

A G E N D A

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METRO

MEETING: METRO COUNCIL
DATE: September 22, 1994
DAY: Thursday
TIME: 4:00 p.m.
PLACE: Council Chamber

**Approx.
Time***

**Presented
By**

4:00 p.m.

CALL TO ORDER / ROLL CALL

1. INTRODUCTIONS

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

3. EXECUTIVE OFFICER COMMUNICATIONS

(20 min.)

3.1 Presentation of Region 2040 Recommended Alternative

4:35
(5 min.)

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

4.1 Minutes of August 25, 1994

REFERRED FROM THE FINANCE COMMITTEE

4.2 Resolution No. 94-2027, For the Purpose of Confirming the Reappointment of William E. Peressini to the Investment Advisory Board

4.3 Resolution No. 94-2030, Authorizing the Finance and Management Information Department to Undertake an Escrow Restructuring the 1993 General Revenue Refunding Bonds

4:40
(10 min.)

5. ORDINANCES, FIRST READINGS

5.1 Ordinance No. 94-571, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule by Transferring \$110,000 from the Spectator Facilities Fund Contingency to Fund Restroom Remodel at the Civic Auditorium; and Declaring an Emergency (Action Requested: Refer to the Regional Facilities and Finance Committee)

For assistance/services per the Americans with Disabilities Act (ADA), dial TDD 797-1804 or 797-1534 (Clerk).

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

- 5.2 **Ordinance No. 94-572**, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule by Transferring \$45,850 from the General Fund Contingency to Materials and Services in the Regional Parks and Greenspaces Department For the Purpose of Updating and Reprinting Public Information Materials for the Metropolitan Greenspaces Program; and Declaring an Emergency (Action Requested: Refer to the Finance Committee)
- 5.3 **Ordinance No. 94-573**, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule by Transferring \$12,900 from the General Fund Contingency to Materials and Services in the Regional Parks and Greenspaces Department for the Purpose of Producing Public Information Materials for the 1995 Greenspaces Acquisition Bond Measure; and Declaring an Emergency (Action Requested: Refer to the Finance Committee)
- 5.4 **Ordinance No. 94-576**, An Ordinance Relating to the Naming of Facilities Owned or Operated by Metro (Action Requested: Refer to the Regional Facilities Committee)

6. **ORDINANCES, SECOND READINGS**

REFERRED FROM THE FINANCE COMMITTEE

- 4:50
(10 min.) 6.1 **Ordinance No. 94-562A**, For the Purpose of Amending the Metro Code Section 2.04.045 Relating to Approval of Contract Amendments, and Declaring an Emergency (Action Requested: Motion to Adopt the Ordinance) McLain
- 5:00
(10 min.) 6.2 **Ordinance No. 94-564**, An Ordinance Amending the FY 1994-95 Budget by Transferring \$10,500 from the Support Services Fund Contingency to Materials & Services, Temporary Help Services, in the General Services Department for the Purpose of Providing Clerical Relief for the General Metro Switchboard Receptionist; and Declaring an Emergency (Action Requested: Motion to Adopt the Ordinance) Kvistad
- 5:10
(10 min.) 6.3 **Ordinance No. 94-565B**, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule by Transferring \$34,935 from Th. Solid Waste Revenue Fund Contingency to the Administration Division Materials & Services Legal Fees Line Item For the Purpose of Providing Legal Services Regarding Metro Executive Officer Contracting Authority; and Declaring an Emergency (Action Requested: Motion to Adopt the Ordinance) Van Bergen
- 5:20
(10 min.) 6.4 **Ordinance No. 94-570A**, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule to Implement the Construction Excise Tax, Adding 1.0 FTE in the Financial Planning Division and Funding Local Government One-Time Start Up Costs; and Declaring an Emergency (Action Requested: Motion to Adopt the Ordinance) Washington

REFERRED FROM THE SOLID WASTE COMMITTEE

- 5:30
(10 min.) 6.5 **Ordinance No. 94-567**, For the Purpose of Granting a Franchise to Willamette Resources, Inc. For the Purpose of Operating a Solid Waste Processing Facility (Action Requested: Motion to Adopt the Ordinance) McLain

7. RESOLUTIONS

REFERRED FROM THE FINANCE COMMITTEE

5:40 **7.1** **Resolution No. 94-2014**, For the Purpose of Amending a Contract with Jacob Van Bergen
(10 min.) Tanzer for Legal Services Regarding Metro Executive Officer Contracting Authority
(Action Requested: Motion to Adopt the Resolution)

REFERRED FROM THE SOLID WASTE COMMITTEE & BEFORE THE
METRO CONTRACT REVIEW BOARD (7.2 & 7.3)

5:50 **7.2** **Resolution No. 94-2003**, For the Purpose of Authorizing an Exemption to the Hansen
(10 min.) Requirement of Competitive Bidding Pursuant to Metro Code 2.04.041 and
Authorizing the Executive Officer to Extend the Current Operations Contract for
Metro South Station to No Later than October 1, 1996 (Action Requested: Motion
to Adopt the Resolution)

6:00 **7.3** **Resolution No. 94-2019**, For the Purpose of Authorizing an Exemption to the Hansen
(10 min.) Requirement of a Competitive Process for the Sale of Equipment at Metro Central
Station and Authorizing the Executive Officer to Execute Change Order No. 15 to
the Current Operations Contract for Metro Central Station (Action Requested:
Motion to Adopt the Resolution)

REFERRED FROM THE REGIONAL FACILITIES COMMITTEE

6:10 **7.4** **Resolution No. 94-2029B**, For the Purpose of Updating and Reprinting Public McFarland
(20 min.) Information Materials for the Metropolitan Greenspaces Program and Producing
Public Information Materials for the 1995 Greenspaces Acquisition Bond Measure
(Action Requested: Motion to Adopt the Resolution)

6:30 **8. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS**
(10 min.)

6:40 **ADJOURN**

AGENDA ITEM NO. 4.2
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2027

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING) RESOLUTION NO. 94-2027
THE REAPPOINTMENT OF WILLIAM E.)
PERESSINI TO THE INVESTMENT) Introduced by Rena Cusma
ADVISORY BOARD) Executive Officer

WHEREAS, The Metro Code, Section 2.06.030, provides that the Council confirms members to the Investment Advisory Board; and,

WHEREAS, William E. Peressini has been serving as a member of the Investment Advisory Board since February 1993; and,

WHEREAS, his appointment expires October 31, 1994; and,

WHEREAS, The Investment Officer recommends William E. Peressini for reappointment to the Board; and,

WHEREAS, The Council finds that Mr. Peressini is exceptionally qualified to carry out these duties, now, therefore,

BE IT RESOLVED,

That William E. Peressini is hereby confirmed for reappointment as a member of the Investment Advisory Board for the term ending October 31, 1997.

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

Ed Washington, Deputy Presiding Officer

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2027 CONFIRMING THE REAPPOINTMENT OF WILLIAM E. PERESSINI TO THE INVESTMENT ADVISORY BOARD.

Date: August 26, 1994

Presented by: Howard Hansen

FACTUAL BACKGROUND AND ANALYSIS

Metro Code, Section 2.06.030, includes the creation of the Investment Advisory Board. One provision of this Code requires the Investment Officer to recommend to the Council for confirmation those persons who shall serve on the Board to discuss and advise on investment strategies, banking relationships, the legality and probity of investment activities, and the establishment of written procedures for the investment operation.

The term of service for a member of the Investment Advisory Board shall be three years.

The Executive Officer, acting as the Investment Officer, recommends confirmation of reappointment for William E. Peressini as a member of the board, with a term of office ending October 31, 1997.

Mr. Peressini has served as a member of the Investment Advisory Board since his original appointment February 11, 1993.

William E. Peressini is Executive Vice President of PacifiCorp Financial Services, having served in that role since January, 1992. Mr. Peressini has been with PacificCorp Financial Services, its predecessor, or affiliates, since March, 1984. His direct responsibilities include information systems, credit and portfolio management, tax, accounting, legal, human resources and administration.

His Bachelor of Science (Finance) degree is from University of Illinois, and his Masters of Business Administration (Finance) is from DePaul University.

His tenure on the Board, and his practical experience in the field of finance qualify him for reappointment.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 94-1928.

AGENDA ITEM NO. 4.3
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2030

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-2030 AUTHORIZING THE FINANCE AND MANAGEMENT INFORMATION DEPARTMENT TO UNDERTAKE AN ESCROW RESTRUCTURING FOR THE 1993 GENERAL REVENUE REFUNDING BONDS

Date: September 15, 1994 Presented By: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its September 14, 1994 meeting the Committee voted unanimously to recommend Council approval of Resolution No. 94-2030. Committee members present and voting were Councilors Buchanan, Devlin, Kvistad, McLain, Van Bergen and Washington. Councilors Gardner and Monroe were absent.

COMMITTEE DISCUSSION/ISSUES: Craig Prosser, Financial Planning Manager gave the Staff Report. He stated that the purpose of the resolution is to authorize staff to restructure the escrow account for the General Revenue Bonds (selling certain of the investments and purchasing other U.S. Government securities). This action will produce additional net interest earnings of approximately \$145,500 which will accrue to the General Revenue Bond Fund Debt Service Account which will be used to defer future transfers from Metro operating funds.

In response to questions from the Committee, Mr. Prosser stated the interest earnings are dedicated to pay debt service on the General Revenue Bonds and cannot be used for any other purpose and will not be a substitute for existing debt service funds. As a result of this action future transfers to the debt service account from the various operating funds should be reduced thus increasing the amount of resources in the operating funds to be used for the various programmatic purposes.

BEFORE THE METRO COUNCIL

AUTHORIZING THE FINANCE AND) Resolution No. 94- 2030
MANAGEMENT INFORMATION)
DEPARTMENT TO UNDERTAKE AN)
ESCROW RESTRUCTURING FOR) Introduced by Rena Cusma,
THE 1993 GENERAL REVENUE) Executive Officer
REFUNDING BONDS)

WHEREAS, under Resolution No. 93-1795, as amended by Resolution No. 93-1863, the Metro Council authorized the advance refunding of the General Revenue Bonds (Metro Headquarters Building Project), 1991 Series A (the "Refunded Bonds"); and

WHEREAS, Metro issued the General Revenue Refunding Bonds (Metro Regional Center), 1993 Series A (the "Refunding Bonds") to refund the Refunding Bonds; and

WHEREAS, Metro achieved a present value savings of \$1,440,617 in debt service by issuing the Refunding Bonds; and

WHEREAS, substantially all of the proceeds of the Refunding Bonds were deposited into an Escrow Account established with First Interstate Bank of Oregon, N. A. (in such capacity, the "Escrow Agent") and used to purchase U.S. government securities (the "Escrow Investments") in such amounts and producing such investment returns as would provide the funds needed to pay the Refunded Bonds in accordance with the refunding plan therefor; and

WHEREAS, under current market conditions, it is possible to restructure the portfolio of Escrow Investments by selling certain of such investments and purchasing other U.S government securities to be substituted thereof, thereby producing additional savings to Metro while still ensuring that the Escrow Investments remaining in the Escrow Account after such restructuring will produce such investment returns as shall be sufficient to pay the Refunded Bonds in accordance with the refunding plan ; and

WHEREAS, the net proceeds from the restructuring transactions (that is, the additional savings referred to above) are to be deposited to the 1993 Series A Debt Service Account established with respect to the Refunding Bonds, thereby serving to reduce the debt service payment Metro would otherwise be required to make with respect thereto;

NOW THEREFORE, BE IT RESOLVED, that

The Metro Council hereby authorizes and directs the Director of Finance and Management Information to undertake the escrow restructuring as aforesaid and to do any and all things necessary or appropriate in connection therewith, including but not limited to the execution and delivery on behalf of Metro of all documents, instruments, certificates and agreements, and the payment of all fees and expenses associated therewith.

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

Ed Washington, Deputy Presiding Officer

STAFF REPORT

RESOLUTION 94-2030 AUTHORIZES THE FINANCE AND MANAGEMENT INFORMATION DEPARTMENT TO UNDERTAKE AN ESCROW ACCOUNT RESTRUCTURING FOR THE 1993 GENERAL REVENUE REFUNDING BONDS.

August 29, 1994

Presented by: Craig Prosser

Resolution Nos. 93-1795 and 93-1863 authorized the refunding of the General Revenue Bonds, 1991 Series A, which were originally issued to buy and renovate the building which became the Metro Regional Center. The refunding bonds were issued in November 1993, saving Metro \$1,440,617 in debt service costs over the life of the new issue. Proceeds from the refunding bonds were placed in an escrow account where they were invested until the call date of the original bonds, at which time they will be used to pay off the old bonds. At the time the escrow account was established, the investments that were available matured 45 days before the funds will be needed, leaving a "dead" period in which the funds will sit in the account earning no interest. Allowable investments for refunding escrow accounts are strictly regulated by federal law, so there was no opportunity to remedy this inefficiency in the escrow account at the time of the refunding.

Since the establishment of the original escrow account, additional allowable investments have become available which closely match Metro's need for the funds. Metro can sell the investments in the existing escrow account and replace them with investments which earn a slightly higher interest rate and which mature the day before funds will be needed to pay off the old bonds. The combination of the higher rate of return on the investments and the elimination of the 45-day dead period will produce additional savings to Metro of \$167,000. The cost of this transaction (bond counsel and financial advisor fees; verification report, etc.) is estimated to be \$21,500, leaving a net additional savings of \$145,500. These savings will accrue to the debt service account which will reduce future transfers from Metro departments.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution 94-2030.

CP:rs

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-2027 CONFIRMING THE REAPPOINTMENT OF WILLIAM PERESSINI TO THE INVESTMENT ADVISORY BOARD

Date: September 15, 1994

Presented By: Councilor Kvistad

COMMITTEE RECOMMENDATION: At its September 14, 1994 meeting the Committee voted unanimously to recommend Council approval of Resolution no. 94-2027. Committee members present and voting were Councilors Buchanan, Devlin, Kvistad, Van Bergen and Washington. Councilors Gardner, McLain and Monroe were absent.

COMMITTEE DISCUSSION/ISSUES: Howard Hansen, Associate Administrative Analyst, gave the Staff Report. He stated the purpose of the Investment Advisory Board (IAB) is to advise the Executive Officer and staff on investment strategies, banking relationships, the legality and probity of investment activities and the establishment of written procedures for the investment operation. The Metro Code requires the Executive Officer to appoint and the Council to confirm members of the IAB.

He stated Mr. Peressini is a current Board member having served out a partial term since February 11, 1993. He pointed out that Mr. Peressini has a good financial management background and currently holds the position of Executive Vice President of PacifiCorp Financial Services. This appointment will expire on October 31, 1997.

Councilor Van Bergen stated he was not opposed to the appointment and confirmation of Mr. Peressini but reiterated his position that the IAB was no longer needed. The Metro staff is capable of providing this function and bringing policy matters directly to the Metro Council for consideration and adoption.

AGENDA ITEM NO. 5.1
Meeting Date: September 22, 1994

ORDINANCE NO. 94-571

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 94-571 AMENDING THE FY 1994-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$110,000 FROM THE SPECTATOR FACILITIES FUND CONTINGENCY TO FUND RESTROOM REMODEL AT THE CIVIC AUDITORIUM; AND DECLARING AN EMERGENCY.

Date: September 7, 1994

Presented By: Heather Teed

FACTUAL BACKGROUND AND ANALYSIS

The FY 1993-94 Performing Arts Center budget included capital outlay appropriation for the remodeling necessary to create six new unisex restroom in the Civic Auditorium. The planned improvements would have addressed the ADA requirement to provide accessible restrooms at each seating level and increased the restroom capacity to serve both men and women. Research and planning had identified that it was not feasible to install ramps for access over the steps between the lobby and restroom on the main floor. Creating a separate unisex restroom on both the north and south sides of the lobby areas on each level constituted an efficient and cost effective solution. However, in the course of FY 1993-94, the severity of the financial picture for PCPA was defined and an administrative freeze was placed on a series of budgeted line items, including capital outlay. The planned restroom remodel was not accomplished during that year.

In recent months, the Metropolitan Exposition-Recreation Commission has approved two multi-year agreements for presentation of popular touring musical theater productions at Civic Auditorium, thereby increasing the number of revenue producing commercial events in the Civic Auditorium. In addition, MISS SAIGON is announced to play a series of weeks in 1995 in the facility. The potential for sell-out crowds in the 1994-95 season has been significantly increased -- with the related pressure on inadequate convenience facilities. The single greatest citizen complaint about PCPA is the inadequacy of women's restroom facilities at Civic Auditorium. Frustrated citizens have reached the MERC Chairman as well as all levels of PCPA staff on this issue. Callers have indicated they will not renew subscriptions to the Opera if there is no action on this issue. There is clear audience demand for the improvements proposed in this action, with potential positive impact on attendance.

When the FY 1994-95 budget was adopted, it was the goal of MERC staff to avoid the use of Contingency in order to reduce the overall draw down of the ending balance. The transfer of funds from Contingency to Capital Outlay, and approval of this project reverses that prior commitment. The change is recommended because of the seriousness of the issue, and the positive impact it is expected to have on the attendance at commercial and resident company events at the Civic Auditorium.

If approved, this action would transfer \$110,000 from the Spectator Facilities Fund Contingency to the Performing Arts Center Capital Outlay, to fund restroom remodel at the

Civic Auditorium. The "season" at the Auditorium begins in November. In order to complete the remodel with the least inconvenience to the resident companies and patrons, the project needs to begin immediately upon adoption.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-571 and declaring an emergency.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$110,000)
FROM THE SPECTATOR FACILITIES FUND)
CONTINGENCY TO FUND RESTROOM)
REMODEL AT THE CIVIC AUDITORIUM; AND)
DECLARING AN EMERGENCY)

ORDINANCE NO. 94-571

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$110,000 from the Spectator Facilities Fund Contingency to the Performing Arts Center Capital Outlay to fund restroom remodel at the Civic Auditorium.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

**Exhibit A
Ordinance No. 94-571**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SPECTATOR FACILITIES FUND:Civic Stadium Operations							
TOTAL EXPENDITURES		15.88	1,860,967	0.00	0	15.88	1,860,967

SPECTATOR FACILITIES FUND:Performing Arts Center Operations

Total Personal Services		111.22	3,401,462	0.00	0	111.22	3,401,462
Total Materials & Services			743,630		0		743,630
<u>Capital Outlay</u>							
571300	Purchased Buildings, Exhibits & Related		0		110,000		110,000
Total Capital Outlay			0		110,000		110,000
TOTAL EXPENDITURES		111.22	4,145,092	0.00	110,000	111.22	4,255,092

SPECTATOR FACILITIES FUND:General Expenses

Total Interfund Transfers			640,545		0		640,545
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		182,000		(110,000)		72,000
599990	Unappropriated Balance		1,232,155		0		1,232,155
Total Contingency and Unappropriated Balance			1,414,155		(110,000)		1,304,155
TOTAL EXPENDITURES		127.10	8,060,759	0.00	0	127.10	8,060,759

Exhibit B
Ordinance No. 94-571
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
SPECTATOR FACILITIES OPERATING FUND			
Civic Stadium			
Personal Services	578,538	0	578,538
Materials & Services	1,032,429	0	1,032,429
Capital Outlay	250,000	0	250,000
Subtotal	<u>1,860,967</u>	<u>0</u>	<u>1,860,967</u>
Performing Arts Center			
Personal Services	3,401,462	0	3,401,462
Materials & Services	743,630	0	743,630
Capital Outlay	0	110,000	110,000
Subtotal	<u>4,145,092</u>	<u>110,000</u>	<u>4,255,092</u>
General Expenses			
Interfund Transfers	640,545	0	640,545
Contingency	182,000	(110,000)	72,000
Subtotal	<u>822,545</u>	<u>(110,000)</u>	<u>712,545</u>
Unappropriated Balance	1,232,155	0	1,232,155
Total Fund Requirements	<u>8,060,759</u>	<u>0</u>	<u>8,060,759</u>

All other appropriations remain as previously adopted

AGENDA ITEM NO. 5.2
Meeting Date: September 22, 1994

ORDINANCE NO. 94-572

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-572, FOR THE PURPOSE OF AMENDING THE FY 1994-95 BUDGET BY TRANSFERRING \$45,850 FROM THE GENERAL FUND CONTINGENCY TO MATERIALS AND SERVICES IN THE REGIONAL PARKS AND GREENSPACES DEPARTMENT FOR THE PURPOSE OF UPDATING AND REPRINTING PUBLIC INFORMATION MATERIALS FOR THE METROPOLITAN GREENSPACES PROGRAM

Date: 1 September 1994

Presented by: Pat Lee

BACKGROUND AND ANALYSIS

In July 1992, the Metro Council adopted the Metropolitan Greenspaces Master Plan (Resolution No. 92-1637) that set policies, goals, and objectives to establish a cooperative, regional system of parks, natural areas, open space, trails and greenways for wildlife and people. A Metropolitan Greenspaces brochure, master plan summary, information tabloid, and fact sheets were among the materials produced to inform and build public awareness of the efforts to implement the master plan.

On July 28, 1994, the Metro Council passed Resolution No. 94-2011A, referring a \$138.8 million bond measure to acquire land for a regional system of greenspaces. Public interest and demand for information regarding the Metropolitan Greenspaces Master Plan has increased as a result of the Metro Council bond measure referral in addition to increased public concerns about population growth in the region. Citizens are becoming increasingly aware of greenspace and growth issues through the Region 2040 program, related stories in the media, and other Metro Regional Parks and Greenspaces Department public education efforts (i.e. Metro GreenScene, greenspace grants program, Green City Data Project).

Updating and reprinting the materials identified in Attachment 1 (i.e. brochure, tabloid, master plan summary, fact sheets, maps, folders, photos) will meet the anticipated need to provide timely and accurate public information about the Metropolitan Greenspaces Master Plan. These materials will require additional funding not identified in the FY 1994-95 Regional Parks and Greenspaces Department budget. The current department budget does not allow for the increased demand for public information materials in the event of a bond measure referral by the Metro Council.

BUDGET IMPACT

Total estimated cost of updating, reprinting, and disseminating greenspaces materials is \$69,450 (Attachment 1, Table 1). Additional staff time will be required to assist in the production of the materials, disseminate information, and to adequately respond to requests for information in a timely manner. A temporary Program Assistant I position (0.5 FTE) will be needed through the end of FY 94-95. The position is budgeted at \$9.13 per hour, plus benefits, totaling \$10,600. This position will be funded from department contingency funds.

Some of the other costs are also identified in the FY 1994-95 department budget (i.e. greenspaces program brochure, photo supplies) totaling \$13,000. However, full implementation of the work will require a \$45,850 General Contingency Fund transfer to the Regional Parks and Greenspaces Department budget. These funds would be used for the production of many of the greenspaces public information materials.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-572.

**UPDATING & REPRINTING
PUBLIC INFORMATION MATERIALS
for the
METROPOLITAN GREENSPACES PROGRAM**



**Metro Regional Parks and Greenspaces
September 1994**

I. Introduction

The purpose of updating and reprinting public information materials for the Metropolitan Greenspaces Program is to provide consistent and accurate information to citizens related to the Metropolitan Greenspaces Master Plan. The Metropolitan Greenspaces Master Plan, adopted by the Metro Council in 1992, describes the elements and mechanisms to establish a regional system of natural areas, parks, open space, greenways, and trails for wildlife and people. The plan identifies Metro as the primary coordinator of the program, working in cooperation with governments, nonprofit organizations, land trusts, businesses, and citizens to provide long-term protection to natural areas in the metropolitan area. The primary goal of the Metropolitan Greenspaces Master Plan is to include natural areas as a feature of the urban landscape, now and in the future.

Effective public communications about the Metropolitan Greenspaces Master Plan are vital to establishing a regional greenspace and trails system. Providing information to local government cooperators, businesses, and citizens about the greenspaces program will help in their understanding of the attributes and goals of the greenspaces master plan, and how the greenspaces system will contribute to growth management efforts in the region. Increased public awareness of the Metropolitan Greenspaces Master Plan will lead to greater cooperation and involvement in the development and management of a regional greenspaces and trail system.

This document describes the materials, implementation schedule, and budget necessary to provide timely and accurate public information about the Metropolitan Greenspaces Master Plan.

II. Public Information Materials

The following identifies the primary greenspaces materials needed to provide adequate information to citizens about the Metropolitan Greenspaces Master Plan. With the exception of the Greenspaces Information Sheets and Oblique Aerial Photos, all the other materials are existing low inventory or out of date materials that require revision and reprinting.

- Produce a general *Metropolitan Greenspaces Program Brochure* (30,000 copies) describing the general goals and elements of the Metropolitan Greenspaces Master Plan.
- Produce a 4-page, 11"x17" *Metropolitan Greenspaces Master Plan Tabloid* (400,000 copies). The tabloid would be distributed through This Week Magazine, community events, local government offices, businesses, environmental groups, civic organizations, libraries, and individual requests.
- Reprint *Metropolitan Greenspaces Master Plan Summary* (2,500 copies).
- Update and reprint *Metropolitan Greenspaces Master Plan Map* (4,000 copies).
- Develop a series of *Metropolitan Greenspaces Information Sheets* answering frequently asked questions or reviewing important greenspace issues

- Produce a *Metro Regional Parks and Greenspaces Information Folder* (pee-chee style, 2,500 copies) for greenspaces public information materials.
- Establish a comprehensive *slide file* of key Metropolitan Greenspaces, education activities, and recreational activities.
- Obtain *oblique aerial photos and slides* of the urban/greenspace interface, urban growth boundary, regional metropolitan perspectives, and key metropolitan greenspaces.

III. Implementation Schedule

The public information materials described in this document would require approval and funding by the Metro Council by means of a Resolution and an Ordinance amending the Metro budget. The resolution would go before the Metro Regional Facilities Committee on September 7 and to full Metro Council on September 22, 1994. The budget amendment ordinance would be first read at the Metro Council meeting on September 22, go to the Metro Finance Committee on September 28, and return to the full Metro Council for approval consideration on October 13, 1994.

Other scheduled items include:

- The Metropolitan Greenspaces brochure to be completed by December 31, 1994.
- The Metropolitan Greenspaces Master Plan tabloid to be completed by January 31, 1995.

IV. Budget

The estimated costs of updating and reprinting greenspaces public information materials is shown in Table 1. The budget will cover the costs of designing and producing the printed material, photographic supplies, stationery supplies, and Metro staff labor associated with material production and dissemination. The materials will be produced pending Metro Council approval of an ordinance amending the FY 94-95 budget.

Table 1

Estimated budget associated with the revision, production and dissemination of public information materials for the Metropolitan Greenspaces Program.

Product Description	Quantity	Unit Cost	Total Cost
Greenspaces Brochure	30,000; 4-color	30 cents	\$10,000 (\$3,000 for design; \$7,000 for printing)
Master Plan Tabloid	400,000; 11" x 17" 4-page	4 cents	\$16,000 (\$5,760 for design; \$10,240 for printing.
Tabloid Insert in This Week	300,000	\$32 per 1,000	\$9,600
Master Plan Summary	2,500	\$1.80	\$4,500
Master Plan Map	4,000	88 cents	\$3,500 (\$3,000 for printing; \$500 for supplies)
Greenspaces Info Sheets	5 sheet; 5,000 copies each	5 cents	\$2,500
Dept Information Folders	2,500 pee-chee style	90 cents	\$2,250
Slide File Supplies/Processing			\$500
Oblique Aerial Photos	true color; 25 sites; 2- 8" x 10" photos per site	\$100 per site	\$2,500
Postage	10,000 pieces	75 cents per mailing	\$7,500
0.5 FTE Program Assistant I			\$10,600
TOTAL			\$69,450

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)	ORDINANCE NO. 94-572
BUDGET AND APPROPRIATIONS)	
SCHEDULE BY TRANSFERRING \$45,850)	Introduced by Rena Cusma,
FROM THE GENERAL FUND CONTINGENCY)	Executive Officer
TO MATERIALS AND SERVICES IN THE)	
REGIONAL PARKS AND GREENSPACES)	
DEPARTMENT FOR THE PURPOSE OF)	
UPDATING AND REPRINTING PUBLIC)	
INFORMATION MATERIALS FOR THE)	
METROPOLITAN GREENSPACES)	
PROGRAM; AND DECLARING AN)	
EMERGENCY)	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$45,850 from the General Fund to the Regional Parks and Expo Fund, Greenspaces Program for the purpose of updating and reprinting public information materials for the Metropolitan Greenspaces Program.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807		0		303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495		0		519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,244		0		3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008		0		6,008
583610	Trans.Direct Costs to Support Svcs. Fund		28,130		0		28,130
583615	Trans.Direct Costs to Risk Management Fund		15,758		0		15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264		0		2,676,264
582513	Trans. Resources to Building Mgmt. Fund		55,984		0		55,984
582610	Trans. Resources to Support Svcs. Fund		100,000		0		100,000
582160	Trans. Resources to Reg. Parks/Expo Fund		496,435		45,850		542,285
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474		0		84,474
Total Interfund Transfers			4,289,599		45,850		4,335,449
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		463,475		(45,850)		417,625
599990	Unappropriated Fund Balance		200,000		0		200,000
Total Contingency and Unappropriated Balance			663,475		(45,850)		617,625
TOTAL EXPENDITURES		13.50	6,664,018	0.00	0	13.50	6,664,018

Note: This action assumes adoption of Ordinances No. 94-569, Auditor's Office and No. 94-570, implementation of the Construction Excise Tax

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Expo Fund Resources							
<u>Resources</u>							
305000	Fund Balance - general (Intergov't Rev)		495,040		0		495,040
391010	Trans. of Resources from General Fund		84,474		0		84,474
REGIONAL PARKS & GREENSPACES							
305000	Fund Balance - restricted		256,494		0		256,494
322000	Boat Ramp Use Permit		400		0		400
331110	Federal Grants-Operating-Direct						
	U.S. Fish & Wildlife Service (Years 1 & 2)		362,581		0		362,581
	U.S. Fish & Wildlife Service (Year 3)		218,000		0		218,000
	U.S. Fish & Wildlife Service (Year 4)		228,000		0		228,000
331120	Federal Grants-Operating-Indirect						
	NSF/Saturday Academy		14,346		0		14,346
	FHWA/CMAQ		20,340		0		20,340
331300	Federal Grants-Capital		10,000		0		10,000
334110	State Grants-Operating-Direct						
	Oregon State Parks		15,000		0		15,000
337210	Local Grants-Operating-Direct				0		
	City of Portland, IPA/EPA		27,500		0		27,500
	Local governments		26,500		0		26,500
	Bybee-Howell		15,000		0		15,000
338000	Local Gov't Shared Revenues-R.V. Registration Fees		271,000		0		271,000
338200	Local Gov't Shared Revenues-Marine Fuel Tax		135,000		0		135,000
339200	Intergovernmental Revenue (County transfer)		10,300		0		10,300
339200	Contract Services		465,979		0		465,979
341700	Cemetery Services		93,523		0		93,523
341710	Cemetery Sales		42,736		0		42,736
347100	Admissions		325,000		0		325,000
347120	Reservation Fees		100,244		0		100,244
347220	Rental-Buildings		50,000		0		50,000
347300	Food Service		5,850		0		5,850
347830	Contract Revenue		699,188		0		699,188
347900	Other Miscellaneous Revenue		20,900		0		20,900
347960	Boat Launch Fees		110,000		0		110,000
361100	Interest Earned		26,726		0		26,726
365100	Donations & Bequests		0		0		0
373500	Sale of Proprietary Assets		15,277		0		15,277
391010	Trans. of Resources from General Fund		496,435		45,850		542,285
391140	Trans. Resources from Planning Fund		0		0		0
393761	Trans. Direct Costs from Smith & Bybee Lakes Fund		25,429		0		25,429
39376X	Trans. Direct Costs from Regional Parks Trust Fund		3,960		0		3,960
EXPO CENTER							
305000	Fund Balance - restricted		243,000		0		243,000
347220	Rental-Buildings		518,620		0		518,620
347300	Food Service		443,560		0		443,560
347900	Other Miscellaneous Revenue		78,460		0		78,460
374000	Parking Fees		541,890		0		541,890
TOTAL RESOURCES			6,496,752		45,850		6,542,602

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Greenspaces Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Director	1.00	59,367		0	1.00	59,367
	Manager	1.00	58,403		0	1.00	58,403
	Senior Service Supervisor	2.00	77,134		0	2.00	77,134
	Program Supervisor	1.00	40,559		0	1.00	40,559
	Senior Regional Planner	2.50	120,975		0	2.50	120,975
	Associate Regional Planner	2.00	74,048		0	2.00	74,048
	Assistant Management Analyst	1.00	31,034		0	1.00	31,034
	Program Coordinator	2.00	67,158		0	2.00	67,158
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	1.00	29,019		0	1.00	29,019
	Secretary	1.00	23,858		0	1.00	23,858
	Program Assistant 2	1.00	23,162		0	1.00	23,162
511231	WAGES-TEMPORARY EMPLOYEES (full time)						
	Temporary Support		0	0.50	9,532	0.50	9,532
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Support	0.25	2,703		0	0.25	2,703
	Park Workers	13.35	189,094		0	13.35	189,094
	Park Rangers	1.50	22,707		0	1.50	22,707
	Clerical Assistance	0.50	7,047		0	0.50	7,047
	Program Assistance	0.50	8,387		0	0.50	8,387
	Rafting guides	0.25	5,377		0	0.25	5,377
511321	WAGES-REGULAR EMPLOYEES-REPRESENTED 483 (full time)						
	Arborist	1.00	33,980		0	1.00	33,980
	Senior Gardener	1.00	33,980		0	1.00	33,980
	Gardener 1	1.00	28,130		0	1.00	28,130
	Park Ranger	10.00	303,673		0	10.00	303,673
511400	OVERTIME		10,176		0		10,176
511500	PREMIUM PAY		2,535		0		2,535
512000	FRINGE		449,131		1,068		450,199
Total Personal Services		44.85	1,701,637	0.50	10,600	45.35	1,712,237
<u>Materials & Services</u>							
521100	Office Supplies		5,060		0		5,060
521110	Computer Software		7,835		0		7,835
521111	Computer Supplies		720		0		720
521210	Landscape Supplies		9,443		0		9,443
521220	Custodial Supplies		7,245		0		7,245
521240	Graphics/Reprographic Supplies		600		500		1,100
521250	Tableware Supplies		1,100		0		1,100
521260	Printing Supplies		735		0		735
521270	Animal Food		100		0		100
521290	Other Operating Supplies		16,931		0		16,931
521292	Small Tools		2,889		0		2,889
521293	Promotional Supplies		1,625		0		1,625
521310	Subscriptions		900		0		900
521320	Dues		475		0		475
521510	Maintenance & Repairs Supplies-Building		12,930		0		12,930
521520	Maintenance & Repairs Supplies-Grounds		28,733		0		28,733
521540	Maintenance & Repairs Supplies-Equipment		10,360		0		10,360
523100	Merchandise for Resale-Food		9,775		0		9,775
523200	Merchandise for Resale-Retail		2,750		0		2,750
524110	Accounting & Auditing Services		4,200		0		4,200
524120	Legal Fees		0		0		0
524130	Promotion/Public Relation Services		0		0		0
524190	Miscellaneous Professional Services		1,134,124		11,260		1,145,384

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Greenspaces Department (continued)							
525110	Utilities-Electricity		26,795		0		26,795
525120	Utilities-Water & Sewer Charges		10,030		0		10,030
525140	Utilities-Heating Fuel		3,750		0		3,750
525150	Utilities-Sanitation Service		17,305		0		17,305
525190	UtilitiesOther		2,000		0		2,000
525610	Maintenance & Repair Services-Building		825		0		825
525620	Maintenance & Repairs Services-Grounds		0		0		0
525640	Maintenance & Repairs Services-Equipment		4,659		0		4,659
525710	Equipment Rental		30,933		0		30,933
525740	Capital Lease		2,750		0		2,750
526200	Ads & Legal Notices		1,525		9,600		11,125
526310	Printing Services		66,825		14,740		81,565
526320	Typesetting & Reprographics Services		3,400		2,250		5,650
526410	Telephone		8,152		0		8,152
526420	Postage		16,245		7,500		23,745
526440	Delivery Services		575		0		575
526500	Travel		3,850		0		3,850
526510	Mileage Reimbursement		1,675		0		1,675
526690	Concessions/Catering Contract		26,950		0		26,950
526700	Temporary Help Services		1,000		0		1,000
526800	Training, Tuition, Conferences		7,065		0		7,065
529910	Uniform Supply		6,950		0		6,950
528100	License, Permits, Payment to Agencies		216,915		0		216,915
526900	Miscellaneous Other Purchased Services		220		0		220
528310	Real Property Taxes		82,500		0		82,500
529500	Meetings		1,450		0		1,450
529835	External Promotion		29,188		0		29,188
Total Materials & Services			1,832,062		45,850		1,877,912
Capital Outlay							
571100	Land		368,418		0		368,418
571200	Purchases-Improvements		3,000		0		3,000
571400	Equipment and Vehicles		3,525		0		3,525
571500	Purchases-Office Furniture & Equipment		7,293		0		7,293
574510	Construction Work/Materials-Improvements		25,000		0		25,000
574520	Construction Work/Materials-Buildings		10,000		0		10,000
Total Capital Outlay			417,236		0		417,236
TOTAL EXPENDITURES		44.85	3,950,935	0.50	56,450	45.35	4,007,385

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT

**** For Information Only ****

Regional Parks and Greenspaces Department (Administration)

TOTAL EXPENDITURES		4.00	216,720	0	4.00	216,720
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Regional Parks and Greenspaces Department (Operations and Maintenance)

TOTAL EXPENDITURES		32.35	1,696,067	0	32.35	1,696,067
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Regional Parks and Greenspaces Department (Planning and Capital Development)

Personal Services

511121	SALARIES-REGULAR EMPLOYEES (full time)					
	Manager	1.00	58,403	0	1.00	58,403
	Senior Regional Planner	2.50	120,975	0	2.50	120,975
	Associate Regional Planner	2.00	74,048	0	2.00	74,048
	Program Coordinator	1.00	31,230	0	1.00	31,230
511221	WAGES-REGULAR EMPLOYEES (full time)					
	Program Assistant 2	1.00	23,162	0	1.00	23,162
511231	WAGES-TEMPORARY EMPLOYEES (full time)					
	Temporary Support		0	0.50	9,532	0.50
511235	WAGES-TEMPORARY EMPLOYEES (part time)					
	Temporary Support	0.25	2,703	0	0.25	2,703
	Program Assistance	0.50	8,387	0	0.50	8,387
	Rafting guides	0.25	5,377	0	0.25	5,377
511400	OVERTIME		999		0	999
512000	FRINGE		131,095		1,068	132,163
Total Personal Services		8.50	456,379	0.50	10,600	9.00

Materials & Services

521100	Office Supplies		3,450		0	3,450
521110	Computer Software		2,585		0	2,585
521111	Computer Supplies		500		0	500
521210	Landscape Supplies		4,943		0	4,943
521240	Graphics/Reprographic Supplies		450		500	950
521250	Tableware Supplies		1,100		0	1,100
521260	Printing Supplies		550		0	550
521290	Other Operating Supplies		2,050		0	2,050
521292	Small Tools		500		0	500
521293	Promotional Supplies		1,625		0	1,625
521310	Subscriptions		900		0	900
521320	Dues		175		0	175
523100	Merchandise for Resale-Food		4,975		0	4,975
523200	Merchandise for Resale-Retail		2,750		0	2,750
524190	Miscellaneous Professional Services		1,026,954		11,260	1,038,214
525640	Maintenance & Repairs Services-Equipment		2,000		0	2,000
525710	Equipment Rental		19,883		0	19,883
525740	Capital Lease		2,750		0	2,750
526200	Ads & Legal Notices		500		9,600	10,100
526310	Printing Services		63,200		14,740	77,940
526320	Typesetting & Reprographics Services		3,400		2,250	5,650
526410	Telephone		2,500		0	2,500
526420	Postage		16,245		7,500	23,745
526440	Delivery Services		575		0	575

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
** For Information Only **							
Regional Parks and Greenspaces Department (Planning and Capital Development)							
526500	Travel		3,850		0		3,850
526510	Mileage Reimbursement		1,675		0		1,675
526700	Temporary Help Services		1,000		0		1,000
526800	Training, Tuition, Conferences		2,500		0		2,500
529910	Uniform Supply		500		0		500
528100	License, Permits, Payment to Agencies		300		0		300
529500	Meetings		1,450		0		1,450
529835	External Promotion		29,188		0		29,188
Total Materials & Services			1,205,023		45,850		1,250,873
<u>Capital Outlay</u>							
571100	Land		368,418		0		368,418
571200	Purchases-Improvements		3,000		0		3,000
571500	Purchases-Office Furniture & Equipment		5,328		0		5,328
Total Capital Outlay			376,746		0		376,746
TOTAL EXPENDITURES		8.50	2,038,148	0.50	56,450	9.00	2,094,598

**Exhibit A
Ordinance No. 94-572**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Expo Center							
TOTAL EXPENDITURES		11.70	1,410,794	0	11.70	1,410,794	

Regional Parks and Expo Fund General Expenses

<u>Interfund Transfers</u>							
581610	Trans. Indirect Costs to Supp. Svcs. Fun		405,977		0		405,977
581615	Trans. Indirect Costs to Risk Mgmt Fund-Liability		76,392		0		76,392
581615	Trans. Indirect Costs to Risk Mgmt Fund-Worker Comp		14,467		0		14,467
581513	Trans. Indirect Costs to Bldg Mgmt Fund-Metro Center		0		0		0
581513	Trans. Indirect Costs to Bldg Mgmt Fund-Reg. Center		81,584		0		81,584
583751	Transfer Direct Costs to Metro ERC Admin. Fund		73,500		0		73,500
Total Interfund Transfers			651,920		0		651,920
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		429,849		(10,600)		419,249
599990	Unappropriated Balance		53,254		0		53,254
Total Contingency and Unappropriated Balance			483,103		(10,600)		472,503
TOTAL EXPENDITURES		56.55	6,496,752	0.50	45,850	56.55	6,542,602

Exhibit B
Ordinance No. 94-572
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
GENERAL FUND			
Council			
Personal Services	888,891	0	888,891
Materials & Services	102,243	0	102,243
Capital Outlay	13,800	0	13,800
Subtotal	1,004,934	0	1,004,934
Executive Management			
Personal Services	314,656	0	314,656
Materials & Services	40,002	0	40,002
Capital Outlay	1,600	0	1,600
Subtotal	356,258	0	356,258
Office of the Auditor			
Personal Services	58,433	0	58,433
Materials & Services	14,000	0	14,000
Capital Outlay	12,319	0	12,319
Subtotal	84,752	0	84,752
Special Appropriations			
Materials & Services	265,000	0	265,000
Subtotal	265,000	0	265,000
General Expenses			
Interfund Transfers	4,289,599	45,850	4,335,449
Contingency	463,475	(45,850)	417,625
Subtotal	4,753,074	0	4,753,074
Unappropriated Balance	200,000	0	200,000
Total Fund Requirements	6,664,018	0	6,664,018
REGIONAL PARKS AND EXPO FUND			
Regional Parks and Greenspaces			
Personal Services	1,701,637	10,600	1,712,237
Materials & Services	1,832,062	45,850	1,877,912
Capital Outlay	417,236	0	417,236
Subtotal	3,950,935	56,450	4,007,385
Expo Center			
Personal Services	476,444	0	476,444
Materials & Services	541,350	0	541,350
Capital Outlay	393,000	0	393,000
Subtotal	1,410,794	0	1,410,794

Exhibit B
Ordinance No. 94-572
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
REGIONAL PARKS AND EXPO FUND (continued)			
General Expenses	651,920	0	651,920
Interfund Transfers	429,849	(10,600)	419,249
Contingency			
Subtotal	1,081,769	(10,600)	1,071,169
Unappropriated Balance	53,254	0	53,254
Total Fund Requirements	6,496,752	45,850	6,542,602

NOTE: This Ordinance assumes adoption of Ordinances 94-569 and 94-570

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

AGENDA ITEM NO. 5.3
Meeting Date: September 22, 1994

ORDINANCE NO. 94-573

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-573, FOR THE PURPOSE OF AMENDING THE FY 1994-95 BUDGET BY TRANSFERRING \$12,900 FROM THE GENERAL FUND CONTINGENCY TO MATERIALS AND SERVICES IN THE REGIONAL PARKS AND GREENSPACES DEPARTMENT FOR THE PURPOSE OF PRODUCING PUBLIC INFORMATION MATERIALS FOR THE 1995 GREENSPACES ACQUISITION BOND MEASURE

Date: 1 September 1994

Presented by: Pat Lee

BACKGROUND AND ANALYSIS

On July 28, 1994, the Metro Council passed Resolution No. 94-2011A, referring a \$138.8 million bond measure to acquire land for a regional system of greenspaces. The bond measure package identifies 15 greenspace target areas, 5 regional trails projects and \$25 million allocated for local government greenspace projects. The funds would support the implementation of the Metropolitan Greenspaces Master Plan adopted by the Metro Council in July 1992.

