

A G E N D A

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



METRO

MEETING: Metro Council
DATE: February 10, 1994
DAY: Thursday
TIME: 4:00 p.m.
PLACE: Council Chamber

**Approx.
Time***
4:00 p.m.

**Presented
By**

CALL TO ORDER & ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS

3. EXECUTIVE OFFICER COMMUNICATIONS

4:05
(5 min.)

4. CONSENT AGENDA (Action Requested: Motion to Approve the Consent Agenda)

4.1 Minutes of January 20, 1994

4:10
(5 min.)

5. ORDINANCES, FIRST READINGS

5.1 **Ordinance No. 94-534**, Amending Ordinance No. 93-487A Revising the FY 1993-94 Budget and Appropriations Schedule For the Purpose of Funding Oregon Safety and Health Administration (OSHA) Required Safety Equipment (Action Requested: Refer to the Finance Committee)

5.2 **Ordinance No. 94-522**, An Ordinance Amending Ordinance No. 93-487A Revising the FY 1993-94 Budget and Appropriations Schedule For the Purpose of Funding Legislative Increases in Elected Officials Salaries; and Declaring an Emergency (Action Requested: : Refer to the Finance Committee)

6. ORDINANCES, SECOND READINGS

4:15
(10 min.)

6.1 **Ordinance No. 94-528**, An Ordinance Amending Ordinance No. 93-487A Revising the FY 1993-94 Budget and Appropriations Schedule For the Purpose of Funding a Compost Bin Program and the Remainder of the Project to Replace the Roof and Ventilation System at Metro South Transfer Station; and Declaring an Emergency PUBLIC HEARING (Action Requested: Motion to Adopt the Ordinance)

* All Times listed on the agenda are approximate; items may not be considered in the exact order listed.

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**Approx.
Time***

**Presented
By**

7. RESOLUTIONS

REFERRED FROM THE SOLID WASTE COMMITTEE

4:25
(10 min.) **7.1 Resolution No. 94-1901A**, For the Purpose of Approving the Year Five Annual Waste Reduction Program for Local Governments (Action Requested: Motion to Adopt the Resolution) Hansen

REFERRED FROM THE FINANCE COMMITTEE

4:35
(10 min.) **7.2 Resolution No. 94-1886**, For the Purpose of Authorizing Execution of Change Order No. 19 and Ratification of Change Order Nos. 1-18 to the Hoffman Construction Co. Contract For the Construction of Metro Regional Center and Adjacent Parking Structure (Action Requested: Motion to Adopt the Resolution) McLain

4:45
(10 min.) **7.3 Resolution No. 94-1898**, For the Purpose of Extending the Personal Services Contract for Audit Services with KPMG Peat Marwick for One Year with an Additional One Year Option (Action Requested: Motion to Adopt the Resolution) Monroe

5:05
(10 min.) **8. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS**

5:15 **ADJOURN**

Meeting Date: February 10, 1994
Agenda Item No. 4.1

MINUTES



METRO

DATE: February 4, 1994

TO: Metro Council
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NO. 4.1; MINUTES

The minutes of January 20, 1994, will be distributed in advance to Councilors and available at the Council meeting February 10. The minutes of January 27, 1994, will be provided at the February 24 meeting (the Clerk of the Council is on vacation from February 7-11, 1994).

Meeting Date: February 10, 1994
Agenda Item No. 5.1

ORDINANCE NO. 94-534

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-534 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF FUNDING OREGON SAFETY AND HEALTH ADMINISTRATION (OSHA) SAFETY EQUIPMENT; AND DECLARING AN EMERGENCY

Date: February 10, 1994

Presented by: Scott Moss, Risk Manager

BACKGROUND

Recently, The Oregon Safety and Health Administration (OSHA) passed a regulation for all employers regarding Confined Spaces. Employers requiring employees to enter confined hazards areas, such as manholes, and perform assigned work now have a stringent set of regulations to follow prior to having the employee enter the confined space. One such requirement is to have an emergency rescue tri-pod to bring an injured employee out of a confined space without another employee having to enter. The cost of the emergency rescue tri-pod is \$1,850. The Zoo, Solid Waste, Parks, and Metro ERC each have confined spaces and would need to purchase this equipment. Risk Management recommends the centralized purchase of the tri-pod in order to provide savings to departments.

Metro departments frequently request Risk Management to provide noise level testing. Periodic noise level tests are an important part of Metro's Hearing Conservation program and are required by OSHA. We request authorization to purchase a decimator for use by Risk Management for all Metro departments. The cost of the decimator is \$1,500.

To offset this additional expense Risk Management is actively pursuing grant money from the State of Oregon. Thus far this fiscal year, Risk Management has collected \$1,075.10 with an addition \$3,561.30 requested to date. Grant funds are offered by the States' Injured Worker Fund to facilitate having injured workers return to work. Metro has collected nearly \$30,000 from this fund over the past couple of years.

These expenditures are considered Capital Outlay items which were not anticipated nor budgeted in the FY 1993-94 Risk Management Fund. This action transfers \$3,350 from Materials and Services in the Risk Management Fund to Capital Outlay in the Risk Management Fund.

BEFORE THE METRO COUNCIL

CONSIDERATION OF ORDINANCE)	ORDINANCE NO. 94-534
NO. 94-534 AMENDING ORDINANCE)	
NO. 93-487A REVISING THE FY 1993-94)	Introduced by Rena Cusma,
BUDGET AND APPROPRIATIONS)	Executive Officer
SCHEDULE FOR THE PURPOSE OF)	
FUNDING OREGON SAFETY AND HEALTH)	
ADMINISTRATION (OSHA) REQUIRED)	
SAFETY EQUIPMENT; AND DECLARING AN)	
EMERGENCY.)	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 94-534, Exhibit A, FY 1993-94 Budget, and Schedule of Appropriations are hereby amended as shown in the column titled, "Revision" of Exhibit A this Ordinance for the purpose of transferring \$3,350 from Materials and Services in the Risk Management Fund to Capital Outlay in the Risk Management Fund to fund Oregon Safety and Health Administration (OSHA) required safety equipment.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

Exhibit A
 Schedule of Appropriations
 Ordinance No. 94-534

Risk Management Fund	Current Appropriation	Revision	Proposed Appropriation
Personal Services	\$ 225,151	\$ 0	\$ 225,151
Materials and Services	1,306,595	(3,350)	1,303,245
Capital Outlay	3,900	3,350	7,250
Contingency	5,775,218	0	5,775,218
Total Fund Requirements	\$ 7,310,864	\$ 0	\$ 7,310,864

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Meeting Date: February 10, 1994
Agenda Item No. 5.2

ORDINANCE NO. 94-522

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-522 AMENDING ORDINANCE NO. 93-487A
REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE
PURPOSE OF FUNDING LEGISLATIVE INCREASES IN ELECTED OFFICIALS SALARIES;
AND DECLARING AN EMERGENCY

Date: February 3, 1994

Presented by: Dick Engstrom
Don Carlson

BACKGROUND AND ANALYSIS

The salaries for the Executive Officer, the Presiding Officer and Councilors are tied to the amount set by the Oregon Legislature for a District Court Judge. The 1993 legislature increased the salary for a District Court Judge from \$69,600 to \$76,200. Metro's FY 1993-94 adopted budget did not anticipate this increase. The following increases are necessary to the Executive Management and Council department budgets to implement the salary change.

	<u>Adopted Budget</u>	<u>New Salary</u>	<u>Required Increase</u>
Executive Officer	\$73,080	\$76,200	\$3,120
Presiding Officer	\$46,400	\$50,800	\$4,400
Councilors	\$278,400	\$304,800	\$26,400
Fringe @ 38%	\$151,194	\$164,084	\$12,890
Total	\$549,074	\$595,884	<u>\$46,810</u>

This action transfers \$42,504 from the General Fund Contingency to Personal Services in the Council Department budget, and \$4,306 from Materials & Services to Personal Services in the Executive Management Department budget..

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 94-522.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
FUNDING LEGISLATIVE INCREASES IN)
ELECTED OFFICIALS SALARIES; AND)
DECLARING AN EMERGENCY)
)

ORDINANCE NO. 94-522

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$42,504 from the General Fund Contingency and \$4,306 from Executive Management, Materials & Services, to Personal Services in the Executive Management and Council department budgets to fund legislative increases in elected officials salaries.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

kr:ord93-94:electoff:ORD.DOC
February 3, 1994

**Exhibit A
Ordinance No. 94-522**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:Executive Management							
<u>Personal Services</u>							
511110	ELECTED OFFICIALS						
	Executive Officer	1.00	73,080		3,120	1.00	76,200
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Administrator	1.00	69,880		0	1.00	69,880
	Senior Administrative Services Analyst	1.00	51,052		0	1.00	51,052
	Administrative Support Assistant D	1.00	27,458		0	1.00	27,458
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Support Assistant C	1.00	29,076		0	1.00	29,076
512000	FRINGE		92,702		1,186		93,888
Total Personal Services		5.00	343,248	0.00	4,306	5.00	347,554
<u>Materials & Services</u>							
521100	Office Supplies		2,752		0		2,752
521310	Subscriptions		905		0		905
521320	Dues		17,400		0		17,400
524190	Misc. Professional Services		10,000		0		10,000
525640	Maintenance & Repairs Services-Equipment		460		0		460
526310	Printing Services		450		0		450
526320	Typesetting & Reprographics Services		120		0		120
526410	Telephone		2,100		0		2,100
526420	Postage		125		0		125
526440	Delivery Services		200		0		200
526500	Travel		21,300		(4,306)		16,994
526700	Temporary Help Services		2,080		0		2,080
526800	Training, Tuition, Conferences		4,640		0		4,640
528100	License, Permits, Payments to Other Agencies		10,000		0		10,000
529500	Meetings		5,800		0		5,800
529800	Miscellaneous		1,200		0		1,200
Total Materials & Services			79,532		(4,306)		75,226
TOTAL EXPENDITURES		5.00	422,780	0.00	0	5.00	422,780

**Exhibit A
Ordinance No. 94-522**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND: Council							
<u>Personal Services</u>							
511110	ELECTED OFFICIALS						
	Councilors		324,800		30,800		355,600
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Administrator	1.00	70,261		0	1.00	70,261
	Senior Administrative Services Analyst	3.00	142,547		0	3.00	142,547
	Associate Administrative Services Analyst	1.00	36,916		0	1.00	36,916
	Associate Service Supervisor	1.00	32,343		0	1.00	32,343
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	3.00	85,033		0	3.00	85,033
	Secretary	1.00	20,937		0	1.00	20,937
511400	OVERTIME		2,500		0		2,500
512000	FRINGE		271,828		11,704		283,532
Total Personal Services		10.00	987,165	0.00	42,504	10.00	1,029,669
Total Materials & Services			149,546		0		149,546
Total Capital Outlay			4,000		0		4,000
TOTAL EXPENDITURES		10.00	1,140,711	0.00	42,504	10.00	1,183,215

General Fund: General Expenses

Total Interfund Transfers			3,324,770		0		3,324,770
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		367,500		(42,504)		324,996
599990	Unappropriated Fund Balance		267,665		0		267,665
Total Contingency and Unapp. Balance			635,165		(42,504)		592,661
TOTAL EXPENDITURES		16.00	5,915,414	0.00	0	16.00	5,915,414

Note: This action assumes adoption of Ordinance No. 93-514, funding the Construction Manager position; Ordinance No. 93-518, funding personal computer replacements in the Office of General Counsel; Ordinance No. 93-516 funding a Greenspaces RFP; and Ordinance No. 93-521 funding an IGA for a predicate study

Exhibit B
Schedule of Appropriations
Ordinance No. 94-522

	Current Appropriation	Revision	Proposed Appropriation
GENERAL FUND			
Council			
Personal Services	987,165	42,504	1,029,669
Materials & Services	149,546	0	149,546
Capital Outlay	4,000	0	4,000
Subtotal	1,140,711	42,504	1,183,215
Executive Management			
Personal Services	343,248	4,306	347,554
Materials & Services	79,532	(4,306)	75,226
Capital Outlay	0	0	0
Subtotal	422,780	0	422,780
Office of Government Relations			
Personal Services	67,538	0	67,538
Materials & Services	74,450	0	74,450
Capital Outlay	0	0	0
Subtotal	141,988	0	141,988
Special Appropriations			
Materials & Services	250,000	0	250,000
Subtotal	250,000	0	250,000
General Expenses			
Interfund Transfers	3,324,770	0	3,324,770
Contingency	367,500	(42,504)	324,996
Subtotal	3,692,270	(42,504)	3,649,766
Unappropriated Balance	267,665	0	267,665
Total Fund Requirements	5,915,414	0	5,915,414

Note: This action assumes adoption of Ordinance No. 93-514, funding the Construction Manager position; Ordinance No. 93-518, funding personal computer replacements in the Office of General Counsel; Ordinance No. 93-516 funding a Greenspaces RFP; and Ordinance No. 93-521 funding an IGA for a predicate study

All Other Appropriations Remain As Previously Adopted

Meeting Date: February 10, 1994
Agenda Item No. 6.1

ORDINANCE NO. 94-528

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 94-528, AN ORDINANCE AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF FUNDING A COMPOST BIN PROGRAM AND THE REMAINDER OF THE PROJECT TO REPLACE THE ROOF AND VENTILATION SYSTEM AT METRO SOUTH TRANSFER STATION; AND DECLARING AN EMERGENCY

Date: February 3, 1994

Presented by: Councilor

Committee Recommendation: At the February 1 meeting, the Committee voted 5-0 to recommend Council adoption of Ordinance No. 94-528, subject to approval by the Finance Committee. Voting in favor: Councilors Buchanan, Hansen, McFarland, McLain and Wyers. Councilor Monroe was absent.

