

ANNOTATED MINUTES

Monday, July 17, 1995 - 7:00 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PUBLIC HEARING

Chair Beverly Stein convened the hearing at 7:03 p.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present on behalf of Multnomah County; Mayor Gussie McRobert, Councilors Jack Gallagher, Royal Harshman and Claudiette LaVert present on behalf of the City of Gresham, Councilor Robert Moore and Debbie Noah excused, and Council President Dave Eichner arriving at 8:05 p.m.

PH-1 The Multnomah County Board of Commissioners and the Gresham City Council Will Convene for the Purpose of Receiving Public Testimony on the Proposed Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77. Public Testimony is Limited to Three Minutes Per Person. The Gresham City Council May Take Action on the Contract Agreement At the Conclusion of the Public Hearing.

COMMISSIONER SALTZMAN CORRECTION TO ERRONEOUS OREGONIAN ARTICLE. DICK ROMANO PRESENTATION OF FUJITSU CORPORATE POSITION STATEMENT AND RESPONSE TO QUESTIONS AND COMMENTS OF CHAIR STEIN AND MAYOR McROBERT. PFM CONSULTANT PAT CLANCEY FINANCIAL OVERVIEW PRESENTATION AND RESPONSE TO BOARD QUESTIONS. PSU PROFESSOR TOM POTIOWSKY ECONOMIC IMPACT ANALYSIS PRESENTATION AND RESPONSE TO BOARD QUESTIONS. COUNTY COUNSEL SANDRA DUFFY CONTRACT AND FIRST SOURCE AGREEMENT PRESENTATION, DISCUSSION OF PROPOSED CHANGES AND RESPONSE TO BOARD QUESTIONS. COMMISSIONER TANYA

**COLLIER NEGOTIATING TEAM
PRESENTATION. GRESHAM NEGOTIATOR ROB
FUSSELL PRESENTATION IN SUPPORT OF
FUJITSU TAX ABATEMENT.**

**BOB ROBISON, ON BEHALF OF PORTLAND
COMMISSIONER GRETCHEN KAFOURY,
WRITTEN AND ORAL TESTIMONY IN
OPPOSITION TO TAX ABATEMENT. PAUL
THALHOFER TESTIMONY IN SUPPORT. JEAN
RIDINGS WRITTEN AND ORAL TESTIMONY IN
OPPOSITION. SUE O'HALLORAN AND JERRY
GILLHAM TESTIMONY IN SUPPORT. DICK
MANLEY TESTIMONY IN OPPOSITION. DAVID
MAZZA WRITTEN AND ORAL TESTIMONY IN
OPPOSITION. RON CRAIG WRITTEN AND ORAL
TESTIMONY IN SUPPORT. PATRICK
WHITCOMB TESTIMONY IN OPPOSITION.
BERTHA FERRÁN WRITTEN AND ORAL
TESTIMONY IN SUPPORT. TOM USTACH
TESTIMONY IN OPPOSITION. NEIL BEROZ
TESTIMONY IN SUPPORT. STEPHEN PRICE
TESTIMONY IN OPPOSITION. TERRY McCALL
TESTIMONY IN SUPPORT. ZACK SEMKE
TESTIMONY IN OPPOSITION. MICHAEL
DILLON TESTIMONY IN SUPPORT. BARBARA
DAVIS TESTIMONY IN OPPOSITION. SHAR
GIRARD TESTIMONY IN SUPPORT. ROSE MARY
JOSLIN AND EVERETT ANTILA TESTIMONY IN
OPPOSITION. DUANE ROBINSON TESTIMONY
IN SUPPORT. LISA TELLEFSON TESTIMONY IN
OPPOSITION. MARK NUISMER TESTIMONY IN
OPPOSITION. HAROLD WILLIAMS TESTIMONY
IN SUPPORT. TOM CROPPER, GERRI PECK,
FRANK GEARHART, BILL RESNICK, JOHN
MARKS, JENNIFER JORDAN, TERI DUFFY,
BONNIE MARINO-BLAIR, WILLIS BLAIR AND
LOUISE WEIDLICH TESTIMONY IN
OPPOSITION. DAN HARMON TESTIMONY IN
SUPPORT. DAN VIZZINI WRITTEN AND ORAL
TESTIMONY IN OPPOSITION. JIM
WORTHINGTON TESTIMONY IN SUPPORT.**

There being no further public testimony, Chair Stein recessed the joint hearing at 9:45 p.m. and Mayor McRobert convened the Gresham City Council meeting at 9:53 p.m.