Public interest and demand for information regarding the bond measure has increased as a result of the Metro Council measure referral in addition to increased public concerns about population growth in the region. Citizens are becoming increasingly aware of greenspace and growth issues through the Region 2040 program, related stories in the media, and other Metro Regional Parks and Greenspaces Department public education efforts (i.e. Metro GreenScene, greenspace grants program, Green City Data Project).

The materials identified in Attachment 1 (i.e. fact sheets, maps, bond measure explanation, signs) will meet the anticipated need to provide timely and accurate public information about the bond measure. These materials will require additional funding not identified in the FY 1994-95 Regional Parks and Greenspaces Department budget. The current department budget does not allow for the increased demand for public information materials in the event of a bond measure referral by the Metro Council.

BUDGET IMPACT

Cost estimates for producing the materials total \$12,900 (Attachment 1, Table 2). No funds were allocated in the FY94-95 Regional Parks and Greenspaces Department budget. Production of the public information materials will require a \$12,900 General Contingency Fund transfer to the Regional Parks and Greenspaces Department budget.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-573.

Public Information Materials for the 1995 Greenspaces Acquisition Bond Measure

The purpose of producing public information materials related to the 1995 Greenspaces Acquisition Bond Measure is to provide consistent, accurate, and impartial information to citizens related to the \$138.8 million bond measure referred by Metro Council on July 28, 1994. The bond measure would fund natural area acquisition within 15 greenspace target areas, 5 regional trail projects, and \$25 million dedicated to local greenspace projects (Table 1).

Providing information to citizens about the bond measure is necessary to the understanding of the ramifications of the bond measure package. Because Oregon regulations prevent public agencies (e.g. Metro) from advocating a referred measure, the materials will be neutral and impartial in nature.

I. Public Information Materials

The following identifies the primary greenspaces materials needed to provide adequate information to citizens about the 1995 Greenspaces Acquisition Bond Measure:

- Produce *Greenspaces Bond Measure Fact Sheets* (8 sheets at 10,000 copies each).
- Reprint *Bond Measure Language and Explanation* from Resolution No. 94-2011A (Exhibit A and B).
- Produce *Greenspaces Public Notice Signs* (200, 2ft x 3ft, corrugated plastic) to install at optioned greenspace target area sites and local greenspace project sites.
- Produce a *GIS Map* depicting the regionally significant target areas in the bond measure package and local greenspace projects (6 copies wall size; 7,500 copies 11"x17").

II. Budget

The estimated costs of the public information materials are shown in Table 2. The budget will cover the costs of designing and producing the printed material, stationery supplies, and Metro staff labor associated with production of the materials. The plan will be implemented pending Metro Council approval of an ordinance amending the FY 94-95 budget.

Table 1

METROPOLITAN GREENSPACE AND TRAIL BOND MEASURE PACKAGE

<u>Regional Greenspace Target Area</u>	<u>Acres</u>	<u>Cost (millions of \$)</u>
Willamette River Greenway	1,103	17.0
East Buttes / Boring Lava Domes	545	10.5
Newell Creek Canyon	370	6.7
Sandy River Gorge	808	5.7
Cooper Mountain	428	4.2
Buffer & expansion of Forest Park	320	4.7
Jackson Bottom additions	333	1.7
Tonquin Geologic Area	277	3.3
Tualatin River access points	266	4.0
Clear Creek Canyon	342	4.1
Gales Creek	775	3.1
Columbia Shoreline	95	1.7
Fairview Creek / Lake	143	2.8
Rock Creek	300	4.5
Tryon Creek linkages	20	1.0
Greenspaces Subtotal	6,125	\$75.0
<u>Regional Trail Projects</u>		
Peninsula Crossing Trail		
Fanno Creek Greenway		
Sauvie Island to Beaverton / Hillsboro		
Clackamas River Greenway (north bank)		
Beaver Creek Canyon Greenway (Troutdale)		
Trails Subtotal		16.3
Local Greenspace Projects		25.0
Options (sites and trails)		4.0
Total Acquisition (greenspaces and trails)		\$120.3
Acquisition / Administration Costs		14.4
1.5% Bond Issuance Costs		2.1
Contingency & Reimbursable Expenses		2.0
TOTAL GREENSPACE PACKAGE ESTIMATE		\$138.8

Table 2

Estimated budget associated with public information materials for the 1995 Greenspaces Acquisition Bond Measure.

<i>Product Description</i>	<i>Quantity</i>	<i>Unit Cost</i>	<i>Total Cost</i>
Bond Measure Fact Sheets	8 sheets; 10,000 copies each	5 cents per copy	\$4,000
Bond Measure Language & Explanation	4 pages; 10,000 copies	20 cents per copy	\$2,000
Public Notice Signs	200; 2ft x 3ft	\$7.50	\$1,500
GIS Maps	6 wall size	\$75	\$450
GIS Maps	7,500, 11" x 17"	16 cents	\$1,200
Postage	5,000 pieces	75cents per mailing	\$3,750
TOTAL			\$12,900

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95) ORDINANCE NO. 94-573
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$12,900) Introduced by Rena Cusma,
FROM THE GENERAL FUND CONTINGENCY) Executive Officer
TO MATERIALS AND SERVICES IN THE)
REGIONAL PARKS AND GREENSPACES)
DEPARTMENT FOR THE PURPOSE OF)
PRODUCING PUBLIC INFORMATION)
MATERIALS FOR THE 1995 GREENSPACES)
ACQUISITION BOND MEASURE; AND)
DECLARING AN EMERGENCY)

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$12,900 from the General Fund to the Regional Parks and Expo Fund, Greenspaces Program to produce public information materials for the 1995 Greenspaces Acquisition Bond Measure.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807		0		303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495		0		519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,244		0		3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008		0		6,008
583610	Trans.Direct Costs to Support Svcs. Fund		28,130		0		28,130
583615	Trans.Direct Costs to Risk Management Fund		15,758		0		15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264		0		2,676,264
582513	Trans. Resources to Building Mgmt. Fund		55,984		0		55,984
582610	Trans. Resources to Support Svcs. Fund		100,000		0		100,000
582160	Trans. Resources to Reg. Parks/Expo Fund		542,285		12,900		555,185
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474		0		84,474
Total Interfund Transfers			4,335,449		12,900		4,348,349
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		417,625		(12,900)		404,725
599990	Unappropriated Fund Balance		200,000		0		200,000
Total Contingency and Unappropriated Balance			617,625		(12,900)		604,725
TOTAL EXPENDITURES		13.50	6,664,018	0.00	0	13.50	6,664,018

Note: This action assumes adoption of Ordinances No. 94-569, Auditor's Office, No. 94-570, implementation of the Construction Excise Tax, and No. 94-572 Greenspaces Public Awareness Plan

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Expo Fund Resources							
<u>Resources</u>							
305000	Fund Balance - general (Intergov't Rev)		495,040		0		495,040
391010	Trans. of Resources from General Fund		84,474		0		84,474
REGIONAL PARKS & GREENSPACES							
305000	Fund Balance - restricted		256,494		0		256,494
322000	Boat Ramp Use Permit		400		0		400
331110	Federal Grants-Operating-Direct						
	U.S. Fish & Wildlife Service (Years 1 & 2)		362,581		0		362,581
	U.S. Fish & Wildlife Service (Year 3)		218,000		0		218,000
	U.S. Fish & Wildlife Service (Year 4)		228,000		0		228,000
331120	Federal Grants-Operating-Indirect						
	NSF/Saturday Academy		14,346		0		14,346
	FHWA/CMAQ		20,340		0		20,340
331300	Federal Grants-Capital		10,000		0		10,000
334110	State Grants-Operating-Direct						
	Oregon State Parks		15,000		0		15,000
337210	Local Grants-Operating-Direct				0		
	City of Portland, IPA/EPA		27,500		0		27,500
	Local governments		26,500		0		26,500
	Bybee-Howell		15,000		0		15,000
338000	Local Gov't Shared Revenues-R.V. Registration Fees		271,000		0		271,000
338200	Local Gov't Shared Revenues-Marine Fuel Tax		135,000		0		135,000
339200	Intergovernmental Revenue (County transfer)		10,300		0		10,300
339200	Contract Services		465,979		0		465,979
341700	Cemetary Services		93,523		0		93,523
341710	Cemetery Sales		42,736		0		42,736
347100	Admissions		325,000		0		325,000
347120	Reservation Fees		100,244		0		100,244
347220	Rental-Buildings		50,000		0		50,000
347300	Food Service		5,850		0		5,850
347830	Contract Revenue		699,188		0		699,188
347900	Other Miscellaneous Revenue		20,900		0		20,900
347960	Boat Launch Fees		110,000		0		110,000
361100	Interest Earned		26,726		0		26,726
365100	Donations & Bequests		0		0		0
373500	Sale of Proprietary Assets		15,277		0		15,277
391010	Trans. of Resources from General Fund		542,285		12,900		555,185
391140	Trans. Resources from Planning Fund		0		0		0
393761	Trans. Direct Costs from Smith & Bybee Lakes Fund		25,429		0		25,429
39376X	Trans. Direct Costs from Regional Parks Trust Fund		3,960		0		3,960
EXPO CENTER							
305000	Fund Balance - restricted		243,000		0		243,000
347220	Rental-Buildings		518,620		0		518,620
347300	Food Service		443,560		0		443,560
347900	Other Miscellaneous Revenue		78,460		0		78,460
374000	Parking Fees		541,890		0		541,890
TOTAL RESOURCES			6,542,602		12,900		6,555,502

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Greenspaces Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Director	1.00	59,367		0	1.00	59,367
	Manager	1.00	58,403		0	1.00	58,403
	Senior Service Supervisor	2.00	77,134		0	2.00	77,134
	Program Supervisor	1.00	40,559		0	1.00	40,559
	Senior Regional Planner	2.50	120,975		0	2.50	120,975
	Associate Regional Planner	2.00	74,048		0	2.00	74,048
	Assistant Management Analyst	1.00	31,034		0	1.00	31,034
	Program Coordinator	2.00	67,158		0	2.00	67,158
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	1.00	29,019		0	1.00	29,019
	Secretary	1.00	23,858		0	1.00	23,858
	Program Assistant 2	1.00	23,162		0	1.00	23,162
511231	WAGES-TEMPORARY EMPLOYEES (full time)						
	Temporary Support	0.50	9,532		0	0.50	9,532
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Support	0.25	2,703		0	0.25	2,703
	Park Workers	13.35	189,094		0	13.35	189,094
	Park Rangers	1.50	22,707		0	1.50	22,707
	Clerical Assistance	0.50	7,047		0	0.50	7,047
	Program Assistance	0.50	8,387		0	0.50	8,387
	Rafting guides	0.25	5,377		0	0.25	5,377
511321	WAGES-REGULAR EMPLOYEES-REPRESENTED 483 (full time)						
	Arborist	1.00	33,980		0	1.00	33,980
	Senior Gardener	1.00	33,980		0	1.00	33,980
	Gardener 1	1.00	28,130		0	1.00	28,130
	Park Ranger	10.00	303,673		0	10.00	303,673
511400	OVERTIME		10,176		0		10,176
511500	PREMIUM PAY		2,535		0		2,535
512000	FRINGE		450,199		0		450,199
Total Personal Services		45.35	1,712,237	0.00	0	45.35	1,712,237
<u>Materials & Services</u>							
521100	Office Supplies		5,060		0		5,060
521110	Computer Software		7,835		0		7,835
521111	Computer Supplies		720		0		720
521210	Landscape Supplies		9,443		0		9,443
521220	Custodial Supplies		7,245		0		7,245
521240	Graphics/Reprographic Supplies		1,100		0		1,100
521250	Tableware Supplies		1,100		0		1,100
521260	Printing Supplies		735		0		735
521270	Animal Food		100		0		100
521290	Other Operating Supplies		16,931		0		16,931
521292	Small Tools		2,889		0		2,889
521293	Promotional Supplies		1,625		0		1,625
521310	Subscriptions		900		0		900
521320	Dues		475		0		475
521510	Maintenance & Repairs Supplies-Building		12,930		0		12,930
521520	Maintenance & Repairs Supplies-Grounds		28,733		0		28,733
521540	Maintenance & Repairs Supplies-Equipment		10,360		0		10,360
523100	Merchandise for Resale-Food		9,775		0		9,775
523200	Merchandise for Resale-Retail		2,750		0		2,750
524110	Accounting & Auditing Services		4,200		0		4,200
524120	Legal Fees		0		0		0
524130	Promotion/Public Relation Services		0		0		0
524190	Miscellaneous Professional Services		1,145,384		1,500		1,146,884

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Regional Parks and Greenspaces Department (continued)							
525110	Utilities-Electricity		26,795		0		26,795
525120	Utilities-Water & Sewer Charges		10,030		0		10,030
525140	Utilities-Heating Fuel		3,750		0		3,750
525150	Utilities-Sanitation Service		17,305		0		17,305
525190	UtilitiesOther		2,000		0		2,000
525610	Maintenance & Repair Services-Building		825		0		825
525620	Maintenance & Repairs Services-Grounds		0		0		0
525640	Maintenance & Repairs Services-Equipment		4,659		0		4,659
525710	Equipment Rental		30,933		0		30,933
525740	Capital Lease		2,750		0		2,750
526200	Ads & Legal Notices		11,125		0		11,125
526310	Printing Services		81,565		7,200		88,765
526320	Typesetting & Reprographics Services		5,650		450		6,100
526410	Telephone		8,152		0		8,152
526420	Postage		23,745		3,750		27,495
526440	Delivery Services		575		0		575
526500	Travel		3,850		0		3,850
526510	Mileage Reimbursement		1,675		0		1,675
526690	Concessions/Catering Contract		26,950		0		26,950
526700	Temporary Help Services		1,000		0		1,000
526800	Training, Tuition, Conferences		7,065		0		7,065
529910	Uniform Supply		6,950		0		6,950
528100	License, Permits, Payment to Agencies		216,915		0		216,915
526900	Miscellaneous Other Purchased Services		220		0		220
528310	Real Property Taxes		82,500		0		82,500
529500	Meetings		1,450		0		1,450
529835	External Promotion		29,188		0		29,188
Total Materials & Services			1,877,912		12,900		1,890,812
Capital Outlay							
571100	Land		368,418		0		368,418
571200	Purchases-Improvements		3,000		0		3,000
571400	Equipment and Vehicles		3,525		0		3,525
571500	Purchases-Office Furniture & Equipment		7,293		0		7,293
574510	Construction Work/Materials-Improvements		25,000		0		25,000
574520	Construction Work/Materials-Buildings		10,000		0		10,000
Total Capital Outlay			417,236		0		417,236
TOTAL EXPENDITURES		45.35	4,007,385	0.00	12,900	45.35	4,020,285

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
** For Information Only **							
Regional Parks and Greenspaces Department (Administration)							
TOTAL EXPENDITURES		4.00	216,720	0	4.00	216,720	

Regional Parks and Greenspaces Department (Operations and Maintenance)							
TOTAL EXPENDITURES		32.35	1,696,067	0	32.35	1,696,067	

Regional Parks and Greenspaces Department (Planning and Capital Development)							
<u>Personal Services</u>							
51121	SALARIES-REGULAR EMPLOYEES (full time)						
	Manager	1.00	58,403	0	1.00	58,403	
	Senior Regional Planner	2.50	120,975	0	2.50	120,975	
	Associate Regional Planner	2.00	74,048	0	2.00	74,048	
	Program Coordinator	1.00	31,230	0	1.00	31,230	
51122	WAGES-REGULAR EMPLOYEES (full time)						
	Program Assistant 2	1.00	23,162	0	1.00	23,162	
51123	WAGES-TEMPORARY EMPLOYEES (full time)						
	Temporary Support	0.50	9,532	0	0.50	9,532	
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Support	0.25	2,703	0	0.25	2,703	
	Program Assistance	0.50	8,387	0	0.50	8,387	
	Rafting guides	0.25	5,377	0	0.25	5,377	
511400	OVERTIME		999			999	
512000	FRINGE		132,163			132,163	
Total Personal Services		9.00	466,979	0.00	0	9.00	466,979

<u>Materials & Services</u>							
521100	Office Supplies		3,450		0		3,450
521110	Computer Software		2,585		0		2,585
521111	Computer Supplies		500		0		500
521210	Landscape Supplies		4,943		0		4,943
521240	Graphics/Reprographic Supplies		950		0		950
521250	Tableware Supplies		1,100		0		1,100
521260	Printing Supplies		550		0		550
521290	Other Operating Supplies		2,050		0		2,050
521292	Small Tools		500		0		500
521293	Promotional Supplies		1,625		0		1,625
521310	Subscriptions		900		0		900
521320	Dues		175		0		175
523100	Merchandise for Resale-Food		4,975		0		4,975
523200	Merchandise for Resale-Retail		2,750		0		2,750
524190	Miscellaneous Professional Services		1,038,214		1,500		1,039,714
525640	Maintenance & Repairs Services-Equipment		2,000		0		2,000
525710	Equipment Rental		19,883		0		19,883
525740	Capital Lease		2,750		0		2,750
526200	Ads & Legal Notices		10,100		0		10,100
526310	Printing Services		77,940		7,200		85,140
526320	Typesetting & Reprographics Services		5,650		450		6,100
526410	Telephone		2,500		0		2,500
526420	Postage		23,745		3,750		27,495
526440	Delivery Services		575		0		575

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
** For Information Only **							
Regional Parks and Greenspaces Department (Planning and Capital Development)							
526500	Travel		3,850		0		3,850
526510	Mileage Reimbursement		1,675		0		1,675
526700	Temporary Help Services		1,000		0		1,000
526800	Training, Tuition, Conferences		2,500		0		2,500
529910	Uniform Supply		500		0		500
528100	License, Permits, Payment to Agencies		300		0		300
529500	Meetings		1,450		0		1,450
529835	External Promotion		29,188		0		29,188
Total Materials & Services			1,250,873		12,900		1,263,773
Capital Outlay							
571100	Land		368,418		0		368,418
571200	Purchases-Improvements		3,000		0		3,000
571500	Purchases-Office Furniture & Equipment		5,328		0		5,328
Total Capital Outlay			376,746		0		376,746
TOTAL EXPENDITURES		9.00	2,094,598	0.00	12,900	9.00	2,107,498

**Exhibit A
Ordinance No. 94-573**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Expo Center							
TOTAL EXPENDITURES		11.70	1,410,794	0	11.70	1,410,794	

Regional Parks and Expo Fund General Expenses

<u>Interfund Transfers</u>							
581610	Trans. Indirect Costs to Supp. Svcs. Fun		405,977		0		405,977
581615	Trans. Indirect Costs to Risk Mgmt Fund-Liability		76,392		0		76,392
581615	Trans. Indirect Costs to Risk Mgmt Fund-Worker Comp		14,467		0		14,467
581513	Trans. Indirect Costs to Bldg Mgmt Fund-Metro Center		0		0		0
581513	Trans. Indirect Costs to Bldg Mgmt Fund-Reg. Center		81,584		0		81,584
583751	Transfer Direct Costs to Metro ERC Admin. Fund		73,500		0		73,500
Total Interfund Transfers			651,920		0		651,920
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		419,249		0		419,249
599990	Unappropriated Balance		53,254		0		53,254
Total Contingency and Unappropriated Balance			472,503		0		472,503
TOTAL EXPENDITURES		57.05	6,542,602	0.00	12,900	57.05	6,555,502

Exhibit B
Ordinance No. 94-573
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
GENERAL FUND			
Council			
Personal Services	888,891	0	888,891
Materials & Services	102,243	0	102,243
Capital Outlay	13,800	0	13,800
Subtotal	1,004,934	0	1,004,934
Executive Management			
Personal Services	314,656	0	314,656
Materials & Services	40,002	0	40,002
Capital Outlay	1,600	0	1,600
Subtotal	356,258	0	356,258
Office of the Auditor			
Personal Services	58,433	0	58,433
Materials & Services	14,000	0	14,000
Capital Outlay	12,319	0	12,319
Subtotal	84,752	0	84,752
Special Appropriations			
Materials & Services	265,000	0	265,000
Subtotal	265,000	0	265,000
General Expenses			
Interfund Transfers	4,289,599	12,900	4,348,349
Contingency	463,475	(12,900)	404,725
Subtotal	4,753,074	0	4,753,074
Unappropriated Balance	200,000	0	200,000
Total Fund Requirements	6,664,018	0	6,664,018
REGIONAL PARKS AND EXPO FUND			
Regional Parks and Greenspaces			
Personal Services	1,701,637	0	1,712,237
Materials & Services	1,832,062	12,900	1,890,812
Capital Outlay	417,236	0	417,236
Subtotal	3,950,935	12,900	4,020,285
Expo Center			
Personal Services	476,444	0	476,444
Materials & Services	541,350	0	541,350
Capital Outlay	393,000	0	393,000
Subtotal	1,410,794	0	1,410,794

Exhibit B
Ordinance No. 94-573
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
REGIONAL PARKS AND EXPO FUND (continued)			
General Expenses			
Interfund Transfers	651,920	0	651,920
Contingency	429,849	0	419,249
Subtotal	1,081,769	0	1,071,169
Unappropriated Balance	53,254	0	53,254
Total Fund Requirements	6,496,752	12,900	6,555,502

NOTE: This Ordinance assumes adoption of Ordinances 94-569, 94-570 and 94-572

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

AGENDA ITEM NO. 5.4
Meeting Date: September 22, 1994

ORDINANCE NO. 94-576

BEFORE THE METRO COUNCIL

AN ORDINANCE RELATING TO THE) ORDINANCE NO. 94-576
THE NAMING OF FACILITIES)
OWNED OR OPERATED BY METRO) Introduced by Councilors
) Sandi Hansen and Jon Kvistad

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

Section 1. The following Chapter 2.14 Naming of Facilities is added to the Metro Code.

CHAPTER 2.14
NAMING OF FACILITIES

SECTIONS:

2.14.010 Statement of Purpose
2.14.020 Policy for Naming of Facilities
2.14.030 Facility Names

2.14.010 Statement of Purpose: This chapter is established to provide a policy for the naming of facilities owned or operated by Metro. This policy includes facilities that are operated by a Metro department, commission, or other entity which has responsibility for facility operations.

2.14.020 Policy for Naming of Facilities:

(a) Facilities owned by Metro shall be named through adoption of an ordinance by the Metro Council. Such an ordinance shall state the name and address of the facility, which shall be included in this chapter. For purposes of this section, a "facility" shall be a building, which may contain one or more rooms, theaters, halls, offices, exhibits, etc., a group of buildings under common management with a shared mission, or a zoo, park, open space, trail, cemetery, golf course, boat ramp, or other outdoor area owned by Metro.

(b) The principal purpose of the name of a facility shall be to identify the facility's function and purpose. When the Council deems it to be practicable and advisable, the name may also reflect the facility's ownership, location, and source or sources of funding for its construction.

(c) No Metro facility shall be named after any living person, except as stipulated in Section 2.14.020(d) of this Chapter.

(d) A Metro facility may be named for a person in recognition of the person's significant contribution of effort or money in support of the facility or its construction or mission, in conformance with an adopted policy of Metro or a Metro commission which operates the facility.

(e) Individual parts of a facility, including but not limited to theaters, exhibits, ballrooms, meeting rooms, halls, lobbies, and equipment, may be named after a person or persons by adoption of a resolution by the Metro Council or relevant operating commission; provided, however, that such a resolution adopted by a commission shall be subject to review by the Metro Council as stipulated in the Metro Code.

(f) Facilities which Metro operates but does not own may not be named or re-named by Metro or a Metro commission. The owner(s) of such facilities shall retain authority for their naming or re-naming.

2.14.030 Facility Names:

(a) The following are the names and addresses of the facilities owned by Metro:

- Oregon Convention Center, 777 NE Martin Luther King Blvd., Portland, Oregon
- Metro Central Transfer Station, 6161 NW 61st Avenue, Portland, Oregon
- Metro Regional Center, 600 NE Grand Avenue, Portland, Oregon
- Metro South Transfer Station, 2001 Washington St., Oregon City, Oregon
- Metro Washington Park Zoo, 4001 SW Canyon Rd., Portland, Oregon

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

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

AGENDA ITEM NO. 6.1
Meeting Date: September 22, 1994

ORDINANCE NO. 94-562A

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-562A, AMENDING THE METRO CODE SECTION 2.04.045 RELATING TO APPROVAL OF CONTRACT AMENDMENTS

Date: September 1, 1994

Presented by: Councilor McLain

COMMITTEE RECOMMENDATION: At its August 24, 1994 meeting the Finance Committee voted 4-0 to recommend Council adoption of Ordinance No. 94-562A. Councilors Monroe, Kvistad, McLain, and Washington voted in favor. Councilors Buchanan, Devlin, Gardner, and Van Bergen were absent.

COMMITTEE DISCUSSION/ISSUES: Councilor McLain discussed the ordinance. She said Ordinance No. 94-562 was drafted to clarify Council's authority regarding review and approval of contract amendments. She said the ordinance had been discussed at the August 10 committee meeting, which resulted in amendments being drafted which accomplished four things as outlined in Dan Cooper's August 17 memo to her. Councilor McLain discussed those changes.

General Counsel Dan Cooper noted there is a fifth item added, which requires the Executive to report to the Council whenever she exercises the authority granted under the provisions of this ordinance.

Councilor Kvistad asked what the effect would be of reducing, from \$25,000 to \$10,000, the limitation on the Executive's authority to approve amendments. Mr. Cooper said he could not estimate the effect of such a change; he said the \$25,000 figure was included to be consistent with the minimum amount of contracts that require a formal RFP process as stipulated in Ordinance No. 94-554. Committee members and staff discussed the relationship between the figure for formal bids and the figure for contract amendments, and discussed the merits of the \$25,000 level for RFP's. (The latter issue had not yet been approved by Council, but was subsequently approved at the August 25 meeting; Councilor Kvistad did not want the \$25,000 figure for amendment authority to be included in this ordinance since it hadn't been adopted by Council for formal bids.)

Following some discussion of tying the amount for Executive approval of amendments to the amount required for formal bids, Councilor McLain accepted as a friendly amendment Councilor Kvistad's proposal to reduce the \$25,000 limitation to \$15,000.

Chair Monroe opened a public hearing and no one testified.

There was no further committee discussion.



METRO

Date: August 17, 1994
To: Councilor Susan McLain
From: Daniel B. Cooper, General Counsel *DBC*
Regarding: ORDINANCE 94-562A
Our file:

I am enclosing at your request a proposed amended version of Ordinance 94-562. If approved by the Finance Committee, Ordinance 94-562A would change Ordinance 94-562 as follows:

(1) Clarify the intent of the limited authorization for change orders based on unit prices or bid alternates;

(2) Authorize the Executive Officer to have limited authority to resolve disputes on multi-year construction contracts provided that the aggregate cost impact may not exceed 5 percent of the contract without Council approval;

(3) Authorize change orders for deletions or additional work for construction contracts provided no one addition may exceed \$25,000; the dollar value of deletions may not be used as an offset in determining the amount of an addition and the aggregate increase may not exceed 5 percent of the contract; and

(4) Adds an emergency clause so the limitations on the Executive Officer's authority contained in the ordinance would go into effect immediately rather than in 90 days.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING)
THE METRO CODE SECTION 2.04.045)
RELATING TO APPROVAL OF CONTRACT)
AMENDMENTS, AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 94-562A
Introduced by
Councilor Susan McLain

THE METRO COUNCIL HEREBY ORDAINS:

Section 1: Metro Code Section 2.04.045 is amended to read as follows:

2.04.045 Public Contract Extensions and Amendments (Including Change Orders, Extra Work and Contract Renewals):

(a) The Executive Officer may execute amendments to contracts, other than Personal Services contracts, which were not subject to Council approval pursuant to Section 2.04.033, or which were exempted from the requirement of Council approval by action of the Council, provided that any one of the following conditions are met:

- (1) The original contract was let by competitive bidding, the amendment is for the purpose of authorizing additional work for which unit prices or bid alternates were provided that established the cost for the additional work and the original contract governs the terms and conditions of the additional work; or
- (2) The amendment is a change order that resolves a bona fide dispute with the contractor regarding the terms and conditions of a contract for a public improvement and the amendment does not materially add to or delete from the original Scope of Work included in the original contract; or

(3) The amount of the aggregate cost increase resulting from all amendments does not exceed 20 percent of the initial contract if the face amount is less than or equal to \$1,000,000 or 10 percent if the face amount is greater than \$1,000,000; amendments made under subsection (1) or (2) are not included in computing the aggregate amount under this subsection; or the Contract Review Board has approved the contract amendment.

(b) No contract which was originally subject to Council approval pursuant to Metro Code Section 2.04.033 may be amended without the express approval of the Council evidenced by a duly adopted resolution or ordinance, except as follows:

(1) The Executive Officer may approve any amendment that is a change order that resolves a bona fide dispute with the contractor regarding the terms and conditions of a contract for a public improvement if the amendment does not materially add to or delete from the original Scope of Work included in the original contract. Provided, however, the Executive Officer must obtain Council approval for any such change order that results in a total aggregate increase of more than 5 percent of the original contract amount. If the Council approves a change order pursuant to this subsection it may also in the same action authorize additional change orders to resolve future disputes in an amount not to exceed that established by the Council.

(2) The Executive Officer may approve any contract amendment to a contract for a public improvement that does not increase the contract amount more than \$15,000 if the amount of the aggregate cost resulting from all amendments authorized pursuant to this subsection does not exceed 5 percent of the initial contract. In computing the dollar amount of any amendment for the purpose of this subsection, only the amount of additional work or extra cost shall be considered and may not be offset by the amount of any deletions.

(c) Personal Services contracts may be amended only as provided for in Metro Code Section 2.04.054.

(d) Prior to executing any amendment to a contract authorized pursuant to subsection 2.04.045(b), the Executive Officer shall file a written report explaining the purpose of the amendment and the authority for its execution with the Clerk of the Council. All reports shall be referred to the appropriate Council Committee for discussion and considerations.

~~(a) Selection Process: Any contract amendment for additional work including contract renewals, change orders, extra work, field orders and other changes in the original specifications which increase the original contract price may be made with the contractor without competitive bidding subject to the extent any of the following conditions are met:~~

- ~~(1) The original contract was let by competitive bidding, unit prices or bid alternates were provided that established the cost for additional work and a binding obligation exists on the parties covering the terms and conditions of the additional work. However, in the event that the increase in price results solely from extension of the termination date of the contract, the extension shall not be greater than three months; or~~
- ~~(2) The amount of the aggregate cost increase resulting from all amendments does not exceed 20 percent of the initial contract if the~~

~~face amount is less than or equal to \$1,000,000 or 10 percent if the face amount is greater than \$1,000,000; amendments made under subsection (1) are not included in computing the aggregate amount under this section; or~~

~~(3) The increase in price is due to unexpected conditions which arise during performance of a construction, maintenance or repair contract and the Executive Officer determines that extension of the scope of work on the current contract is the most economical method of dealing with the unexpected conditions; or~~

~~(4) The total cost of the contract, including amendments, does not exceed \$5,000 but if the amendment is for more than \$500, three (3) competitive quotes shall be obtained as described in Sections 2.04.042(a)(2) and 2.04.043(a).~~

~~(5) In addition to the requirements of this subsection, any contract amendment or extension exceeding the amounts as provided in subsection (2) shall not be approved unless the Contract Review Board shall have specifically exempted the contract amendment or extension from the public bidding procedure except as provided in subsection (6) below.~~

~~(6) In addition to the requirements of this subsection, individual change orders for a public improvement contract may be approved by the Executive Officer if they do not materially add to or delete from the original scope of work included in the original contract.~~

~~Change orders exceeding the amounts provided in subsection 2 which materially add to or delete from the original scope of work shall not be approved unless the Contract Review Board has specifically exempted the change order from the public bidding procedure.~~

~~(b) Review Process: After selection and prior to approval, the contract must be reviewed by the Department of Finance and Administration.~~

~~(c) Approval Process:~~

~~(1) In applying the following rules for approval of contract amendments, when an amendment falls under two different rules, the amendment shall be approved under the rule for the higher dollar amount; e.g., an amendment of under \$2,500 (rule 2) which results in a contract price of \$2,500 or more (rule 3) shall be approved under the rule for contract prices of \$2,500 or more.~~

~~(2) Under \$2,500: All contract amendments and extensions which are less than \$2,500 if the contract was originally for \$2,500 or more or which result in a total contract price of less than \$2,500 may be approved by the Director of the initiating department or by a designee of the Director approved by the Executive Officer if the following conditions are met:~~

~~(A) A standard contract form is used;~~

~~(B) Any deviations to the contract form are approved by the General Counsel;~~

~~(C) The expenditure is authorized in the budget;~~

~~(D) The contract does not further obligate the District beyond \$2,500;~~

~~(E) The appropriate Scope of Work is attached to the contract; and~~

~~(F) No contract amendment or extension may be approved in an amount in excess of the amount authorized in the budget.~~

~~(3) \$2,500 or More: All contract amendments and extensions which are for \$2,500 or more or which result in a total contract price of more than \$2,500 if the original contract was for less than \$2,500 may be approved by either the Executive Officer or Deputy Executive Officer. When designated in writing to serve in the absence of the Executive Officer or Deputy Executive Officer, the Director of Regional Facilities may sign contract amendments and extensions. No contract amendment or extension may be approved in an amount in excess of the amount authorized in the budget.~~

~~(d) All contracts are subject to the rules and procedures of Code Section 2.04.030, "Rules and Procedures Governing Personal Services and Public Contracts."~~

Section 2: Emergency Clause. This ordinance being necessary for the health, safety or welfare of the Metro area, for the reason that the Council wants to ensure appropriate policy level control of contract amendments to ensure fiscal protection of agency resources, an emergency is declared to exist and this ordinance shall be effective upon adoption by the Council.

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

Ed Washington, Deputy Presiding Officer

ATTEST:

Clerk of the Council

gl
1159A



METRO

Date: August 3, 1994
To: Finance Committee
From: Donald E. Carlson, Council Administrator
Re: Explanation of Ordinance No. 94-562 Relating to Approval of Contract Amendments

Ordinance No. 94-562, introduced by Councilor McLain, is on the August 10, 1994 Finance Committee agenda for committee consideration. The ordinance amends the section of the Metro Contract Code (Chapter 2.04) which deals with amendments to "Public Contracts". As defined in the Code a Public Contract. . .

"means any purchase, lease or sale by Metro of personal property, public improvement or services, including those transacted by Purchase Order, other than agreements which are for personal services. . ."

These amendment procedures relate to all Metro contracts except "Personal Service" contracts.

The Ordinance replaces the existing amendment language with new wording which retains the current procedures, for the most part, with one major exception. In the proposed new language in Section 2.04.045 (3)(b) the following requirement is added:

"No contract which was originally subject to Council approval pursuant to Metro Code Section 2.04.033 may be amended without the express approval of the Council evidenced by a duly adopted resolution."

Section 2.04.033 states the following contracts shall be approved by the Council prior to execution:

1. Any contract which commits the District to the expenditure of revenues or appropriations not otherwise provided for in the current fiscal year (multi-year contracts) except those designated as "B" contracts in the Budget Ordinance.
2. Any intergovernmental agreement by which the District acquires or transfers any interest in real property, assumes any function or duty of another governmental body, or transfers any function or duty of Metro to another governmental unit.
3. Any contract for the sale, lease or transfer of real property owned by the District.

If the language highlighted above had been in the Code, there would have been no question that any amendment to the contract with Oregon Waste Systems, Inc. such as Amendment No. 4 would have had to be approved by the Council prior to execution by the Executive Officer.

The new language highlighted above will change the requirements for approval of change orders to construction projects. Prior to action on the ordinance I recommend that General Counsel review the language with the Committee so that members are aware of the potential impact on large construction projects. Dan Cooper will be at the Finance Committee meeting to discuss this with the Committee.

cc: Councilor McLain
Dick Engstrom
Dan Cooper
Casey Short

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) ORDINANCE NO. 94-562
THE METRO CODE SECTION 2.04.045)
RELATING TO APPROVAL OF CONTRACT) Introduced by
AMENDMENTS) Councilor Susan McLain

THE METRO COUNCIL HEREBY ORDAINS:

Metro Code Section 2.04.045 is amended to read as follows:

2.04.045 Public Contract Extensions and Amendments (Including Change Orders, Extra Work and Contract Renewals):

(a) The Executive Officer may execute amendments to contracts, other than Personal Services contracts, which were not subject to Council approval pursuant to Section 2.04.033, or which were exempted from the requirement of Council approval by action of the Council, provided that any one of the following conditions are met:

- (1) The original contract was let by competitive bidding, unit prices or bid alternates were provided that established the cost for additional work and the original contract governs the terms and conditions of the additional work; or
- (2) The amendment is a change order that resolves a bona fide dispute with the contractor regarding the terms and conditions of a contract for a public improvement and the amendment does not materially add to or delete from the original Scope of Work included in the original contract; or

(3) The amount of the aggregate cost increase resulting from all amendments does not exceed 20 percent of the initial contract if the face amount is less than or equal to \$1,000,000 or 10 percent if the face amount is greater than \$1,000,000; amendments made under subsection (1) or (2) are not included in computing the aggregate amount under this subsection; or the Contract Review Board has approved the contract amendment.

