petitions for the one locational adjustment currently in process. Notice of the hearing on Ordinance No. 85-189 was mailed to parties in this case.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 85-190.

JH/srs
3886C/411-3
07/26/85

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE AMENDING METRO CODE)	ORDINANCE NO. 85-190
SECTION 2.05.045, FINAL ORDERS)	
IN CONTESTED CASES)	

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Code Section 2.05.045 shall be amended to read:

2.05.045 Final Orders In Contested Cases, Notification, Review:

(a) Except as provided in subsection (c) of this section, the Council or Executive Officer's decision in a contested case shall be adopted by a final order. Final orders in contested cases shall be in writing and shall include the following:

(1) Rulings on admissibility of offered evidence.

(2) Findings of Fact -- those matters which are either agreed upon as fact or which, when disputed, are determined by the fact finder, on substantial evidence, to be fact over contentions to the contrary.

(3) Conclusion(s) of Law -- applications of the controlling law to the facts found and legal results arising therefrom.

(4) The action taken by the District as a result of the Findings of Fact and Conclusions of Law.

(b) Upon receipt of a proposed order and consideration of exceptions, the Council shall adopt the proposed order or revise or replace the findings or conclusions in a proposed order or remand the matter to the Hearings Officer [with instructions to change the order or its findings or conclusions and to provide an amended order]. No exceptions will be received or heard on [an amended order] a revised or replaced order except on new evidence presented to the hearings officer on remand.

(c) When the [Council's decision] proposed order in a contested case necessitates the adoption of an ordinance, [the Council shall direct that] staff shall prepare an ordinance [be prepared] for Council adoption. The ordinance shall incorporate the rulings, findings and conclusions required by subsection (a) or (b) of this section. An ordinance adopted pursuant to this subsection shall, upon adoption, be considered the final order subject to judicial review.

(d) Parties to contested cases and their attorneys of record shall be served a copy of the final order. Parties shall be notified of their right to judicial review of the order.

[(e) The final order shall include a citation of the statute(s) under which the order may be appealed.]

(e) (f) Final orders in cases other than on Urban Growth Boundary amendments [in contested cases before the Council] shall be approved by a majority of a quorum of the Council[; [except, however, that approval of a final order amending the regional Urban Growth Boundary shall require approval of at least six (6) members of the Council]."

(f) (g) An ordinance to approve a Petitions for amendment of the Urban Growth Boundary shall be pursuant to Code Section 2.01.070. A motion to deny such a petition shall require the approval of at least six members of the Council, and six votes shall be sufficient to approve a motion to deny notwithstanding a tie vote.

ADOPTED by the Council of the Metropolitan Service District
this _____ day of _____, 1985.

Ernie Bonner, Presiding Officer

ATTEST:

Clerk of the Council

JH/gl
3886C/411-3
07/25/85

STAFF REPORT

Agenda Item No. 8.1

Meeting Date August 6, 1985

CONSIDERATION OF A CONTRACT WITH THE HALLOCK
AGENCY FOR ZOO ADVERTISING AGENCY SERVICES

Date: July 25, 1985

Presented by: Jane Hartline

FACTUAL BACKGROUND AND ANALYSIS

The Zoo retains an advertising agency for various services, including copywriting, development of advertising campaigns and production of television public service announcements.

Requests for proposals were mailed to 13 agencies in the Portland area and an advertisement was placed in the Daily Journal of Commerce.

Four agencies submitted proposals. They were Coates Advertising, Gerber Advertising, The Hallock Agency and the Turner Group.

All four agencies made presentations to a five-person selection committee consisting of Gene Leo, Zoo Director; Jane Hartline, Zoo Marketing Manager; Corky Kirkpatrick, Metro Councilor; Jane Jarrett, Public Relations Director, Portland Center for the Performing Arts; and El Sheldon, Aviation Marketing Manager for the Port of Portland.

The selection committee rated the four firms on a set of predetermined criteria after the presentations.

The Hallock Agency rated highest and the selection committee unanimously agreed to recommend that firm as the Zoo's advertising agency for the next three years.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends the award of this contract to the Hallock Agency.

DEC/JH/amn
4010C/411-2
07/25/85

**REQUEST FOR PROPOSALS FOR ADVERTISING AGENCY SERVICES
FOR WASHINGTON PARK ZOO**

As part of Washington Park Zoo's operation, the Metropolitan Services District (Metro) has need for the services of a advertising agency for a three year period, from July 1, 1985 to June 30, 1988.

To assist in preparing your proposal, the following are attached:

- | | |
|---------------------|--|
| Attachment 1 | Consultant Selection Process |
| Attachment 2 | Scope of Work |
| Attachment 3 | Description of the Zoo's Marketing/Public Relations Division |
| Attachment 4 | Zoo's Public Relations Goals exerpted from the Zoo's Marketing Plan |
| Attachment 5 | Copy of Metro's standard Professional Services Contract |
| Attachment 6 | ORS Chapters 187 and 279 |

Two copies of the proposal should be delivered to A. McKay Rich at the Washington Park Zoo, 4001 SW Canyon Road, Portland, Oregon 97221, no later than 12 noon local time, May 15, 1985. Questions may be directed to Jane Hartline, the zoo Marketing Manager, (503)226-1561.

Attachment 1

CONSULTANT SELECTION PROCESS

1. Proposals should contain the following information:

- a. How your firm would perform the services requested.**
- b. Resumes of key personnel.**
- c. Amount of time each key person will be involved with the activities described in the above scope of work.**
- d. List of subconsultants which might be used including identification of Certified Disadvantaged Business Enterprises and Women-owned Business Enterprises.**
- e. Work history in terms of similar services.**
- f. Statement that the appropriate provisions of ORS Chapters 187 and 279 will be complied with. (Copies of the appropriate sections of these statutes are included as Attachment 8.)**
- g. History of successful work previously completed for Metro and/or ability to furnish recommendations of satisfied clients.**
- h. Monthly service fee, not to exceed \$600 per month. (Maximum production fees, in addition to the service fees, are outlined in the scope of work.)**

2. Proposals will be reviewed by a selection committee and oral presentations will be required of finalists in the selection process..

3. The Zoo Director, with the assistance of a selection committee, will recommend a firm to the Executive Officer of Metro for award of a contract.