SANDRA DUFFY, DICK ROMANO, RON CRAIG, PAT CLANCY, TANYA COLLIER, DAN SALTZMAN, CAROL POPE AND ROB FUSSELL EXPLANATION AND RESPONSE TO COUNCIL QUESTIONS, COMMENTS AND DISCUSSION. COUNCIL STATEMENTS IN SUPPORT OF TAX ABATEMENT AND EFFORTS OF FUJITSU AND NEGOTIATING TEAM.

COUNCILOR GALLAGHER MOVED AND COUNCILOR EICHNER SECONDED, TO APPROVE AND RECOMMEND TO MULTNOMAH COUNTY, THE STRATEGIC INVESTMENT PROGRAM AGREEMENT BETWEEN MULTNOMAH COUNTY, THE CITY OF GRESHAM AND FUJITSU, AND TO AUTHORIZE THE MAYOR AND THE CITY MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY OF GRESHAM, WITH THE AMENDMENTS LISTED IN DRAFT 16, AND THE AMENDMENTS OF COMMISSIONER SALTZMAN AS FOLLOWS: PAGE 1, COMMUNITY SERVICE FEE, DELETE PARAGRAPH B "RELATED TO THE FACILITY"; PAGE 14, LINE 6, REFERRING TO THE \$500,000 HOUSING PAYMENT, CHANGE "COUNTY" TO "BOARD OF COUNTY COMMISSIONERS", AND ADD "CONSULTATION WITH THE GRESHAM CITY COUNCIL AND THE GRESHAM COMMUNITY DEVELOPMENT HOUSING CORPORATION AND THE COUNTYWIDE HCDC". MOTION UNANIMOUSLY APPROVED.

There being no further business, the meeting was adjourned at 11:00 p.m.

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFINGS

- B-1 Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck.

POSTPONED TO 9:30 AM, TUESDAY, AUGUST 15, 1995.

- B-2 Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse.

KATHY BUSSE, SHARRON M. WOOD AND STAN GHEZZI SLIDE PRESENTATION AND RESPONSE TO BOARD QUESTIONS AND DISCUSSION.

Tuesday, July 18, 1995 - 10:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the regular meeting at 10:35 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen, Tanya Collier and Dan Saltzman present.

- R-1 Request for Ratification of Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77

PAT CLANCY FINANCIAL OVERVIEW, SANDRA DUFFY CONTRACT DETAIL, AND PAMELA WEV

RELATED BENCHMARKS PRESENTATION. MS. DUFFY RESPONSE TO BOARD QUESTIONS. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF STRATEGIC INVESTMENT PROGRAM AGREEMENT BETWEEN MULTNOMAH COUNTY, CITY OF GRESHAM AND FUJITSU MICROELECTRONICS AND TO EXECUTE THE AGREEMENT ON BEHALF OF MULTNOMAH COUNTY.

BONNIE MARINO-BLAIR WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO TAX ABATEMENT. ALAN JONES TESTIMONY IN SUPPORT OF TAX ABATEMENT.

COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECOND, APPROVAL OF THE FOLLOWING AMENDMENTS: DELETE "MHCC BUDGET" AND REPLACE WITH "STRATEGIC WORKFORCE DEVELOPMENT PROGRAM" FROM EXHIBIT SECTION; REMOVE "RELATED TO THE FACILITY" FROM PAGE 1, SECTION B; ADD "OPERATORS 229, TECHNICIANS 124, ENGINEERS 48, ADMINISTRATIVE 74, SUPERVISORS 60" TO 1995 MATRIX FIGURES TO PAGE 3; ADD "FMI SHALL PROVIDE SUPERVISORS OF TEMPORARY OPERATORS AND OPERATOR I WITH PERFORMANCE CRITERIA SO THAT IF ANY EMPLOYEE FAILS TO MEET THESE THEY WILL BE REFERRED TO THE DEPARTMENT OF HUMAN RESOURCES BEFORE DISCIPLINARY ACTION. FMI'S DEPARTMENT OF HUMAN RESOURCES SHALL CONNECT AN EMPLOYEE FROM THE TARGETED POPULATION WITH THE APPROPRIATE PROVIDER OF COUNSELING SUPPORT AS IDENTIFIED BY THE COUNTY. THIS ADDITIONAL COOPERATIVE EFFORT INCLUDING EMPLOYEES WHO ARE AT THE RISK OF BEING TERMINATED FOR CAUSE

