



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~232-3874~~ 248-5470

BOARD MANAGEMENT COMMITTEE

SEPTEMBER 8, 1978

12:00 NOON

EDUCATION BUILDING
WASHINGTON PARK ZOO

- I. MSD/PUBLISHERS PAPER COMPANY - PHASE II RESOURCE RECOVERY PROGRAM AGREEMENT
(AGREEMENT TO BE SENT OUT UNDER SEPARATE COVER BY DEAN GISVOLD)

- II. ZOO ADVISORY COMMITTEE RULES

- III. LEGISLATIVE CONTRACT - ANNE KELLY FEENEY

- IV. OTHER BUSINESS

II. ZOO ADVISORY COMMITTEE RULES

Mr. Iliff submitted draft rules for the Zoo Advisory Committee and stated that he felt four of the positions should be representative of the three counties and the City of Portland. Commissioner McCready requested that the rules be developed to specifically cover the committee's responsibilities such as reviewing budgets, policy matters, entrance fees, etc. Mr. Iliff will draft new rules. He will also draft a letter to Bob Peterson, as Chairman of the Committee, and signed by Commissioner Schumacher, suggesting Miller Duris as a liaison between the Committee and the Board.

III. LEGISLATIVE CONTRACT - Anne Kelly Feeney

The Committee was in agreement to hire Anne Kelly Feeney as a lobbyist during the coming legislative session.

IV. OTHER BUSINESS

There was some discussion on the Zoo Division's replacement of Paige Powell, Public Relations Specialist, and it was agreed to continue seeking applications, but with the department title changed to Marketing and Promotions.



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205
(503) 248-5470

TO: MSD BOARD

STAFF REPORT ON THE AUDIT
COMMENTS LISTED IN THE AUDIT
REPORT FOR YEAR ENDED 6/30/77

ITEM I

ALL OF THE CORRECTIVE ACTIONS SHOWN HAVE BEEN TAKEN CARE OF BY THE IMPLEMENTATION OF A NEW PURCHASING SYSTEM JULY 1, 1977, AND A NEW PAYROLL SYSTEM JANUARY 1, 1978.

ITEM II

PART OF THE ACCOUNTING SYSTEM HAS BEEN CONVERTED TO THE COMPUTER AND THE BALANCE WILL BE DONE SHORTLY. THIS WILL ELIMINATE THE OLD OVERLOADED MANUAL SYSTEM AND PUT ALL OF THE FINANCIAL REPORTS ON A CURRENT BASIS.

ITEM III

THE LOCAL BUDGET LAW HAS BEEN COMPLIED WITH FOR THE CURRENT FISCAL YEAR. ALL ACTIONS INCLUDING TRANSFER OF APPROPRIATIONS AND SUPPLEMENTAL BUDGET HAVE BEEN REVIEWED BY THE AUDITORS.

ITEM IV

NO COMMENTS MADE.

ITEM V

THE COLLATERAL SECURITY CERTIFICATE WITH UNITED STATES NATIONAL BANK WAS INCREASED BY 100% TO \$150,000 WHICH SHOULD BE MORE THAT ADEQUATE FOR ANY ACCOUNT BALANCE DURING THE YEAR.

ITEM VI

NO COMMENTS MADE.

ITEM VII

NO COMMENTS MADE.

HARDY, McEWEN, NEWMAN, FAUST & HANNA

(FOUNDED AS CAKE & CAKE-1886)

ATTORNEYS AT LAW

1408 STANDARD PLAZA

PORTLAND, OREGON 97204

TELEPHONE 226-7321
AREA CODE 503HERBERT C. HARDY
DONALD W. McEWEN
JONATHAN U. NEWMAN
JOHN R. FAUST, JR.
JOSEPH J. HANNA, JR.
DEAN P. GISVOLD
ROBERT D. RANKIN
VICTOR W. VANKOTEN
ROBERT A. STOUT
JANICE M. STEWART
ROBERT G. BOEHMER

September 1, 1978

RALPH H. CAKE
(1891-1973)
NICHOLAS JAUREGUY
(1896-1974)RECEIVED
SEP 5 1978
METRO SERVICE DISTRICTMr. Chuck Kemper
Metropolitan Service District
1220 S.W. Morrison, Room 300
Portland, Oregon 97205

Re: Phase II Engineering Agreement

Dear Chuck:

Enclosed is draft number one of the Phase II Engineering Agreement between Publishers Paper Company and the Metropolitan Service District. Pursuant to your instructions, I am sending copies of draft number one and a copy of Roy Ruel's preliminary draft of the agreement to the MSD Management Committee. Roy's draft was intended to be a starting point for discussions on the Phase II agreement. Roy has not seen a copy of draft number one.

The Phase II agreement raises several issues which I believe warrant further discussion.

1. Has the Phase I work been completed to your satisfaction?
2. Who should pay for the Phase II work? Both parties agree that each party should be responsible for their own "inhouse expenses". Publishers believes that the Phase II engineering work (paragraph 5.0) should be MSD's responsibility. The cost of this work is still an unknown quantity as far as I know.
3. Should Publishers be required to make more of a commitment toward implementation of the project? At this point, the draft agreement does not require a commitment to implement the project from Publishers other than a 50% participation in the cost of Phase II engineering work as proposed in paragraph 10.0. Either party under the agreement may terminate the agreement upon giving 20 days written notice. Thus, if a greater commitment is asked of Publishers, then a similar commitment should probably be expected of MSD.

COPY

Mr. Chuck Kemper
September 1, 1978
Page Two

4. Will the Phase II work lock MSD and Publishers into a turnkey construction method with Bechtel as the project engineer? What are the pros and cons of the turnkey construction vis-a-vis the design-construct method? At a minimum, I believe that the Phase II work should require proposals from at least three companies interested in and qualified to perform a turnkey construction project.

5. Underwriters for the project must be selected before the contract negotiations begin. All of the underwriters interviewed by the underwriters selection committee made it clear that the underwriters must play a role in shaping the terms and conditions of the contracts, to the end that the bonds will be marketable. Can the differences between Publishers and MSD over the underwriters' selection be resolved prior to beginning Phase II?

Very truly yours,

Dean P. Gisvold

DPG:ndo

cc: Mr. Ketterling
Mr. Schumaker
Sid Bartels, Esq.
Ms. Connie McCready

AGREEMENT FOR IMPLEMENTING RESOURCE
RECOVERY FACILITIES
BETWEEN
PUBLISHERS PAPER CO.
AND
METROPOLITAN SERVICE DISTRICT
PHASE II

RECITALS

1.0 Phase I Agreement. On February 14, 1977, the Metropolitan Service District (MSD) and Publishers Paper Company (Publishers) entered into an agreement to perform Phase I Engineering design (the Phase I agreement) for a municipal refuse facility processing 400,000 tons per year of commercial and municipal solid waste.

2.0 Phase I Participants. Publishers subcontracted the Phase I engineering work to the Bechtel Corporation of San Francisco, (Bechtel) and the Phase I financial work to White Weld Inc. of New York (now Merrill Lynch, White Weld Capital Markets Group) (White Weld). The work to have been performed by Bechtel and White Weld has now essentially been completed and their respective final reports issued.

3.0 Phase I Work Products. 3.1 The Bechtel report envisions a resource recovery facility (processing

plant) capable of processing at least 400,000 tons annually of municipal refuse received from private haulers and the public in the MSD area. The processing plant and a boiler would be constructed on a site of approximately ten acres located to the northeast of Oregon City, approximately 1-1/4 miles from Publisher's mill. The boiler would burn the processed refuse and produce steam, which would be piped to Publisher's Oregon City mill with sufficient steam produced to eliminate the use of fossil fuels at the Oregon City mill. In addition, a steam turbine generator located on the Oregon City mill site would provide approximately 23% of the mill's current electrical energy requirements. Ferrous metals separation equipment and picking stations for the possible recovery of newsprint and paperboard would be incorporated in the processing plant. The processing plant, the boiler, the steamline and the generator are hereafter referred to as the "Project" or as to the "Facilities".

3.2 According to the White Weld report, the Project would be financed in part by tax free debt issued by the MSD, in part by grant loan funds from the State of Oregon, and in part by Publishers who would be the sole equity investor and the beneficial owner and operator. The Project would be economically self-supporting and its debt obligation self-liquidating. Bonds issued would not constitute a general obligation of any of the participants and

their viability would depend on the credit of the Project itself. The Project would be capitalized and operated as a separate entity with all financial activities ultimately consolidated into Publishers parent corporation, Times Mirror. The debt, through nonrecourse to Times Mirror, would appear on Times Mirror's balance sheet and all tax benefits would accrue directly to Times Mirror. Sources of revenue for the Project include a user fee for solid waste disposal, an energy charge to Publishers and revenues received from sale of ferrous metal, waste paper, or other by-products. Total capital requirements are estimated to be:

Construction Capital (escalated through time of construction)	\$64.0 million
Working Capital	2.0 million
Bond Insurance Cost	1.4 million
Bond Reserve Fund	3.5 million
Interest during construction	7.4 million
Total	<u>\$78.3 million</u>

The source of funds is anticipated to be:

Solid waste pollution control bonds	\$49.1 million
Oregon State pollution control bonds	9.0 million
Times Mirror equity	20.2 million
Total	<u>\$78.3 million</u>

4.0 Phase II Feasibility. Based on the Phase I work, the parties believe the Project is economically and technically feasible, and want to proceed with the Phase II work.

In consideration of the recitals and the following mutual promises, the parties agree as follows:

5.0 Phase II Work Scope (Engineering).

5.1 Publishers will perform the Phase II Engineering design work for the Facilities based on the Phase I work.

5.2 The Phase II work will include the following general tasks:

- .1 Update the Facilities' design technology consistent with latest plant facilities, and incorporate desired or necessary technical modifications into the proposed design.
- .2 Review and reevaluate certain outstanding system process alternatives and modify the proposed design accordingly. Items to be reviewed are RDF storage, pipeline routings, boiler emission controls and the use of cooling tower for the turbine generator condensor water. Other items may be reviewed upon written approval of MSD.
- .3 Obtain a final, not-to-exceed, construction cost for the Project from at least three qualified and mutually acceptable engineering-construction firms. Additional detailed equipment and contract specifications required to establish a firm cost will be prepared. The firm cost will be based upon a mutually acceptable project schedule.
- .4 Obtain required environmental and siting

approvals and permits including air emissions, greenway, cooling tower discharge and the like.

.5 Establish a final operating budget, and prepare final financial forecasts consistent with contracts as finally negotiated.

6.0 Contract Negotiations.

6.1 Concurrent with the execution of the Phase II engineering work, Publishers and MSD agree to begin meaningful negotiations concerning the necessary Project contract agreements with the intent to establish final drafts by _____

6.2 The agreements will include, but are not limited to:

- .1 Contract for supply of refuse between the Project and the MSD.
- .2 Contract for disposal of residue and ash between the Project and the MSD.
- .3 Contract for the sale of energy between the Project and Publishers.
- .4 Contract for the sale of by-products between the Project and the purchasers.
- .5 Bond purchase agreements between the Project underwriter, the MSD, and Publishers.
- .6 Contract(s) between Publishers and others for the construction of the Facility.

7.0 Phase II Work (MSD).

7.1 Concurrently with the Phase II engineering work, MSD will complete their analysis of refuse availability in the MSD area, including the quantity of suitable processible municipal refuse available and its geographic location.

7.2 The MSD work will include the following general tasks:

.1 Confirm refuse supply data and establish range of tonnage of processible refuse to be available to the Facility.

.2 Obtain, if necessary, additional local and/or state legislation to insure MSD's authority to control the flow of adequate municipal refuse to the Facility.

.3 Establish a program, a detailed system mechanics for delivery of the municipal refuse to the Facility, including the use of transfer stations.

.4 Develop a program, and the system mechanics for disposal of unprocessed wastes, residues and ash from the Facility.

8.0 Consultants; Coordination.

8.1 Publishers may hire consultants, approved by MSD, as necessary, to accomplish the above-described scope of work, and will supply sufficient and knowledgeable employees to supervise and coordinate the work. Publishers

will appoint a Project Engineer who will have direct responsibility for all facility engineering and design under the direction of Publishers' Chief Engineer. Publishers will comply with all pertinent Oregon law required to be complied with by a person contracting with a public agency. This contract is exclusively for personal services.

8.2 MSD will supply sufficient staff to work and coordinate with Publishers and consultants to the end that Publishers' work hereunder will not be delayed.

9.0 Project Advisory Committee. A Project Advisory Committee (PAC) will be formed to monitor work performed under this agreement. Membership on the committee will be composed of at least one representative from both the MSD and Publishers, together with such project consultants and representatives from governmental agencies such as the DEQ as the parties may deem appropriate. The MSD representative shall serve as Chairman of the committee and can call PAC meetings.

10.0 Cost of Phase II

10.1 The Phase II engineering work, exclusive of the cost of Publishers' employees and MSD staff, is expected to cost approximately \$ _____. MSD will contribute one-half of the cost of the Phase II work, up to a maximum of \$ _____. Publishers will contribute the balance

of the funds for the Phase II work. Publishers may invoice MSD monthly for one-half of the monthly cost for the Phase II work.

10.2 Within 30 days, and prior to commencing Phase II work, Publishers shall prepare a detailed plan setting forth the scope of work for Phase II, together with the budget therefor, which shall become a part of this agreement after approval by the MSD and Publishers. In no event is MSD responsible to Publishers, or any consultant hired by Publishers, either individually or in the aggregate, in excess of the maximum dollar commitment made by MSD in paragraph 10.1.

10.3 Publishers will not be reimbursed by the MSD for costs which are part of its normal overhead expenses, including the wages of its regular employees involved in this work. All costs and expenses to be reimbursed shall be invoiced to and paid by the MSD on a monthly basis.

11.0 Termination. This agreement can be terminated by mutual consent of the parties or upon the receipt of 20 days' written notice of termination by either party. In the event of termination of the agreement by either party, the results of the work shall become the sole property of MSD, and MSD May terminate the project or may complete the work with other parties of its choice. It is further understood that if this agreement is terminated, MSD intends to use the

Phase I and II work as a basis for detail design engineering of the South Processing Station.