4. Metro reserves the right to reject any and all proposals.

Attachment 2

SCOPE OF WORK

The contractor will assist the zoo Marketing Manager in the creation and development of public service campaigns, special events and promotions aimed at increasing community support and zoo attendance.

The contractor will meet with the zoo Marketing Manager for up to 4 hours per month to provide advice and consultation on matters relating to promotion of the zoo.

The contractor will conceive, write, produce and direct 2 sets of public service announcements per year with a maximum production budget of \$15,000 per year. (Sets may include PSA's of the same theme in varying lengths.)

The contractor will develop concepts and write copy for a maximum of 7 brochures, 2 sets of billboards, 2 sets of bus advertisements, and up to 5 other printed items per year, as needed.

The Marketing Manager must approve all materials written or produced by the contractor in concept development, draft, pre-production and final phases.

Attachment 3

Description of the Zoo's Marketing/Public Relations Division

The zoo's Marketing/Public Relations Division is a three-person office which is responsible for promotion of the zoo through advertising (usually on a public service basis), press relations and special events. The marketing manager reports to the zoo director. An advertising agency is retained to assist the marketing manager in the development of promotional campaigns to increase attendance and public support which usually include television public service announcements, billboards and busboards. The agency also provides miscellaneous copywriting services and advises the marketing manager on other promotional matters.

The Friends of the Washington Park Zoo is a separate, non-profit agency. However, the Marketing Manager consults with the Friends in membership acquisition and assists in the development of promotional materials and membership drives.

The Marketing/Public Relations Division has an annual budget of \$180,000 (including salaries).

The Division Manager has developed a Marketing Plan which outlines goals for the zoo's markets and strategies for achieving those goals. In addition to the above mentioned activities, the division coordinates a speakers bureau and sends out a travelling exhibit to shopping centers, fairs and other high-traffic public areas. The division is developing an aggressive program of marketing the zoo as a place for company picnics and arranged tours (through tour operators).

The division currently conducts quarterly gate surveys and generates a monthly attendance analysis. Other recent marketing research activities include a survey of current Friends of the Zoo membership in June 1984 to determine who they are and why they join and a phone survey conducted by SRI for the Friends of The Washington Park Zoo in October 1983. This survey was to determine how often people visit the zoo, how they rate it and how they would vote on a ballot measure concerning zoo funding.

Attachment 4

ZOO PUBLIC RELATIONS GOALS

- 1. Attract 750,000 people through the zoo gates during the 85-86 fiscal year.**
- 2. Maximize community support—financial, political and emotional**
- 3. Maintain an overall image of the zoo as a place that is very serious about animals, research, breeding, etc....but also a fun and enjoyable place to visit.**
- 4. Provide zoological education in a soft painless form in almost everything we do. Convey respect and appreciation for animals.**

Recap
Advertising Agency Criteria Ratings
Interview/Evaluation 6/85

<u>Criteria</u>	<u>Agencies</u>			
	Coates	Gerber	Hallock	Turner
Qualifications/experience' of persons who will be working on account	42	39	38	33
Creativity, appropriateness and effectiveness of work done for other clients.	102	99	106	77
Copywriting skills of person who will be copywriting for our account	62	62	67	42
Skills/creativity in PSA production (of subcontractors as well as contractors)	128	112	129	93
Working relationship with zoo staff	40	32	42	34
Budget	45	42	44	38
Totals	419	371	426	317



GRANT/CONTRACT SUMMARY

METRO METROPOLITAN SERVICE DISTRICT

GRANT/CONTRACT NO. 85-7-861-Z BUDGET CODE NO. 20 05 00 7500 00000
 FUND: Zoo DEPARTMENT: P. R. (IF MORE THAN ONE) _____
 SOURCE CODE (IF REVENUE) _____

INSTRUCTIONS

1. OBTAIN GRANT/CONTRACT NUMBER FROM CONTRACTS MANAGER. CONTRACT NUMBER SHOULD APPEAR ON THE SUMMARY FORM AND ALL COPIES OF THE CONTRACT.
2. COMPLETE SUMMARY FORM.
3. IF CONTRACT IS —
 - A. SOLE SOURCE, ATTACH MEMO DETAILING JUSTIFICATION.
 - B. UNDER \$2,500, ATTACH MEMO DETAILING NEED FOR CONTRACT AND CONTRACTOR'S CAPABILITIES, BIDS, ETC.
 - C. OVER \$2,500, ATTACH QUOTES, EVAL. FORM, NOTIFICATION OF REJECTION, ETC.
 - D. OVER \$50,000, ATTACH AGENDA MANAGEMENT SUMMARY FROM COUNCIL PACKET, BIDS, RFP, ETC.
4. PROVIDE PACKET TO CONTRACTS MANAGER FOR PROCESSING

1. PURPOSE OF GRANT/CONTRACT Provide public relations services
for the Zoo

2. TYPE OF EXPENSE ☒ PERSONAL SERVICES ☐ LABOR AND MATERIALS ☐ PROCUREMENT
☐ PASS THROUGH AGREEMENT ☐ INTER-GOVERNMENTAL AGREEMENT ☐ CONSTRUCTION
☐ OTHER

OR

TYPE OF REVENUE ☐ GRANT ☐ CONTRACT ☐ OTHER

3. TYPE OF ACTION ☐ CHANGE IN COST ☐ CHANGE IN WORK SCOPE
☐ CHANGE IN TIMING ☒ NEW CONTRACT

4. PARTIES The Hallock Agency

5. EFFECTIVE DATE August 8, 1985 TERMINATION DATE July 31, 1988
 (THIS IS A CHANGE FROM _____)

6. EXTENT OF TOTAL COMMITMENT: ORIGINAL/NEW \$ 85,800
 PREV. AMEND _____
 THIS AMEND _____
 TOTAL \$ 85,800

7. BUDGET INFORMATION

A. AMOUNT OF GRANT/CONTRACT TO BE SPENT IN FISCAL YEAR 1985-86 \$ 28,600
 B. BUDGET LINE ITEM NAME Cont. Svcs. AMOUNT APPROPRIATED FOR CONTRACT \$ 28,600
 C. ESTIMATED TOTAL LINE ITEM APPROPRIATION REMAINING AS OF July 12, 1985 \$ 62,800