(b) No contract which was originally subject to Council approval pursuant to Metro Code Section 2.04.033 may be amended without the express approval of the Council evidenced by a duly adopted resolution.

(c) Personal Services contracts may be amended only as provided for in Metro Code Section 2.04.054.

~~(a) — Selection Process: Any contract amendment for additional work including contract renewals, change orders, extra work, field orders and other changes in the original specifications which increase the original contract price may be made with the contractor without competitive bidding subject to the extent any of the following conditions are met:~~

- ~~(1) — The original contract was let by competitive bidding, unit prices or bid alternates were provided that established the cost for additional work and a binding obligation exists on the parties covering the terms and conditions of the additional work. However, in the event that the increase in price results solely from extension of the termination date of the contract, the extension shall not be greater than three months; or~~
- ~~(2) — The amount of the aggregate cost increase resulting from all amendments does not exceed 20 percent of the initial contract if the face amount is less than or equal to \$1,000,000 or 10 percent if the face amount is greater than \$1,000,000; amendments made under subsection (1) are not included in computing the aggregate amount under this section; or~~
- ~~(3) — The increase in price is due to unexpected conditions which arise during performance of a construction, maintenance or repair contract~~

~~and the Executive Officer determines that extension of the scope of work on the current contract is the most economical method of dealing with the unexpected conditions; or~~

- ~~(4) — The total cost of the contract, including amendments, does not exceed \$5,000 but if the amendment is for more than \$500, three (3) competitive quotes shall be obtained as described in Sections 2.04.042(a)(2) and 2.04.043(a).~~
- ~~(5) — In addition to the requirements of this subsection, any contract amendment or extension exceeding the amounts as provided in subsection (2) shall not be approved unless the Contract Review Board shall have specifically exempted the contract amendment or extension from the public bidding procedure except as provided in subsection (6) below.~~
- ~~(6) — In addition to the requirements of this subsection, individual change orders for a public improvement contract may be approved by the Executive Officer if they do not materially add to or delete from the original scope of work included in the original contract.~~

~~Change orders exceeding the amounts provided in subsection 2 which materially add to or delete from the original scope of work shall not be approved unless the Contract Review Board has specifically exempted the change order from the public bidding procedure.~~

~~(b) — Review Process: After selection and prior to approval, the contract must be reviewed by the Department of Finance and Administration.~~

~~(c) — Approval Process:~~

- ~~(1) — In applying the following rules for approval of contract amendments, when an amendment falls under two different rules, the amendment shall be approved under the rule for the higher dollar amount; e.g., an amendment of under \$2,500 (rule 2) which results in a contract price of \$2,500 or more (rule 3) shall be approved under the rule for contract prices of \$2,500 or more.~~
- ~~(2) — Under \$2,500: All contract amendments and extensions which are less than \$2,500 if the contract was originally for \$2,500 or more or which result in a total contract price of less than \$2,500 may be approved by the Director of the initiating department or by a designee of the Director approved by the Executive Officer if the following conditions are met:~~

~~(A) A standard contract form is used;~~

~~(B) Any deviations to the contract form are approved by the General Counsel;~~

~~(C) The expenditure is authorized in the budget;~~

~~(D) The contract does not further obligate the District beyond \$2,500;~~

~~(E) The appropriate Scope of Work is attached to the contract; and~~

~~(F) No contract amendment or extension may be approved in an amount in excess of the amount authorized in the budget.~~

~~(3) \$2,500 or More: All contract amendments and extensions which are for \$2,500 or more or which result in a total contract price of more than \$2,500 if the original contract was for less than \$2,500 may be approved by either the Executive Officer or Deputy Executive Officer. When designated in writing to serve in the absence of the Executive Officer or Deputy Executive Officer, the Director of Regional Facilities may sign contract amendments and extensions. No contract amendment or extension may be approved in an amount in excess of the amount authorized in the budget.~~

~~(d) All contracts are subject to the rules and procedures of Code Section 2.04.030, "Rules and Procedures Governing Personal Services and Public Contracts."~~

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

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

gl
1159

AGENDA ITEM NO. 6.2
Meeting Date: September 22, 1994

ORDINANCE NO. 94-564

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-564, AMENDING THE FY 1994-95 BUDGET BY TRANSFERRING \$10,500 FROM THE SUPPORT SERVICES FUND CONTINGENCY TO MATERIALS & SERVICES, TEMPORARY HELP SERVICES, IN THE GENERAL SERVICES DEPARTMENT FOR THE PURPOSE OF PROVIDING CLERICAL RELIEF FOR THE GENERAL METRO SWITCHBOARD RECEPTIONIST, AND DECLARING AN EMERGENCY

Date: September 1, 1994

Presented by: Councilor Kvistad

COMMITTEE RECOMMENDATION: At its August 24, 1994 meeting the Finance Committee voted 7-0 to recommend Council adoption of Ordinance No. 94-564. Voting in favor were Councilors Monroe, Devlin, Gardner, Kvistad, McLain, Van Bergen, and Washington. Councilor Buchanan was absent.

COMMITTEE DISCUSSION/ISSUES: Office Services Manager Pam Juett presented the staff report. In addition to the information in the written staff report, she said the issue of having departments provide switchboard relief was raised with Department Heads. They agreed they would prefer to pay for the relief through the Cost Allocation Plan rather than have to dedicate staff for this purpose.

Councilor Van Bergen asked why this ordinance includes an emergency clause. Ms. Juett said Personnel and Solid Waste have been providing switchboard relief, but they have asked that their staffs no longer have this responsibility by themselves; the emergency clause is included to make the change in switchboard relief effective as soon as possible.

Council Administrator Don Carlson noted that the receptionist position was transferred from Personnel to General Services in the 1994-95 budget, and he asked why the issue of relief was not raised during the budget process. General Services Director Doug Butler said this could have been anticipated in the budget but was not. He said there were numerous changes in the department accomplished during the budget process, including transfer of certain programs and reduction of two clerical positions in the office. He said department heads raised issues of coordinating schedules among clerical personnel if all departments provided staff as backup. They suggested contracting for the service, which would also provide assistance in performing clerical work in the General Services Department. Mr. Butler said he might have proposed this method of providing relief in the budget process if he'd had more experience with the department.

Chair Monroe opened a public hearing and no one testified.

Councilor Van Bergen said the issue of providing proper receptionist service has been with the agency for many years, and this issue could have been anticipated.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY)
1994-95 BUDGET BY TRANSFERRING)
\$10,500 FROM THE SUPPORT)
SERVICES FUND CONTINGENCY TO)
MATERIALS & SERVICES, TEMPORARY)
HELP SERVICES, IN THE GENERAL)
SERVICES DEPARTMENT FOR THE)
PURPOSE OF PROVIDING CLERICAL)
RELIEF FOR THE GENERAL METRO)
SWITCHBOARD RECEPTIONIST; AND)
DECLARING AN EMERGENCY.)

ORDINANCE NO. 94-564

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$10,500 from the Support Service Fund Contingency to Personal Services in the General Service Department to fund clerical relief for the general Metro switchboard receptionist.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

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**Exhibit A
Ordinance No. 94-564**

Support Services Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORD. NO.94-564	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
General Services (Office Services)							
	Total Personal Services	4.20	169,949			4.20	169,949
	<u>Materials & Services</u>						
521100	Office Supplies		11,500				11,500
521110	Computer Software		900				900
521260	Printing Supplies		73,755				73,755
521290	Other Supplies		400				400
521310	Subscriptions		235				235
521320	Dues		360				360
524190	Misc. Professional Services		12,700				12,700
525640	Maintenance & Repairs Services-Equipment		62,598				62,598
525710	Equipment Rental		18,710				18,710
526310	Printing Services		6,800				6,800
526420	Postage		107,640				107,640
526440	Delivery Services		350				350
526500	Travel		50				50
526700	Temporary Help Services		4,080		10,500		14,580
526800	Training, Tuition, Conferences		800				800
526900	Misc Other Purchased Services						
528100	License, Permits, Payments to Other Agencies		200				200
525740	Capital Lease Payments-Furniture & Equipment		20,005				20,005
	Total Materials & Services		321,083		10,500		331,583
	<u>Capital Outlay</u>						
571500	Purchases-Office Furniture & Equipment		8,100				8,100
	Total Capital Outlay		8,100				8,100
	TOTAL EXPENDITURES	4.20	499,132		10,500	4.20	509,632
General Services Department							
	TOTAL EXPENDITURES	16.45	1,689,066		10,500	16.45	1,699,566
General Expenses							
	Total Interfund Transfers		806,169				806,169
	<u>Contingency and Unappropriated Balance</u>						
599999	Contingency						
	* General		170,000		(10,500)		159,500
	* Builders License		62,987				62,987
	* Construction Services (Tri-Met Contract)		2,539				2,539
599990	Unappropriated Fund Balance-Contractors License						
	*Builders License		207,625				207,625
	*Capital Replacement Reserve		200,000				200,000
	Total Contingency and Unappropriated Balance		643,151		(10,500)		632,651
	TOTAL EXPENDITURES	81.25	7,668,704			81.25	7,668,704

**** CURRENT BUDGET ASSUMES PASSAGE OF ORD. NO. 94-560**

**Exhibit B
Ordinance No. 94-564**

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current		
	Appropriation	Revision	ORD. No. 94-564
SUPPORT SERVICES FUND			
General Services			
Personal Services	947,694		947,694
Materials & Services	730,412	10,500	740,912
Capital Outlay	10,960		10,960
Subtotal	1,689,066	10,500	1,699,566
General Expenses			
Interfund Transfers	806,169		806,169
Contingency	235,526	(10,500)	225,026
Subtotal	1,041,695	(10,500)	1,031,195
Unappropriated Balance	407,625		407,625
Total Fund Requirements	7,668,704	0	7,668,704

** CURRENT APPROPRIATIONS ASSUMES PASSAGE OF ORD. NO. 94-560
 ** ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO.94 564 FOR THE PURPOSE OF AMENDING THE FY 1994-95 BUDGET BY TRANSFERRING \$10,500 FROM THE SUPPORT SERVICES FUND CONTINGENCY TO MATERIALS & SERVICES, TEMPORARY HELP SERVICES, IN THE GENERAL SERVICES DEPARTMENT FOR THE PURPOSE OF PROVIDING CLERICAL RELIEF FOR THE GENERAL METRO SWITCHBOARD RECEPTIONIST; AND DECLARING AN EMERGENCY.

Date: July 28, 1994

Presented by Pam Juett

BACKGROUND AND ANALYSIS

This ordinance amends the Office Services Division budget in the General Services Department of the Support Services Fund to increase the temporary clerical assistance budget by \$10,500.

The purpose of the budget amendment is to provide for clerical relief for the general Metro switchboard receptionist. The general Metro switchboard must remain staffed during the hours that Metro is in operation, 8:00 to 5:00 p.m. five days a week, including the breaks and lunch hour for the regular staff person occupying this position. Although the break and lunch period total only one and one-half hours per day, clerical relief is needed for at least five hours, which covers the range of hours from the beginning of the first break, through lunch, to the end of the second break.

Switchboard relief through a temporary help agency such as a qualified rehabilitation agency can be obtained for \$10.00 per hour between the hours of 10:00 a.m. to 3:30 p.m. daily. The time not spent in switchboard relief will be spent in additional duties for General Services, as well as any other clerical tasks including labeling, sorting, collating, envelope stuffing, etc., that other departments have as overflow work, and which can be done at the work station. Duties for General Services include data entry, invoice preparation, receiving and checking office supply orders for Metro Regional Center, filing, typing, etc. Ample overflow work exists to keep the relief person busy.

For the past several years, the clerical relief support for breaks, lunches and sick leave has been provided by the Personnel and Solid Waste Departments. Both departments have requested that this duty be shared among all Metro Regional Center departments, as they can no longer provide the level of support that they had been providing in the past. Discussions held at the management level asking all Metro Departments to participate in providing relief among existing staff have been held. Departments are unable to provide this relief directly from their own staff and have requested that General Services provide this relief. General Services does not have sufficient resources in clerical staff to be able to do this without temporary clerical assistance.

Drawing switchboard relief personnel from among all the Metro Regional Center Departments presents its own problems in that it is disruptive and inefficient for employees to stop their regular duties to act as fill-in. If the fill-in person is out for vacation or ill, there is often no fall back relief available. Also, there is a certain generalized level of knowledge of Metro and its business, operations, and ongoing projects that is required of the receptionist in a telephone interaction with the public. This knowledge, and professionalism can best be maintained by having consistent clerical coverage. The Metro Regional Center department managers support the request for shared switchboard relief through the use of a temporary help service and are prepared to pay for it through the cost allocation system. (All Metro Regional Center Departments will be charged a portion of the clerical relief support as a proportionate share based on their FTE.)

BUDGET IMPACT

We expect to hire a relief operator beginning September 12, 1994, at \$10.00 per hour which equals \$10,500. These funds are proposed to be transferred from Support Services Fund Contingency, to the materials and services budget of the General Services Department, Office Services Division, in the Temporary Help Services category.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-564.

AGENDA ITEM NO. 6.4
Meeting Date: September 22, 1994

ORDINANCE NO. 94-570A

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-570A AMENDING THE FY 1994-95 BUDGET AND APPROPRIATION SCHEDULE TO IMPLEMENT THE CONSTRUCTION EXCISE TAX, ADDING A 0.25 FTE TEMPORARY POSITION IN THE FINANCIAL PLANNING DIVISION AND FUNDING ONE-TIME START UP COSTS; AND DECLARING AN EMERGENCY

Date: September 15, 1994

Presented By: Councilor Washington

COMMITTEE RECOMMENDATION: At its September 14, 1994 meeting the Committee voted to send Ordinance No. 94-570 as amended to the Council without a recommendation. Committee members voting in favor of the motion were Councilors Buchanan, Devlin and Washington. Councilors Kvistad and Van Bergen voted no and Councilors Gardner, McLain and Monroe were absent.

COMMITTEE DISCUSSION/ISSUES: Craig Prosser, Financial Planning Manager, presented the Staff Report. He stated the purpose of the ordinance is to appropriate funds to start implementation of the newly enacted Construction Excise Tax (Ordinance No. 94-556C). The new tax will go into effect on November 23, 1994. Prior to that time intergovernmental agreements covering collection policies and procedures must be negotiated with the various cities and counties and approved by the respective governing bodies. To assist in this effort a new full-time Senior Administrative Analyst position is requested to be funded from a transfer from the Support Service Fund Contingency. The one-time start local government start up costs are estimated to be around \$100,000 and the ordinance provides for a transfer of \$100,000 from the General Fund Contingency to a Special Appropriation unit in the Support Service Fund. Mr. Prosser stated the General Fund start up costs are proposed to be repaid from the proceeds of the new tax.

Don Carlson, Council Administrator, presented a proposed amendment to the ordinance (See Attachment 1 to this Committee Report). The amendment would reduce the appropriation to the Financial Planning Division to fund a temporary position (0.25 FTE) and related administrative costs through November 30, 1994. The Financial Planning Division can either hire a temporary Senior Administrative Analyst to work on the implementation or continue the current staffing arrangement to start implementing the tax. The current arrangement has two existing staff members working out of class in higher level positions and a temporary Secretary has been hired for the interim period. The amendment reduces the Financial Planning Divisions request from \$56,030 to \$22,218. Mr. Carlson pointed out that the opponents to the new tax have started the process for referring the tax to the voters and it is premature to create a new permanent full-time position to work on implementing the tax.

The Committee approved the amendment and Councilors Kvistad, Van Bergen and Devlin stated they would not support any appropriation to implement the new tax. Councilor Devlin stated he would support a motion to send the ordinance as amended to the Council without recommendation.



ATTACHMENT 1
(Fin. Comm. Rpt/94-570A)

METRO

Date: September 14, 1994
To: Finance Committee
From: Donald E. Carlson, Council Administrator
Re: Ordinance No. 94-570 Amending the FY 94-95 Budget and Appropriation Schedule to Implement the Construction Excise Tax

The purpose of this memo is to recommend an amendment to this ordinance to reduce the request for a permanent Senior Administrative Analyst position in the Financial Planning Division to work on the implementation of this program. The proposed amendment would provide sufficient funds to hire a temporary employee through November 30, 1994 or cover the additional Personal Services costs the Department will incur during that period to implement the new tax.

The primary reason for the amendment is the uncertainty about the effective date of the ordinance since a petition has been taken out to possibly refer the ordinance to the voters. Also, the early work on implementing the new tax is being and will continue to be done with existing personnel in the Department because it will take time to recruit and hire a person for the proposed new position.

Currently, the Department has assigned the implementation duties to an Assoc. Administrative Services Analyst, the duties of that position are being assigned to an Administrative Secretary and temporary Secretary has been hired to fill the duties of the Administrative Secretary. The two existing positions are working out of their respective classifications so are being paid at a higher rate during the period of their reassignment.

The attached exhibits amend the ordinance to budget and appropriate \$22,218 to the Department to either hire a temporary Senior Administrative Analyst to November 30, 1994 or continue the current staffing arrangement for that same period. Once it is known whether or not the ordinance will take effect as anticipated, the Department can bring back an other ordinance for Council consideration.

This request for Personal Service funding is to take the money from the Support Service Fund Contingency. The Contingency (General Account) is appropriated at \$170,000. If the Council approves Ordinance No. 94-564 (temporary Switchboard Receptionist position

in the General Services Dept. which is currently before the Council) it will reduce the Support Service Fund Contingency to \$159,500. This request will reduce it even further and will affect the potential use of Contingency funds to pay for all or part of the legal fees for the Appeals Court Case on Council/Executive authority (see consideration of Ordinance No. 94-565A on the Committee Agenda).

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95) ORDINANCE NO. 94-570A
BUDGET AND APPROPRIATIONS)
SCHEDULE TO IMPLEMENT THE) Introduced by Rena Cusma,
CONSTRUCTION EXCISE TAX, ADDING 4.0) Executive Officer
FTE A TEMPORARY POSITION (0.25 FTE))
THE FINANCIAL PLANNING DIVISION AND)
FUNDING LOCAL GOVERNMENT ONE-TIME)
START UP COSTS; AND DECLARING AN)
EMERGENCY)

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$100,000 from the General Fund to the Support Services Fund, Special Appropriation to fund the one-time start up costs of the local governments to implement the Construction Excise Tax, and transferring ~~\$56,030~~ \$22,218 from the Support Services Fund Contingency to the Financial Planning Division to fund ~~4.0 FTE~~ a Temporary (0.25 FTE) Senior Administrative Services Analyst and related costs.

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.

ATTEST:

Clerk of Council

Ed Washington, Deputy Presiding Officer.

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:Resources							
<u>Resources</u>							
305000	Fund Balance		531,000		0		531,000
312000	Excise Tax		5,968,760		0		5,968,760
361100	Interest on Investments		40,000		0		40,000
379000	Other Miscellaneous Revenue		0		0		0
391531	Trans. Resources from Solid Waste Revenue Fund		124,258		0		124,258
391558	Trans. Resources from Conv. Ctr. Mgmt. Fund		0		0		0
Total Resources			6,664,018		0		6,664,018
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807		0		303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495		0		519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,244		0		3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008		0		6,008
583610	Trans.Direct Costs to Support Svcs. Fund		28,130		0		28,130
583615	Trans.Direct Costs to Risk Management Fund		15,758		0		15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264		0		2,676,264
582513	Trans. Resources to Building Mgmt. Fund		55,984		0		55,984
582610	Trans. Resources to Support Svcs. Fund		0		100,000		100,000
582160	Trans. Resources to Reg. Parks/Expo Fund		496,435		0		496,435
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474		0		84,474
Total Interfund Transfers			4,189,599		100,000		4,289,599
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		563,475		(100,000)		463,475
599990	Unappropriated Fund Balance		200,000		0		200,000
Total Contingency and Unappropriated Balance			763,475		(100,000)		663,475
TOTAL EXPENDITURES		13.50	6,664,018	0.00	0	13.50	6,664,018

Note: This action assumes adoption of Ordinance No. 94-569, related to the Auditor's Office, to be presented to the Council September, 8, 1994.

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND:Resources							
<u>Resources</u>							
305000	Fund Balance		398,016		0		398,016
321100	Contractors' License Fee		275,000		0		275,000
339200	Contract and Professional Services Services		98,182		0		98,182
391010	Trans. of Resources from General Fund-Excise Tax		0		100,000		100,000
392010	Trans. Indirect Costs from General Fund		519,495		0		519,495
392120	Trans. Indirect Costs from Zoo Oper. Fund		1,178,797		0		1,178,797
392140	Trans. Indirect Costs from Planning Fund		1,548,361		0		1,548,361
392142	Trans. Indirect Costs from Plan. & Dev. Fund		0		0		0
392531	Trans. Indirect Costs from S.W. Revenue Fund		2,311,955		0		2,311,955
392550	Trans. Indirect Costs from OCC Operating Fund		419,607		0		419,607
392559	Trans. Indirect Costs from Conv. Ctr. Cap. Fund		53,053		0		53,053
392553	Trans. Indirect Costs from Spec. Fac. Fund		271,903		0		271,903
392160	Trans. Indirect Costs from Reg. Parks/Expo Fund		405,977		0		405,977
393010	Trans. Direct Costs from General Fund		28,130		0		28,130
393550	Trans. Direct Costs from OCC Operating Fund		98,838		0		98,838
393553	Trans. Direct Costs from Spec. Fac. Fund		61,390		0		61,390
TOTAL RESOURCES			7,668,704		100,000		7,768,704

CURRENT BUDGET ASSUMES PASSAGE OF ORD. NO. 94-560 AND ORD. NO 94-564

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND: Finance & Management Information Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Senior Director	0.90	67,614		0	0.90	67,614
	Senior Manager	2.00	130,316		0	2.00	130,316
	Managers	1.00	54,600		0	1.00	54,600
	Senior Program Supervisor	3.00	154,554		0	3.00	154,554
	Program Supervisor	1.00	45,953		0	1.00	45,953
	Principal Administrative Services Analyst	1.00	53,605		0	1.00	53,605
	Senior Administrative Services Analyst		0	0.25	11,250	0.25	11,250
	Associate Administrative Services Analyst	1.00	39,244		0	1.00	39,244
	Sr. Management Analyst	1.00	50,592		0	1.00	50,592
	Assoc. Management Analyst	1.00	45,886		0	1.00	45,886
	Asst. Management Analyst	2.00	71,026		0	2.00	71,026
	D.P. Systems Analyst	4.00	174,750		0	4.00	174,750
	D.P. Operations Analyst	1.00	40,675		0	1.00	40,675
	D.P. Programmer/Analyst	1.00	43,855		0	1.00	43,855
	Senior Accountant	3.00	137,619		0	3.00	137,619
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	3.00	80,161		0	3.00	80,161
	Lead Accounting Clerk	4.00	117,062		0	4.00	117,062
	Accounting Clerk 2	7.00	180,854		0	7.00	180,854
	Program Assistant 1	1.00	22,835		0	1.00	22,835
	D.P. Operator	1.00	33,800		0	1.00	33,800
	D.P. Technical Specialist	2.00	66,450		0	2.00	66,450
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.00	3,085		0	0.00	3,085
	Temporary Administrative Support	1.10	22,998		0	1.10	22,998
511400	OVERTIME		7,886		0		7,886
512000	FRINGE		660,101		4,556		664,657
Total Personal Services		42.00	2,305,521	0.25	15,806	42.25	2,321,327
<u>Materials & Services</u>							
521100	Office Supplies		13,421		350		13,771
521110	Computer Software		32,580		882		33,462
521111	Computer Supplies		22,710		0		22,710
521240	Graphics/Reprographic Supplies		500		100		600
521260	Printing Supplies		0		0		200
521291	Packing Materials		400		0		400
521292	Small Tools		700		0		700
521310	Subscriptions		5,001		0		5,001
521320	Dues		9,140		0		9,140
521540	Maintenance & Repairs Supplies-Equipment		7,000		0		7,000
524110	Accounting & Auditing Services		65,000		0		65,000
524190	Misc. Professional Services		29,500		0		29,500
524210	Data Processing Services		20,960		0		20,960
524310	Management Consulting Services		27,500		0		27,500
525640	Maintenance & Repairs Services-Equipment		120,315		0		120,315
526200	Ads & Legal Notices		900		150		1,050
526310	Printing Services		16,470		0		16,870
526320	Typesetting & Reprographics Services		500		0		650
526410	Telephone		1,800		0		1,800
526440	Delivery Services		950		300		1,250
526500	Travel		20,589		0		20,589
526700	Temporary Help Services		10,931		0		10,931
526800	Training, Tuition, Conferences		22,740		0		22,740

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND: Finance & Management Information Department							
526900	Misc Other Purchased Services		27,700		0		27,700
529500	Meetings		1,092		200		1,292
529800	Miscellaneous		1,400		0		1,400
525740	Capital Lease Payments-Furniture & Equipment		18,469		0		18,469
Total Materials & Services			478,268		1,982		481,000
<u>Capital Outlay</u>							
571500	Purchases-Office Furniture & Equipment		16,700		4,430		21,130
Total Capital Outlay			16,700		4,430		21,130
TOTAL EXPENDITURES		42.00	2,800,489	0.25	22,218	42.25	2,823,457

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
*** For Information Only ***							
Finance & Management Information (Financial Planning)							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Senior Director	0.30	22,538		0	0.30	22,538
	Senior Manager	1.00	65,158		0	1.00	65,158
	Principal Administrative Services Analyst	1.00	53,605		0	1.00	53,605
	Senior Administrative Services Analyst		0	0.25	11,250	0.25	11,250
	Associate Administrative Services Analyst	1.00	39,244		0	1.00	39,244
	Sr. Management Analyst	1.00	50,592		0	1.00	50,592
	Assoc. Management Analyst	1.00	45,886		0	1.00	45,886
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	1.00	26,309		0	1.00	26,309
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary	0.60	12,492		0	0.60	12,492
511400	OVERTIME		516		0		516
512000	FRINGE		124,433		4,556		128,989
Total Personal Services		6.90	440,773	0.25	15,806	7.15	456,579
<u>Materials & Services</u>							
521100	Office Supplies		4,850		350		5,200
521110	Computer Software		1,380		882		2,262
521240	Graphics/Reprographic Supplies		500		100		600
521260	Printing Supplies		0		0		200
521310	Subscriptions		970		0		970
521320	Dues		5,875		0		5,875
524190	Misc. Professional Services		29,500		0		29,500
526200	Ads & Legal Notices		600		150		750
526310	Printing Services		2,000		0		2,400
526320	Typesetting & Reprographics Services		500		0		650
526410	Telephone		0		0		0
526440	Delivery Services		550		300		850
526500	Travel		3,890		0		3,890
526700	Temporary Help Services		1,351		0		1,351
526800	Training, Tuition, Conferences		4,000		0		4,000
529500	Meetings		300		200		500
Total Materials & Services			56,266		1,982		58,998
<u>Capital Outlay</u>							
571500	Purchases-Office Furniture & Equipment		3,800		4,430		8,230
Total Capital Outlay			3,800		4,430		8,230
TOTAL EXPENDITURES		6.90	500,839	0.25	22,218	7.15	523,807

**Exhibit A
Ordinance No. 94-570A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND:Special Appropriation							
<u>Materials & Services</u>							
528200	Election Expense		125,000		0		125,000
529800	Miscellaneous		0		100,000		100,000
TOTAL EXPENDITURES		0.00	125,000	0.00	100,000	0.00	225,000

SUPPORT SERVICES FUND:General Expenses

<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		755,309		0		755,309
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		27,810		0		27,810
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		23,050		0		23,050
Total Interfund Transfers			806,169		0		806,169
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	* General		159,500		(22,218)		137,282
	* Builders License		62,987		0		62,987
	* Construction Services (Tri-Met Contract)		2,539		0		2,539
599990	Unappropriated Fund Balance-Contractors License						
	*Builders License		207,625		0		207,625
	*Capital Replacement Reserve		200,000		0		200,000
Total Contingency and Unappropriated Balance			632,651		(22,218)		610,433
TOTAL EXPENDITURES		81.25	7,668,704	0.25	100,000	81.50	7,769,454

Exhibit B
Ordinance No. 94-570A
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
GENERAL FUND			
Council			
Personal Services	888,891	0	888,891
Materials & Services	102,243	0	102,243
Capital Outlay	13,800	0	13,800
<u>Subtotal</u>	<u>1,004,934</u>	<u>0</u>	<u>1,004,934</u>
Executive Management			
Personal Services	314,656	0	314,656
Materials & Services	40,002	0	40,002
Capital Outlay	1,600	0	1,600
<u>Subtotal</u>	<u>356,258</u>	<u>0</u>	<u>356,258</u>
Office of the Auditor			
Personal Services	58,433	0	58,433
Materials & Services	14,000	0	14,000
Capital Outlay	12,319	0	12,319
<u>Subtotal</u>	<u>84,752</u>	<u>0</u>	<u>84,752</u>
Special Appropriations			
Materials & Services	265,000	0	265,000
<u>Subtotal</u>	<u>265,000</u>	<u>0</u>	<u>265,000</u>
General Expenses			
Interfund Transfers	4,189,599	100,000	4,289,599
Contingency	563,475	(100,000)	463,475
<u>Subtotal</u>	<u>4,753,074</u>	<u>0</u>	<u>4,753,074</u>
Unappropriated Balance	200,000	0	200,000
Total Fund Requirements	6,664,018	0	6,664,018
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,305,521	15,806	2,321,327
Materials & Services	478,268	1,982	480,250
Capital Outlay	16,700	4,430	21,130
<u>Subtotal</u>	<u>2,800,489</u>	<u>22,218</u>	<u>2,822,707</u>
General Services			
Personal Services	947,694	0	947,694
Materials & Services	730,412	0	730,412
Capital Outlay	10,960	0	10,960
<u>Subtotal</u>	<u>1,689,066</u>	<u>0</u>	<u>1,689,066</u>
Office of Personnel			
Personal Services	552,092	0	552,092
Materials & Services	53,710	0	53,710
<u>Subtotal</u>	<u>605,802</u>	<u>0</u>	<u>605,802</u>

Exhibit B
Ordinance No. 94-570A
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND (continued)			
Office of General Counsel			
Personal Services	447,725	0	447,725
Materials & Services	29,998	0	29,998
Capital Outlay	3,600	0	3,600
Subtotal	481,323	0	481,323
Office of Public and Government Relations			
Personal Services	302,672	0	302,672
Materials & Services	129,782	0	129,782
Subtotal	432,454	0	432,454
Office of Citizen Involvement			
Personal Services	74,520	0	74,520
Materials & Services	10,730	0	10,730
Subtotal	85,250	0	85,250
Special Appropriation			
Materials & Services	125,000	100,000	225,000
Subtotal	125,000	100,000	225,000
General Expenses			
Interfund Transfers	806,169	0	806,169
Contingency	235,526	(22,218)	213,308
Subtotal	1,041,695	(22,218)	1,019,477
Unappropriated Balance	407,625	0	407,625
Total Fund Requirements	7,668,704	100,000	7,768,704

NOTE: This Ordinance assumes adoption of Ordinances 94-560, 94-564, and 94-569
ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

STAFF REPORT

ORDINANCE NO. 94-570 AMENDING THE FY 1994-95 BUDGET TO IMPLEMENT THE NEW CONSTRUCTION EXCISE TAX BY TRANSFERRING \$56,030 FROM THE SUPPORT SERVICES FUND CONTINGENCY TO THE DEPARTMENT OF FINANCE AND MANAGEMENT INFORMATION, FINANCIAL PLANNING DIVISION, AND CREATING ONE NEW POSITION, AND TRANSFERRING \$100,000 FROM THE GENERAL FUND CONTINGENCY TO THE SUPPORT SERVICES FUND, SPECIAL APPROPRIATIONS, TO PAY START-UP COSTS.

Date: August 29, 1994

Presented by: Craig Prosser

FACTUAL BACKGROUND AND ANALYSIS

The Council adopted Ordinance 94-556C on August 25, 1994, implementing a new Construction Excise Tax. This tax will be collected by local jurisdictions or (in cases in which local jurisdictions decide not to collect the tax) by Metro. The tax goes into effect November 23, 1994. All Intergovernmental Agreements with local jurisdictions collecting the tax will need to be developed, negotiated, and approved by the Metro Council and the local jurisdiction before that date. These include policies and procedures for the collection of the tax, turn-over of funds collected from local jurisdictions, procedures for rebates and exemptions, development of any Metro collections processes (should that be necessary), identification and development of start-up efforts (computer enhancements, forms printing, training, etc.), development of an information campaign to inform the construction industry of the tax requirement and uses, establishment of a hotline to answer any questions raised by local governments or building permit applicants. This work must be completed prior to the effective date of Ordinance No. 94-556C and cannot be absorbed by existing staff.

A new Senior Administrative Services Analyst position will be created to handle these duties and to ensure that the tax is implemented in the most efficient manner possible. This position will continue to monitor the process after implementation to make sure that no problems arise and to fine tune policies and procedures as necessary. As the fine tuning process concludes, this position will take on budget responsibilities and will help to relieve the work overload in that area. Due to the nature of the work performed relating to the budget and responding to collective bargaining proposals as they relate to assigned budgetary responsibilities, this position will be excluded from collective bargaining.

This ordinance also provides appropriation to pay for one-time, start-up costs incurred by local governments as provided for in Ordinance No. 94-556C by transferring \$100,000 from the General Fund to the Support Services Fund and creating a Special Appropriation to cover these costs.

Both appropriations adjustments made by this ordinance will be reimbursed from the Construction Excise Tax proceeds after November.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-570.

CP:rs

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE TO IMPLEMENT THE)
CONSTRUCTION EXCISE TAX, ADDING 1.0)
FTE IN THE FINANCIAL PLANNING DIVISION)
AND FUNDING LOCAL GOVERNMENT ONE-)
TIME START UP COSTS; AND DECLARING)
AN EMERGENCY)

ORDINANCE NO. 94-570

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$100,000 from the General Fund to the Support Services Fund, Special Appropriation to fund the one-time start up costs of the local governments to implement the Construction Excise Tax, and transferring \$56,030 from the Support Services Fund Contingency to the Financial Planning Division to fund 1.0 FTE Senior Administrative Services Analyst and related costs.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:Resources							
<u>Resources</u>							
305000	Fund Balance		531,000		0		531,000
312000	Excise Tax		5,968,760		0		5,968,760
361100	Interest on Investments		40,000		0		40,000
379000	Other Miscellaneous Revenue		0		0		0
391531	Trans. Resources from Solid Waste Revenue Fund		124,258		0		124,258
391558	Trans. Resources from Conv. Ctr. Mgmt. Fund		0		0		0
Total Resources			6,664,018		0		6,664,018
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807		0		303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495		0		519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen1		3,244		0		3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008		0		6,008
583610	Trans. Direct Costs to Support Svcs. Fund		28,130		0		28,130
583615	Trans. Direct Costs to Risk Management Fund		15,758		0		15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264		0		2,676,264
582513	Trans. Resources to Building Mgmt. Fund		55,984		0		55,984
582610	Trans. Resources to Support Svcs. Fund		0		100,000		100,000
582160	Trans. Resources to Reg. Parks/Expo Fund		496,435		0		496,435
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474		0		84,474
Total Interfund Transfers			4,189,599		100,000		4,289,599
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		563,475		(100,000)		463,475
599990	Unappropriated Fund Balance		200,000		0		200,000
Total Contingency and Unappropriated Balance			763,475		(100,000)		663,475
TOTAL EXPENDITURES		13.50	6,664,018	0.00	0	13.50	6,664,018

Note: This action assumes adoption of Ordinance No. 94-569, related to the Auditor's Office, to be presented to the Council September, 8, 1994.