12.0 Indemnification. Publishers shall indemnify MSD for all claims, expenses, causes of suit or action arising out of Publishers' negligence in the performance of its duties.

13.0 Implementation. Implementation of this agreement is conditioned upon the MSD securing funds or a source of funds equal to the budgeted amount and the parties approval of the detailed scope of work and budget in paragraph 10.2. Until Publishers receives MSD's certificate that it has the necessary funds to pay the costs and expenses to be reimbursed hereunder, Publishers shall have no obligation to proceed with the work. In the event that MSD does not satisfy such condition precedent prior to the anniversary date of this agreement, Publishers shall have no further obligation to proceed hereunder.

14.0 Miscellaneous.

14.1 In the event of any litigation concerning this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and court costs, including fees and costs on appeal to an appellate court.

14.2 This Agreement is binding upon the parties and their respective successors. This Agreement may not

under any conditions be assigned or transferred by either party without the express written approval of the other party.

Dated this _____ day of September, 1978.

METROPOLITAN SERVICE DISTRICT

Witness:

By: _____

Date: _____

Date: _____

PUBLISHERS PAPER COMPANY

Witness:

By: _____

Date: _____

Date: _____

AGREEMENT FOR IMPLEMENTING RESOURCE
RECOVERY FACILITIES
BETWEEN
PUBLISHERS PAPER CO.
AND
METROPOLITAN SERVICE DISTRICT
PHASE II

Project Status

In September of 1977, the Metropolitan Service District (MSD) and Publishers Paper Company (Publishers) entered into an agreement to perform Phase I Engineering design for a municipal refuse facility processing 400,000 tons per year of commercial and municipal solid waste. The refuse recovery facility was to include a steam plant with electrical generation capability suitable for burning the refuse derived fuel produced by the processing station.

The scope of work to be performed by Publishers under this agreement was further defined by the Phase I Engineering Scope of Work and Budget, and a budget of \$530,000 was established. The Bechtel Corporation of San Francisco, Teledyne National (later designated a subcontractor under Bechtel) and White Weld Inc. of New York (now Merrill Lynch, White Weld Capital Markets Group) were subsequently engaged by Publishers as subcontractors under this agreement. The work to have been performed by Bechtel and White Weld has now essentially been completed and their respective final reports issued.

As envisioned in the Bechtel report, the Resource Recovery Facility would be capable of processing 400,000 tons annually of solid waste received from private haulers of the MSD area.

The facilities would include a processing plant and boiler plant to be constructed on a site of approximately ten acres located to the northeast of Oregon City approximately 1-1/4 miles from Publisher's mill. From the municipal solid waste, these facilities would produce steam for use in Publisher's Oregon City mill with sufficient steam produced to essentially eliminate the use of fossil fuels at the Oregon City mill. In addition, a steam turbine generator located on the Oregon City mill site would provide approximately 23% of the mill's current electrical energy requirements. Incorporated in the processing system would be ferrous metals separation equipment and picking stations for the possible recovery of newsprint and paperboard. As estimated by Bechtel, it was anticipated the facilities would cost approximately \$54 million in terms of 1977 dollars. As envisioned in the White Weld report, the project would be financed in part by tax free debt issued by the MSD, in part by grant loan funds from the State of Oregon, and in part by Publishers who would be the sole equity investor and the owner-operator. The project would be economically self-supporting and its debt obligation self-liquidating. Bonds issued would not constitute a general obligation of any of the participants and their viability would depend on the credit of the project itself. The project would be capitalized and operated as a separate entity with all financial activities ultimately consolidated into Publishers parent corporation, Times Mirror. The debt, through nonrecourse to Times Mirror would appear on Times Mirror's balance sheet and all tax benefits would accrue directly to Times Mirror. Sources of revenue for the project would be a user fee for solid waste disposal, an energy charge to Publishers plus revenues received from sale of ferrous metal, waste paper, or other by-products. Total capital requirements are itemized below:

Construction Capital	\$64.0 million
(escalated through time of construction	
Working Capital	2.0 million

Bond Issuance Cost	1.4 million
Bond Reserve Fund	3.5 million
Interest during construction	7.4 million
Total	<u>\$78.3 million</u>

The source of funds is anticipated as itemized below:

Solid waste, pollution control bonds and both serial and term form	\$49.1 million
Oregon State Grant loan funds	9.0 million
Times Mirror equity	20.2 million
Total	<u>\$78.3 million</u>

On the basis of the results of the Phase I Engineering effort, the parties to the agreement believe the project to be both economical and technically viable. Therefore, based on the results of the Phase I work, but without prior agreement or commitment to any findings, results, or conclusions of the Phase I work, technical or financial, Publishers and the MSD jointly agree to proceed in the Phase II work. Publishers has, therefore, proposed to the MSD that the Phase I agreement be extended and be called the Phase II agreement, as the second step in the implementation of the project. Now, therefore, it is agreed as follows:

Scope of Work

Publishers will perform Phase II Engineering design for the Oregon City Refuse Processing Facility based essentially on the 400,000 tons per annum plant outlined and defined in the final Phase I report prepared by Bechtel and Merrill Lynch White Weld. Phase II Engineering design will include the following general tasks:

Update design technology consistent with latest plant facilities and incorporate desired or necessary technical modifications into the proposed design.

Review and reevaluate outstanding system process alternatives and modify the design accordingly. Items

to be reviewed are RDF storage, pipeline routings, boiler emission controls and the like.

Obtain a final, not-to-exceed, constructed cost for the total facility. Additional detailed equipment and contract specifications required to establish a firm cost will be prepared. The firm cost will be based on a final commonly agreed to overall project schedule.

Obtain required environmental and siting approvals and permits including air emissions, greenway, cooling tower discharge and the like.

Establish final facility operating budgets and prepare final financial forecasts consistent with contracts as finally negotiated.

Concurrent with the execution of the Phase II Engineering design, Publishers and MSD jointly agree to enter into meaningful negotiations with the intent to establish final drafts for the necessary project contract agreements. The agreements currently contemplated are:

- . Contract for supply of refuse between the project and the MSD.
- . Contract for disposal of residue and ash between the project and the MSD.
- . Contract for the sale of energy between the project and Publishers.
- . Contract for the sale of by-products between the project and the purchasers.
- . Bond purchase agreements between the project underwriter, the MSD, and Publishers.
- . Contract(s) between Publishers and others for the construction of the facilities.

Cost of Phase II

Publishers shall be reimbursed by the MSD for all costs incurred in connection with its performance of the Phase II Engineering design work, as defined and stipulated in the existing contract for performance of Phase I. Publishers will not be reimbursed for costs which are part of its normal overhead expenses, including the wages of its regular employees involved in the work.

Within 30 days and prior to commencing the Phase II work, Publishers shall prepare a detailed plan setting forth the exact scope of the work for Phase II, together with a budget which shall become a part of this agreement upon approval of MSD and Publishers.

Responsibilities of the MSD

Concurrently, and consistent with the progress of the Phase II work, the MSD agrees to complete their analysis of refuse availability in the MSD to more exactly define the quantity of suitable processible refuse available and its geographic location. Included in the MSD work shall be the following general tasks:

Confirm refuse supply design data and establish range of tonnage of processible refuse to be available to the Oregon City Processing Plant.

Obtain all necessary local and/or state legislation required to insure the MSD's authority to direct and control the flow of adequate refuse to the processing plant.

Establish a program for and detailed system mechanics for delivery of the refuse to the Processing Plant including specific and final plans for any transfer stations required to insure adequate refuse will be available.

(It is understood that any transfer stations required would be owned and operated by the MSD either directly or under contract to others.)

Develop a program and a system mechanics for disposal of all unprocessed waste and residues and ash from the facility. It is understood that disposal of all residue and ash from the facilities, shall be the responsibility of the MSD.

The program above, as well as the final results of the work, must be approved and acceptable to Publishers.

General

All applicable clauses and considerations of the original Phase I Agreement between Publishers and the MSD shall continue in effect for the life of the Phase II Agreement.



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~223-8574~~ 248-5470

MSD BOARD MANAGEMENT COMMITTEE

MSD OFFICE
1220 SW MORRISON

AUGUST 9, 1978
12:00 NOON

A G E N D A

THE COMMITTEE WILL MEET WITH BILL YOUNG, ERNEST SCHMIDT, BOB BROWN, AND BOB GILBERT, OF THE DEPARTMENT OF ENVIRONMENTAL QUALITY IN AN ATTEMPT TO DETERMINE:

- 1) THE STATE'S MINIMUM STANDARDS FOR COVER AT AREA LANDFILLS; AND
- 2) WHETHER THE MSD STAFF SHOULD ENFORCE THE STATE'S MINIMUM STANDARDS FOR COVER MATERIAL.



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205

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MSD BOARD MANAGEMENT COMMITTEE

August 9, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Connie McCready, Chairman
Robert Schumacher

GUESTS & STAFF IN ATTENDANCE

Bill Young, DEQ
Ernest Schmidt, DEQ
Bob Gilbert, DEQ
Bob Brown, DEQ
Dean Gisvold, MSD Attorney
Charles C. Kemper, Staff
Cordell Ketterling, Staff
Merle Irvine, Staff
Paul Norr, Staff
Bob Keech, Staff

The Management Committee, staff and staff of the State Department of Environmental Quality met to discuss areas of concern to staff of the State's solid waste landfill regulations. Specifically under discussion were the state's minimum standards for cover, and whether the MSD staff should enforce the state's minimum standards for cover material. Also, under specific discussion were the impacts of the state standards on the Rossman Landfill and DEQ's lack of enforcement of their regulations at this site.

The discussion was general and no action was taken, however, MSD will be involved in reviewing Rossman's operational plan and issuing of the regulations included in Rossman's permit.

The Committee will report to the full Board on August 11, 1978.



METROPOLITAN SERVICE DISTRICT

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MEMO

TO: MSD Management Committee

FROM: MSD Solid Waste Staff (Kemper, Ketterling, Keech, Irvine, Norr)

RE: Minimum standards for cover at landfills - to be discussed at committee meeting on August 9, 1978 and for action at MSD Board meeting August 11, 1978.

Staff's Assumptions

1. No hard core data exists proving conclusively that daily cover of landfills will eliminate damage to the public health, safety and welfare from occurring as a result of landfilling solid wastes.
2. No hard core data exists proving conclusively that landfilling without daily cover is a safe practice.
3. Use of daily cover will provide significant cosmetic and aesthetic relief for users of the landfill and the surrounding community. In addition to providing some immediate relief, this will increase the ability of MSD to site a new landfill in an urban area, thereby minimizing haul costs.
4. Daily cover of landfilled materials is a generally accepted theory and practice of good landfill management within the community of federal, state and local government officials and landfill designers responsible for solid waste management.
5. Use of suitable earth cover material to satisfy generally accepted practices of good landfill management is substantially more expensive than not covering wastes.
6. EPA, which has the authority to close all landfills that do not meet EPA's standards, considers daily cover to be the appropriate standard. EPA may, under authority of the Resource Conservation and Recovery Act, classify uncovered landfills as open dumps and require their closure within a "reasonable time (not to exceed five years)" after such classification. Such classification will probably take place in approximately one year.

7. Oregon's minimum standards, as evidenced by the Oregon Administrative Rules promulgated by the EQC and permit requirements established by DEQ, require daily cover at landfills receiving residential and commercial wastes.
8. Legal constraints require MSD to comply with minimum standards established by the state.
9. MSD can seek change in the state's minimum standards.

Staff's Opinion

MSD staff, based on their professional judgement, is of the opinion that a prudent solid waste management plan ought to contain a requirement of daily cover at landfills and is of the opinion that such a requirement is fair and reasonable.

Staff's Recommendation

The staff recommends that the Board determine and define their position on daily cover requirements and direct the staff (1) whether to continue the current daily requirement, and, if to continue the requirement, (2) whether to enforce the requirement, and (3) whether to seek change in the state's minimum standards.

Some suggested alternative positions for the MSD Board are:

- (a) Continue the requirement, enforce it, and don't seek change in the state requirement.
- (b) Continue the requirement, enforce it and seek change in the state requirement.
- (c) Continue the requirement, but don't enforce it and don't seek change in the state requirement.
- (d) Continue the requirement, but don't enforce it and seek change in the state requirement.
- (e) Discontinue the requirement and don't seek change in the state requirement.
- (f) Discontinue the requirement and seek change in the state requirement.

MSD BOARD POSITION

AS A RESULT OF THE DISCUSSIONS AT THE LAST BOARD MEETINGS, THE STAFF FEELS THE MSD BOARD POSITION ON REQUIRING SIX INCHES OF DAILY COVER WOULD BEST BE REPRESENTED BY THE FOLLOWING STATEMENT.

AFTER SIGNIFICANT REVIEW OF AVAILABLE INFORMATION, PUBLIC TESTIMONY AND OTHER DISCUSSIONS, THE MSD BOARD BELIEVES THAT PROVIDING SIX INCHES OF DAILY COVER IN EXISTING AREA LANDFILLS CANNOT BE PROVEN EFFECTIVE IN REDUCING THE RISK TO PUBLIC HEALTH, SAFETY AND WELFARE, AND IN VIEW OF THE COST, SHOULD THEREFORE NOT BE REQUIRED.

THERE IS SIGNIFICANT SENTIMENT AMONG GOVERNMENT AND PRIVATE SOLID WASTE EXPERTS THAT AT LEAST SIX INCHES OF DAILY COVER ENHANCES THE QUALITY OF THE FILL AND MAY REDUCE POTENTIAL DANGERS. ALTHOUGH OREGON'S EXISTING MINIMUM STANDARD, AS STATED BY OREGON ADMINISTRATIVE RULES AND PERMIT CONDITIONS ESTABLISHED BY DEQ REQUIRE SIX INCHES OF DAILY COVER, THESE REQUIREMENTS HAVE NOT BEEN RIGIDLY ENFORCED AND NO SIGNIFICANT PROBLEMS CAN BE PROVEN TO RESULT FROM THIS FAILURE TO PROVIDE DAILY COVER.

