

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING THE) RESOLUTION NO. 94-2061
ISSUANCE OF A SOLICITATION FOR)
APPLICATIONS FOR RECYCLING BUSINESS) Introduced by Rena Cusma
DEVELOPMENT GRANTS, AN EXEMPTION) Executive Officer
FROM COMPETITIVE BIDDING, AND)
AUTHORIZING THE EXECUTIVE OFFICER)
TO ENTER INTO MULTI-YEAR CONTRACTS)

WHEREAS, The long term success of Metro's recycling efforts depends on vital markets for secondary materials; and

WHEREAS, Metro has budgeted \$55,000 for a business development grant program to promote market development for recyclables and to create local jobs; and

WHEREAS, The solicitation of applications and review process will not be complete until at least March 1995; and

WHEREAS, Metro must monitor distribution of grant monies and performance of grant recipients over an adequate amount of time to ensure prudent use of grant funds; the Metro Code Section 2.04.033(a)(1) requires Council approval of a multi-year contract, and the funded projects may not be concluded by the end of this fiscal year; and

WHEREAS, Grants may be for equipment or plant upgrades that require a public contract, and the Metro Code requires such contracts be subject to competitive bidding unless an exemption is obtained from the Metro Contract Review Board; and

WHEREAS, Metro Code Section 2.04.041(c) authorizes, where appropriate, the use of alternative contracting and purchasing practices that take account of market realities and modern innovative contracting and purchasing methods which are consistent with the public policy of encouraging competition; and

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

BE IT RESOLVED,

1. That the Council approves issuance of the Solicitation for Applications for Recycling Business Development Grants attached to this Resolution as Exhibit A.
2. That the Metro Contract Review Board hereby exempts the recycling business development grant contracts from the competitive bidding requirements.
3. That the Council authorizes the Executive Officer to enter into multi-year contracts to disperse the grant funds.

ADOPTED by the Metro Contract Review Board this 22nd day of December, 1994.



Judy Wyers, Presiding Officer



METRO

600 NE Grand Ave.
Portland, OR 97232
(503) 797-1700

Procurement Review Summary

To: Procurement and Contracts Division

Vendor

From

Date 12/1/94

Department SW

Subject

Division Waste Reduction

Bid

Contract

Name Andy Sloop

RFP

Other

Vendor no.

Title

Contract no. RFP 94R-40-SW

Extension

Purpose SOLICITATION FOR APPLICATIONS FOR RECYCLING

BUSINESS DEVELOPMENT GRANT

Expense

Procurement

Personal/professional services

Services (L/M)

Construction

IGA

Revenue

Budget code(s)

Price basis

Term

Contract

Unit

Completion

Grant

Total

Annual

Other

Other

Multi-year**

This project is listed in the
199 4 -199 5 budget.

Payment required

Beginning date

Yes

Type A

Lump sum

Ending date

No

Type B

Progress payments

Total commitment

Original amount

\$ 55,000.00

Previous amendments

\$ —

This transaction

\$ —

Total

\$ 55,000.00

A. Amount of contract to be spent fiscal year 1994 - 1995

\$ 25,000.00

B. Amount budgeted for contract

\$ 55,000.00

C. Uncommitted/discretionary funds remaining as of _____

\$ —

Approvals

Division manager [Signature]

Department director [Signature]

Labor

Fiscal

Budget

Risk

Legal

Competitive quotes, bids or proposals:

Submitted by _____	\$Amount _____	M/W/DBE _____	Foreign or Oregon Contractor _____
Submitted by _____	\$Amount _____	M/W/DBE _____	Foreign or Oregon Contractor _____
Submitted by _____	\$Amount _____	M/W/DBE _____	Foreign or Oregon Contractor _____

Comments: _____

- Attachments:
- Ad for bid
 - Plans and specifications
 - Bidders list (M/W/DBEs included)

Instructions:

1. Obtain contract number from procurement division.
 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. Less than \$2,500, attach memo detailing need for contract and contractor's capabilities, bids, etc.
 - C. More than \$2,500, attach quotes, evaluation form, notification of rejection, etc.
 - D. More than \$10,000 or \$15,000 attach RFP or RFB respectively.
 - E. More than \$50,000, attach agenda management summary from council packet, bids, RFP, etc.
4. Provide packet to procurement for processing.

