

**METRO**

DATE: May 29, 1997

TO: Council REM Committee Members

FROM: Bruce Warner, Director, Regional Environmental Management ~~_____~~

RE: Briefing on proposed Intergovernmental Agreement between Metro and Oregon City governing the disbursement of Enhancement Funds

PURPOSE OF BRIEFING

To allow REM Committee members to determine if there are any substantive issues or concerns regarding the proposed Intergovernmental Agreement with Oregon City governing the disbursement of Enhancement Funds.

BACKGROUND AND ANALYSIS

Metro and Oregon City (the "City") entered into an Intergovernmental Agreement (the "Agreement") in 1989 in which Metro agreed to pay the City an "enhancement fee" of 50¢ per ton attributable to Metro's operations of the Metro South Transfer Station. The Agreement apportioned the "enhancement fee" into an *ad valorem* property tax component remitted by Metro directly to the City's General Fund, and rehabilitation and enhancement fee component deposited by Metro to a dedicated City fund. Pursuant to a series of renewals of the Agreement, Metro has remitted such "enhancement fee" payments since the 1988-1989 Fiscal Year.

The most recent Agreement expired December 31, 1995. Both parties desired modifications of some of the terms and conditions, and Metro and City officials have sought to negotiate a mutually satisfactory replacement agreement since early 1996. As a result of those negotiations, Metro and the City now propose to enter into a five-year Intergovernmental Agreement — bearing a "commencement" date of January 1, 1996 — that does the following:

1. Metro will continue to remit to the City an "enhancement fee" sum of 50¢ per ton for all solid waste received at the Metro South transfer station, excluding source-separated recyclables. Metro shall remit the payment to the City quarterly, which the City will deposit in its General Fund. The City will utilize all of the "enhancement fee" funds as dedicated expenditures for rehabilitation and enhancement purposes.
2. Metro will abide by the City's land use regulations with respect to the operation of the

Metro South Transfer Station.

3. To the extent allowed by the Metro Regional Solid Waste Management Plan, Metro will participate financially in certain plans and improvements related to the Metro South transfer station, including: (a) a Highway 213 Corridor Study, currently undertaken by the Oregon Department of Transportation, Clackamas County, and the City, (b) a Regional Framework Plan for the City, and (c) such other projects directly related to the area surrounding the transfer station to which the parties might later agree. Such final assistance shall be at least \$250,000 during the proposed five-year agreement, and shall be at least \$50,000 per year, subject to annual budget approval by the Metro Council.
4. The City will appoint either a Citizens' Advisory Committee or itself (functioning as such a committee) to advise the City on rehabilitation and enhancement projects associated with the Metro South Transfer Station. The City will dedicate the funds described above to such rehabilitation and enhancement projects.

BUDGET IMPACT

Enhancement fees

There will be no budget impact derived from Metro's payment of "enhancement fee" funds to the City; the 50¢-per-ton fee is already included within the Metro South Transfer Station disposal rate, and Metro simply passes those funds back to the City via the Agreement. The Department of Regional Environmental Management annual budget already includes appropriations for payments to Oregon City for enhancement fee funds collected at the Transfer Station.

Other financial assistance

Because the proposed Agreement commits Metro to additional financial participation only in the event that the Council approves an annual budget appropriation for particular expenditures, any forecasted budget impact depends upon the certainty of future appropriations.

BW: ab/ba

Attachment: proposed Intergovernmental Agreement

cc: Mike Burton, Executive Officer

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M E M O R A N D U M

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METRO

TO: Executive Officer Mike Burton

FROM: Presiding Officer Jon Kvistad

COPY TO: REM Committee, Council Analyst John Houser

DATE: May 20, 1997

RE: Intergovernmental Agreement with City of Oregon City

Thank you for your memo dated May 13 regarding the REM staff proposal to enter into a new Intergovernmental Agreement with the City of Oregon City to retain the current level of the enhancement fee for the Metro South Transfer Station, eliminate any tonnage restrictions, and assist in certain studies and improvements near the facility.

Although Jeff Stone has verbally informed your staff of my intent in this matter and delivered a copy of my instructions on your May 13 memo, I wanted to formally notify you that it appears that this particular contract has significant impact on Metro and that execution by the Executive Officer shall be subject to Council approval under Metro Code Section 2.04.026b.

If you have any questions, feel free to contact me.