NEVERTHELESS, NEW FEDERAL LEGISLATION IN THE FORM OF THE RESOURCE RECOVERY AND CONSERVATION ACT, POPULAR OPINION AND THE OPPORTUNITY AVAILABLE AS NEW SITES ARE OPENED, SUGGEST THAT THE PRACTICE OF PROVIDING DAILY COVER SHOULD BE ESTABLISHED.

THE MSD BOARD THEREFORE DIRECTS STAFF TO:

1. SEEK THE COOPERATION OF DEQ AND EXISTING LANDFILL OPERATORS TO DEFINE THE EXTENT OF COVER ENFORCED AT EACH LANDFILL.

2. WORK WITH DEQ STAFF AND THE LANDFILL OPERATORS TO ESTABLISH LANDFILL PERMIT CONDITIONS COMPATIBLE WITH THE HISTORICAL PRACTICE AS ENFORCED, INCLUDING OBTAINING THE NECESSARY VARIANCES FROM THE STATE MINIMUM STANDARDS AS MAY BE REQUIRED.

AND FURTHER RECOMMENDS THAT FOR ALL NEW LANDFILLS, DAILY COVER OR EQUIVALENT BE INCORPORATED IN THE OPERATIONAL REQUIREMENTS OF THAT LANDFILL.



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MSD BOARD MANAGEMENT COMMITTEE

JULY 24, 1978

7:00 P.M.

- I. ZOO DIVISION MANAGEMENT TRAINING STATUS
- II. MSD MANAGEMENT ASSOCIATION DEFINITION
- III. COST OF LIVING INCREASES - NON UNION
- IV. DIRECTORS' SALARIES
- V. SALE OF SURPLUS PROPERTY - INFORMATION
- VI. OTHER BUSINESS



METROPOLITAN SERVICE DISTRICT

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MSD BOARD MANAGEMENT COMMITTEE

July 24, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Connie McCready, Chairman
Robert Schumacher

COMMITTEE MEMBER NOT IN ATTENDANCE

Sidney Bartels

STAFF & ADVISORS IN ATTENDANCE

Charles C. Kemper
A. McKay Rich
Robert Elfers
Don Williams
Jean Woodman

I. ZOO DIVISION MANAGEMENT TRAINING STATUS

Mr. Elfers provided a status report on his study of the Zoo Division's Management structure and the relationship between the Zoo Director and the Zoo Assistant Director. A report will be prepared and submitted at a later date.

II. MSD MANAGEMENT ASSOCIATION DEFINITION

Staff presented a draft proposal for a Management Association, and requested the Committee's definition of membership. The Committee rejected the proposal and will consider alternatives.

III. COST OF LIVING INCREASES - Non Union

The Committee accepted the revised "Classification and Compensation Plan" for non-union salaried employees as presented and dated July 1, 1978, and agreed to a 7% cost of living increase for recommendation to the full MSD Board of Directors.

IV. DIRECTORS' SALARIES

It was agreed to recommend to the MSD Board an increase to \$34,000 for Warren Iliff, and an increase to \$35,000 for Charles Kemper as salaries for the FY 78-79.

V. SALE OF SURPLUS PROPERTY - Information

The Committee agreed to the list of surplus property to be placed for sale as submitted by staff.

VI. OTHER BUSINESS

1. Increase in Staff Contracting Authority

The Committee agreed to recommend to the full MSD Board an increase in staff contracting authority to \$15,000 as shown in the recommended modifications to MAP 51.

2. Friends of the Zoo Agreement

The Committee directed that the proposed agreement between MSD and the Friends of the Zoo be placed on the Board agenda for July 28, 1978, as an informational item, and on the agenda for August 11, 1978, for approval or rejection.

3. TRI-MET Pass Discount for Employees

The Committee considered the increase in cost to MSD for providing a 20% discount to employees on TRI-MET passes. The Committee directed that the question be placed with legal counsel for consideration and recommendation.

There was no further business to be considered by the Management Committee and the meeting adjourned.

DRAFT

MANAGEMENT ASSOCIATION

RULES

for

Metropolitan Service District

Effective Date

July - 1978

INDEX

INTRODUCTION

This document represents the personnel rules for selected management employees of the Metropolitan Service District. The purpose of the Management Association rules is to provide an effective and responsible management work force for the MSD. At the present time, there is no separate statement of benefits for management employees. These rules are subject to updating and periodic revisions by the MSD Board. The MSD Board of Directors has defined selected MSD non-union salaried employees as members of the Management Association. (Attachment A)

ADMINISTRATION OF THE RULES

The MSD Administrative Director shall be responsible for:

- (a) Administering all the provisions of the personnel rules
- (b) Preparing and recommending to the Board of Directors personnel rules and revisions and amendments to such rules.

If any section, subsection, sentence, clause, or phrase of these rules is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of these rules.

ARTICLE I GENERAL

1.1 PURPOSE

The purpose of the Management Association rules is to provide a compensation plan for MSD management employees. Further, the rules shall provide a means to recruit, select, develop and maintain an effective and responsible management work force.

1.2 VARIANCES

The MSD Board shall have the power to vary or modify the strict application of the provisions of these rules

1.3 DEFINITIONS

The definitions for usages in this document shall be the same as those used in the MSD personnel manual.

ARTICLE 2 PERSONNEL POLICIES AND PROCEDURES

2.1 APPOINTMENT

2.1.1 All original appointments to vacancies shall be made solely on the basis of merit, efficiency and fitness.

2.1.2 No question in any examination or in any application form or by any appointing power shall be so framed

as to attempt to elicit information concerning race, color, ancestry, national origin, age sex, marital status, or political or religious affiliation, for the purpose of discriminating on employment.

2.2. PROBATIONARY PERIOD

- 2.2.1 All original and promotional appointments shall be tentative and subject to a standard probationary period of six consecutive months service.
- 2.2.2 During the original probationary period, a probationary management employee may be terminated at any time upon five days notice and for any reason without appeal and without previous lesser disciplinary action.
- 2.2.3 In the case of promotional appointments, the promoted management employee may be demoted at any time during the probationary period and be reinstated in the class designation from which he or she was promoted.

2.3 ATTENDANCE

- 2.3.1 Management employees shall be in attendance at their work in accordance with the rules regarding hours of work, holidays and leaves of absence.

2.4 PERSONNEL RECORDS

This section is the same as Section 2.4 in MSD Personnel Manual.

ARTICLE 3 - DISCIPLINARY ACTION

- 3.1 The power to suspend, demote or discharge is granted to the management employee's immediate supervisor.
- 3.2 Disciplinary action shall include but not be limited to and need not follow this specific order depending upon the severity of this infraction.
- 3.2.1 Oran warning - Oral warning is notice to a management employee that his or her performance needs improvement. A record will be placed in the management employee's personnel record.
- 3.2.2 Written warning - Written warning is formal notice to the management employee that his or her performance or behavior needs improvement. A copy of the written warning is placed in the management employee's personnel record.
- 3.3 NOTICE OF DISCHARGE
- The immediate supervisor shall give a management employee whose discharge is sought written notice of the proposed action, stating any and all reasons, specifically and in detail, for the proposed action. The notice becomes a permanent part of the management employee's personnel record.

The management employee is entitled to a reasonable time (30 days) for answering the notice of discharge and for furnishing affidavits in support of his or her answer. The management employee can appeal to the MSD Board any action for demotion or discharge made by immediate supervisor.

ARTICLE 4 PAY PLAN AND COMPENSATION

4.1 PAY PLAN

The Director of Administration shall prepare a compensation plan which shall prescribe a minimum and a maximum rate of pay for each position shown in Attachment B.

4.2 ANALYSIS OF PAY PLAN

At least once each fiscal year, the Director of Administration shall compare the current MSD salary rates, compensation policies and personnel developments with those of other public and private employers within the same job market. Changes in the cost of living shall also be considered. The Director of Administration shall then examine the salary range for each class of position and salary requests from management employees to ascertain whether current minimum and maximum salaries should be maintained, increased or decreased during the succeeding fiscal year; and, upon the basis of this analysis, shall submit recommendations for amending the pay plan to the Board of Directors.

4.3 OVERTIME COMPENSATION

No overtime compensation shall be paid to management employees.

4.4 SALARY ADMINISTRATION

- 4.4.1 All management personnel shall be paid according to the pay plan contained in Appendix B. The plan shall be updated annually with consideration given to MSD's fiscal situation, to attracting and retaining highly qualified personnel, and to equity of compensation between MSD pay plan and comparable rates of pay in public and private employment within the State of Oregon.
- 4.4.2 Management employees shall be paid bi-weekly. Pay periods shall commence on Thursday and end on Wednesday two weeks later.
- 4.4.3 Payroll deduction will be made for income tax withholding, FICA, workman's compensation insurance, and management employee's contributions to employee benefits as approved by the Director of Administration at the request of the management employee.
- 4.4.4 Bi-weekly time sheets are kept by each management employee. The bi-weekly time sheet records hours worked, vacation, holidays sick leave, and other time record information, and will be used to facilitate generating the bi-weekly payroll.

ARTICLE 5 - FRINGE BENEFITS

5.1. HOLIDAYS

All management employees shall be entitled to ten holidays per year with pay.

5.2 VACATION

Annual vacation leave for management employees shall be computed on the basis of time actually served during each calendar year. The rate that annual vacation leave accrues shall depend on the number of years of total service for the management employee, whether or not total service was broken. No vacation shall be carried over for more than 2 years worth. Leave of absence time shall not count towards vacation or retirement.

<u>Years of MSD Service Completed During Year</u>	<u>Monthly Accrual Rate</u>	<u>Total Annual Hours</u>
At Least 6 months	6.67 hrs.	80 hrs.
At Least 2 years	10 hrs.	120 hrs.
At Least 5 years	13.33 hrs.	160 hrs.
At Least 8 years	16.67 hrs.	200 hrs.

5.3 SICK LEAVE

All management employees shall earn sick leave with full pay at a rate of four (4) hours per bi-weekly payroll period. Sick leave shall accrue from the date of employment, but shall not be accumulated in excess of 520 hours.

5.4 LEAVE OF ABSENCE WITHOUT PAY

A management employee may be granted leave of absence without pay for a period not to exceed three (3) months, provided such leave can be scheduled without adversely affecting the operations of MSD. Requests for leave of absence without pay shall be approved by the immediate supervisor.

5.5 LEAVE OF ABSENCE WITH PAY

Management employees may request leave of absence with pay. Each request shall be judged by the immediate supervisor on its merit.

5.6 INSURANCES

All management employees will receive health, life disability, vision and dental insurance. Additional life insurance coverage may be purchased by the management employee and the premium paid by the employee. Booklets describing these benefits must be made available.

5.7 SOCIAL SECURITY

MSD shall make the proper contribution to the Social Security Plan.

5.8 WORKMAN'S COMPENSATION INSURANCE

All management employees shall be covered for medical expenses and disability benefits for injuries or illness resulting from employment.

5.9 RETIREMENT PLAN

5.9.1 The management employees in this association shall be deleted from Banker's Life MSD Retirement Plan and enrolled in a MSD deferred compensation plan with ICMA Retirement Corporation.

5.9.2 MSD will contribute 5% of taxable gross of each management employee per pay period to the plan. (same as prior plan contribution). The employer contributions are allocated only to the Fixed Income fund of the plan.

5.9.3 Each management employee has a mandatory contribution of 5% (?) of taxable gross to the plan per pay period. Federal income taxes will not be deducted on the employee's payroll check on the amount of the individual contribution.

5.9.4 Each employee has the following options:

- 1) The employee can increase his/her contribution rate up to a maximum of 15% (?)
- 2) The employee can designate that part or all of his/her contribution be allocated to the variable fund of the plan. Contributions not so allocated will be allocated to the fixed income fund of the plan.

ATTACHMENT A

List of employees (by title)

Within Management Association

Administrative Division Director

Accounting System Manager

Clerk of the Board

Solid Waste Division Director

Implementation and Compliance Manager

Engineering and Analysis Manager

Zoo Division Director

Zoo Division Assistant Director

Visitor Services Manager

Building and Grounds Manager

Animal Management Department Manager

Education Department Manager

ATTACHMENT B

Pay Plan and Compensation Schedule

<u>TITLE</u>	<u>CLASS</u>	<u>RANGE</u>
Clerk of the Board	6	\$14,358 - \$17,777
Visitor Services Manager	8	\$18,803 - \$22,563
Educational Services Manager	8	\$18,803 - \$22,563
Accounting Systems Manager	9	\$21,195 - \$25,982
Engineering and Analysis Manager	9	\$21,195 - \$25,982
Implementation and Compliance Manager	9	\$21,195 - \$25,982
Building and Grounds Manager	9	\$21,195 - \$25,982
Curator	9	\$21,195 - \$25,982
Assistant Director	10	\$24,614 - \$29,400
Director	11	\$28,717 - \$34,186

COST OF LIVING INCREASES FOR NON-UNION SALARIED EMPLOYEES

The staff recommends that the evaluation and approval for Cost-of-Living increases for non-union employees be done independently from whatever results from the negotiations with the unions.

Considering the present state of the Local #483 negotiations we suggest that this is a good time to institute this philosophy.

Attached is the Classification and Compensation Plan for non-union salaried employees with the range amounts reflecting a 7% cost-of-living increase. Because of the increased cost of some fringes this action would result in a 9.1% total increase which is within the amount budgeted under the contingency line items.

We request approval to present this proposal to the Board for the July 28th meeting.

CLASSIFICATION AND COMPENSATION PLAN

NON-UNION SALARIED EMPLOYEES

July 1, 1978

POSITION	CLASS	MINIMUM	MAXIMUM
Clerk-Typist	1	\$6495/yr.	\$8888/yr.
Secretary I, Instructor Volunteer Asst., Receptionist	2	\$7863/yr.	\$10,255/yr.
Concession Supervisor Asst. Bookkeeper I, Secretary II	3	\$9230/yr.	\$11,623/yr.
Nutritional Technician Veterinarian Technician Photographer Bookkeeper II Assistant Public Info. Coordinator Technician/Draftsman I Graphics/Exhibits Designer Gift Shop Supervisor	4	\$10,598/yr.	\$13,675/yr.
Assistant Ed. Services Coord. Administrative Secretary Technician/Draftsman II Assistant Research Coordinator Electronic Technician	5	\$12,307/yr.	\$15,725/yr.
Food Concession Supervisor Public Relations Coordinator Educational Services Coordinator Graphics/Exhibits Section Coord. Clerk of the Board	6	\$14,358/yr.	\$17,777/yr.