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND:Resources							
	<u>Resources</u>						
305000	Fund Balance		398,016		0		398,016
321100	Contractors' License Fee		275,000		0		275,000
339200	Contract and Professional Services Services		98,182		0		98,182
391010	Trans. of Resources from General Fund-Excise Tax		0		100,000		100,000
392010	Trans. Indirect Costs from General Fund		519,495		0		519,495
392120	Trans. Indirect Costs from Zoo Oper. Fund		1,178,797		0		1,178,797
392140	Trans. Indirect Costs from Planning Fund		1,548,361		0		1,548,361
392142	Trans. Indirect Costs from Plan. & Dev. Fund		0		0		0
392531	Trans. Indirect Costs from S.W. Revenue Fund		2,311,955		0		2,311,955
392550	Trans. Indirect Costs from OCC Operating Fund		419,607		0		419,607
392559	Trans. Indirect Costs from Conv. Ctr. Cap. Fund		53,053		0		53,053
392553	Trans. Indirect Costs from Spec. Fac. Fund		271,903		0		271,903
392160	Trans. Indirect Costs from Reg. Parks/Expo Fund		405,977		0		405,977
393010	Trans. Direct Costs from General Fund		28,130		0		28,130
393550	Trans. Direct Costs from OCC Operating Fund		98,838		0		98,838
393553	Trans. Direct Costs from Spec. Fac. Fund		61,390		0		61,390
TOTAL RESOURCES			7,668,704		100,000		7,768,704

CURRENT BUDGET ASSUMES PASSAGE OF ORD. NO. 94-560 AND ORD. NO 94-564

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND: Finance & Management Information Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Senior Director	0.90	67,614		0	0.90	67,614
	Senior Manager	2.00	130,316		0	2.00	130,316
	Managers	1.00	54,600		0	1.00	54,600
	Senior Program Supervisor	3.00	154,554		0	3.00	154,554
	Program Supervisor	1.00	45,953		0	1.00	45,953
	Principal Administrative Services Analyst	1.00	53,605		0	1.00	53,605
	Senior Administrative Services Analyst		0	0.75	33,750	0.75	33,750
	Associate Administrative Services Analyst	1.00	39,244		0	1.00	39,244
	Sr. Management Analyst	1.00	50,592		0	1.00	50,592
	Assoc. Management Analyst	1.00	45,886		0	1.00	45,886
	Asst. Management Analyst	2.00	71,026		0	2.00	71,026
	D.P. Systems Analyst	4.00	174,750		0	4.00	174,750
	D.P. Operations Analyst	1.00	40,675		0	1.00	40,675
	D.P. Programmer/Analyst	1.00	43,855		0	1.00	43,855
	Senior Accountant	3.00	137,619		0	3.00	137,619
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	3.00	80,161		0	3.00	80,161
	Lead Accounting Clerk	4.00	117,062		0	4.00	117,062
	Accounting Clerk 2	7.00	180,854		0	7.00	180,854
	Program Assistant 1	1.00	22,835		0	1.00	22,835
	D.P. Operator	1.00	33,800		0	1.00	33,800
	D.P. Technical Specialist	2.00	66,450		0	2.00	66,450
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.00	3,085		0	0.00	3,085
	Temporary Administrative Support	1.10	22,998		0	1.10	22,998
511400	OVERTIME		7,886		0		7,886
512000	FRINGE		660,101		13,668		673,769
Total Personal Services		42.00	2,305,521	0.75	47,418	42.75	2,352,939
<u>Materials & Services</u>							
521100	Office Supplies		13,421		1,050		14,471
521110	Computer Software		32,580		882		33,462
521111	Computer Supplies		22,710		0		22,710
521240	Graphics/Reprographic Supplies		500		100		600
521260	Printing Supplies		0		200		200
521291	Packing Materials		400		0		400
521292	Small Tools		700		0		700
521310	Subscriptions		5,001		100		5,101
521320	Dues		9,140		50		9,190
521540	Maintenance & Repairs Supplies-Equipment		7,000		0		7,000
524110	Accounting & Auditing Services		65,000		0		65,000
524190	Misc. Professional Services		29,500		0		29,500
524210	Data Processing Services		20,960		0		20,960
524310	Management Consulting Services		27,500		0		27,500
525640	Maintenance & Repairs Services-Equipment		120,315		0		120,315
526200	Ads & Legal Notices		900		150		1,050
526310	Printing Services		16,470		400		16,870
526320	Typesetting & Reprographics Services		500		150		650
526410	Telephone		1,800		300		2,100
526440	Delivery Services		950		300		1,250
526500	Travel		20,589		0		20,589
526700	Temporary Help Services		10,931		0		10,931
526800	Training, Tuition, Conferences		22,740		300		23,040

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND: Finance & Management Information Department							
526900	Misc Other Purchased Services		27,700		0		27,700
529500	Meetings		1,092		200		1,292
529800	Miscellaneous		1,400		0		1,400
525740	Capital Lease Payments-Furniture & Equipment		18,469		0		18,469
Total Materials & Services			478,268		4,182		482,450
Capital Outlay							
571500	Purchases-Office Furniture & Equipment		16,700		4,430		21,130
Total Capital Outlay			16,700		4,430		21,130
TOTAL EXPENDITURES		42.00	2,800,489	0.75	56,030	42.75	2,856,519

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
*** For Information Only ***							
Finance & Management Information (Financial Planning)							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Senior Director	0.30	22,538		0	0.30	22,538
	Senior Manager	1.00	65,158		0	1.00	65,158
	Principal Administrative Services Analyst	1.00	53,605		0	1.00	53,605
	Senior Administrative Services Analyst		0	0.75	33,750	0.75	33,750
	Associate Administrative Services Analyst	1.00	39,244		0	1.00	39,244
	Sr. Management Analyst	1.00	50,592		0	1.00	50,592
	Assoc. Management Analyst	1.00	45,886		0	1.00	45,886
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	1.00	26,309		0	1.00	26,309
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Administrative Support	0.60	12,492		0	0.60	12,492
511400	OVERTIME		516		0		516
512000	FRINGE		124,433		13,668		138,101
Total Personal Services		6.90	440,773	0.75	47,418	7.65	488,191
<u>Materials & Services</u>							
521100	Office Supplies		4,850		1,050		5,900
521110	Computer Software		1,380		882		2,262
521240	Graphics/Reprographic Supplies		500		100		600
521260	Printing Supplies		0		200		200
521310	Subscriptions		970		100		1,070
521320	Dues		5,875		50		5,925
524190	Misc. Professional Services		29,500		0		29,500
526200	Ads & Legal Notices		600		150		750
526310	Printing Services		2,000		400		2,400
526320	Typesetting & Reprographics Services		500		150		650
526410	Telephone		0		300		300
526440	Delivery Services		550		300		850
526500	Travel		3,890		0		3,890
526700	Temporary Help Services		1,351		0		1,351
526800	Training, Tuition, Conferences		4,000		300		4,300
529500	Meetings		300		200		500
Total Materials & Services			56,266		4,182		60,448
<u>Capital Outlay</u>							
571500	Purchases-Office Furniture & Equipment		3,800		4,430		8,230
Total Capital Outlay			3,800		4,430		8,230
TOTAL EXPENDITURES		6.90	500,839	0.75	56,030	7.65	556,869

**Exhibit A
Ordinance No. 94-570**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND:Special Appropriation							
	<u>Materials & Services</u>						
528200	Election Expense		125,000		0		125,000
529800	Miscellaneous		0		100,000		100,000
TOTAL EXPENDITURES		0.00	125,000	0.00	100,000	0.00	225,000

SUPPORT SERVICES FUND:General Expenses

	<u>Interfund Transfers</u>						
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		755,309		0		755,309
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		27,810		0		27,810
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		23,050		0		23,050
Total Interfund Transfers			806,169		0		806,169
	<u>Contingency and Unappropriated Balance</u>						
599999	Contingency				(56,030)		103,470
	* General		159,500		0		62,987
	* Builders License		62,987		0		2,539
	* Construction Services (Tri-Met Contract)		2,539		0		
599990	Unappropriated Fund Balance-Contractors License				0		207,625
	* Builders License		207,625		0		200,000
	* Capital Replacement Reserve		200,000		0		
Total Contingency and Unappropriated Balance			632,651		(56,030)		576,621
TOTAL EXPENDITURES		81.25	7,668,704	0.75	100,000	82.00	7,768,704

STAFF REPORT

ORDINANCE NO. 94-570 AMENDING THE FY 1994-95 BUDGET TO IMPLEMENT THE NEW CONSTRUCTION EXCISE TAX BY TRANSFERRING \$56,030 FROM THE SUPPORT SERVICES FUND CONTINGENCY TO THE DEPARTMENT OF FINANCE AND MANAGEMENT INFORMATION, FINANCIAL PLANNING DIVISION, AND CREATING ONE NEW POSITION, AND TRANSFERRING \$100,000 FROM THE GENERAL FUND CONTINGENCY TO THE SUPPORT SERVICES FUND, SPECIAL APPROPRIATIONS, TO PAY START-UP COSTS.

Date: August 29, 1994

Presented by: Craig Prosser

FACTUAL BACKGROUND AND ANALYSIS

The Council adopted Ordinance 94-556C on August 25, 1994, implementing a new Construction Excise Tax. This tax will be collected by local jurisdictions or (in cases in which local jurisdictions decide not to collect the tax) by Metro. The tax goes into effect November 23, 1994. All Intergovernmental Agreements with local jurisdictions collecting the tax will need to be developed, negotiated, and approved by the Metro Council and the local jurisdiction before that date. These include policies and procedures for the collection of the tax, turn-over of funds collected from local jurisdictions, procedures for rebates and exemptions, development of any Metro collections processes (should that be necessary), identification and development of start-up efforts (computer enhancements, forms printing, training, etc.), development of an information campaign to inform the construction industry of the tax requirement and uses, establishment of a hotline to answer any questions raised by local governments or building permit applicants. This work must be completed prior to the effective date of Ordinance No. 94-556C and cannot be absorbed by existing staff.

A new Senior Administrative Services Analyst position will be created to handle these duties and to ensure that the tax is implemented in the most efficient manner possible. This position will continue to monitor the process after implementation to make sure that no problems arise and to fine tune policies and procedures as necessary. As the fine tuning process concludes, this position will take on budget responsibilities and will help to relieve the work overload in that area. Due to the nature of the work performed relating to the budget and responding to collective bargaining proposals as they relate to assigned budgetary responsibilities, this position will be excluded from collective bargaining.

This ordinance also provides appropriation to pay for one-time, start-up costs incurred by local governments as provided for in Ordinance No. 94-556C by transferring \$100,000 from the General Fund to the Support Services Fund and creating a Special Appropriation to cover these costs.

Both appropriations adjustments made by this ordinance will be reimbursed from the Construction Excise Tax proceeds after November.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-570.

CP:rs

AGENDA ITEM NO. 6.3
Meeting Date: September 22, 1994

ORDINANCE NO. 94-565B

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-565B AMENDING THE FY 1994-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$34,935 FROM THE SOLID WASTE REVENUE FUND CONTINGENCY TO THE ADMINISTRATION DIVISION MATERIALS & SERVICES LEGAL FEES LINE ITEM TO PROVIDE LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER AUTHORITY

Date: September 15, 1994

Presented By: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its September 14, 1994 meeting the Committee voted to send Ordinance No. 94-565A as amended to the Council without a recommendation. Committee members voting in favor of the motion were Councilors Devlin, McLain, Van Bergen and Washington. Councilors Buchanan and Kvistad voted against the motion and Councilors Gardner and Monroe were absent.

COMMITTEE DISCUSSION/ISSUES: Dick Engstrom, Deputy Executive Officer gave the Staff Report. He stated he would defer to Don Carlson, Council Administrator who has developed several options for funding the appellate portion of the current litigation between the Council and the Executive Officer. Don Carlson stated the Ordinance No. 94-565A had been re-referred to the Committee by the Council to consider charging the costs of the appeal to funds other than the Solid Waste Revenue Fund. Mr. Carlson referred the Committee to a memorandum which lists three options for paying the cost of the appeal (See Attachment 1 to this Committee Report). The three options are: A) continue to pay for the costs from the Solid Waste Revenue Fund; B) pay for the costs from funds transferred from the Support Service Fund Contingency; or C) pay for the costs from funds transferred from the General Fund Contingency. Mr. Carlson stated each of the options is legal and valid and the choice on the basic assumption for pursuing the appeal.

Mr. Carlson pointed out that through September 8, 1994 (date of the Council decision to appeal) the total estimated cost of the litigation was \$79,606. Of this \$59,606 was for the Council's costs and \$20,000 was for the Executive Officer's costs. The estimated cost of the appeal is \$45,394 to be apportioned \$15,394 for the Council and \$30,000 for the Executive Officer. The Council's amount is determined by subtracting expenditures through September 8, 1994 from the total contract amount of \$75,000. Mr. Gary has told the Council he can complete the appeal within the existing contract amount. The Executive Officer's amount is an estimate made by Council Staff and assumes Mr. Tanzer will need to do more extensive research than done at the trial level.

Mr. Carlson stated that another important consideration is to look at the relative fiscal condition of the respective funds under consideration. He pointed out the several requests that have already been made and will likely be made to use Support Service and General Fund Contingencies. In response to a request from Chair Devlin, Mr. Carlson recommended the following order of

preference for charging the cost of the appeal: 1) continue to charge the Solid Waste Revenue Fund; 2) transfer funds from the Support Service Fund Contingency; and 3) transfer funds from the General Fund Contingency. He stated that the purpose of the litigation as adopted by the Council is to determine the validity of Amendment No. 4 to the OWS Contract and the appeal is a necessary step toward that end.

In response to a question from Chair Devlin, Mr. Engstrom stated he agreed in general with the Council Staff recommendation. Regarding the \$30,000 estimated for the Executive Officers appeal costs, he said he had not discussed this with Mr. Tanzer because he was out of town.

During Committee discussion Councilors Kvistad and Buchanan stated that the actions of the Executive Officer precipitated the need for the litigation and the Council should exercise its "power of the purse" and not authorize funds for the Executive Officers legal costs. If the Executive Officer wants to participate, she can use her own funds. Councilor Devlin stated he would not vote for any funds for the litigation since he opposed filing a court case in the beginning. Councilors McLain, Van Bergen and Washington stated that the Council has an obligation to pay for all legal costs to get a resolution of the matter and that by doing so we will get a better decision.



METRO

ATTACHMENT 1
(Fin.Comm.Rpt/94-565B)

Date: September 14, 1994

To: Finance Committee

From: Donald E. Carlson, ^{WEC} Council Administrator

Re: Ordinance No. 94-565A Amending the FY 94-95 Budget and Appropriations Schedule to Pay for Legal Services Regarding Metro Executive Officer Contracting Authority

This ordinance has been re-referred to the Finance Committee to consider charging the costs of legal fees for the appellate portion of the litigation between the Council and Executive Officer regarding the validity of the approval of Contract Amendment No. 4 to the Oregon Waste Systems contract to a different fund. Several Councilors at the September 8, 1994 Council meeting expressed concern that the issue to be appealed as a result of Judge Johnson's ruling to dismiss the case was no longer a solid waste related issue but rather an issue which affects the entire agency. The request of the Council was to consider funding the appeal from by other appropriate means. The two other appropriate funds to pay for these costs are the General Fund and the Support Service Fund.

Attached for the Committee's consideration are Exhibits which provide three alternatives:

- Option A -- Continue to pay for the costs from the Solid Waste Revenue Fund. This option assumes that the purpose of the appeal is to continue to pursue litigation which will determine the validity of Amendment No. 4.
- Option B -- Pay for the costs of the appeal from funds transferred from the Support Service Fund Contingency to the General Counsel's Office Materials and Services category in a specific Legal Services line item. This option assumes that the primary purpose of the litigation is to determine who has authority to control file litigation on behalf of the agency.
- Option C -- Pay for the costs of the appeal from funds transferred from the General Fund Contingency to the General Counsel's Office in the Support Service Fund specifically in the Legal Services line item in the Materials and Services Category. This option is based on the same assumption as Option B.

All options are legal and valid. This is a policy decision available to the Council.

Factors to consider in this decision are 1) the basic assumption for pursuing the appeal; and 2) the amount of funds needed in relation to the fiscal condition of the Fund under consideration.

In regard to the amount of money needed to pay for the appeal, Mr. Gary has indicated that to date (through 9/8/94) he has billed or will bill a total of \$59,606. This is broken out as \$29,570 for initial research, \$25,272 for litigation and \$4,764 from the period of 8/28/94 through 9/8/94. Part of the total \$59,606 was paid from the FY 1993-94 Budget and the remainder will be paid from the current year Budget. Mr. Gary has stated that he will complete the appeal within the current contract amount of \$75,000. This means there is \$15,394 left for the appeal for the Council's legal costs.

Deputy Executive Officer Dick Engstrom has estimated that Mr. Tanzer has spent from \$16,000 to \$20,000 through September 8, 1994. It is difficult to estimate the amount needed by Mr. Tanzer to complete the appeal. Council Staff recommends that \$30,000 be authorized for Mr. Tanzer's legal expenses on the assumption that additional legal research will be needed to be done by Mr. Tanzer.

Based on the above the additional amount for the appeal to be budgeted and appropriated should total \$45,394. The exhibits assume this amount.

The fiscal condition of the Contingency category for the Support Service Fund and the General Fund is or could be as follows:

Support Service Fund:

Amount as of 9/14/94	\$170,000
Less \$10,500 from Ord.94-564	\$159,500
Less \$22,218 from Ord.94-570A.	\$137,282
Less \$45,394 from Ord.94-565A.	\$ 91,888

General Fund:

Amount as of 9/14/94	\$563,475
Less \$100,000 from Ord.94-570A	\$463,475
Less \$45,394 from Ord.94-565A.	\$418,081
Less \$90,000 for Greenspaces request	\$328,081
Less \$55,000 for Exec.Mgmt request	\$273,081
Less \$40,000 for Auditor request	\$233,081

It should be noted that the latter three amounts in the General Fund listing are items which are likely to be requested during the current fiscal year. They are mentioned only to indicate the likelihood of demands on the General Fund Contingency. In addition, the General Fund Contingency is a source of funds for potential unexpected needs in the Planning Fund.

Exhibit A
Ordinance No. 94-565B

Solid Waste Revenue Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORD. NO. 94-565B	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		79,935		79,935
524190	Misc. Professional Services		45,000		(45,000)		0
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		34,935		172,424
	TOTAL EXPENDITURES	10.50	690,471		34,935	10.50	725,406
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		(34,935)		8,256,820
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		(34,935)		22,908,261
TOTAL S. W. REVENUE FUND EXPENDITURES		102.95	90,550,007		0	102.95	90,550,007

Exhibit A
Ordinance No. 94-565B
SUPPORT SERVICES FUND

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Office of General Counsel							
	Total Personal Services	6.00	447,725			6.00	447,725
	<u>Materials & Services</u>						
521100	Office Supplies		1,494				1,494
521110	Computer Software		1,275				1,275
521111	Computer Supplies		1,150				1,150
521290	Other Supplies		215				215
521310	Subscriptions		14,887				14,887
521320	Dues		1,737				1,737
524120	Legal Fees		0		45,394		45,394
525640	Maintenance & Repairs Services-Equipment		880				880
526310	Printing Services		235				235
526440	Delivery Services		350				350
526500	Travel		2,366				2,366
526700	Temporary Help Services		1,200				1,200
526800	Training, Tuition, Conferences		2,959				2,959
529020	Litigation Expense		600				600
529500	Meetings		450				450
529800	Miscellaneous		200				200
	Total Materials & Services		29,998		45,394		75,392
	<u>Capital Outlay</u>						
571500	Purchases-Office Furniture & Equipment		3,600				3,600
	Total Capital Outlay		3,600				3,600
	TOTAL EXPENDITURES	6.00	481,323		45,394	6.00	526,717

SUPPORT SERVICES FUND:General Expenses

	Total Interfund Transfers		806,169				806,169
	<u>Contingency and Unappropriated Balance</u>						
599999	Contingency						
	• General		137,282		(45,394)		91,888
	• Builders License		62,987				62,987
	• Construction Services (Tri-Met Contract)		2,539				2,539
599990	Unappropriated Fund Balance-Contractors License						
	• Builders License		207,625				207,625
	• Capital Replacement Reserve		200,000				200,000
	Total Contingency and Unappropriated Balance		610,433		(45,394)		565,039
	TOTAL EXPENDITURES	81.25	7,668,704		0	82.00	7,768,704

Assumes passage of and Ordinance 94-570A

Solid Waste Revenue Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORD. NO. 94-565B	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		0		0
524190	Misc. Professional Services		45,000		(10,459)		34,541
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		(10,459)		127,030
	TOTAL EXPENDITURES	10.50	690,471		(10,459)	10.50	680,012
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		10,459		8,302,214
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		10,459		22,953,655
TOTAL S. W. REVENUE FUND EXPENDITURES		102.95	90,550,007		0	102.95	90,550,007

Exhibit A
Ordinance No. 94-565B

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807				303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495				519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,244				3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008				6,008
583610	Trans.Direct Costs to Support Svcs. Fund		28,130		45,394		73,524
583615	Trans.Direct Costs to Risk Management Fund		15,758				15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264				2,676,264
582513	Trans. Resources to Building Mgmt. Fund		55,984				55,984
582610	Trans. Resources to Support Svcs. Fund		100,000				100,000
582160	Trans. Resources to Reg. Parks/Expo Fund		560,785				560,785
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474				84,474
Total Interfund Transfers			4,353,949		45,394		4,399,343
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		399,125		(45,394)		353,731
599990	Unappropriated Fund Balance		200,000				200,000
Total Contingency and Unappropriated Balance			599,125		(45,394)		553,731
TOTAL EXPENDITURES		13.50	6,664,018	0	13.50		6,664,018

Note: This action assumes adoption of Ordinances No. 94-569, Auditor's Office, No. 94-570, implementation of the Construction Excise Tax, and No. 94-572 Greenspaces Public Awareness Plan, and No. 94-573.

Exhibit A
Ordinance No. 94-565B
SUPPORT SERVICES FUND

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICES FUND:Resources							
<u>Resources</u>							
305000	Fund Balance		398,016				398,016
321100	Contractors' License Fee		275,000				275,000
339200	Contract and Professional Services Services		98,182				98,182
361100	Interest on Investments		0				0
379000	Other Miscellaneous Revenue		0				0
391010	Trans. of Resources from General Fund-Excise Tax		100,000				100,000
391140	Trans. of Resources from Planning Fund		0				0
392010	Trans. Indirect Costs from General Fund		519,495				519,495
392120	Trans. Indirect Costs from Zoo Oper. Fund		1,178,797				1,178,797
392140	Trans. Indirect Costs from Planning Fund		1,548,361				1,548,361
392142	Trans. Indirect Costs from Plan. & Dev. Fund		0				0
392531	Trans. Indirect Costs from S.W. Revenue Fund		2,311,955				2,311,955
392550	Trans. Indirect Costs from OCC Operating Fund		419,607				419,607
392558	Trans. Indirect Costs from Conv. Ctr. Mgmt. Fund		0				0
392559	Trans. Indirect Costs from Conv. Ctr. Cap. Fund		53,053				53,053
392553	Trans. Indirect Costs from Spec. Fac. Fund		271,903				271,903
392552	Trans. Indirect Costs from Coliseum Oper. Fund		0				0
392160	Trans. Indirect Costs from Reg. Parks/Expo.Fund		405,977				405,977
393010	Trans. Direct Costs from General Fund		28,130		45,394		73,524
393140	Trans. Direct Costs from Planning Fund		0				0
393531	Trans. Direct Costs from S.W. Revenue Fund		0				0
393550	Trans. Direct Costs from OCC Operating Fund		98,838				98,838
393553	Trans. Direct Costs from Spec. Fac. Fund		61,390				61,390
393552	Trans. Direct Costs from Coliseum Oper. Fund		0				0
393559	Trans. Direct Costs from Conv. Ctr. Cap. Fund		0				0
TOTAL RESOURCES			7,768,704		45,394		7,814,098

Exhibit A
Ordinance No. 94-565B
SUPPORT SERVICES FUND

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Office of General Counsel							
	Total Personal Services	6.00	447,725			6.00	447,725
	<u>Materials & Services</u>						
521100	Office Supplies		1,494				1,494
521110	Computer Software		1,275				1,275
521111	Computer Supplies		1,150				1,150
521290	Other Supplies		215				215
521310	Subscriptions		14,887				14,887
521320	Dues		1,737				1,737
524120	Legal Fees		0		45,394		45,394
525640	Maintenance & Repairs Services-Equipment		880				880
526310	Printing Services		235				235
526440	Delivery Services		350				350
526500	Travel		2,366				2,366
526700	Temporary Help Services		1,200				1,200
526800	Training, Tuition, Conferences		2,959				2,959
529020	Litigation Expense		600				600
529500	Meetings		450				450
529800	Miscellaneous		200				200
	Total Materials & Services		29,998		45,394		75,392
	<u>Capital Outlay</u>						
571500	Purchases-Office Furniture & Equipment		3,600				3,600
	Total Capital Outlay		3,600				3,600
	TOTAL EXPENDITURES	6.00	481,323		45,394	6.00	526,717
TOTAL EXPENDITURES		81.25	7,668,704		45,394	82.00	7,814,098

Exhibit A
Ordinance No. 94-565B

Solid Waste Revenue Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORD. NO. 94-565B	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		0		0
524190	Misc. Professional Services		45,000		(10,459)		34,541
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		(10,459)		127,030
	TOTAL EXPENDITURES	10.50	690,471		(10,459)	10.50	680,012
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		10,459		8,302,214
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		10,459		22,953,655
TOTAL S. W. REVENUE FUND EXPENDITURES		102.95	90,550,007		0	102.95	90,550,007

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$~~68,262~~)
34,935 FROM THE SOLID WASTE REVENUE)
FUND CONTINGENCY TO THE)
ADMINISTRATION DIVISION MATERIALS &)
SERVICES, [~~MISC. PROFESSIONAL~~)
~~SERVICES ACCOUNT~~] LEGAL FEES LINE)
ITEM FOR THE PURPOSE OF PROVIDING)
LEGAL SERVICES REGARDING METRO)
EXECUTIVE OFFICER CONTRACTING)
AUTHORITY; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 94-565B

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$~~[68,262]~~ 34,935 from the Solid Waste Revenue Fund Contingency to the Administration Division Materials & Services, [~~Misc. Professional Services-account~~] Legal Fees line item to fund legal services for the Executive Officer in determining contract authority.

2. That the FY 1994-95 Budget will reflect a transfer of \$45,000 in the Solid Waste Revenue Fund Administration Division Materials & Services from Misc. Professional Services to the Legal Fees line item as shown in Exhibit A, to improve tracking of expenditures for Council legal expenses relating to the contract authority suit.

ORDINANCE NO. 94-565B

[2] 3. 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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

I:\BUDGET\FY94-95\BUDORD\94-565B\ORD.DOC

Exhibit A
Ordinance No. 94-565B

Solid Waste Revenue Fund

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		ORD. NO. 94-565B	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		79,935		79,935
524190	Misc. Professional Services		45,000		(45,000)		0
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		34,935		172,424
	TOTAL EXPENDITURES	10.50	690,471		34,935	10.50	725,406
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		(34,935)		8,256,820
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		(34,935)		22,908,261
TOTAL S. W. REVENUE FUND EXPENDITURES		102.95	90,550,007		0	102.95	90,550,007

Exhibit B
Ordinance No. 94-565B

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current		ORD. No. 94-565
	Appropriation	Revision	Proposed
			Appropriation
SOLID WASTE REVENUE FUND			
Administration			
Personal Services	552,982		552,982
Materials & Services	137,489	34,935	172,424
Subtotal	690,471	34,935	725,406
Budget and Finance			
Personal Services	495,560		495,560
Materials & Services	1,072,255		1,072,255
Subtotal	1,567,815		1,567,815
Operations			
Personal Services	2,362,635		2,362,635
Materials & Services	43,060,626		43,060,626
Subtotal	45,423,261		45,423,261
Engineering & Analysis			
Personal Services	723,405		723,405
Materials & Services	224,751		224,751
Subtotal	948,156		948,156
Waste Reduction			
Personal Services	557,059		557,059
Materials & Services	1,178,421		1,178,421
Subtotal	1,735,480		1,735,480
Planning and Technical Services			
Personal Services	548,384		548,384
Materials & Services	377,033		377,033
Subtotal	925,417		925,417
Recycling Information and Education			
Personal Services	377,608		377,608
Materials & Services	217,518		217,518
Subtotal	595,126		595,126

Debt Service Account			
Debt Service	2,879,579		2,879,579
Subtotal	2,879,579		2,879,579
Landfill Closure Account			
Materials & Services	6,344,000		6,344,000
Subtotal	6,344,000		6,344,000
Construction Account			
Capital Outlay	1,650,000		1,650,000
Subtotal	1,650,000		1,650,000
Renewal and Replacement Account			
Capital Outlay	149,000		149,000
Subtotal	149,000		149,000
General Account			
Capital Outlay	661,670		661,670
Subtotal	661,670		661,670
Master Project Account			
Debt Service	350,000		350,000
Subtotal	350,000		350,000
General Expenses			
Interfund Transfers	3,686,836		3,686,836
Contingency	8,291,755	(34,935)	8,256,820
Subtotal	11,978,591	(34,935)	11,943,656
Unappropriated Balance	14,651,441		14,651,441
Total Fund Requirements	90,550,007	0	90,550,007
TOTAL APPROPRIATIONS	203,772,351	203,772,351	203,772,351

All Other Appropriation Levels Remain as Previously Adopted

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-565A, AMENDING THE FY 1994-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$68,262 FROM THE SOLID WASTE REVENUE FUND CONTINGENCY TO THE ADMINISTRATION DIVISION MATERIALS & SERVICES, LEGAL FEES LINE ITEM FOR THE PURPOSE OF PROVIDING LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY, AND DECLARING AN EMERGENCY

Date: September 1, 1994

Presented by: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its August 24, 1994 meeting the Finance Committee voted 5-2 to recommend Council adoption of Ordinance No. 94-565. Voting in favor were Councilors Monroe, Kvistad, McLain, Van Bergen, and Washington. Councilors Devlin and Gardner voted in opposition. Councilor Buchanan was absent.

COMMITTEE DISCUSSION/ISSUES: Deputy Executive Officer Dick Engstrom presented the staff report. Councilor Van Bergen asked how much had been billed in this fiscal period. Mr. Engstrom said there have been no bills in FY 1994-95; bills from the previous fiscal year total some \$6,800.

Councilor Van Bergen said he supports the ordinance, but did not support placing the funds in Miscellaneous Professional Services. He said the funds for this lawsuit should be segregated from other "miscellaneous" funds. Council Administrator Don Carlson said the line item in question is also the source of funds for the Council's attorneys in this suit.

Councilor Gardner asked what would be the effect of this ordinance not being approved. Mr. Engstrom said the Executive would not have any money for legal representation in the suit. Councilor Gardner and Mr. Engstrom confirmed that there is an existing contract with Jacob Tanzer for legal services, which is limited to \$10,000; Mr. Engstrom noted that Resolution No. 94-2014 is a companion to this ordinance, which would increase the amount of that contract. Councilor Gardner asked if other funds could be made available for the Executive's legal expenses if the ordinance is not approved. Mr. Engstrom said he is aware of none.

Councilor Devlin said he opposes this ordinance and the resolution because he thinks there is a more cost-effective way to resolve the issues than by bringing this suit. He added that he will also vote against expenditures for Council's legal costs.

Councilor Gardner said he also opposes the lawsuit, and will vote against any expenditures that support it.

Councilor Van Bergen moved the ordinance, with an amendment stipulating that the \$68,262 it authorizes be placed in an account identified as "professional services account to fund legal services for the Executive Officer in determining contract authority."

Councilor Kvistad said he did not want to support the ordinance because he does not support the actions taken by the Executive Officer regarding the Oregon Waste Systems contract amendment, but he also understands that the Council has an obligation to fund the Executive's legal costs if it funds Council's legal costs.

Councilor Van Bergen said the Executive is entitled to the funds to pay her lawyer, just as the Council is entitled. He added that it is up to the court to decide the matter in question.

Councilor McLain said she supports the legislation before the committee because the issue needs resolution, and that requires the services of attorneys. She said resolution of the issue is needed to add credence to the Metro Code.

Councilor Monroe noted that although the Council disagreed with the Executive's actions, she took those actions consistent with legal advice she had received.

Councilor Washington said he supports the ordinance out of a sense of fairness, saying that the Executive deserves the opportunity for legal defense.

Chair Monroe opened a public hearing and no one testified.

Councilor Gardner said he agrees that a vote on this issue should not be interpreted as an expression of support or opposition to the Executive's actions. He said he would vote against the ordinance to express his opposition to the Council's action in initiating the litigation.

NOTE: The amendment approved by the Committee to segregate the money for legal fees into a separate account has been drafted to place the \$68,262 into line item 524120 - Legal Fees. Accounting Manager Don Cox has created a specific account number for the Executive Officer's legal fees, and another account for the Council's legal fees. The Council's account is tentatively established in the same Legal Fees line item, but will not become effective unless the Council acts to amend this ordinance to move its legal funds from Miscellaneous Professional Services to Legal Fees. Prior to this action, the Legal Fees line item had no appropriation, so any expenditures from it would be easily tracked against the appropriations for costs in this lawsuit.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$68,262)
FROM THE SOLID WASTE REVENUE FUND)
CONTINGENCY TO THE ADMINISTRATION)
DIVISION MATERIALS & SERVICES, [~~MISC.~~)
~~PROFESSIONAL SERVICES ACCOUNT~~])
LEGAL FEES LINE ITEM FOR THE PURPOSE)
OF PROVIDING LEGAL SERVICES)
REGARDING METRO EXECUTIVE OFFICER)
CONTRACTING AUTHORITY; AND)
DECLARING AN EMERGENCY)

ORDINANCE NO. 94-565A

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$68,262 from the Solid Waste Revenue Fund Contingency to the Administration Division Materials & Services, [~~Misc. Professional Services account~~] Legal Fees line item to fund legal services for the Executive Officer in determining contract authority.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

Exhibit A
Ordinance No. 94-565A
Solid Waste Revenue Fund

FISCAL YEAR 1994-95		ADOPTED BUDGET		REVISION		ORD. NO. 94-565	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		68,262		68,262
524190	Misc. Professional Services		45,000				45,000
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		68,262		205,751
	TOTAL EXPENDITURES	10.50	690,471		68,262	10.50	758,733
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		(68,262)		8,223,493
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		(68,262)		22,874,934
	TOTAL REVENUE FUND EXPENDITURES	102.95	90,550,007		0	102.95	90,550,007

**Exhibit B
Ordinance No. 94-565A**

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current		ORD. No. 94-565
	Appropriation	Revision	Proposed
			Appropriation
SOLID WASTE REVENUE FUND			
Administration			
Personal Services	552,982		552,982
Materials & Services	137,489	68,262	205,751
Subtotal	690,471	68,262	758,733
Budget and Finance			
Personal Services	495,560		495,560
Materials & Services	1,072,255		1,072,255
Subtotal	1,567,815		1,567,815
Operations			
Personal Services	2,362,635		2,362,635
Materials & Services	43,060,626		43,060,626
Subtotal	45,423,261		45,423,261
Engineering & Analysis			
Personal Services	723,405		723,405
Materials & Services	224,751		224,751
Subtotal	948,156		948,156
Waste Reduction			
Personal Services	557,059		557,059
Materials & Services	1,178,421		1,178,421
Subtotal	1,735,480		1,735,480
Planning and Technical Services			
Personal Services	548,384		548,384
Materials & Services	377,033		377,033
Subtotal	925,417		925,417
Recycling Information and Education			
Personal Services	377,608		377,608
Materials & Services	217,518		217,518
Subtotal	595,126		595,126

Debt Service Account			
Debt Service	2,879,579		2,879,579
Subtotal	2,879,579		2,879,579
Landfill Closure Account			
Materials & Services	6,344,000		6,344,000
Subtotal	6,344,000		6,344,000
Construction Account			
Capital Outlay	1,650,000		1,650,000
Subtotal	1,650,000		1,650,000
Renewal and Replacement Account			
Capital Outlay	149,000		149,000
Subtotal	149,000		149,000
General Account			
Capital Outlay	661,670		661,670
Subtotal	661,670		661,670
Master Project Account			
Debt Service	350,000		350,000
Subtotal	350,000		350,000
General Expenses			
Interfund Transfers	3,686,836		3,686,836
Contingency	8,291,755	(68,262)	8,223,493
Subtotal	11,978,591	(68,262)	11,910,329
Unappropriated Balance	14,651,441		14,651,441
Total Fund Requirements	90,550,007	0	90,550,007

All Other Appropriation Levels Remain as Previously Adopted



METRO

Date: September 8, 1994

To: Councilor George Van Bergen

From: Donald E. Carlson, Council Administrator

Re: Possible Amendment to Ordinance No. 94-565A (Legal Fees for Executive Officer)

Please find attached a copy of Ordinance No. 94-565A with a possible amendment to transfer the \$45,000 currently budgeted in the Miscellaneous Professional Services line item in the Solid Waste Revenue Fund Administration Division budget for the Council's projected legal costs to the Legal Services line item. As you know the ordinance as recommended by the Finance Committee places the requested funds for the Executive Officers projected costs in the Legal Services line item.

This proposed amendment would not provide for any additional funds than are already budgeted or requested for legal services but rather puts all the legal services funds in one line item designated for that specific purpose. Specifically, the proposed amendment adds new language in Section 2 of the Ordinance and re-numbers the old Section 2 as Section 3. Both the Executive Office and the Council Office would use the Accounting Divisions proposed coding system to keep separate accounting for the respective legal service expenses (See attached E-Mail message from Don Cox dated 8/26/94).

Please let me know if you want to propose this amendment at the September 8, 1994 Council meeting and I will make the necessary copies for Council consideration.

cc: Metro Council
Dan Cooper
Jennifer Sims

GVB 94-565A.amend

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$68,262)
FROM THE SOLID WASTE REVENUE FUND)
CONTINGENCY TO THE ADMINISTRATION)
DIVISION MATERIALS & SERVICES, [MISC.)
~~PROFESSIONAL SERVICES ACCOUNT~~)
LEGAL FEES LINE ITEM FOR THE PURPOSE)
OF PROVIDING LEGAL SERVICES)
REGARDING METRO EXECUTIVE OFFICER)
CONTRACTING AUTHORITY; AND)
DECLARING AN EMERGENCY)

ORDINANCE NO. 94-565A
Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to :
transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$68,262 from the Solid Waste Revenue Fund Contingency to the Administration Division Materials & Services, [~~Misc. Professional Services-account~~] Legal Fees line item to fund legal services for the Executive Officer in determining contract authority.

2. That \$45,000 included in the Solid Waste Operating Account, Administration Division, for legal services for the Council in determining contract authority, is hereby transferred from line item Misc. Professional Services to Legal Fees.

Ordinance No. 94-565A

[2]3. 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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

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Exhibit A
Ordinance No. 94-565A
Solid Waste Revenue Fund

FISCAL YEAR 1994-95		ADOPTED BUDGET		REVISION		ORD. NO. 94-565	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524120	Legal Fees		0		113,262		113,262
524190	Misc. Professional Services		45,000		(45,000)		0
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		68,262		205,751
	TOTAL EXPENDITURES	10.50	690,471		68,262	10.50	758,733
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		(68,262)		8,223,493
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		(68,262)		22,874,934
	TOTAL REVENUE FUND EXPENDITURES	102.95	90,550,007		0	102.95	90,550,007

**Exhibit B
Ordinance No. 94-565A**

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current		ORD. No. 94-565
	Appropriation	Revision	Proposed
			Appropriation
SOLID WASTE REVENUE FUND			
Administration			552,982
Personal Services	552,982		
Materials & Services	137,489	68,262	205,751
Subtotal	690,471	68,262	758,733
Budget and Finance			495,560
Personal Services	495,560		
Materials & Services	1,072,255		1,072,255
Subtotal	1,567,815		1,567,815
Operations			2,362,635
Personal Services	2,362,635		
Materials & Services	43,060,626		43,060,626
Subtotal	45,423,261		45,423,261
Engineering & Analysis			723,405
Personal Services	723,405		
Materials & Services	224,751		224,751
Subtotal	948,156		948,156
Waste Reduction			557,059
Personal Services	557,059		
Materials & Services	1,178,421		1,178,421
Subtotal	1,735,480		1,735,480
Planning and Technical Services			548,384
Personal Services	548,384		
Materials & Services	377,033		377,033
Subtotal	925,417		925,417
Recycling Information and Education			377,608
Personal Services	377,608		
Materials & Services	217,518		217,518
Subtotal	595,126		595,126

Debt Service Account			
Debt Service	2,879,579		2,879,579
Subtotal	2,879,579		2,879,579
Landfill Closure Account			
Materials & Services	6,344,000		6,344,000
Subtotal	6,344,000		6,344,000
Construction Account			
Capital Outlay	1,650,000		1,650,000
Subtotal	1,650,000		1,650,000
Renewal and Replacement Account			
Capital Outlay	149,000		149,000
Subtotal	149,000		149,000
General Account			
Capital Outlay	661,670		661,670
Subtotal	661,670		661,670
Master Project Account			
Debt Service	350,000		350,000
Subtotal	350,000		350,000
General Expenses			
Interfund Transfers	3,686,836		3,686,836
Contingency	8,291,755	(68,262)	8,223,493
Subtotal	11,978,591	(68,262)	11,910,329
Unappropriated Balance	14,651,441		14,651,441
Total Fund Requirements	90,550,007	0	90,550,007

All Other Appropriation Levels Remain as Previously Adopted

From: Don Cox (DON COX)
To: Dick Engstrom, Roosevelt Carter, Don Carlson
Date: Friday, August 26, 1994 12:07 pm
Subject: Coding of Legal Fees

As you know, coding of legal fees was discussed in the Finance Committee Wednesday evening. As a result of these conversations the following account numbers can be used to accomplish the task:

Object Code: 524120 Legal Fees
Project Codes: 29200 Legal Services - Council - Harrang, Long, Gary
29300 Legal Services - Executive - Tanzer

I trust this will help. Let me know if you have questions.

CC: Jennifer Sims, Craig Prosser, Kathy Rutkowski

STAFF REPORT

IN CONSIDERATION OF:

RESOLUTION NO. 94-2014 FOR THE PURPOSE OF AMENDING A CONTRACT WITH JACOB TANZER FOR LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY, AND;

ORDINANCE NO. 94-565 AMENDING THE FY 94-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$68,262 FROM THE SOLID WASTE REVENUE FUND CONTINGENCY TO THE ADMINISTRATION DIVISION MATERIALS & SERVICES, MISC. PROFESSIONAL SERVICES ACCOUNT FOR THE PURPOSE OF PROVIDING LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY; AND DECLARING AN EMERGENCY.

Date: August 28, 1994

Presented by: Dick Engstrom

FACTUAL BACKGROUND AND ANALYSIS

The Metro Council approved Resolution No. 94-1973 on June 9, 1994, directing special legal counsel to initiate litigation to obtain a judicial declaration as to the validity of Amendment No. 4 to the contract between Metro and Oregon Waste Systems, Inc. executed by the Metro Executive Officer on March 16, 1994. The Metro Council approved Resolution No. 94-1994 increasing the maximum authorized payment on the contract with special legal counsel of Harrang Long Gary Rudnick, P.C., to \$75,000.

At the request of the Executive Officer, Metro General Counsel entered into a contract with Jacob Tanzer to provide legal services for the Executive Officer in defending her actions in executing Amendment No. 4 to the contract between Metro and Oregon Waste Systems, Inc.

Resolution No. 94-2014 authorizes an increase in the maximum authorized payment on the contract with special legal counsel Tanzer to \$75,000; amends the Scope of Work of the contract; and exempts the contract amendment from the competitive procurement procedures of Section 2.04.053 of the Metro Code. The amendment to the scope of work provides, "The Contractor shall advise the Executive Officer regarding any proceedings for a judicial declaration as to the validity of Amendment No. 4 to the Contract between Metro and Oregon Waste Systems, Inc. executed by the Executive Officer on March 16, 1994; and the Contractor shall represent the Metro Executive Officer in such proceeding at the trial level."

Six thousand seven hundred and thirty eight dollars were spent on this contract in FY 1993-94. This ordinance amends the FY 1994-95 Solid Waste budget and appropriations schedule by transferring \$68,262 from the Solid Waste Revenue Fund contingency to the Administration Division Misc. Professional Services account from which this contract will be paid. Contract expenses are being incurred in both FY 1993-94 and FY 1994-95. The \$68,262 transfer will provide funds for payments made in FY 1994-95 and total maximum funding of \$75,000 for the contract.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution 94-2014.
The Executive Officer recommends approval of Ordinance No. 94-565 and declaring an emergency.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$68,262)
FROM THE SOLID WASTE REVENUE FUND)
CONTINGENCY TO THE ADMINISTRATION)
DIVISION MATERIALS & SERVICES, MISC.)
PROFESSIONAL SERVICES ACCOUNT FOR)
THE PURPOSE OF PROVIDING LEGAL)
SERVICES REGARDING METRO EXECUTIVE)
OFFICER CONTRACTING AUTHORITY; AND)
DECLARING AN EMERGENCY)

ORDINANCE NO. 94-565

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 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 the FY 1994-95 Budget and 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 \$68,262 from the Solid Waste Revenue Fund Contingency to the Administration Division Materials & Services Misc. Professional Services account to fund legal services for the Executive Officer in determining contract authority.

