

BEFORE THE CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AMENDING THE) RESOLUTION NO. 96-2304
CONTRACT BETWEEN METRO AND GARDINER)
& CLANCY, LLC (CONTRACT 904803) FOR) Introduced by
FINANCIAL ADVISORY SERVICES RELATED)
TO THE ANALYSIS OF ALTERNATIVE FUNDING) Mike Burton
MECHANISMS FOR METRO'S SOLID WASTE) Executive Officer
SYSTEM)

WHEREAS, Metro executed contract No. 904803 with Gardiner & Clancy, LLC in 1996; and

WHEREAS, Amendment of this contract is needed to consolidate consulting services related to the analysis of alternative funding mechanisms for Metro's solid waste system; and

WHEREAS, This request represents a shift in existing or available resources and is not a request for new funds; and

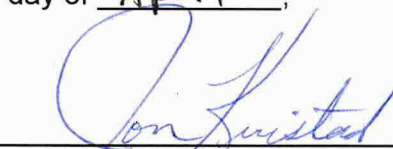
WHEREAS, The Financial Planning Division of the Administratives Services Department has established that Gardiner & Clancy, LLC as Metro's financial advisor is the best qualified to oversee all technical analysis consulting services related to the study of altenative funding mechanisms; and

WHEREAS, The Metro Council as Public Contract Review Board may declare that it is in the public's interest for this work to move forward in the most expedient manner, accepts those findings and waives competitive bidding; now, therefore,

BE IT RESOLVED,


That the Metro Contract Review Board authorizes the execution of Change Order No. 1 to Contract No. 904803 with Gardiner & Clancy, LLC pursuant to the terms of Metro Code Sections 2.04.054 (a) (2) and (3) by increasing the contract value by \$48,000.

ADOPTED by the Metro Council this 11th day of April,



Jon Kvistad, Presiding Officer

Approved as to Form:



Daniel B. Cooper, General Counsel

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 96-2304 FOR THE PURPOSE OF AMENDING THE CONTRACT BETWEEN METRO AND GARDINER & CLANCY, LLC (CONTRACT NO. 904803) FOR FINANCIAL ADVISORY SERVICES RELATED TO THE ANALYSIS OF ALTERNATIVE FUNDING MECHANISMS FOR METRO'S SOLID WASTE SYSTEM

Date: March 18, 1996

Presented by: Craig Prosser

PROPOSED ACTION

Approval to amend the existing contract (Contract No. 904803) "between Metro and Gardiner & Clancy, LLC for financial advisory services related to the analysis of alternative funding mechanisms for Metro's solid waste system. This resolution would increase the contract value by \$48,000."

FACTUAL BACKGROUND

Amendment of the existing contract (Contract No. 904803) is needed to consolidate consulting services related to solid waste rate reform under one contract. In January 1996, Metro executed a contract for \$65,000 for financial advisory services. Included within the scope of work is work related to "analysis of rate structure for solid waste tip fees and alternative funding mechanisms." After this contract was signed, Regional Environmental Management (REM) identified a need for special analyses related to reform of the current funding mechanism for its solid waste functions, beyond the expertise of the financial advisor. This work needs to be coordinated with financial advisor's work, however, to ensure consistency and to avoid duplication. To ensure a comprehensive and consistent approach to researching alternative funding mechanisms for solid waste functions, Metro Financial Planning and REM staff concluded that this special analysis for REM should be performed under the auspices of Metro's financial advisory services contract. Because the cost of this special analysis will exceed the \$10,000 allowed under Metro Code for contract amendments, the Financial Planning Division seeks Council authorization to amend this contract.

In his 1996-'97 proposed budget, the Executive Officer directed REM to develop its recommendations for restructuring of the current solid waste fee system by July 1, 1996. In setting up a process for developing those recommendations, REM identified the need for specialized consulting services to perform various technical analyses. Because this work requires special expertise in solid waste

finances and operations, REM and the Financial Planning Division concurred that Metro's financial advisor would not be able to perform this work on its own. Because of the importance of the solid waste fee system to Metro's solid waste operations, existing bond covenants for solid waste facilities, and funding for Metro as a whole, however, REM and the Financial Planning Division concluded that Metro's financial advisor should exercise oversight of this technical analysis by initiating a subcontract to procure these specialized consulting services as provided under its existing contract with Metro.

Due to the need to subcontract the specialized consulting services, the financial advisory services contract would be increased by \$48,000 to a new total of \$113,000. This does not constitute a request for new funds. Rather, funds authorized in the FY 1995-'96 approved budget for procurement of similar consulting services by REM will be reallocated to this financial advisory services contract amendment.

Section 2.04.054(a)(3) of the Metro Code required that, "For Personal Services contracts, any contract amendment or extension exceeding \$10,000 shall not be approved unless the Contract Review Board shall have specifically exempted the contract amendment from the competitive procurement procedures of Section 2.04.053."

Metro Council, acting as Contract Review Board, is hereby requested to specifically exempt this amendment from competitive procurement procedures of Section 2.04.053 and thereby authorizes the Executive Officer to execute this contract amendment.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 96-2304.