Committee Issues/Discussion: Roosevelt Carter, Solid Waste Staff, briefly noted that the purpose of the resolution was two-fold: 1) to transfer \$50,000 from contingency for the purpose of funding a discount compost bin program, and 2) to transfer \$60,000 from contingency to cover the final payments for the roof and ventilation system construction project at Metro South.

Debbie Gorham, Solid Waste Staff, explained that the proposed FY 93-94 budget had included two different discount compost bin programs. One would have operated through Metro's home composting workshop program and the second would have provided discount bins to targetted neighborhoods. Neither of these programs were funded. She noted that following reports of increased solid waste revenues, Councilors McLain and Wyers had requested that the department resubmit a discount bin program for Council consideration.

The program to be funded through the budget amendment would purchase 1,000 bins for distribution in targetted neighborhoods. Metro would work with local governments in the development, implementation and evaluation of the program. She explained that if the program proves to be successful, staff would likely seek additional funding in the future.

Jim Watkins, Solid Waste Staff, explained that the need for additional funding for the Metro South roof and ventilation system project stemmed from the multi-year nature of the project and additional change order work. He noted the total cost of the project will now be about \$650,000. The original estimated cost was \$600,000. Watkins noted that much of the additional cost resulted from change order to provide for additional interior painting to reduce the corrosive effects of dust and moisture inside the station.

Councilor McLain asked if Metro had obtained a guarantee or warranty for the roof. Watkins noted that such a guarantee would

be very expensive, noting that Metro believes that the new roof and ventilation system should last for twenty years. Councilor McLain noted that the existing roof was supposed to last for twenty years but had only lasted ten years.

Councilor Hansen asked if we have a warranty for the ventilation system. Watkins replied that the warranty would only apply to the equipment that had been stalled, such as the motors.

Councilor Wyers expressed concern about further escalation of the cost of the project. Watkins noted that no further change orders were anticipated and that staff was in the final stages of approving the work.

Councilor McLain indicated that there is a need to develop a monitoring system for moisture in the building to help insure that the new roof and ventilation last as long as possible.

Susan Ziolk, Clackamas County, testified in favor of the compost bin program and indicated that the county would be interested in participating in the program.

Jeanne Roy, Recycling Advocates, testified in favor of the compost bin program, noting that other jurisdictions had successfully implemented similar types of bin programs.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
FUNDING A COMPOST BIN PROGRAM AND)
THE REMAINDER OF THE PROJECT TO)
REPLACE THE ROOF AND VENTILATION)
SYSTEM AT METRO SOUTH TRANSFER)
STATION; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 94-528

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose transferring \$50,000 from the Solid Waste Fund Contingency to Materials and Services in the Waste Reduction Division to fund a compost bin program, and \$60,000 from the Solid Waste Fund Contingency to Capital in the Renewal and Replacement Account to complete funding for the roof and ventilation system replacement at Metro South Transfer Station.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

**Exhibit A
Ordinance No. 94-528**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		ORD. NO.94-528 1/5/94	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Waste Reduction)							
Total Personal Services		9.00	627,976	0	0	9.00	627,976
Materials & Services							
521100	Office Supplies		0		0		0
521110	Computer Software		0		0		0
521210	Landscape Supplies		0		0		0
521240	Graphics/Reprographic Supplies		1,900		0		1,900
521260	Printing Supplies		0		0		0
521290	Other Supplies		9,700		0		9,700
521291	Packaging Materials		250		0		250
521293	Promotion Supplies		3,600		0		3,600
521310	Subscriptions		1,682		0		1,682
521320	Dues		625		0		625
521400	Fuels & Lubricants		0		0		0
521540	Maintenance & Repairs Supplies-Equipment		0		0		0
524130	Promotion/Public Relations		0		0		0
524190	Misc. Professional Services		292,000		50,000		342,000
524210	Data Processing Services		0		0		0
525630	Maintenance & Repairs Services-Vehicles		0		0		0
525640	Maintenance & Repairs Services-Equipment		0		0		0
525710	Equipment Rental		0		0		0
525720	Rentals - Land & Building		0		0		0
525740	Capital Lease Payments-Furniture & Equipment		0		0		0
526200	Ads & Legal Notices		3,250		0		3,250
526310	Printing Services		44,975		0		44,975
526320	Typesetting & Reprographics Services		2,450		0		2,450
526410	Telephone		0		0		0
526420	Postage		0		0		0
526440	Delivery Service		300		0		300
526500	Travel		6,950		0		6,950
526700	Temporary Help Services		0		0		0
526800	Training, Tuition, Conferences		5,200		0		5,200
526900	Miscellaneous Purchased Services		0		0		0
528100	License, Permits, Payments to Other Agencies		0		0		0
528410	Grants		533,000		0		533,000
529500	Meetings		27,280		0		27,280
529800	Miscellaneous		0		0		0
Total Materials & Services			933,162		50,000		983,162
TOTAL EXPENDITURES		9.00	1,461,137	0.00	50,000	9.00	1,511,137

**Exhibit A
Ordinance No. 94-528**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		ORD. NO.94-528 1/5/94	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Renewal & Replacement Account							
	<u>Requirements</u>						
574520	Const. Work/Materials-Bldg., Exhibits & Rel.		510,000		60,000		570,000
Total Requirements			510,000		60,000		570,000
General Expenses							
Total Interfund Transfers			4,167,887		0		4,167,887
<u>Contingency and Unappropriated Balance</u>							
	OPERATING ACCOUNT-unrestricted		2,233,000		(50,000)		2,183,000
	OPERATING ACCOUNT-restricted		0		0		0
	DEBT SERVICE ACCOUNT		0		0		0
	LANDFILL CLOSURE ACCOUNT		2,000,000		0		2,000,000
	CONSTRUCTION ACCOUNT		0		0		0
	RENEWAL & REPLACEMENT ACCOUNT		1,794,571		(60,000)		1,734,571
	GENERAL ACCOUNT		0		0		0
	RESERVE ACCOUNT		0		0		0
599999	Contingency		6,027,571		(110,000)		5,917,571
599990	Unappropriated Fund Balance		11,978,552		0		11,978,552
Total Contingency and Unappropriated Balance			18,006,123		(110,000)		17,896,123
TOTAL REVENUE FUND EXPENDITURES		104.30	85,657,487	0.00	0	104.30	85,657,487

Exhibit B
FY 1993-94 SCHEDULE OF APPROPRIATIONS
ORDINANCE NO. 94-528

	Current Appropriation	Revision	Proposed Appropriation
SOLID WASTE REVENUE FUND			
Administration			
Personal Services	515,867	0	515,867
Materials & Services	90,671	0	90,671
Subtotal	606,538	0	606,538
Budget and Finance			
Personal Services	461,629	0	461,629
Materials & Services	983,548	0	983,548
Subtotal	1,445,177	0	1,445,177
Operations			
Personal Services	2,087,430	0	2,087,430
Materials & Services	38,667,222	0	38,667,222
Subtotal	40,754,652	0	40,754,652
Engineering & Analysis			
Personal Services	692,155	0	692,155
Materials & Services	183,458	0	183,458
Subtotal	875,613	0	875,613
Waste Reduction			
Personal Services	527,975	0	527,975
Materials & Services	933,162	50,000	983,162
Subtotal	1,461,137	50,000	1,511,137
Planning and Technical Services			
Personal Services	516,622	0	516,622
Materials & Services	344,816	0	344,816
Subtotal	861,438	0	861,438
Recycling Information and Education			
Personal Services	332,036	0	332,036
Materials & Services	245,240	0	245,240
Subtotal	577,276	0	577,276
Debt Service Account			
Debt Service	2,890,523	0	2,890,523
Subtotal	2,890,523	0	2,890,523
Landfill Closure Account			
Materials & Services	10,347,500	0	10,347,500
Subtotal	10,347,500	0	10,347,500
Construction Account			
Capital Outlay	1,780,000	0	1,780,000
Subtotal	1,780,000	0	1,780,000

Exhibit B
FY 1993-94 SCHEDULE OF APPROPRIATIONS
ORDINANCE NO. 94-528

	Current Appropriation	Revision	Proposed Appropriation
Renewal and Replacement Account Capital Outlay	510,000	60,000	570,000
Subtotal	510,000	60,000	570,000
General Account Capital Outlay	440,610	0	440,610
Subtotal	440,610	0	440,610
Master Project Account Debt Service	933,013	0	933,013
Subtotal	933,013	0	933,013
General Expenses Interfund Transfers	4,167,887	0	4,167,887
Contingency	6,027,571	(110,000)	6,027,571
Subtotal	10,195,458	(110,000)	10,195,458
Unappropriated Balance	11,978,552	0	11,978,552
Total Fund Requirements	85,657,487	0	85,657,487

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO.94-528 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 93-94 BUDGET AND APPROPRIATIONS SCHEDULE WITHIN THE SOLID WASTE REVENUE FUND FOR THE PURPOSE OF FUNDING INCREASES FOR IMPLEMENTING A YARD DEBRIS COMPOST BIN PROGRAM TO TARGETED NEIGHBORHOODS IN THE METRO REGION AND TO COMPLETE THE REPLACEMENT OF THE ROOF AND VENTILATION SYSTEM AT METRO SOUTH TRANSFER STATION AND DECLARING AN EMERGENCY.

Date: December 29, 1993

Presented by: Roosevelt Carter

FACTUAL BACKGROUND AND ANALYSIS

This action requests adjustments to the Solid Waste Revenue Fund for the following purposes:

1. Transfer \$50,000 within the Solid Waste Revenue Fund from the Operating Account, Contingency Category to the Operating Account, Materials and Services Category, Waste Reduction Division to implement a yard debris compost bin program.
2. Transfer \$60,000 within the Solid Waste Revenue Fund from the Renewal & Replacement Account, Contingency Category to the Renewal and Replacement Account, Capital Outlay Category to complete the replacement of the roof and ventilation system at the Metro South Transfer Station.

Each action will be explained separately.

Compost Bin Program

In the proposed budget for FY 93-94 the Waste Reduction Division requested \$40,000 to distribute home composting bins within targeted neighborhoods. During the budget process funds were not made available to implement this program. As a result, the adopted FY 93-94 Budget does not include an appropriation for this program.

The actual unappropriated ending fund balance for FY 92-93 for the Operating Account, which represents the beginning fund balance for FY 93-94, is about \$2.3 million higher than was estimated in the FY 93-94 budget. This includes \$30,000 from a Metro Washington Park Zoo/Portland Parks Bureau compost project for FY 92-93 that could not be implemented. Councilors Judy Wyers and Susan McLain requested that the Solid Waste Department utilize \$20,000 from this increased fund balance to implement a discount compost bin program as initially proposed in the FY 93-94 budget.

STAFF REPORT
Ordinance No. 94-528

Waste reduction staff has drafted a preliminary plan to purchase about 1,000 home composting bins. Half of the bins will be distributed to targeted neighborhoods during the spring of 1994, the remaining half in the fall composting season. The objectives of the program are to provide bins, train participants on their use, obtain information on total cost of a bin distribution program, and begin measuring the impact on waste diversion. The pilot project will be implemented jointly with local governments.

To implement this program and receive the advantage of a wholesale discount offered by manufacturers for orders of 1,000 or more bins, the Solid Waste Department requires an additional \$30,000. Since the wholesale price range for the bins that meet Metro's performance criteria is \$41-49 per bin, an expenditure of approximately \$50,000 would be necessary to receive the discounted rate. An average cost savings of \$4.00 per bin can be realized with this minimum purchase.

The compost bins will be sold in targeted neighborhoods to homeowners interested in purchasing a bin at a 50 percent discount. Metro is expecting to receive \$25,000 from this cost-sharing arrangement. This revenue will partially offset program costs. Metro and local governments will share the other costs of implementing the program. Although not recognized in this action, revenues identified from sales of bins will be part of the unappropriated FY 93-94 ending fund balance.

Roof and Ventilation System Replacement at Metro South Transfer Station

The Solid Waste Department issued an RFP in FY 92-93 to replace the roof and ventilation system at Metro South Transfer Station. The construction contract amount is about \$650,000. An expenditure allocation of \$540,000 was budgeted in the Renewal and Replacement Account for FY 92-93 for design and construction, and \$510,000 was budgeted in FY 93-94 with \$10,000 of the amount designated for design. The above amounts reflect the uncertainty of which fiscal year the project would incur expenses. Since the contract was not signed until the end of May 1993 only \$100,000 of the FY 92-93 appropriation was spent on construction. As a result of the late start a majority of the work to be performed during FY 92-93 has been carried forward into FY 93-94 which causes the FY 93-94 allocation to be insufficient to cover the construction contract amount. It is therefore necessary to appropriate \$60,000 from the Contingency account to complete this project and to cover any potential change orders.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 94-528.

RSR:rsr
C:\WINWORD\SOLIDWA94-528SR.DOC

Meeting Date: February 10, 1994
Agenda Item No. 7.1

RESOLUTION NO. 94-1901A

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 94-1901A, FOR THE PURPOSE OF APPROVING THE YEAR-FIVE ANNUAL WASTE REDUCTION PROGRAM FOR LOCAL GOVERNMENTS

Date: February 3, 1994

Presented by: Councilor Hansen

Committee Recommendation: At the February 1 meeting the Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1901A. Voting in favor: Councilors Hansen, McFarland, McLain and Wyers. Councilors Buchanan and Monroe were absent.