Special program requirements:

General liability: _____

Liquidated damages \$ _____ day

<input type="checkbox"/> Workers comp	<input type="checkbox"/> Prevailing wages
<input type="checkbox"/> Auto	<input type="checkbox"/> Non-standard contract
<input type="checkbox"/> Professional liability	<input type="checkbox"/> Davis/Bacon

Dates:	Project estimate: _____
Ads _____ (Publication) _____	Funding:
Pre-bid meeting _____ Bid opening** _____	<input type="checkbox"/> Local/state
Filed with council _____ For action _____	<input type="checkbox"/> Federal
Filed with council committee _____ For hearing _____	<input type="checkbox"/> Other

Bond requirements:

_____ % Bid \$ _____

_____ % Performance \$ _____

_____ % Performance/payment* \$ _____

_____ % LM \$ _____

** Minimum period: two weeks from last day advertised.

EXHIBIT A
SOLICITATION FOR APPLICATIONS
(RFP# 94R-40-SW)
Metro Recycling Business Development Grant

INTRODUCTION AND STATEMENT OF PURPOSE

As part of its ongoing recycling market development activity, the Solid Waste Department of Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter, located at 600 NE Grand Avenue, Portland, OR 97232-2736, will make \$55,000 in grant funds available for the development of markets for local recyclable materials.

Through this grant, Metro intends to nurture the development of the local recycling industry. Specifically, this grant is intended to encourage the development of innovative, state-of-the art, entrepreneurial businesses that will process locally recovered waste materials into manufacturing feedstock, or use local recycled feedstock to make marketable products.

Local recycling businesses developed under this grant will help reduce the cost of solid waste management and create jobs. Development of such businesses also may help conserve natural resources.

Details concerning the grant are contained in this document. Companies applying for grant funds must complete a written application. (The application form is also available on diskette.) Applications can be obtained from the Grant Administrator, Andy Sloop, at Metro, Solid Waste Department, 600 NE Grand Avenue, Portland, Oregon 97232, (503) 797-1673. Grant applications are due at Metro's offices no later than 3:00 p.m. PST, Wednesday, February 15, 1995.

BACKGROUND

Metro's Regional Solid Waste Management Plan articulates the region's vision for managing waste through the year 2010. Metro's goal is to develop regional solid waste systems that are balanced, cost-effective, technologically feasible, environmentally sound and publicly acceptable. Maximum cost-effective waste recovery and recycling is part of this goal. Increased waste recovery and recycling depend upon retaining and expanding processing and manufacturing capacity for recovered materials.

Over time, a relatively sophisticated and effective private recycling system has evolved in the Metro region. Currently, there are more than 70 businesses located in the Metro area that use recovered material to make a product, and there are more than 220 businesses and non-profits (excluding haulers that provide curbside collection) that generate revenue through handling recyclables. Additionally, there are an undetermined number of recycling businesses located in other states and countries that use recovered material from the Metro area to make recycled-content products. Many local processors and end-users of locally recovered materials have fewer than 15 employees and handle less than 500 tons of recovered material per year. Collectively, however, these operations contribute significantly to the region's solid waste management system.

In 1993, approximately 43% of the 1.6 million tons of waste generated in the Metro area was recovered for secondary uses. Approximately 80% of this recovered material was recycled by Oregon and Washington businesses and non-profits.

Additional demand for recovered materials is likely to develop in three ways. First, existing manufacturers may increase their use of recovered material. This can include introducing recovered material into their manufacturing. Second, existing manufacturers may expand their product lines and thus need to expand the scope of their operations to include a greater variety of input materials. Third, new recycling businesses may start up and new sectors of the regional recycling industry may emerge.

Metro receives requests for technical and financial assistance from more than 60 entrepreneurs, non-profit organizations and recycling businesses each year. Financing generally is difficult for companies that have been operating for less than 18 months. Financing is particularly difficult for start-up recycling companies because banks are unfamiliar with this industry, and recycling businesses must contend with both variable demand for their products and variable availability and quality of their input material.

Metro can foster development of recycling markets by providing technical assistance and critical financing for: a.) Early stage recycling companies that are likely to become economically self-sustaining; and b.) Early stage recycled products and recycling technologies that are technically feasible to produce and/or have strong market potential. This can include substituting recycled feedstocks for the virgin feedstocks commonly used in traditional manufacturing operations producing products for established markets.

