

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 98-24

For the purpose of accepting the report of the MERC Advisory Committee on Development of Economic Opportunities.

Whereas, the Commission is committed to the continuation and health of MERC's Target Area First Opportunity Program.

Whereas, the Commission recognizes the need to periodically review the investment in the Target Area.

Whereas, the MERC Advisory Committee on Development of Economic Opportunities was reestablished and re-appointed to evaluate MERC's efforts to provide economic opportunities for Target Area residents and minorities and, upon review, to present findings and recommendations.

Whereas, the Commission wishes to recognize and thank the MERC Advisory Committee on Development of Economic Opportunities for their efforts and hard work.

BE IT THERE RESOVED That the Metropolitan Exposition-Recreation Commission accepts the report and directs staff to move forward to implement the recommendations contained within it.

BE IT FURTHER RESOLVED that the Commission thanks the members of the Advisory Committee for their time, efforts and commitment to this project.

Passed by the Commission on April 8, 1998.

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel



By: Kathleen Pool
Sr. Assistant Counsel



Chair



Secretary-Treasurer

Report
of the
MERC Advisory Committee on Development of
Economic Opportunities
To the
Metropolitan Exposition-Recreation Commission

April 8, 1998

MERC Advisory Committee on Development of Economic Opportunities

Report to the MERC Commission

April 8, 1998.

Advisory Committee Members:

Chair: Sam Brooks, President & CEO, S. Brooks & Associates

Lena Garcia-Seabold, Tri-Met

Jennie Portis, NE Workforce Center

Jorge Guerra, Oregon Association of Minority Entrepreneurs

Ron Kawamoto, Norris Begg & Simpson

Charles Ford, NE Coalition of Neighborhoods

Virgil Oval, Ashforth Pacific Corporation

Jeana Woolley, J.M. Woolley & Associates

Staff:

Mark B. Williams

Jeff Blosser

Scott Moss

Judy Gregory

Ruth Scott

Denyse Peterson

I. Executive Summary

This report presents the findings and recommendations of the Metropolitan Exposition Recreation Commission (MERC) Advisory Committee on Development of Economic Opportunities. Reestablished and re-appointed on August 13, 1997, the committee's charge was to evaluate MERC's efforts to provide economic opportunities for Target Area residents and minorities; to consider what had worked and what had been less successful; and to make recommendations for improvement. The Committee was divided into a Subcommittee on Employment and a Subcommittee on Contracting. These subcommittees examined MERC's Target Area First Opportunity Program, which provides Target Area residents with the first opportunity to apply for MERC job openings and Target Area Minority-owned Business Enterprises, Women-owned Business Enterprises, and Emerging Small Businesses (MBE/WBE/ESB's) with the first opportunity to secure MERC contracting and purchasing business. The Advisory Committee's key findings and recommendations are:

Employment:

Findings:

MERC's Target Area First Opportunity program has been a resounding success. The large number of employment opportunities provided to Target Area residents and minorities has been exemplary and outpaces most organizations in the region. The record of the Oregon Convention Center is particularly notable.

Recommendations for further action:

- MERC should continue to focus on advancing minority employees into more senior positions MERC-wide, to the maximum extent permitted by law.
- MERC should form partnerships with community based organizations that provide MBE/WBE/ESB employment services.
- MERC should deepen and extend its outreach efforts, as detailed in the subcommittee's report.
- MERC should consider simplifying and streamlining application procedures to reduce any remaining barriers to employment.

Contracting:

Findings:

MERC has a sound record in providing contracting opportunities to state certified minority and women owned businesses in the Target Area. MERC averages more than \$100,000 a year in contracting expenditures to certified firms, and over \$500,000 a year to firms located in the Target Area. However, more can be achieved, particularly by implementing an innovative pilot program which reduces the current emphasis on certified firms (see recommendations, below).

Recommendations for further action:

- MERC should more aggressively seek out MBE/WBE/ESB's by forming partnerships with community based organizations that provide the types of goods and services MERC requires.
- MERC should take steps to become more visible at outreach events.
- MERC should have a greater presence on the Internet, and should place contracting opportunities on the MERC web site.
- MERC should consider establishing a pilot program which eliminates the requirement of state certification in favor of a procedure using an approved list of businesses that would include minority and women-owned and emerging businesses that are not formally certified.
- A mechanism should be developed to identify and track minority subcontractors of MERC prime contractors.

The following section of this report provides background information on the Advisory Committee and the Target Area First Opportunity Program. Section III presents the main findings and recommendations of the Advisory Committee. The full reports of the two subcommittees are presented in Annex I.

II. Background

The MERC Advisory Committee on Development of Economic Opportunities was originally appointed by the MERC Commission on September 12, 1989. Construction of the Oregon Convention Center (OCC) in Northeast Portland had just been completed. The financing provided by the State of Oregon included the requirement that the Center generate benefits to its neighbors, the residents of inner North and Northeast Portland. To meet this obligation MERC established a Target Area First Opportunity Program, the first of its kind in the Portland Metropolitan region. The Target Area First Opportunity Program provided a legal and easily administered mechanism to ensure that the Target Area shared in the economic opportunities that the facility was intended to bring to the region as a whole. On its own initiative, MERC extended the Target Area First Opportunity Program to all MERC facilities: the Portland Center for the Performing Arts (PCPA), Civic Stadium, and later, the Portland Metropolitan Exposition Center (Expo Center).

The Advisory Committee's initial role was to monitor MERC's compliance with the state funding requirements for OCC construction and report back report back to the Oregon State Legislature. After that task was completed, the Committee became dormant. On August 13, 1997, at the request of MERC General Manager Mark B. Williams, the MERC Commission re-appointed the committee with a new charge: To evaluate MERC's efforts to provide economic opportunities for Target Area residents and minorities; to consider what had worked and what had been less successful; and to make recommendations for improvement. The committee examined MERC's Target Area First Opportunity Program, which provides Target Area residents with the first opportunity to apply for MERC job openings and Target Area Minority-owned Business Enterprises, Women-owned Business Enterprises, and Emerging Small Businesses (MBE/WBE/ESB's) with the first opportunity to secure MERC contracting and purchasing business.