8. SUMMARY OF BIDS OR QUOTES (PLEASE INDICATE IF A MINORITY BUSINESS ENTERPRISE)

SUBMITTED BY _____ \$ _____ ☐ MBE
 SUBMITTED BY _____ \$ _____ ☐ MBE
 SUBMITTED BY _____ \$ _____ ☐ MBE

9. NUMBER AND LOCATION OF ORIGINALS

10. A. APPROVED BY STATE/FEDERAL AGENCIES? ☐ YES ☐ NO ☐ NOT APPLICABLE
B. IS THIS A DOT/UMTA/FHWA ASSISTED CONTRACT? ☐ YES ☐ NO
11. IS CONTRACT OR SUBCONTRACT WITH A MINORITY BUSINESS? ☐ YES ☐ NO
IF YES, WHICH JURISDICTION HAS AWARDED CERTIFICATION _____

12. WILL INSURANCE CERTIFICATE BE REQUIRED? ☐ YES ☐ NO

13. WERE BID AND PERFORMANCE BONDS SUBMITTED? ☐ YES ☐ NOT APPLICABLE

TYPE OF BOND _____ AMOUNT \$ _____

TYPE OF BOND _____ AMOUNT \$ _____

14. LIST OF KNOWN SUBCONTRACTORS (IF APPLICABLE)

NAME _____ SERVICE _____ ☐ MBE

NAME _____ SERVICE _____ ☐ MBE

NAME _____ SERVICE _____ ☐ MBE

NAME _____ SERVICE _____ ☐ MBE

15. IF THE CONTRACT IS OVER \$10,000

A. IS THE CONTRACTOR DOMICILED IN OR REGISTERED TO DO BUSINESS IN THE STATE OF OREGON?
☐ YES ☐ NO

B. IF NO, HAS AN APPLICATION FOR FINAL PAYMENT RELEASE BEEN FORWARDED TO THE CONTRACTOR?

☐ YES DATE _____ INITIAL _____

16. COMMENTS:

GRANT/CONTRACT APPROVAL

INTERNAL REVIEW

DEPARTMENT HEAD

FISCAL REVIEW

BUDGET REVIEW

CONTRACT REVIEW BOARD

(IF REQUIRED) DATE _____

1. _____
COUNCILOR

2. _____
COUNCILOR

3. _____
COUNCILOR

COUNCIL REVIEW

(IF REQUIRED)

DATE _____

LEGAL COUNSEL REVIEW AS NEEDED:

A. DEVIATION TO CONTRACT FORM _____

B. CONTRACTS OVER \$10,000 _____

C. CONTRACTS BETWEEN GOVERNMENT AGENCIES _____

Metro Contract No. 85-7-861-Z

Metro Budget Code No. 20-05-00-7500-00000

CONTRACT FOR PERSONAL PROFESSIONAL SERVICES
BETWEEN
METROPOLITAN SERVICE DISTRICT
AND

The Hallock Agency

THIS AGREEMENT, effective as of the 8th day of August, 19 85,
is by and between the METROPOLITAN SERVICE DISTRICT, hereinafter called "METRO",
whose principal offices are located at 527 S.W. Hall Street, Portland, Oregon,
97201; and The Hallock Agency,
hereinafter called "CONTRACTOR", whose address is 2445 N.W. Irving St.,
Portland, Oregon 97210.

W I T N E S S E T H :

WHEREAS, METRO is in need of certain professional services to accomplish
tasks related to advertising, promotions and public relations
for the Washington Park Zoo; and

WHEREAS, METRO has sufficient funds budgeted to acquire such services from
a qualified independent contractor; and

WHEREAS, CONTRACTOR is qualified and desires to perform such professional
services for METRO.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

1. Status of CONTRACTOR. CONTRACTOR affirms that he is an independent
contractor offering his professional services to the public, and that as such,
he is customarily engaged in an independently established business providing
services such as those contracted for herein. CONTRACTOR shall, for the duration
of this Contract, maintain the status of an independent contractor and not an
employee of METRO.

2. Services to be Provided by CONTRACTOR. In consideration for the
compensation provided for herein, CONTRACTOR agrees to perform to the best of
his ability professional services as set forth in Attachment A, attached hereto
and incorporated herein as a part of this Contract. As an independent contractor,
CONTRACTOR is free to perform such services at any place and at such hours as
he chooses, and to engage in other activities or enter into other contracts so
long as the functions and time limitations specified in and pursuant to this

Contract are fulfilled. Any time limitations for performance by CONTRACTOR set forth in or pursuant to Attachment A are of the essence of this Contract.

3. Authority of CONTRACTOR. It is expressly understood and stipulated that CONTRACTOR is not an agent of METRO and has no authority to act on behalf of or in the name of METRO in dealings with third parties, except as may be provided in Attachment A. METRO shall not be liable for the acts of CONTRACTOR or his servants or agents in the performance of work under this Contract.

4. CONTRACTOR to Provide Personal Services. METRO is relying on the personal and professional qualifications of CONTRACTOR in assenting hereto, and CONTRACTOR shall not assign this Contract in whole or in part without the written consent of METRO.

5. Compensation of CONTRACTOR. As consideration for the professional and personal services to be provided by CONTRACTOR, METRO shall pay CONTRACTOR such sums and at such times as provided in Attachment B, attached hereto and incorporated herein as a part of this Contract. METRO will further provide CONTRACTOR with such support services and supplies as set forth in Attachment B (if any).

6. Term. Except in the case of earlier termination, or written extension as hereinafter specifically provided, this Contract shall expire on July 31 , 19 88 .

7. Liability of CONTRACTOR. If for any reason any court should hold METRO liable for the acts or omissions of CONTRACTOR or his servants or agents, CONTRACTOR agrees to indemnify METRO and hold METRO harmless to the full extent of all damages, interest, costs and attorney's fees mandated by the court and attributable in whole or in part to the acts or omissions of CONTRACTOR, his servants or agents.

8. Modifications, Extension, and Termination. This Contract may be amended or extended at any time upon mutual written consent of METRO and CONTRACTOR, and may be terminated by METRO for any reason upon written notice to CONTRACTOR.

9. Effect of Partial Breach. In the event that either party to this Contract fails to perform any of the conditions herein according to their terms, such partial breach of the Contract shall be performed, and the other party may thereupon terminate this Contract. This remedy is in addition to and not

in substitution of any other remedies set forth herein or provided for by law.

10. Effect of Waiver. The waiver by either party of a breach of any provision of this Contract shall not operate or be construed as a waiver of any subsequent breach thereof.