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.

ATTEST:

Ed Washington, Deputy Presiding Officer

Clerk of Council

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Exhibit A
Ordinance No. 94-565
Solid Waste Revenue Fund

FISCAL YEAR 1994-95		ADOPTED BUDGET		REVISION		ORD. NO. 94-565	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Operating Account (Administration)							
	Total Personal Services	10.50	552,982			10.50	552,982
	<u>Materials & Services</u>						
521100	Office Supplies		21,565				21,565
521260	Printing Supplies		5,974				5,974
521293	Promotion Supplies		650				650
521310	Subscriptions		8,193				8,193
521320	Dues		2,725				2,725
521540	Maintenance & Repairs Supplies-Equipment		490				490
524190	Misc. Professional Services		45,000		68,262		113,262
525640	Maintenance & Repairs Services-Equipment		1,414				1,414
525710	Equipment Rental		1,030				1,030
526200	Ads & Legal Notices		1,715				1,715
526310	Printing Services		9,075				9,075
526410	Telephone		8,034				8,034
526420	Postage		310				310
526440	Delivery Service		1,895				1,895
526500	Travel		6,222				6,222
526510	Mileage Reimbursement		672				672
526700	Temporary Help Services		12,855				12,855
526800	Training, Tuition, Conferences		6,570				6,570
529500	Meetings		1,600				1,600
529800	Miscellaneous		1,500				1,500
	Total Materials & Services		137,489		68,262		205,751
	TOTAL EXPENDITURES	10.50	690,471		68,262	10.50	758,733
General Expenses							
	Total Interfund Transfers		3,686,836				3,686,836
599999	Contingency		8,291,755		(68,262)		8,223,493
599990	Unappropriated Fund Balance		14,651,441				14,651,441
	Total Contingency and Unappropriated Balance		22,943,196		(68,262)		22,874,934
	TOTAL REVENUE FUND EXPENDITURES	102.95	90,550,007		0	102.95	90,550,007

Debt Service Account			
Debt Service	2,879,579		2,879,579
Subtotal	2,879,579		2,879,579
Landfill Closure Account			
Materials & Services	6,344,000		6,344,000
Subtotal	6,344,000		6,344,000
Construction Account			
Capital Outlay	1,650,000		1,650,000
Subtotal	1,650,000		1,650,000
Renewal and Replacement Account			
Capital Outlay	149,000		149,000
Subtotal	149,000		149,000
General Account			
Capital Outlay	661,670		661,670
Subtotal	661,670		661,670
Master Project Account			
Debt Service	350,000		350,000
Subtotal	350,000		350,000
General Expenses			
Interfund Transfers	3,686,836		3,686,836
Contingency	8,291,755	(68,262)	8,223,493
Subtotal	11,978,591	(68,262)	11,910,329
Unappropriated Balance	14,651,441		14,651,441
Total Fund Requirements	90,550,007	0	90,550,007

All Other Appropriation Levels Remain as Previously Adopted

**Exhibit B
Ordinance No. 94-565A**

FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	ORD. No. 94-565 Proposed Appropriation
SOLID WASTE REVENUE FUND			
Administration			
Personal Services	552,982		552,982
Materials & Services	137,489	68,262	205,751
Subtotal	690,471	68,262	758,733
Budget and Finance			
Personal Services	495,560		495,560
Materials & Services	1,072,255		1,072,255
Subtotal	1,567,815		1,567,815
Operations			
Personal Services	2,362,635		2,362,635
Materials & Services	43,060,626		43,060,626
Subtotal	45,423,261		45,423,261
Engineering & Analysis			
Personal Services	723,405		723,405
Materials & Services	224,751		224,751
Subtotal	948,156		948,156
Waste Reduction			
Personal Services	557,059		557,059
Materials & Services	1,178,421		1,178,421
Subtotal	1,735,480		1,735,480
Planning and Technical Services			
Personal Services	548,384		548,384
Materials & Services	377,033		377,033
Subtotal	925,417		925,417
Recycling Information and Education			
Personal Services	377,608		377,608
Materials & Services	217,518		217,518
Subtotal	595,126		595,126

AGENDA ITEM NO. 6.5
Meeting Date: September 22, 1994

ORDINANCE NO. 94-567

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 94-567, FOR THE PURPOSE OF GRANTING A FRANCHISE TO WILLAMETTE RESOURCES INC. FOR THE PURPOSE OF OPERATING A SOLID WASTE PROCESSING FACILITY

Date: September 14, 1994

Presented by: Councilor McLain

Committee Recommendation: At the September 13 meeting, the Committee voted 4-1 to recommend Council adoption of Ordinance No. 94-567. Voting in favor: Councilors Buchanan, Hansen, McLain, and Monroe. Voting No: Councilor McFarland. Councilor Wyers was absent.

Committee Issues/Discussion: The purpose of this ordinance is to approve a franchise for Willamette Resources Inc. (WRI) to operate a "pick-and-sort" recycling processing facility on the same site that would have been used for the WRI- proposed Wilsonville Transfer Station.

Roosevelt Carter, Solid Waste Budget and Finance Manager, summarized factual background information on the proposed facility contained in the staff report and reviewed the major provisions of the proposed franchise. He noted that the facility would be authorized to process up to 35,000 tons of dry, non-putrescible waste and source-separated materials annually. Initially, it is anticipated that the facility will annually handle about 20,000 tons of commercial, industrial, construction, demolition and other dry wastes primarily from firms with a corporate affiliation with WRI (United Disposal Service and Keller Drop Box).

The terms of the franchise require that WRI achieve a 45% recycling rate by its eighth month of operation, based on a three-month rolling average. Source-separated materials received at the facility would not be counted as recycled material.

Staff estimates that initially about 4,000 tons of material would come from material currently sent to the Lakeside (Grabhorn) Reclamation facility and that about 16,000 would be diverted from Metro South Station. The negative effect on the Lakeside facility would be offset through WRI's use of Lakeside for final disposal of an estimated 11,000 of residual material from the WRI facility. At its initial operating tonnage, staff estimates that Metro will lose about \$275,000 in revenue annually, including about \$7,000 in excise tax revenues. If the facility were to operate at its maximum permitted capacity, Metro's lost revenue would increase to an estimated \$520,000 annually. Staff estimates that operation of the facility will result in the recycling of about 7,760 additional tons of material.

Carter explained that the franchise contains two variances from existing Metro Code provisions. First, an exemption from Metro's

ratesetting authority would be granted. Historically, Metro has not chosen to exercise its ratesetting authority with recycling processing facilities. Rates charged at such facilities are driven by rapidly changing prices in the recycling marketplace and delays resulting from the need to go through a ratesetting process at Metro would put such facilities at a competitive disadvantage.

The second Code variance relates to a request from WRI that it be allowed to accept material from haulers and others not directly associated with WRI. Metro Code Section 5.01.120(1) was adopted to reduce the potential for "vertical integration" within the system by prohibiting franchisees who operate facilities from having an interest in any hauling business. The Code does permit such franchisees to process that the franchisee collects. WRI contends that other similar processing facilities are not located in the southern portion of the region and that providing its services to haulers and others in this area will encourage recycling of additional material. WRI estimates that only five percent of the material processed at the facility will come from outside sources.

Merle Irvine, WRI, testified in favor of the ordinance. He noted that the Council had passed a resolution calling for the annual diversion of up to 60,000 tons of material from Metro South. The diversion of 16,000 tons annually to the proposed WRI facility would help meet this goal. He noted that most of the recycling processing capacity is in the northern portion of the region. The WRI facility will make it easier for haulers in the southern portion of the region to recycle. He contended that the facility also will offer recycling opportunities to smaller haulers that do not have sufficient volume to operate their own processing facilities.

He argued that the existing Code provisions related to vertical integration were established to insure that facility operators did not discriminate or charge higher disposal rates to non-affiliated facility users. He contended that such a prohibition is outmoded for processing facilities due to increased competition among facilities and specific provisions in the franchise that prohibit rate discrimination.

Councilor McFarland expressed several concerns about the proposed franchise. She noted that granting the code variance to allow WRI to receive materials from others constituted a major change in policy, particularly if future applicants for similar types of facilities also receive a variance. She argued that the effects of such a policy change on the entire system should be reviewed prior to making such a change. Roosevelt Carter responded that some of these issues will be addressed in a revised franchise code that will be submitted for Council review prior to the end of the year.

Councilor McFarland also expressed concern about the fiscal impact of the facility on Metro revenues. She noted that as more facilities of this type are granted franchises the cumulative effect on revenues and the operation of existing transfer stations

will be significant.

Councilors Hansen, McLain and Buchanan spoke in favor of the ordinance. McLain noted her support for any facility that would provide additional recycling opportunities and that the proposed facility would fill a need for a processing facility in the southern portion of the region. Hansen noted that WRI had met all existing franchising requirements and that approval should be granted.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF GRANTING)	ORDINANCE NO. 94-567
A FRANCHISE TO WILLAMETTE)	
RESOURCES INC. FOR THE PURPOSE)	INTRODUCED BY
OF OPERATING A SOLID WASTE)	RENA CUSMA,
PROCESSING FACILITY)	EXECUTIVE OFFICER

WHEREAS, Section 5.01.030 of the Metro Code requires a Metro franchise for any person to own or operate a facility for the processing of solid waste; and,

WHEREAS, Willamette Resources, Inc. (WRI) has applied for a non-exclusive franchise to operate a facility for processing of non-putrescible mixed solid waste and commercial, industrial, construction and demolition debris at Wilsonville, Oregon; and

WHEREAS, WRI has submitted evidence of compliance with Metro Code Section 5.01.060 requirements for franchise applications and operational plans; and

WHEREAS, The WRI facility will provide disposal services to affiliate company haulers and to other commercial haulers and contractors; and,

WHEREAS, Metro Code Section 5.01.110 of the Metro Code provides for the ability of the Metro Council to grant variances pursuant to the criteria contained therein; and

WHEREAS, WRI has requested a variance from Metro rate setting requirements as detailed in the staff report to this ordinance, and,

WHEREAS, WRI has requested a variance from the restriction on service to non-affiliated company haulers as detailed in the Staff Report in this Ordinance, and,

WHEREAS, The appropriate amount of a surety bond or conditional lien to be provided by the franchisee is determined to be \$100,000, and,

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the Metro Council authorizes the Metro Executive Officer to enter into the attached Franchise Agreement (Exhibit A) with WRI within ten (10) days of the adoption of this Ordinance.
2. That WRI shall be granted a variance from Metro rate setting as permitted under Section 5.01.110 of the Metro Code.
3. That WRI shall be granted a variance from the restriction on service to non-affiliated company haulers in Metro Code Section 501.120(I).

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

Ed Washington, Deputy Presiding Officer

EXHIBIT A
TO ORDINANCE NO. 94-567

SOLID WASTE FRANCHISE
issued by
METRO
600 NE Grand Avenue
Portland, Oregon 97232-2736
(503) 797-1700

FRANCHISE NUMBER: 16

DATE ISSUED: Actual Issue Date

AMENDMENT DATE: N/A

EXPIRATION DATE: _____

ISSUED TO: WILLAMETTE RESOURCES, INC. (WRI)

NAME OF FACILITY: WILLAMETTE RESOURCES, INC. (WRI)

ADDRESS: 2215 North Front Street, WOODBURN, OR 97071

LEGAL DESCRIPTION: SEE ATTACHED

CITY, STATE, ZIP: Wilsonville, Oregon 97071

NAME OF OPERATOR: WILLAMETTE RESOURCES, INC.

PERSON IN CHARGE: MERLE IRVINE

ADDRESS: 2215 NORTH FRONT STREET

CITY, STATE, ZIP: Woodburn, OR 97071

TELEPHONE NUMBER: (503) 222-6565

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FRANCHISE AGREEMENT

This Franchise is issued by Metro, a municipal corporation organized under ORS chapter 268, referred to herein as "Metro," to Willamette Resources, Inc. (WRI), referred to herein as "Franchisee."

In recognition of the promises made by Franchisee as specified herein, Metro issues this Franchise, subject to the following terms and conditions:

1. DEFINITIONS

As used in this Franchise:

- 1.1 "Code" means the Code of Metro.
- 1.2 "DEQ" means the Department of Environmental Quality of the State of Oregon.
- 1.3 "Executive Officer" means the Executive Officer of Metro or the Executive Officer's designee.
- 1.4 "Facility" means the facility described in section 3 of this Franchise.
- 1.5 "Processing Facility" means a place or piece of equipment where or by which solid wastes are processed. This definition does not include commercial and home garbage disposal units, which are used to process food wastes and are part of the sewage system, hospital incinerations, crematoriums, paper shredders in commercial establishments, or equipment used by a recycling drop center.

2. TERM OF FRANCHISE

This Franchise is issued for a term of five years from the date signed by Metro and the Franchisee, following approval by the Metro Council.

3. LOCATION OF FACILITY

- 3.1 The franchised Facility is located near intersection of Ridder Road and Garden Acres Road, Wilsonville, Oregon. Attached as Exhibit 1 to this agreement is the legal description of the facility property.

4. OPERATOR, AND OWNER OF FACILITY AND PROPERTY

- 4.1 The owner of the Facility is WILLAMETTE RESOURCES, INC. Franchisee shall submit to Metro any changes in ownership of the Facility in excess of five percent of ownership, or any change in partners if a partnership, within 10 days of the change.
- 4.2 The owner of the property underlying the Facility is Peltier Real Estate Company. If Franchisee is not the owner of the underlying property, Franchisee warrants that owner has consented to Franchisee's use of the property as described in this Franchise.
- 4.3 The operator of the Facility is Willamette Resources, Inc. Franchisee may contract with another person or entity to operate the Facility only upon ninety (90) days prior written notice to Metro and the written approval of the Executive Officer, which approval shall not be unreasonably withheld. Franchisee shall retain primary responsibility for compliance with this Franchise.

5. AUTHORIZED AND PROHIBITED SOLID WASTES

- 5.1 Franchisee is authorized to accept all such materials authorized by its DEQ Solid Waste Disposal Permit. The authorized materials include commercial, industrial, construction and demolition materials such as wood, corrugated cardboard, metals, sheetrock, plastics, rock and concrete, but specifically excluding any putrescible solid waste. After discharge to the tipping floor, a loader with a specially equipped bucket will spread the load for visual inspection and floor sorting. The remaining material will be pushed onto a feed conveyor that will move the materials to the conveyor processing system.
- 5.2 All vehicles and devices transferring or transporting solid waste via public roads shall be constructed, maintained, and operated to prevent leaking, sifting, spilling, or blowing of solid waste while in transit.
- 5.3 This Franchise limits the amount of solid waste that may be processed each year at the Facility to 35,000 tons. Any increases in the yearly tonnage limitations shall be approved by Metro. Franchisee may process the amount of solid waste that the Facility is capable of processing consistent with applicable law, the terms of this Franchise and its permits and licenses.
- 5.4 Consistent with DEQ directives, Franchisee shall establish and follow procedures for determining what materials will be accepted at the Facility. The procedures must include a testing regimen sufficient to prevent hazardous or otherwise unacceptable materials from entering the Facility. These procedures shall be described in writing and submitted to Metro prior to any waste being accepted.

- 5.5 Franchisee may accept loads from its own affiliated hauling companies and other non-affiliated commercial haulers and contractors per the variance from the Metro Code granted in Ordinance No. 94-567.

6. MINIMUM MONITORING AND REPORTING REQUIREMENTS

- 6.1 Franchisee shall effectively monitor Facility operation and maintain accurate records of the following information:
1. Franchisee Record Number (should be the same as the ticket number on the weight slips).
 2. Incoming Hauler Account Number (on a semi-annual basis, provide Metro with a computer listing that cross-references this account number with the hauling company's name and address).
 3. Name, Address and Phone Number (or a unique number which is cross referenced to applicable names, addresses and phone numbers) of firms receiving recyclables, inerts, and residue from the facility.
 4. Code Designating whether the load is:

incoming source-separated waste	(Code 1)
mixed waste	(Code 2)
outgoing recyclables	(Code 3)
outgoing inerts	(Code 4)
outgoing residue	(Code 5)
outgoing beneficial use	(Code 6)
outgoing landfill cover	(Code 7)
 5. Date the Load was Received at or transmitted from your facility.
 6. Time the load was received at or transmitted from your facility.
 7. Material Type. Either spell out the type of material in the load or provide a code and a cross-reference listing of codes to material types.
 8. Accept or Reject (indicate whether you accepted or rejected the load).

9. Inside or Outside Metro (indicate whether the load originated from inside or outside the Metro boundary) using the following origin codes:

Multnomah County - In Metro
Multnomah County - Out Metro
Clackamas County - In Metro
Oregon - Outside tri-county region
Outside the state of Oregon

Washington County - In Metro
Washington County - Out Metro
Clackamas County - Out Metro

10. Net Weight of the Load.

11. Fee (the fee charged the hauler for the load).

- 6.2 Records required under section 6.1 shall be reported to Metro no later than fifteen (15) days following the end of each month, in the format prescribed by Metro. Transaction data shall be in electronic form compatible with Metro's data processing equipment. A cover letter shall accompany the data which certifies the accuracy of the data and signed by an authorized representative of franchisee. The hard copy of the report shall be signed and certified as accurate by an authorized representative of Franchisee.
- 6.3 Franchisee shall maintain complete and accurate records directly related to the Facility of rates charged for mixed material received, incoming and outgoing tonnages, source separated and mixed incoming materials, markets receiving recovered materials and disposal facilities receiving residue from the Facility. These records shall be made available to Metro on request. In the event of any conflict between the provisions of 6.3 and 6.1, the provisions of 6.1 shall prevail.
- 6.4 The Franchisee shall file an Annual Operating Report on or before each anniversary date of the Franchise, detailing the previous year operation of the Facility as outlined in this Franchise.
- 6.5 The Franchisee shall submit to Metro duplicate copies of any regulatory matters pertaining to the Facility, within 30 days of filing with regulatory agency.
- 6.6 Authorized representatives of Metro shall be permitted to inspect information from which all required reports are derived during normal working hours or at other reasonable times with 24-hour notice. Metro's right to inspect shall include the right to review, at an office of Franchisee located in the Portland metropolitan area, all books, records, maps, plans, and other like materials of the Franchisee that are directly related to the operation of the Franchisee.
- 6.7 Fees and charges shall be charged on the basis of tons of waste received. Either a mechanical or automatic scale approved by the National Bureau of Standards and State of Oregon may be used for weighing waste.

- 6.8 Where a fee or charge is levied and collected on an accounts receivable basis, pre-numbered tickets shall be used in numerical sequence. The numbers of the tickets shall be accounted for daily and any voided or canceled tickets shall be retained.

7. OPERATIONAL REQUIREMENTS

- 7.1 A copy of this Franchise shall be displayed where it can be readily referred to by operating personnel.
- 7.2 If a breakdown of equipment, fire, or other occurrence results in a violation of any conditions of this Franchise or of the Metro Code, the Franchisee shall:
- (a) Immediately notify Metro so that an investigation can be made to evaluate the impact and the corrective actions taken and determine additional action that must be taken.
 - (b) Take immediate action to correct the unauthorized condition or operation.
 - (c) Prepare a report describing all operational irregularities, accidents, and incidents of non-compliance and provide a copy of such report to Metro within ten (10) days of occurrence or sooner if circumstances warrant notification to Metro.
- 7.3 If the Processing Facility is to be closed at least 120 days or permanently, Franchisee shall provide Metro with written notice, at least ninety (90) days prior to closure, of the proposed time schedule and closure procedures.
- 7.4 Franchisee shall provide a staff that is qualified to operate the Facility in compliance with this Franchise and to carry out the reporting functions required by this Franchise.
- 7.5 Recovery Requirements:
- (a) A minimum recovery rate of 45 percent must be maintained at the facility. The recovery rate will be calculated by use of a three month rolling average. (Example: March's recovery rate will be the average of months January, February and March; April's recovery rate will be the average of February, March and April, *etc.*). The ratio of tons recovered from tons received will constitute the recovery rate for the relevant time period. A more specific explanation of the calculations is shown in EXHIBIT 2.
 - (b) A ninety (90) day (three month) grace period for shakedown and operational testing will precede the commencement of official measurement of the recovery rate and imposition of phased in penalties for failure to achieve designated recovery rates. The full 45 percent recovery rate must be attained in the eighth

month following commencement of operations. Months four and five will be phased-in recovery rates of 35 percent and 40 percent with both months a stand alone average. By illustration, the franchise obligations for material recovery are as follows:

Commencement of Operations	Recovery Rate Required
Month 1	-0-
Month 2	-0-
Month 3	-0-
Month 4	35% (stand alone)
Month 5	40% (stand alone)
Month 6	40% (3-mth average)
Month 7	43.3% (3-mth average)
Month 8	45% (3-mth average)

- (c) For each percentage point below the specified recovery rate of 45 percent (or 35 percent and 40 percent for months four and five) WRI will pay to Metro a penalty in an amount equal to the current Metro Regional User Fee plus \$2.00 per ton for all tons representing the recovery tonnage shortfall for each percentage point below the specified recovery rate of 45 percent. (Example: If 1,000 tons were processed in a month with a three month average recovery rate of 42.3%, the penalty would equal: (1,000 tons) (0.450 - 0.423) ((\$17.50 + (45.0 - 42.3) (\$2.00)) = \$618.30. Annually, as of July 1 (or the effective date of any new Metro User Fee rate) the penalty will be adjusted to the then current Regional User Fee, and the \$2.00 per ton incremental penalty rate will be indexed to reflect the current ratio of 17.5:2.

8. ANNUAL FRANCHISE FEES

Franchisee shall pay an annual franchise fee, as established under Metro Code Section 5.03.030. The fee shall be delivered to Metro within 30 days of the effective date of this Franchise and each year thereafter.

9. INSURANCE

- 9.1 Franchisee shall purchase and maintain the following types of insurance, covering Franchisee, its employees, and agents:

- (a) Broad form comprehensive general liability insurance covering personal injury, property damage, and personal injury with automatic coverage for premises, operations, and product liability. The policy must be endorsed with contractual liability coverage; and

(b) Automobile bodily injury and property damage liability insurance.

- 9.2 Insurance coverage shall be a minimum of \$500,000 per occurrence, \$100,000 per person, and \$50,000 property damage. If coverage is written with an annual aggregate limit, the aggregate limit shall not be less than \$1,000,000.
- 9.3 Metro, its elected officials, departments, employees, and agents shall be named as **ADDITIONAL INSUREDS**. Notice of any material change or policy cancellation shall be provided to Metro 30 days prior to the change or cancellation.
- 9.4 Franchisee, its contractors, if any, and all employers working under this Franchise are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide Workers' Compensation coverage for all their subject workers. Franchisee shall provide Metro with certification of Workers' Compensation insurance including employer's liability.

10. INDEMNIFICATION

Franchisee shall indemnify and hold METRO, its agents, employees, and elected officials 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 Franchisee's performance under this Franchise, including patent infringement and any claims or disputes involving subcontractors.

10.1 SURETY BOND OR CONDITIONAL LIEN

Franchisee shall provide a surety bond in the amount of One Hundred Thousand Dollars (\$100,000), or at its option provide a conditional lien on the franchise property in a form satisfactory to Metro.

11. COMPLIANCE WITH LAW

Franchisee shall fully comply with all federal, state, regional and local laws, rules, regulations, ordinances, orders and permits pertaining in any manner to this Franchise. All conditions imposed on the operation of the Facility by federal, state or local governments or agencies having jurisdiction over the Facility are part of this Franchise by reference as if specifically set forth herein. Such conditions and permits include those attached as exhibits to this Franchise, as well as any existing at the time of issuance of this Franchise and not attached, and permits or conditions issued or modified during the term of this Franchise.

12. METRO ENFORCEMENT AUTHORITY

- 12.1 The Executive Officer may, upon sixty (60) days prior written notice, direct solid waste away from the Franchisee or limit the type of solid waste that the Franchisee may receive. Such action, or other necessary steps, may be taken to abate a nuisance arising from operation of the Facility or to carry out other public policy objectives. Upon receiving such notice, the Franchisee shall have the right to a contested case hearing pursuant to Code Chapter 2.05. A request for a hearing shall not stay action by the Executive Officer. Prior notice shall not be required if the Executive Officer finds that there is an immediate and serious danger to the public or that a health hazard or public nuisance would be created by a delay.
- 12.2 Authorized representatives of Metro shall be permitted access to the premises of the Facility at all reasonable times for the purpose of making inspections and carrying out other necessary functions related to this Franchise. Access to inspect is authorized:
- (a) During all working hours;
 - (b) At other reasonable times with notice; and
 - (c) At any time without notice when, in the opinion of the Metro Solid Waste Department Director, such notice would defeat the purpose of the entry.
- 12.3 The power and right to regulate, in the public interest, the exercise of the privileges granted by this Franchise shall at all times be vested in Metro. Metro reserves the right to establish or amend rules, regulations or standards regarding matters within Metro's authority, and to enforce all such legal requirements against Franchisee.

13. DISPOSAL RATES AND FEES

- 13.1 In accordance with the Metro Code, this Facility shall be exempt from Metro rate setting.
- 13.2 Franchisee is exempted from collecting and remitting Metro Fees on waste received at the Facility in conformance with this Agreement. Franchisee is fully responsible for paying all costs associated with disposal (including Metro User Fees and Excise Taxes) of residual material generated at the Facility. If Franchisee obtains authorization to dispose of residual material at a facility that has not been "Designated" by Metro, Franchisee shall remit to Metro the Tier 1 (one) User Fee on all waste disposed of at the non-designated facility as well as applicable Excise Taxes.
- 13.3 Disposal of residue shall be at a designated facility under the Metro Code or under authority of a non-system license issued by Metro.

- 13.4 Franchisee shall establish uniform rates to be charged for all loads accepted at the Facility. To minimize potential customer conflicts regarding the recoverability of loads, the Franchisee shall minimize the number of rate categories and shall not change the rates during an operating day. Franchisee shall establish objective criteria and standards for acceptance of loads. The Franchisee shall submit these standards, criteria and an appeals procedure to Metro for Metro approval prior to operation of the Facility. Metro approval shall not be unreasonably withheld.

14. REVOCATION

- 14.1 This Franchise may be revoked at any time for any violation of the conditions of this Franchise or the Metro Code. This Franchise does not relieve Franchisee from responsibility for compliance with ORS chapter 459, or other applicable federal, state or local statutes, rules, regulations, codes, ordinances, or standards.
- 14.2 This Franchise Agreement is subject to suspension, modification, revocation, or nonrenewable upon finding that:
- (a) The Franchisee has violated the terms of this Franchise, the Metro Code, ORS chapter 459, or the rules promulgated thereunder or any other applicable law or regulation; or
 - (b) The Franchisee has misrepresented material facts or information in the Franchise Application, Annual Operating Report, or other information required to be submitted to Metro; or
 - (c) The Franchisee has refused to provide adequate service at the Facility, after written notification and reasonable opportunity to do so; or
 - (d) There has been a significant change in the quantity or character of solid waste received at the Facility, the method of processing solid waste at the Facility, or available methods of processing such waste.

15. GENERAL CONDITIONS

- 15.1 Franchisee shall be responsible for ensuring that its contractors and agents operate in complete compliance with the terms and conditions of this Franchise.
- 15.2 The granting of this Franchise shall not vest any right or privilege in the Franchisee to receive specific quantities of solid waste during the term of the Franchise.
- 15.3 This Franchise may not be transferred or assigned without the prior written approval of Metro.

- 15.4 To be effective, a waiver of any term or condition of this Franchise must be in writing, signed by the Executive Officer. Waiver of a term or condition of this Franchise shall not waive nor prejudice Metro's right otherwise to require performance of the same term or condition or any other term or condition.
- 15.5 This Franchise shall be construed, applied, and enforced in accordance with the laws of the State of Oregon.
- 15.6 If any provision of the Franchise shall be invalid, illegal, or unenforceable in any respect, the validity of the remaining provisions contained in this Franchise shall not be affected.

16. NOTICES

- 16.1 All notices required to be given to the Franchisee under this Franchise shall be delivered to:

Merle Irvine, Vice President
Willamette Resources, Inc.
2215 North Front Street
Woodburn, OR 97071

- 16.2 All notices required to be given to Metro under this Franchise shall be delivered to:

Solid Waste Director
Solid Waste Department
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

- 16.3 Notices shall be in writing, effective when delivered, or if mailed, effective on the second day after mailed, postage prepaid, to the address for the party stated in this Franchise, or to such other address as a party may specify by notice to the other.

Facility Owner or
Owner's Representative

Rena Cusma, Executive Officer
Metro

Date: _____

Date: _____

EXHIBIT 1

Legal Description
United Disposal Service
Parcel One

A tract of land located in the Southwest one-quarter of Section 2, Township 3 South, Range 1 West, Willamette Meridian, City of Wilsonville, Washington County, Oregon, being more particularly described as follows:

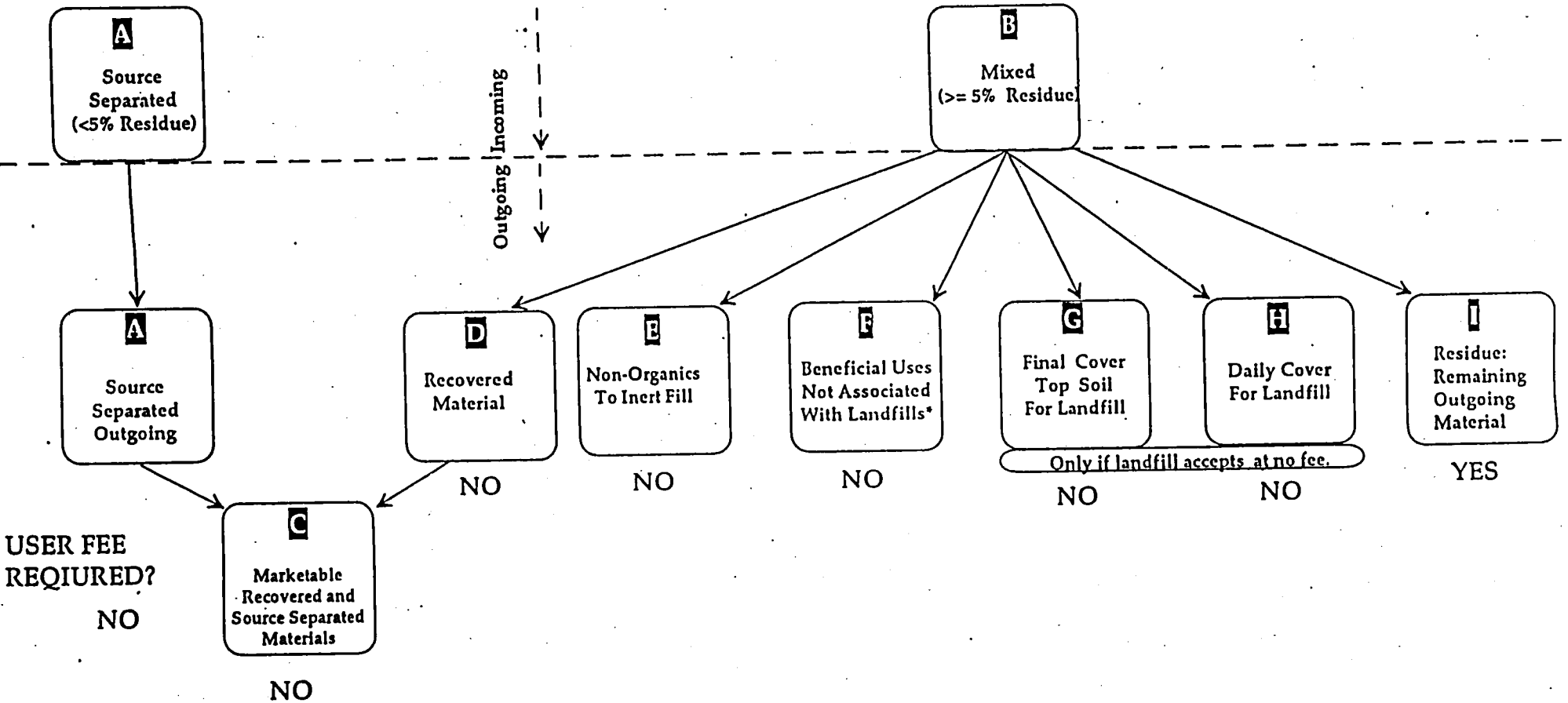
Commencing at the Southwest corner of said Section 2; thence along the West line of said section North 0°18'35" West 661.21 feet; thence North 89°28'37" West 1119.74 feet to a 3-1/2" brass disk stamped "BONNEVILLE POWER ADMINISTRATION", said brass disk being the point of beginning; thence South 0°20'02" East 631.29 feet; thence South 89°28'53" West 420.49 feet; thence along the arc of a curve to the right 416.74 feet, whose radius equals 600.00 feet, whose central angle equals 39°47'44" and whose chord bears North 70°37'15" West 408.41 feet; thence North 0°20'02" West 162.25 feet; thence North 89°28'53" East 250.00 feet; thence North 0°29'02" West 330.00 feet; thence North 89°28;37" East 555.00 feet to the point of beginning.

Contains 9.38 acres, more or less.

PN:clk
NORTFRANCHIS\WRI.FRN
08/16/94 11:41:24 AM

Exhibit 2

Metro's Existing Policy For Assessing Fees And Computing Recovery Rates



Note that additional fees may be charged as penalties for not achieving 45% recovery percentage.

Equation For Calculating Recovery Rate =

$$= \frac{\text{Marketable Recovered and Source Separated Materials} \text{ minus } .95 \text{ Source Separated Materials}}{\text{Mixed Incoming minus (Non-Organics To Inert Landfill + Beneficial Other Than At Landfills)*}}$$

$$= \frac{C - .95A}{B - (E+F*)}$$

Beneficial Uses Must Meet With Prior Metro Approval

*If approved by Metro in advance.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 94-567 FOR THE PURPOSE OF GRANTING A FRANCHISE TO WILLAMETTE RESOURCES, INC. FOR THE PURPOSE OF OPERATING A SOLID WASTE PROCESSING FACILITY

Date: August 12, 1994

Presented by: Bob Martin
Roosevelt Carter

FACTUAL BACKGROUND AND ANALYSIS

The purpose of this report is to introduce and provide analysis regarding the application filed by Willamette Resources, Inc. (WRI), a wholly owned subsidiary of Waste Control Systems, Inc.. The applicant has applied to Metro for a franchise to operate a solid waste processing facility at Wilsonville, Oregon. The site location near the intersection of Ridder Road and Garden Acres Road will be assigned a street address when a building permit is issued. The application was accepted as complete on July 11, 1994. Metro, pursuant to Code Section 5.01.020 has the authority to grant franchises for private facilities accepting mixed solid waste. The facility is to recover and market recoverable materials from commercial, industrial, construction and demolition debris, and dry non-putrescible and non-hazardous mixed wastes.

This facility will also process source-separated materials obtained from residential and commercial recycling programs. The source-separated portion of the operation does not require a Metro franchise, but will require monitoring since it will utilize the same area of the building and processing equipment as the mixed waste processing.

The facility will accept loads of material primarily from United Disposal Service Inc. and Keller Dropbox. United Disposal Service Inc. is wholly owned by Waste Control Systems. Waste control Systems, Inc. is a major stockholder of Keller Dropbox. The franchisee will provide services to outside commercial refuse haulers and contractors, but this is expected to be only a minor element of the franchisee's business. Historically, Metro has exempted processing facilities from rate setting due to the need to be able to respond to markets. It is proposed that this facility be exempt from Metro rate setting by variance under Section 5.01.110 of the Metro Code. The facility may only dispose of residue from its operations at Metro-approved disposal facilities. Following is a summary description of the facility, the material processing and other pertinent details relative to the facility.

LOCATION OF PROPOSED FACILITY

Near the intersection of Ridder Road and Garden Acres Road in the City of Wilsonville, Oregon.

SITE DESCRIPTION

The site is approximately nine acres in size and is located 1/2 mile west of the Stafford Road exit - Interstate 5 Freeway Interchange, Wilsonville, Oregon. The site is currently zoned for industrial uses and has been approved by the Wilsonville Planning Commission for a Stage II, Phase I Development Plan for use as a solid waste transfer and recycling facility. The site is the same one originally proposed as the Washington County transfer station site. Metro, in early 1994, determined to terminate negotiations for a Washington County transfer station at this site. The site presently is vacant.

MATERIALS TO BE PROCESSED

Materials to be processed are limited to commercial, industrial, construction and demolition debris, and dry, non-putrescible and non hazardous mixed wastes. Recovered materials will be sorted, inventoried, baled and/or prepared for shipment to commodities markets with which WRI has a working relationship. To assure that sufficient recovery and marketing of recoverable materials is performed at this facility, it is recommended that the following requirements be placed on its operations (these limitations are exclusive of operations involving source-separated recyclables):

1. A minimum recovery rate of 45 percent must be maintained at the facility. The recovery rate will be calculated by use of a three month rolling average. (Example: March's recovery rate will be the average of months January, February and March; April's recovery rate will be the average of February, March and April, *etc.*) The ratio of tons recovered from tons received will constitute the recovery rate for the relevant time period. See EXHIBIT 2 of the franchise.
2. A ninety (90) day (three month) grace period for shakedown and operational testing will precede the commencement of official measurement of the recovery rate and imposition of phased in penalties for failure to achieve designated recovery rates. The full 45 percent recovery rate must be attained in the eighth month following commencement of operations. Months four and five will be phased-in recovery rates of 35 percent and 40 percent with both months a stand alone average. By illustration, the franchise obligations for material recovery are as follows:

Commencement of Operations	Recovery Rate Required
Month 1	-0-
Month 2	-0-
Month 3	-0-
Month 4	35% (stand alone)
Month 5	40% (stand alone)
Month 6	40% (3-mth average)
Month 7	43.3% (3-mth average)
Month 8	45% (3-mth average)

"Commencement of Operations" is defined as the first day that mixed dry waste is delivered to the facility."

3. WRI will pay to Metro a penalty in a per ton amount equal to the current Metro Regional User Fee plus \$2.00 per ton for each percentage point below the specified recovery rate of 45 percent (or 35 percent and 40 percent for months four and five): **(Example: If 1,000 tons were processed in a month with a three month average recovery rate of 42.3%, the penalty would equal: (1,000 tons) (0.450 - 0.423) ((\$17.50 + (45.0 - 42.3) (\$2.00)) = \$618.30. Annually, as of July 1 (or the effective date of any new Metro User Fee rate) the per ton penalty will be adjusted to the then current Regional User Fee (or equivalent), and the \$2.00 per ton incremental penalty rate will be indexed to reflect the current ratio of 17.5:2.**
4. There is a 35,000 ton limit upon the tons of processable materials that may be received at the WRI facility. That limit can be increased upon approval by Metro.
5. The tonnage of source-separated materials received at the facility are to be excluded from any calculations done to establish the recovery rate because their inclusion would inflate the recovered tonnage for mixed waste. The activities from the source-separated operation will be included in the reporting requirements to ensure Metro's ability to track recoverable waste materials handled in the facility.
6. Inert materials will consist of all materials disposed of at a clean fill site (*i.e.*, not a solid waste landfill). The quantity of inert material disposed of at a clean fill site will be subtracted from the incoming waste tonnage and will not be included in the facility's recovery rate. See EXHIBIT 2 of the franchise for the methodology for calculating the recovery rate.

EQUIPMENT

The applicant states that processing will be accomplished by use of:

- a front end loader with a specially equipped bucket for initial floor sorting,
- conveyors with a vibratory screen,
- picking line adjacent to the belt conveyers,
- sorting platform,
- storage bunkers, and
- a baler.

Large and heavy materials will be removed before the picking line. The remaining large material will pass over a vibratory screen and fall off the end onto a sorting conveyor. Residuals will be removed from the sort conveyor and pushed by the front end loader to be top loaded into a transfer trailer.

RESIDUE DISPOSAL

Residue will be transported for disposal by truck to a Metro-approved disposal facility.

PERMITS REQUIRED

The applicant requires:

1. City of Wilsonville land use approval(zoning is industrial)
2. Oregon Department of Environmental Quality Class III Low risk Facility Permit
3. Metro Franchise

Status:

- City of Wilsonville land use approval has been granted
- Department of Environmental Quality Solid Waste Permit pending.
- Metro franchise pending.