III. Findings and Recommendations

Employment

Findings:

MERC's Target Area First Opportunity program has been a resounding success. The large number of employment opportunities provided to Target Area residents and minorities has been exemplary and outpaces most organizations in the region. The record of the Oregon Convention Center is particularly notable.

- Thirty-nine percent (39%) of the Oregon Convention Center's employees are minority.
- MERC-wide, 18% of MERC's employees are minority.
- Recent "snapshot" data of OCC hiring practices for combined fiscal years 1995/96 and 1996/97 show that when minority applicants were available, they were hired an average of 41% of the time. Similarly, during the same time period, when First Opportunity Target Area applicants were available, they were hired an average of 54% of the time.
- Recent "snapshot" data of MERC-wide hiring practices for fiscal year 1996/97 shows that where minority applicants were available, they were hired 58% of the time. Similarly, where First Opportunity Target Area applicants are available, they were hired 47% of the time.
- MERC recently hired the first minority Senior Management Team member in the history of the organization, resulting in 12.5% minority participation at the Senior Management Team level. MERC's percentage of female Senior Management Team members stands at 62.5%.

All of these numbers compare favorably to the percentage of minorities in the Portland Metropolitan Statistical Area, which currently stands at 14.9%.

Recommendations for Further Action:

- MERC should continue to focus on advancing minority employees into more senior positions MERC-wide, to the maximum extent permitted by law.
- MERC should form partnerships with community based organization that provide MBE/WBE/ESB employment services.
- MERC should deepen and extend its outreach efforts as detailed in the subcommittee's report.
- MERC should consider simplifying and streamlining application procedures to reduce any remaining barriers to employment.

Contracting

- MERC's contracting policies require MERC to attempt to recruit and do business with state certified minority and women owned and emerging small businesses in the Target Area.
- MERC averages more than \$100,000 a year in expenditures to certified firms a year, and over \$500,000 a year to firms located in the Target Area. In addition, MERC averages a significant number of expenditures to women and minority owned businesses that are not state certified. MERC's general contractors also undertake a substantial number of contracts with minority-owned subcontractors. However, there are no formal statistics on either of these expenditures, thus understating MERC's actual performance.
- Through the third quarter of fiscal year 1997-98, MERC made a total of 2280 purchases. Seventy seven percent (77%) of MERC transactions were under \$5,000; fifty seven percent (57%) of the money spent was for transactions over \$5,000 and under \$75,000.
- MERC purchases a wide variety of building-related products and service.
- The requirement for state certification, while well-intentioned and typical of government contracting programs, may now serve as a barrier to encouraging broader participation. Many minority and women owned businesses no longer undertake the cumbersome process to obtain certification. As noted above, many of MERC's contracts with and purchases from these non-certified minority and women owned businesses do not show up in the statistical reports.

Recommendations for Further Action:

- MERC should more aggressively seek out MBE/WBE/ESB's by forming partnerships with community based organizations that provide the types of goods and services MERC requires.
- MERC should take steps to become more visible at outreach events.
- MERC should have a greater presence on the Internet, and should place contracting opportunities on the MERC Web Site.
- MERC should consider establishing a pilot program which eliminates the requirement of state certification in favor of a procedure using an approved list of businesses that would include minority and women owned and emerging businesses that are not formally certified.
- A mechanism should be developed to identify and track minority subcontractors of MERC prime contractors.

ANNEX I

SUBCOMMITTEE REPORTS

Advisory Committee on Development of Economic Opportunities

Employment Opportunities Subcommittee Report

Members:

Jennie Portis, Chair
Lena Garcia-Seabold
Jeanna Woolley

Staff:

Mark Williams
Judy Gregory
Ruth Scott

It is our pleasure to report on the findings and recommendations of the Employment Opportunities Subcommittee.

The subcommittee focused attention on MERC recruitment and outreach practices as well as hiring data and workforce composition. The latest data available is from the Affirmative Action Plan prepared on June 30, 1997. For purpose of historic comparison, this report also includes new hire data from fiscal year 1995-96 and other data as relevant.

Findings

Recruitment and Outreach:

- ⇒ First Opportunity Target Area job announcements are sent to six locations within the target area: Oregon State Job Service, Oregon State Employment Department, Northeast Employment and Training (the Private Industry Council), Housing Authority of Portland, Urban League, and Northeast Workforce Center. First Opportunity Target Area positions are also posted at all Metro and MERC internal Department and Division locations, Metro's web site and the Metro job hotline.
- ⇒ MERC advertises general recruitments in *The Oregonian*, *The Skanner*, *The Portland Observer*, Portland Cable Access Community Bulletin Board, and rotates advertisements between the *El Hispanic News*, *El Latino Dei Hoi* and the *Asian Reporter*. General recruitment job postings are sent to 102 locations throughout the Portland Metropolitan area.
- ⇒ The Human Resource Department represented MERC at the following Job Fairs during the last fiscal year: University of Portland (April), Portland State University Career Day (February), Portland Community College, Career Development presentation (June), Oregon Employment Department Job Fair with a Flair (August), and Portland Community College Career Information Fair (October).
- ⇒ Sixty-five percent of minority applicants and seventy-six percent of the overall applicant population indicate that they primarily get their job information from three places: *The Oregonian*, Metro postings and friends and family. (See figures 1 and 2)

Hiring and Workforce Composition:

- ⇒ In fiscal year 1995-96, MERC recruited for 40 positions. Of those, there were minority applicants for 26 positions, 38 percent of which were filled by minorities. There were First Opportunity Target Area applicants for 15 MERC positions, of which 47 percent were filled by Target Area residents.
- ⇒ In fiscal year 1995-96, OCC recruited for 22 positions. Of those, there were minority applicants for 17 positions, 59 percent of which were filled by minorities. There were First Opportunity applicants for 7 OCC positions. Of those 7 positions, 86 percent were filled by Target Area residents.
- ⇒ In fiscal year 1996-97, MERC recruited for 47 positions. Of those, there were minority applicants for 38 positions. Fifty-eighty percent (58%) of which were filled by minorities. There were First Opportunity Target Area applicants for 24 MERC positions. Of those 24 positions, 37.5 percent were filled by Target Area applicants.
- ⇒ In fiscal year 1996-97, OCC recruited for 19 positions. Of those, there were minority applicants for 17 positions, 82 percent of which were filled by minorities. There were First Opportunity Target Area applicants for 9 OCC positions. Of these nine, 22 percent were filled by Target Area residents.
- ⇒ Affirmative Action Plan data shows that of the 497 full and part-time employees at MERC, 90 or 18 percent are minority.
- ⇒ Minorities make up 14.9% of Portland's population. The Oregon Convention Center's current employee population is comprised of 39% minorities.
- ⇒ Current Affirmative Action Plan data shows the following composition of minorities and females in the MERC senior management team and other management level positions:

MERC Senior Management Team: MERC recently hired the first minority facility manager in the organization's history. The composition of the Senior Management Team consists of 8 individuals—of these, 1, or 12.5% are minority, while 5, or 62.5%, are female.

Other MERC management positions:

MERC Administration	- Five total employees - zero minority, three female
OCC Administration	- Four total employees - one minority female
PCPA	- Four total employees - zero minority, four female
Expo Center	- One total employee - zero minority, zero female
Civic Stadium	- Two total employees - one minority female

Recommendations

Recruitment and Outreach:

1. Metro should distribute job announcements to First Opportunity Target Area locations on the same Thursday that advertisements are placed so job center employees and counselors can better serve their clients.
2. Job announcement language should be simplified and made easier to read where feasible.
3. The Human Resource Department should provide on-site training to employees and counselors at the Northeast Workforce Center which will help them to help their clients through the recruitment process at Metro/MERC.
4. The Human Resources Department should identify MERC/OCC positions which currently require applicants to answer supplemental questions as part of the recruitment process and target these positions for possible elimination of the supplemental questions or devise a simpler way to get needed information from applicants.
5. The Human Resources Department should work with MERC Managers and Supervisors to increase community outreach efforts including representation at job fairs by hiring managers.
6. The Human Resources Department should continue working with the Northeast Workforce Center in a joint effort with other metropolitan area employers regarding employee retention. MERC should continue to maximize opportunities for minority candidates in senior level positions, in compliance with and to the maximum extent permitted by law.
7. MERC should form partnerships with other community based organizations that provide MBE/WBE/ESB employment services.

