

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1998-99 )  
BUDGET AND APPROPRIATIONS SCHEDULE IN )  
THE SOLID WASTE REVENUE FUND BY )  
TRANSFERRING \$6,592,000 FROM CONTINGENCY )  
TO MATERIALS AND SERVICES IN THE REGIONAL )  
ENVIRONMENTAL MANAGEMENT DEPARTMENT )  
FOR PREPAYMENT OF FIXED PAYMENTS AS SET )  
FORTH IN CHANGE ORDER NO. 24 TO THE WASTE )  
TRANSPORT SERVICES CONTRACT; AND )  
DECLARING AN EMERGENCY )

ORDINANCE NO. 99-798

Introduced by  
Mike Burton, Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations with the FY 1998-99 budget; and

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

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

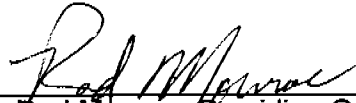
THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 1998-99 budget and Schedule of Appropriations for the Solid Waste Fund are hereby amended as shown in the column entitled "Revision" of Exhibit A to this ordinance for the purpose of transferring \$6,592,000 from Contingency to Materials and Services in the Regional Environmental Management Department to fund Change Order No. 24 to the Waste Transport Services Contract between Metro and STS, Inc.


2. That the Executive Officer is authorized to execute contracts related to this ordinance in accordance with Metro Code 2.04.

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

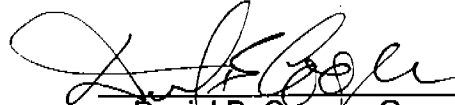
ADOPTED BY THE Metro Council this 27<sup>th</sup> day of May, 1999.

  
\_\_\_\_\_  
Rod Monroe, Presiding Officer

ATTEST:

  
\_\_\_\_\_  
Recording Secretary

Approved as to Form:

  
\_\_\_\_\_  
Daniel B. Cooper, General Counsel

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**Exhibit A**  
**Ordinance No. 99-798**  
**FY 1998-99 SCHEDULE OF APPROPRIATIONS**

	<b>Current Budget</b>	<b>Revision</b>	<b>Proposed Budget</b>
<b>Solid Waste Revenue Fund</b>			
Operating Account			
Personal Services	\$6,400,009	\$0	\$6,400,009
Materials & Services	44,612,964	6,592,000	51,204,964
Subtotal	<u>51,012,973</u>	<u>6,592,000</u>	<u>57,604,973</u>
Debt Service Account			
Debt Service	2,671,058	0	2,671,058
Subtotal	<u>2,671,058</u>	<u>0</u>	<u>2,671,058</u>
Landfill Closure Account			
Materials & Services	268,200	0	268,200
Capital Outlay	1,076,500	0	1,076,500
Subtotal	<u>1,344,700</u>	<u>0</u>	<u>1,344,700</u>
Renewal and Replacement Account			
Capital Outlay	1,997,000	0	1,997,000
Subtotal	<u>1,997,000</u>	<u>0</u>	<u>1,997,000</u>
General Account			
Capital Outlay	2,859,836	0	2,859,836
Subtotal	<u>2,859,836</u>	<u>0</u>	<u>2,859,836</u>
Master Project Account			
Debt Service	350,000	0	350,000
Subtotal	<u>350,000</u>	<u>0</u>	<u>350,000</u>
General Expenses			
Interfund Transfers	3,725,845		3,725,845
Contingency	14,447,729	(6,592,000)	7,855,729
Subtotal	<u>18,173,574</u>	<u>(6,592,000)</u>	<u>11,581,574</u>
Unappropriated Balance	28,608,601	0	28,608,601
<b>Total Fund Requirements</b>	<b><u>\$107,017,742</u></b>	<b><u>\$0</u></b>	<b><u>\$107,017,742</u></b>

STAFF REPORT

ORDINANCE 99-798 AMENDING THE FY 1998-99 BUDGET AND APPROPRIATION SCHEDULE IN THE SOLID WASTE REVENUE FUND BY TRANSFERRING \$6,592,000 FROM CONTINGENCY TO MATERIALS & SERVICES IN THE REGIONAL ENVIRONMENTAL MANAGEMENT DEPARTMENT FOR PREPAYMENT OF FIXED PAYMENTS AS SET FORTH IN CHANGE ORDER NO. 24 TO THE WASTE TRANSPORT SERVICES CONTRACT; AND DECLARING AN EMERGENCY.

Date: April 19, 1999

Presented by: Terry Petersen

FACTUAL BACKGROUND AND ANALYSIS

This action requests an appropriation transfer to the Solid Waste Revenue Fund for the following purpose:

**SOLID WASTE REVENUE FUND:**

Transfer \$6,592,000 from the Contingency category to the Operating Account, Materials & Services category, to fund a lump sum payment to Specialty Transportation Services (STS), Inc., of fixed costs not to exceed \$6,592,000 in lieu of all future fixed monthly payments.

Change Order No. 24 amends the Waste Transport Services Contract between Metro and STS, Inc. Under the terms and conditions of Change Order No. 24, Metro will provide a lump sum payment of not to exceed \$6,592,000 to STS, Inc. The actual amount of the payment will be calculated upon approval of Change Order #24 by the Metro Council. In return Metro will discontinue the fixed monthly payment of \$69,116.67 (\$829,000 annually) through December 2009. No other payment for fixed costs will be made to STS, Inc. In addition, under Change Order No. 24, Metro will return to STS, Inc., the \$2,500,000 retainage and any related interest earnings currently held as security and, in return, STS, Inc., will provide a letter of credit and corporate guarantee.

Refer to Change Order No. 24 and the accompanying staff report for further details and analysis of the modification of the contract between Metro and STS, Inc.

BUDGET IMPACT

The contingency in the Solid Waste Revenue Fund is currently budgeted at \$14,447,729. This action would transfer appropriations from Contingency to the following areas:

<u>Budget Classification</u>	<u>Amount</u>
Materials and Services	
Contracted Professional Services	\$6,592,000
<b>Total</b>	<b><u>\$6,592,000</u></b>

After the transfer, the amount remaining in the Solid Waste Revenue Fund Contingency will be \$7,855,729.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 99-798.

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