CLASSIFICATION AND COMPENSATION PLAN CHART, Cont.

NON-UNION SALARIED EMPLOYEES

July 1, 1978

POSITION	CLASS	MINIMUM	MAXIMUM
Compliance Officer Solid Waste Engineer	7	\$16,410/yr.	\$20,170/yr.
Animal Keeper Foreman Maintenance Foreman Engineer II Research Director Educational Services Manager Visitor Services Manager	8	\$18,803/yr.	\$22,563/yr.
Veterinarian Accounting Systems Manager Engineering & Analysis Manager Implementation & Compliance Manager Construction Proj. Coordinator Curator (Animal Collection Manager) Building and Grounds Manager	9	\$21,195/yr.	\$22,982/yr.
Assistant Director	10	\$24,614/yr.	\$29,400/yr.
Division Director	11	\$28,717/yr.	\$34,186/yr.
ADM. DIRECTOR		30,000	36,000

SALE OF SURPLUS PROPERTY

The staff has compiled a list of property that has not been used for some time because of either the equipments' condition or present operations. Much of this property is taking up valuable space which is badly needed.

It is planned to advertise and hold an auction for this property shortly.

The Property List is attached.

Informational Item.

METROPOLITAN SERVICE DISTRICT

SURPLUS PROPERTY AUCTION

AT WASHINGTON PARK ZOO

<u>Item</u>	<u>Min. Bid Value</u>
1) New Brunswick bottle shaker	
2) Beckman paper electrophoresis cell	
3) Photometer photo volt and Photometer chart, plotter and recorder	
4) Autotechnician tissue slide processor	
5) National Appliance Company warm water bath and 1 high-pressure filter unit	
6) Power pressure cleaner; good engine; 8 years old	
7) Assorted aquariums; some good, some cracked (good for dry use, terrariums, etc.)	
8) 3 rolls (750 ft. total) aluminum cable	
9) 1 100 gallon spray tank	
10) 1 Wisconsin high-pressure pump, etc.	\$250.00
11) 1 Pacific pump	
12) 2 Cony's	
13) 1 Cushman box and differential	
14) Fairbanks scales	
15) Popcorn warmer	
16) 2 jet spray coders	
17) Cotton candy pan	
18) Hobart slicer	
19) Star hot dog warmer	
20) Snow cone machine and bin	\$200.00
21) 1 1908 National cash register, brass with nickle wash; excellent working condition	\$225.00
22) 1 antique oak and glass display case; glass shelves; mirror back	
23) Standard Remington Electric Typewriter	
24) 4-Function Electro Mechincal Calculator	

VI. OTHER BUSINESS

INCREASE IN STAFF CONTRACTING AUTHORITY

UNDER EXISTING MSD PROCEDURES, THE CONTRACT APPROVAL LIMIT WITHOUT BOARD APPROVAL IS \$5,000. WE ARE REQUESTING THE FOLLOWING CHANGES TO THE PROCEDURE:

SECTION 2 OF MAP 51 BE AMENDED TO READ: "ALL CONTRACTS WITH AN EXPENDABLE AMOUNT OF OVER \$20,000, UNLESS OF A CONTROVERSIAL NATURE, BE EXEMPT FROM BOARD REVIEW AND APPROVAL."

SECTION 6 OF MAP 51 BE AMENDED TO READ: "CONTRACTS EXPENDING AN AMOUNT BETWEEN \$500 AND \$20,000 MUST BE SIGNED BY THE MSD ATTORNEY AS TO FORM, THE CONTRACTOR, THE INITIATING DIVISION DIRECTOR, AND THEN SUBMITTED TO THE ADMINISTRATIVE DIVISION DIRECTOR FOR APPROVAL AND SIGNATURE."

HAMPSON & BAYLESS

ATTORNEYS AT LAW

505 PACIFIC BUILDING

520 S. W. YAMHILL ST.

PORTLAND, OREGON 97204

ALFRED A. HAMPSON
RICHARD V. BAYLESS

RECEIVED
TELEPHONE
(503) 223-1332

July 19, 1978

Dean Gisvold, Esq.
1408 Standard Plaza
Portland, Oregon 97204

AM. P.M.
7 8 9 10 11 12 1 2 3 4 5 6

Dear Dean:

I am returning the Agreement which was signed by me and Robert Peterson as President and Secretary of Friends of the Washington Park Zoo.

I call to your attention that it is dated June 19th, rather than July 19th.

The Zoo Advisory Committee passed a motion suggesting that the Metropolitan Service District enter into this Agreement. If, in fact, they do, I would appreciate it if you could advise me at your convenience.

Thank you very much.

Very truly yours,



Alfred A. Hampson

AAH/dw
enclosure

COPY

HARDY, MCEWEN, NEWMAN, FAUST & HANNA
(FOUNDED AS CAKE & CAKE-1886)
ATTORNEYS AT LAW
1408 STANDARD PLAZA
PORTLAND, OREGON 97204

HERBERT C. HARDY
DONALD W. MCEWEN
JONATHAN U. NEWMAN
JOHN R. FAUST, JR.
JOSEPH J. HANNA, JR.
DEAN P. GISVOLD
ROBERT D. RANKIN
VICTOR W. VANKOTEN
ROBERT A. STOUT
JANICE M. STEWART
ROBERT G. BOEHMER

July 20, 1978

RECEIVED
JUL 21 1978
METRO TELEPHONE 226-7327
SERVICE DISTRICT
CODE 503

RALPH H. CAKE
(1891-1973)
NICHOLAS JAUREGUY
(1896-1974)

Mr. Warren Iliff, Director
Washington Park Zoo
4001 S.W. Canyon Road
Portland, Oregon 97221

Dear Warren:

Enclosed is the Agreement between MSD and the Friends of the Washington Park Zoo. The Agreement has already been signed by Al Hampson and Robert Peterson on behalf of the non-profit corporation.

I am enclosing a copy of Al Hampson's letter which indicates that the Zoo Advisory Committee has approved this arrangement.

From a legal standpoint, I find the Agreement to be acceptable and have indicated my approval in the usual manner.

If you have any questions, please call.

Very truly yours,



Dean P. Gisvold

DPG:ndo

Enclosures

cc: Mr. Kay Rich
Mr. Chuck Kemper
Al Hampson, Esquire

COPY

AGREEMENT

This agreement is between the Metropolitan Service District, a municipal corporation (MSD) and the Friends of the Washington Park Zoo, an Oregon nonprofit corporation (Corporation), and is dated July 19, 1978.

RECITALS

1. Pursuant to Oregon law, MSD maintains and operates the Washington Park Zoo (Zoo).

2. Corporation is a tax-exempt, nonprofit corporation organized for the purpose of providing citizen support for the Zoo.

3. To facilitate the implementation of this purpose, MSD and Corporation hereby enter into an agreement defining the relationship between them.

AGREEMENT

4. The Corporation will:

- a) Recruit a broad-based membership in the Corporation from throughout the MSD;
- b) Develop general community support for the Zoo;
- c) Encourage volunteer participation at the Zoo;
- d) Publicize information about the Zoo and activities of the Corporation through a newsletter or other means of communication;
- e) Promote the Zoo's capital development program by conducting fund-raising campaigns, obtaining

grant funds with the prior approval of MSD, encouraging bequests to the Corporation for the use and benefit of the Zoo and other similar activities;

- f) Report at least annually to the MSD Board of Directors on the Corporation's progress in the above-described areas;
- g) Pursue these activities through its own staff and facilities, and at its own expense;
- h) At the request of the MSD Board of Directors, perform other services that will benefit the Zoo and are acceptable to the Corporation.

5. MSD will:

- a) Provide a reduced admission rate for Corporation members;
- b) Provide meeting space on a space available basis for the Corporation's Board of Directors and Committees;
- c) Sponsor two annual events for the Corporation's membership at no charge to the Corporation.

6. The agreement will be reviewed annually on or about July 1 of each year. Either party may terminate the agreement at any time for any reason upon 30 days written notice.

FRIENDS OF THE WASHINGTON PARK ZOO

METROPOLITAN SERVICE DISTRICT

By: Alfred G. Hampson Pres

By: _____
Chairman

By: Robert E. Peterson - Sec

APPROVED AS TO FORM:

MSD ATTORNEY DEAN P. GISVOLD

TRI-MET PASS DISCOUNT FOR EMPLOYEES

After taking over the zoo MSD continued the fringe benefit of a 20% discount for a Tri-Met pass.

MSD paid the full amount to Tri-Met and this has been an annual expense of approximately \$1450.00.

With the Tri-Met rate increase for passes effective 9/03/78 this expense will increase to approximately \$1825.00 annually.

Informational Item



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~222-8871~~ 248-5470

MSD MANAGEMENT COMMITTEE

CITY OF PORTLAND
PLANNING COMMISSION
420 SW MAIN ST.
Room 200

JUNE 29, 1978
12:00 Noon

A G E N D A

- I. MSD MANAGEMENT REORGANIZATION
- II. PERSONNEL - NON UNION COMMITTEE
- III. DEFINITION OF MANAGEMENT/EMPLOYEES
- IV. UNION LOCAL 483 NEGOTIATIONS STATUS REPORT
- V. OTHER BUSINESS



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205

(503) 248-5470

MSD BOARD MANAGEMENT COMMITTEE

June 29, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Connie McCready
Robert Schumacher
Sidney Bartels

STAFF IN ATTENDANCE

Charles C. Kemper
Dean Gisvold
A. McKay Rich
John Wight
Don Williams
Jean Woodman

I. MSD MANAGEMENT REORGANIZATION

It was agreed that the staff would return at a future Management meeting with a realignment of work tasks and responsibilities for the Administrative Division Director.

II. PERSONNEL - NON UNION COMMITTEE

Mr. Kemper informed the committee that the non union staff were in the process of forming an employee's association for voicing concerns on personnel matters only. Such an association is provided for in the MSD Personnel Manual. No action was taken.

III. DEFINITION OF MANAGEMENT/EMPLOYEES

It was agreed that a definition for employees exempt from the employees association should be developed. Staff will return with a draft listing.

IV. UNION LOCAL 483 NEGOTIATIONS STATUS REPORT

Mr. Gisvold provided a status report on wage negotiations with Union 483, stating that a cost of living offer of 6.5% was submitted for MSD and rejected.

NO OTHER BUSINESS WAS DISCUSSED.



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) 222-3671

MSD BOARD MANAGEMENT COMMITTEE

MSD OFFICE
1220 SW MORRISON

MAY 19, 1978
2:00 P.M.

A G E N D A

- I. MSD/ZOOLOGICAL SOCIETY AGREEMENT/SERVICES FOR OUTSIDE ORGANIZATIONS POLICY
- II. FREE ZOO ADMISSION POLICY
- III. ZOO CONCESSIONS PROGRAM
- IV. UNION LOCAL 483 CONTRACT NEGOTIATIONS
- V. OTHER BUSINESS



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205

(503) 248-5470

MSD BOARD MANAGEMENT COMMITTEE

May 19, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Sidney Bartels
Robert Schumacher
Connie McCready

STAFF & ADVISORS IN ATTENDANCE

Dean Gisvold, Attorney
John Wight, City of Portland
Don Williams, Clackamas County
Charles C. Kemper, Staff
Warren Iliff, Staff
Jean Woodman, Staff
Don Flatley, Staff

I. MSD/ZOOLOGICAL SOCIETY AGREEMENT/SERVICES FOR OUTSIDE ORGANIZATIONS POLICY

Commissioner McCready and John Wight both stated that they had dicussed abolishment of the Zoological Society and organization of an alternate association with Mr. Al Hampson, Chairman of the Executive Committee of the Society, and Mr. Hampson was in agreement. They had also discussed duties of the new organization, to be campaigning for new levies and fund raisers for the Zoo, with Mr. Hampson, and MSD's concession of some benefits to the members of the new organization. There was some discussion of MSD producing the newsletter independently and setting up an endowment fund to receive donations and bequeths.

It was agreed that a draft agreement would be developed for use between MSD and the new organization, reviewed by each member, and brought before the Board for action.

II. FREE ZOO ADMISSION POLICY

The Management Committee instructed staff to cancel all existing free passes effective July 1. New passes will be issued to Zoo employees and volunteers and will carry an expiration date. Free day events will be kept to a minimum and school groups will be charged admittance, but on a reduced rate. An ordinance will be developed by staff amending group rates and increasing the gate fees.

III. ZOO CONCESSIONS PROGRAM

Mr. Iliff informed the committee of his plans for improving the services in the concessions program and contracting with a consultant to develop an immediate improvement plan. The results of the consultant's work should be available in two weeks. The committee requested a time schedule for completion of the improvements.

The committee agreed and directed staff to develop a Request for Proposals for private operation of the concession services to be used in determining the advantages and disadvantages of staff operations of visitor services at the Zoo. There was also some discussion on how private operation would affect the union agreement and the termination date of that agreement.

Staff will approach the Board on May 26, 1978, with a recommendation to develop an RFP for the concessions services.

IV. UNION LOCAL 483 CONTRACT NEGOTIATIONS

Mr. Gisvold stated that the union agreement was being negotiated this next fiscal year for wages only, and requested direction from the committee on limits for cost of living. Staff presented written impacts on 6% and 6.5%. The committee discussed constraints placed on all increased costs in relationship to Commissioner McCready's proposal that 60% of the operating costs at the zoo be developed from gate and visitor services revenues. Mr. Gisvold was directed to restrain negotiations to available funds and in line with a 60% operating cost goal.

V. OTHER BUSINESS

There was no Other Business presented.

call Dean

Warren - 1/17/78

DRAFT

SUBJECT: Washington Park Zoo Admission Policy

- 1. Washington Park Zoo Admission Passes.
This refers to passes that are good for more than one day. All admission passes currently outstanding shall be cancelled as of July 1, 1978. New passes will be issued in accordance with the adopted policy of the MSD Board.