Committee Issues/Discussion: Since the adoption of Metro's current five-year waste reduction plan, Metro has worked with the region's local governments to develop and implement annual waste reduction programs. These programs identify certain activities that are to be completed and outlines roles for Metro and the local governments. The local governments submit annual reports outlining their activities for the preceding year. Metro then evaluates these reports to determine compliance with the prior year's program requirements. Each local government's receipt of its Metro challenge grant funding is based on its meeting the requirements set forth in the annual programs.

Debbie Gorham and Jennifer Ness, reviewed the proposed Year-Five Program. The program's major components address multi-family recycling, yard debris recycling/composting and commercial recycling. Ms. Gorham explained that the program was developed through a six-month process. She then offered several amendments to the program that had been originally filed with the resolution.

The first amendment related to the multi-family provisions for local governments. The original language provided that the local governments would facilitate installation of recycling systems at substantially all apartment buildings by July 1, 1995. This deadline had been established in earlier resolutions adopted by the Council. The amendment provides that the recycling systems must be capable of accepting four materials. Ms. Gorham noted that state law provides a "four material" requirement for those governments that select multi-family recycling as one of the program elements in their mandated waste reduction programs. She indicated that such systems could be installed regionwide.

A second amendment modifies the yard debris collection provisions of the program. The amendment language would require local governments to provide weekly curbside collection by July 1, 1994 and if weekly service is not offered the local government must explain to Metro how its alternative program collects as much debris as would have been collected through weekly collection. Metro would evaluate these alternative programs by March 1995.

Ms. Gorham then reviewed an amendment submitted by Estle Harlan, representing local haulers. The amendment adds language to the program provisions outlining Metro's role in the development of commercial recycling programs. The intent of the new language is to insure that Metro consults with the haulers concerning commercial programs and that Metro does not duplicate current local government and hauler commercial recycling efforts.

Councilor Wyers expressed concern that a final decision about the level of Metro's involvement in commercial recycling should be made by Metro and not by the haulers.

Councilor Hansen noted that alternative yard debris programs would be evaluated by Metro. She asked if there will be any evaluation standards and what Metro's options were if we found that an alternative program was unacceptable. Councilor McFarland noted that any jurisdiction with an unacceptable program would not receive its challenge grant funding for the following year.

Councilor McFarland noted that the proposed change in the language related to Metro's continued funding of local programs clearly indicates that this funding is to be used for program improvements, not funding of existing program administration.

Councilor McLain moved to add language to the amendment submitted by the haulers to clarify that Metro would consult with the haulers about specific proposed activities, but not about Metro's general coordinative and program development roles in commercial recycling. The change added the phrase "in that activity" to the last sentence of the first paragraph outlining Metro's commercial recycling role. The committee unanimously approved the change.

Jeanne Roy, Recycling Advocates, offered two additional amendments. First, she requested that the language related to the potential use of alternative yard debris collection programs be altered to provide for prior Metro approval of the use of alternatives to weekly collection. She contended that use of alternate systems without prior approval would allow many jurisdictions to avoid installation of weekly collection for another year.

Councilors Hansen and McFarland indicated their support for the amendment language presented by staff.

Ms. Roy offered her second amendment which would provide that the implementation of the local government commercial recycling programs developed this year would include offering convenient on-site collection for source separated recyclables.

Councilor McLain noted that it is important for the program to set specific goals and that if such goals are not set for commercial recycling programs, such programs may never be implemented. Councilor Wyers noted that Metro cannot continue to listen to those who simply say things cannot be done. The committee unanimously approved this amendment.

Susan Ziolk, Clackamas County, expressed support for the plan and the amendments that had been adopted. She noted that next year Clackamas County will be placing a heavier emphasis on commercial recycling. She explained that the county will be targetting more businesses for commercial recycling assistance. She also emphasized the importance of Metro challenge grant funding.

Lynn Storz, Washington County, indicated that the county supported the program that had been originally submitted with the resolution. She noted that the county is continuing to implement its programs and that they were looking forward to the development of the next five-year waste reduction plan.

Lee Barrett, City of Portland, spoke in favor of the program and in support of the proposed amendments. He explained that, until recently, the Portland's emphasis has been on residential recycling programs. Work on commercial programs is just beginning in Portland and other jurisdictions. He indicated that Portland and Metro are already meeting to discuss alternatives to weekly curbside yard debris collection.

The committee adopted the resolution with the staff amendments and all previously approved amendments noted above.

Tri-County Council

Reply to: 2202 SE Lake Road, Milwaukie, OR 97222 654-9533 (FAX 654-8414)

TO: METRO SOLID WASTE COMMITTEE, RUTH MCFARLAND Chair - FAX 797-1793

Re: Year-Five Annual Waste Reduction Program for Local Governments

We appreciate staff working with local governments to develop the Year-Five Annual Waste Reduction Program.

However, because of recent events that have occurred, we believe there needs to be at least a clear sense of direction given to staff, if not an actual change in wording, relating to Metro's role in Commercial Recycling and programs related to Construction and Demolition Waste.

The hauling industry has complied with the Waste Reduction Plan and hired Recycling Coordinators to work with haulers in actual implementation of the plan, for all jurisdictions other than Portland. In Portland, there is a Bureau of Environmental Services staff that works with the haulers on plan implementation. Too often, Metro hires a consultant to forge ahead on programs, without first finding out what the local government and haulers are doing in a given jurisdiction. The result is confusion for the customer and total lack of coordination with local programs that are in progress. In many instances, there is no need whatsoever for Metro's involvement as the local government and haulers have a program in place.

Section 4. on Commercial Recycling should have a revision to the Metro role to read:

Metro will provide technical analyses of the commercial sector waste stream. Information such as tonnage, composition, and waste generated per employee will be assembled over time as funds become available for targeted generator waste characterization studies. Metro will work with local governments, haulers and representatives from specific business types to develop educational materials and workshops specific to the needs of those business types, but will not duplicate work done by local governments and haulers. Before any such activity is undertaken by Metro, Metro will meet with local governments and haulers to determine if there is a need for Metro involvement and to assure that any involvement is appropriate for the programs being delivered in a jurisdiction by the haulers.

Section 5. on Construction and Demolition Waste should have the same wording added to the first paragraph.

We believe it is inappropriate for Metro to budget funds for programs that are already provided by local governments and haulers.

By 
TRI-COUNTY COUNCIL

Representing:

Clackamas County Refuse Disposal Association
Multnomah County Refuse Disposal Association
Oregon Sanitary Service Institute

Portland Association of Sanitary Service Operators
Teamsters Local 281 305
Washington County Solid Waste Collectors Association

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE) RESOLUTION NO. 94-1901 A
YEAR-FIVE ANNUAL WASTE REDUCTION)
PROGRAM FOR LOCAL GOVERNMENTS) Introduced by Rena Cusma
) Executive Officer

WHEREAS, Metro Ordinance 88-266B adopted the Regional Solid Waste Management Plan as a functional plan; and

WHEREAS, Metro Ordinance No. 89-315 amended the Regional Solid Waste Management Plan's Waste Reduction Chapter to include the establishment of a Five-Year Work Program for Metro and other local governments which includes the specific activities that must be accomplished to achieve waste reduction goals; and

WHEREAS, The aforementioned ordinance establishes a cooperative process for implementing the Five-Year Program where Metro and local governments adopt annual work programs for the waste reduction activities they will undertake in a given year; and

WHEREAS, Local Government Recycling Coordinators have been meeting regularly to develop the program elements for the Year-Five Annual Waste Reduction Program for FY 1994-95; and

WHEREAS, The Year-Five Program has been written and approved by the local governments; and

WHEREAS, The Annual Waste Reduction Program for Local Governments ensures a coordinated regional effort to reduce waste; and

WHEREAS, "Metro Challenge" grant funding to local governments is based upon adherence to the plan and satisfactory completion of task elements; and

WHEREAS, A set of program activities is necessary for local governments to proceed with the development of their fifth year programs, and

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

BE IT RESOLVED, That the Metro Council approves the Year-Five Annual Waste Reduction Program for Local Governments and supports increased efforts to reduce waste in the Metro Region.

ADOPTED by the Metro Council this ____ day of _____, 1994.

Judy Wyers, Presiding Officer

JN:ay
NESS/AWRP/SW941901.RES
January 19, 1994

**ANNUAL WASTE REDUCTION PROGRAM FOR
LOCAL GOVERNMENTS
FY 1994-95**

I. REGIONAL WASTE REDUCTION PROGRAM PLANNING

OBJECTIVES: To establish long and medium range waste reduction and recycling targets for the tri-county region and to develop a strategic plan for Metro and local governments to work as partners in facilitating the creation of efficient programs to achieve these targets.

Metro

Metro will update the Waste Reduction Chapter of the Regional Solid Waste Management Plan with a 1995-2000 Regional Waste Reduction Strategic Plan. Metro will seek input from the business community, the collection industry, local governments, and the general public through public meetings and public hearings.

Local Governments

Local governments are invited to take an active role in developing the strategic plan and help facilitate the involvement of regulated private sector stakeholders within their jurisdictions. Haulers, citizens, business and industry representatives, and all interested parties are invited to participate in developing a visionary, strategic waste reduction plan to guide the region's activities through the end of the decade.

II. REGIONAL COORDINATION

OBJECTIVE: For Metro Waste Reduction Division staff and local governments to share information, pool resources, and coordinate activities so as to minimize duplication of effort, provide uniform programs where appropriate, and to provide Metro area residents with the most cost effective waste reduction and recycling programs possible.

Metro

Metro will facilitate and/or coordinate waste reduction programs that are most effectively implemented on a uniform basis region-wide. Metro Waste Reduction Division staff will make themselves available to attend planning and coordination meetings at the request of local governments.

Local Governments

Local governments will manage their own local waste reduction/recycling programs, report results to Metro, and coordinate with other local governments and Metro on regional issues.

III. COMPLIANCE with the 1991 OREGON RECYCLING ACT

OBJECTIVE: To comply with the provisions of the Act and to document that compliance.

Metro

Metro will submit an Annual Wasteshed Report to the DEQ on behalf of local governments and Metro. The report will consist of information submitted by local governments documenting their compliance with the Act, as well as summary information on Metro's efforts to increase the region's diversion rate through reduction, reuse, recycling, composting and recovery.

Local Governments

Pursuant to State Law and DEQ regulations, local governments will submit a brief annual report documenting their compliance with the Act and will provide samples of promotional and educational materials for inclusion in Metro's Annual Report to the DEQ.

IV. IMPLEMENTATION of REGIONAL SOLID WASTE MANAGEMENT PLAN WASTE REDUCTION PROGRAM

1. Single-Family Recycling

OBJECTIVE: To provide single-family households with a convenient opportunity to recycle.

Metro

Metro will provide technical assistance, financial support and data to support continuation and expansion of local government single-family recycling programs.

Local Governments

Local governments will assure the provision of recycling for single-family households, adding materials to curbside collection service when practicable.

2. Multi-Family Recycling

OBJECTIVE: To provide apartment residents with a convenient opportunity to participate in recycling.

Metro

Metro will provide coordination, technical assistance, financial support and data to support local government multi-family recycling programs. Metro will assist with the local government multi-family recycling support group and provide region-wide promotion and education (through owner/manager associations, and mass media).

Local Governments

Local governments will facilitate the installation of recycling systems accepting at least four materials at substantially all apartment buildings by July 1, 1995.

3. Yard Debris Recycling/Composting

OBJECTIVE: To maximize the amount of yard debris that is home composted, collected at the curb for recycling, taken to depots or otherwise diverted from disposal as garbage or illegal dumping. A second objective is to enhance the marketability of yard debris compost.

A. Collection Programs

Metro

Metro will evaluate the region's yard debris collection and processing system. Information will be made available to local governments and the DEQ for use in improving the effectiveness of yard debris diversion. Metro will work with local governments and DEQ to effectively quantify diversion through yard debris collection programs and home composting.

Local Governments

Local governments will provide weekly curbside collection of yard debris by July 1, 1994. If weekly service is not offered, local governments must explain how their program will capture as much yard debris for composting as weekly service would. Metro will evaluate program results by March 1995.

Local governments will ~~work to~~ standardize yard debris reporting, collect data and maintain records on number of monthly setouts and average weight per setout, and/or participation and tonnage diverted through depots for their yard debris collection programs. This information, plus statistical analysis and/or evaluations

performed by local governments, will be made available to Metro for use in the regional evaluation.

B. Home Composting

Metro

Metro will continue to offer home composting workshops, educational materials, and other public outreach campaigns as well as maintain home composting demonstration sites.

Local Governments

Local governments will continue to promote* home composting, in part through promotion of Metro home composting workshops and availability of home compost demonstration sites for self-guided tours.

C. Yard Debris Compost Marketing

Metro

Metro will provide coordination to ensure standards are developed on yard debris compost quality. Metro will also provide public education and marketing campaigns to promote the use of yard debris compost products in landscaping, and for soil and water conservation purposes.

Local Governments

Local governments will continue to promote the use of yard debris compost.

4. Commercial Recycling

OBJECTIVE: The commercial sector generates about half of the region's solid waste. In order to achieve significant additional gains in landfill diversion, this sector must be provided with effective waste reduction programs and increased opportunity, as well as economic incentives, to reduce, reuse and recycle.