GRANT DESCRIPTION

This grant is intended to encourage innovation and to increase "value-added" processing and manufacturing using post-consumer waste materials recovered from the Metro area. "Value-added" means transforming a recovered material such that it can be sold for a profit instead of disposed at a cost. A specific requirement of this grant is that a minimum of 50% of the total recovered material used annually by processing or manufacturing operations receiving grant funds must be post-consumer waste from the Metro area.

Furthermore, this grant is intended to provide the essential financial stimulus for the entrepreneurial development of start-up, small and mid-sized companies and for the development of state-of-the-art products and technologies that demonstrate substantial technical feasibility and/or market potential. Qualified applicants will have developed a prototype product/technology that is technically feasible to produce and is ready for commercialization, or they will have completed a formal market investigation that demonstrates their business concept has strong market potential. Strong applicants also will be positioned to submit a current business plan with their application.

The Evaluation Committee will select those applications that demonstrate, in their judgment, the most reasonable balance between innovation, strategic contribution to the Metro region's recycling system, and have the highest probability of success. Good applications will be innovative, compensate for deficiencies in the region's recycling system, and be of documentable feasibility. Applications that replicate standard industry practices, fail to compensate for deficiencies in the region's recycling system, and/or are unrealistic shall be deemed unresponsive.

From the pool of \$55,000 available for this program, Metro will issue from two to five grants as a result of this competition. Grant requests cannot be less than \$10,000 or exceed \$27,500. These grant funds are specifically intended for:

- Equipment
- Plant upgrade
- Input material testing
- Product performance testing
- Market investigation studies

Grant funds cannot be used for:

- Salaries
- Working capital
- Process control engineering
- Permit application fees
- Facility acquisition
- Facility lease/mortgage payments

Certain types of projects are specifically encouraged, including those which:

- Increase demand for materials which are not widely recycled
- Increase the market value of materials which are not economically attractive to recycle
- Enlist partnerships that maximize the return on Metro's investment
- Have environmentally significant ancillary benefits such as energy conservation

Applicants are expected to have a significant and documentable financial stake in their proposed projects. **APPLICANTS MUST PAY AT LEAST 50% OF THE DIRECT MONETARY COST TO IMPLEMENT THEIR PROJECT. GRANT FUNDS CAN BE USED TO PAY UP TO, BUT NOT MORE THAN, 50% OF THE TOTAL MONETARY COST TO IMPLEMENT A PROPOSED PROJECT.** For example, an applicant would have to contribute at least \$10,000 toward the purchase of a \$20,000 piece of equipment. In-kind contributions will not be counted as part of an applicant's match. For example, an applicant could not count the 100 hours of project administration time he/she expects to invest in the project (at \$50 an hour) as a \$5,000 matching contribution.

ELIGIBILITY

Businesses, non-profits, and individual entrepreneurs with existing or proposed waste processing or secondary manufacturing operations are eligible to apply. Preference will be given to applicants from the Portland-Tri-County region (i.e., Clackamas, Multnomah and Washington counties). Activities that are not eligible for grant funds include: collection of recyclables, material salvaging and reuse, and recycled-content product retailing.

APPLICATION REQUIREMENTS

A. Applications must include:

1. Completed Pre-Application Checklist
2. Completed Application Form, with not more than two additional attached pages (not including business plans and letters of support).
3. Letters of support from strategic partners, such as sources of feedstock material or end-users of processed feedstock.

B. Submission of Applications

Eight (8) copies of all application materials shall be furnished to Metro, addressed to:

**Andy Sloop
Metro
Solid Waste Department
600 NE Grand Avenue
Portland, OR 97232-2736**

C. Deadline

Applications will not be considered if received after 3:00 p.m., Wednesday, February 15, 1995.

D. Application Assistance

Metro will conduct application workshops from 4:00 p.m. to 5:00 p.m., January 18, 1995, and 4:00 p.m. to 5:00 p.m., January 25, 1995. These workshops will be held in Room 270 at Metro's business offices, located at 600 NE Grand Avenue in Portland, Oregon. The Grant Administrator also will be available immediately following these workshops to answer questions about the grant program and application process. Metro will not provide individual consultations to prospective applicants.