 - a. All passes will be numbered, will bear the name of the person to whom the pass was issued, will bear an expiration date that shall not be more than one year from the date of issuance, and shall be non-transferrable.

The Zoo director shall be responsible to designate a person to keep a register of the names of the persons to whom passes have been issued, and ^{the} a corresponding number of the pass and the reason or category for which the pass was issued.

 - b. The pass shall entitle the holder to enter the Zoo without paying an admission fee. (Or the pass shall entitle the holder to enter the Zoo at a reduced rate up to ²⁰ ~~25~~% of the basic rate.)
 - c. Washington Park Zoo admission passes may be issued to the following persons: (1) members of an organization, approved by the MSD Board, whose main purpose is to support the Washington Park Zoo; (2) Zoo volunteers who are certified and participate in a volunteer program under the direction of the volunteer coordinator.

2. Free admissions and reduced admissions.

~~Free admissions~~ may be offered to any public or private *schools* ~~schools for children under the age of 12.~~ Accompanying adults ~~will also be admitted free.~~ School groups whose

[Handwritten signature]

children are over 12 may be admitted with a reduced admission rate up to 80% of the basic rate for the children and accompanying adults.

0-12.
3. Admission passes and admissions for school groups shall not include any reduced or free use of concessions including the zoo train.

4. ~~A reduced admission of up to 30% of the basic rate may be allowed for volume sales of tickets or joint convention package ticket.~~

A 5. ~~Special admission days.~~ Special admission days.

These special admission days shall be presented to and approved by the Board annually. Special admission days shall not be scheduled during the months of May, June, July and August. Special admission days may allow free or reduced admission for designated classes of persons (such as handicapped, children under 12, etc.). However, the director is encouraged to use reduced rate promotional days rather than free days.

6. All other special admissions at the zoo shall be on a reduced admission rather than a free admission basis. The Director shall submit, at least annually, a list of proposed reduced admission one day activities (such as reduced admission for Port of Portland employees, Tri-Met employees) and promotional packages (such as the joint convention package ticket) for approval by the MSD Board.

7. Commercial ventures with the private corporations will be reviewed by the MSD attorney and submitted to the Board on a case by case basis.

* Basic ^{rate} ~~fee~~ - the rate charged adults that live outside the MSD area.
(Currently the basic rate is \$1.50. An 80% reduction = 30¢)

WASHINGTON PARK ZOO

To: Management Committee
From: Warren Iliff
Subject: Zoo Food and Gift Concessions Program

Date: 5/15/78

Despite the per capita sales improvements that we've made during this last year and as shown on the "profit and loss" reports distributed two weeks ago, I feel that there is a great deal more that we can do to both further increase these sales as well as profitability and to generally upgrade the quality, visability, aesthetics and overall reputation of our food and gift sales.

Don Flatley and I have worked out the following improvement program:

I. General

- A. Food and Souvenir Consultant - we have contracted for Gerry Ward and Associates to visit the zoo on Sunday through Tuesday of next week (see attached letter). During his visit we will be able to get suggestions for immediate improvements as well as a good analysis of what we can really expect to generate in the way of sales and profits from our program. We also plan on having Mr. Ward meet with Mr. Doug Macy and to have his input during the schematic phase (and perhaps later in the actual design planning) of the Entrance Plaza and #2 Food Pavilion. Mr. Ward will give a two hour slide presentation at noon on Monday in the zoo's Education Building; Board members and/or their assistants are welcome to attend.
- B. Zoo Advisory Committee - has undertaken a comparative study of food and concession operations at comparable zoos and will make a report to the MSD Board in approximately six weeks.
- C. Uniforms - have been ordered for the Animal Management and Buildings and Grounds personnel and decaled T-shirts will be developed for the Food Service personnel. Gift Shop and Front Gate personnel will have a smock type uniform and the train personnel will have a train motif outfit. All these uniforms will be in effect by July 1.
- D. Personnel Selection and Training - will continue to be improved and a special Visitor Services Employee Handbook will be developed by the end of the year.

II. Food

- A. Outside Advice - in addition to Mr. Ward's input the zoo staff will seek advice from:

- 1) Mr. Jim Borden Kircher - Memorial Coliseum
- 2) Mr. John Rian - Rian's Restaurant
- 3) Mr. Joe Angel - Burger King

B. Food Equipment and Types of Service Proposals

- 1) Gene Buday's work has been completed.
- 2) Comparative proposals will be received (in lesser detail but at no charge) from two other equipment operators.
- 3) By the time that the Entrance Plaza has been designed (completion scheduled for September 1, 1978) we will go out for equipment and installation bids. Both that and the entrance plaza renovations will be completed by February 1, 1979.

C. Entrance Plaza

- 1) No later than July 1 (depending on availability) new tables, chairs and umbrellas will be purchased for the entrance plaza.
- 2) Repainting of entry areas is being accomplished now and will be completed prior to June 1.
- 3) New Washington Park Zoo letters have just been installed on the entry mural.
- 4) The "turtle and log" sculpture will be installed in the entry pool by July 1.
- 5) An "information table" will be in operation at the entrance plaza on weekends this summer.

D. Graphics

- 1) Ann Fisher (a Seattle designer) by courtesy of John Rian will meet with Mr. Gerry Ward on Tuesday, May 23 to suggest graphics treatments for immediate application at both food stands.
- 2) Ann is also working on coordinating graphics for all of the mobile carts and these will be incorporated this summer.
- 3) The restroom area mural has been completed
- 4) Paper products graphics will be discussed with Mr. Ward.

E. Mobil Cart Program

- 1) Two ice cream carts, a hot dog/soda cart and a new popcorn cart are now in operation and achieving superb results.

- 2) A second popcorn cart is being ordered and will be in operation by June 1 (pending delivery time).
- 3) A second hot dog cart has been budgeted for FY 78/79 and will be installed July 1.
- 4) The Public Relations Section will undertake a coordinated food cart promotion program during July to achieve maximum impact and visibility of this important new facet of our food program.
- 5) Two possible new carts are being investigated for Belgian Waffles and "Elephant Ears" preparation and sales.
- 6) A new "Animal Snackers" animal food sales program will be inaugurated this summer with mobile cart sales at the front gate. This program will achieve better health control, improved education and increased sales and profits.
- 7) A new Cushman scooter is being put into service to improve resupplying of all carts.

F. Food Service

- 1) A new slicer and a refrigerated condiment holder will be installed as soon as possible (pending electrical supply capability and Mr. Ward's advice) and this will immeasurably improve the quality of the burgers.
- 2) Fresh, cold sandwiches will be added to the menu as an experiment this summer.
- 3) A new food service will be a Picnic Kit for family, after work, zoo picnicing. It will feature a sandwich, apple and cookie and will be the subject of a public service announcement for release by July 1.
- 4) New foods to be featured by July 1 will be:
 - a) Fried onion sticks - introduced last year with excellent sales results.
 - b) A sausage-hot dog - introduced last year with good sales.
 - c) A baked fruit tart.
- 5) A second candy, ice machine stand will be developed near Food #2 and all candy will be removed from Food #1.
- 6) An awning cover for Food #2 and vending machines will be developed and installed (by July 1 pending advice from Mr. Ward).

7) Operational Improvements

- a) New storage at the Bear Line will be investigated and developed this summer to serve both the #2 stand and the carts and possibly to provide ice cubes and fresh popcorn.
- b) An improved food line-up is being developed for Food #2
- c) We are investigating moving the cashroom to the commissary to free up office space at Food #1.

8) Miscellaneous

- a) We are investigating the provision of both hot food (carts?), ice cream (carts?) and Picnic Kits to school groups visiting OMSI and the Forestry Center
- b) For summer months, the possibility of a hot dog/soda cart at the lower Washington Park and Zoo Railway station will be investigated.

III. Gifts

1. A gift shop manager will be hired with a closing of ads on May 30 and selection by June 15 to be on the job by July 1.
2. New display techniques and merchandise will continue to be investigated.
3. Under current investigation is a T-shirt, decal merchandising system.

I'm confident that these improvements and those scheduled to occur as a part or result of the Entrance Plaza renovations will accelerate both our per capita sales and our profitability.

jah

cc: Kay Rich
Department Heads
Gerry Ward
John Rian
Joe Angel
Ann Fisher
Bob Smith
Jim Riccio
Paige Powell
Joey Cross
Bill McCabe

Gerry Ward and Associates

18 CONTINENTAL DRIVE
RIDGEFIELD, CONNECTICUT 06877
TEL. (203) 438 - 8532

FOOD AND MERCHANDISE CONSULTANTS

GERRY WARD, PRESIDENT

May 9, 1978

Mr. Warren J. Iliff, Director
Washington Park Zoo
40001 S.W. Canyon Road
Portland, Oregon 97221

Dear Warren:

It was nice talking to you again this past Saturday and I was happy to hear that you have decided to retain our services for the improvement of your Food and Merchandise Concessions.

You asked that I immediately send you the sales history at the National and Bronx Zoos since we became involved as their consultants. I will not go into any detail as to what our involvement as consultants has been at either zoo, since this is best explained in our slide presentation which I will be bringing with me on my trip to Portland. Food per capita sales at the National Zoo have increased over 135% and souvenir sales over 100% over the past three years, even though the program still has not been completed. At the Bronx Zoo, souvenir sales have increased from \$238,000 to over \$400,000 in two years, even though there was a substantial decline in attendance and various other operational problems that have now been all but eliminated. This year, we are confidently predicting that sales will exceed \$500,000.

Since I do not have any of your latest sales figures and since I have not seen your Zoo or your facilities, I cannot even begin to estimate what projections we can help to achieve at your Zoo. I will be able to give you some idea though upon completion of my visit next week. In this regard, I am enclosing a list of information that I would like to have ready for me or be able to discuss with you during my visit. The list is quite detailed and I do not expect that you will be able to have all this information ready within a few short days. Whatever isn't readily available could be mailed to me shortly thereafter.

I look forward to seeing you and yourself next week.

Sincerely,


Gerry Ward

js

encl.

WASHINGTON PARK ZOO

To: MSD Management Committee
From: Warren Iliff
Subject: Zoo Society Action Plan

Date: 5/12/78

Before presenting a set of recommended and/or alternative steps to resolve the Zoological Society situation I'd like to preface with some reasons why a civic organization is necessary to the Zoo's future development:

1. It allows the building of a large body of citizens who frequent the zoo often; can become more knowledgeable about it through a newsletter as well as through these visits; promote it by word of mouth advertising to their friends, co-workers, relatives and out-of-town guests; and vote and campaign for it during levy elections.
2. It can be a 501 (3) (c) non-profit organization to which some grants, donations and bequests can more easily be given.
3. It can conduct fund-raising campaigns to help the zoo's capital development program by attracting private support (and in so doing involve the community in the zoo's growth).
4. It can conduct lectures, film series and classes about the zoo and wildlife for its own members and the community.
5. It can conduct educational programs for the zoo beyond the MSD boundaries where its own tax dollars should not be spent.
6. It can help provide volunteers for the zoo's programs.
7. It can produce a zoo newsletter.

To make such an organization possible the MSD Board could consider the following steps and/or alternatives:

Step 1 - Prior to July 1, 1978 and effective thereon a letter be sent informing the Society that no additional "free admission" membership cards are to be issued for the coming year and that there will be a twelve month phase out period honoring these cards at the gate. The letter would also establish that the MSD will no longer be able to provide any administrative support for their Board meetings, mailings and newsletter.

Step 2 - Effective July 1 the MSD would be available to sign an agreement with a new citizen's organization that would be interested in meeting the following conditions (and to which hopefully most Society members would want to transition each month as their memberships expire):

- a. A mission of supporting, not directing or advising, the MSD's zoo.
- b. Development of a large (5,000 - 20,000) membership with broad representation throughout the District.
- c. Development of their own membership programs that will also serve the zoo in reaching out to the community at large and which will include such educational services as a zoo newsletter (copies of which will be sent to other U. S. zoos and aquariums); public lectures and film and class series.
- d. (As requested by the zoo.) Development and operations of school and park education programs beyond the MSD area.
- e. Development of broad-based fund-raising efforts that will both assist the zoo's development program as well as allow the MSD community to participate more directly in the growth and improvement of their zoo.

In exchange for these services the MSD will:

a. either allow:

- 1) A twenty percent discount on zoo admission with the presentation of their membership card and another identification showing their address for establishment of the MSD or non-MSD rate to discount from (for MSD adults this would be 60¢ instead of 75¢ and for children 20¢ instead of 25¢).

A major advantage of this system is that it would require the lowest dues and is equitable to both MSD and non- MSD members; the major disadvantage is that it is perhaps less of an incentive to visit the zoo often, which is counter-productive to generating other revenues.

or

- 2) A free admission with the presentation of their membership card and other identification that would establish that it was their card with the organization paying the MSD \$3 a year for individual members (based on an average of four 75¢ visits per year) and \$8 a year for family members (based on a family of four for an average of four \$2 each visits per year).

The major advantage of this system is that it might sell more memberships; the major disadvantage is that it would be difficult to insure that the cards wouldn't be given to others for gaining free admissions.

or

- 3) Four or six free passes issued annually to both individual and family members with the organization paying the MSD at the rate of \$3 per year for individual memberships and \$8 per year for family ones.

The major advantage of this system is that it wouldn't matter who would use the passes; the major disadvantage is that it might lose admission revenues since a higher percentage of the passes are likely to be used by people who would otherwise pay.

- b. Allow the organization's Board and committees meeting space on an "as available basis" and up to two annual membership events at no charge.

The MSD's agreement would be up for renewal annually and the new organization would provide an annual report of its activities in relationship to the agreement's conditions on membership, fund-raising, public programs and educational out-reach.

The new organization would develop their own name, logo, stationary, membership cards, etc.; provide for their own membership servicing and would provide their own secretarial, public relations and program development services.