Figure #

Referral Sources for Metro/MERC Minority Applicants

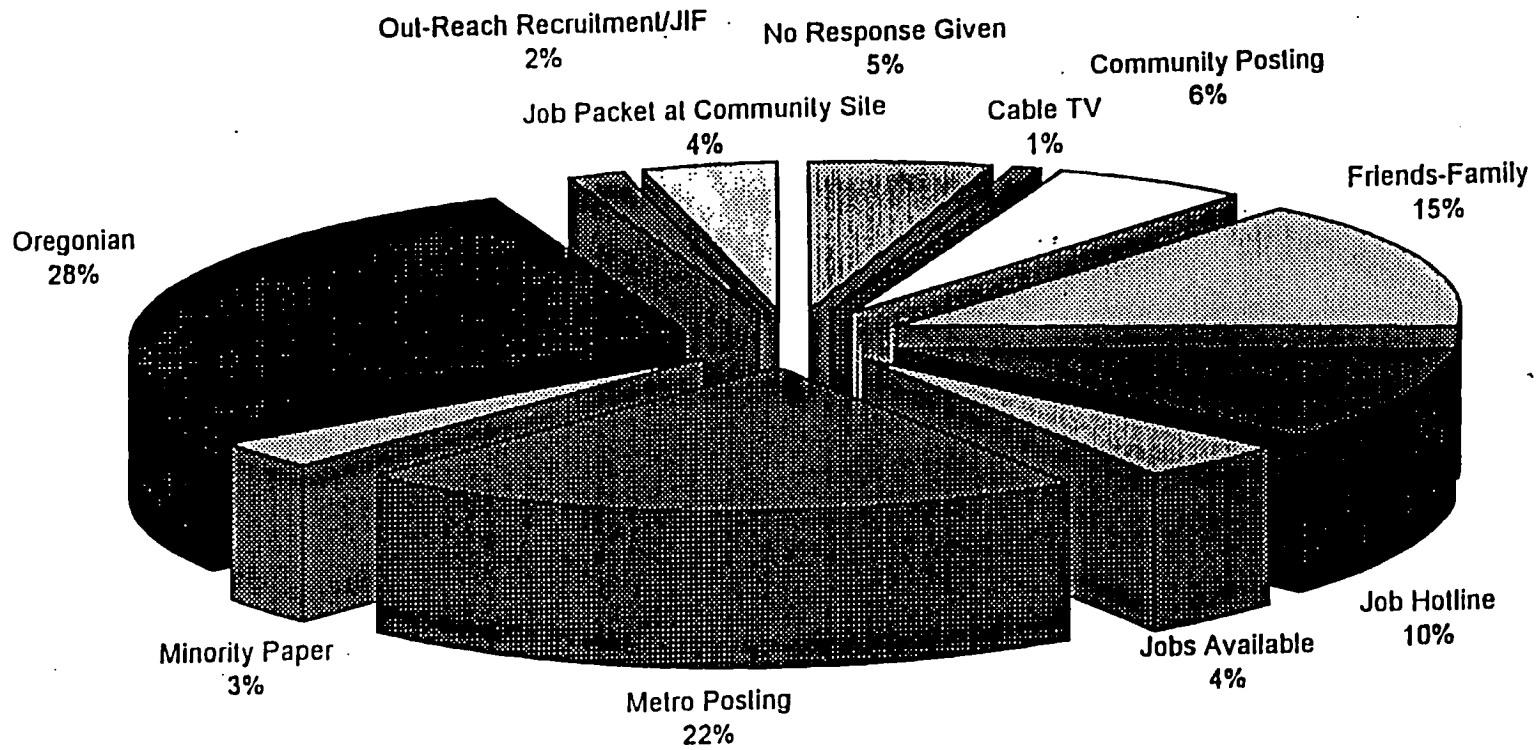
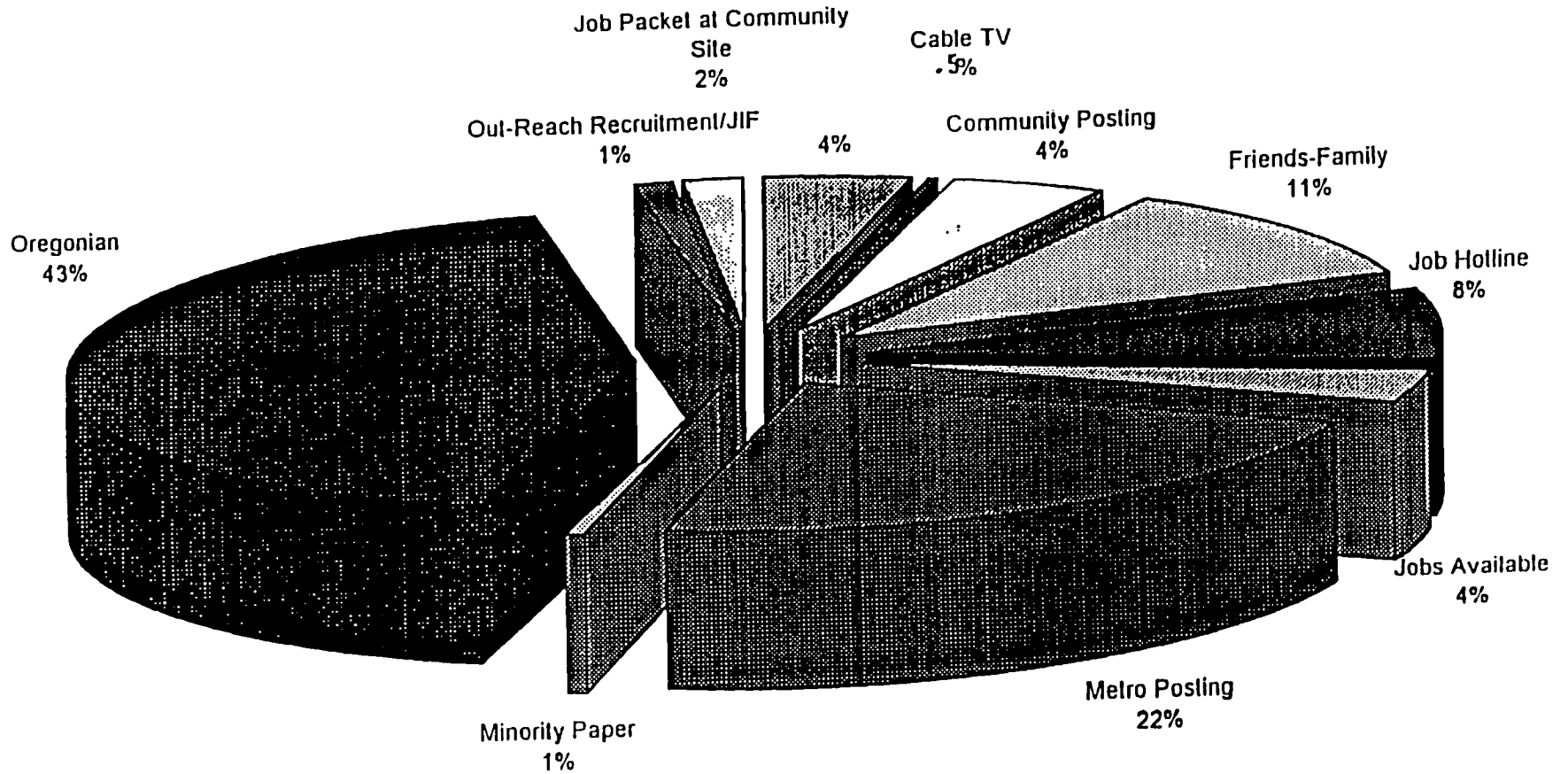


Figure #2

Metro/MERC Job Applicant Referral Sources



Advisory Committee on Development of Economic Opportunities

Contract Opportunities Subcommittee Report

Members:

Sam Brooks, Chair
Ron Kawamoto, Sub-Chair
Jorge Guerra, OAME
Virgil Oval, Ashforth Pacific

Staff:

Mark Williams
Jeff Blosser
Scott Moss

It is our pleasure to report on the findings and recommendations of the contract opportunities subcommittee. We appreciate the opportunity to serve the MERC Commission and hope they will find our report useful as they develop economic opportunities for our community.

Findings:

The subcommittee examined both contracts and purchase orders to evaluate the opportunities to minority and women owned and emerging small businesses.

MERC purchasing policy was discussed and is summarized in the following chart.

Purchases under \$5,000 – MERC must obtain quotes from a minimum of:	Purchases over \$5,000 and under \$75,000 – MERC must obtain quotes from a minimum of:	Purchases over \$75,000 – MERC must follow:
<ul style="list-style-type: none">• 1 Certified MBE/WBE/ESB in target area If none available use any vendor	<ul style="list-style-type: none">• 1 Certified MBE/WBE/ESB in target area• 1 Certified MBE/WBE/ESB from any location• 1 quote from any vendor If no MBE/WBE/ESB available use any vendor	Formal bid/proposal process Good Faith applies for construction contracts.

Contracts:

⇒ We found two contracts let to certified minority, women, or emerging small businesses. However, we noted that several of the prime contractors used minority sub-contractors. (see figure 1 showing MERC contracts by dollar amount).