MISCELLANEOUS OPERATING DATA

The applicant proposes that the facility will be open to the applicant's own vehicles as well as other commercial haulers and contractors. Operational receiving hours will be from 8:00 a.m. to 5:00 p.m., five days per week (Monday through Friday). Estimated vehicles per day is 18 (exclusive of vehicles entering the adjacent United Disposal Service operations center to be relocated to the site).

ISSUANCE OF A FRANCHISE

Staff has prepared a proposed franchise agreement to be issued to the applicant following Council approval of the franchise application. Metro Code Section 5.01.070 states in part "The Executive Officer shall formulate recommendations regarding whether the applicant is qualified; whether the proposed franchise complies with the district's solid waste management plan; whether the proposed franchise is needed considering the location and number of existing and planned disposal sites, transfer stations, processing facilities, and resource recovery facilities and their remaining capacities and whether or not the applicant has complied or can comply with all other applicable regulatory requirements."

Metro Code Section 5.02.070 (e) (2) provides that a corporate surety bond is required for this type of franchise. This however, is guided by Metro Resolution No. 86-672. The pertinent portions of the Resolution, Section 1 b. and c. read as follows:

"b. If continued operation of the processing or transfer facility is not considered necessary to the solid waste disposal system because of alternative disposal sites which may be available and potential clean-up and

site maintenance costs* for the facility are estimated to be less than or equal to \$10,000, then the amount of the required surety bond is \$0."

*[Footnote 4 from the resolution stated: Clean-up and Site Maintenance Cost is dependent on the size and design of the facility.]

"c. If continued operation of the processing or transfer facility is not necessary to the solid waste disposal system because of alternative disposal sites which may be available and potential clean-up and site maintenance cost for the facility are estimated to be greater than \$10,000, then the amount of the required surety bond is to be equal to the amount of the estimated clean-up and site maintenance costs for the facility. If these conditions exist and the franchisee owns the site on which the facility operates, and the value of the site exceeds the amount required for the bond, the franchisee may elect to issue a conditional lien on the property to Metro guaranteeing performance by the operator in cleaning up the site in lieu of the required bond. The lien shall be in a form satisfactory to Metro."

Using the criteria outlined in Metro Resolution No. 86-672 for determining the amount of a surety bond that may be required pursuant to a facility franchise, it is recommended that the franchisee be required to provide a surety bond in the amount of \$100,000, or in the alternative provide a conditional lien if preferred by the franchisee. This recommendation is based on the availability of disposal or recycling facilities (Metro transfer stations, Hillsboro Landfill, Lakeside Reclamation Landfill, East County Recycling and WASTECH) that would not make it necessary to continue operation of the facility. Clean up and site maintenance costs are estimated to be approximately \$100,000. This estimate assumes the following:

1. 26,745 square feet of floor space available for storage of materials.
2. Waste stacked to a depth of six feet over the available floor space.
3. Waste density of 400 pounds per cubic yard.
4. Load and haul costs are estimated to be \$8.50 per ton for 1189 tons or \$10,100
5. Disposal costs are estimated at \$75.00 per ton, for a cost of \$89,175
6. The solid waste is consistent with the authorized materials for the facility; dry non-hazardous and non-putrescible mixed waste and construction and demolition debris.

NOTE: It should be emphasized that the forgoing is an order of magnitude estimate only of a "worst case scenario" where the franchisee would continue deliveries of waste to the facility until filled to capacity and then abandon the facility.

The following staff analysis is submitted to the Council for its review as required.

REQUEST FOR RATE SETTING VARIANCE

The applicant has requested a variance from Metro rate setting. This request is based on the nature of the facility, the need to respond rapidly to marketplace requirements and the contributions being made to Metro's objective of enhancing the amount of materials recovered from the regional wastestream.

The Council may grant a variance in the interest of protecting the public health and welfare if the purpose and intent of the requirement (e.g., setting rates) can be achieved without strict compliance and that strict compliance:

- "(1) Is inappropriate because of conditions beyond the control of the persons(s) requesting the variance; or
- (2) Will be extremely burdensome or highly impractical due to special physical conditions or causes; or
- (3) Would result in substantial curtailment or closing down of a business plant, or operation which furthers the objectives of the District."

Staff opinion is that the applicant's variance request is consistent with the spirit, intent and variance criteria (1), (2) and (3) requirements. Staff recommendation is that the following findings be incorporated into the franchise if approved by the Council:

- A. Strict compliance with Metro Code provisions regarding rate-setting (Section 5.01.180) is not necessary to protect the public interest, health or welfare with respect to processors of dry, non-putrescible, non-hazardous mixed waste.
- B. That the applicant (franchisee) will be performing a processing and recycling function by recovering materials from the wastestream for reuse or recycling.
- C. Solid waste materials processors operate in a highly competitive marketplace which will require the need for rapid response to market demands.
- D. Metro's policy has been to promote recovery of material from the wastestream by not imposing user fees on incoming waste, but only on disposed residue from processing.
- E. Metro has not to date regulated the rates for any processor of mixed dry waste.
- E. That the objectives of Metro to encourage recovery of material from the wastestream can be met without regulating the rates for this facility.
- F. That regulation of rates at the applicant's facility can result in curtailment or closing down of the franchised facility to the detriment of the region's objectives to recover increasing amounts of materials from the mixed wastestream.

The interest and number of processors and competing landfills assure a competitive marketplace, and adequate processing and/or disposal capacity to meet District needs. Furthermore, the substantial capital investment and required permits to commence materials processing provides assurance of the commitment of processors to remain in the marketplace.

UNIFORMITY OF RATES

Even though staff recommends that the facility be exempt from rate setting, this needs to be distinguished from "uniformity of rates". Since the franchisee will be serving vehicles from both affiliated hauling companies as well as companies that are not affiliated with WRI, it is necessary to assure that non-affiliated companies that deliver waste to the facility are not discriminated against. The franchise provides that WRI shall establish criteria for equal application of rates, subject to Metro approval, and that approval shall not be unreasonably withheld.

REQUEST FOR VARIANCE TO ALLOW THE USE OF THE FACILITY BY HAULERS NOT OWNED BY THE FRANCHISEE.

The three criteria for allowing a variance from Metro Code conditions are noted above. The applicant desires to provide access to the processing facility by commercial haulers and contractors not owned by the franchisee. The applicant has indicated that it expects only a small amount of material to be delivered by contractors not owned by the franchisee. Section 5.01.120(l) states that a franchisee:

"(l) Shall not, either in whole or in part, own, operate, maintain, have a propriety interest in, be financially associated with or subcontract the operation of the site to any individual, partnership or corporation involved in the business of collecting residential, commercial, industrial or demolition refuse within the District. A transfer station or processing center franchisee who only receives waste collected by the franchisee shall be exempt from this subsection."

The applicant would be exempt from this provision if it denied access to the facility by non-affiliated companies. Since the applicant has requested the authority to accept material from non-affiliated companies, to do so requires a variance from the terms of Code Section 5.01.120(l). In reviewing the exemption criteria, Section 5.01.110(a)(3) appears to apply in this case.

"The Council may grant a variance in the interest of protecting the public health and welfare if the purpose and intent of the requirement can be achieved without strict compliance and that strict compliance:

- 1) or, *(not applicable)*
- 2) or, *(not applicable)*

"3) Would result in substantial curtailment or closing down of a business, plant, or operation which furthers the objectives of the district."

With respect to the purpose and intent of the code provision, the constraint on non-affiliated haulers' access to franchises has largely been based on concerns over the issue of 'vertical integration'. This could manifest itself in unfair and unequal treatment by the franchisee of non-affiliated companies. This could come in several forms, but the most prominent form would be in administration of gate rates. The staff report in the analysis of the rate variance issue makes note of the concern over fair administration of rates. The draft franchise contains conditions requiring equal administration of rates. Also, facility rates may not be changed during the course of a calendar day. These requirements coupled with the fact that alternative facilities would be available to non-affiliated haulers mitigates against the risk of unfair treatment by the franchisee of non-affiliated haulers.

The applicant has indicated that a "minor amount of material" may be received from other commercial haulers. The question then is; if only a minor amount of material is to be received from other haulers, would denial of authority to accept this material amount to a "substantial curtailment . . . of . . . (an) operation which further the objectives of the district"?

It is clear that the ability to receive waste and process it to recover material is furthering an objective of the district. The issue then is whether denial of facility access for the incremental amount of waste to be received from other commercial haulers is considered to be "substantial" in the context the applicant's request. On balance, staff opinion is that there would be "substantial curtailment" within the meaning of this Code provision.

Assuming a natural increase in tonnage growth from its own hauling companies (*no acquisitions etc.*), a significant element of the applicant's anticipated growth would likely come from other haulers using the facility. While tonnage estimates for non-affiliated company haulers are small at first, denial of facility access to them would be a deterrent to planning for growth and for attracting other recoverable material to the facility. This would conflict with the district's interest in facilitating greater material recovery in the region. Given the balancing of the concepts of "curtailment" and "objectives", it is reasonable to favor the "objectives" while not interpreting "substantial" so narrowly that facility growth is inhibited and district objectives are diminished.

For the forgoing reasons, it is recommended that the applicant be granted a variance to Metro Code Section 5.01.120(l).

QUALIFICATIONS OF THE APPLICANT

WRI was originally created for the purpose of submitting a proposal to Metro for a Washington County transfer station. Principals of WRI and its affiliate companies have been active in the solid waste industry in the Metro region for over 35 years. Merle Irvine, Vice-President of WRI has served as Solid Waste Director for Metro (at that time Metropolitan Service District) and as one of the owner/operators of WASTECH (formerly O.P.R.C.) His former company also had the

contract to operator the Metro South Station from 1983 to 1990. United Disposal Services, Inc. has been involved in all aspects of commercial and residential solid waste collection since 1955.

The applicant and its staff have an established record of having operated similar facilities to the one presently being proposed. This coupled with the affiliate companies experience in solid waste hauling and disposal provide a reasonable level of assurance that the proposed facility will be operated and managed competently and efficiently.

COMPLIANCE WITH THE SOLID WASTE MANAGEMENT PLAN

Given the conditions imposed by this franchise, this facility would fully comply with the goals, objectives and policies of the Regional Solid Waste Management Plan including the Waste Reduction Chapter adopted by the Metro Council in 1988. The Regional Solid Waste Management Plan (RSWMP) states in part "Purpose: To recover recyclable materials and reusable items from the waste stream through facilities that process waste that contains a high percentage of economically recoverable material." The applicant's proposed facility will accomplish waste reduction by recovering materials that might otherwise go unprocessed or might ultimately be shipped for disposal at a regional landfill. The proposed facility will be privately owned and operated and will require no public investment in plant or equipment.

NEED AND COMPATIBILITY

The following lists annual tonnage into facilities which are expected to be affected by the proposed franchise:

TABLE I

	Total 1993 Tonnage Received Mixed Dry Waste	Total Tonnage of Mixed Dry Waste Processed	Total 1993 Tonnage Recycled From Mixed Dry Waste	Percent Recycled of Processed Mixed Dry Waste	Proposed Tons Diverted to WRI	Normal Recovery of Diverted Tons (Status Quo)	45 Percent Recovery By WRI of Diverted Tons	Diverted Minus Status Quo
Lakeside ¹	66,267	33,135	10,118	31%	4,000	1,240	1,800	560
Metro South	126,000	-0-	-0-	0%	16,000	-0-	7,200	7,200
Metro Central ²	133,000	77,000	24,528	32%	The granting of a franchise to WRI is not anticipated to affect current tonnage flows to Metro Central, WASTECH, ERI, ECR, or TVWR.			
WASTECH ³	13,257	13,257	9,545	72%				
ERI ⁴	47,900	47,900	22,318	47%				
ECK	39,681	39,681	17,009	43%				
TVWR ⁵	See Footnote Number 5							
Totals Re: Processed Waste	426,105	210,923	83,518	40%⁶	20,000⁷	1,240	9,000	7,760

¹Recovery from mixed loads is highly variable. Owner estimates that 10% by weight of all incoming mixed waste is recycled. Materials are recycled from about half of the incoming loads.

²The tonnage received of mixed dry waste includes 100% loose drop boxes 50% compacted drop boxes and 59% of the front loaders. This is considered to be the entire dry processable wastestream at the transfer station from which materials are recovered. Of this tonnage received, approximately 80% of the drop box loads are processed and 20% of compacted drop boxes and front loaders are processed which results in an effective recovery rate of 32%. The data shown represents Metro Central recovery prior to operation of the Energy Reclamation Inc. (ERI) franchise. ERI began operations in June 1994 and data for calendar year 1994 will reflect the effect of the ERI operations.

³During 1993 WASTECH reported 4,717 tons of residue resulting from the processing of 18,837 tons of incoming source separated waste and 13,257 tons of mixed dry waste. By assuming that 5% (942 tons) of the incoming source-separated waste resulted in residue it is concluded that 3,775 tons (4,717 minus 942) of residue resulted from processing the mixed dry waste. Dividing 3,775 by 13,257 results in an imputed residue rate of 28% (recovery rate of 72%).

⁴Energy Reclamation Inc. (ERI) began operations in June 1994. In order to address all existing franchised processing facilities on this table, annual projections from the October 18, 1993 Metro Staff Report on ERI are shown as if they pertained to 1993.

⁵Tualatin Valley Waste Recovery (TVWR) is owned by Sanifill and co-located with Hillsboro Landfill. The owner responded that 99.4% of the 17,496 tons of source separated waste coming into TVWR during 1993 were recovered. Because the owner declares all TVWR incoming waste is source-separated, no tonnage is shown in this table relating to mixed waste. The purposes for incoming TVWR in this table are to highlight its high rate of recovering source-separated material and to document that WRI does not foresee affecting TVWR's supply of waste.

⁶Excludes Metro South's mixed dry waste and the portion of Metro Central's mixed dry waste which is not processed.

⁷WRI's recovery rate is derived by dividing WRI's 9,000 tons recovered by 20,000.

The following questions and answers have been prepared by the Solid Waste Staff:

1. Will this facility increase the recovery level in the region?

Yes. The recovery rate for processed mixed waste is 40%. (See Table 1). As can be seen from Table 1, the rate of recovery varies by facility. The addition of WRI to the facilities shown in Table 1 is projected to result in a net increase of recovered materials of 7,760 tons per year.

WRI's facility recovery rate is projected to be at least 45%. This is consistent with the actual performance of other mixed processors in the region. The proposed franchise for WRI sets a minimum recovery rate of 45%, but this is considered a conservative number, based on staff analysis.

Metro expects WRI to be able to improve its recovery over 45 percent since it has substantial control over the materials entering the facility in the same manner as the Energy Reclamation Inc. franchise previously approved by Metro. While WRI will allow other commercial haulers and contractors to use the facility, WRI has projected these to be in small numbers. Further, WRI load acceptance criteria will allow the facility to prohibit loads that do not contain a satisfactory amount of recoverable material.

Justification for Recovery Levels.

A minimum percent of recovery will be required for facilities that receive mixed waste. This is based on the experience of WASTECH and East County Recycling both of whom have high recovery rates. East County accepts all loads and is able to recover 43 percent. WASTECH has implemented a tipping fee structure which encourages delivery of cleaner loads. During 1992 WASTECH recovered 50 percent of its mixed loads and in 1993 recovered 72% of its mixed loads. Furthermore, early data from the Energy Reclamation Inc. (ERI) facility indicates that it will be able to achieve its required 45% recovery rate. However, this data is from less than two months of facility operation.

2. Will existing processors or haulers lose competitiveness and viability?

The effect on competitors should not be sufficient to cause them to significantly lose viability. The Lakeside Reclamation Landfill will lose some potentially processable material but, will in fact receive increased tonnage because it will receive residue generated from processing at WRI.

3. Will an integrated hauling and processing operation discourage source-separation by construction demolition businesses? Metro's Construction Waste Reduction Steering Committee is made up of representatives from building industry associations, haulers, and processors. They reviewed the proposed operations of the previously approved ERI facility. They felt that the facility would provide more recovery options to contractors. They felt that it could enhance recovery from projects where site limitations make source-separation impractical. The committee also believed that ERI's operations would not detract from

source-separation on construction sites. Also, they felt that the level of recovery of dry, non-putrescible, non-hazardous wastes that may be processed at the facility is likely to be tied to the pricing structure to the generators for incoming waste. Because of the similarity of the ERI and WRI facility operations, these comments are still considered valid for the WRI proposal.

4. How will Metro be assured that cost savings will be passed on to generators?

The price structure for incoming waste materials is not established in the franchise agreement. It is estimated that WRI may pass along some cost savings to the generators, particularly if WRI seeks to enhance the richness of the loads, but there is no guarantee that it will do so. It is reasonable to expect that there will be sufficient waste left for competitors to enter the field and thus keep rates to customers low.

REGULATORY COMPLIANCE

As noted in this report, the applicant has obtained land use approval from the City of Wilsonville and has made application to the Department of Environmental Quality for a solid waste permit. Present information indicates that the Department of Environmental Quality application process is progressing on schedule. Nonetheless, any issuance of a Metro franchise would require the satisfactory issuance all required Department of Environmental Quality permits before actual operation of the facility could commence.

BUDGET IMPACT

As shown in Attachment A, which is based on the pro-forma tonnage data provided by WRI of 20,000 tons per year, staff projects that Metro may forego about \$275,000 per year in revenues. With system disposal at approximately one million tons per year, staff projects the effect of an WRI franchise on the system rate to be about \$.25 per ton. WRI anticipates opening the facility in July 1995 therefore the budget impacts will not occur until FY 95/96. A separate analysis was conducted to evaluate the high side risk to Metro by assuming an additional 15,000 tons were processed from Metro South for a total of 35,000 tons per year. Staff projects that, Metro may forego about \$520,000 per year in revenues compared to the \$275,000 loss at 20,000 tons.

SUMMARY

It is the conclusion of staff that:

- The applicant possesses sufficient qualifications to establish, operate and maintain the proposed facility in a manner consistent with the provisions of the Metro Code.
- That the facility complies with Metro's Regional Solid Waste Management Plan and should increase recovery within the district.
- The requirements of the City of Wilsonville and the Oregon Department of Environmental Quality have been or will be complied with prior to operation of the proposed facility.
- Per the analysis shown in Attachment A, Metro may forego up to \$275,000 per year in revenues at the proposed tonnage levels if the franchise is granted.

STAFF RECOMMENDATIONS

Based on the foregoing analysis it is the opinion of staff that Willamette Resources, Inc. should be granted a non-exclusive franchise in accord with the provisions of the draft franchise shown as Exhibit A of Ordinance No. 94-567.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 94-567.

Attachment A

**Effect On Metro's Revenues Of Granting A Franchise To WRI
Assuming That WRI Recovers 45% Of Incoming Waste And WRI Remits Metro User Fee On The
Remaining 55% Of Incoming Waste**

Facility	Tons Diverted To WRI	Difference In Metro Revenue Tons	Loss Per Ton	Annual Revenue Effects		Total Lost Revenues	Note
				User Fees	Excise Tax (7.5%)		
Lakeside	4.000	560	\$17.50	(9,116)	(684)	(\$9,800)	A,B
Metro South	16.000	See Note B	See Note C	(258,604)	(19,396)	(\$278,000)	C
Subtotal Lost Revenues				(267,720)	(20,080)	(\$287,800)	
Increased Excise Tax			See Note D		\$13,000		D
Total Lost Revenues				(267,720)	(7,080)	(\$274,800)	

Notes:

A = A higher area recovery rate at WRI will result in less disposal and thus less revenue to Metro. Under the current situation ("status quo") Metro estimates that Lakeside recovers 1,240 of the 4,000 tons which WRI assumes it will divert from Lakeside to its facility. At a 45% recovery rate, WRI would recover 1,800 of the 4,000 tons. So, if the franchise recovers 560 more tons (1,800 minus 1,240) then Metro will lose \$9,800 (560 tons times \$17.50 per ton) compared to the current situation.

B = While the applicant has stated that 4,000 tons of waste will be diverted to WRI, the applicant has stated that it expects to send approximately 11,000 tons of residue to Lake.

C = Of the \$75 per ton it currently receives for waste received at its transfer stations, Metro pays \$48 for station operations, transportation, and disposal, and DEQ fees. This leaves \$27 per ton to pay for items such as debt service on bonds; items which are not "tonnage sensitive". Therefore, if NONE of the 16,000 tons resulted in revenues to Metro then Metro's net loss would be 16,000 tons times \$27/ton, or \$432,000.

However, it is assumed Metro will receive \$17.50 per ton on each of the 8,800 tons WRI landfills of residue resulting from processing waste diverted from Metro South. Assuming a 45% WRI recovery rate, WRI will thus landfill 55% of the 16,000 tons (8,800 tons) and landfills will pay Metro \$154,000 (8,800 tons times \$17.50 per ton). So, the financial effect of diverting 16,000 tons from Metro South to WRI will be \$278,000, which is the difference between \$432,000 and \$154,000.

D = The 7,000 ton net increase at Lakeside will result in increased gross revenues subject to the excise tax. This will increase Excise Taxes by \$13,000, however, the net loss in Excise Tax is \$7,080.

AGENDA ITEM NO. 7.1
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2014

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-2014 AMENDING A CONTRACT WITH JACOB TANZER FOR
LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING
AUTHORITY

Date: September 15, 1994

Presented By; Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its September 14, 1994 meeting the Committee voted 5 to 1 to recommend Council approval of Resolution No. 94-2014 as amended. Committee members voting in favor were Councilors Buchanan, Kvistad, McLain, Van Bergen and Washington. Councilor Devlin voted against and Councilors Gardner and Monroe were absent.

COMMITTEE DISCUSSION/ISSUES: Dick Engstrom, Deputy Executive Officer gave the Staff Report. He stated this resolution is related to Ordinance No. 94-565B and amends the contract with Jacob Tanzer to provide legal services for the Executive Officer.

Don Carlson, Council Administrator recommended an amendment to the Scope of Work to add the words "and appellate" so it is clear that Mr. Tanzer can represent the Executive Officer during the appeal (See Attachment 1 to this Committee Report). Mr. Carlson stated the Scope of Work in the Council's contract with Harrang Long will be amended in a similar manner.

There was no Committee discussion of the resolution.

SCOPE OF WORK

The Contractor shall advise the Executive Officer regarding any proceedings for a judicial declaration as to the validity of Amendment No. 4 to the Contract between Metro and Oregon Waste Systems, Inc. executed by the Executive Officer on March 16, 1994; and the Contractor shall represent the Metro Executive Officer in such proceeding at the trial AND APPELLA level.

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FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-2014, AMENDING A CONTRACT WITH JACOB TANZER FOR LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY

Date: September 1, 1994

Presented by: Councilor Van Bergen

COMMITTEE RECOMMENDATION: At its August 24, 1994 meeting the Finance Committee voted 5-2 to recommend Council adoption of Resolution No. 94-2014. Voting in favor were Councilors Monroe, Kvistad, McLain, Van Bergen, and Washington. Voting in opposition were Councilors Devlin and Gardner. Councilor Buchanan was absent.

COMMITTEE DISCUSSION/ISSUES: The Finance Committee discussed this item in conjunction with its consideration of Ordinance No. 94-565, and raised no issues specific to this resolution. Please see the committee report for Ordinance 94-565A for the committee's discussion.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) RESOLUTION NO. 94-2014
A CONTRACT WITH JACOB TANZER)
FOR LEGAL SERVICES REGARDING) Introduced by Rena Cusma,
METRO EXECUTIVE OFFICER CONTRACT-) Executive Officer
ING AUTHORITY)

WHEREAS, The Metro Council approved Resolution No. 94-1939 on March 24, 1994 authorizing Metro General Counsel to employ outside legal counsel to advise the Council regarding its authority under the 1992 Metro Charter to control the approval of contracts and contract amendments; and

WHEREAS, Metro General Counsel entered into a contract with the firm of Harrang Long Gary Rudnick, P.C., on April 15, 1994, for a maximum amount of \$10,000 to obtain advice on the Metro Council's contracting authority; and

WHEREAS, The Metro Council approved Resolution No. 94-1973 on June 9, 1994 directing special legal counsel to initiate litigation to obtain a judicial declaration as to the validity of Amendment No. 4 to the contract between Metro and Oregon Waste Systems, Inc. executed by the Metro Executive Officer on March 16, 1994; and

WHEREAS, The Metro Council approved Resolution No. 94-1996 authorizing Amendment No. 1 to the contract with Harrang Long Gary Rudnick, P.C., increasing the maximum amount to \$75,000; and

WHEREAS, At the request of the Executive Officer, Metro General Counsel entered into a contract with Jacob Tanzer to provide legal services for the Executive Officer; and

WHEREAS, It is necessary and appropriate for the contract with Jacob Tanzer to be amended so that the Executive Officer has the ability to defend her actions; now, therefore,

BE IT RESOLVED,

1. That the Metro Council acting as the Contract Review Board exempts Contract Amendment No. 1 from the competitive procurement procedures of Section 2.04.053 of the Metro Code.

2. That the Metro Council approves Amendment No. 1 to the contract with Jacob Tanzer increasing the maximum amount to \$75,000; and amending the Scope of Work.

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

Judy Wyers, Presiding Officer

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AMENDMENT NO. 1

ADDITIONAL SCOPE OF WORK, TERM AND CONTRACT AMOUNT

That Contract between Metro and Jacob Tanzer, hereinafter referred to as "Contractor," dated April 26, 1994 for legal services is hereby amended to:

1. Add the Scope of Work as described in Exhibit "A" attached hereto;
2. Extend the length of the Contract to December 31, 1994; and
3. Increase the maximum amount that Metro shall pay to the Contractor for services provided to Seventy-Five Thousand and No/100ths (\$75,000) Dollars.

All other terms of the Contract remain in full force and effect.

DATED the ____ day of _____, 1994.

JACOB TANZER

METRO

Title _____

EXHIBIT "A"

SCOPE OF WORK

The Contractor shall advise the Executive Officer regarding any proceedings for a judicial declaration as to the validity of Amendment No. 4 to the Contract between Metro and Oregon Waste Systems, Inc. executed by the Executive Officer on March 16, 1994; and the Contractor shall represent the Metro Executive Officer in such proceeding at the trial level.

gl

.1171

STAFF REPORT

IN CONSIDERATION OF:

RESOLUTION NO. 94-2014 FOR THE PURPOSE OF AMENDING A CONTRACT WITH JACOB TANZER FOR LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY, AND;

ORDINANCE NO. 94-565 AMENDING THE FY 94-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$68,262 FROM THE SOLID WASTE REVENUE FUND CONTINGENCY TO THE ADMINISTRATION DIVISION MATERIALS & SERVICES, MISC. PROFESSIONAL SERVICES ACCOUNT FOR THE PURPOSE OF PROVIDING LEGAL SERVICES REGARDING METRO EXECUTIVE OFFICER CONTRACTING AUTHORITY; AND DECLARING AN EMERGENCY.

Date: August 28, 1994

Presented by: Dick Engstrom

FACTUAL BACKGROUND AND ANALYSIS

The Metro Council approved Resolution No. 94-1973 on June 9, 1994, directing special legal counsel to initiate litigation to obtain a judicial declaration as to the validity of Amendment No. 4 to the contract between Metro and Oregon Waste Systems, Inc. executed by the Metro Executive Officer on March 16, 1994. The Metro Council approved Resolution No. 94-1994 increasing the maximum authorized payment on the contract with special legal counsel of Harrang Long Gary Rudnick, P.C., to \$75,000.

At the request of the Executive Officer, Metro General Counsel entered into a contract with Jacob Tanzer to provide legal services for the Executive Officer in defending her actions in executing Amendment No. 4 to the contract between Metro and Oregon Waste Systems, Inc.

Resolution No. 94-2014 authorizes an increase in the maximum authorized payment on the contract with special legal counsel Tanzer to \$75,000; amends the Scope of Work of the contract; and exempts the contract amendment from the competitive procurement procedures of Section 2.04.053 of the Metro Code. The amendment to the scope of work provides, "The Contractor shall advise the Executive Officer regarding any proceedings for a judicial declaration as to the validity of Amendment No. 4 to the Contract between Metro and Oregon Waste Systems, Inc. executed by the Executive Officer on March 16, 1994; and the Contractor shall represent the Metro Executive Officer in such proceeding at the trial level."

Six thousand seven hundred and thirty eight dollars were spent on this contract in FY 1993-94. This ordinance amends the FY 1994-95 Solid Waste budget and appropriations schedule by transferring \$68,262 from the Solid Waste Revenue Fund contingency to the Administration Division Misc. Professional Services account from which this contract will be paid. Contract expenses are being incurred in both FY 1993-94 and FY 1994-95. The \$68,262 transfer will provide funds for payments made in FY 1994-95 and total maximum funding of \$75,000 for the contract.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Resolution 94-2014.
The Executive Officer recommends approval of Ordinance No. 94-565 and declaring an emergency.

AGENDA ITEM NO. 7.2
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2003

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO.94-2003, FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT OF COMPETITIVE BIDDING PURSUANT TO METRO CODE 2.04.041, AND AUTHORIZING THE EXECUTIVE OFFICER TO EXTEND THE CURRENT OPERATIONS CONTRACT FOR METRO SOUTH STATION TO NO LATER THAN OCTOBER 1, 1996

Date: September 14, 1994

Presented by: Councilor Hansen

Committee Recommendation: At the September 13 meeting, the Committee voted 5-0 to recommend Council adoption of Resolution No. 94-2003. Voting in favor: Councilors Buchanan, Hansen, McFarland, McLain, and Monroe. Councilor Wyers was absent.

Committee Issues/Discussion: Jim Watkins, Solid Waste Engineering and Analysis Manager, presented the staff report. He noted that staff had presented a paper to the committee in June which outlined potential options for addressing the operating contracts at Metro South and Metro Central. (Metro has the option of rebidding the Metro Central as early as October 1994 and the Metro South contract expires in December 1994 with Metro having the option of extending the existing contract for up to 30 months.) Watkins noted that the committee encouraged the staff to pursue the option under which the existing Metro South contract would be extended and staff would attempt to renegotiate the Metro Central contract with terms that would be more favorable to Metro.

The purpose of Resolution No. 94-2003 is to authorize the Executive Officer to extend the current Metro South contract to October 1, 1996 which would coincide with the expiration of the existing Metro Central contract. Extension of the contract requires approval by the Contract Review Board. Watkins noted that such an extension would give Metro the flexibility to rebid both contracts as a package or separately.

Watkins noted that extending the existing Metro South contract would allow Metro to continue to benefit from the very favorable terms of the existing contract. He explained that the original per ton disposal cost bid by Waste Management under the existing contract was 20 percent lower than the next lowest bidder. Costs under the existing are 12 percent lower than they would have been under the prior contract.

BEFORE THE CONTRACT REVIEW BOARD
OF METRO

FOR THE PURPOSE OF AUTHORIZING AN)	RESOLUTION NO. 94-2003
EXEMPTION TO THE REQUIREMENT OF)	
COMPETITIVE BIDDING PURSUANT TO)	Introduced by Rena Cusma,
METRO CODE 2.04.041, AND AUTHORIZING)	Executive Officer
THE EXECUTIVE OFFICER TO EXTEND THE)	
CURRENT OPERATIONS CONTRACT FOR)	
METRO SOUTH STATION TO NO LATER)	
THAN OCTOBER 1, 1996)	

WHEREAS, Metro can extend the current operations contract for the Metro South Station, at its option, pursuant to the terms of the contract; and

WHEREAS, Metro has determined it is in the public interest to extend the existing contract until October 1, 1996 for the reasons described in EXHIBIT "A" to this resolution; and

WHEREAS, Under Metro Code Section 2.04.045(a)(2), such an extension requires an exemption from public bidding requirements by the Metro Contract Review Board; and

WHEREAS, Metro Code Section 2.04.041(c) and ORS 279.015(2) authorize the Metro Contract Review Board to exempt a public contract from competitive bidding if it finds that the exemption will not encourage favoritism or substantially diminish competition for public contracts and that such an exemption will result in substantial cost savings; and

WHEREAS, EXHIBIT "A" presents findings which satisfy the requirements of such an exemption; now, therefore,

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

BE IT RESOLVED,

1. That based on the information presented in EXHIBIT "A", the Metro Contract Review Board finds that:
 - a) It is unlikely that exempting an extension of the existing Metro South Station operations contract will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
 - b) The extension will result in substantial cost savings to Metro; and

2. That based on these finding, the Metro Contract Review Board authorizes the Executive Officer to extend the existing operations contract for Metro South Station to no later than October 1, 1996.

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

Ed Washington, Deputy Presiding Officer

EXHIBIT "A"

The following findings are recommended in support of an exemption from public bidding requirements for the extension of the Metro South Station operations contract:

1. It is not likely that the exemption will encourage favoritism or substantially diminish competition for public contracts.

"Favoritism" implies that there is a bias on the part of the contracting agency to award a contract to a particular contractor for reasons other than the furtherance of sound public policy and the intent of the public contracting system. Such favoritism is not encouraged through extension of the contract with Waste Management of Oregon, because the driving forces behind the extension are not bias, but instead, demonstrated public policy concerns and potential savings to Metro as described in the attachments. In fact, our survey of transfer station costs indicates that the current prices for operation of MSS are one of the lowest in the country for a publicly owned/private operated transfer station.

In addition, the current contract contemplated that an extension might be warranted and so an extension clause was included. The contract language for extensions is clear that such extensions are at Metro's "sole discretion", limiting the possibility of bias entering into a decision to extend because the extension compels the contractor to continue whether it is acceptable to it or not. Likewise, while extensions can be for a period of up to 2.5 years, Metro can issue multiple extensions for as short as 6 months at Metro's option, thereby preserving Metro's flexibility both in terms of public policy, but also for purposes of ensuring contractor performance.

In a like manner, competition will not be substantially diminished if an extension is made to the contract. A public contract process was used to award the contract initially. Three bids were received, and Waste Management of Oregon's bid was almost 20% lower than the next lowest bid. The extension language was included in the bid documents to solicit the bids and was not objected to by potential bidders.

Also, the public policy conclusions of the attachments recommend a relatively short delay in rebidding both operation contracts as a package. If the MSS contract was rebid for less than two years, the current contractor would have a significant competitive advantage since it is already on-site and fully mobilized. Other potential bidders would have to spread mobilization and equipment costs over a relatively short time frame, whereas the existing contractor would not. It is therefore probable that extending the current MSS contract and the rebidding it as a package with MCS in October 1996 will actually increase competition.

2. Awarding of the contract will result in substantial cost savings for the agency.

Cost savings resulting from the extension fall into three categories that were evaluated in Attachment No. 2. First, the current MSS contract price is substantially less than similar contracts elsewhere as well as the previous contractor's price. The original bid price was also substantially below other bids received in 1989. In the attached analysis it is concluded that if MSS operations contract were rebid by itself, that bids would be higher than those available under an extension of the existing contract.

The second category suggests that savings are available through bidding MSS and MCS as a package effective October 1, 1996. This is because bidders would enjoy certain economies of scale from operation of both stations. The attached analysis indicates that approximately \$2 million would be saved over bidding the contacts separately (Option #1 vs. #2). If the current MSS contract is extended, and the MCS prices are reduced as proposed by the current contractor (including the sale of equipment as proposed under Change Order No. 15 to the MCS contract), and the two stations are bid as a package in October 1996 (Option #3), the analysis concludes that an additional \$1.4 million in savings will result.

The last category of savings are avoided administrative costs. Preparing bid documents and conducting the bid process for projects of this size require substantial staff time and other administrative costs. Almost half of these costs will be avoided by extending the current contract and rebidding them as a package.



METRO

DATE: June 14, 1994

TO: Metro Council Solid Waste Committee

FROM: *BM* Bob Martin, Solid Waste Director

RE: Transfer Stations Operations Contracts

The current operations contract for the Metro South Station expires in December, 1994, while the one for Metro Central expires in October, 1996 with an option to terminate as early as October, 1994. The contract for Metro South contains the right to extend the contract for an additional two and half years at Metro's option. Staff has analyzed Metro's options as regards these contracts (see attached) and concluded that it is in Metro's best interest to extend the Metro South contract coincidental to the expiration of the Metro Central contract in 1996, and then rebid both contracts together. Below is a summary of the analysis.

The attached analysis considered both non economic and economic factors. The non economic factors in the analysis concern the role of the existing transfer stations in the solid waste system and how these roles will be defined by the two planning processes currently underway. The update to the solid waste facilities plan is being undertaken in response to the Council's adoption of Resolution No. 94-1941. A new waste reduction plan is also currently being written. Both of these planning processes, as well as the waste characterization study, will define the role of transfer stations in the future. It therefore seems appropriate to enter into long term (five year) contracts for station operations, after these plans are completed.

Three economic options were examined:

Option #1 - Rebid both contracts separately at earliest opportunity

Option #2 - Rebid both contracts as a package at earliest opportunity

Option #3 - Renegotiate MCS prices, extend MSS until October 1996, then rebid both.

The economic analysis of probable outcomes indicated that Option #3 results in the lowest cost to Metro. The reason for this outcome is twofold. In terms of the cost of operating transfer stations, the prices for Metro South are well below the industry average, and the Metro Central contractor is willing to reduce prices to within the industry average while lowering the "put or pay" tonnage threshold to a level which should always be exceeded. Together these prices provide Metro transfer station operations at below market prices. Second, since an extension results in firm prices for the future, the uncertainty reflected in the other options is removed, narrowing the

Metro Council Solid Waste Committee

June 14, 1994

Page 2

range of possible outcomes. In addition, by continuing with the current operator at Metro Central, we will be able to gain valuable operating experience and tighten the bid specifications when the contract is rebid in 1996, further reducing the uncertainty for the five year period examined, while being able to take advantage of the price reductions we believe may be available through bidding the two contracts together.

Based on our analysis, we recommend that the current operations contract be continued until October, 1996, at which time Metro would rebid the contracts as a package. Continuing the Metro South contract will require a resolution from the Metro Council.

BM:ay

cc: Rena Cusma, Executive Officer




METRO

ATTACHMENT NO. 2

DATE: June 14, 1994

TO: Metro Council Solid Waste Committee

FROM:  Bob Martin, Solid Waste Director

RE: Discussion of Options for Operations Contracts for Metro Transfer Stations

By late 1994, both operations contracts at Metro transfer stations will be able to be rebid. Discussed below are factors to be considered in deciding when to bid out the contracts. These factors include the current structure and performance of the two contracts, the role of the stations in the solid waste system, how current prices compare with other jurisdictions, and bidding strategies and possible outcomes. After consideration of these factors it is my recommendation that the current contracts be rebid together by October 1996. This means extending the Metro South agreement as provided by the contract, and simply continuing the Metro Central contract to maturity. This report provides the background and basis for this recommendation.

BACKGROUND

The current five year operations contract for Metro South Station (MSS) expires December 31, 1994. Per Article 32 of the General Conditions of the contract, Metro may, at its sole discretion, extend the term of the contract for up to an additional 2.5 years. Multiple extensions can be used to extend the term by that amount, except that each extension must be at least 6 months and 90 days notice must be given in advance of the termination date (of the original contract, this would be October 1st, or any subsequent extension). Preliminary discussions with the current contractor indicate a willingness to extend the term, although their agreement to an extension is not required. All terms and conditions of the existing contract apply during the extension, except for "fixed cost" payments which would be discontinued during an extension. The current contractor, Waste Management of Oregon (WMO), did not bid any "fixed costs".

Operations at MSS are fairly straightforward due to the pit design and lack of materials recovery activities. Haulers tip the waste into the pit and a tracked loader pushes the waste into compactors which extrude the waste into transport semi-trailers. Materials recovery activities are limited to mostly source separated materials and white goods which account for about a 1% recovery rate. Although there have been disputes over contract interpretation, these have not resulted in major cost impacts. The main operational problem at the facility has been the repeated failure of the SSI compactor. This has resulted in substantial downtime for the unit. The current operator has cooperated in the situation, and offered to share in a solution to the problem if the contract is extended since a solution would result in lower maintenance costs and downtime. In general, the current contractor's performance has been very satisfactory.

The current five year operations contract for Metro Central Station (MCS) expires October 1, 1996. Per section 13.5 of the agreement, Metro has the option of terminating the agreement after the 3rd year, at its discretion, upon 90 days notice (July 2nd notice to terminate October 1, 1994). The 3 year termination option is a requirement of the type of bonds used to finance the facility, and would be a requirement of any future operations contract as well.

If Metro exercises the termination option, Metro is responsible to pay the contractor's costs of "termination and demobilization." These costs are not defined in the agreement, staff estimates such costs to be in the range of \$25,000 to \$50,000. If Metro chooses not to terminate, all terms and conditions of the agreement still apply, except for those change orders which expire on the third anniversary. Actual operations at MCS are much more complex than at MSS and are still being modified. The difference in operations is largely due to the flat floor design and materials recovery activities.