An option to Step 2 and its alternatives would be to simply have the MSD create its own "Washington Park Zoo Association" or "Friends of the Washington Park Zoo" (I prefer the former as it sounds less self-serving) with the specific objectives of building a broad-based membership that visits the zoo often, promotes it in the community, participates in fund-raising activities for new exhibit projects, etc.

Conversion of current Society members into such an organization could be made immediately upon the expiration of their current dues and at the same rate (but with all monies coming directly to the MSD).

jah

RECEIVED
 MAY 5 1978

Julie

April '78

MEIRO SERVICE DISTRICT

	1	2	3	4	5	6
	Admissions	Concessions	Train	Gifts	Animal Food	Vending Exhibits
Rain - 48°	171,640	1436.50	1039.55	523.00	380.86	
✓ 56°	96,255	1151.50	594.13	201.50	290.49	
✓ 60°	57,662	591.50	581.85	93.50	167.30	
Shower 55°	101,588	468.25	2218.5	108.00	95.00	
	124,591	510.75	276.35	—	268.14	
	158,137	1240.50	667.60	296.00	248.91	
Partly Cloudy 65°	231,2620	2188.00	803.85	528.00	343.58	377.97
	412,3623	3706.00	2851.20	1190.00	470.83	113.56
	970,6689	6460.25	4445.45	1563.00	654.31	185.15
	216,1082	1006.00	619.11	321.00	136.22	
	65,466	462.00	343.85	97.50	116.73	
	95,757	744.00	538.30	229.65	132.95	
	286,687	374.50	283.30	111.50	170.73	
	256,540	304.25	18.30	—	61.98	
Overcast 58°	227,806	1694.75	1268.91	513.50	430.84	216.10
	302,1472	1369.00	938.35	353.50	262.57	128.14
	72,294	170.50	104.80	—	148.00	
Cloudy 54°	247,702	551.50	285.35	165.10	198.52	
Rain 45°	286,706	376.50	325.10	104.95	203.41	
	288,682	374.75	255.95	141.25	140.60	
	242,553	262.75	117.45	54.50	91.55	
	97,863	870.20	500.85	167.00	308.05	134.47
	271,2616	2722.91	1980.75	919.00	392.18	191.15
Cloudy 40°	120,631	558.89	438.80	213.35	235.36	
Rain 60°	132,564	463.75	324.10	134.35	115.91	401.45
Rain	144,275	139.75	112.55	—	73.79	
Cloudy	347,890	475.75	260.80	133.10	122.20	
	427,1169	715.75	405.60	199.55	121.91	
	730,4597	4192.75	3045.04	1301.00	731.09	
	244,2137	2164.00	1478.00	648.00	429.75	334.72
	7414					
	freebies					
Mid Apr '78	24,359	22338.75	14518.35	5816.15	3908.87	892.78
✓ '77	26,292	23101.25	10977.03	6973.15	2910.25	612.60
End Apr '78	42,510	37747.50	25031.24	10350.80	7487.76	1681.26
✓ '77	61,364	49412.25	26220.28	16063.25	6237.78	1862.60

17%

WASHINGTON PARK ZOO

To: MSD Management Committee
From: Warren Iliff
Subject: Zoo Society Action Plan

RECEIVED
MAY 17 1978

Date: 5/12/78

METRO SERVICE DISTRICT

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jah



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205

(503) 248-5470

Hardy, McEwen,
Hewman & F

May 10, 1978 MAY 11 1978

A.M.

P.M.

7 8 9 10 11 12 1 2 3 4 5 6

TO: Dean Gisvold ✓
Kay Rich
Chuck Kemper

FROM: Chuck Estes *CS*

RE: Data for Union 483 negotiations requested by May 5th
Rich memo attached.

The data shown below is for Union 483 employees only.

Number of employees set up in Payroll Master file:

Permanent	-	48
Part-time	-	4
Permanent Seasonal	-	3
Temporary	-	<u>10</u>
Total	-	65

(57 of these employees were on the April 28th payroll)

Annual Basis:

Estimated total salaries	\$650,945
Overtime budgeted	<u>9,000</u>
	\$659,945

Fringe Benefits which are directly related to amount of salary	\$110,130
--	-----------

Total used to compute fiscal impact of rate increase	\$770,075
--	-----------

Cost of 5.5% rate increase	\$ 42,354
----------------------------	-----------

Cost of 6.5% rate increase	\$ 50,055
----------------------------	-----------

Exhibit A of current Union contract is also attached.

~~Operator~~ Personal Services, Salaries etc for all EC
~~\$1,950,700~~
\$1,397,300. —



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~243-367X~~ 248-5470

MSD BOARD MANAGEMENT COMMITTEE

MSD OFFICE
1220 SW MORRISON

MAY 5, 1978
12:00 Noon

A G E N D A

PRESENTATION BY BECHTAL ENGINEERING AND PUBLISHERS PAPER COMPANY
ON THE SOLID WASTE PROGRAM CAPITAL COSTS

- I. MSD/ZOOLOGICAL SOCIETY AGREEMENT (UNRESOLVED)
- II. AFFIRMATIVE ACTION PLAN (UNRESOLVED)
- III. ZOO EMPLOYEE DISCOUNT POLICY (UNRESOLVED)
- IV. FREE ZOO ADMISSION POLICY (PROMOTIONS POLICY) (UNRESOLVED)
- V. ZOO ELECTION STRATEGY (NEW)
- VI. ZOO CONCESSION PROGRAM (NEW)
- VII. OTHER BUSINESS



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) 222-3671

MSD BOARD MANAGEMENT COMMITTEE

ACTIONS OF MAY 5, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Sidney Bartels
Robert Schumacher
Connie McCready

STAFF & ADVISORS IN ATTENDANCE

Dean Gisvold, Attorney
Charles C. Kemper
A. McKay Rich
Warren Iliff
Don Williams
John Wight
Jean Woodman

I. MSD/ZOOLOGICAL SOCIETY AGREEMENT

The MSD/Zoological Society Agreement for staff and materials services being supplied to the Society was discussed by the Committee. The Agreement originally proposed in December of 1976, remains an unresolved issue. Commissioners Schumacher and McCready felt that all connection with the Society should be severed immediately. Commissioner McCready questioned the cost of services involved and whether the Society had been remitting these costs. Mr. Iliff stated that a billing through the third quarter in the amount of \$6,500 was being submitted to Al Hampson for payment. This amount was for staff coverage of Executive Board meetings, Society special projects, and copying. The Society's portion of the newsletter costs were being billed direct to them by the printer. Mr. Rich stated that staff has already informed the Society's Education Committee that they would no longer receive staff coverage for meetings.

Mr. Iliff felt the Society provided valuable assistance to the Zoo in terms of special funding and in terms education talents, and suggested that MSD develop a contract with them setting clearly defined areas of responsibilities. He also suggested that the Committee meet with some members of the Executive Board to discuss these areas of responsibilities.

It was agreed that Warren Iliff and John Wight would develop a plan for phasing out the Zoological Society and organizing an alternative group and bring this plan to the Committee on May 19, 1978. After review by the Committee, the plan would appear on the May 26, 1978, Board agenda for action by the full Board.

II. AFFIRMATIVE ACTION PLAN

Mr. Kemper stated that the MSD staff requirements were at this point still under 100 people, and as such, MSD was not required to develop an Affirmative Action Plan. However, he did caution the Committee that the issue would have to be addressed in the near future. The FY 78-79 Budget allocated \$7,000 for personnel management and Affirmative Action Plan preparation and work on the plan should begin after July.

The Affirmative Action Plan issue was removed from the unresolved list.

III. ZOO EMPLOYEE DISCOUNT POLICY

Mr. Iliff stated that he preferred to continue the employee discount policy for morale purposes and because he felt it would encourage the employees to remain on the grounds. The Committee discussed the amount of the discounts, the method for accounting for staff purchases, and the shortages that could occur. It was suggested that employees be supplied with identification cards carrying expiration dates as a control. There was a consensus that a system needed to be developed to monitor the amount of revenue reflected by staff spending. It was felt that this could be incorporated into the new cash register system.

It was agreed to continue the zoo employee discount policy pending review of the costs by use of new cash registers to be purchased in July.

IV. FREE ZOO ADMISSION POLICY

Mr. Iliff submitted a memo on his proposed temporary reduced zoo admissions policy designed for promotional package purposes (memo attached); and Mr. Gisvold submitted a response to the legal issues raised on free and reduced admissions policy. There was a feeling that free admissions should be discontinued

entirely and a completely new policy developed. Admissions at this time are governed by ordinances which are in violation. The Committee discussed the issue of discrimination in allowing free admission to some type groups and not in general, and Councilman Bartels proposed charging some minimal fee at least. There was also some discussion on eliminating free passes altogether.

It was agreed to set this item over to May 19, 1978, at which time staff would supply an analysis of the impact of free admissions and free entrance passes.

V. ZOO ELECTION STRATEGY

Set over to May 19, 1978.

VI. ZOO CONCESSION PROGRAM

Mr. Iliff present two cost analyses, one for the concessions operation and one for the gift shop. The Committee was concerned that the revenues appeared to be well below potential, and there was a consensus in the committee's belief that the concessions and gift shops should provide a major source of income. It was suggested that Mr. Iliff research methods used by the Stadium and Coliseum and consider the Concessions Advisory Committee findings for ways to improve income production. The Committee was also concerned that the Zoo did not have staff qualified to develop improvements in these areas.

Mr. Iliff was directed to develop a plan and time schedule to bring the concessions up to production and bring the report before the Committee on May 19, 1978.

II. AFFIRMATIVE ACTION PLAN (UNRESOLVED)

THIS ITEM IS LISTED AS AN UNRESOLVED MATTER BECAUSE THE STAFF DID NOT HAVE RESOURCES TO ADDRESS THE ISSUE AND ACTUALLY BEGIN PREPARATION OF AN AFFIRMATIVE ACTION PLAN. HOWEVER, IN THE FY 78-79 PROPOSED MSD BUDGET, THE ADMINISTRATIVE DIVISION HAS ALLOCATED \$7,000 FOR PERSONNEL MANAGEMENT AND AFFIRMATIVE ACTION PLAN PREPARATION. YOU SHOULD KNOW THAT UNTIL MSD EXCEEDS 100 EMPLOYEES THE FEDS DO NOT REQUIRE AN AFFIRMATIVE ACTION PLAN.

NO ACTION IS REQUESTED OTHER THAN REMOVING THIS FROM THE UNRESOLVED LIST.

WASHINGTON PARK ZOO

To: MSD Management Sub-Committee

Date: 5/4/78

From: Warren Iliff

Subject: Draft Policy on Free and Reduced Zoo Admissions for Promotional Purposes

As follows:

The Metropolitan Service District hereby temporarily adopts a policy to promote the Zoo as follows:

Section I - Zoo Free Days

For the purposes of celebrating the winter and spring school holidays, attracting senior citizens and handicapped persons to the zoo and as a part of other special days such as Packy's Birthday and Valentine's Day, the admission to the zoo will be waived for MSD residents who qualify for the relevant day by being a child, senior citizen, handicapped (and companion), born in the time period of Packy's birthday or submitted a poem in the Valentine's Day Animal Poetry Contest.

Section II - Joint Free Days

For the purposes of cooperating with other non-profit organizations and in the public's interest, MSD area children will be allowed free admissions on an administrative approval basis, with scheduling for non-busy days or seasons when normal visitation would be low and where such a promotion would be in the mutual public relations interest of the MSD, the zoo and the other organization.

Section III - Free Passes

For the purposes of assisting MSD area charities in their fund-raising efforts (auctions, door prizes, etc.); tour and transportation employees and institutions whose clients or residents cannot afford the cost of admissions and who successfully attest to this need by completing an Admission Supplement form, a limited number of free passes will be authorized by the Zoo Director, Assistant Director or the Public Relations Director.

This policy will expire on December 31, 1978.

M E M O

TO: KAY RICH
FROM: DEAN GISVOLD
RE: ZOO ADMISSION POLICY (Z-021)
DATE: 5/5/78

Pursuant to your request, I am reviewing the legal issues raised by the Zoo's free and reduced admission policy. Although I have not completed my review, I thought it would be helpful for you to be aware of the general rules concerning the use of public funds or things of value.

Public Purpose Doctrine

Public funds or things of value must be spent and used for public purposes. The public purpose doctrine requires that the expenditure or use of public funds be beneficial to the community as a whole. However, a particular plan or policy is not invalidated if a private purpose is also involved so long as the primary thrust of the expenditure or use of public funds is public.

The public benefit should be a direct, not remote or theoretical.

The test should be whether the expenditure or thing of value (1) is used for a Zoo related purpose and (2) confers a direct benefit of reasonably general character to a significant part of the public.

Discrimination

Public bodies cannot unjustly or unreasonably discriminate when they establish rates or fees. However, different rates or fees may be applied when the differences are based on reasonable and fair distinctions. For example, tickets purchased in quantity may be sold at a lesser rate than a single ticket. Children or students may pay a lesser sum than adults.

Oregon Constitution

Article XI, Section 9 restricts the use of public funds:

"No...municipal corporation...shall...
raise money for, or loan its credit to,
or in aid of any...company, corporation
or association."

One Oregon court has interpreted this provision as prohibiting the "giving of a public thing of value or a lending of credit in aid of a private corporation — a credit that has the possibility of general tax liability". Carruthers v Port of Astoria, 249 Or 329, 340 (1968).

This provision applies equally to profit and non-profit companies, corporations and associations. 31 Op Att'y Gen, p20 (1962-64).

Cost of Sales Analysis - Gift Shop

July 1, 1977 - March 31, 1978

<u>Revenues</u>		\$51,018 (100%)
<u>Cost of Sales</u>		
Beginning inventory	\$18,913	
Purchases	<u>+33,260</u>	
Cost of goods available for sale	52,556	
Ending inventory	<u>-25,024</u>	
Cost of goods sold		<u>-27,532 (53.9%)</u>
<u>Gross Profit</u>		\$23,486 (46.0%)
<u>Operating Costs</u>		
Wages (clerks)	6,111 (11.9%)	
Fringes (clerks)	629 (1.2%)	
Wages (admin.) (Vis. Serv. Mgr. 10%)	1,352 (2.7%)	
Fringes (admin.) (Vis. Serv. Mgr. 10%)	298 (.6%)	
Supplies	230 (.5%)	
Travel	<u>1,605 (3.1%)</u>	
Total Operating Cost		<u>-10,225 (20.0%)</u>
<u>Total Operating Profit</u>		<u>\$13,261 (26.0%)</u>

The above report will not bear much resemblance to any past zoo P & L reports since these supplied a dearth of information and didn't truly present a representative picture of Gift Shop profitability. Most retail businesses generate P & L reports on an annual or semi-annual basis due to the inconvenience, time consumed and cost related to doing inventories.