11. Duties of Parties at Termination. Within five (5) days after the termination of this Contract, whether because of the expiration of the term of this Contract or otherwise, CONTRACTOR shall turn over to METRO all property of METRO in CONTRACTOR'S possession, including but not limited to all work products of CONTRACTOR, whether completed or not, produced in furtherance of this Contract. Upon delivery of such property, METRO shall remit to CONTRACTOR all sums due under this Contract to the date of termination.

12. Liquidated Damages. CONTRACTOR recognizes the difficulties of estimating METRO'S damages in the event of a breach of this Contract by CONTRACTOR, but recognizes nonetheless that such damages would be substantial. Therefore, in the event of a breach of this Contract by CONTRACTOR, CONTRACTOR hereby authorizes METRO to deduct from the monies which may be due or become due to CONTRACTOR such sums as in the reasonable judgment of METRO may compensate METRO for: a) the cost of recruitment, orientation and compensation for thirty (30) days of another contractor or employee whose services are necessitated by CONTRACTOR'S breach of this Contract; and b) the cost of delay, disruption, penalties, attorney's fees and loss of property incurred by METRO as a result of a breach by CONTRACTOR. CONTRACTOR agrees that such sums shall in no event be less than the average compensation paid to CONTRACTOR over the fulfilled term of this Contract for one (1) month's services.

13. Laws Governing. This Contract shall be construed and governed in all respects in accordance with the laws of the State of Oregon.

This Contract contains the entire agreement between the parties and supersedes any and all other agreements, written or oral, expressed or implied, pertaining to the subject matter hereof. It may not be changed orally, but only by written instrument signed by METRO and CONTRACTOR.

IN WITNESS WHEREOF, the parties hereto have executed this Contract on this 8th day of August, 1985.

CONTRACTOR

METROPOLITAN SERVICE DISTRICT

The Hallock Agency

By: _____

By: _____

ATTACHMENT A
SCOPE OF WORK

1. The Contractor will assist the Zoo Marketing Manager in the creation and development of public service campaigns, special events and promotions aimed at increasing community support and Zoo attendance.
2. The Contractor will meet with the Zoo Marketing Manager for up to 4 hours per month to provide advice and consultation on matters relating to promotion of the Zoo.
3. The Contractor will conceive, write, produce and direct 2 sets of public service announcements per year with a maximum production budget of \$15,000 per year. (Sets may include PSA's of the same theme in varying lengths.)
4. The Contractor will develop concepts and write copy for a maximum of 7 brochures, 2 sets of billboards, 2 sets of bus advertisements and up to 5 other printed items per year, as needed.
5. The Marketing Manager must approve all materials written or produced by the Contractor in concept development, draft, pre-production and final phases.

ATTACHMENT B
TERMS OF PAYMENT

1. The maximum sum payable under this contract is \$85,800.
2. Contractor shall invoice Metro \$550 plus a maximum of \$50 for expenses each month. Contractor shall also invoice Metro for production expenses incurred in carrying out the work outlined in Attachment A, Scope of Work.
3. All invoices must be approved in writing by Jane Hartline, Zoo Marketing Manager and/or A. M. Rich, Assistant Zoo Director, prior to payment by Metro.
4. Metro shall pay Contractor for approved invoices within thirty days after receipt of same from Contractor.

CONSIDERATION OF A CONTRACT WITH BROWNING-FERRIS
INDUSTRIES OF OREGON, INC., FOR OPERATION OF THE
ST. JOHNS LANDFILL

Date: July 25, 1985

Presented by: Chuck Geyer

FACTUAL BACKGROUND AND ANALYSIS

On May 9, 1985, the Council of the Metropolitan Service District (Metro) adopted Resolution No. 85-564 authorizing the use of a mandatory prequalification process for the bidding of the St. Johns Sanitary Landfill Operations Contract. Following the adoption of this resolution staff initiated the prequalification process and prepared Contract Documents for the bidding and operation of the St. Johns Landfill.

A total of 16 firms received prequalification applications. Firms requested applications in response to advertisements and as a result of direct solicitations by staff. On May 23 staff conducted a prequalification meeting to discuss the details of operations and to conduct a tour of the St. Johns Landfill. The meeting was attended by 19 persons.

By May 29 (the deadline for receiving prequalification applications) the Prequalification Review Committee had received nine applications. The Committee evaluated and approved all nine applications. Firms were notified on June 7 of approval to proceed further in the bidding process.

On June 20 firms were mailed Contract Documents. On June 28 a mandatory prebid meeting was held to discuss the Contract Documents. Six of the nine prequalified firms attended the meeting.

As a result of issues raised at the prebid meeting, and from questions subsequent to the meeting, staff issued two sets of addenda amending the Contract Documents. Staff also issued responses to questions raised at the prebid meeting which were not addressed by addenda. On July 12 at 4:00 p.m. staff received and formally opened proposals for the St. Johns Operating Contract. Four proposals were received. The firms submitting proposals were Kedon Services LTD, Genstar Waste Transfer Inc., Oakland Scavenger Co., and Browning-Ferris Industries of Oregon, Inc. Kedon Services LTD's proposal was declared nonresponsive due to the lack of a bid bond. The three remaining firms' bids were as follows:

Browning-Ferris Industries of Oregon, Inc.	\$13,236,395.00
Oakland Scavenger Company	\$15,967,193.00
Genstar Waste Transfer	\$18,999,545.00

Based on the above submittals, Browning-Ferris Industries of Oregon Inc. was declared the apparent low bidder.

Following detailed review of the proposal, staff has determined that the proposal is a "responsive, responsible" proposal, conforming to the specifications contained in the Contract Documents.

The percentage of the total contract amount which the firm intends to subcontract to Women-Owned Business Enterprises is 4.8 percent. This exceeds the 2.75 percent specified in the Contract Documents. Since no amount of the Contract was subcontracted to Disadvantaged Business Enterprises, the firm was required to submit evidence of good faith efforts to recruit such firms. Such documentation has been received and approved by staff (see attached memo).

Browning-Ferris Industries has also submitted a list of subcontractors which will do over \$100,000 worth of work in any given year. This conforms with the Contract Documents and has been approved by staff.