The materials recovery activities are still evolving at the facility. The facility was designed to recover mainly wood and paper from the incoming wastestream. Wood is recovered mainly from commercial waste after being tipped onto the floor. It is then taken to the wood line for processing into hog fuel. The wood recovery line has functioned pretty much as planned, and is recovering 75% of the total 7% recovery rate. However, due both to the success of source separation programs (which appear to have removed larger quantities of materials from the wastestream than expected) and the inability of the mechanical lines to upgrade paper to marketable quality, paper recovery has been well below target levels. In an effort to utilize the paper feedstock from the mechanical lines, the contractor has recently installed a pellitizer to make fuel from recovered contaminated paper. The pellitizer is currently undergoing shakedown and contracts with users are being negotiated. In the event that Metro terminates the current contract in October 1994, and Metro is unable to evaluate this equipment sufficiently, it is most likely Metro would have the contractor remove the equipment upon demobilization. Since the fuel is to be made from the contaminated paper recovered by the lines installed initially, it is unclear what would be the materials recovery focus in a future contract. The contractor is also currently negotiating with the American Plastics Council for the installation of a materials recovery system for plastics. The system would primarily be funded by the American Plastics Council.

As originally negotiated, the MCS contract required Metro to reimburse the contractor for one half of the maintenance costs of the facility, other than periodic maintenance. Due to the unacceptability of part of the materials recovery system, the contractor, in a change order which expires in October 1994, agreed to pay all maintenance costs for the first three years of the contract. The value of this change to Metro is estimated at \$237,000 annually. It should be noted that, unlike MSS, Metro owns most of the rolling stock at MCS. It is clear that a better arrangement would be for the operator to own this equipment since they have an incentive to maintain the equipment and can take advantage of depreciation. A five year depreciation period is appropriate for most rolling stock. Staff believes the \$600,000 worth of rolling stock originally purchased by BFI as a part of the facility purchase price and thus owned by Metro will reasonably last an additional two years. It would be difficult to factor the cost of new equipment into the price per ton if the contract were rebid in October 1994.

As mentioned above, the current operations contract for MCS is five years in length, with the option to terminate after three years. Given the still evolving nature of the materials recovery activities, it would be difficult to specify the activities required in the next contract at this time. The option to terminate is a requirement of the financial arrangement used to construct the facility. The intent of this requirement is to protect Metro should the contractor's performance prove unsatisfactory or too costly. As discussed below, it is probably advantageous for Metro in the long run to honor the full length of the contract to attract lower bids as well as to consolidate operational parameters.

In general, it is staff's opinion that the current contractor (BFI) has performed well. BFI continues to invest substantial time and money in the materials recovery systems and operations. This includes an investment in over \$300,000 of equipment not specified in the contract, as well as innovative attempts to increase materials recover such as the pellitizer. In terms of cost, the current cost of operations is perceived as high since the put-or-pay tonnage level has not been reached. A more detailed analysis of relative transfer station costs and expected bid prices is contained below.

THE ROLE OF METRO TRANSFER STATIONS

The solid waste department is currently developing a facilities plan update for the region. The purpose of the plan is to determine the type and number of solid waste facilities which will be needed in the region and the role different parties will play in developing these facilities. It is unclear what role Metro's transfer stations will have in the plan, the volumes they will be expected to process and what activities they will be expected to perform as a part of the solid waste system. The Metro Council adopted Resolution No. 94-1941 (calling for a facilities plan update) in part, because of its concern over the role of transfer stations as part of the system of solid waste facilities needed in the future. Until the facilities plan has been developed and adopted, it would be difficult and perhaps premature (but not impossible) to specify in bid documents what will be needed at MSS and MCS, and their future roles in system.

Likewise, the Department is concurrently developing its five year waste reduction plan. The plan will address the policies, programs and roles the region will need to achieve waste reduction goals. The role and need for transfer stations will be defined to some extent by the plan, both in terms of the stations' roles in increasing materials recovery and also as places where demonstration programs can be conducted to examine the feasibility of different approaches. Particularly with organics, the long term role of Metro transfer stations will be defined by demonstration programs which will be undertaken in the next fiscal year.

Metro is also currently conducting a waste characterization study to determine the composition and origin of waste arriving at solid waste facilities. The study will be a driving force in the development of both of the above plans. The information gathered will provide a picture of the success of waste reduction programs and what materials remain for recovery at transfer stations. The study will also examine the impact of a large "dump and sort" operation which will come on-line during the Spring. Its impact will be critical in determining the mix of recovery activities at

Metro transfer stations, particularly at MCS, and may result in discontinuing certain activities and emphasizing others. Given the still evolving nature of recovery activities at MCS, it would be desirable to have the information being developed from the characterization study, and the program and policy direction which will come from the plans currently being developed, before we rebid current operations contracts at Metro transfer stations.

PRICE COMPARISON AND REBIDDING

The MSS has a current average price of \$4.30 per ton. It escalates annually at 80% of the CPI. The BFI contract price is set by the put-or-pay amount, which results in an average per ton price of \$9.82.

In examining what is a reasonable price for transfer at these two very different facilities, information from other jurisdictions was sought. Comparable transfer station operation and maintenance information was found for Seattle's publicly-owned and operated transfer station, and for the publicly owned and privately operated station in Hennepin, Co., Minnesota. Other jurisdictions contacted were unable to separate transfer station costs from transport or disposal.

The Seattle station is a pit design with compaction for long haul similar to MSS. The per ton rate is approximately \$8.39 for transfer. The Hennepin, Co. station is a pit design where waste is top loaded into trailers, its rate is approximately \$6.27. Neither of these jurisdictions perform significant materials recovery at transfer stations.

Staff also analyzed the previous contract for the operation of Metro South and inflated the prices per the contract. The analysis indicates that current prices for Metro South are approximately 12% lower than the previous contract would have been if it were continued.

In addition, we compared prices from the proposed Wilsonville station (which would have had some materials recovery) and the recently negotiated Forest Grove franchise. The Wilsonville station, operating at full capacity, would yield a per ton rate of \$10.51 (excluding capital costs). The Forest Grove station operating at full capacity is \$11.96 without capital costs.

Averaging these five rates yields a per ton rate of \$8.40 per ton. Metro South at \$4.30 per ton is the lowest rate found in our analysis. Metro Central at its current \$9.82 is at the upper range of our analysis. Averaged, our current transfer rate is about \$6.96. This average does not include Metro's share of maintenance costs at Metro Central, which would increase the average by about \$.30 per ton.

Given the unused capacity at MCS under the current put-or-pay arrangement, preliminary discussions were conducted with the operator regarding prices for the period beyond the initial three years. These discussions indicate that savings of approximately two dollars per ton are available over what would be contractually required in 1995, with BFI responsible for all maintenance costs. Averaged with MSS, our transfer rate would fall to approximately \$6.42 per ton after October 1994. If we were to continue the MCS contract past October 1994, under the

current contractual conditions, our combined transfer rate would rise to approximately \$7.50 per ton due to the effects of the put-or-pay arrangement and the expiration of the maintenance change order discussed above.

In order to examine the effect rebidding the contracts would have on prices, staff speculated on the outcomes of three possible scenarios. First, each contract could be rebid separately, assuming Metro exercises its option to terminate MCS in October 1994, and does not extend MSS past December 1994. Secondly, the current MCS contract would be terminated to coincide with the expiration of MSS, and the two could be bid as a package, with new contracts effective January 1995. The third option would be to extend the MSS contract until October 1996, renegotiate prices at MCS as discussed above for the remainder of contract (while retaining the option to terminate), and then bid the two as a package effective November 1996.

Both the second and third options assume a reduction in prices of 7% due to bidding the two stations as a package. The reduction is possible due to having a single contractor operating both stations who would be able to share resources between the stations. For example, less administrative and maintenance personnel would be needed since they could be utilized by both facilities. Per unit costs for outside services and supplies (such as fuel) may be reduced due to increased volume. Cost savings should be available generally due to economies of scale.

Option #1 - Rebid both contracts separately at earliest opportunity.

The MCS contract could be terminated in October 1994. The current price is in the upper range of transfer costs, attributable mainly to the put-or-pay aspects of the contract, the complexity of operations and maintenance requirements of the materials recovery systems, and the cost of purchasing all new rolling stock during the term of the contract. It is expected that prices could be reduced through rebidding. The above analysis indicates that a rate of \$8 to \$9.50 per ton would be an expected rate.

MSS's current contract can be terminated in December 1994. Staff found no evidence that rebidding the contract would lower the rate. Since the station is less complex than operations at MCS and has fewer operating hours, a rebid would probably result in a slightly higher rate, in the range of \$4.25 to \$5.50 per ton.

The average rate would be \$6.13 to \$7.50 per ton. Bidding separately forgoes any potential savings available by combined operations.

Option #2 - Rebid both contracts as a package at earliest opportunity.

Both stations could be bid as a package effective January 1995. It is expected that doing so could reduce total prices by approximately 5% to 10% below separate procurements due to economies of scale (7% is used here). Such economies would include reduced overhead, shared maintenance, equipment and labor resources, and flexibility. A transfer station rate for Metro could be in the \$5.70 to \$6.98 per ton range.

Option #3 - Renegotiate MCS prices, extend MSS until October 1996, then rebid both.

Staff believes that a combined transfer rate of approximately \$6.42 per ton is achievable. This option has the additional advantage of solidifying operational requirements of the materials recovery activities at MCS, which should result in a lower price when rebid as a package in 1996, since uncertainty will be reduced for bidders. It is also contemplated that it would be in Metro's best interest to sell the rolling stock to BFI during the remaining two years of the contract, since BFI can take advantage of depreciation, while Metro cannot. This would reduce the combined rate to approximately \$6.27 per ton.

The effects of pursuing each of the three options is depicted in the chart below.

Year	Tonnage	Option #1 Range *		Option #2 Range *		Option #3 Range	
		\$6.13	\$7.50	\$5.70	\$6.98	\$6.27	\$6.42
1995	753,155	\$4,616,840	\$5,648,663	\$4,292,984	\$5,257,022	\$4,698,163	\$4,818,652
1996	779,294	\$4,944,270	\$6,049,270	\$4,597,445	\$5,629,854	\$4,855,275	\$4,980,046
1997	799,787	\$5,251,889	\$6,425,639	\$4,883,485	\$5,980,128	\$4,808,550	\$4,932,120
1998	815,527	\$5,542,681	\$6,781,420	\$5,153,879	\$6,311,242	\$5,074,795	\$5,205,207
1999	832,334	\$5,854,900	\$7,163,418	\$5,444,198	\$6,666,754	\$5,360,659	\$5,498,417
Total Expenditures under each option		\$26,210,580	\$32,068,409	\$24,371,991	\$29,844,999	\$24,797,442	\$25,434,44
Ave. Expenditures		\$29,139,494		\$27,108,495		\$25,115,942	
		Per ton \$7.32		\$6.81		\$6.31	
Difference from lowest average		\$4,023,552		\$1,992,553			
Difference from highest of each Optio		\$6,633,966		\$4,410,557			
Difference from lowest of each Optio		\$1,838,589				\$425,451	

* Options 1 & 2 assume an annual escalation of 3.5%, beginning in 1996.

** For option #3, the first two years use existing contract assumptions, with renegotiated prices for MCS. The third year assumes 1996 prices can be reduced by 3.5% due to bidding as a package (7% savings reduced 3.5% due to inflation) and improved specifications. The fourth and fifth years assume a 3.5% escalation.

The chart shows that Option #3 has the lowest average price and that over the next five years it could save approximately \$2 million over Option #2. If Option #2 were pursued and bids came in at the upper range, Metro would spend approximately \$4 and half million more than the highest price in Option #3, or ten times more than the potential savings if the low range of Option #2 is compared to the low range of Option #3.

If options 1 or 2 are pursued, staff is unsure of how to deal with the issue of Metro's rolling stock. The equipment has probably no more than 3 years of useful life with significant maintenance costs. If Metro retained ownership under a five year contract, Metro would probably be responsible for replacement during the contract term, while entering into disputes with the contractor over how much maintenance is required. If, under options 1 or 2, Metro requires the contractor to take ownership of the current rolling stock and provide replacements which they own, it is unclear what the effect on prices would be since the contractor would be unable to fully depreciate the equipment (the normal cycle is 5 years), but yet would enjoy the salvage value of the current equipment after 2 or 3 years.

The prices estimated in options 1 and 2 reflect that potential bidders assume that the contracts awarded would be five years in length, as the prices from which they are derived are/were at least that length. Staff is unsure if prices would be higher if the MCS contract is viewed as a three year contract. One effect to bidders, as mentioned above, is less time to depreciate equipment that can be a sizable investment. This may not concern larger firms which can move equipment from one project to another, however smaller firms may not be willing to absorb such risk. In addition, firms may be unlikely to pass on all of the savings from combined bids for both stations for the full five years. By exercising the option to terminate the MCS contract after three years, prices received in subsequent bids maybe higher than expected.

RECOMMENDATION

It is recommended that Metro negotiate a reduction in price with BFI, acceptable to staff, and continue their operation of the station past October of 1994 while retaining the option to terminate as currently contained in the contract, as well as extend the WMO contract until October 1996. This action will permit Metro to develop its facilities needs for the future, reduce the overall transfer costs, and allow further refinement of the operations at MCS, while positioning to bid the stations as a package.

JW:CG:ay

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NOTE: This table is an update of the table presented in the memo from Bob Martin, Solid Waste Director of June 14, 1994 regarding "Discussion of Options for Operations Contracts for Metro Transfer Stations". The updated information under Option #3 reflects updated assumptions and minor corrections in the previous analysis. As a result of the update, \$7.54 should be substituted for \$7.50 on page 4 of the memo.

Year	Tonnage	Option #1 Range *		Option #2 Range *		Option #3 Range **	
		\$6.13	\$7.50	\$5.70	\$6.98	\$6.37	\$6.56
1995	753,155	\$4,616,840	\$5,648,663	\$4,292,984	\$5,257,022	\$4,775,936	\$4,917,049
1996	779,294	\$4,944,270	\$6,049,270	\$4,597,445	\$5,629,854	\$5,051,726	\$5,197,853
1997	799,787	\$5,251,889	\$6,425,639	\$4,883,485	\$5,980,128	\$5,003,111	\$5,147,831
1998	815,527	\$5,542,681	\$6,781,420	\$5,153,879	\$6,311,242	\$5,280,128	\$5,432,862
1999	832,334	\$5,854,900	\$7,163,418	\$5,444,198	\$6,666,754	\$5,577,558	\$5,738,895
Total Expenditures under each option		\$26,210,580	\$32,068,409	\$24,371,991	\$29,844,999	\$25,688,459	\$26,434,491
Average Expenditures***			\$29,139,494		\$27,108,495		\$25,688,459
		Per ton	\$7.32		\$6.81		\$6.45
Difference from lowest average			\$3,451,036		\$1,420,036		
Difference from highest of each Option			\$5,633,918		\$3,410,509		
Difference from lowest of each Option		\$1,838,589				\$1,316,468	

* Options 1 & 2 assume an annual escalation of 3.5%, beginning in 1996.

** For option #3, the first two years use existing contract assumptions, with renegotiated prices for MCS. The third year assumes 1996 prices can be reduced by 3.5% due to bidding as a package (7% savings reduced 3.5% due to inflation) and improved specifications. The fourth and fifth years assume a 3.5% escalation.

***For Option #3, the lower price is used since this is the negotiated price reflecting the equipment sale contemplated under Change Order No. 15 to the MCS contract.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2003 FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT OF COMPETITIVE BIDDING PURSUANT TO METRO CODE 2.04.041, AND AUTHORIZING EXECUTIVE OFFICER TO EXTEND THE CURRENT OPERATIONS CONTRACT FOR METRO SOUTH STATION TO NO LATER THAN OCTOBER 1, 1996

Date: August 22, 1994

Presented by: Jim Watkins

Proposed Action

Adopt Resolution No. 94-2003 to permit the Executive Officer to extend the current operations contract for Metro South Station to no later than October 1, 1996.

Factual Background and Analysis

The current operations contract for Metro South Station (MSS) expires December 31, 1994. However, the length of the contract may be extended at Metro's option for a period of up to 2.5 years. As discussed in Attachments Nos. 1 and 2, it has been determined that it is in the public interest to extend the contract until October 1, 1996, at which time it will be rebid together with the operations contract for Metro Central Station (MCS).

In order to extend the MSS contract, the Metro Contract Review Board must exempt the extension from the competitive bid process. Under Metro Code Section 2.04.041(c) and ORS 279.015(2), the board may, by resolution, exempt certain contracts from competitive bid requirements, if it finds as follows:

- (a) It is unlikely that such exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
- (b) The awarding of public contracts pursuant to the exemption will result in substantial cost savings to the public contracting agency. In making such finding, the director or board may consider the type, cost, amount of the contract, number of persons available to bid and such other factors as may be deemed appropriate.

In addition, ORS 279.015(5) states that the board shall:

- (a) Where appropriate, direct the use of alternate contraction and purchasing practices that take account of market realities and modern or innovative contracting and purchasing methods, which are also consistent with public policy of encouraging competition.
- (b) Require and approve or disapprove written findings by the public contracting agency that support the awarding of a particular public contract or a class of public contract,

without competitive bidding. The findings must show that the exemption of a contract or class of contracts complies with the requirements of paragraphs (a) and (b) of subsection (2) of this section.

The findings in support of an exemption from public bidding requirements for the extension of the Metro South Station operations contract are contained in Exhibit "A" to Resolution No. 94-2003.

Budget Impacts

The FY1994-95 budget for operation of MSS is \$1,674,000. The estimated budget for the period of July, 1995 through September, 1996 is \$2,262,847. The latter estimate assumes standard inflation adjustments currently contained in the contract.

Executive Officer's Recommendation

The Executive Officer recommends adoption of Resolution No. 94-2003.

CG:ck

AGENDA ITEM NO. 7.3
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2019

SOLID WASTE COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 94-2019, FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT OF A COMPETITIVE PROCESS FOR THE SALE OF EQUIPMENT AT METRO CENTRAL STATION AND AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE CHANGE ORDER NO. 15 TO THE CURRENT OPERATIONS CONTRACT FOR METRO CENTRAL STATION

Date: September 14, 1994

Presented by: Councilor Hansen

Committee Recommendation: At the September 13 meeting, the Committee voted 5-0 to recommend Council adoption of Resolution No. 94-2019. Voting in favor: Councilors Buchanan, Hansen, McFarland, McLain, and Monroe. Councilor Wyers was absent.

Committee Issues/Discussion: The purpose of this resolution is authorize the Executive Officer to execute Change Order No. 15 to the current operations contract at Metro Central and provide an exemption from competitive bidding that would allow Metro to sell certain equipment to the current station operator.

Jim Watkins, Solid Waste Engineering and Analysis Manager, and Chuck Geyer, Senior Solid Waste Planner, presented the staff report. He noted that staff had provided the committee with an analysis potential options for addressing the rebidding or extension of existing operating contracts at Metro Central and Metro South. Under the terms of the existing Metro Central contract, Metro could rebid the contract as early as October 1994. Watkins noted that the committee had encouraged the staff to attempt to renegotiate the terms of the existing contract prior to considering any rebidding option. Proposed Change Order No. 15 is the result of the renegotiation of the contract.

Change Order No. 15

The change order includes a total of 13 separate changes in the existing contract terms. These changes deal with six major subject areas: 1) the put or pay provisions, 2) unit disposal prices, 3) simplification of the payment structure, 4) the proposed equipment sale to Trans Industries (TI), 5) responsibility for maintenance, and 6) changes requested by bond counsel. The actual language of the change order is included as Attachment 1 to the proposed resolution.

Put or Pay. The terms of the existing contract set a minimum put or pay level of 35,000 tons/month. Thus, when actual tonnage is less than 35,000 in a given month, Metro pays for more tonnage than it actually sends to the station. Since Metro has seldom exceeded the 35,000 ton monthly level, it has been estimated that Metro has paid several hundred thousand dollars in additional payments to the station operator under the existing put or pay provisions.

One of Metro's principal goals in renegotiating the existing contract was the elimination or significant reduction in the put-or-pay tonnage level. Since Metro's bond counsel advised that some form of put-or-pay would have to be retained to satisfy existing bond covenants, Change Order No. 15 provides for a reduction in the put-or-pay level from 35,000 to 20,000 tons/month. Since monthly tonnages have rarely fallen below 25,000/month, staff estimates that the potential of falling below the new put-or-pay level is minimal.

Unit Prices. Change Order No. 15 also provides for a revised schedule of per ton disposal costs. At all monthly tonnage levels up to 43,500 tons, the total disposal costs would be less than under the existing contract. For example, at 20,000 tons, the monthly payment would be about \$31,000 less; at 28,000 tons it would be about \$65,000 less; and at 35,000 tons about \$35,000 less. Since the maximum capacity at Metro Central is about 45,000 tons/month, the new unit prices will be lower than the existing rates unless the facility is virtually operating at full capacity.

Payment Simplification. The original contract terms and a series of change orders have resulted in eight different adjustments to the basic monthly payments. Adjustments that add to the monthly payments include payments of Metro's share of certain lab, litter and maintenance costs and bonus payments for maximizing load sizes in Jack Gray trucks bound for Columbia Ridge. Adjustments that reduce the monthly payments include rebates for water recycling and shuttle services not provided by TI, Metro's share of the sale of recycled materials and deductions for Jack Gray truck overloads. Though the amount of these adjustments fluctuate from month to month, staff estimates that there is an average \$10,000 net reduction in monthly payments.

During the contract renegotiation process, Metro sought to simplify this payment structure. Under Change Order No. 15, adjustments related to shuttling, water recycling, lab and litter have been rolled into the basic per unit disposal costs. Adjustments related to Metro's share of the sale of recycled materials and adjustments related to truck load size remain.

Equipment Sale. Under the terms of the original contract, Metro purchased and retained ownership of certain smaller pieces of equipment at the facility. The original purchase price was \$622,759 and an independent appraisal estimates that the current wholesale value of this equipment is about \$242,500 and the retail value is \$319,000. Change Order No. 15 includes acceptance of an offer from TI to purchase this equipment for \$280,000. Staff notes that for Metro to obtain the retail price, certain equipment repairs would have to be made. In addition, they note that by the end of the current operating contract, the equipment will have only a salvage value of \$94,000. Staff recommends acceptance of the TI offer.

If accepted, Metro would receive payment for the equipment

through a \$.39/ton adjustment in the monthly payment for the remainder of the contract or until the total adjustment reached \$280,000. Should any amount remain to be paid at the end of the contract, Metro would receive a lump sum payment from TI.

Maintenance. Under the terms of the existing contract, Metro and TI split the costs of all normal maintenance items at the station. Staff estimates Metro's share of these costs to be about \$237,000 annually. Under Change Order No. 15, TI would assume all ordinary maintenance costs. Metro would remain responsible for extraordinary repairs or the replacement of certain larger pieces of equipment, such as the compactor.

Bond Counsel. Metro's bond counsel reviewed Change Order No. 15 and recommended several technical changes to insure that the bonds issued to finance Metro Central would retain their tax-exempt status. Federal IRS rules governing such bonds limit the extent to which a private operator can profit from such a facility. In the case of Metro Central, TI's receipts from activities such as the sale of recycled materials, sale of fuel pellets and avoided cost payments from Metro cannot exceed the fixed payments from Metro (approximately \$3.4 million). Bond counsel advice led to amendments that would protect Metro from certain "worst-case" scenarios that could result in a violation of the IRS requirements.

Fiscal Impact

Staff presented data which estimated that the net effect of Change Order No. 15 will be to reduce total payments to TI under the operating from \$3.94 million to \$3.06 million, a reduction of 22.3 percent. The per ton disposal cost would be reduced from \$10.89 to \$8.46, a reduction of \$2.43. Annual savings are estimated to be \$880,000. It should be noted that the adopted budget for the current fiscal year did not include any estimated savings from revisions in the Metro Central contract.

**BEFORE THE CONTRACT REVIEW BOARD
OF METRO**

FOR THE PURPOSE OF AUTHORIZING AN)
EXEMPTION TO THE REQUIREMENT OF A)
COMPETITIVE PROCESS FOR THE SALE OF)
EQUIPMENT AT METRO CENTRAL STATION)
AND AUTHORIZING THE EXECUTIVE)
OFFICER TO EXECUTE CHANGE ORDER)
NO. 15 TO THE CURRENT OPERATIONS)
CONTRACT FOR METRO CENTRAL STATION)

RESOLUTION NO. 94-2019

Introduced by Rena Cusma,
Executive Officer

WHEREAS, Metro can realize substantial savings for the operation of Metro Central Station by executing Change Order No. 15 (Attachment No. 1 to EXHIBIT "A") to Metro Contract No. 901584 as described in EXHIBIT "A"; and

WHEREAS, Change Order No. 15 would transfer ownership of certain equipment to the current operator of Metro Central Station; and

WHEREAS, Under Metro Code Section 2.04.070, such a sale of equipment (see EXHIBIT "A") must follow the procedures for purchase of goods and services; and

WHEREAS, Under Metro Code Section 2.04.060(a), such a sale requires an exemption from public bidding requirements by the Metro Contract Review Board; and

WHEREAS, Metro Code Section 2.04.041(c) and ORS 279.015(2) authorize the Metro Contract Review Board to exempt a public contract from competitive bidding if it finds that the exemption will not encourage favoritism or substantially diminish competition for public contracts and that such an exemption will result in substantial cost savings; and

WHEREAS, EXHIBIT "A" to this resolution presents findings which satisfy the requirements of such an exemption; now, therefore,

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

BE IT RESOLVED,

1. That based on the information presented in EXHIBIT "A", the Metro Contract Review Board finds that:

a) It is unlikely that exempting the sale of equipment to the current Metro Central Contractor will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and

b) The sale will result in substantial cost savings to Metro; and

2. That based on these finding, the Metro Contract Review Board exempts Change Order No. 15 to the Metro Central Operation Contract from the requirements for a competitive sale process and authorizes the Executive Officer to execute the change order.

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

Ed Washington, Deputy Presiding Officer

EXHIBIT "A"

The following findings are recommended in support of an exemption from public bidding requirements for the sale of equipment listed in Change Order No. 15 to the operations contract for Metro Central Station:

1. It is not likely that the exemption will encourage favoritism or substantially diminish competition for public contracts.

"Favoritism" implies that there is a bias on the part of the contracting agency to award a contract to a particular contractor for reasons other than the furtherance of sound public policy and the intent of the public contracting system. Such favoritism is not encouraged through the sale of rolling stock to Trans Industries (TI), because the driving forces behind the sale are not bias, but instead, demonstrated savings to Metro and operational efficiency. An appraisal has verified that the sale price of the equipment to TI is within the range of expected market prices. In addition to reducing transfer station costs, the sale is being undertaken to provide the operator with an incentive to maintain the rolling stock during the remainder of the contract which they would not have if Metro retained ownership, thereby reducing the likelihood of downtime and improving operations. This has been our experience at Metro South where the operator provides all rolling stock. Since the equipment would have little value at the end of the contract, the next operator would be required to provide new equipment and the existing rolling stock would have to be sold off at substantially less than Metro will receive through a sale at this time.

Competition will not be substantially diminished if the sale is made to TI. The sale of the equipment competitively would probably not be made until the end of the current contract. As mentioned above, it is expected that the value of the equipment would be close to the salvage value by that time, with little depreciation available to potential buyers. This is due to the fact that the rolling stock is being used in one of the harshest applications possible- i.e. moving solid waste. The equipment has also been specially modified (such as solid tires for the loader) which limits its use for other applications. For the above reasons, few buyers would be interested in bidding for the equipment. Instead of auctioning of the equipment, Metro would most likely turn over ownership of the equipment to the next operator as was done at Metro South as part of the award of that contract.

2. Awarding of the contract will result in substantial cost savings for the agency.

The \$280,000 sale price is substantially more than the estimated salvage value Metro would probably realize if the equipment were sold at the end of the contract in 1996. The equipment could not be sold at this time because it is needed to complete the current operations contract. If Metro sells the equipment to TI, Metro will also avoid all maintenance costs associated with it. Metro's potential exposure for maintenance costs for the mobile equipment is over \$150,000. Metro also avoids the administrative costs associated with auctioning off the equipment if this were done.

ATTACHMENT NO. 1

CHANGE ORDER NO. 15
METRO CONTRACT NO. 901584

MODIFICATION TO THE CONTRACT BETWEEN
METRO AND TRANS INDUSTRIES, ENTITLED
"1989 METRO CENTRAL TRANSFER STATION OPERATIONS AGREEMENT"

A. Purpose and Term of Change Order

The purpose of this Change Order is to modify the terms under which Trans Industries will operate the Metro Central Station effective October 1, 1994, and continuing until the conclusion of the Contract.

B. Terms of Change Order

DELETE the existing language and REPLACE with the following:

"(a) the sum of \$283,120 (adjusted in the same manner as set forth in Section 8.3 and which includes the Materials Recovery Incentive for the first 800 tons of Recovered Materials) for each month effective October, 1994, provided that for any month during which 20,000 Tons or more of Acceptable Waste are delivered to the Facility, the Unit Price (Exhibit 8.1) shall apply to all tons delivered;

2. REPLACE EXHIBIT 8.1 with the following:

Unit Prices for Monthly Tonnages in Excess of Flat Fee

For months when Acceptable Waste tonnage exceeds 20,000, Contractor will be reimbursed based on the following unit prices:

<u>Tons/Month</u>	<u>Price Per Ton</u>
20,000	\$12.700
22,500	\$11.356
25,000	\$10.280
27,500	\$9.400
30,000	\$8.667
35,000	\$8.000
over 40,000	\$7.520

For months with tonnages between each tonnage category above a straight line sliding scale will be developed. Reimbursement for actual tonnage within the categories will be based on the incremental unit cost from the sliding scale. For example, if Acceptable

Waste tons received in a month were 27,936, then the unit price per ton would be \$9.272; therefore the service fee for that month would be:

$$27,936 \times \$9.272 = \$259,022.59$$

All months with tonnage greater than 40,000 will be reimbursed at \$7.520 for all tons. For example, if Acceptable Waste Tons received in a month were 41,013, then the service fee for that month would be $41,013 \times \$7.520 = \$308,417.76$.

Unit Prices are adjusted annually in accordance with Section 8.3.

3. Change Order No. 13

DELETE item number 5 of Section B

4. Change Order No. 1

DELETE item B.2.(a)

5. Change Order No. 3

DELETE items number 2 and 3

6. Section 7.4.1

ADD to the end of the section:

All structural girders and ventilation systems shall have dust removed from their surfaces on a schedule agreed to by Metro, and all their painted metal surfaces that are chipped or corroded shall be repainted annually.

7. Section 7.4.3

ADD to the end of the section:

Except that the Contractor shall pay for the periodic lab testing required by the City of Portland in accordance with the schedule and terms contained in the operating permit issued by the City, at no additional cost to Metro.

8. Section 7.3.2.1

DELETE the existing language and REPLACE with the following:

The Contractor shall make all repairs of equipment and perform all maintenance, in addition to periodic maintenance set forth in section 7.3.1, reasonably required for the operation of the Facility in conformity with this Agreement and the Performance Standards, at no additional cost to Metro, except to the extent described below.

Contractor shall be reimbursed for one-half of its Direct Costs during the first 21 months of this change order and for seventy five percent of its Direct Costs during the last 3 months of this change order (excluding Contractor-provided labor expenses except those pre-approved by Metro) for the extraordinary costs for replacement or rebuilding of those items listed in Exhibit 7.2 to this Change Order to the extent of Cost Substantiation, provided that the Contractor has performed the periodic maintenance consistent with historical levels and the Operation and Maintenance Manual. If Metro determines that Contractor has not performed its maintenance responsibilities consistent with historical levels and the Operation and Maintenance Manual, Contractor shall be responsible for all costs described in this section.

Contractor shall be entitled to full reimbursement for Direct Costs described in this section which result from Metro Fault or Change in Law. If Direct Costs for any repair described in this section are required in order to avoid injury to persons or property or a material stoppage in the loading of transport vehicles, the Contractor shall effect the same and promptly notify Metro. In all other cases Metro shall be notified of and approve such actions in a procedure substantially equivalent to that for a Change Order.

9. INSERT the following Section 8.4.4:

Over the remaining life of the Contract, Contractor shall purchase from Metro the equipment listed in EXHIBIT 8.2 to this Change Order for the purchase price of \$280,000 and be responsible for all repair and replacement costs associated with the equipment. Contractor shall remit the purchase price by deducting from its monthly operations billing the amount equal to the Acceptable Waste tons received at the Facility, times \$.39, until the full purchase price of \$280,000 has been remitted to Metro. In the event that the Contract is terminated prior to Contractor remitting the entire purchase price, the remaining amount due Metro shall be deducted from the final payment due the Contractor. In the event that the final payment is insufficient to reimburse Metro for the remaining balance due Metro for the equipment purchase, Contractor shall remit the remaining balance within 30 days of the termination of the Contract. The \$.39 per ton payment to Metro shall not be subject to annual adjustment in accordance with Section 8.3.

10. DELETE Section 13.5 and REPLACE with the following:

Metro shall have the option, exercisable in its sole discretion, to terminate this Agreement without cause within ninety (90) days after October 1, 1994. Contractor shall continue its obligation under this Agreement for a period of ninety (90) days after receiving written notice from Metro of Metro's intent to terminate the Agreement under this section, at the end of which time the Agreement shall terminate and the Contractor shall demobilize from the facility. Upon such termination, Metro shall pay the Contractor the amount provided for in Section 13.4.

11. Section 1, Definitions, "Unit Prices":

DELETE "over 35,000" and SUBSTITUTE "equal to or exceeding 20,000".

12. INSERT the following Section 8.1.4:

Total compensation to Contractor under this Agreement, including all payments made by Metro to Contractor and all other revenue derived by Contractor from operation of the Facility, minus credits provided by Contractor under section 6.12.3 and adjusted as specified in Section 8.3, (herein "total compensation") shall not exceed \$6,794,880 in a Contract Year. If Metro determines that total compensation to Contractor in a Contract Year is likely to exceed \$6,794,880, and not more than \$3,600,000 of that amount is attributable to Metro payment of Unit Prices and/or the fixed amount specified in Section 8.1.1(a), Metro may declare a Contractor Event of Default, and will be entitled to the remedies specified in Section 13.3.1, provided that Metro shall have given Contractor 30 days prior written notice, with reasonable detail of the basis for the default, and Contractor shall have failed to remedy or commence to remedy the default within the 30 day period. The amounts specified herein shall be prorated if this Agreement is terminated prior to the end of a Contract Year.

13. INSERT the following Section 13.4 (c):

A Force Majeure causes Metro to deliver quantities of waste to the facility such that Metro payment of Unit Prices and/or the fixed amount specified in Section 8.1.1 exceeds \$3,600,000 and the total compensation specified in Section 8.1.4 exceeds \$6,794,880.

CG:rlk
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EXHIBIT 7.2

**Metro Central Transfer Station
Extraordinary Equipment Repairs and Replacements List**

Equipment/Component	Estimated Cost To Rebuild	Estimated Cost To Replace
<u>Densifiers</u>		
Amfab		
Packing Cylinder	10,000	80,000
Electric Motor 150 hp	1,600	5,000 two units
Hydraulic Pump	1,000	5,000
Hydraulic Valve Body	2,500	20,000
Replace floor	n/a	45,000
Resurface concrete	20,000	50,000
SSI Unit #1		
Packing Cylinder	6,000	70,000
Ejection Cylinder	7,000	60,000 two units
Electric Motors, 150 hp	1,600	5,000 two units
Hydraulic Pump	900	3,500
Hydraulic Valve Body	2,500	15,000
Replace floor	n/a	45,000
Resurface concrete	20,000	50,000
SSI Unit #2		
Packing Cylinder	6,000	70,000
Ejection Cylinder	7,000	60,000 two units
Electric Motors 150 hp	1,600	5,000 two units
Hydraulic Pump	900	3,500
Hydraulic Valve Body	2,500	15,000
Replace floor	n/a	45,000
Densifier Total	91,100	652,000
<u>Support Equipment</u>		
Air Compressor	n/a	40,000
Back up Generator	60,000	85,000
Diesel Tank Failure	n/a	75,000
Baler		
Packing Cylinder	1,500	12,000
Ejection Cylinder	1,000	8,000
Electric Motors	700	2,000
Hydraulic Pump	1,200	6,000
Hydraulic Valve Body	2,100	15,000
Support Total	66,500	243,000

EXHIBIT 8.2

Rolling Stock to be Purchased by Trans Industries from Metro

Quantity	Description
1	Caterpillar V200B Forklift
3	Komatsu WA320 Loaders
1	Komatsu WA380 Loader
1	Condor Boomlift
1	John Deere Sweeper
1	Hyster Forklift




METRO

ATTACHMENT NO. 2

DATE: June 14, 1994

TO: Metro Council Solid Waste Committee

FROM:  Bob Martin, Solid Waste Director

RE: Discussion of Options for Operations Contracts for Metro Transfer Stations

By late 1994, both operations contracts at Metro transfer stations will be able to be rebid. Discussed below are factors to be considered in deciding when to bid out the contracts. These factors include the current structure and performance of the two contracts, the role of the stations in the solid waste system, how current prices compare with other jurisdictions, and bidding strategies and possible outcomes. After consideration of these factors it is my recommendation that the current contracts be rebid together by October 1996. This means extending the Metro South agreement as provided by the contract, and simply continuing the Metro Central contract to maturity. This report provides the background and basis for this recommendation.

BACKGROUND

The current five year operations contract for Metro South Station (MSS) expires December 31, 1994. Per Article 32 of the General Conditions of the contract, Metro may, at its sole discretion, extend the term of the contract for up to an additional 2.5 years. Multiple extensions can be used to extend the term by that amount, except that each extension must be at least 6 months and 90 days notice must be given in advance of the termination date (of the original contract, this would be October 1st, or any subsequent extension). Preliminary discussions with the current contractor indicate a willingness to extend the term, although their agreement to an extension is not required. All terms and conditions of the existing contract apply during the extension, except for "fixed cost" payments which would be discontinued during an extension. The current contractor, Waste Management of Oregon (WMO), did not bid any "fixed costs".

Operations at MSS are fairly straightforward due to the pit design and lack of materials recovery activities. Haulers tip the waste into the pit and a tracked loader pushes the waste into compactors which extrude the waste into transport semi-trailers. Materials recovery activities are limited to mostly source separated materials and white goods which account for about a 1% recovery rate. Although there have been disputes over contract interpretation, these have not resulted in major cost impacts. The main operational problem at the facility has been the repeated failure of the SSI compactor. This has resulted in substantial downtime for the unit. The current operator has cooperated in the situation, and offered to share in a solution to the problem if the contract is extended since a solution would result in lower maintenance costs and downtime. In general, the current contractor's performance has been very satisfactory.

The current five year operations contract for Metro Central Station (MCS) expires October 1, 1996. Per section 13.5 of the agreement, Metro has the option of terminating the agreement after the 3rd year, at its discretion, upon 90 days notice (July 2nd notice to terminate October 1, 1994). The 3 year termination option is a requirement of the type of bonds used to finance the facility, and would be a requirement of any future operations contract as well.

If Metro exercises the termination option, Metro is responsible to pay the contractor's costs of "termination and demobilization." These costs are not defined in the agreement, staff estimates such costs to be in the range of \$25,000 to \$50,000. If Metro chooses not to terminate, all terms and conditions of the agreement still apply, except for those change orders which expire on the third anniversary. Actual operations at MCS are much more complex than at MSS and are still being modified. The difference in operations is largely due to the flat floor design and materials recovery activities.

The materials recovery activities are still evolving at the facility. The facility was designed to recover mainly wood and paper from the incoming wastestream. Wood is recovered mainly from commercial waste after being tipped onto the floor. It is then taken to the wood line for processing into hog fuel. The wood recovery line has functioned pretty much as planned, and is recovering 75% of the total 7% recovery rate. However, due both to the success of source separation programs (which appear to have removed larger quantities of materials from the wastestream than expected) and the inability of the mechanical lines to upgrade paper to marketable quality, paper recovery has been well below target levels. In an effort to utilize the paper feedstock from the mechanical lines, the contractor has recently installed a pellitizer to make fuel from recovered contaminated paper. The pellitizer is currently undergoing shakedown and contracts with users are being negotiated. In the event that Metro terminates the current contract in October 1994, and Metro is unable to evaluate this equipment sufficiently, it is most likely Metro would have the contractor remove the equipment upon demobilization. Since the fuel is to be made from the contaminated paper recovered by the lines installed initially, it is unclear what would be the materials recovery focus in a future contract. The contractor is also currently negotiating with the American Plastics Council for the installation of a materials recovery system for plastics. The system would primarily be funded by the American Plastics Council.