All questions about this grant should be addressed to the Grant Administrator, Andy Sloop, at (503) 797-1673.

E. Information Release

All applicants are hereby advised that Metro may solicit and secure background information, including references and credit history, as needed for evaluating applications and applicants.

F. Recycled-content Paper

Applications should be submitted on recyclable, double-sided recycled paper (post consumer content).

G. Costs of Application; Award of Grants

This Solicitation does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of applications in anticipation of a contract. Metro reserves the right to waive minor irregularities, accept or reject any or all applications received as the result of this grant solicitation, negotiate with all qualified sources, or to cancel all or part of this grant solicitation.

EVALUATION CRITERIA

Applications will be evaluated by a committee of experts in the areas of business finance, business management and marketing, economic development, engineering, and solid waste and recycling. A Metro Councilor also will serve on the Evaluation Committee.

The committee will use a rating matrix to score applications. Each committee member will score applications, on a five-point scale, in six categories as follows:

- **Financial Viability:** Is the proposed venture/project a reasonable financial risk with strong potential to become economically self-sustaining?
- **Management and Marketing Strength:** Does the proposed venture/project have strong market potential and is the management team competent and committed?
- **Economic Development Benefit:** Is the proposed venture/project consistent with local economic development objectives?
- **Technical Feasibility:** Is the proposed product/process technically feasible?
- **Solid Waste Impact:** Is the proposed venture/project consistent with regional solid waste management policies and will it have a significant positive impact on the Portland tri-county solid waste stream?

Applications will be ranked based on their total scores. The maximum possible base score will be 150 points (5 points x 5 categories x 6 judges). Applications that are conspicuously weak in any one category, or which may have a significant local impact (i.e., widespread collection of a material not currently collected, noise, odor, dust, etc.) will be scrutinized closely. The committee may seek additional input about issues of concern as needed.

Business Plan Bonus Points

In addition to a base score, the Committee will award up to 15 bonus points, by a consensus decision, for applications that include business plans. This means the maximum total score an application could receive is 165 points. The Committee's basis for awarding bonus points will be its assessment of the foresight, conceptual strength, supporting evidence and professionalism that the business plan demonstrates.

Applications that receive the same total scores will be judged based on their scores in each category using the following hierarchy. The application with the higher score in the Financial Viability category will prevail, followed by Management and Marketing, Engineering/Technical Feasibility, Solid Waste and Recycling, and Economic Development. In the example below where both applications received different BASE SCORES but the same TOTAL SCORE, Application A would rank higher than Application B because it has a higher score for Financial Viability.

Example:

Evaluation Category	Application A	Application B
Financial Viability	27	23
Management and Marketing Strength	25	26
Economic Development Benefits	26	27
Technical Feasibility	26	28
Solid Waste Impact	25	27
SUBTOTAL	129	131
Business Plan Bonus Points	14	12
TOTAL	143	143

Using this ranking system, the Committee will fund the top two to five applications. The Committee will determine the specific number of grants to award, depending on the amount of funds requested for the top applications relative to the \$55,000 of available funds.

Metro reserves the right to reject any or all applications, and to award grants to any applicant(s), based on merit.

SUBMISSION PROCESS AND TIMELINE

- Metro will conduct application workshops from 4:00 p.m. to 5:00 p.m., January 18, 1995, and 4:00 p.m. to 5:00 p.m., January 25, 1995. These workshops will be held in Room 270 at Metro's business offices, located at 600 NE Grand Avenue in Portland, Oregon
- Completed applications must be received no later than 3:00 p.m, Wednesday, February 15, 1995, in Metro's business offices, 600 NE Grand Avenue, Portland, OR 97232-2736. They should be addressed to the attention of Andy Sloop, Recycling Business Development Program Manager.
- Winners will be selected in March 1995.

- Contract negotiations will begin in April 1995.
- Contracts for funded projects may vary in length, but must be completed by June 30, 1996.