- ⇒ We noted that at least one of MERC's largest contractors who could qualify as a certified firm chooses not to certify.
- ⇒ With less than 20 expenditure contracts, MERC has limited opportunity to contract with certified firms.
- ⇒ The committee noted there are a very limited number of certified firms in the Target Area. It was also noted that while there are nearly 15,000 minority and women owned and emerging firms that are eligible for certification state-wide, only approximately 10% are certified.
- ⇒ Of this 10 percent (approximately 1,500 firms state-wide) there are only 113 in the Target Area. Of these, only a handful of Target Area certified firms provide the goods and services needed by MERC.

Purchasing:

- ⇒ Target Area expenditures are consistent over the last three years. (See figure 2 showing percentage of spending in the Target Area and percentage to certified firms).
- ⇒ MERC averages over \$100,000 a year in expenditures to certified firms, and over \$500,000 a year to firms located in the Target Area. (See figure 3 showing the dollar amount of purchasing).
- ⇒ Through the third quarter of fiscal year 1997-98, MERC made a total of 2280 purchases. Seventy seven percent (77%) of MERC transactions were under \$5,000; fifty seven percent (57%) of the money spent was for transactions over \$5,000 and under \$75,000 (see figure 4).
- ⇒ MERC purchases a wide variety of building-related products as shown in figure 5. Services purchased by MERC are shown in figure 6.

Recommendations:

1. Aggressively seek out and form partnerships with community based MBE/WBE/ESB vendors that provide the types of goods and services purchased by MERC.

Resources:

General Manager	6 hours/month	Individual and public outreach.
Director of Administration	16 hours/month	Training, education, and outreach.
Purchasing Technician	32 hours/month	Information preparation and distribution.

2. MERC must be more visible at outreach events.

Resources:

General Manager	2 hours/month	Public outreach meetings.
Director of Administration	8 hours/month	Training, education, and outreach.
Purchasing Technician	8 hours/month	Information preparation and distribution.

3. MERC should place major contracts and purchases on the Metro and MERC web sites.

Resources:

Participate in Metro's website:

Purchasing Technician	8 hours/month	Information preparation and distribution.
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And/or

Participate in MERC website:

Purchasing Technician	16 hours/month	Information preparation and website update.
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4. A mechanism should be developed to identify and track minority subcontractors of MERC prime contractors.
5. MERC should develop a **pilot** program in order to reach out beyond state certified MBE/WBE/ESB's. The pilot program would use lists of qualified minority and/or women-owned or emerging small businesses in the Target Area approved by established organizations (see below). The pilot program should be implemented on July 1, 1998 and run for one year on a trial basis. At the end of the trial period, an evaluation will be undertaken to determine if the pilot program should be continued.

Approved Lists

The lists of approved businesses would be drawn from organizations including the following:

- Oregon Association of Minority Entrepreneurs
- Oregon Native American Business and Entrepreneurial Network
- Hispanic Metropolitan Chamber of Commerce
- National Association of Minority Contractors
- US Small Business Administration (listing of small businesses)
- Oregon Council on Hispanic Advancement
- Oregon Economic Development Department (clients)
- State of Oregon MBE/WBE/ESB certified list.

Recruitment notices would be published in the Daily Journal of Commerce and minority publications to solicit other organizations whose lists may qualify.

To be considered acceptable by MERC, the lists must:

1. Be presented on an Excel spreadsheet or Access Database, in electronic format only.
2. Include the firm's name, address, zip code, and contact person.
3. Include the principle products or services offered by the firm.

Resources

It is estimated that the following resources would be required for successful implementation of this pilot project.

General Manager	2 hours/month	Reviewing and reporting results.
Director of Administration	5 hours/month	Training and education
Purchasing Technician	32 hours/month	List preparation & distribution, tracking results, report preparation.
Metro Purchasing Staff	4 hours/month	Technical consultation
MERC Facility Staff	varies	Implementation

Policy

It is recommended that MERC purchasing policy be amended to drop the state certified requirement. The amended policy would read as follows:

Purchases under \$5,000 – MERC must obtain quotes from a minimum of:	Purchases over \$5,000 and under \$75,000 – MERC must obtain quotes from a minimum of:	Purchases over \$75,000 – MERC must follow:
<ul style="list-style-type: none"> • 1 MBE/WBE/ESB in target area <p>If none available use any vendor</p>	<ul style="list-style-type: none"> • 1 MBE/WBE/ESB in target area • 1 MBE/WBE/ESB from any location • 1 quote from any vendor <p>If no MBE/WBE/ESB available use any vendor</p>	<p>Formal bid/proposal process</p> <p>Good Faith applies for construction contracts.</p>

Conclusion:

Past: MERC has been an important part of the economic development for our community. Purchasing and contracting within the Target Area has been accomplished directly and indirectly through sub-contractors. MERC has consistently expended over \$500,000 annually in direct purchasing from the Target Area.

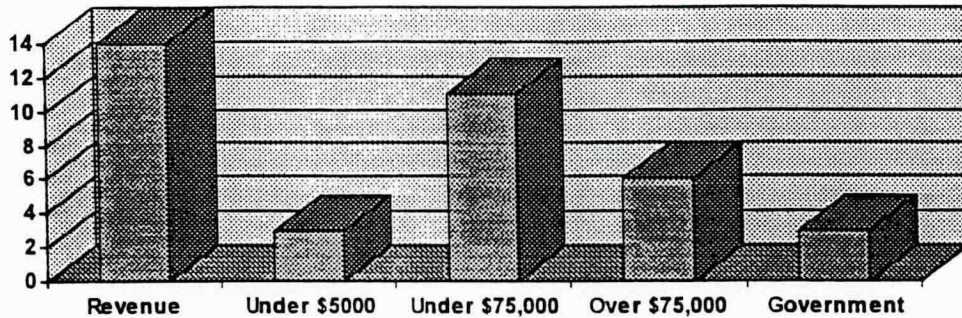
Present: Along with Target Area development, current procurement policy promotes doing business with minority, women and emerging small business. However, the policy of using only certified firms may be a hindrance in doing business with MBE/WBE/ESB firms in the Target Area.