As originally negotiated, the MCS contract required Metro to reimburse the contractor for one half of the maintenance costs of the facility, other than periodic maintenance. Due to the unacceptability of part of the materials recovery system, the contractor, in a change order which expires in October 1994, agreed to pay all maintenance costs for the first three years of the contract. The value of this change to Metro is estimated at \$237,000 annually. It should be noted that, unlike MSS, Metro owns most of the rolling stock at MCS. It is clear that a better arrangement would be for the operator to own this equipment since they have an incentive to maintain the equipment and can take advantage of depreciation. A five year depreciation period is appropriate for most rolling stock. Staff believes the \$600,000 worth of rolling stock originally purchased by BFI as a part of the facility purchase price and thus owned by Metro will reasonably last an additional two years. It would be difficult to factor the cost of new equipment into the price per ton if the contract were rebid in October 1994.

As mentioned above, the current operations contract for MCS is five years in length, with the option to terminate after three years. Given the still evolving nature of the materials recovery activities, it would be difficult to specify the activities required in the next contract at this time. The option to terminate is a requirement of the financial arrangement used to construct the facility. The intent of this requirement is to protect Metro should the contractor's performance prove unsatisfactory or too costly. As discussed below, it is probably advantageous for Metro in the long run to honor the full length of the contract to attract lower bids as well as to consolidate operational parameters.

In general, it is staff's opinion that the current contractor (BFI) has performed well. BFI continues to invest substantial time and money in the materials recovery systems and operations. This includes an investment in over \$300,000 of equipment not specified in the contract, as well as innovative attempts to increase materials recover such as the pellitizer. In terms of cost, the current cost of operations is perceived as high since the put-or-pay tonnage level has not been reached. A more detailed analysis of relative transfer station costs and expected bid prices is contained below.

THE ROLE OF METRO TRANSFER STATIONS

The solid waste department is currently developing a facilities plan update for the region. The purpose of the plan is to determine the type and number of solid waste facilities which will be needed in the region and the role different parties will play in developing these facilities. It is unclear what role Metro's transfer stations will have in the plan, the volumes they will be expected to process and what activities they will be expected to perform as a part of the solid waste system. The Metro Council adopted Resolution No. 94-1941 (calling for a facilities plan update) in part, because of its concern over the role of transfer stations as part of the system of solid waste facilities needed in the future. Until the facilities plan has been developed and adopted, it would be difficult and perhaps premature (but not impossible) to specify in bid documents what will be needed at MSS and MCS, and their future roles in system.

Likewise, the Department is concurrently developing its five year waste reduction plan. The plan will address the policies, programs and roles the region will need to achieve waste reduction goals. The role and need for transfer stations will be defined to some extent by the plan, both in terms of the stations' roles in increasing materials recovery and also as places where demonstration programs can be conducted to examine the feasibility of different approaches. Particularly with organics, the long term role of Metro transfer stations will be defined by demonstration programs which will be undertaken in the next fiscal year.

Metro is also currently conducting a waste characterization study to determine the composition and origin of waste arriving at solid waste facilities. The study will be a driving force in the development of both of the above plans. The information gathered will provide a picture of the success of waste reduction programs and what materials remain for recovery at transfer stations. The study will also examine the impact of a large "dump and sort" operation which will come on-line during the Spring. Its impact will be critical in determining the mix of recovery activities at

Metro transfer stations, particularly at MCS, and may result in discontinuing certain activities and emphasizing others. Given the still evolving nature of recovery activities at MCS, it would be desirable to have the information being developed from the characterization study, and the program and policy direction which will come from the plans currently being developed, before we rebid current operations contracts at Metro transfer stations.

PRICE COMPARISON AND REBIDDING

The MSS has a current average price of \$4.30 per ton. It escalates annually at 80% of the CPI. The BFI contract price is set by the put-or-pay amount, which results in an average per ton price of \$9.82.

In examining what is a reasonable price for transfer at these two very different facilities, information from other jurisdictions was sought. Comparable transfer station operation and maintenance information was found for Seattle's publicly-owned and operated transfer station, and for the publicly owned and privately operated station in Hennepin, Co., Minnesota. Other jurisdictions contacted were unable to separate transfer station costs from transport or disposal.

The Seattle station is a pit design with compaction for long haul similar to MSS. The per ton rate is approximately \$8.39 for transfer. The Hennepin, Co. station is a pit design where waste is top loaded into trailers, its rate is approximately \$6.27. Neither of these jurisdictions perform significant materials recovery at transfer stations.

Staff also analyzed the previous contract for the operation of Metro South and inflated the prices per the contract. The analysis indicates that current prices for Metro South are approximately 12% lower than the previous contract would have been if it were continued.

In addition, we compared prices from the proposed Wilsonville station (which would have had some materials recovery) and the recently negotiated Forest Grove franchise. The Wilsonville station, operating at full capacity, would yield a per ton rate of \$10.51 (excluding capital costs). The Forest Grove station operating at full capacity is \$11.96 without capital costs.

Averaging these five rates yields a per ton rate of \$8.40 per ton. Metro South at \$4.30 per ton is the lowest rate found in our analysis. Metro Central at its current \$9.82 is at the upper range of our analysis. Averaged, our current transfer rate is about \$6.96. This average does not include Metro's share of maintenance costs at Metro Central, which would increase the average by about \$.30 per ton.

Given the unused capacity at MCS under the current put-or-pay arrangement, preliminary discussions were conducted with the operator regarding prices for the period beyond the initial three years. These discussions indicate that savings of approximately two dollars per ton are available over what would be contractually required in 1995, with BFI responsible for all maintenance costs. Averaged with MSS, our transfer rate would fall to approximately \$6.42 per ton after October 1994. If we were to continue the MCS contract past October 1994, under the

current contractual conditions, our combined transfer rate would rise to approximately \$7.50 per ton due to the effects of the put-or-pay arrangement and the expiration of the maintenance change order discussed above.

In order to examine the effect rebidding the contracts would have on prices, staff speculated on the outcomes of three possible scenarios. First, each contract could be rebid separately, assuming Metro exercises its option to terminate MCS in October 1994, and does not extend MSS past December 1994. Secondly, the current MCS contract would be terminated to coincide with the expiration of MSS, and the two could be bid as a package, with new contracts effective January 1995. The third option would be to extend the MSS contract until October 1996, renegotiate prices at MCS as discussed above for the remainder of contract (while retaining the option to terminate), and then bid the two as a package effective November 1996.

Both the second and third options assume a reduction in prices of 7% due to bidding the two stations as a package. The reduction is possible due to having a single contractor operating both stations who would be able to share resources between the stations. For example, less administrative and maintenance personnel would be needed since they could be utilized by both facilities. Per unit costs for outside services and supplies (such as fuel) may be reduced due to increased volume. Cost savings should be available generally due to economies of scale.

Option #1 - Rebid both contracts separately at earliest opportunity.

The MCS contract could be terminated in October 1994. The current price is in the upper range of transfer costs, attributable mainly to the put-or-pay aspects of the contract, the complexity of operations and maintenance requirements of the materials recovery systems, and the cost of purchasing all new rolling stock during the term of the contract. It is expected that prices could be reduced through rebidding. The above analysis indicates that a rate of \$8 to \$9.50 per ton would be an expected rate.

MSS's current contract can be terminated in December 1994. Staff found no evidence that rebidding the contract would lower the rate. Since the station is less complex than operations at MCS and has fewer operating hours, a rebid would probably result in a slightly higher rate, in the range of \$4.25 to \$5.50 per ton.

The average rate would be \$6.13 to \$7.50 per ton. Bidding separately forgoes any potential savings available by combined operations.

Option #2 - Rebid both contracts as a package at earliest opportunity.

Both stations could be bid as a package effective January 1995. It is expected that doing so could reduce total prices by approximately 5% to 10% below separate procurements due to economies of scale (7% is used here). Such economies would include reduced overhead, shared maintenance, equipment and labor resources, and flexibility. A transfer station rate for Metro could be in the \$5.70 to \$6.98 per ton range.

Option #3 - Renegotiate MCS prices, extend MSS until October 1996, then rebid both.

Staff believes that a combined transfer rate of approximately \$6.42 per ton is achievable. This option has the additional advantage of solidifying operational requirements of the materials recovery activities at MCS, which should result in a lower price when rebid as a package in 1996, since uncertainty will be reduced for bidders. It is also contemplated that it would be in Metro's best interest to sell the rolling stock to BFI during the remaining two years of the contract, since BFI can take advantage of depreciation, while Metro cannot. This would reduce the combined rate to approximately \$6.27 per ton.

The effects of pursuing each of the three options is depicted in the chart below.

Year	Tonnage	Option #1 Range *		Option #2 Range *		Option #3 Range	
		\$6.13	\$7.50	\$5.70	\$6.98	\$6.27	\$6.42
1995	753,155	\$4,616,840	\$5,648,663	\$4,292,984	\$5,257,022	\$4,698,163	\$4,818,652
1996	779,294	\$4,944,270	\$6,049,270	\$4,597,445	\$5,629,854	\$4,855,275	\$4,980,046
1997	799,787	\$5,251,889	\$6,425,639	\$4,883,485	\$5,980,128	\$4,808,550	\$4,932,120
1998	815,527	\$5,542,681	\$6,781,420	\$5,153,879	\$6,311,242	\$5,074,795	\$5,205,207
1999	832,334	\$5,854,900	\$7,163,418	\$5,444,198	\$6,666,754	\$5,360,659	\$5,498,417
Total Expenditures under each option		\$26,210,580	\$32,068,409	\$24,371,991	\$29,844,999	\$24,797,442	\$25,434,44
Ave. Expenditures							
		Per ton	\$29,139,494		\$27,108,495		\$25,115,942
			\$7.32		\$6.81		\$6.31
Difference from lowest average				\$4,023,552	\$1,992,553		
Difference from highest of each Optio				\$6,633,966	\$4,410,557		
Difference from lowest of each Optio		\$1,838,589					\$425,451

* Options 1 & 2 assume an annual escalation of 3.5%, beginning in 1996.

** For option #3, the first two years use existing contract assumptions, with renegotiated prices for MCS. The third year assumes 1996 prices can be reduced by 3.5% due to bidding as a package (7% savings reduced 3.5% due to inflation) and improved specifications. The fourth and fifth years assume a 3.5% escalation.

The chart shows that Option #3 has the lowest average price and that over the next five years it could save approximately \$2 million over Option #2. If Option #2 were pursued and bids came in at the upper range, Metro would spend approximately \$4 and half million more than the highest price in Option #3, or ten times more than the potential savings if the low range of Option #2 is compared to the low range of Option #3.

If options 1 or 2 are pursued, staff is unsure of how to deal with the issue of Metro's rolling stock. The equipment has probably no more than 3 years of useful life with significant maintenance costs. If Metro retained ownership under a five year contract, Metro would probably be responsible for replacement during the contract term, while entering into disputes with the contractor over how much maintenance is required. If, under options 1 or 2, Metro requires the contractor to take ownership of the current rolling stock and provide replacements which they own, it is unclear what the effect on prices would be since the contractor would be unable to fully depreciate the equipment (the normal cycle is 5 years), but yet would enjoy the salvage value of the current equipment after 2 or 3 years.

The prices estimated in options 1 and 2 reflect that potential bidders assume that the contracts awarded would be five years in length, as the prices from which they are derived are/were at least that length. Staff is unsure if prices would be higher if the MCS contract is viewed as a three year contract. One effect to bidders, as mentioned above, is less time to depreciate equipment that can be a sizable investment. This may not concern larger firms which can move equipment from one project to another, however smaller firms may not be willing to absorb such risk. In addition, firms may be unlikely to pass on all of the savings from combined bids for both stations for the full five years. By exercising the option to terminate the MCS contract after three years, prices received in subsequent bids maybe higher than expected.

RECOMMENDATION

It is recommended that Metro negotiate a reduction in price with BFI, acceptable to staff, and continue their operation of the station past October of 1994 while retaining the option to terminate as currently contained in the contract, as well as extend the WMO contract until October 1996. This action will permit Metro to develop its facilities needs for the future, reduce the overall transfer costs, and allow further refinement of the operations at MCS, while positioning to bid the stations as a package.

JW:CG:ay

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NOTE: This table is an update of the table presented in the memo from Bob Martin, Solid Waste Director of June 14, 1994 regarding "Discussion of Options for Operations Contracts for Metro Transfer Stations". The updated information under Option #3 reflects updated assumptions and minor corrections in the previous analysis. As a result of the update, \$7.54 should be substituted for \$7.50 on page 4 of the memo.

Year	Tonnage	Option #1 Range *		Option #2 Range *		Option #3 Range **	
		\$6.13	\$7.50	\$5.70	\$6.98	\$6.37	\$6.56
1995	753,155	\$4,616,840	\$5,648,663	\$4,292,984	\$5,257,022	\$4,775,936	\$4,917,049
1996	779,294	\$4,944,270	\$6,049,270	\$4,597,445	\$5,629,854	\$5,051,726	\$5,197,853
1997	799,787	\$5,251,889	\$6,425,639	\$4,883,485	\$5,980,128	\$5,003,111	\$5,147,831
1998	815,527	\$5,542,681	\$6,781,420	\$5,153,879	\$6,311,242	\$5,280,128	\$5,432,862
1999	832,334	\$5,854,900	\$7,163,418	\$5,444,198	\$6,666,754	\$5,577,558	\$5,738,895
Total Expenditures under each option		\$26,210,580	\$32,068,409	\$24,371,991	\$29,844,999	\$25,688,459	\$26,434,491
Average Expenditures***			\$29,139,494		\$27,108,495		\$25,688,459
	Per ton		\$7.32		\$6.81		\$6.45
Difference from lowest average			\$3,451,036		\$1,420,036		
Difference from highest of each Option			\$5,633,918		\$3,410,509		
Difference from lowest of each Option		\$1,838,589				\$1,316,468	

* Options 1 & 2 assume an annual escalation of 3.5%, beginning in 1996.

** For option #3, the first two years use existing contract assumptions, with renegotiated prices for MCS. The third year assumes 1996 prices can be reduced by 3.5% due to bidding as a package (7% savings reduced 3.5% due to inflation) and improved specifications. The fourth and fifth years assume a 3.5% escalation.

***For Option #3, the lower price is used since this is the negotiated price reflecting the equipment sale contemplated under Change Order No. 15 to the MCS contract.

ATTACHMENT NO. 3

Metro Central Transfer Station Rolling Stock Appraisal and Proposed Purchase Price

Quantity	Description	Retail Price	Wholesale	Original Purchase Price	Proposed Purchase Price
1	Caterpillar V200B Forklift	20,000	12,000	37,900	14,000
3	Komatsu WA320 Loaders	68,000	55,000	122,866	62,000
1	Komatsu WA380 Loader	72,000	53,000	138,811	63,500
1	Condor Boomlift	14,000	8,000	39,950	10,000
1	John Deere Sweeper	6,000	3,000	24,200	4,500
1	* Hyster Forklift *	3,000	1,500	13,300	2,000
	Total	319,000	242,500	622,759	280,000

*Estimated Prices for retail and wholesale

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2019 FOR THE PURPOSE OF AUTHORIZING AN EXEMPTION TO THE REQUIREMENT OF A COMPETITIVE PROCESS FOR THE SALE OF EQUIPMENT AT METRO CENTRAL STATION, AND AUTHORIZING THE EXECUTIVE OFFICER TO EXECUTE CHANGE ORDER NO. 15 TO THE CURRENT OPERATIONS CONTRACT FOR METRO CENTRAL STATION

Date: August 22, 1994

Presented by: Jim Watkins

Proposed Action

Adopt Resolution No. 94-2003 to permit the Executive Officer to execute Change Order No. 15 to the current operations contract for Metro Central Station.

Factual Background and Analysis

In December, 1989, Metro entered into Construction and Operation agreements with Trans Industries for Metro Central Station. As part of these agreements, the rolling stock described in Attachment No. 1 (Change Order No. 15) was purchased. Ownership of the rolling stock was retained by Metro. As described below, and in Attachment No. 2, it is in the public interest to transfer ownership of the rolling stock to Trans Industries over the remaining life of the current operations contract for Metro Central Station. Metro will be reimbursed for the equipment through a reduction in unit price payments to the Contractor.

Attachment No. 2 recommends that the current operations contracts for Metro South and Metro Central stations be continued until October, 1996, at which time the two contracts would be rebid as a package. The analysis contained in the attachment shows that substantial savings are available to Metro through this approach (see updated table to attachment.) The analysis assumed that changes to the current operations contract for Metro Central would be negotiated which would result in savings to Metro for the period of October 1, 1994 through September, 1996. Metro has completed the negotiations contemplated in the analysis and the result is Change Order No. 15 to the Metro Central operations contract with Trans Industries. One of the changes contained in the change order which lowers costs to Metro is the sale of the existing rolling stock to Trans Industries (TI).

An appraisal of the equipment which would be sold to TI was conducted several months ago and is contained in Attachment No. 3. The wholesale price is an approximation of the value of the equipment to an equipment dealer and the retail price is an estimate of the price the dealer could receive after reconditioning. The proposed purchase price of \$280,000 (or \$.39/ton) is the amount Metro would receive through the change order (see Section 9).

It should be noted that this equipment is being used for the movement of solid waste which is extremely harsh on equipment. Also, much of the equipment has been adapted to this

environment which limits its use in other applications. At the end of a five year period, it is expected that the equipment's value will be for salvage (approximately 15% of the purchase price or \$94,000.) The main reasons for transferring the equipment to the current operator are that Metro will receive more value than by retaining ownership and that by transferring ownership to the Contractor Metro avoids liability for maintenance costs and the Contractor gains tax advantages by depreciating the equipment.

Change Order No. 15 also modifies a number of other provisions in the current contract. These major modifications include:

- Lowering the "put or pay" threshold from 35,000 tons per month to 20,000, a level which should be exceeded each month;
- Replacing the current unit price schedule with lower unit prices;
- Limiting Metro's ability to terminate the contract "without cause" to the end of the first three years of the contract;
- Making the Contractor responsible for routine maintenance costs and limiting Metro's costs for catastrophic repairs to a percentage contribution for the equipment listed in Exhibit 7.2 of the change order, thereby reducing Metro's exposure for maintenance costs from an estimated \$237,000 to \$25,000 annually;
- Other changes include eliminating pass through costs for shuttling, litter pickup and lab costs for water monitoring, and incorporating the current rebate for decreased water usage due to the installation of a wash water recycling system into the reduced unit prices. The impact of the above changes other than the equipment purchase is a per ton reduction of approximately \$2.00.

Metro Code 2.04.070 requires that approval for the sale of goods follow those for purchasing goods. In order to sell the equipment directly to TI, the Metro Contract Review Board must exempt the sale from the competitive bid process. Under Metro Code Section 2.04.041(c) and ORS 279.015(2), the board may, by resolution, exempt certain contracts from competitive bid requirements, if it finds as follows:

- (a) It is unlikely that such exemption will encourage favoritism in the awarding of public contracts or substantially diminish competition for public contracts; and
- (b) The awarding of public contracts pursuant to the exemption will result in substantial cost savings to the public contracting agency. In making such finding, the director or board may consider the type, cost, amount of the contract, number of persons available to bid and such other factors as may be deemed appropriate.

In addition, ORS 279.015(5) states that the board shall:

- (a) Where appropriate, direct the use of alternate contracting and purchasing practices that take account of market realities and modern or innovative contracting and purchasing methods, which are also consistent with public policy of encouraging competition.
- (b) Require and approve or disapprove written findings by the public contracting agency that support the awarding of a particular public contract or a class of public contract, without competitive bidding. The findings must show that the exemption of a contract or class of contracts complies with the requirements of paragraphs (a) and (b) of subsection (2) of this section.

The findings in support of an exemption from public bidding requirements for the sale of equipment listed in Change Order No. 15 to the operations contract for Metro Central Station are contained in Exhibit "A" to Resolution No. 94-2019.

Budget Impacts

Transfer station payments to the Contractor would be reduced by approximately \$114,000 in FY1994-95, \$144,000 in FY1995-96, and the remaining \$22,000 in FY1996-97.

Executive Officer's Recommendation

The Executive Officer recommends adoption of Resolution No. 94-2019.

CG:ek

AGENDA ITEM NO. 7.4
Meeting Date: September 22, 1994

RESOLUTION NO. 94-2029B

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-2029A, ENDORSING A PUBLIC AWARENESS PLAN FOR THE METROPOLITAN GREENSPACES PROGRAM AND A PUBLIC INFORMATION PLAN FOR THE 1995 GREENSPACES GENERAL OBLIGATION BOND MEASURE

Date: September 12, 1994

Presented by: Councilor McFarland

COMMITTEE RECOMMENDATION: At its September 7, 1994 meeting the Regional Facilities Committee voted 3-0 to recommend Council adoption of Resolution No. 94-2029A. Voting were Councilors Hansen, McFarland, and Moore. Councilors Gates and Washington were absent.

COMMITTEE DISCUSSION/ISSUES: Regional Parks and Greenspaces' Planning & Capital Development Manager Pat Lee presented the staff report. He said this resolution is the first step in a two-phased process for establishing a public awareness plan for the Metropolitan Greenspaces program and a public information program for the Greenspaces bond measure. The second step will be adoption, by ordinance, of funding for implementation of the two plans, if Council approves the plans in the resolution. Mr. Lee pointed out that the two plans are separate, with the public information program for the bond measure aimed at providing neutral, factual information on the measure to the public. He said there were not funds budgeted in the FY 94-95 budget for an information program on a bond measure, but that the department advised the Council that funds would be requested if a measure were referred.

Councilor McFarland asked if it is allowed for public funds to be spent on advocacy for a bond measure. Councilor Hansen pointed out the difference between the public information on the Greenspaces program, which has been ongoing for several years and needs updating, and public information on the bond measure, which is to be limited to factual, unbiased information explaining the measure. Senior Assistant Counsel Larry Shaw said no public agency may spend public funds to advocate for or against any measure on the ballot, but that the agency has a responsibility to explain to the public - in an impartial manner - what that agency has placed on the ballot. He added that the agency should not be penalized for placing a measure on the ballot that is related to an ongoing program, and shouldn't have to stop activities of the related program. Mr. Shaw cited an incident in 1992, when a Greenspaces bond measure was on the ballot and a complaint was filed regarding the use of federal funds supporting the Greenspaces program. He said Metro's use of those funds to support the ongoing program was upheld by the Secretary of State. He referred to item #4 in the Be It Resolved section of the resolution, which requires Council approval of informational materials related to the ballot measure to ensure their impartiality.

Councilor Moore urged staff more clearly to separate the two plans, including the use of separate logos and titles. She asked staff to find out how much other jurisdictions had spent on brochures for recent money measures and report to Council on those costs. She wants to

limit the amount of public money spent on the informational materials related to the bond measure to the minimum necessary.

Councilor Hansen agreed with Councilor Moore, saying the costs should be limited, and noting that costs for materials related to the ongoing Greenspaces program would likely increase as interest in the bond measure increases.

Councilor Moore said her concern is to make it clear that Metro is only spending a small amount on public information related to the bond measure, and not provide the opportunity for confusion about that amount by tying the two programs - and their costs - together. She said Metro needs to be scrupulously penurious in this process.

Councilor McFarland agreed with Councilor Moore, saying Metro must be above reproach in this matter. Councilor Hansen said that even though Metro has the legal right to use the new Regional Parks & Greenspaces Department's logo on the public information materials, that should not be done in order to keep the two efforts as distinct as possible.

Councilor Moore asked about the proposal to include an insert in This Week magazine. Mr. Lee said it would be an update of the brochure that was inserted in The Oregonian shortly after adoption of the Greenspaces Master Plan in July, 1992. The committee discussed the logistics of including an insert dealing with the Greenspaces program; Councilor Hansen suggested that if an insert in either publication is done, it should be done in December in order to make it clear that it is related to the Greenspaces program rather than a campaign.

Committee Analyst Casey Short asked Mr. Shaw if the Council's approval of material related to the bond measure would have to be done through resolution. Mr. Shaw said it would. Regional Parks & Greenspaces Director Charlie Ciecko raised a concern about coordinating the timing of preparing relevant materials and securing Council approval. Councilor Hansen asked if a fact sheet could be incorporated into a budget amendment for Council review in the next month. Mr. Short and Mr. Lee said that was probably not enough time. Mr. Shaw added that there will be more than one fact sheet: a basic fact sheet explains the ballot measure; others being considered would consist of answers to commonly-asked questions. Mr. Lee said those questions will be determined as more information is disseminated.

Councilor Moore requested that the funding for the two programs come in two separate ordinances, to clearly separate the two programs. She suggested staff work now on reprinting the program materials, and wait to prepare the question-and-answer sheet related to the bond measure until later when the questions are more clearly identified.

Mr. Ciecko said he would appreciate knowing whether Council is going to approve funding for the programs before staff puts in a lot of time preparing the information. Councilor Hansen agreed that made sense, but asked for a "generic" fact sheet that gives an outline of what information would be included. Mr. Ciecko said he could provide rough examples of the materials as exhibits to the budget amendment ordinances.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING A)
PUBLIC AWARENESS PLAN UPDATING)
AND REPRINTING PUBLIC INFORMATION)
MATERIALS FOR THE METROPOLITAN)
GREENSPACES PROGRAM AND A)
PRODUCING PUBLIC INFORMATION PLAN)
MATERIALS FOR THE 1995 GREENSPACES)
GENERAL OBLIGATION ACQUISITION)
BOND MEASURE)

RESOLUTION NO. 94-2829AB

Introduced by Rena Cusma,
Executive Officer

WHEREAS, On July 23, 1992, through Resolution No. 92-1637, the Metro Council adopted the Metropolitan Greenspaces Master Plan; and

WHEREAS, A goal of the Metropolitan Greenspaces Master Plan has always been to educate citizens about the regional greenspaces system through coordinated programs of information;

WHEREAS, Past education efforts have included informing Greenspaces Policy Advisory Committee members the public with; copies, summaries and maps of the 1992 Greenspaces Master Plan; a Greenspaces brochure; and over 300,000 copies of an informational tabloid; and

WHEREAS, The Parks and Greenspaces Department was created in January 1994, when Multnomah County Parks was transferred to Metro; and

WHEREAS, No Inventory of existing stocks of printed Greenspaces Master Plan and tabloid materials that have now run out or are in limited low supply or are out of stock was done for were not addressed in the new department's first budget for 1994-95; and

WHEREAS, Updating and Reprinting of ongoing greenspaces program materials should reflect the new Metro department, amendments to the 1992 Greenspaces Master Plan,

and the restructuring of the Greenspaces Advisory Committee; and

WHEREAS, On July 28, 1994, through Resolution No. 94-2011A, the Metro Council referred a \$138.8 million greenspaces bond measure for voter consideration in spring 1995; and,

WHEREAS, The Metro Council recognizes a need for Metro as the referring agency of a bond measure to provide impartial public information to citizens about the bond measure; and

WHEREAS, The Metro Council intends to separate bond measure public information materials and their funding from ongoing programs relating to the Greenspaces Master Plan and the Greenspaces program; now, therefore,

BE IT RESOLVED,

1. That the Metro Council continues to support public awareness efforts to inform citizens about the Greenspaces Master Plan and endorses the ~~Public Awareness Plan for the Greenspaces Program~~ updating and reprinting of information products (Exhibit A) to update and reprint information products used in the past, as well as some new efforts materials.
2. That the Metro Council endorses the ~~Public Information Plan for the 1995 Greenspaces Bond Measure~~ Public Information Materials for the 1995 Greenspaces Acquisition Bond Measure (Exhibit B) to provide neutral, impartial information to citizens about this Metro-referred measure. to provide information to citizens of the region.
3. That the Executive Officer submit for Metro Council consideration, an ordinance amending the FY 94-95 budget for the purpose of funding the ~~Public Awareness Plan for the Greenspaces Program~~ and the ~~Public Information Plan for the 1995 Greenspaces~~

~~Bond Measure~~ the updating and reprinting of Greenspaces Master Plan public information materials, and producing public information materials relating to the 1995 Greenspaces Acquisition Bond Measure.

4. That the Executive Officer submit for Metro Council review and approval all information materials relating to the 1995 Greenspaces Bond Measure prior to printing and distribution to the public.

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

Ed Washington, Deputy Presiding Officer

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**UPDATING & REPRINTING
PUBLIC INFORMATION MATERIALS
for the
METROPOLITAN GREENSPACES PROGRAM**



**Metro Regional Parks and Greenspaces
September 1994**

I. Introduction

The purpose of updating and reprinting public information materials for the Metropolitan Greenspaces Program is to provide consistent and accurate information to citizens related to the Metropolitan Greenspaces Master Plan. The Metropolitan Greenspaces Master Plan, adopted by the Metro Council in 1992, describes the elements and mechanisms to establish a regional system of natural areas, parks, open space, greenways, and trails for wildlife and people. The plan identifies Metro as the primary coordinator of the program, working in cooperation with governments, nonprofit organizations, land trusts, businesses, and citizens to provide long-term protection to natural areas in the metropolitan area. The primary goal of the Metropolitan Greenspaces Master Plan is to include natural areas as a feature of the urban landscape, now and in the future.

Effective public communications about the Metropolitan Greenspaces Master Plan are vital to establishing a regional greenspace and trails system. Providing information to local government cooperators, businesses, and citizens about the greenspaces program will help in their understanding of the attributes and goals of the greenspaces master plan, and how the greenspaces system will contribute to growth management efforts in the region. Increased public awareness of the Metropolitan Greenspaces Master Plan will lead to greater cooperation and involvement in the development and management of a regional greenspaces and trail system.

This document describes the materials, implementation schedule, and budget necessary to provide timely and accurate public information about the Metropolitan Greenspaces Master Plan.

II. Public Information Materials

The following identifies the primary greenspaces materials needed to provide adequate information to citizens about the Metropolitan Greenspaces Master Plan. With the exception of the Greenspaces Information Sheets and Oblique Aerial Photos, all the other materials are existing low inventory or out of date materials that require revision and reprinting.

- Produce a general *Metropolitan Greenspaces Program Brochure* (30,000 copies) describing the general goals and elements of the Metropolitan Greenspaces Master Plan.
- Produce a 4-page, 11"x17" *Metropolitan Greenspaces Master Plan Tabloid* (400,000 copies). The tabloid would be distributed through This Week Magazine, community events, local government offices, businesses, environmental groups, civic organizations, libraries, and individual requests.
- Reprint *Metropolitan Greenspaces Master Plan Summary* (2,500 copies).
- Update and reprint *Metropolitan Greenspaces Master Plan Map* (4,000 copies).
- Develop a series of *Metropolitan Greenspaces Information Sheets* answering frequently asked questions or reviewing important greenspace issues

- Produce a *Metro Regional Parks and Greenspaces Information Folder* (pee-chee style, 2,500 copies) for greenspaces public information materials.
- Establish a comprehensive *slide file* of key Metropolitan Greenspaces, education activities, and recreational activities.
- Obtain *oblique aerial photos and slides* of the urban/greenspace interface, urban growth boundary, regional metropolitan perspectives, and key metropolitan greenspaces.

III. Implementation Schedule

The public information materials described in this document would require approval and funding by the Metro Council by means of a Resolution and an Ordinance amending the Metro budget. The resolution would go before the Metro Regional Facilities Committee on September 7 and to full Metro Council on September 22, 1994. The budget amendment ordinance would be first read at the Metro Council meeting on September 22, go to the Metro Finance Committee on September 28, and return to the full Metro Council for approval consideration on October 13, 1994.

Other scheduled items include:

- The Metropolitan Greenspaces brochure to be completed by December 31, 1994.
- The Metropolitan Greenspaces Master Plan tabloid to be completed by January 31, 1995.

IV. Budget

The estimated costs of updating and reprinting greenspaces public information materials is shown in Table 1. The budget will cover the costs of designing and producing the printed material, photographic supplies, stationery supplies, and Metro staff labor associated with material production and dissemination. The materials will be produced pending Metro Council approval of an ordinance amending the FY 94-95 budget.

Table 1

Estimated budget associated with the revision, production and dissemination of public information materials for the Metropolitan Greenspaces Program.

Product Description	Quantity	Unit Cost	Total Cost
Greenspaces Brochure	30,000; 4-color	30 cents	\$10,000 (\$3,000 for design; \$7,000 for printing)
Master Plan Tabloid	400,000; 11" x 17" 4-page	4 cents	\$16,000 (\$5,760 for design; \$10,240 for printing.
Tabloid Insert in This Week	300,000	\$32 per 1,000	\$9,600
Master Plan Summary	2,500	\$1.80	\$4,500
Master Plan Map	4,000	88 cents	\$3,500 (\$3,000 for printing; \$500 for supplies)
Greenspaces Info Sheets	5 sheet; 5,000 copies each	5 cents	\$2,500
Dept Information Folders	2,500 pee-chee style	90 cents	\$2,250
Slide File Supplies/Processing			\$500
Oblique Aerial Photos	true color; 25 sites; 2- 8" x 10" photos per site	\$100 per site	\$2,500
Postage	10,000 pieces	75 cents per mailing	\$7,500
0.5 FTE Program Assistant I			\$10,600
TOTAL			\$69,450

Public Information Materials for the 1995 Greenspaces Acquisition Bond Measure

The purpose of producing public information materials related to the 1995 Greenspaces Acquisition Bond Measure is to provide consistent, accurate, and impartial information to citizens related to the \$138.8 million bond measure referred by Metro Council on July 28, 1994. The bond measure would fund natural area acquisition within 15 greenspace target areas, 5 regional trail projects, and \$25 million dedicated to local greenspace projects (Table 1).

Providing information to citizens about the bond measure is necessary to the understanding of the ramifications of the bond measure package. Because Oregon regulations prevent public agencies (e.g. Metro) from advocating a referred measure, the materials will be neutral and impartial in nature.

I. Public Information Materials

The following identifies the primary greenspaces materials needed to provide adequate information to citizens about the 1995 Greenspaces Acquisition Bond Measure:

- Produce *Greenspaces Bond Measure Fact Sheets* (8 sheets at 10,000 copies each).
- Reprint *Bond Measure Language and Explanation* from Resolution No. 94-2011A (Exhibit A and B).
- Produce *Greenspaces Public Notice Signs* (200, 2ft x 3ft, corrugated plastic) to install at optioned greenspace target area sites and local greenspace project sites.
- Produce a *GIS Map* depicting the regionally significant target areas in the bond measure package and local greenspace projects (6 copies wall size; 7,500 copies 11"x17").

II. Budget

The estimated costs of the public information materials are shown in Table 2. The budget will cover the costs of designing and producing the printed material, stationery supplies, and Metro staff labor associated with production of the materials. The plan will be implemented pending Metro Council approval of an ordinance amending the FY 94-95 budget.

Table 1

METROPOLITAN GREENSPACE AND TRAIL BOND MEASURE PACKAGE

<u>Regional Greenspace Target Area</u>	<u>Acres</u>	<u>Cost (millions of \$)</u>
Willamette River Greenway	1,103	17.0
East Buttes / Boring Lava Domes	545	10.5
Newell Creek Canyon	370	6.7
Sandy River Gorge	808	5.7
Cooper Mountain	428	4.2
Buffer & expansion of Forest Park	320	4.7
Jackson Bottom additions	333	1.7
Tonquin Geologic Area	277	3.3
Tualatin River access points	266	4.0
Clear Creek Canyon	342	4.1
Gales Creek	775	3.1
Columbia Shoreline	95	1.7
Fairview Creek / Lake	143	2.8
Rock Creek	300	4.5
Tryon Creek linkages	20	1.0
 Greenspaces Subtotal	 6,125	 \$75.0
 <u>Regional Trail Projects</u>		
Peninsula Crossing Trail		
Fanno Creek Greenway		
Sauvie Island to Beaverton / Hillsboro		
Clackamas River Greenway (north bank)		
Beaver Creek Canyon Greenway (Troutdale)		
 Trails Subtotal		 16.3
 Local Greenspace Projects		 25.0
Options (sites and trails)		4.0
 Total Acquisition (greenspaces and trails)		 \$120.3
 Acquisition / Administration Costs		 14.4
1.5% Bond Issuance Costs		2.1
Contingency & Reimbursable Expenses		2.0
 TOTAL GREENSPACE PACKAGE ESTIMATE		 \$138.8

Table 2

Estimated budget associated with public information materials for the 1995 Greenspaces Acquisition Bond Measure.

<i>Product Description</i>	<i>Quantity</i>	<i>Unit Cost</i>	<i>Total Cost</i>
Bond Measure Fact Sheets	8 sheets; 10,000 copies each	5 cents per copy	\$4,000
Bond Measure Language & Explanation	4 pages; 10,000 copies	20 cents per copy	\$2,000
Public Notice Signs	200; 2ft x 3ft	\$7.50	\$1,500
GIS Maps	6 wall size	\$75	\$450
GIS Maps	7,500, 11" x 17"	16 cents	\$1,200
Postage	5,000 pieces	75cents per mailing	\$3,750
TOTAL			\$12,900

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2029B, FOR THE PURPOSE OF UPDATING AND REPRINTING PUBLIC INFORMATION MATERIALS FOR THE METROPOLITAN GREENSPACES PROGRAM AND PRODUCING PUBLIC INFORMATION MATERIALS FOR THE 1995 GREENSPACES ACQUISITION BOND MEASURE

Date: 7 September 1994

Presented by: Pat Lee

PROPOSED ACTION

Resolution No. 94-2029B requests the endorsement of the updating and reprinting public information materials for the Metropolitan Greenspaces Program (Exhibit A), and endorsement of the production and distribution of public information materials related to the 1995 Greenspaces Acquisition Bond Measure (Exhibit B). The exhibits describe the materials through which citizens of the region will become better aware of the goals and objectives of the Metropolitan Greenspaces Master Plan, and materials to inform voters, in an impartial manner, of the aspects of the 1995 Greenspaces Acquisition Bond Measure.

BACKGROUND AND ANALYSIS

On July 23, 1992, through Resolution No. 92-1637, the Metro Council adopted the Metropolitan Greenspaces Master Plan. The plan describes cooperative methods to establish a regional system of parks, natural areas, open space, trails and greenways for wildlife and people. In an effort to begin building a regional greenspace system, Metro Council also passed Resolution No. 92-1639, referring a \$200 million bond measure to voters for the acquisition and enhancement of regionally significant greenspaces. The measure failed on November 3, 1992.

Since the 1992 vote, a number of the greenspaces identified in the master plan have been subject to changes in land use or diminished in size to such a degree that they no longer qualify as regionally significant sites. Decreasing greenspace availability, increasing land costs, and public demand for adequate open space as the region grows are factors leading to the need to increase efforts to inform the public about the Metropolitan Greenspaces Master Plan. Increased citizen awareness will lead to greater involvement and cooperation in the implementation of the Metropolitan Greenspaces Master Plan.

On September 23, 1993, the Metro Council passed Resolution No. 93-1844A stating its intent to submit to the voters in 1994, a general obligation bond measure for the acquisition and development of a regional greenspaces system consistent with the Metropolitan Greenspaces Master Plan. Metro staff and Councilors worked extensively with local governments, Greenspaces Policy Advisory Committee, Greenspaces Technical Advisory Committee, Greenspaces Blue Ribbon Committee, and citizens to identify an appropriate bond measure package. On July 28, 1994, the Metro Council passed Resolution No. 94-2011A, referring a \$138.8 million bond measure to acquire land for a regional system of greenspaces.

Public interest and demand for information regarding the Metropolitan Greenspaces Master Plan has increased as a result of concerns about growth in the region through the Region 2040 program, related stories in the media, and other Metro Regional Parks and Greenspaces Department public education efforts (i.e. Metro GreenScene, greenspace grants program, Green City Data). Production of updated materials will help address this increased need.

It is anticipated that voters of the region will also request information about the greenspaces bond measure. The production of impartial informational materials such as fact sheets, maps, public notice signs, and copies of the bond measure language will meet the need to fulfill public information requests regarding the bond measure.

BUDGET IMPACT

Additional staff time will be required to accomplish the tasks associated with the production and distribution of updated and reprinted greenspace program materials, and to respond to requests for information. Exhibit A identifies the need for a temporary Program Assistant I position (0.5 FTE) through the end of FY 94-95. The development, production, and distribution of materials related to the 1995 Greenspaces Bond Measure will be managed by current Metro staff.

Cost estimates for updated and reprinted general greenspaces information materials (Exhibit A, Table 1) and public information materials related to the 1995 Greenspaces Acquisition Bond Measure (Exhibit B, Table 2) total \$69,450 and \$12,900, respectively. Although some of the costs are currently identified in the FY94-95 department budget (e.g. greenspaces program brochure, photo supplies), full production and distribution of the materials identified in Exhibits A and B will require approval of ordinances amending the FY 94-95 budget. An estimated \$58,750 from the Metro general fund contingency will be required.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 94-2029B.