I'd suggest doing an inventory on a semi-annual basis (December 31 and June 30) and having an outside independent firm perform the service.

Revenue Comparison

	(Fiscal) <u>YTD 1977-78</u>	<u>YTD 1976-77</u>	<u>% of previous year</u>
Gift Shop	51,018	41,777	(+) 22.1%
Attendance (Total) (100%)	378,552	425,795	(-) 11.1%
Attendance (Paid) (100%)	276,342	310,830	(-) 11.1%
\$ per Capita (Total)	13.5¢	9.8¢	+ 38.8%
\$ per Capital (Paid)	18.5¢	13.4¢	+ 38.1%

Gift Shop revenues have increased 22.1% over previous year's sales despite lower attendance. This is represented by a 38.8% increase in per capita spending (9.8¢ to 13.5¢ on total attendance). Some of this increase can be attributed to inflation (perhaps 10%). The remainder of the increase is due to increased operating hours and improved merchandising. Very little time has been available to devote to the Gift Shop operation and I strongly believe that a larger sales increase (40-50%) could be achieved with knowledgeable supervision and direction.

Cost of Sales Analysis - Concessions

July 1, 1977 - March 31, 1978

<u>Revenue</u>		\$189,981 (100%)
<u>Cost of Sales</u>		
Beginning Inventory	\$15,392	
Purchases	+59,860	
Cost of goods available for sale	75,252	
Ending inventory	-10,063	
Cost of goods sold	65,189 (34.3%)	
Paper products	- 6,326 (3.3%)	
Cost of food sold		- 58,863 (31.0%)
<u>Gross Profit</u>		<u>\$131,118 (69.0%)</u>
<u>Operating Costs</u>		
Wages (concession workers)	54,193 (28.5%)	
Fringes (concession workers)	6,586 (3.5%)	
Wages (admin.) Concession mgr. 90%	10,553 (5.6%)	
Cash Rm. 50%	8,125 (4.3%)	
Vis.Serv.Mgr. 60%		
Fringes (admin.) Concession Mgr. & Cash Rm.	2,639 (1.4%)	
Vis.Serv.Mgr.	1,789 (.9%)	
Paper products	6,326 (3.3%)	
Repair & Maintenance	556 (.2%)	
Supplies	1,631 (.9%)	
Laundry	436 (.2%)	
Capital Expenditures	1,150 (.6%)	
Total Operating Cost		-93,984 (49.5%)
<u>Total Operating Profit</u>		<u>\$37,134 (19.5%)</u>

EXTRAPOLATE

50k PROFIT

The above represents as accurate and as inclusive a representation of concession operations as is possible. All previous reports issued by the Zoological Society and MSD haven't been done with any thoroughness in mind. Hopefully, the above report will be forthcoming on a monthly basis when MSD accounting is able to supply the necessary information. This and a multitude of other reports (labor analysis, food cost analysis, etc.) may easily be programmed into the computer and thus month-to-month comparisons and trends can be analyzed and appropriate action taken when necessary.

Revenue Comparison

	<u>YTD 1977-78</u>	<u>YTD 1976-77</u>	<u>% of previous yr.</u>
Concessions	189,981	146,714	(+) 29.5%
Attendance Total (100%)	378,552	425,795	(-) 11.1%
Attendance Paid (73%)	276,342	310,830	(-) 11.1%
\$ per Capita (Total)	50.2¢	34.5¢	(+) 45.5%
\$ per Capita (Paid)	68.4¢	47.2¢	(+) 44.9%

The above figures show that the food sales at the Concessions have increased by 29.5% over previous years sales in spite of lower attendance figures. This is represented by a 45.5% increase in per capita spending (34.5¢ to 50.2¢ on total attendance). Only about 7.5% of the increases may be attributed to higher menu prices. Improvement is real and this has come about without any major capital expenditures. I think we can expect further increases during the next fiscal year although not of this magnitude. With the completion of the canteen renovations, income-producing capacity should be increased as well as the quality of the product. Other mobile cart alternatives are being considered and if they prove feasible, should help boost sales.

Zoo Advisory Committee
May 3, 1978

Those present: Dr. Charles Becker, Linda Gray, Al Hampson, Gerard Landon. Staff: Warren Iliff, Kay Rich, Judy Henry.
Guest: Doug Macy

1. Staff Organization/Budgeted Personnel Increases: Mr. Iliff distributed a chart outlining the current staff organization. Rather than having the Construction Manager listed under Building and Grounds as had first been decided, he now reports directly to the Assistant Director and Director due to the following rationale: this is a "staff" not a "line" position; and he must work very closely with the Director and Assistant Director due to the budgetary and contractual aspects of the work.

Two research positions have been eliminated, and two night keepers have been hired and a gift shop manager will be hired. Now that there are night keepers the graveyard shift guard service has been eliminated; we will continue to retain the 3:00 p.m. to 11:00 p.m. guard service.

Other personnel changes: one maintenance position has been moved to the Gardening Department and the grant volunteer coordinator is now volunteer coordinator for the Animal Management Department.

The proposed 1978-79 budget shows a 10% increase over the 1977-78 budget; this includes an approximate 7% cost of living increase.

The applications for the position of Education Manager have been received, and are now being processed. ZAC suggested that such groups as the PZS Education Committee and the Zoo Advisory Committee should be available to interview those applicants selected as finalists. These groups could then make comments and recommendations to Mr. Iliff before he makes a final determination of which applicant shall fill the position. ZAC also suggested that perhaps the Zoo Society could assist with transportation expenses of out-of-state applicants selected for interviews.

2. Employee Discount Policy: A canteen price list showing the retail price, employee price and approximate cost of each item was distributed. Motion made and seconded recommending that the employee discount policy be kept.

Motion carried unanimously.

3. EdCon Report: Zoo Concession Program: Mr. Iliff stated that for modern day zoos to justify their existence and support themselves they need to be in charge of their concession areas rather than having them run by an outside agency. This is contrary to the EdCon report. ZAC asked Mr. Iliff to survey other zoos and ask them if they do or do not run their own concessions and what their experience has been. ZAC appointed Don Lengacher chairman of a sub-committee to study this matter further. This committee will report back to ZAC as soon as possible, at which time ZAC will make a recommendation to the MSD Board.

Admission Price Raises: The EdCon report anticipates a yearly price increase of 10%, and advises that gate admissions be raised to keep up with this; rather than raising the admission prices each year, EdCon suggests that the prices be raised 20% every two years or 30% every three years, etc., and that price raises occur only after new exhibits have been built. Mr. Iliff would like to increase zoo admission prices on January 1, 1979, by approximately 33%; admission prices would then be: adults - \$2.00 (MSD \$1.00); children and senior citizens - \$1.00 (MSD 50¢).

ZAC suggested that a thorough survey of zoo admission categories and usage be undertaken as of May 15 and continue through September 15. A sub-committee of Kay Rich, Gerard Landon and a Zoo Society representative will then come back to the ZAC with a recommendation on zoo admission policy and rates.

4. Zoo Free Admission/Promotion Policy: Mr. Iliff read a drafted ordinance on free and reduced zoo admissions for promotional purposes. The ordinance was broken down into the following sections: Zoo Free Days; Joint Free Days; Reduced Admissions; and Free Passes. The ZAC advised that this ordinance be temporary, with an ending date of December 31, 1978, and that these free and reduced zoo admissions become part of the zoo admission study undertaken by the newly appointed ZAC sub-committee. Mr. Iliff agreed with this suggestion.

5. MSD/Zoo Society Agreement:

Motion made and seconded that MSD be asked to authorize a contract between the MSD and the Portland Zoological Society.

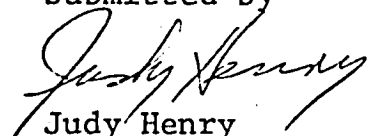
Motion carried unanimously.

6. Phase III Guidelines/Phase IV Projects: Mr. Iliff distributed the attached "Design Guidelines/Phase IV Projects" and after discussion ZAC strongly suggested that the Cascades Exhibit be included in the list of projects. ZAC recognizes that this is a very complex exhibit and realizes that the schematic design for it will not be as in-depth as the designs for the other exhibits.

Mr. Macy discussed the design guidelines and the major categories that they have been broken into, explaining that these are the elements of design that are going to be applied to the individual projects now being discussed and also to future projects.

Motion made and seconded that ZAC recommend the design guidelines be applied to the twelve projects under consideration, that they be applied to other projects in the future and that they be reexamined periodically.
Motion carried unanimously.

Submitted by



Judy Henry
Executive Secretary

jah

Attachment

DESIGN GUIDELINES/PHASE IV PROJECTS

The attached "design guidelines" booklet has been developed to provide a basis for design on the development program projects as they are awarded to successful architectural firm bidders. By following these "guidelines" each firm will insure a consistent approach to the zoo's overall design.

The priority projects for schematic design development in Phase IV fall into two categories. First are the seven projects already approved as scheduled by the consultants during Phase III. They are:

1. Primate House
2. Alaskan Tundra
3. Hippo - African Plains West
4. Train Loop Mountain
5. Australian Exhibit
6. Entrance Terrace and Train Station
7. Food Service #2

This leaves us with five additional projects that could also receive a schematic design treatment in Phase IV (the contract calls for twelve designs at \$1,000 each). The rationale for selecting these was first in terms of their possibly being funded (by government or private grants), secondly in terms of their completing the goal of having exhibits along the train route, and lastly that they would be located in open, unused areas. On this basis the following were selected:

8. Oregon Coast Exhibit - with possible funding from either State or Federal grants.
9. Cheetah/Hyena-African Plains East - a fairly simple and affordable exhibit in the open area across from where the Aoudads and Barbados sheep are currently displayed.
10. Asian Exhibit - fairly simple exhibit and located behind the Elephant House along the train route.
11. South American Exhibit - same as above.
12. Ground Bird Walkthrough - in the range of a moderate donation and to be located in an open area next to the Penguinarium.

The staff recommends that the Board approve the above twelve projects for schematic design development in Phase IV and the design guidelines as submitted by the consultants.



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) 222-3671

MSD BOARD MANAGEMENT COMMITTEE

MSD OFFICE
1220 SW MORRISON

MARCH 31, 1978
12:00 Noon

A G E N D A

- I. HARDY MC EWEN WEISS NEWMAN & FAUST ACCOUNTS PAYABLE
- II. DEPARTMENT OF ENVIRONMENTAL QUALITY PROGRAM PAYMENT
- III. PROCEDURE FOR PERSONNEL EVALUATIONS
- IV. HEW ACCOUNTS PAYABLE FOR UNIDENTIFIED FICA REFUNDS
- V. 1976-77 AUDIT & MANAGEMENT LETTER REVIEW - COOPERS & LYBRAND
- VI. ACCOUNTS PAYABLE REVIEW
- VII. OTHER BUSINESS

MARCH 28, 1978

MSD BOARD MANAGEMENT COMMITTEE AGENDA ITEMS:

1. RESOLVED

- A) MSD/CITY OF PORTLAND - ZOO AGREEMENT
- B) MSD SOLID WASTE USER FEE
- C) MANDATORY RETIREMENT
- D) CONTRACTS:
 - . VENDING MACHINES
 - . PLAYBOX PLAYERS
- E) UNION LOCAL 49 (LAST YEAR'S NEGOTIATIONS)
- G) MUSK OX PURCHASE
- H) MANAGEMENT COMMITTEE ORDINANCE
- I) LEAVE WITH PAY FOR STEVE MCCUSKER
- J) UNION LOCAL 483 (LAST YEAR'S NEGOTIATIONS)
- K) VACATION CREDIT ALLOWANCE FOR LEE MARSHALL
- L) HB 2070
- M) PERSONNEL MANUAL MODIFICATIONS
- N) OGILVIE ACCOUNTS RECEIVABLE
- O) LOCAL GOVERNMENT PERSONNEL INSTITUTE (LGPI) CONTRACT
- P) STAFF CREDIT CARD POLICY
- Q) ZOO RESEARCH PERSONNEL PROBLEM
- R) S.B.714 EFFECT ON EMPLOYEE FRINGE BENEFIT PROGRAM
- S) ZOO BADGER SCULPTURE DONATION
- T) BUDGET TRANSFERS 77-78
- U) PERSONAL SERVICES CONTRACT SELECTION PROCEDURE
- V) PURCHASING FOR CONCESSION/GIFT SHOP

2. UNRESOLVED

- A) MSD/ZOOLOGICAL SOCIETY AGREEMENT
- B) AFFIRMATIVE ACTION PLAN
- C) ZOO DISCOUNT POLICY
- D) FREE ZOO ADMISSION POLICY

3. PENDING

- A) PERSONNEL EVALUATION REVIEW
- B) SEAL POOL WALL (CONSTRUCTION INCOMPLETE, HOWEVER, LEE MARSHALL SAYS IT SHOULD BE DONE THIS WEEK)
- C) PERS RETIREMENT POLICY (AWAITING LEGAL OPINION ON TAKING 5 ANIMAL KEEPERS OFF PERS AND ADDING THEM TO THE BANKERS LIFE POLICY)



METROPOLITAN SERVICE DISTRICT

1220 S. W. MORRISON ROOM 300 PORTLAND, OREGON 97205

(503) 248-5470

MARCH 30, 1978

TO: COMMISSIONER CONNIE MCCREADY

FROM: JEAN WOODMAN

SUBJECT: MANAGEMENT SUBCOMMITTEE AGENDA ITEMS

ENCLOSED IS THE LIST YOU REQUESTED SHOWING ALL OF THE ITEMS CONSIDERED BY THE MANAGEMENT COMMITTEE TO DATE, AND, TO THE BEST OF MY KNOWLEDGE, WHETHER THEY WERE RESOLVED. LET ME KNOW IF YOU ARE QUESTIONING ANY OF THESE ISSUES, AND WE'LL FIND THE ANSWERS.