AWARD DISBURSEMENT AND CONTRACT REQUIREMENTS

Metro and successful applicants will enter into the attached personal services agreement or public contract, which are standard contracts approved for use by the Metro Office of General Counsel. Public contracts are used for equipment and capital expenditures; Personal Services Agreements are used for market studies and other projects where analysis is required. Copies of the standard contract forms are included for your review prior to submitting an application. Any changes in the standard contracts must be requested in an attachment to the application. The length of this agreement will vary depending on the type of project to be implemented. As part of this agreement, the recipient agrees to submit monthly progress reports that include: tons of waste project has diverted from local waste stream, non-Metro dollars attracted, gross sales, jobs created, key successes/breakthroughs, key failures. Metro staff will conduct periodic site visits.

CONFIDENTIALITY

All information gained through the project will be considered public information. However, at the request of grantees, information that clearly constitutes a proprietary trade secret will be held confidential to the extent permitted by law. Metro will produce brief, written case studies of all grant projects. Disbursement of funds will be contingent upon meeting contract requirements.

METRO CONTACT

If you need additional information or have any questions about this grant, please contact:

Andy Sloop
Metro
Solid Waste Department
600 NE Grand Avenue
Portland, OR 97232
Phone: (503) 797-1673
Fax: (503) 797-1795
Internet E-Mail: Sloopa@Metro.or.gov

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Grant Application Outline

- 1. Summary of purpose, description, eligibility requirements, evaluation criteria, schedule (narrative; copy from Solicitation)**
- 2. Pre-application checklist (form G)**
- 3. Instructions and guidance for preparing application (narrative)**
 - a) Review the application package, attend workshop, note tasks that need to be completed early in application process, note information the applicant must provide versus information that must be obtained from outside sources, pay attention to details, answer all questions clearly, concisely and completely.
- 4. Cover sheet and signature commitments (form)**
 - a) Name, address, phone, project location, geographic area served by project, type of applicant (i.e., private, non-profit, etc.), type of project (i.e., material testing, market investigation, etc.), material(s) project would recycle, amount requested, matching funds applicant is committing to project, total of state and applicant contributions, date submitted, project beginning and ending dates, federal taxpayer ID number of social security number of individual applicant, request for confidentiality
 - b) Signature commitments and signature line.
 - i) To comply with all applicable federal, state and local laws, rules, ordinances and regulations and to obtain all applicable permits and licenses.
 - ii) To fund all project cost overruns.
 - iii) To fund the match required for the proposed project.
 - iv) To fund project costs exceeding the grant budget and necessary to carry out the project.
 - v) To work with the Steering Committee for the success of the project.
- 6. Proposal summary/abstract (form and narrative format)**
 - a) Name, address, project overview, project goals, source of material, specific measurable objectives, statement of how project meets grant objectives, evaluation methods, and how business/product development will occur after the grant project is completed.

7. Information about the applicant (forms H, I, J; narrative)

- a) Organizational structure, size of existing facilities, products made, market share, major accounts, recovered material currently used, # of employees.
- b) Applicant profile form and resumes
- c) Description of applicant's background that demonstrates the ability to carry out the project, including experience dealing with solid waste management projects, development/management of cooperative projects, business management, product development, etc.
- d) Previous solid waste/recycling financial assistance experience (both attempts and awards), including name of program, sponsoring agency, proposal summary, specific accomplishments (if any) of funded project compared to program goals, specific impact on waste stream.
- e) Letters of reference

8. Technical feasibility

- a) Describe efforts to demonstrate technical feasibility. Summarize bench scale and pilot plant operations including data which supports project. Include information on conditions of operation and duration of any previous testing.
- b) List relevant published reports and patents
- c) List evaluation reports by consultants, federal government, and/or others which may relate to the proposed project.
- d) List complementary technologies/processes. Briefly describe results and show preferences.
- e) Describe input material specifications, technical operation of the recycling process or technologies, general and unique design specifications of the project or process, operational reliability and safety, residual waste generated.
- f) Provide overall chronological list of developments by applicant and/or others which may relate to this project.

9. Market information

- a) Target market segment that will use product, history and trends in target market, marketing channels and reasons for using these channels, product price, explanation of marketing and pricing strategy, sales forecast based on the marketing plan, mechanism to determine and track sales performance, marketing budget, comprehensive list of all distributors (or potential distributors) who will sell to the target market, list of competitors selling the same or similar product, analysis of competitors' products and selling program, explanation of how proposed product will compete effectively in the target market.
- b) Will the proposed product displace the use or purchasing of other recycled products? Explain.