Metro

Metro will provide technical analyses of the commercial sector waste stream. Information such as tonnage, composition, and waste generated per employee will be assembled over time as funds become available for targeted generator waste characterization studies. Metro will work with local governments, haulers and

* Promote means to inform residents about a waste reduction program through the use of a mailer, brochure, or any other media that reaches significant numbers of actual and potential participants.

representatives from specific business types to develop educational materials and workshops specific to the needs of those business types, but will not duplicate work done by local governments and haulers. Before educational materials and/or workshops are undertaken by Metro, Metro will meet with local governments and haulers to determine if there is need for Metro involvement in that activity.

Metro will continue to conduct "buy recycled" outreach programs to businesses and industries in the region in conjunction with technical assistance and promotional activities in support of commercial waste reduction and recycling. Metro will participate in regional activities included in the local government comprehensive commercial recycling programs.

Metro will work with local governments, area haulers, scale companies, and the State Office of Weights and Measures to develop technical information on weight-based commercial collection systems.

Local Governments

Local governments will implement the comprehensive commercial recycling programs developed in their Year 4 Programs. These programs shall offer convenient on-site collection for source separated recyclables. ~~These comprehensive commercial waste reduction and recycling programs will provide a greater level of recycling service via collection and depot service, to substantially all businesses in the tri-county area by July 1, 1995. Explanation of the economics of recycling as part of design for sustainability, including the environmental benefits of recycling gained through reduced pollution and greater resource conservation, will be among the tools used to increase participation in recycling by substantially all businesses in the tri-county area, both regulated and non-regulated, by July 1, 1995.~~

5. Construction and Demolition Waste

OBJECTIVE: To change construction and demolition practices such that reusable materials are salvaged for re-use, recyclable materials are diverted from disposal, and building materials with recycled content are used in new construction and remodels. To identify and overcome barriers to recycling construction and demolition waste.

Metro

Metro will work with representatives of construction industry trade associations to promote construction site recycling and resourceful renovation practices. Metro will hold educational workshops and presentations for public and private industry including working with the region's building permit offices. Metro will work with local governments to assist contractors by establishing construction/demolition site recycling on up to 30 projects throughout the region.

Metro will provide a model policy statement to assist other public agencies with the development of their own policies regarding resource efficient building practices in government construction and renovation projects.

Local Governments

Local governments will continue to distribute educational materials on resource-efficient building practices. Local government staff will promote the adoption and institution of policy statements (e.g., resolution, ordinance) by their Councilors and/or Commissioners so that resource-efficient building practices are used in government construction projects. Resource-efficient building includes construction site recycling, salvage and reuse, use of recycled content materials and design for recycling facilities for building occupants.

Local governments will review hauling and recycling services for the 30 proposed Metro projects and will assist Metro contractor to obtain the required service levels.

6. Promotion and Education

OBJECTIVE: To inform the region's residents about the benefits of waste reduction/recycling and to provide them with information on how they can participate in waste reduction/recycling activities.

Metro

Metro will perform promotion and education activities that relate to broad region-wide topics. Metro will inform local governments of upcoming promotional activities in order to avoid any unnecessary repetition of publicity or educational outreach, and to allow local governments to dovetail their promotion and education efforts with those of Metro to ensure the best use of fiscal resources. Local governments will inform Metro of upcoming local promotion and education activities to enhance cooperative efforts.

Local Governments

Local governments will perform the expanded promotion and education activities set forth in the 1991 Oregon Recycling Act. Local governments will coordinate efforts on broad regional activities with other local governments and Metro campaigns to ensure the best use of fiscal resources.

7. "Buy Recycled"

OBJECTIVE: Maximize in-house purchasing, promotion and use of recycled products.

Metro

Metro will provide technical assistance to support local government in-house purchasing programs.

Local Governments

Local governments will maximize, to the extent practical, in-house purchasing, promotion and use of recycled products.

8. Technical Assistance

OBJECTIVE: To provide the technical information necessary to implement new waste reduction programs.

Metro

Metro will administer contracts for research and pilot projects on a variety of new waste reduction practices, systems, and technologies. Results of these efforts will be made available to local governments and the private sector.

Local Governments

Local governments will assist Metro in its efforts to provide technical information and will be involved in planning, research, and implementation of pilot projects.

9. Funding for Waste Reduction and Recycling

Metro

Metro will continue to commit meaningful levels of funding (e.g., "Metro Challenge" grant awards) to local governments ~~for the administration and implementation of waste reduction and recycling programs~~ that meet the standards of the Waste Reduction Program.

Local Governments

Local governments will provide staff and other resources to participate to the fullest extent practical in implementing the Metro region's waste reduction plan.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-1901 ADOPTING THE YEAR-FIVE ANNUAL WASTE REDUCTION PROGRAM FOR LOCAL GOVERNMENTS

Date: January 19, 1994

Presented by: Debbie Gorham
Jennifer Ness

PROPOSED ACTION

Adopt Resolution No. 94-1901

FACTUAL BACKGROUND AND ANALYSIS

The Annual Waste Reduction Program for Local Government includes an activity list intended to assist local government participation in the regional waste reduction five year plan. Implementation of the program began in 1990. For the past four years, Metro has worked with local government recycling coordinators to develop a set of activities for the upcoming year.

Submission of an approved Annual Waste Reduction Program, in addition to substantial completion of the previous year's program, qualifies a local government for a "Metro Challenge" grant. The activities proposed for Year Five (FY 1994-95) are presented in Attachment A. All activities are designed to move the region closer to its waste reduction and recycling goal of 50% by the year 2000.

COMMERCIAL RECYCLING PROGRAM DEVELOPMENT:

Local Government Recycling Coordinators have met regularly with Metro staff to develop the fifth year program in time for local government and Metro's budget schedules. Implementation will begin July 1, 1994. All local governments have placed special attention on the development of comprehensive commercial waste reduction and recycling program plans which will be an integral part of their fifth-year plans.

Over the past year, local governments have convened commercial planning work groups comprised of government representatives, haulers and members of the business community. These groups develop programs that will advance commercial recycling while considering the implications to all involved parties. Commercial recycling programs from around the country have been studied. Findings illustrate that there is no one standard system or recipe for successful commercial programs. The service needs of commercial customers are much broader than those of the residential sector resulting in great variations in the frequency of collection, materials collected, and equipment requirements. There are also broad differences between businesses based on their size, location and type.

Local governments are working to increase recycling and waste reduction in the business sector without mandating service standards that could increase costs to unacceptable levels, or create inequities. The business sector is not homogeneous like the residential sector, where costs spread

across the entire base provide uniformly greater service equitably. Businesses differ not only by type, and type of waste materials they generate, but by size, number of employees, and location. To serve all businesses with identical frequency of pick up and equal number of recyclable items picked up could result in inefficiencies and inequities.

For example, if a city or county regulates recycling service levels and rates across the board without regard for the heterogeneity of the non-residential sector, the following could occur. Business "A" with 500 employees, generates large quantities of old corrugated cardboard, and high grade office papers all of which are picked up and purchased by end users, not by a garbage hauler. (Recyclable materials may be marketed directly to end-users. This material is then unavailable to haulers in Oregon under ORS 459A.070, the "fair market value" exemption.) Business "B" generates large quantities of glass, plastic, and food waste and has only 10 employees. If all businesses were required to pay the same fee for services, business "A" could experience a disproportionate rate increase for services it does not need nor utilize while other businesses could receive more service than they pay for. It is not equitable for one business to subsidize another's waste hauling and recycling service.

Despite the complexities associated with designing and executing a commercial recycling system, local governments expect that their plans, designed to best meet the needs of their jurisdictions, will begin implementation by July 1, 1994, barring any unforeseen complexities or problems.

YARD DEBRIS RECOVERY PLANS:

Local governments are increasing efforts to recover a greater percentage of yard debris from the residential waste stream. Progress includes implementing curbside collection increasing education and continuing promotion of home composting. Great progress will be made over the next year in Washington County where weekly or bi-weekly curbside collection will begin in all cities at various times during 1994 as their rate setting processes allow. Areas in the unincorporated county will have every other week curbside collection beginning in January of 1994.

The Regional Yard Debris Recycling Plan submitted by Metro was accepted by the DEQ as the plan for the entire Metro region. As allowed in the plan, Washington County opted to develop its own yard debris plan which would be approved directly by the Oregon DEQ. The 1994-95 Washington County Yard Debris Recycling Plan is due to the DEQ by July of 1994.

The Regional Yard Debris Recycling Plan requires all jurisdictions to move to weekly curbside collection by 1994 or to utilize a combination of other methods that recover as much as weekly collection. Metro staff believes that it is important to allow these new programs reasonable time to become established and produce measurable results before requiring the minimum service standard of weekly curbside collection region-wide. As stated in the Year Five activity list, local governments choosing methods other than weekly curbside collection will have a six-month period to produce measurable results. Weekly curbside collection may not be the optimum program or system for the entire region due to factors including rates and service equipment needs. Other measures aside from weekly collection such as banning yard debris from garbage cans, or use of large roller carts may prove just as effective.

CONCLUSION:

"Metro Challenge" grants will continue to be an integral part of local government recycling programs. Funds will assist in the development and implementation of comprehensive commercial recycling programs and in maintaining the continued success of the established programs. Metro and local governments have been working together to reach our regional recycling and waste reduction goals and believe that the Year-Five plan as presented is an effective and aggressive program toward that end.

BUDGET IMPACT

None

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-1901.

JN:ay

NESS/AWRP/STAF01119.RPT

January 19, 1994

Meeting Date: February 10, 1994
Agenda Item No. 7.2

RESOLUTION NO. 94-1886

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-1886 AUTHORIZING EXECUTION OF CHANGE ORDER NO.19 AND RATIFICATION OF CHANGE ORDERS NO.1 THROUGH 18 TO THE HOFFMAN CONSTRUCTION COMPANY CONTRACT FOR THE METRO REGIONAL CENTER AND ADJACENT PARKING STRUCTURE

Date: January 31, 1994

Presented By: Councilor McLain

COMMITTEE RECOMMENDATION: At its January 26, 1994 meeting the Committee voted 6 to 1 to recommend Council approval of Resolution No. 94-1886. Committee members voting in favor were Councilors Buchanan, Devlin, Gardner, McLain, Monroe and Van Bergen. Voting in opposition was Councilor Kvistad.

COMMITTEE DISCUSSION/ISSUES: Doug Butler, Interim Regional Facilities Director, presented the Staff Report. He pointed out that the Metro Code requires that the Contract Review Board must approve certain change orders for material additions to the scope of work once such additions equal 10 % or more of the original contract price. To date 18 change orders have been approved by the Executive Officer which total \$3,394,974 or 36% of the original contract. The Code exempts from Contract Review Board approval change orders which are of a technical nature such as additions due to code requirements or unforeseen conditions and change orders which are a result of a dispute with the contractor. Metro Project Staff estimates that just over 8% of the change orders relate to material additions to the scope of work. Mr. Butler pointed out that the reason this matter is before the Contract Review Board is that General Counsel Dan Cooper conducted an independent review and believes there is sufficient ambiguity to merit a blanket approval of all the change orders.

Councilor Van Bergen requested that General Counsel comment on the independent review of the change orders. General Counsel Dan Cooper indicated that his review of change orders is mostly with regard to proper form and to assure they are legally sufficient and not ambiguous. He pointed out that he approved several change orders early on which were clearly below the 10% limit. When change order No. 18 came across his desk in November 1993 with a form on it that indicated that the total change orders were now over three million dollars, he told Mr. Saling he would not approve it because he did not think the Executive had authority without first going to the Contract Review Board. He went on to say that it was clear to him that there was confusion in Mr. Salings mind about approval authority as a result of having a Council approved project budget and approval authority in the Contract Code.

Councilor Van Bergen asked if a procedure should be set up to require Contract Review Board approval of change orders. Mr. Cooper stated that the Code was pretty clear about the need for the Contract Review Board approval of change orders to add work of a material nature when the total accumulation of these change orders exceed 10% of the original contract on projects in excess of

\$1,000,000. Mr. Cooper suggested that there should be internal procedures in place in each department, such as Regional Facilities, which manage large construction projects which ask the right questions when a change order is needed. Particularly, is the change order an addition to the scope of work and how does the change order affect the 10% requirement or the budget. Those change orders which exceed the 10% requirement or exceed the Council approved budget should be taken to the Council for approval.

Mr. Cooper said a mitigating factor to this incident could be the fact that Mr. Saling took each change order to the Regional Facilities Committee as the project proceeded. Councilor McFarland responded to say that Mr. Saling did indeed report to the Committee on the Change orders but did not ask or suggest in any way that the Committee or Council should approve the change orders. He provided reports and gave the impression they were within limits authorized by the Council. Councilor McLain confirmed a similar experience the year before when she chaired the Regional Facilities Committee.

Council Staff suggested that the Committee request General Council Cooper send a communication to all appropriate departments which clearly and concisely explain the requirements of the Contract Code regarding change orders and make it clear that the Adopted Budget with its appropriation authority is different than the Contract Code and the specific requirements of each must be met various project managers. Mr. Cooper indicated that he was already preparing such a document.