Browning-Ferris Industries (BFI) is the nation's second largest solid waste firm with annual revenues for 1984 of \$1,000,814,000. The firm is involved in solid waste collection, recycling, transfer and landfilling operations; as well as hazardous waste collection, treatment and disposal. BFI currently operates 65 landfills and has operated more than 120 landfills over the past 10 years comprising over 18,000 acres.

Based on the low bid and conformance with the Contract Documents, staff recommends award of the St. Johns Operations Contract to Browning-Ferris Industries of Oregon, Inc. and that the Contract be signed by the Metro designee pending receipt of an acceptable Performance and Payment Bond.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends awarding the contract for operation of the St. Johns Landfill to Browning-Ferris Industries of Oregon, Inc. for the amount bid.

CG/gl
3978C/411-3
07/26/85




Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201-5287 503 221-1646
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: July 23, 1985

To: Don Carlson, Deputy Executive Officer

From:  Ed Stuhr, Grants/Contracts Specialist

Regarding: Browning-Ferris Industries Contract Disadvantaged/Women
Owned Business Participation

BFI submitted evidence with its bid that it has successfully reached subcontracting agreements with D/WBE's. Since BFI was unable to meet the DBE goal by the bid opening date, the firm was required to demonstrate that it had made "good faith efforts" to do so (Metro Code Section 2.04.220).

Specifically, the firm has presented written evidence that:

1. It advertised locally, including two minority-owned newspapers, more than 10 days before bids were due.
2. In addition to the advertisements, the firm contacted three DBE/WBE firms and solicited their interest in the contract. (All three which were contacted in this manner did finally become subcontractors).
3. The names, addresses, phone numbers and a description of the information provided to DBE/WBE firms was submitted.
4. Reasons for non-utilization of firms not selected were submitted.

In addition to meeting the "good faith effort" requirements, BFI is continuing negotiations with more potential DBE/WBE subcontractors, and hopes to supplement its goal compliance by the contract award date.

ES:ktr

How Five Public Companies Fared in Fiscal Year 1984

WASTE AGE's annual financial report on the nation's publicly owned waste service companies highlights numbers and events of note from annual reports of the five companies.

By JOE SALIMANDO

You cannot discuss the history of an industry solely through numbers. But clearly, with or without the data from annual reports of the five publicly held companies involved in the waste service business, 1984 was a remarkable year.

It was a year in which Waste Management, Inc., the nation's largest waste service company, acquired 60% of the third-ranking concern, including a key Chicago hazardous waste incinerator. Not coincidentally, the Oak Brook, Ill.-based company for the first time topped \$1 billion in solid waste revenues alone.

It also was a year that saw Browning-Ferris Industries, the industry's second largest company, top \$1 billion in gross revenue. BFI also committed itself to the construction of an "all comers" 1,500 TPD waste-to-energy plant (with joint venture partner Air Products and Chemicals, Inc.) in Houston—noticeable because it reportedly will be built without flow control guarantees or municipal contracts.

Perhaps most notably, 1984 was a year in which the industry's third-largest company changed—from the now-defunct SCA Services of Boston to newcomer GSX Corp. Genstar Corp., parent of GSX, purchased 40% of SCA in September. If one includes its financial services affiliate (not consolidated in the figures in its annual report), the Canadian conglomerate is the largest company in the waste industry, with 1984 revenue from all sources of more than \$3 billion.

For Laidlaw Industries, fourth largest, the SCA acquisition was yet one more positive in a good year. The company netted \$4.4 million (after taxes) on an investment in SCA stock made when it traded in the \$11 to \$13 range; the final acquisition price was \$28 per share! In operations, Laidlaw added 10 commercial services businesses last year and had a net increase of 14 municipal collection contracts.

Western Waste Industries marked its fiscal 1984 (ended June 30) as a year of consolidation. Despite that, the Carson, Calif.-based concern still invested a great deal of money in the waste business: \$21.1 million on equipment and company acquisitions. For the year, Western's revenues were almost 2.5 times larger than they were in 1980—and income from operations was more than six times as large.

About this report

WASTE AGE is not a financial publication; why, then, does this report appear annually?

(1) These leading companies are beacons for the rest. They indicate the directions in which the industry is heading.

(2) Financial performance data can help other waste service companies obtain an index of how they are doing relative to the industry's leaders—and to judge what kind of a year last year was for leading competitors.

TABLE ONE
Financial Performance Review

	'84 Tot. Rev.	'84 Net Inc.	Return on Assets	Return on Equity	LT Debt as % of Equity	INCREASES OVER 1983			LT DEBT
	Tot. Rev.	Net Inc.				Tot. Rev.	Net Inc.	Tot. Assets	
Browning-Ferris	1,001	89.2	11.4%	22.5%	23.0%	18.6%	11.9%	11.1%	-5.2%
Genstar Corp.*	1,922	131.8	10.8%	13.1%	36.0%	5.2%	27.9%	15.5%	-0-
Laidlaw Ind.	129	14.5	12.9%	19.1%	42.0%	35.4%	38.6%	16.2%	36 %
Waste Mgmt.	1,315	142.5	10.7%	18.6%	55.2%	26.5%	18.3%	46.9%	191.2%
Western Wastes	55	2.5	5.6%	8.4%	91.9%	45 %	-15 %	61.8%	279.8%

*in Canadian dollars

Columns, from left: Total revenue in millions for FY 1984; net income in millions for FY '84; return on assets and return on equity figures arrived at by dividing '84 net income by x year-end '83 total assets and stockholders' equity; long-term debt as a percentage of stockholders' equity; increases over 1983 columns give percentages for total revenue, net income, total assets and long-term (LT) debt.

(3) None of what follows is proprietary or represents "inside information." All of it was obtained from printed annual reports of the five companies.

Note that comparisons of the data for the companies presented here will be difficult for several reasons. For one thing, only Waste Management and Genstar are on a Dec. 31 fiscal year. For BFI, the year ended Sept. 30, 1984; for Laidlaw Aug. 31 and for Western June 30.

Another complicating factor in the results for Waste Management and Genstar is that the acquisition of the operations of SCA Services occurred in September. Those acquired operations were incorporated into the operating figures and results for those two companies only for the last four months of the year.

In addition, Genstar does not break out, in its annual report, the results of GSX Corp. alone. Results for GSX are included in a group that includes marine services, etc.

Table One

Table One gives the "basics" of FY '84 financial performance by the companies—revenues and net income, return on assets and return on equity, etc.