10. Budget information (forms A, C, K, L, M; narrative)

- a) Include a separate section for eligible and ineligible costs that exceed maximum budget.
- b) Form should include a list of specifically ineligible items, such as: contingency funds, fees, licenses or permits, legal costs, vehicle registration, land acquisition, indirect or overhead expenses, taxes, grant/loan administration costs, office equipment, including computers, replacement of existing equipment, salaries, process control engineering.
- c) Provide narrative information for pertinent categories of funding as follows:
 - 1) **Equipment (new, used, leased):** explanation and schematic drawing of how equipment will fit with applicant's processing/manufacturing system, quantity, type, specifications, installation, freight, equipment preparation expenses, level of use (i.e., operating hours per day), name and description of seller (include seller's promotional materials), affiliation of applicant to equipment seller (if any).
 - 2) **Plant Upgrade:** explanation and schematic drawing of how upgrade will fit with applicant's existing processing/manufacturing system, implementation process and method, itemized list of materials and costs.
 - 3) **Input Material Testing:** number of samples, frequency of testing, description of specific tests, method for collecting samples, description of firm that will conduct tests (include firm's promotional materials).
 - 4) **Product Performance Testing:** number of samples, frequency of testing, description of specific tests, method for collecting samples, description of firm that will conduct tests (include firm's promotional materials)
 - 5) **Market Investigation:** target markets, target contacts, method for determining target contacts, number of target contacts, duration of each contact, nature of each contact, method for determining nature of each contact, description of firm that will conduct study (include firm's promotional materials)

11. Financing and economic feasibility (forms D and I; narrative)

- a) Provide sufficient information supporting the project's short-term and long-term economic viability. Include audited historical financial statements, including balance sheets and income statements for most recent three year period. If audited financials are not available, explain why.
- b) Include all revenues and expenses anticipated for next five years. Describe assumptions and rationale used in projections.
- c) Identify all of applicant's monetary resources, land, buildings, equipment, personnel, insurance coverage, support services.
- d) List name and address of the bank handling the applicant's business accounts, as well as the name and phone number of the bank officer handling the applicant's accounts.

- e) Statement of need for grant, including information that demonstrates that the materials the proposed project will recover are not or will not be recovered by any existing entities.
- f) Identify other sources of funding the applicant may use to complete project, and discuss what efforts would be taken to fund project if grant is not awarded.
- g) Identify and document source(s) of matching funds.
- h) Document company ownership, parent/subsidiary relationships, current business activities, products and services, competitors.
- i) Identify the quantities and sources of each recyclable material to be used each year for the next five years. Include the methods and assumptions used to determine these figures. Indicate if any of these materials originate from sources outside of Oregon.

12. Solid waste information (form and narrative)

- a) Describe material specifications, method(s) of collection, charge/credit generators supplying material will pay/receive.
- b) Identify the quantities and sources of each recyclable material to be used each year for the next five years. Include the methods and assumptions used to determine these figures. Indicate if any of these materials originate from sources outside of Oregon. If the proposed project is an expansion of an existing operation, identify how much of the annual quantities to be processed will be new material as a result of the proposed project. List percentage of waste stream that will be impacted by project, description of targeted waste generators, estimated number of targeted waste generators, estimates of current annual generation and recovery for targeted material, current practices for managing targeted material, estimated costs to generators of current management options, estimated avoided disposal cost savings that the project offers. Indicate geographic origin of recovered material as closely as possible.
- c) Identify when waste stream will be impacted by the project.

13. Economic Development Information (form and narrative)

- a) Number, types and annual incomes of jobs that will be created one, two and five years into the future if business plan is realized. Also identify if jobs will be full-time, part-time, temporary, or permanent.
- b) Highlight specific neighborhoods or segments of the workforce (e.g., ethnic minorities, disabled workers, etc.) that are particularly likely to benefit from the success of the applicant's business.

14. Public Acceptance (narrative)

- a) Describe how the project is environmentally sound and non-polluting, and does not adversely impact existing recycling activities, neighborhoods, land uses, etc.
- b) Summary of public relations strategy or ideas.