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AUTHORIZING)
EXECUTION OF CHANGE ORDER NO. 19)
AND THE RATIFICATION OF CHANGE)
ORDERS NO. 1 THROUGH 18 TO THE)
HOFFMAN CONSTRUCTION COMPANY)
CONTRACT FOR THE CONSTRUCTION)
OF THE METRO REGIONAL CENTER)
AND ADJACENT PARKING STRUCTURE)

RESOLUTION NO. 94-1886

Introduced by
Regional Facilities Committee

WHEREAS, Hoffman Construction Company has been under contract since December 1991 to perform construction services related to the renovation of the Metro Regional Center and adjacent parking garage; and

WHEREAS, 18 change orders totaling \$3,393,992 have been executed which have added a wide range of changes to the original contract (See Exhibit A); and

WHEREAS, Change Order No. 19, which will be the last change order to the Hoffman contract, has been prepared and includes additional work on the parking structure to prevent water damage and final tenant improvements for the first floor office area (See Exhibit B); and

WHEREAS, Metro code 2.04.045 requires Metro Contract Review Board approval of certain change orders when such change orders exceed 10% of the original contract amount;

NOW, THEREFORE BE IT RESOLVED, that the Metro Contract Review Board takes the following action:

1. Authorizes execution of Change Order No. 19 to the Hoffman Construction contract.
2. Ratifies the execution of Change Orders 1 through 18 to the Hoffman Construction contract.

ADOPTED by the Metro Contract Review Board this _____ day of January, 1994.

Judy Wyers
Presiding Officer

EXHIBIT A

METRO HEADQUARTERS PROJECT

CHANGE ORDER SUMMARY

CHANGE ORDER #1

1.	Core & Shell 5000 sf retail space at corner of Grand Ave. and Lloyd Blvd.	\$118,000.00
2.	Parking garage traffic flow & travel demand management plan studies by Kittleson & Assoc.	4,300.00
3.	Demolition of mechanical equipment in fourth floor annex space.	14,600.00
4.	Contractor 5% fee on items 2 & 3.	<u>945.00</u>
	TOTAL	\$137,845.00

CHANGE ORDER #2

1.	Upsize south HVAC unit to 125 ton.	\$ 24,293.00
2.	PCB light fixture ballast removal.	19,614.00
3.	Replace hydraulic elevator with traction elevator at tower.	0.00
4.	Electrical power cost reimbursement during asbestos removal by PDI.	2,899.00
5.	Contractor 5% fee on item #2.	<u>981.00</u>
	TOTAL	\$ 47,787.00

CHANGE ORDER #3

1.	Reimburse one-half of costs to kill two existing water meters.	\$ 1,200.00
2.	Core & shell fourth floor annex space.	111,904.00
3.	Extend project completion date to 3/11/93.	<u>0.00</u>
	TOTAL	\$113,104.00

CHANGE ORDER #4

1.	Parking garage seismic analysis.	\$ 8,774.00
2.	Security system additions.	3,800.00
3.	Parking garage Conditional Use Review fee.	943.00
4.	Add recycling chutes.	23,365.00
5.	Parking garage design services.	55,909.00
6.	Change to recycled Santana toilet partitions.	0.00
7.	Core & shell adds, HVAC screen walls & Plaza screen wall upgrade.	<u>123,613.00</u>
	TOTALS	\$216,404.00

CHANGE ORDER #5

1.	Upgrade HVAC units to McQuay.	\$ 24,494.00
2.	Upgrade HVAC Energy Management Control System to Barber Coleman.	<u>10,476.00</u>
	TOTAL	\$ 34,970.00

CHANGE ORDER #6

1.	Change garage lighting to high pressure sodium.	1,885.00
2.	Remove parking garage lights with PCB's.	19,324.00
3.	Construct Parking garage seismic shear walls.	47,945.00
4.	Implementation of energy measures 1, 2, 3, 6, 7, 8, 10, & 11.	77,041.00
5.	Design extra's for Police TI, US West room, Landscape redesign, & Shear wall redesign.	<u>17,658.00</u>
	TOTAL	\$163,853.00

CHANGE ORDER #7

1.	Employee parking garage entry/exit gates.	\$ 9,342.00
2.	Delete drip irrigation design fee(C.O. #6).	(800.00)
3.	Remove old brick & add new at employee parking entrance.	11,627.00
4.	Delete electrical transformer upgrade ECM 8 from C.O. #6.	(1,677.00)
5.	Demo & replace sidewalks & utilities at existing parking garage.	104,334.00
6.	Remove & replace existing parking garage light fixtures.	75,720.00
7.	Reimburse contractor for sitework permit at existing parking garage.	<u>11,814.00</u>
	TOTAL	\$210,360.00

CHANGE ORDER #8

1.	Tenant improvements increase in allowance.	\$626,766.00
2.	Audio/visual/paging package.	98,204.00
3.	Remove North Plaza from critical path schedule.	<u>\$0.00</u>
	TOTAL	\$724,970.00

CHANGE ORDER #9

1.	Site electrical work (upgraded street lights to be reimbursed by city).	\$122,253.00
2.	Use Grimms soil mix in landscaping (reimbursed by Solid Waste grant).	<u>\$1,437.00</u>
	TOTAL	\$123,690.00

CHANGE ORDER #10

1.	Weather Delay time extension.	\$0.0
2.	Data/phone rough-in and wiring ADA phones for elevators.	\$112,429.00
3.	Audio/Visual system rough-in (conduit & wiring).	\$18,246.00
4.	Parking Garage elevator upgrade.	<u>\$51,198.00</u>
	TOTAL	\$181,873.00

CHANGE ORDER #11

1.	Resourceful renovation display case (reimbursed by Solid Waste).	\$23,000.00
2.	Drip irrigation at South Plaza (reimbursed by Solid Waste).	\$1,747.00
3.	Parking Gargage landscape & irrigation.	\$13,045.00
4.	FF&E casework and low wall partitions.	<u>\$151,800.00</u>
	TOTAL	\$189,592.00

CHANGE ORDER #12

1.	Upgrade to sheerview perforated blinds.	\$15,714.00
2.	PP&L Finanswer energy measures design.	<u>14,614.00</u>
	TOTAL	\$30,328.00

CHANGE ORDER #13

1.	Furniture layout design & specifications.	\$35,878.00
2.	Tennant improvment additional costs.	249,311.00
3.	City required fire protection backflow valve upgrade at parking structure.	<u>28,736.00</u>
	TOTAL	\$313,925.00

CHANGE ORDER #14

1.	Install magnetic security locks at stairs #2 & #4 in basement & first floor.	\$ 5,097.00
2.	Parking structure guardrail city permit.	1,236.00
3.	Parking structure painting & new guardrails.	94,413.00
4.	Interior building signage.	<u>10,103.00</u>
	TOTAL	\$110,849.00

CHANGE ORDER #15

1.	Re-roof parking structure stair #1 & elev.	\$ 2,754.00
2.	Provide sod vs. seed at daycare play area.	1,782.00
3.	Authorize use of gateway allowance for plaza retail space & landscaping.	0.00
4.	North plaza retail & plaza upgrades final design cost settlement.	<u>192,824.00</u>
	TOTAL	\$197,360.00

CHANGE ORDER #16

1.	Architect TI work - Metro RFPs 22, 29, 30, 34, & 35; TVA ASIs 25, 103, & 68; HCCO CORs 88T & 108T.	\$13,071.00
2.	Architect TI redesigns, N & S plaza redesigns & incorporation of recycled materials.	<u>61,560.00</u>
	TOTAL	\$74,631.00

CHANGE ORDER #17

1.	Reimburse Contractor for final TI costs.	\$80,671.00
2.	Additional pickets for daycare fence.	6,490.00
3.	Interior canitilever wall signs.	7,664.00
4.	Remove asphalt & re-seal parking structure top deck with urethane coating.	<u>150,000.00</u>
	TOTAL	\$244,825.00

CHANGE ORDER #18

1.	Design & Construction services for Parks & Greenspaces & Exhibit Space Tennant Improvements.	<u>\$278,608.00</u>
	TOTAL	\$278,608.00

CHANGE ORDER #19

1.	Delete painting of lower parking spaces.	(\$15,000.00)
2.	Parking structure top deck additional tar removal, crack suppression membrane, & disabled concrete access ramps.	34,156.00
3.	Reimburse contractor for final first floor tenant improvement costs.	<u>40,726.00</u>
	TOTAL	\$59,882.00

CHANGE ORDER

AIA DOCUMENT G701

Distribution to:

OWNER

ARCHITECT

CONTRACTOR

FIELD

OTHER

PROJECT: Metro Headquarters
(name, address)

CHANGE ORDER NUMBER: 19

TO (Contractor):

INITIATION DATE: December 10, 1993

HOFFMAN CONSTRUCTION COMPANY
PO Box 1300
Portland, Oregon 97207

ARCHITECT'S PROJECT NO: 91025
CONTRACT FOR: Building Renovation

CONTRACT DATE: 1/10/92

You are directed to make the following changes in this Contract:

- | | |
|--|--------------------------|
| 1) Delete painting of walls, columns and ceilings in the two parking levels within the building. | DEDUCT: (15,000.00) |
| 2) Reimburse subcontractor for additional costs associated with parking structure top deck work including tar removal, crack-suppression membrane and handicapped access ramps. Reference Subcontractor's 12/9/93, proposal summary. | ADD: \$34,156.00 |
| 3) Reimburse subcontractor for final portion of first floor tenant improvement costs. Reference subcontractor's 12/9/93, proposal summary. | ADD: \$40,726.00 |
| | TOTAL \$59,882.00 |

Not valid until signed by both the Owner and Architect.

Signature of the Contractor indicates his agreement herewith, including any adjustment in the Contract Sum or Contract Time.

The original (Contract Sum) (Guaranteed Maximum Cost) was	\$ 9,341,000.00
Net change by previously authorized Change Orders	\$ 3,394,974.00
The (Contract Sum) (Guaranteed Maximum Cost) prior to this Change Order was	\$ 12,735,974.00
The (Contract Sum) (Guaranteed Maximum Cost) will be (Increased) (decreased) (unchanged) by this Change Order	\$ 59,882.00
The new (Contract Sum) (Guaranteed Maximum Cost) including this Change Order will be ...	\$ 12,795,856.00
The Contract Time will be (increased) (decreased) (unchanged) by	(0) Days.
The Date of Substantial Completion as of the date of this Change Order therefore is	3/18/93

ARCHITECT _____
Address _____
BY _____
DATE _____

Hoffman Construction Co.
CONTRACTOR
PO Box 1300
Address
Portland, Oregon 97207
BY *[Signature]*
DATE 12/15/93

Authorized:
Metro
OWNER
2000 SW 1st Avenue
Address
Portland, Oregon 97201
BY _____
DATE _____

STAFF REPORT

Meeting Date: January 5, 1994

FOR THE PURPOSE OF AUTHORIZING RESOLUTION NO. 94-1886 FOR THE EXECUTION OF CHANGE ORDER NUMBER 19 AND THE RATIFICATION OF CHANGE ORDERS 1 THROUGH 18 TO THE HOFFMAN CONSTRUCTION COMPANY CONTRACT FOR THE CONSTRUCTION OF THE METRO REGIONAL CENTER AND ADJACENT PARKING STRUCTURE

Date: December 29, 1993

Presented by: Berit Stevenson

FACTUAL BACKGROUND AND ANALYSIS

Hoffman Construction Company was awarded the construction contract in the amount of \$9,341,000 to renovate the old Sears building in December 1991. The work has been ongoing since contract award and is expected to be concluded the last week in December 1993 with the completion of the Parks & Greenspaces office space. During the course of the two year project, 18 change orders totaling \$3,393,992 have been executed which have addressed a wide range of changes to the original contract. These changes include project elements which were included in the original project budget (parking garage), code requirements (seismic upgrades), pass through of additional revenues (FinAnswer) and city planning requirements (plaza retail space) as well as scope changes which enlarge the Metro office area (Parks and Greenspaces). A detailed list and description of these changes (See Exhibit A) has been provided on a biweekly basis to the Regional Facilities Committee throughout the course of the project in the form of project reports and budget updates.

Metro Code at section 2.04.045 provides that the Metro Contract Review Board must approve certain change orders for material additions to the scope of work once such additions equal 10% or more of the original contract amount. Metro's General Counsel has informed Metro staff that additions to the contract which are technical in nature such as additions due to code requirements or unforeseen conditions fall outside of the 10% limitation. In addition, change orders which are the result of a dispute with the contractor are not included in the 10% limitation.

Generally, the individual Hoffman contract change orders are comprised of several line items, one or more of which may be technical in nature or the result of a contractor dispute and others may be changes in scope. In addition, an individual change order item may also be comprised of several elements, some of which fall outside of the 10% limitation due to their technical nature. Project staff have completed an analysis and have found that just over 8% of the change orders relate to material additions to the original scope of work. Metro General Counsel independently reviewed the change orders and believes there is sufficient ambiguity in some of the possible classifications of line items to merit an omnibus Contract

Review Board approval of all change orders. Accordingly, he has recommended staff seek Metro Contract Review Board approval of Change Order No. 19 (See Exhibit B) and ratification of Change Orders 1 through 18.

BUDGET IMPACT

Funding for payments related to the 19 change orders are included in the Metro Headquarters project budget. After all payments have been made to include Change Order No. 19, an amount of \$70,000 will remain available in the construction account contingency.

RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-1886.