Future: It is recommended that MERC expand opportunities to minority and women owned and emerging businesses that are not state certified by undertaking a pilot project which eliminates the requirement of state certification in favor of a procedure using an approved list of businesses that would include minority and women owned and emerging businesses that are not formally certified. It is further recommended that MERC expand outreach efforts.

Thank you for the pleasure of being of service to the Metropolitan Exposition-Recreation Commission.

Figure 1

MERC CONTRACTS
12/1/1997



Revenue/No Cost	Under \$5,000	Between \$5,000 and \$75,000	Over \$75,000
<ul style="list-style-type: none"> • Ace Parking • City Center Parking • Portland Rockies • Fine Host • White Marine Services • Fastixx • GI Joes Ticketmaster • Metro Auto Park (TAR,WBE) • US Bank • First Interstate Bank • Tektronix Inc. • Starplex Corp. 	<ul style="list-style-type: none"> • Automated Office Systems - \$4,896 • Copelco/Savin - \$3002 • Randall King - \$4,450 (ESB) 	<ul style="list-style-type: none"> • Landis - \$33,550 • Soderstrom Architects - \$37,000 • Public Affairs Council - \$24,500 • John Pihas & Partners - \$42,500 • John Pihas & Partners - \$30,000 • Barney Worth, Inc. - \$15,342 • Business Center Management - \$25,000 • PC Northwest - \$28,000 • Health Northwest - \$35,700 • Resource Information & Control - \$16,740 	<ul style="list-style-type: none"> • Or Convention & Visitor Services - \$725,000 • POVA - \$4,140,500 • Barrett Business Services \$105,000 • Beginright - \$105,000 • Employers Overload - \$105,000

Other Governments:
<ul style="list-style-type: none"> • Portland City Police • Or. Dept. of Transportation • OHSU

Note: State certified firms are in bold.