Net income for 1984 is shown as a percentage of (or return on) two figures: the total assets and common (or stockholder's) equity, as listed by the companies for the previous year.

NOTE: in some cases this figure will differ from company statements about return-on-assets or return-on-equity; where WASTE AGE uses previous year-end figures to figure these results, accounting firms have been known to use "average equity" figures for a year to compute the same numbers.

Return-on-assets and return-on-equity figures compare how each company fared in 1984 (1) relative to its asset base and (2) in the eyes of its owners, the shareholders.

Long-term debt is also shown as a percentage of equity. Investment managers pay attention to this figure; it is an index of the company's ability to use borrowed funds to grow. Note that only one of the four firms returning from last year (BFI) has a lower figure in this column this year than it did in the 1984 report (June,

1984, issue of WASTE AGE).

The four right-hand columns in Table One show increases and declines in total revenues, net income, total assets and long-term debt compared with year-earlier figures.

For analysis, these columns should be read in pairs: compare the percentage increase in income with the gain in revenue; pair the swing in assets with the change in the amount of debt.

Table Two

Table Two presents acquisitions of companies and purchase of property and equipment in fiscal year 1984 in a framework where they can be compared with other yardsticks.

The third column of data shows each company's total assets at the end of FY '83. The adjacent column compares spending on equipment and acquisitions (the first two columns added together) with previous year assets (column three), as a percentage.

In addition, WASTE AGE includes in column five (the fifth reading from the left) the percentage of '83 spending on acquisitions and equipment compared with '82 total assets.

The last column gives the percentage of property, plant and equipment depreciated in 1984 as a percentage of each company's possessions.

Table Three

The third table delves into each company's debt and its relationship with past performance.

Long-term debt as of the end of the most recent fiscal year is given in column one. The net increase or decrease in this figure—in dollars—from the 1982 year-end report is given in the adjacent column; this gain or loss is expressed in a percentage in the third column.

The fourth column sums up the total net income of each of the companies for the three most recent fiscal years.

In the extreme right-hand column, the relationship between net income and the net increase in debt is expressed as a ratio. If the figure is 1.0, it means that a

TABLE TWO
Fiscal Year 1984 Purchases and Acquisitions

	MONEY SPENT ON		1983 Tot. Assets	'84 Spending as % of '83 assets	'83 Spending as % of '82 assets	1984 PP&E depreciation
	Acquisitions	Property & Equip.				
Browning-Ferris	N.A.	N.A.	\$ 783.0	N.A.	22.3%	40 %
Genstar Corp.*	— \$180.6 —		2,348.8	7.7%	1.5%	44.8%
Laidlaw Ind.	\$ 16.7	\$ 20.5	\$ 112.6	22.0%	67.0%	27.7%
Waste Mgmt.	\$119.2	\$266.4	1,338.0	28.8%	27.5%	27.5%
Western Wastes	\$ 16.0	\$ 16.2	45.0	71.5%	51.2%	28.9%

*in Canadian dollars. Figures for corporate-wide spending and assets; division and GSX Corp. figures not supplied.

Columns, from left: figures for acquisitions of other concerns, and for new property and equipment investments for fiscal year 1984; total assets reported in 1983 annual reports; spending for acquisitions and property and equipment (columns one and two) divided by year-earlier assets (column three); '83 spending as a percentage of year-end (FY '82) assets, from 1984 WASTE AGE report; and accumulated depreciation of Plant, Property and Equipment (PPE) as a percentage of total PPE value reported in FY '84 annual reports.

company generated as many dollars in net income over the period as it added in debt.

If the figure is above 1.0, it generated more dollars in the three-year period than it added to its debt; if the figure is below 1.0, it added more debt than it generated income.

Company data

A short section on each company is also presented. These include some of the vital data on each concern from its annual report, such as operating statistics, additional financial data and significant comments from management.

BROWNING-FERRIS INDUSTRIES

"While Browning-Ferris reached a key revenue goal this year, and maintained return on common stockholder's equity at the desired level, the results for the year were not entirely satisfactory.

"The combination of insufficient margins, as a result of an inability to keep prices abreast of rising costs, and the settlement cost of two litigation matters in the course of the year caused a lag in recovery from earlier economic effects of the recession . . .

"Prices for the core business of solid waste collection have firmed during the year, and although they have not been adjusted quickly enough to prevent an impact on margins, there has been steady progress.

"Profitability ratios are expected to return to acceptable levels in fiscal 1985, a move that showed up in the closing months of fiscal 1984 as pre-tax income increased from year-ago levels."

**from report to stockholders signed
by Harry J. Phillips, Sr., chairman
and John E. Drury, president**

Revenues by sector:

Solid waste collection—commercial/industrial	60%
Solid waste collection—residential	17%
Solid waste processing and disposal	11%
Chemical waste collection and disposal	9%
Other	3%

1984 BFI Facts:

(1) Commercial accounts now number 361,000—up 15% over previous year. Company employs a com-

mercial-industrial sales staff of 360 in its nine domestic regions, plus 70 sales managers and supervisors. Representatives reportedly averaged 13 new sales each month last year.

(2) \$170 million in residential volume in 1984 (on 340 municipal contracts) represents a four-fold-plus gain over the \$41 million in 1973. Total residential customers served: 2,472,000.

(3) Acquired Trans-World Hospital Consultants, a firm specializing in integrated systems approach to health care center waste disposal.

(4) Acquired two independent street sweeping companies in May, 1984.

(5) Operating locations: 195 in North America and abroad.

(6) During 1984, CECOS—BFI's chemical waste subsidiary—was awarded more than \$16 million in cleanup contracts for federal Superfund sites.

(7) Won three-year Knoxville, Tenn., residential collection contract replacing city-run operation. Value: approximately \$5.1 million.

(8) Won a \$33.5, three-year transfer operation contract from Hempstead, N.Y., to send refuse from that Long Island town to an upstate New York landfill that is nearly 100 miles away.