Meeting Date: February 10, 1994
Agenda Item No. 7.3

RESOLUTION NO. 94-1898

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-1898 EXTENDING THE PERSONAL SERVICES CONTRACT FOR AUDIT SERVICES WITH KPMG PEAT MARWICK FOR ONE YEAR WITH AN ADDITIONAL ONE YEAR OPTION

Date: January 31, 1994

Presented By: Councilor Monroe

COMMITTEE RECOMMENDATION: At its January 26, 1994 meeting the Committee voted unanimously to recommend Council approval of Resolution No. 94-1898. Committee members present and voting were Councilors Buchanan, Gardner, Kvistad, McLain, Monroe and Van Bergen. Councilor Devlin was absent.

COMMITTEE DISCUSSION/ISSUES: Jennifer Sims, Director of Finance and Management Information, presented the Staff Report. She stated the purpose of the resolution is to authorize extension of the audit contract with KPMG Peat Marwick for one additional year with an option to extend an additional year on March 31, 1995. Ms. Sims pointed out that the Metro Contract Code provides for three year terms for Personal Services contracts with the ability to extend up to a total of five years as long as the extension does not encourage favoritism and will result in cost savings. She pointed out several transitional issues which make it advantageous to retain the current audit firm: 1) the Department will likely move toward selecting a new financial management system during the next fiscal year and having an audit firm which knows Metro's system and processes will be helpful in moving toward converting to a new system; 2) Metro is changing from a 13 to a 7 member Council and adding an elected Auditor which makes it advantageous to have continuity of audit firm during this time; and 3) continuing the current auditor who have knowledge and experience with Metro's operations will minimize disruption of Metro staff and enable staff to stay productive during the audit process.

She pointed out that KPMG Peat Marwick has offered a fee which is based on the current year fee (\$47,000) plus a cost of living increase. This is less or very close to the fees proposed by other firms three years ago when the current contract was proposed.

Chair Monroe stated he had discussed this matter with Ms. Sims and agreed that it would be advantageous to extend the contract for one more year while the transition occurs with the elected officials.

In response to a question from Council Staff, Ms. Sims said that another years extension might be requested in March 1995 because the transition to a new financial management system might be underway at that time.

BEFORE THE METRO PUBLIC CONTRACT REVIEW BOARD

FOR THE PURPOSE OF EXTENDING THE)	RESOLUTION NO. 94-1898
PERSONAL SERVICES CONTRACT FOR AUDIT)	
SERVICES WITH KPMG PEAT MARWICK)	Introduced by the
FOR ONE YEAR WITH AN ADDITIONAL ONE)	Finance Committee
YEAR OPTION)	

WHEREAS, ORS 297.465 requires an annual audit of the agency's financial statements; and

WHEREAS, the contract with KPMG Peat Marwick, independent Certified Public Accountants, will expire on March 31, 1994; and

WHEREAS, the Metro Code allows extension of Personal Service contracts without competitive proposals under certain circumstances; and

WHEREAS, it has been determined that those circumstances have been met; and

WHEREAS, KPMG Peat Marwick has fulfilled the provisions of the current contract in a timely, efficient and cost effective manner; now, therefore

BE IT RESOLVED,

The Metro Public Contract Review Board hereby authorizes the extension of the Personal Services Agreement No. 901871 with KPMG Peat Marwick to provide audit services for the period April 1, 1994 through March 31, 1995 with an option to extend for an additional year at March 31, 1995.

ADOPTED by the Public Contract Review Board of Metro this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

STAFF REPORT

IN CONSIDERATION OF RESOLUTION 94-1898 FOR THE PURPOSE OF EXTENDING THE PERSONAL SERVICES CONTRACT FOR AUDIT SERVICES WITH KPMG PEAT MARWICK FOR ONE YEAR WITH AN ADDITIONAL ONE YEAR OPTION

Date: January 18, 1994

Presented by: Jennifer Sims

PROPOSED ACTION

Adoption of Resolution No. 94-1898 would authorize the Finance and Management Information Department to extend the present personal services contract for audit services to include the fiscal year 1994 financial statement audit and grant an *option* to extend for an additional year at the completion of this approved contract extension.

FACTUAL BACKGROUND AND ANALYSIS

The contract with KPMG Peat Marwick for audit services will expire on March 31, 1994.

The Metro Code allows the Council as Public Contract Review Board to extend personal services contracts without competitive proposals if the contractor is performing a continuing activity for the agency, as is the case with the annual audit. This same section of the Code (2.04.054) requires that competitive proposals be solicited at least once every three years. However, Code section 2.04.041 allows the Council to exempt specific contracts by resolution subject to the requirements of ORS 279.015(2) and ORS 279.015(5). This ORS section allows exemption from competitive bidding if the agency finds that it is unlikely that such exemption will encourage favoritism in the awarding of public contracts and that the awarding of the contract will result in substantial cost savings to the agency.

The waiver from seeking competitive proposals and the extension of the present contract is sought as being in the best interests of Metro. Continuing Metro's working relationship with the present auditors presents the following advantages:

- The department is facing possible change in its computerized accounting and information system in the next fiscal year. The implementation of new systems is always problematic and somewhat chaotic. A major change such as new auditors would best be delayed to a time when operations are more "normal." An audit firm with Metro experience will be most capable of assisting in identifying problem areas during the conversion.
- Metro also faces a transition period involving change in the Council from 13 to 7 members, and the election of a Metro Auditor. It would be advantageous to have continuity in the audit firm at this time.

- Metro is a unique and complicated entity. The present auditors have gained understanding and insight into Metro's operations that would be difficult to duplicate by first year auditors. There is minimal disruption of Metro staff by auditors who know their way around agency operations, allowing Metro staff to stay productive during the audit process.

KPMG Peat Marwick has offered a fee equivalent to the current audit fee of \$47,000 plus a cost of living increase for the one year extension period. The one year option amount would be calculated based on the extension amount plus cost of living adjustment. Staff believes that this represents a substantial cost saving to the agency in that the changes and expansion in the agency's activities over the last three years of this contract would be expected to precipitate an increase in fees if competitive proposals were entertained. KPMG Peat Marwick's bid for the initial year of the contract three years ago was \$44,200. The next lowest bids received were Deloitte & Touche at \$50,000 and Grant Thornton at \$51,350.

BUDGET IMPACT

Audit fees for a particular fiscal year audit cross two fiscal years. There remains approximately \$9,000 in the fiscal year 1993-94 budget. The amount currently under consideration for audit fees in the fiscal year 1994-95 budget process is adequate to cover the cost of the one year extension.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-1898.



GRANT/CONTRACT SUMMARY

METROPOLITAN SERVICE DISTRICT

COPY

GRANT/CONTRACT NO. 901871 BUDGET CODE NO. 610-041100-524110-00000
 FUND: General DEPARTMENT: Finance&Info (IF MORE THAN ONE) _____
Mgmt.
 SOURCE CODE (IF REVENUE) _____

INSTRUCTIONS

- OBTAIN GRANT/CONTRACT NUMBER FROM CONTRACTS MANAGER. CONTRACT NUMBER SHOULD APPEAR ON THE SUMMARY FORM AND ALL COPIES OF THE CONTRACT.
- COMPLETE SUMMARY FORM.
- IF CONTRACT IS —
 - SOLE SOURCE, ATTACH MEMO DETAILING JUSTIFICATION.
 - UNDER \$2,500, ATTACH MEMO DETAILING NEED FOR CONTRACT AND CONTRACTOR'S CAPABILITIES, BIDS, ETC.
 - OVER \$2,500, ATTACH QUOTES, EVAL FORM, NOTIFICATION OF REJECTION, ETC.
 - OVER \$50,000, ATTACH AGENDA MANAGEMENT SUMMARY FROM COUNCIL PACKET, BIDS, RFP, ETC.
- PROVIDE PACKET TO CONTRACTS MANAGER FOR PROCESSING

1. PURPOSE OF GRANT/CONTRACT Professional Tax Service - Audit

2. TYPE OF EXPENSE PERSONAL SERVICES LABOR AND MATERIALS PROCUREMENT
 PASS THROUGH AGREEMENT INTER-GOVERNMENTAL AGREEMENT CONSTRUCTION
 OTHER

OR

TYPE OF REVENUE GRANT CONTRACT OTHER

3. TYPE OF ACTION CHANGE IN COST CHANGE IN WORK SCOPE
 CHANGE IN TIMING NEW CONTRACT

4. PARTIES KPMG Peat Marwick & METRO

5. EFFECTIVE DATE 4/1/91 TERMINATION DATE 3/31/94
 (THIS IS A CHANGE FROM _____)

6. EXTENT OF TOTAL COMMITMENT: ORIGINAL/NEW (can change based-on CPI) \$ 150,000.00
 PREV. AMEND _____
 THIS AMEND _____
 TOTAL \$ _____

7. BUDGET INFORMATION

A. AMOUNT OF GRANT/CONTRACT TO BE SPENT IN FISCAL YEAR 1990₈91 \$ 19,000.00
Accounting and
 B. BUDGET LINE ITEM NAME _____ AMOUNT APPROPRIATED FOR CONTRACT \$ 19,000.00
Audit Services
 C. ESTIMATED TOTAL LINE ITEM APPROPRIATION REMAINING AS OF 3/31/ 1991 \$ 19,000.00

8. SUMMARY OF BIDS OR QUOTES (PLEASE INDICATE IF A MINORITY BUSINESS ENTERPRISE)

<u>KPMG PEAT MARWICK</u>	\$ <u>44,200.00</u>	<input type="checkbox"/> MBE
SUBMITTED BY	AMOUNT	
<u>DELOITTE & TOUCHE</u>	\$ <u>50,000.00</u>	<input type="checkbox"/> MBE
SUBMITTED BY	AMOUNT	
<u>GRANT THORNTON</u>	\$ <u>51,350.00</u>	<input type="checkbox"/> MBE
SUBMITTED BY	AMOUNT	

9. NUMBER AND LOCATION OF ORIGINALS _____

10 A. APPROVED BY STATE/FEDERAL AGENCIES? YES NO NOT APPLICABLE

B. IS THIS A DOT/UMTA/FHWA ASSISTED CONTRACT YES NO

11. IS CONTRACT OR SUBCONTRACT WITH A MINORITY BUSINESS? YES NO

IF YES, WHICH JURISDICTION HAS AWARDED CERTIFICATION _____

12. WILL INSURANCE CERTIFICATE BE REQUIRED? YES NO

13. WERE BID AND PERFORMANCE BONDS SUBMITTED? YES NOT APPLICABLE

TYPE OF BOND _____ AMOUNT \$ _____

TYPE OF BOND _____ AMOUNT \$ _____

14. LIST OF KNOWN SUBCONTRACTORS (IF APPLICABLE)

NAME _____ SERVICE _____ MBE

NAME _____ SERVICE _____ MBE

NAME _____ SERVICE _____ MBE

NAME _____ SERVICE _____ MBE

15. IF THE CONTRACT IS OVER \$10,000

A. IS THE CONTRACTOR DOMICILED IN OR REGISTERED TO DO BUSINESS IN THE STATE OF OREGON?

YES NO

B. IF NO, HAS AN APPLICATION FOR FINAL PAYMENT RELEASE BEEN FORWARDED TO THE CONTRACTOR?

YES DATE _____ INITIAL _____

16. COMMENTS:

GRANT/CONTRACT APPROVAL

INTERNAL REVIEW

CONTRACT REVIEW BOARD

COUNCIL REVIEW

DEPARTMENT HEAD

(IF REQUIRED) DATE _____

(IF REQUIRED)

FISCAL REVIEW

1. _____
COUNCILOR

DATE _____

BUDGET REVIEW

2. _____
COUNCILOR

3. _____
COUNCILOR

LEGAL COUNSEL REVIEW AS NEEDED:

A. DEVIATION TO CONTRACT FORM _____

B. CONTRACTS OVER \$10,000 _____

C. CONTRACTS BETWEEN GOVERNMENT AGENCIES _____

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT dated this 1st day of April 1991, is between the METROPOLITAN SERVICE DISTRICT, a municipal corporation, hereinafter referred to as "METRO," whose address is 2000 S.W. First Avenue, Portland, OR 97201-5398, and KPMG Peat Marwick, Certified Public Accountants, hereinafter referred to as "CONTRACTOR," whose address is 1211 SW Fifth Avenue, Portland, Oregon 97204, for the period of April 1, 1991, through March 31, 1994, and for any extensions thereafter pursuant to written agreement of both parties.

W I T N E S S E T H :

WHEREAS, This Agreement is exclusively for Personal Services;
NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

CONTRACTOR AGREES:

1. To perform the services and deliver to METRO the materials described in the Scope of Work attached hereto;
2. To provide all services and materials in a competent and professional manner in accordance with the Scope of Work;
3. All applicable provisions of ORS chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated as if such provision were a part of this Agreement, including but not limited to ORS 279.310 to 279.320.

Specifically, it is a condition of this contract that Contractor and all employers working under this Agreement are subject employers that will comply with ORS 656.017 as required by 1989 Oregon Laws Chapter 684.

4. To maintain records relating to the Scope of work on a generally recognized accounting basis and to make said records available to METRO at mutually convenient times;

5. To indemnify and hold METRO, its agents and employees harmless from any and all claims, demands, damages, actions, losses and expenses, including attorney's fees, arising out of or in any way connected with its performance of this Agreement, with any patent infringement arising out of the use of CONTRACTOR'S designs or other materials by METRO and for any claims or disputes involving subcontractors;

6. To comply with any other "Contract Provisions" attached hereto as so labeled; and

7. CONTRACTOR shall be an independent contractor for all purposes, shall be entitled to no compensation other than the compensation provided for in the Agreement. CONTRACTOR hereby certifies that it is the direct responsibility employer as provided in ORS 656.407 or a contributing employer as provided in ORS 656.411.