15. Supplementary Benefits (worksheet N and narrative)

- a) List any supplementary benefits that are expected to result from the project and/or applicant's business, including energy savings (worksheet), water savings, use of other recycled-content products made using locally recovered material, etc.)

16. Permit Coordination Information (form E, F and/or narrative)

- a) Indicate steps applicant has taken to obtain any permits that may be required prior to and subsequent to implementing project. In particular, land-use, solid waste franchise, and hazardous waste handling permits.

17. Timeline/schedule (form B)

- a) Outline all tasks, by month, involved in implementing project; list according to sequence in which they will be pursued. Timeline must identify all expenditures of grant funds, and submission of monthly reports. List the group or person responsible for completing each task.

18. Written commitments from all entities who's cooperation is needed to implement the project.

19. Applicant Disclosure (form O)

20. Appendix

- a) Application checklist (form)
b) Samples of written commitments from cooperating entities
c) Contract requirements for approved applicants.
d) Examples of project measurements

PRE-APPLICATION CHECKLIST

Project Name: _____

Before submitting an application for financial assistance, you **MUST** complete this form. Only if the applicant can answer **YES** to **ALL** questions on this form should she/he prepare the application for submission. Evidence substantiating each affirmative answer in the checklist must be included in the application and referenced on the checklist form.

	Yes	Where Documented
1. The project will be performed in Multnomah, Clackamas or Washington County.	_____	_____
2. The project can be demonstrated to be technically feasible or have strong market potential.	_____	_____
3. The project will result in: (a) the final processing or conversion of recovered (recyclable) materials into industrial feedstock; and/or (b) the manufacture of products from those feedstocks.	_____	_____
4. Funding request is for equipment, plant upgrade, input material testing, product performance testing, and/or market investigation studies that are likely to increase manufacturing of products which contain recovered materials.	_____	_____
5. Funding request is between \$10,000 and \$25,000	_____	_____
6. The applicant will contribute at least 50% of the direct monetary cost of implementing the proposed project.	_____	_____
7. The project will create new jobs in the Metro area or is necessary to retain jobs in the Metro area.	_____	_____
8. The project will secure sources of recovered materials in the Metro area AND will secure markets for the end-products produced as a result of the project.	_____	_____

APPLICANT DISCLOSURE

Project Name: _____

Please answer the following:

1. Are the company or its principals presently involved in any pending or threatened litigation which would have a material adverse effect on the company's and/or the principal's financial condition?

No _____ Yes _____ (If Yes, explain)

2. Has the company, its principals or its affiliates ever been involved in bankruptcy, creditor's rights, or receivership proceedings or sought protection from creditors?

No _____ Yes _____ (If Yes, explain)

3. Has management or any principal stockholder of the company been convicted of any felony?

No _____ Yes _____ (If Yes, explain)

4. Has the company or any principal been under indictment or investigation by a public agency for a violation of a state or federal statute?

No _____ Yes _____ (If Yes, explain)

5. Company is currently in compliance with all local, state and federal permit and zoning requirements and has not been cited for a violation in the past two years.

Yes _____ No _____ (If No, explain)

6. Have there been or is there currently any liens or judgements of any nature files against the company or its principals?

Yes _____ No _____ (If No, explain)

ROSTER

Metro Recycling Business Development Grant Steering Committee

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Expertise: Economic Development

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President and CEO
Northeast Portland Community Bancorp
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Expertise: Banking and Finance

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and Finance

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 94-2061, FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE OF A SOLICITATION FOR APPLICATIONS FOR RECYCLING BUSINESS DEVELOPMENT GRANTS, AN EXEMPTION FROM COMPETITIVE BIDDING, AND AUTHORIZING THE EXECUTIVE OFFICER TO ENTER INTO MULTI-YEAR CONTRACTS

Date: December 21, 1994

Presented by: Councilor Hansen

Committee Recommendation: At the December 20 meeting, the Committee voted unanimously to recommend Council adoption of Resolution No. 94-2061. Voting in favor: Councilors Buchanan, Hansen, McFarland, McLain, Monroe and Wyers.