TABLE THREE
Relationship of Debt & Income

	LT Debt 1984	Change in Debt, '82-'84	Change in Debt as a %	Total Net Inc. '82-'84	Ratio, Net. Inc. to Debt Added, 1982-1984
Browning-Ferris	\$107.2	-\$ 14.5	- 11.9%	\$235.8	n.m.
Genstar Corp.*	\$736.3	-\$ 37.3	- 4.9%	\$150.5	n.m.
Laidlaw Ind.	\$ 31.9	+ \$16.8	+111.3%	\$ 31.1	1.85
Waste Mgmt.	\$489.1	+\$322.7	+194.0%	\$369.4	1.14
Western Wastes	\$ 29.7	+ 11.7	+ 65.4%	\$ 7.9	0.67

*in Canadian dollars

Columns, from left: long-term debt as of end of fiscal year 1984; dollar change in debt from the end of fiscal year 1982; changes from '82 to '84 expressed as a percentage; total net income for the years 1982, 1983 and 1984; and the ratio of net income generated in those years to the amount of long-term debt added over the period.

"The increased public and governmental concern over proper handling of hazardous wastes has led industry observers to forecast this market will grow by 25% per year and exceed \$3 billion by 1990.

"In addition, the solid waste market in the United States, which is served by thousands of small operators plus a handful of very large companies, is already estimated at more than \$13 billion per year.

"Genstar believes GSX is well positioned to take advantage of new hazardous waste growth opportunities and to increase its share of existing solid waste markets.

"Prior to the SCA acquisition, Genstar had been offering specialized waste services on a smaller scale for a number of years . . . In 1985, expansion efforts will continue to focus on resource and energy recovery projects, with more methane recovery plants planned and new paper and refuse recycled centers expected to be opened."

**from page 13, Genstar Corp.
annual report, section
on Industrial Services**

1984 Genstar/GSX Facts:

(all Canadian dollars)

(1) SCA acquisition: "The financial statements include the results of operations of the SCA businesses initially distributed to GSX from Sept. 21, 1984. Details of the acquisition, which has been accounted for on the purchase basis of accounting, are as follows:

Net tangible assets acquired at the book value of SCA	\$117,310,000
---	---------------

Allocation of purchase price premium:

Net tangible assets, primarily land and landfill sites	26,830,000
Identifiable intangible assets	44,620,000
Residual intangible assets arising from the acquisition	75,240,000

Total consideration	\$264,000,000"
<i>(from Note 1 to financial statements)</i>	

(2) Solid waste division serves customers in more than 60 communities in 17 states.

(3) Equipment: 75,000 steel containers, 1,000 collection vehicles and 1,000 stationary compactors.

(4) Industrial Services Division (includes GSX) saw revenues rise from \$160.4 million in 1983 to \$237 million; net income increased from \$10.7 million to \$25.8 million.

(5) Book value of company's stock has increased from \$20.89 at end of FY '82 to \$27.00. Stock price low in '82 was \$8.88; low in FY '82 was \$19.38.

(6) Loan portfolio and other intermediate assets of Genstar's financial services arm amounted to about \$7.4 billion in December.

(7) Included with GSX in the Industrial Services Division is Marine Services. Excluding the GSX purchase, the division's return on net assets was 17.2% in '84.

(8) According to the annual report, "identifiable assets" in the Industrial Services Division jumped from \$135.1 million in 1983 to \$400.7 million in 1984.

LAIDLAW INDUSTRIES

"In 1984, in certain of the company's markets, revenue growth was hindered by unusually aggressive competitive pricing.

"Revenue growth in 1983 and 1982 was constrained in some of the company's commercial and industrial market areas due to recessionary forces and this continued through the first half of 1984.

"In many areas, strong resistance to price increases was experienced throughout 1984, 1983 and 1982."

**from management's discussion
and analysis of results**

Revenues by sector:

Commercial/industrial solid waste collection	61%
Residential solid waste collection	31%
Solid waste transfer and disposal	8%

1984 Laidlaw Facts:

(1) U.S. operations provided \$61,982,000 in 1984 revenue. U.S. revenue has grown by 31.6%, 47.3% and 53.0% in 1984, 1983 and 1982, respectively.

(2) Canadian operations provided \$67,942,000 in 1984 revenue, up 39.1%. Canadian revenue grew by 37.7% in 1983 and 6.4% in 1982. These growth rates include the effects of Canadian currency fluctuations—down 5.0% in '84, up 0.3% in '83 and down 2.4% in '82.

(3) Businesses with annualized revenues of about \$8 million were acquired in the U.S. last year. In Canada, approximately \$12 million in revenue was represented by new business, "primarily establishing the company's market presence in the Province of Quebec."

(4) As a result of the purchase of 10 commercial operations, Laidlaw increased its number of industrial/commercial customers served from 51,000 at the end of fiscal '83 to 62,000.

(5) Residential customers served increased 75,000, to 1,050,000. The number of municipal collection contracts rose to 108 (from 94).

(6) Laidlaw has acquired 29 waste hauling businesses

and five landfills in the past three fiscal years. These have added \$66 million to the company's revenue base—more than 50% of FY '84 revenues.

(7) According to a note in the annual report, "costs of disposal in non-company landfills, particularly in Canada, increased at a higher pace than that obtainable

from revenue gains from price increases from customers."

(8) In October, Laidlaw purchased a sanitary landfill in Plainville, Mass., for \$3,256,000. The 200-acre site has a capacity of about 15.5 million cubic yards with an "additional potential capacity" of 6.5 million yards.

WASTE MANAGEMENT, INC.

"While actual selling and administrative expenses increased during 1984, there was substantial improvement in the relationship to company revenue.

"In 1984, selling and administrative expenses were 14.8% of revenue compared with 16.4% and 16.2% in 1982 and 1983, respectively.

"This improvement is due to economies of scale realized from a larger base over which to spread fixed costs. The addition of the revenue from SCA without significant overhead also helped reduce this percentage."

from management's discussion and analysis of results

Revenue by sector:

Solid waste	79.1%
Chemical waste	15.2%
Nuclear waste	5.7%

1984 Waste Management Facts:

(1) Households served: 4.68 million in 1984, versus 3.06 million in 1983. The number of commercial/industrial customers increased to 326,200 from 232,500 in the year.

(2) Revenue from solid waste operations was \$1,039 million last year, versus \$814 million in 1982.

(3) At year-end, 41 companies were members of the Partners program—double the size of the program only one year earlier (1983 was the program's first year of

existence). These companies served 51 markets in 24 states. The company says one aid it gives Partners is "a proven system for developing municipal bid proposals, including bid survey and costing procedures."

(4) Waste Management "believes it maintains the largest private groundwater quality monitoring system in the United States." Groundwater samples are collected quarterly from each of 3,000 monitoring points.