In the event CONTRACTOR is to perform the services described in this Agreement without the assistance of others, CONTRACTOR hereby agrees to file a joint declaration with METRO to the effect that CONTRACTOR services are those of an independent contractor as provided under Chapter 864 Oregon Laws, 1979.

METRO AGREES:

1. To pay CONTRACTOR for services performed and materials delivered in the maximum sum of ONE HUNDRED FIFTY THOUSAND AND 00/100THS (\$150,000.00) DOLLARS and in the manner and at the time designated in the Scope of Work; and
2. To provide full information regarding its requirements for the Scope of Work.

BOTH PARTIES AGREE:

1. That either party may terminate this Agreement upon giving CONTRACTOR written notice ninety (90) days prior to July 1 of any year, without waiving any claims or remedies it may have against CONTRACTOR;
2. That, in the event of termination, METRO shall pay CONTRACTOR for services performed and materials delivered prior to the date of termination; but shall not be liable for indirect or consequential damages;

3. That, 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;

4. That this Agreement is binding on each party, its successors, assigns, and legal representatives and may not, under any condition, be assigned or transferred by either party; and

5. That this Agreement may be amended only by the written agreement of both parties.

CONTRACTOR NAME

METROPOLITAN SERVICE DISTRICT

KPHC Pent Marwich

By:

Joseph F. Hoffmann

By:

[Signature]

Date:

5/16/91

Date:

5-28-91

APPROVED AS TO FORM:

By:

[Signature]

Date:

6-10-91

DRC:jm

PERSONAL..CNT

CONTRACT CONDITIONS

SCOPE OF WORK

In accordance with the requirements of Oregon Revised Statutes 297.405 through 297.555 between KPMG PEAT MARWICK, Certified Public Accountants of Portland, Oregon, and the METROPOLITAN SERVICE DISTRICT, Oregon, provides as follows:

1. It hereby is agreed that KPMG PEAT MARWICK shall conduct an audit of the accounts and fiscal affairs of the METROPOLITAN SERVICE DISTRICT, Oregon, for the period beginning July 1, 1990, and ending June 30, 1991, and annually thereafter for Fiscal Years 1992 and 1993, in accordance with the Minimum Standards for Audits of Municipal Corporations as prescribed by law. The audit shall be undertaken in order to express an opinion upon the financial statements of the METROPOLITAN SERVICE DISTRICT, Oregon, and upon the financial statements of the METROPOLITAN EXPOSITION-RECREATION COMMISSION, and to determine if the METROPOLITAN SERVICE DISTRICT has complied substantially with appropriate legal provisions.

2. KPMG PEAT MARWICK agrees that the services they have contracted to perform under this contract shall be rendered by them or under their personal supervision and that the work will be faithfully performed with care and diligence.

3. It is understood and agreed that, should unusual conditions arise or be encountered during the course of the audit whereby the services of KPMG PEAT MARWICK are necessary beyond

the extent of the work contemplated, written notification of such unusual conditions shall be delivered to the METROPOLITAN SERVICE DISTRICT, Oregon, who shall instruct in writing KPMG PEAT MARWICK concerning such additional services, and that a signed copy of each such notification and instruction shall be delivered immediately to the Secretary of State by the Party issuing the same.

4. The audit shall be started as soon after this contract is executed as is agreeable to the Parties hereto and shall be completed and a written report thereon delivered within a reasonable time as is agreeable to the Parties hereto, but not later than six months after the close of the audit period covered by this contract. Adequate copies of such report shall be delivered to the METROPOLITAN SERVICE DISTRICT, Oregon, and its form and content shall be in accordance with and not less than that required by the Minimum Standards for Audits of Oregon municipal corporations.

5. It is understood and agreed that the METROPOLITAN SERVICE DISTRICT, Oregon, is responsible for such financial statements as may be necessary to fully disclose and fairly present the results of operations for the period under audit and the financial condition at the end of that period. Should such financial statements not be prepared and presented within a reasonable period of time, it is understood that KPMG PEAT MARWICK shall draft them for the METROPOLITAN SERVICE DISTRICT, Oregon. The cost of preparing such financial statements shall be

in addition to the fee for conducting the audit as set forth in Paragraph 8 below.

6. The request for proposal for audit services issued by the METROPOLITAN SERVICE DISTRICT and the proposal documents submitted by KPMG PEAT MARWICK are incorporated herein by reference.

7. It is understood and agreed that either Party may cancel this contract by giving notice in writing to the other Party at least ninety (90) days prior to July 1 of any year.

8. In consideration of the faithful performance of the conditions, covenants, and undertakings herein set forth, the METROPOLITAN SERVICE DISTRICT, Oregon, hereby agrees to pay KPMG PEAT MARWICK the sum of FORTY-FOUR THOUSAND TWO HUNDRED AND NO/100THS (44,200.00) DOLLARS for the fiscal year 1991 audit, and the same amount for each fiscal year audit thereafter except that an increase for inflation, not to exceed the annual Portland Metropolitan Consumer Price Index and as further described below shall be added for each audit subsequent to the fiscal year 1991 audit. The increase will be determined from the table provided monthly by Bureau of Labor Statistics, "All Urban Consumers" living in Portland, Oregon. The initial increase will be calculated using the difference between the second half of 1990 index (82-84 base or 129.8) and the index increase on the following years second half of 1991 index (82-84 base). Subsequent increases shall be calculated in the same manner using the index rate (82-84 base) of the preceding second half period.

The maximum increase in any year is limited to six percent (6%). KPMG PEAT MARWICK shall give notice of such proposed increase for inflation not later than April 1 of the fiscal year for which the increase is proposed. The METROPOLITAN SERVICE DISTRICT hereby affirms that proper provision for payment of such fees has been or will be duly made and that funds for the payment thereof are or will be made legally available.

Council
2/10/94
new agenda
item

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-530, FOR THE
PURPOSE OF AMENDING ORDINANCE NO. 93-487A REVISING
THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE
FOR THE PURPOSE OF FUNDING OUTSIDE COUNSEL OPINION
ON THE LEASE OF THE METRO CENTER; AND DECLARING
AN EMERGENCY

Date: February 4, 1994

Presented by:
Daniel B. Cooper

FACTUAL BACKGROUND AND ANALYSIS

During the discussions regarding the decisions the Council faced concerning the future of the Metro Center building (2000 S.W. First Avenue), General Counsel informed the Council at its meeting on December 9, 1993, that provisions of the existing lease agreement with AMCO did provide for early termination of lease under certain circumstances. The General Counsel indicated to the Council that he was uncertain as to how the lease would be construed by the courts if the issue were brought before them and felt it was advisable for the Council to have the benefit of a legal opinion from an outside law firm that was experienced in both municipal finance as well as real estate matters.

At the direction of the Council, the General Counsel secured the services of the firm of Preston Thorgrimson Shidler Gates & Ellis and the written opinion of that firm was presented to the Council at their meeting held on December 23, 1993. The purpose of the Ordinance is to amend the FY 1993-94 budget for the Office of General Counsel by increasing the Materials and Services appropriation by \$2,500 in order to provide authority for paying the cost of securing the outside legal opinion which was an unanticipated expense.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE) ORDINANCE NO. 94-530
NO. 93-487A REVISING THE)
FY 1993-94 BUDGET AND APPROPRIA-) Introduced by
TIONS SCHEDULE FOR THE PURPOSE OF) Presiding Officer Judy Wyers
FUNDING OUTSIDE COUNSEL OPINION)
ON THE LEASE OF METRO CENTER; AND)
DECLARING AN EMERGENCY)

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$2,500 from the Support Service Fund Contingency to Materials and Services in the Office of General Counsel to fund outside counsel opinion on the lease of Metro Center.

2. That this Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

**Exhibit A
Ordinance No. 94-530**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICE FUND:Office of General Counsel							
Total Personal Services		6.00	434,876	0.00	0	6.00	434,876
<u>Materials & Services</u>							
521100	Office Supplies		1,450		0		1,450
521290	Other Supplies		208		0		208
521310	Subscriptions		12,350		0		12,350
521320	Dues		1,751		0		1,751
524120	Legal Fees		0		2,500		2,500
525640	Maintenance & Repairs Services-Equipment		795		0		795
526310	Printing Services		228		0		228
526440	Delivery Services		341		0		341
526500	Travel		2,279		0		2,279
526700	Temporary Help Services		1,200		0		1,200
526800	Training, Tuition, Conferences		2,159		0		2,159
529500	Meetings		454		0		454
529800	Miscellaneous		500		0		500
Total Materials & Services			23,715		2,500		26,215
Total Capital Outlay			1,500		0		1,500
TOTAL EXPENDITURES		6.00	460,091	0.00	2,500	6.00	462,591

SUPPORT SERVICE FUND:General Expenses

<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Metro Center		0		0		0
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		507,283		0		507,283
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		30,791		0		30,791
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		41,597		0		41,597
Total Interfund Transfers			579,671		0		579,671
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	* General		241,874		(2,500)		239,374
	* Builders License		23,165		0		23,165
599990	Unappropriated Fund Balance-Contractors License		151,566		0		151,566
Total Contingency and Unappropriated Balance			416,605		(2,500)		414,105
TOTAL EXPENDITURES		84.72	6,802,525	0.00	0	84.72	6,802,525

Exhibit B
Schedule of Appropriations
Ordinance No. 94-530

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,238,932	0	2,238,932
Materials & Services	794,941	0	794,941
Capital Outlay	77,891	0	77,891
Subtotal	3,111,764	0	3,111,764
Regional Facilities			
Personal Services	551,748	0	551,748
Materials & Services	312,436	0	312,436
Capital Outlay	5,000	0	5,000
Subtotal	869,184	0	869,184
Personnel			
Personal Services	534,856	0	534,856
Materials & Services	59,646	0	59,646
Capital Outlay	6,675	0	6,675
Subtotal	601,177	0	601,177
Office of General Counsel			
Personal Services	434,876	0	434,876
Materials & Services	23,715	2,500	26,215
Capital Outlay	1,500	0	1,500
Subtotal	460,091	2,500	462,591
Public Affairs			
Personal Services	669,686	0	669,686
Materials & Services	91,247	0	91,247
Capital Outlay	3,100	0	3,100
Subtotal	764,033	0	764,033
General Expenses			
Interfund Transfers	579,671	0	579,671
Contingency	265,039	(2,500)	262,539
Subtotal	844,710	(2,500)	842,210
Unappropriated Balance	151,566	0	151,566
Total Fund Requirements	6,802,525	0	6,802,525

All Other Appropriation Levels Remain As Previously Adopted

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4.1

MINUTES OF THE METRO COUNCIL

January 20, 1994
(Special Meeting)

Council Chamber

Councilors Present: Presiding Officer Judy Wyers, Deputy Presiding Officer Ed Washington, Richard Devlin, Jim Gardner, Mike Gates, Sandi Hansen, Jon Kvistad, Ruth McFarland, Susan McLain, Rod Monroe, Terry Moore and George Van Bergen

Councilors Absent: Roger Buchanan

Also Present: Executive Officer Rena Cusma

Presiding Officer Wyers called the special meeting to order at 4:01 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

None.

4. RESOLUTIONS

4.1 Resolution No. 94-1848, For the Purpose of Authorizing the Executive Officer to Enter into a Franchise Agreement with Willamette Resources, Inc., for Construction and Operation of the Metro West Station

Presiding Officer Wyers gave a brief history of Resolution No. 94-1848 to-date. She explained the Council considered and voted on the resolution at the September 9, 1993, Council meeting. She said that vote had failed at 7/6. She said at the September 23 Council, the resolution was reconsidered so that it could be returned to the Solid Waste Committee for additional consideration, to then return to the Council for final consideration before or on January 15, 1994. She said the Council considered it at the January 13 regular Council meeting and voted to postpone consideration of the resolution to this special meeting.

Presiding Officer Wyers opened a public hearing.

Mayor Dan Fowler, City of Oregon City, 320 Warner-Milne Road, Oregon City, said Oregon City's position on the issues centered on their agreement with Metro for Metro South Station (MSS). He said that agreement would expire January 1996. He said the current agreement allowed for 255,000 tons to be processed annually. He said he wanted to clarify that lack of communication to-date from Oregon City to Metro did not mean they were prepared to increase tonnage levels when the agreement was renegotiated. He said the area surrounding MSS had changed since it was built. He said zoning had gone from industrial to tourist/commercial zoning and said the End of the Oregon Trail complex (EOT) was being built and that the area was in transition. He said the Clackamette Cove area was in the process of being rezoned also. He said it was possible to continue MSS operations similar to how they had been conducted to-date, but said Oregon City did not plan to increase current tonnage levels processed.

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The Council and Mayor Fowler discussed the issues, including whether or not he had been contacted by Metro staff about tonnage level limits.

Executive Officer Cusma noted she and Bob Martin, Director of Solid Waste, had met with Mayor Fowler, and that Merrie Waylett, Senior Management Analyst, had met with members of the Oregon City Council during the time period in question.

Councilor Moore noted she talked earlier to Mayor Fowler the date of this meeting. She said she wrote to the Oregon City Commission on January 5 to tell them about Council action to-date and to ask them for their input.