ENCL.

CC: ROBERT SCHUMACHER
SIDNEY BARTELS
RAYMOND L. MILLER
CHARLES KEMPER
WARREN ILIFF
A. MCKAY RICH



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~223-3671~~ 248-5470

MSD BOARD MANAGEMENT COMMITTEE

March 31, 1978

COMMITTEE MEMBERS IN ATTENDANCE

Connie McCready
Ray Miller
Robert Schumacher

STAFF MEMBERS IN ATTENDANCE

Charles C. Kemper
Merle Irvine
Warren Iliff
A. McKay Rich
John Wight
Chuck Estes

I. HARDY MC EWEN WEISS NEWMAN & FAUST ACCOUNTS PAYABLE

Staff presented a report on legal fees incurred between 1970 and 1973 that were still owing to Hardy McEwen Weiss Newman & Faust.

The committee members agreed to carry an accounts payable item of \$43,259, in this year's budget and the next three years fiscal budgets for payment of one-fourth each year. It was also agreed that the debt would be split between the two operating divisions, Solid Waste and Zoo, with the understanding that if MSD obtained a tax base, the debt would be paid from this in full. Staff will write a letter of agreement to Hardy McEwen Weiss Newman & Faust outlining the terms of payment, with the initial payment to be made upon completion of the agreement.

II. DEPARTMENT OF ENVIRONMENTAL QUALITY PROGRAM PAYMENT

Mr. Irvine informed the committee that a carry-over from the 1975/76 fiscal year grant from DEQ existed in the amount of \$30,585, and that DEQ was now requesting that this carry-over be refunded. These funds are not shown in the fiscal year

budget and in order to refund to DEQ at this time, a supplemental budget process would have to be initiated.

It was agreed to retain the funds for the balance of this year and include it in the FY 78-79 Budget process for refunding to DEQ July 1, 1978.

III. PROCEDURE FOR PERSONNEL EVALUATIONS

Staff submitted a proposed personnel evaluation procedure for determining six-month evaluations, merit and promotional evaluations. The committee discussed the the interview form requiring the supervisor's and employee's versions of the position and the timing in the process for the employee's determination of his job objectives. It was agreed that the first step was to supply a job description to the employee and request his job views only in evaluations subsequent to the initial one. The following order was suggested:

1) employee's opinion of his job; 2) how would he change his job; and 3) what personal improvements he would suggest. The word "job target" will be changed to "job objectives".

IV. HEW ACCOUNTS PAYABLE FOR UNIDENTIFIED FICA REFUNDS

It was agreed that \$6,605.08, appearing on the books as an accounts payable, be written off with a journal transfer to the zoo working capital account. These funds were the employer contributions in Social Security taxes for the years 1971, 1972, 1973, and 1974, mistakenly paid for zoo employees.

V. 1976-77 AUDIT & MANAGEMENT LETTER REVIEW - Coopers & Lybrand

Mr. Estes reviewed his responses to the "Audit Comments and Disclosures" shown beginning on Page 27 of the 76-77 Audit Report. These responses were submitted in writing and are attached. He also submitted written comments speaking to the Auditor's "Report to Management", which was presented as deficiencies in the accounting and control systems. He noted that most of irregularities and lack of controls have been corrected and proper procedures were on-going. In discussing Section A.2, "Eliminate Johnson Creek Drainage Fund and Dispose of Payable to Jurisdictions", consisting of an accounts payable in the amount of \$15,292 to the local jurisdictions, it was agreed to delay any action to eliminate it from the books.

Mr. Estes stated that sections A.3, "Improve Inventory Procedures at the Zoo", and A.4, "Establish and Maintain Fixed Asset Detail Ledgers", were under control with improvements on-going.

The Committee discussed Section B.1, a recommendation from the Auditors that the Administrative Division be funded through an "Intergovernmental Service Fund" whereby actual cost of services are billed monthly to the other divisions. It was agreed that this was a decision the Board as a whole should make, and the Committee directed that the 78-79 Budget for administrative services be developed with an "interfund transfer" as is presently being done.

VI. ACCOUNTS PAYABLE REVIEW

It was agreed that the Board would approve Cash Disbursements by Check Register dates, total Check Numbers and total expended amounts.

Monthly accounting reports will be sent to the Board members.

VII. OTHER BUSINESS

Staff presented the committee with a listing of all items brought before the Board since its inception that have not been satisfactorily resolved. The committee directed that these items be set up on an agenda for consideration.

MEMO

TO: Jean Woodman
FROM: Merle Irvine
RE: ACCOUNTS PAYABLE LEGAL FEES
DATE: March 29, 1978

During the period between 1970 and 1973, the Metropolitan Service District incurred legal expenses in the amount of \$43,259. Although this amount was recognized by the MSD Board, it was never paid. During the development of the fiscal year 1977-78 budget, it was anticipated that the MSD would commence payment of this debt. The MSD Board felt that until such time as the Service District has a source of general revenue, the legal service debt would be borne by the two operating divisions. Therefore, \$8,000 of the \$45,776 transfer to the General Fund from the Solid Waste Fund is dedicated for legal services accounts payable. A like amount, \$8,000, was incorporated in the \$149,376 transfer from the Zoo Fund to the General Fund.

An agreement was reached between the MSD Board and our legal counsel that if and when MSD begins generating revenue on an on-going basis, the legal debt would be paid. Since MSD now has an on-going Zoo Program and a Solid Waste Program, MSD's commitments should be met.

MI:amn

MEMO

TO: Jean Woodman
FROM: Merle Irvine
RE: REFUND OF UNUSED STATE PLANNING GRANT MONIES
TO DEQ
DATE: March 29, 1978

In August, 1975, MSD and DEQ entered into a Solid Waste Planning Grant Offer and Acceptance Agreement (SWP-113) in the amount of \$160,000 for the purpose of implementing the District's Solid Waste Resource Recovery Program. This planning grant terminated on July 1, 1976.

Based on our auditor's report of financial statement and supplementary data for the MSD, that portion of SWP-113 in excess of expenditures as of June 30, 1976 was \$30,585. Since this amount was not spent prior to the termination of SWP-113, it must be refunded to DEQ.

MI:amn

JUNE 19, 1975

REVISED MARCH 1978 _____

DRAFT

MAP 27

METROPOLITAN SERVICE DISTRICT
ADMINISTRATIVE PROCEDURE

TITLE: PERSONNEL PERFORMANCE REVIEW

DESCRIPTION: A PROCEDURE FOR EMPLOYEE WORK EVALUATION

- PROCEDURE:
1. A personnel performance review shall be performed by all division supervisors prior to an employee's initial six month probationary period is completed, and once a year thereafter. The annual reviews shall begin two weeks prior to January 1 of each year and be completed no later than two weeks after that date.
 2. Each division shall shall prepare a review form and conduct oral interviews for each full-time division employee. Part-time performance reviews may be performed at the option of the division director.
 3. Performance reviews are the responsibility of the division director. However, actual review may be delegated to department heads and through them to supervisors. In any event, the division director shall certify all reviews prior to submittal to personnel records.

INHAT ABOUT
UNION CONTRACT

4. The Performance Review Form No. ____ shall be accompanied by the current job description. If a job description does not exist then the division director shall have one prepared that describes current work tasks, experience and educational requirements utilizing the standard format.
5. Appendix A describes definitions utilized in the Personnel Performance Review form. Appendix B contains a copy of Performance Review Form No. _____.
6. The Personnel Performance Review form is divided into seven parts:
 - . Heading
 - . I Employee Work Objective - to be completed by supervisor.
 - . II Key Elements of Job Performance - to be completed by supervisor.
 - . III Summary of Performance - to be completed by supervisor.
 - . IV Employee Job Targets - to be completed by employee prior to completion of parts I through III.
 - . V General Comments - to be completed by employee after interview is finished.
 - . VI Recommendations - to be signed by employee and supervisor and certified by division director.
7. After completion of performance review interviews the division director will submit signed copies of Form No. _____ to personnel records.

DATE: _____

APPROVAL: _____

A P P E N D I X A

DEFINITIONS

SOME DEFINITIONS NECESSARY TO COMPLETE THE PERSONNEL PERFORMANCE REVIEW:

QUANTITY OF WORK

VOLUME OF ACCEPTABLE WORK.

KNOWLEDGE OF WORK

KNOWLEDGE OF RELATED AREAS REQUIRED TO REACH JOB TARGETS AND EFFECTIVENESS IN APPLYING KNOWLEDGE TO TASKS.

QUALITY OF WORK

THOROUGHNESS, ACCURACY AND NEATNESS OF WORK.

ABILITY TO SOLVE PROBLEMS

ABILITY TO RECOGNIZE AND DEFINE PROBLEMS, TO GATHER AND EVALUATE PERTINENT FACTS, TO UTILIZE ORIGINAL THINKING TO JOB, AND PERFORM APPROPRIATE ACTION NECESSARY TO SOLVE THE PROBLEM.

ABILITY TO IMPLEMENT

EFFECTIVENESS IN ANTICIPATING NEEDS, SETTING OBJECTIVES AND ESTABLISHING TIME SCHEDULES, IN GETTING ACROSS TO OTHERS ORALLY OR IN WRITING, AND IN HOLDING SCHEDULES AND PERFORMING TASKS.

COOPERATION

ABILITY TO WORK WITH OTHERS AND ASSIST SUPERIORS, CO-WORKERS, AND SUBORDINATES.

DEPENDABILITY

RELIABILITY IN FOLLOWING THROUGH ON
ASSIGNMENTS AND INSTRUCTIONS.

INITIATIVE

DESIRING TO ATTAIN GOALS AND OBJECT-
IVES WITHOUT CONTINUOUS SUPERVISION.

LEADERSHIP

EFFECTIVENESS IN MANAGING OTHERS.

A P P E N D I X B

PERSONNEL PERFORMANCE REVIEW

Division		Name	
Department	Date employed	Title, Range, Step	
Time in Present Assignment Yrs. Mos.	Date of Last Appraisal	Present Salary	
Job Title		Last Increase	
Reason for Appraisal			
<input type="checkbox"/> Completion of Probationary Period		<input type="checkbox"/> Scheduled Performance Rating	
<input type="checkbox"/> Salary Increase (Step <input type="checkbox"/> or Merit <input type="checkbox"/>)		<input type="checkbox"/> Special Rating	
Education or Training Since Last Appraisal			

I. THE FOLLOWING ARE YOUR JOB OBJECTIVES AND PRIORITIES IDENTIFIED WITHIN MSD.

II. KEY ELEMENTS OF JOB PERFORMANCE.

SATISFACTORY UNSATISFACTORY

PRODUCTIVITY:

QUANTITY OF WORK _____

KNOWLEDGE OF WORK _____

QUALITY OF WORK _____

ABILITY TO SOLVE PROBLEMS _____

ABILITY TO IMPLEMENT _____

ATTITUDE AND PERSONAL CHARACTERISTICS:

COOPERATION _____

DEPENDABILITY _____

INITIATIVE _____

LEADERSHIP (IF APPLIES) _____

III. SUMMARY OF PERFORMANCE.

EMPLOYEES STRENGTHS:

1.

2.

3.

SUGGESTED IMPROVEMENTS:

1.

2.

3.

IV. WHAT HAVE YOU DETERMINED TO BE JOB TARGETS AT MSD (TO BE COMPLETED BY EMPLOYEE)

V. DO YOU HAVE ANY COMMENTS REGARDING THIS PERFORMANCE REVIEW, CAREER GOALS, ASSIGNMENT PREFERENCES, ETC. (TO BE COMPLETED BY EMPLOYEE)

VI. RECOMMENDATIONS:

STEP INCREASE _____

CLASSIFICATION CHANGE _____

OTHER _____

SIGNATURES:

EMPLOYEE _____ DATE _____

DEPARTMENT HEAD _____ DATE _____

DIRECTOR _____ DATE _____



WRITE OFF OF ACCOUNTS PAYABLE FOR UNIDENTIFIED FICA REFUNDS

FOR THE YEARS 1971, 1972, 1973 AND 1974, SOCIAL SECURITY TAXES WERE DEDUCTED FROM ZOO EMPLOYEES BY MISTAKE AND ALSO THE MATCHING EMPLOYER CONTRIBUTIONS WERE PAID. THE IRS RE-FUNDED THE TOTAL AMOUNT THEY RECEIVED IN 1974. FROM THIS THE EMPLOYEE CONTRIBUTIONS, AT THE OPTION OF THE EMPLOYEE, WERE EITHER PAID TO THE EMPLOYEE OR RE-SUBMITTED TO IRS FOR CREDIT TO THEIR INDIVIDUAL ACCOUNTS. THE PART OF THE IRS REFUND FOR EMPLOYER CONTRIBUTIONS WAS CREDITED TO THE WORKING CAPITAL ACCOUNT EXCEPT FOR THE AMOUNTS PAID FOR THE SEVERAL EMPLOYEES UNDER GRANTS DURING THE ABOVE YEARS; WHICH HAS BEEN AN OUT-STANDING ACCOUNTS PAYABLE ON THE BOOKS FOR SOME TIME IN THE AMOUNT OF \$6,605.08.

OUR AUDITORS, COOPERS & LYBRAND, AND OUR STAFF RECOMMEND THIS ACCOUNTS PAYABLE BE WRITTEN OFF WITH A JOURNAL TRANSFER TO THE ZOO WORKING CAPITAL ACCOUNT FOR THE FOLLOWING REASONS:

1. ALL OF THE FEDERAL GRANT ACCOUNTS INVOLVED HAVE ALREADY BEEN OFFICIALLY TERMINATED AND CLOSED OUT.
2. BECAUSE MOST OF THE ORIGINAL PAYROLL RECORDS ARE NOT AVAILABLE IT IS IMPOSSIBLE TO IDENTIFY THE DISTRIBUTION OF THE GRANT MONEY INVOLVED.