(5) Disposal capacity increased thanks to the SCA acquisition—by 21 sanitary landfills in 12 states, with a proposed site in the Atlanta area not included. In addition, Waste Management took over SCA collection operations in 43 communities.

(6) A newly acquired Montreal company provides residential collection services to 300,000 residences (about half of that city's total). In addition, it serves most of the city's suburbs.

(7) Capital additions for 1984 were \$385.6 million, of which \$119.2 million was assets from business acquired in purchase transactions (including SCA). A capital budget of \$410 million—including \$270 million for replacements and additions to existing business units—has been approved for 1985.

(8) In the past three fiscal years, the company has spent \$242 million on land (primarily disposal sites); more than \$201 million on vehicles; another \$100 million on containers and more than \$215 million on other equipment. Grand total of capital expenditures over the three-year period: \$832 million.

WESTERN WASTE INDUSTRIES

"... for the near term management has adopted a consolidation posture, on the premise that acquisitions and expansion are desirable only when properly integrated into existing operations, and required efficiencies are applied to maximize profits ...

"The company continues to place strong emphasis on controlling costs and enhancing profitability. The impact of costs and expenses due to acquisitions caused a substantial increase in total company expenses in fiscal 1984.

"Now the principal management emphasis is on continuing control and improvement in these and all other areas of operations.

"... Fiscal 1984 was a year of transition, and 1985

will be a year of improvement in all measurements of financial soundness and viability."

from letter to shareholders
by Kosti Shirvanian, chairman

Revenue by sector:

Commercial/industrial waste hauling	66%
Residential waste hauling	25%
Transfer stations	4%
Landfills	3%
Tire sales, recapping and other	2%

1984 Western Waste Facts:

(1) In fiscal year 1984, the company purchased 21 waste hauling concerns and won two municipal franchises. These operations together are estimated to add \$16 million to annual revenues—or nearly 30% of 1984 total revenues.

(2) Total residences served: 228,000, in five states. Total commercial/industrial customers: 33,000.

“The company continues to place strong emphasis on controlling costs and profitability”

Kosti Shirvanian

(3) The company owns and operates Stagg Equipment, a division. The division manufactures portable and stationary compactors and 20-yard to 60-yard roll-off boxes, all for the company's use alone. Western says an expansion of Stagg's capabilities to include manufacture of custom-designed OctoBox truck bodies “is under consideration.”

(4) The company also has a Western Bandag opera-

tion, which recaps and sells truck tires. Primarily involved in servicing the company's needs, this division also is a retail truck tire distributor.

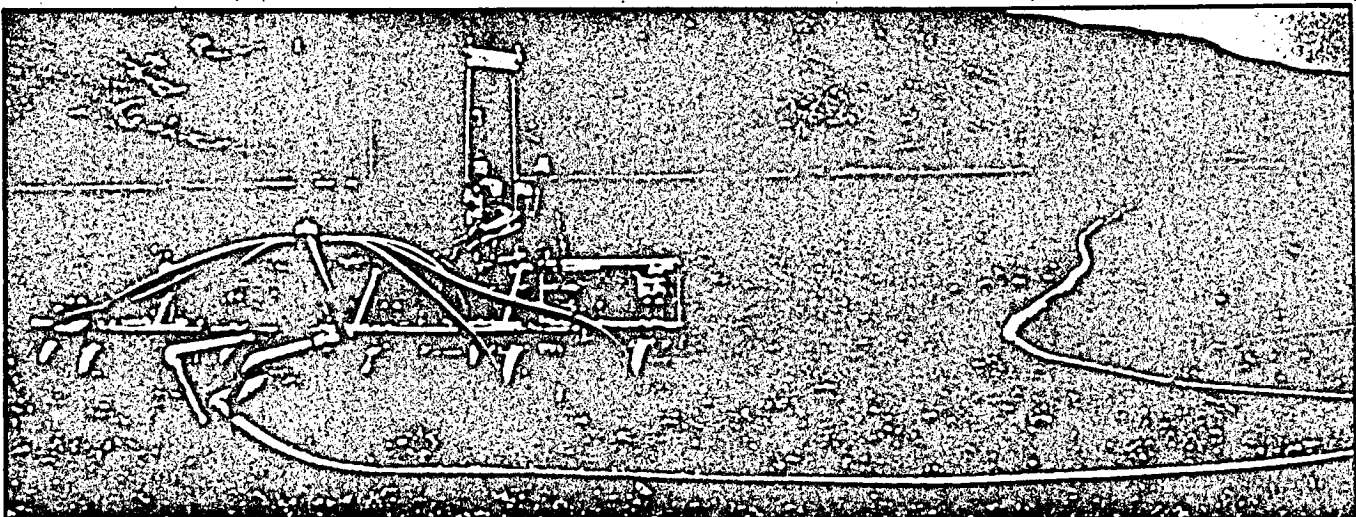
(5) Extraordinary costs to install barrier walls and repair damages to its Houston landfill set the company back \$1.9 million in FY '84 (yielding an after-tax write-off of \$961,000). The barrier walls “were constructed to stop the subterranean seepage of waste through the landfill into the adjacent bayou.” The company says it will close this landfill in 1985.

(6) Western's Carson, Calif., transfer station processes approximately 1,500 TPD (with a maximum allowable tonnage of 3,000). Of that volume, about 68% comes from the company's own trucks. One other, smaller transfer facility is operated, in Texarkana, Tex.

(7) Equipment inventory: more than 500 collection or transfer vehicles, 39,000 storage containers and roll-off boxes and 70 portable and stationary compactors.

(8) During the past year, one benchmark for the company was its establishing credit worthiness with major banks. Western negotiated a \$30 million line-of-credit agreement with three money center banks, which provides, in Shirvanian's terms, “a very favorable interest rate” and requires no compensating balances and collateral.

WA



Briscoe Maphis has the technical expertise and financial strength to provide full service sludge management alternatives to municipal and industrial waste generators including:

Contract Disposal

- Liquid/Solid
- Short term/Long term

Full Service Sludge Management

- Site
- Permitting
- System Design and Construction
- Operation and Management
- Total Project Financing

Equipment Sales

- Application System
- Support Equipment
- Mobile Dewatering

For more information contact:

Briscoe Maphis, Inc.
5378 Sterling Drive
Boulder, CO 80301 • 303/449-8668



GENSTAR
Waste Technology Group