Councilor McLain noted she communicated to the Oregon City Council via Ms. Waylett to let them know Councilors were willing to testify in Oregon City on the issues.

Commissioner Bob Light, Oregon City Commission, 320 Warner-Milne Road, Oregon City, said Oregon City had borne disposal responsibilities for the region to-date, but said those responsibilities should now be spread across the region.

Emily Kroen, Program Coordinator for Operations, City of Tualatin, 18880 SW Martinazzi Ave., Tualatin, introduced Loreen Edin, Solid Waste Manager, City of Tigard, 13125 SW Hall Blvd., Tigard. Ms. Kroen distributed written testimony and spoke from same. She said September 1993, the Metro Council voted to reconsider its decision not to build the Wilsonville Transfer Station (Metro West Station or MWS) in order to gather additional information on the financial condition of Metro's Solid Waste fund; tonnage forecasts; and the credit worthiness of the applicant (Willamette Resources, Inc. or WRI). She asked the Council what they knew now about those three issues they did not know in September 1993. She said a decision not to build MWS would contradict Metro's Regional Solid Waste Management Plan (RSWMP); make haulers in Washington County travel long distances and cause additional road maintenance costs, more air pollution, make Washington County rates inequitably and artificially higher than rates in the rest of the region; commit Metro to permanently high tonnage levels at MSS and/or cause Metro to impose flow control solutions; and severely scar Metro's regional partnerships with local jurisdictions.

Ms. Edin concurred with Ms. Kroen's testimony. She said she spoke as a member of the Washington County Solid Waste Systems Design Steering Committee (Steering Committee) and said the proposal(s) to build MWS were built on a decade of work by all parties involved. She urged the Council to adopt Resolution No. 94-1848.

John Walker, Steering Committee member, said he owned and operated Walker's Garbage Service, and urged the Council to adopt the resolution on behalf of Washington County haulers.

Mayor Steve Stolze, City of Tualatin, 18880 SW Martinazzi Ave., Tualatin, said Metro was no longer complying with the RSWMP. He said Washington County haulers charged more because they had to travel farther and pick up more. He said a great deal of money and staff time had been spent to demonstrate that Metro needed the MWS. He said all conclusions pointed to the need for a west transfer station, but that mysteriously, Metro staff had changed their recommendation on the issue approximately eight months ago. He said the Council should ask what was best for the region. He said Washington County was beginning to feel like a "poor orphan child" in the region.

Merle Irvine, Willamette Resources, Inc., vice president, gave historical background on the history of Resolution No. 94-1848 and WRI's efforts to site, build and operate MWS to-date. He said tonnage increases justified building a new transfer station. He said WRI procured consulting services to examine Metro's tonnage forecasts. He said tonnage did decrease due to the economy, curbside recycling, and Metro's 63 percent increase in disposal rates over a three-year period. He said WRI's consultants estimated that tonnage would begin to increase 1-2 percent per year. He said Metro staff disagreed with their consultant's tonnage estimates. Mr Irvine discussed disposal and recycling estimates further. He said Metro's analysis was flawed and discussed it further. He discussed WRI's letter of credit which he said

Executive Officer Cusma had difficulties with. He discussed that letter of credit and noted WRI had just received a new letter of credit (distributed at a previous Solid Waste Committee meeting and filed in the Resolution No. 94-1848 file) already provided to the Council, from the U.S. National Bank of Oregon. Mr. Irvine discussed the letter of credit further. He said if the Council had not found the letter of credit acceptable, bonds could not be sold and the project would not proceed. He said the letter of credit also dealt with risk issues. He said the financial package was patterned after the Riedel/Metro Composter financing package and said Metro rate payers would not be liable for financial failure of the transfer station. Mr. Irvine noted Executive Officer Cusma had stated the franchise was a good one, that the site was good, that WRI was qualified to operate as the franchisee, and that at any other time, this project would have been a good one to pursue. He said Executive Officer Cusma believed that outstanding solid waste issues, financial and otherwise, had to be resolved before Metro decided to initiate a new transfer station. He said many of those issues had been resolved as of this date and that tonnage was increasing. He said those factors and the new letter of credit should answer any remaining questions Metro staff had. He said the questions being asked now should not constitute the deciding factors on whether or not a needed-transfer station would be built.

Becky Crockett, Parametrix, Inc., project manager, said she had served as manager of Metro's Solid Waste Planning Program for six years, but said she spoke as a Washington County citizen at this meeting. She said her perspective on the issues involved planning and public policy and listed planners who had contributed to the development and completion of the RSWMP. She said people had worked hard on the RSWMP because they believed Metro would carry out the promises made to local jurisdictions to implement regional solid waste disposal and planning and said the RSWMP was a distinct policy of Metro's. She asked where and/or when the RSWMP had been amended to state there would be only one transfer station facility in Washington County. She said such amendments were supposed to proceed with regional consensus. She asked for validation on the statement given by staff that tonnage numbers listed were grossly inaccurate.

Presiding Officer Wyers asked Ms. Crockett if she had been made aware of Resolution No. 94-1892, For the Purpose of Revising Chapter 5 of the Regional Solid Waste Management Plan and Adjusting Tonnages at Metro Facilities. Ms. Crockett said she knew of the resolution, but had the impression that regional partners were not.

Bob Peterson, citizen, 8655 SW Parkview, Beaverton, said not every decision was a win/win proposition. He said Metro had to deal with the 1992 Metro Charter and the planning mandate of same to deal with anticipated changes in the region. He said the waste stream would continue to change and go up and down. He said MSS was handling its current waste stream and that Metro Central Station (MCS) was vastly under-utilized. He said recycling technologies were replacing the need for large transfer stations. He said such facilities could be valuable in the future, but said new facilities were not needed now. He said the best use for the estimated \$10 million to build the transfer station would be for planning functions, other regional facilities and to examine whether or not solid waste rates could be lowered. He said Metro should better utilize existing transfer stations and regulate solid waste flow. He said east Multnomah County or Troutdale represented better options for a new transfer station, and said a new transfer station should be competitively bid.

Dave Phillips, Solid Waste Administrator, Clackamas County Solid Waste Department, 902 Abernethy Road, Oregon City, said he was asked to relay the Clackamas County Board of Commissioners' concerns about commitments made to Oregon City and Clackamas County by Metro on the transfer station. He said he had stated to Clackamas County representatives and citizens many times that Metro would build a new transfer station and that he would be surprised if Metro did not do so. He said tonnage was increasing. He said Clackamas County had worked with Metro staff on the 2040 Program and that Metro estimated the region's population would increase by 1 million and said that increase meant solid waste disposal services should be increased also. He said if those population increase estimates were true, there would be fewer sites on which to site a transfer station. He said as long as MSS operated at its current level, there would be no real opportunity to provide post-collection recovery which he said was a strong goal and desire of Clackamas County's so that it could further its own waste reduction efforts. He said Clackamas County was reaching

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the crisis point with regard to yard debris disposal and could use a transfer facility for yard debris alone. He said Clackamas County urged the Council to adopt Resolution No. 94-1848.

Estle Harlan, Tri-County Council, said that entity was comprised of representatives from the six collection associations in the region, and said all haulers she had spoken to had stated tonnage had increased and not decreased. She said tonnage had not decreased since yard debris recycling had started. She said there was a phenomenon called the "full can syndrome." She said even when people recycled, they still found other items to fill their cans with. Presiding Officer Wyers noted Jeanne Roy, Recycling Advocates, 2420 SW Boundary St., Portland, had submitted a letter for the record (filed with the record of this meeting) and read it for the record.

Steve Larrance, citizen and former Washington County Commissioner, said the proposed transfer station represented nine years of effort involving countless hours of labor and untold dollars spent. He explained the history of trying to site a transfer station in Washington County and said Metro was not complying with its own policy as stated. He said the Washington County plan had received unanimous support from 10 city councils and said he could not recall any other item or issue which had received that kind of support. He said Metro had violated the trust of local jurisdictions.

Presiding Officer Wyers asked if any other persons present wished to testify. No other persons appeared to testify and the public hearing was closed.

Executive Officer Cusma discussed her recommendation not to build and said it was not an easy one to make. She reiterated she had no difficulty with the firm involved and did not dispute the desirability of the facility. She said tonnage estimates were best left to the experts and said the political considerations raised at this meeting were beside the point. She said the real issues centered on what Metro could afford; the timing of the project; and how much risk would be taken with ratepayer money. She said the project would cost \$11 million to build and represent a 20 year, \$45 million commitment. She said it would add \$4 to Metro's current tipping fees during a time of major uncertainty about Metro's long-term ability to finance the solid waste system on a stable and an equitable basis. She said Metro's rates were already the highest in Oregon and Metro was losing customers. She said if a state-of-the-art facility was built which no one used, the public would pay for it. She said that was the same public which had endured a 400 percent increase in tipping fees to finance the closure of the St. Johns Landfill (SJL) and shipping garbage to the Columbia Ridge Landfill. She said constituents were willing to pay for such necessary services, but said she could not ask them to pay for a facility that was not truly necessary. She said the Supreme Court would review whether or not local jurisdictions could direct solid waste flow and said Metro should wait for that decision before it added major new obligations to the regional solid waste system. She said during its most recent financial shortfall, Metro had to eliminate an entire department. She said she could not support subjecting citizens to paying for a major new solid waste facility. She said Metro was not financially secure based on recent solid waste tonnage increases as some had claimed. She said no tonnage estimates made would exceed the capacity of currently-existing transfer station(s).

Councilor McLain said she still planned to vote in favor of the Wilsonville site because partnerships between local jurisdictions and Metro were important. She said all the governments involved wanted the best options for the region. She said the site was a good one and that there had been no disagreement on that issue. She said Wilsonville was willing to host the facility now, but possibly not later. She said she supported public/private partnerships and said the company involved was a good one.

Councilor Gardner said he had been involved in this process for a long time. He said commitments had been made and broken over the years. He discussed the history of siting the transfer station beginning with the first proposed site on TV Highway. He said after that effort, Metro decided to allow local jurisdictions to procure their own sites and revised the RSWMP to do so. He said Washington County returned with their own locally developed solution which was put into the RSWMP. He said that they were allowed to develop their own solution as long as they complied with the rest of RSWMP's provisions. He said their proposal was not consistent with the rest of the regional plan because it was not cost-effective. He said necessary services should be provided to the region in the most cost-effective way. He said

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approving the facility as proposed would violate that principle. He said recycling technology was in transition and more alternative methods would continue to be developed and tonnage would continue to drop. He said Metro had not yet exercised flow control which it had the right to do. He said the process over the last few years leading to this meeting had been messy. He said the Council and the Executive Officer had pursued certain options and then dropped them to pursue others. He said this process had changed due to the length of the process and changed circumstances. He said existing facilities should meet the region's needs now and in the future.

Councilor Hansen said she supported the facility because it would complete the regional solid waste system as planned. She said tonnage was down at this time, but without Metro West Station there would be a system imbalance. She said the system had not been redesigned to address that imbalance. She said there was no real proof Metro would save money by not building the station. She said that assumed the facility would never be needed, or that tonnage would not increase. She said construction costs would not decrease in the future. She said there was a need for the facility, and that without it, there would be no system in place. She said the system should be redesigned if Metro did not choose to build. She said it was wrong to tell the rate payers they would save money if the facility was not built.

Councilor Monroe said the system currently in place could handle even the highest project tonnage amounts and said Metro could impose flow control. He said if recycling rates reached their highest projections, tonnage would drop. He said the region had and would have a great deal of growth, but said factors such as recycling and economic recessions could affect the need for additional solid waste facilities.

Councilor Kvistad said the public perception was that Metro served the Portland area rather than outlying, less metropolitan areas. He said the citizens of his community needed the transfer station.

Councilor Gates said the decision to build or not to build was not a decision in Portland's favor.

Presiding Officer Wyers said this issue had been a difficult one for the Council and said they had received ample input from all parties. She said she preferred an open, competitive bidding process and was not inclined to support the proposal before the Council. She said she did not vote in favor of Metro Central Station either. She said the system plan could be changed and noted the resolution before the Solid Waste Committee at this time to address necessary changes in the regional solid waste system. She said Metro should continue to emphasize the recycling hierarchy.

Councilor Devlin reviewed the history of the process to consider MWS and past and present Council feeling on same. He discussed what local jurisdictions wanted in relation to the facilities they hosted. He said different tonnage figures and projections on all facilities had been given. He said the differing data did not lead to a conclusive decision that the facility should not be built.

Councilor Moore said this issue had received multiple close votes to-date. She discussed the needs of the region and resource recovery goals. She said her commitment was to have the best and most financially stable solid waste system. She said her vote did not mean she did not support a good regional solid waste system.

Per General Counsel Dan Cooper's opinion given at the January 13, 1994, Council meeting on motions made at the Council meeting September 23, the Council had a main motion before them already at this time.

Vote on Motion to Adopt:

Councilors Devlin, Hansen, Kvistad, McLain and Van Bergen voted aye. Councilors Gardner, Gates, McFarland, Monroe, Moore, Washington and Wyers voted nay. Councilor Buchanan was absent. The vote was 7/5 opposed and Resolution No. 94-1848 was not adopted.

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5. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

Councilor Moore noted she had received responses to her letter inviting local jurisdictions to participate in Metro's predicate study and said she would keep the Council briefed on same.

All business having been attended to, Presiding Officer Wyers adjourned the special Council meeting at 6:26 p.m.

Respectfully submitted,

Paulette Allen
Clerk of the Council
MCMIN94.020