Committee Issues/Discussion: Leigh Zimmerman, Solid Waste Market Development Manager, and Andy Sloop, Associate Solid Waste Planner, presented the staff report. Zimmerman explained that the purpose of the resolution is to authorize the release of the solicitation for proposals to receive grants from the Recycling Business Grant program authorized in the FY 94-95 budget. A total of \$55,000 is available and staff anticipates that two to four grants will be made. Zimmerman noted that while the program is similar to the old 1% for Recycling Program, the new program will focus on fewer projects and a greater emphasis will be placed on the financial and business credentials of the applicants.

Sloop explained that the applicants will be expected to fund at least 50% of the total cost of the project. The program will target small to medium-sized companies and non-profits and give a preference to applicants from the metropolitan area. Applicants from outside the area would need to have a minimum of 50% of their feedstock from the metropolitan region. Sloop indicated that funds would be used for equipment purchase, performance testing and marketing. Activities specifically excluded from funding include collection and salvaging of material and direct retailing costs. Funds also could not be used for salaries or to provide working capital. Sloop emphasized that the economic and technical feasibility of the proposal will be critical factors.

Sloop noted that the solicitation will be sent out in early January with an application deadline of February 15. Sloop indicated that the applications will be reviewed by a six-member committee with public policy, banking, economic development and recycling expertise.

Councilor Wyers asked that a councilor serve on the committee, similar to the manner in which the 1% for Recycling program worked. It was agreed that Councilor Kvistad would serve on the committee.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2061 FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE OF A SOLICITATION FOR APPLICATIONS FOR RECYCLING BUSINESS DEVELOPMENT GRANTS, AN EXEMPTION FROM COMPETITIVE BIDDING, AND AUTHORIZING THE EXECUTIVE OFFICER TO ENTER INTO MULTI-YEAR CONTRACTS.

Date: December 20, 1994

Presented by: Andy Sloop
Leigh Zimmerman

PROPOSED ACTION

Approve Resolution No. 94-2061 to authorize the Solicitation for Applications for Recycling Business Development Grants. The resolution authorizes the Executive Officer to enter into multi-year contracts with grant recipients and to utilize public contracts.

BACKGROUND

The FY 94-95 Solid Waste budget includes a \$55,000 grant program for recycling businesses. The purpose of the program is to promote local markets for recycled materials and to stimulate economic development and create jobs in the Metro area. The grants will provide financial assistance for small and mid-sized companies to develop state-of-the-art products and technologies that are technically and economically feasible, and that have strong market potential. Grant recipients must provide at least 50 percent of the direct monetary cost to implement their projects.

Projects eligible for funding are equipment purchases, plant upgrades, input material testing, product performance testing, and market investigation studies. The evaluation committee will choose two to five grants for funding. Awards will range from \$10,000 to \$27,500. Projects will be selected by a six-member evaluation committee. The committee includes a Metro Council analyst with knowledge of public policy, plus experts in recycling/waste management, banking/finance, economic development, manufacturing/production management, and business management.

JUSTIFICATION FOR MULTI-YEAR CONTRACTS AND THE USE OF PUBLIC CONTRACTS

Timing of grant awards: Since this is the first year of the grant program, staff spent several months researching grant programs, developing eligibility requirements, and establishing an evaluation committee. The proposed schedule for submittal and review of applications will not allow for selection of grant recipients until March 1995. Contracts with recipients will not be completed until April or May 1995.

In order to adequately monitor each grant and to tie distribution of funds with performance, staff recommends extending the length of each contract beyond June 30, 1995. Contracts may vary in length depending on the type of project. Purchasing a piece of equipment, for example, may result in a shorter contract than product testing. However, none of the contracts will extend beyond June 1996.

Use of public contracts: The criteria for business recycling grants include equipment purchases and plant upgrades. These types of projects require a public rather than personal services contract. Since grants will be selected using a "Request for Proposal" approach rather than a competitive bidding process, an exemption from competitive bidding is required. This exemption allows staff to develop appropriate contracts for each grant award, and for applicants to understand the contractual arrangements for their projects. It improves flexibility and timeliness in grant administration.

BUDGET IMPACT

The FY 94-95 Waste Reduction budget includes \$55,000 for this recycling business grant program. Because the grant awards will be made in April, and projects are expected to last one year, the funds will not be fully expended at the end of this fiscal year. Therefore, unspent grant monies will be carried over to FY 95-96 in order to cover the costs of the multi-year contracts. Though the program will extend into FY 95-96, there will be no budget impact due to the extension.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-2061.

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