METRO

*Cancel
Revised!*

Date: May 13, 1997

To: Presiding Officer and Metro Council, c/o
Jeff Stone, Assistant to the Presiding Officer

From: Mike Burton, Executive Officer *MBurton*

Regarding: Intergovernmental Agreement with City of Oregon City

The Regional Environmental Management staff proposes to enter into a new Intergovernmental Agreement with the City of Oregon City to retain the current level of the enhancement fee for the Metro South Transfer Station, eliminate any tonnage restrictions, and assist in certain studies and improvements near the facility. These studies all relate to the need to review land use and transportation options to address worsening traffic problems near our transfer station. These planning efforts were part of my proposed and your recommended budget for next fiscal year.

Because the contract commits Metro to financial involvement over time, please advise if further Council action is recommended. Please note that the last paragraph after section 4.C states that any future commitments are "subject to budget approval of the Metro Council."

Pursuant to Metro Code Section 2.04.026(b), if we do not hear from you within 10 days, we will proceed with the intergovernmental agreement.

Thank you for your attention in this regard.

Enclosure

cc: Bruce Warner
Marv Fjordbeck

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement ("Agreement") is entered into by and between THE CITY OF OREGON CITY, OREGON ("City"), and METRO, a metropolitan service district organized under the constitution and laws of the State of Oregon and the 1992 Metro Charter. The parties agree as follows:

A. Metro Obligations:

1. Subject to the limitations expressed elsewhere in this Agreement, Metro shall pay the City an amount equal to 50¢ per ton for all solid waste received at the facility known as the Metro South Station (the "Facility"), except for source-separated recyclable materials. This amount shall be referred to as the "Total Amount." Metro shall make payments to the City on a quarterly basis, which payments shall be deposited by the City directly to the City General Fund and be subject to dedicated expenditure for the purpose of rehabilitation and enhancement of the area within the City limits related to the facility.
2. Metro shall deliver to the City monthly reports of activity at the facility, including data on (1) the gross weight of solid waste received in vehicles that are weighed as they enter the Facility; (2) the number of other vehicles assessed fees on an estimated-volume basis; and (3) the tonnage of solid waste transferred from the Facility.
3. Metro agrees to abide by City's land use regulations and that there has been no understanding or consent by the parties to modify or waive those regulations as part of this agreement. Metro shall continue to participate in the annual review of its conditional use permit approval and to seek and obtain City approval of any changes or alterations to its current permit, including abiding by lawfully imposed conditions thereto provided such approval and conditions are consistent with the Metro Regional Solid Waste Plan.
4. Provided such approval and conditions are not inconsistent with the Metro Regional Solid Waste Plan, Metro shall, as part this agreement, assist and financially participate in the following plans and improvements in connection with the Metro South Transfer Station, over and above those obligations which may lawfully be imposed as part of any land use permit approval:
 - a. The Highway 213 Corridor Study, which is currently being undertaken by the Oregon Department of Transportation, Clackamas County, and City and in which City is expected to incur an obligation of \$100,000.

b. The Regional Center Framework Plan for Oregon City, in which City has incurred an obligation of \$50,000.

c. Other projects related to the area surrounding the Metro South Transfer Station to which the parties agree.

Such assistance shall not be less than \$250,000, at not less than \$50,000 per year for the term of this agreement, subject to budget approval of the Metro Council. Such assistance may include, upon agreement of the parties, the cost of goods or in-kind services.

B. City Obligations:

1. City agrees to appoint a Citizens' Advisory Committee to recommend to the City plans, programs, and projects for the rehabilitation and enhancement of the area around the Facility all in accordance with ORS 459.284. The committee shall include as members a member of the "Holcomb-~~SWAT~~^{SAT}brook-Park Place (HOPP)" community, a member of the Oregon City Planning Commission, a member of the Oregon City Commission, and the Metro Council member representing the district that includes Oregon City. In lieu of appointment of such Citizens' Advisory Committee, the Oregon City Commission may designate itself to perform the functions of such Committee.
2. City agrees that it will create a special fund and ensure that only plans, projects, and programs determined by the Citizens' Advisory Committee or the City Commission to be suitable for the rehabilitation and enhancement of the area within the City limits related to the facility are authorized for funding from such special fund.
3. City will dedicate expenditures from the funds paid by Metro pursuant to this Agreement for the purpose of rehabilitation and enhancement of the area within the City limits related to the facility. City shall report annually to Metro on the expenditures of the special fund and fund balance by September 1 of each year.
4. City agrees that if during the term of this Agreement it adopts a tax or charge that imposes a fee on haulers of commercial solid waste or other users of the Facility, Metro shall have no further obligation to pay the sums provided for in part A.1, above. This paragraph shall not apply to any tax duly adopted by City which is generally applicable to all persons doing business in Oregon City.