Figure 2

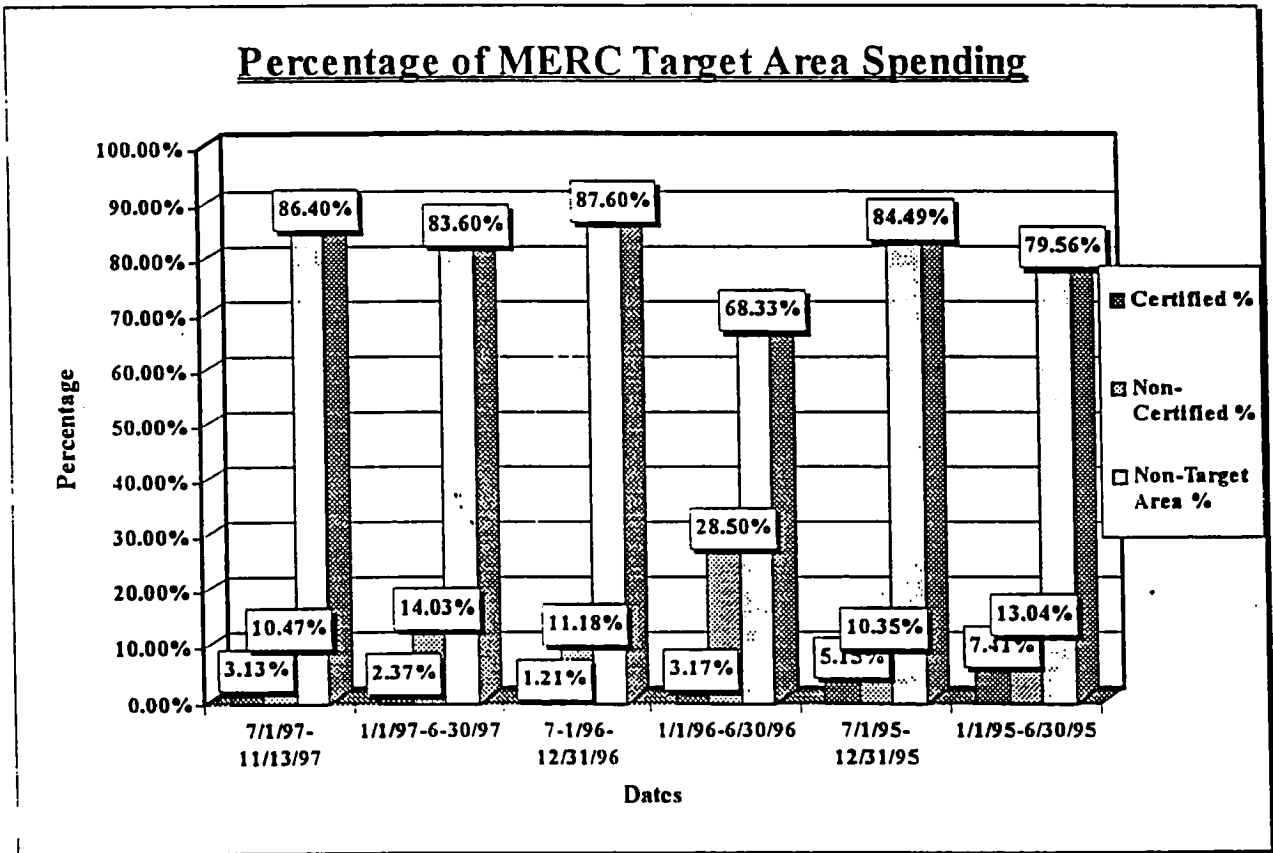


Figure 3

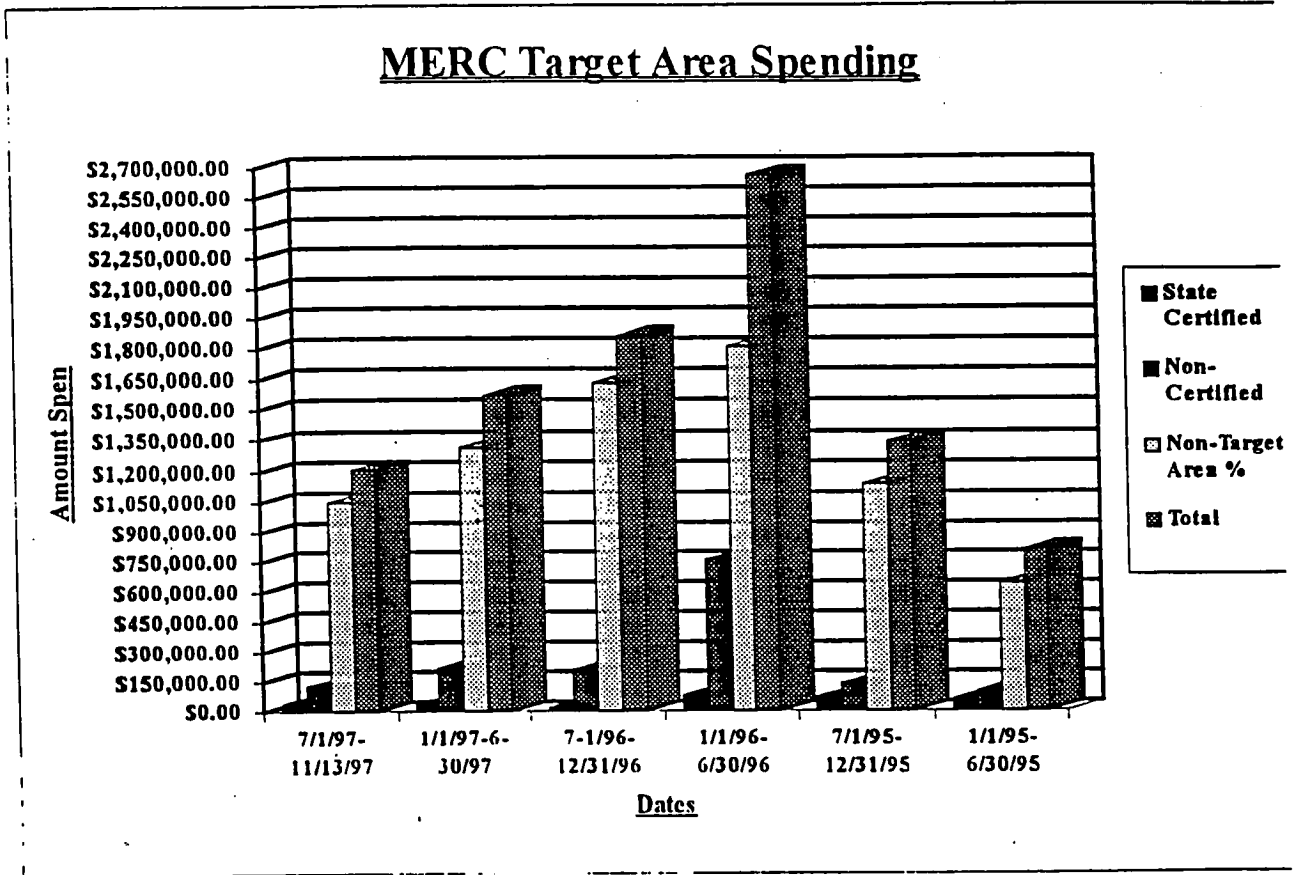
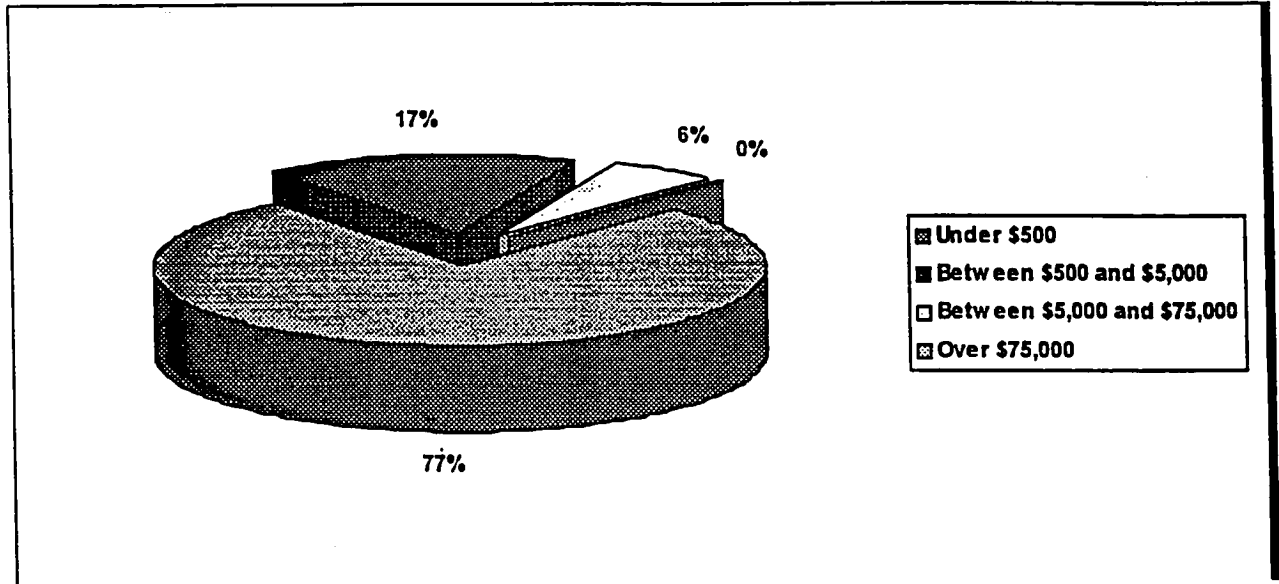