C. Term: This Agreement shall commence as set forth below (the "commencement date"), and shall be automatically renewed on each anniversary of the commencement date (the "anniversary date"), provided, however, that the Agreement shall expire of its own terms at the end of the fifth anniversary date. During the term of this Agreement, each party retains the right to terminate the Agreement as of any anniversary date by written notice

delivered to the other party no later than 60 days prior to the anniversary date. The parties may terminate this agreement at any time for nonperformance of any material term thereof.

D. Notice: Any notice required pursuant to this Agreement shall be delivered as follows:

If to City:

City Manager
City Hall
320 Warner-Milne Road
Oregon City, OR 97045

Copy to:

Edward J. Sullivan
City Attorney
c/o Preston, Gates & Ellis LLP
3200 US Bancorp Tower
111 SW Fifth Avenue
Portland, OR 97204

If to Metro:

Executive Officer
Metro
600 NE Grand Avenue
Portland, OR 97232

Copy to:

Office of General Counsel
Metro
600 NE Grant Avenue
Portland, OR 97232

E. Integration: This Agreement sets forth the entire obligation of the parties to each other in connection with the Facility herein described.

F. Notice of Default. In the event a party determines that a default exists, including, but not limited to the failure of the Metro Council to appropriate the funds to meet the obligations set forth in Paragraph A(4) of this agreement, that party shall give thirty days written notice to the other party, which notice shall specify the nature of the default and shall give the other party an opportunity to cure the default before taking any further action.

G. Effective and Commencement Date: This Agreement shall be dated as of the last signature date below and shall become effective upon execution by the parties after prior approval of the terms of this Agreement by the Metro Council and the Oregon City Commission. The Commencement Date of this Agreement shall be deemed to be January 1, 1996.

OREGON CITY

METRO

By: Daniel W. Fowler

By: [Signature]

Title: Mayor

Title: Exec. officer

Date: May 21, 1997

Date: June 4, 1997

APPROVED AS TO FORM:

[Signature]
Edward J. Sullivan
City Attorney for Oregon City

Date: 5-21-97

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A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
 TEL 503 797 1700 | FAX 503 797 1797



METRO

MEETING: METRO COUNCIL REGIONAL ENVIRONMENTAL MANAGEMENT COMMITTEE MEETING
 DATE: June 4, 1997
 DAY: Wednesday
 TIME: 1:30 PM
 PLACE: Metro Council Chamber

APPROX. TIME		PRESENTER
1:30 PM	CALL TO ORDER AND ROLL CALL	
1:30 PM (5 min.)	1. Consideration of Minutes of May 21, 1997 (<i>Action Requested: Motion to Adopt Minutes</i>)	
1:35 PM (15 min.)	2. Regional Environmental Waste Updates (<i>No Action Requested: Information Only</i>)	Warner
1:50 PM (10 min.)	3. Committee Review of Proposed Intergovernmental Agreement with Oregon City Related to the Operation of Metro South Station (<i>No Action Requested: Information Only</i>)	Warner
2:00 PM (10 min.)	4. Resolution No. 97-2516 , For the Purpose of Appointing Gary Boehm, Jim Bennett, Sheryl Butler, and Larry Hollibaugh to Fill Three Expiring Terms and One Newly Created Position on the North Portland Rehabilitation and Enhancement Committee (<i>Action Requested: Motion to Recommend Council Adoption</i>)	Warner/Carter
2:10 PM (10 min.)	5. Resolution No. 97-2518 , For the Purpose of Approving a Sole-Source Grant Contract with the Oregon Food Bank to Assist with a Produce Recovery and Redistribution Program (<i>Action Requested: Motion to Recommend Council Adoption</i>)	Warner/Erickson
2:20 PM (20 min.)	6. Ordinance No. 97-701 , For the Purpose of Approving the Transfer Rate for Ambrose Calcagno, Jr., d.b.a. A.C. Trucking, Operator of the Forest Grove Transfer Station (<i>Action Requested: Motion to Recommend Council Adoption</i>)	Warner
3:20 PM (5 min.)	11. Councilor Communications	
	ADJOURN	

1997 COMMITTEE MEMBERS: Don Morissette (Chair), Ruth McFarland (Vice Chair), Ed Washington, Susan McLain (Alternate)

- NOTE:**
- All times listed on the agenda are approximate; items may not be considered in the exact order listed.
 - For questions about the agenda, call Council staff John Houser, 797-1541 or Lindsey Ray, 797-1536
 - For assistance per the Americans with Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office)