Figure 4

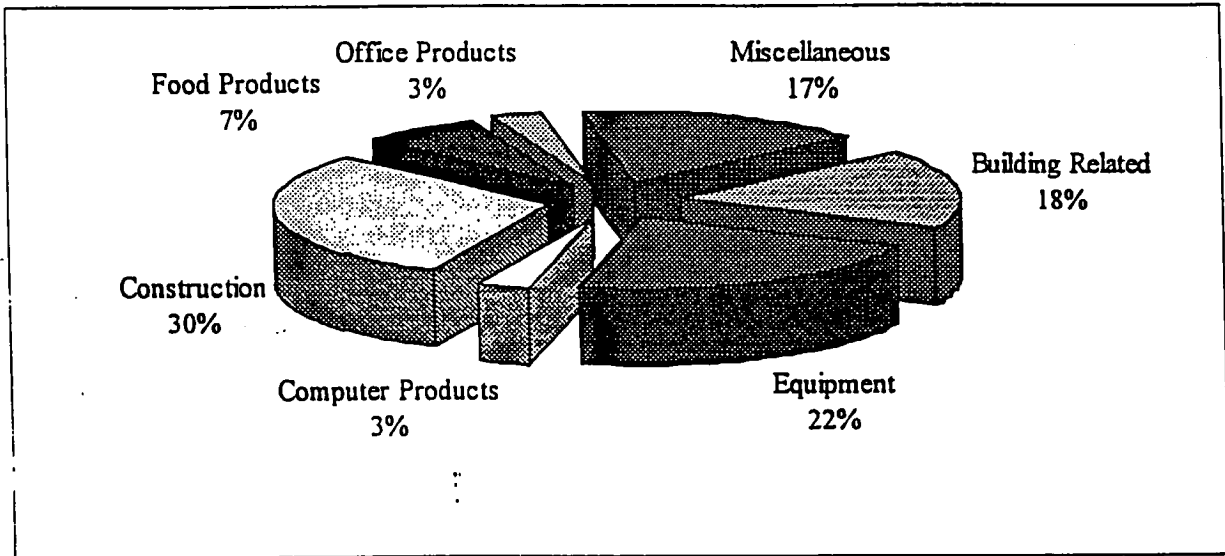
MERC Purchases
Third Quarter
2280 Total Purchases



Amount under \$500	Amount between \$500 and \$5,000	Amount between \$5,000 and \$75,000	Amount over \$75,000
\$189,990	\$688,730	\$3,052,376	\$1,421,903
1,649	472	151	8

Figure 5

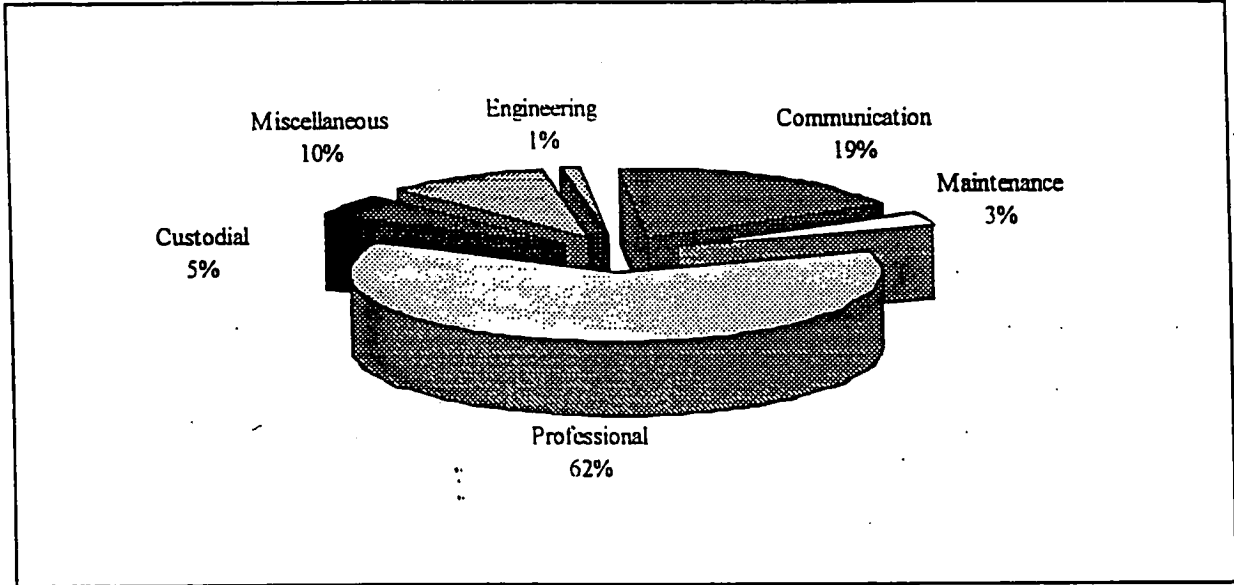
Products Purchased By MERC From July, 1998 To March, 1998.



Product	Percentage
Building Related	18%
Equipment	22%
Computer Products	3%
Construction	30%
Food Products	7%
Office Products	3%
Miscellaneous	17%

Figure 6

Services Purchased By MERC From July, 1997 To March, 1998.



Service	Percentage
Engineering	1%
Communication	19%
Maintenance	3%
Professional	62%
Custodial	5%
Miscellaneous	10%

MERC Staff Report

Agenda Item/Issue: Accepting the Report of the MERC Advisory Committee on Development of Economic Opportunities.

Resolution No.: 98-24

Date: April 8, 1998

Presented By: Mark B. Williams, MERC G.M.
Samuel Brooks, Committee Chair

Background: On August 13, 1997, the MERC Advisory Committee on Development of Economic Opportunities was reestablished to evaluate MERC's efforts to provide economic opportunities for Target Area residents and minorities; to consider what had worked and what had been less successful; and to make recommendations for improvement. Two subcommittees were formed. One to review and make recommendations on employment. The other to review and make recommendations on contracting and purchasing. The subcommittees met over a period of six months to examine MERC's current practices and to evaluate how MERC could make improvements. The findings and recommendations contained within the report are a culmination of this committee's work.

Fiscal Impact: The fiscal impact of implementing the report's recommendations in fiscal year 1998-99 is an estimated \$ 6,543.00 in budgeted staff labor and \$ 2,500.00 in budgeted miscellaneous material and services (advertising, recruitment notices, outreach events etc.)

Recommendation: Staff recommends that the Metropolitan Exposition-Recreation Commission accept the report as presented and, further, that the Commission direct staff to implement the report recommendations effective July 1, 1998.