WHICH IS INTENDED TO IMPROVE EMPLOYEE RETENTION FIGURES SHALL BE TAKEN FOR THE FIRST YEAR OF EMPLOYMENT INCLUDING THE TEMPORARY PERIOD ON BEHALF OF AN EMPLOYEE FROM THE TARGETED POPULATION. NOTHING IN THIS PROVISION OVERRIDES FMI'S STANDARDS FOR EMPLOYMENT AS SET BY FMI'S PERSONNEL POLICIES AND PROCEDURES. THE EMPLOYEES FROM THE TARGETED POPULATION SHALL HAVE NO SPECIAL OR ADDITIONAL RIGHTS ARISING FROM THE FSA" TO PAGE 5; ADDING SECTION O, TUITION REIMBURSEMENT TO PAGE 7; ADD THE WORD "PROPERTY" PRIOR TO "TAX ABATEMENT" IN SECOND PARAGRAPH, PAGE 7; DELETE THE WORD "FOLLOWS" FROM MIDDLE PARAGRAPH, PAGE 11; DELETE PARAGRAPH B LANGUAGE AND SECOND FOOTNOTE AT BOTTOM OF PAGE AND ADD "SCHEDULE OF PERSONNEL FOR THE ENTIRE PROJECT FOR EACH FIRM. THE SCHEDULE OF PERSONNEL FOR THE PROJECT FOR FMI SHALL BE", FROM PAGE 12; ADD SCHOOL TO WORK LANGUAGE TO SECTION 2, PAGE 13; DELETE THE WORDS "EITHER" AND "REGULAR" AND ADD THE WORD "TEMPORARIES" FROM THE FIRST PARAGRAPH, PAGE 15; REPLACE THE WORD "COUNTY" WITH "THE BOARD OF COUNTY COMMISSIONERS" AND ADD "IN CONSULTATION WITH GRESHAM CITY COUNCIL AND THE GRESHAM COMMUNITY DEVELOPMENT HOUSING CORPORATION AND THE COUNTYWIDE HCDC" FROM SECTION 2, PAGE 15; NUMBER CHANGES TO PAGE 16; CHANGE "FMI REPORTING REQUIREMENTS" TO "REPORTING REQUIREMENTS" ON PAGE 19; DELETE "THESE WHICH ARE SUBMITTED TO THE COUNTY", "THEM" AND "THESE" "WHICH" AND "CONTAIN" AND ADD "FMI PROPRIETARY INFORMATION CONTAINED IN REPORTS AND DOCUMENTS SUBMITTED BY

FMI TO THE COUNTY IN SUPPORT OF THE REPORT IS SUBMITTED IN CONFIDENCE. COUNTY AGREES TO TREAT PROPRIETORY INFORMATION IN A CONFIDENTIAL MANNER WHILE ANY SUCH DOCUMENTS SUBMITTED TO THE COUNTY BECOMES PUBLIC RECORDS" TO PAGE 20; DELETE "THE NUMBER OF EMPLOYEES WHO" FROM C, PAGE 22; DELETE "WHETHER IT IS" AND ADD "THE NUMBER OF EMPLOYEES RECEIVING" TO 2, PAGE 22; DELETE "HOW MANY" AND ADD "THE NUMBER OF CHILDREN" TO 7, PAGE 23; DELETE SECTION B, TRANSPORTATION, ON PAGE 23; DELETE VARIOUS WORDS FROM SECTIONS D AND F, PAGE 24 AND RELETTER SECTIONS C, D, E AND F; ADD SPECIFIC LANGUAGE REGARDING ENVIRONMENTAL MANAGEMENT PLAN TO PAGE 27; ADD "THE COUNTY SHALL ALSO PREPARE AN ANNUAL REPORT TO THE PUBLIC DESCRIBING FMI'S COMPLIANCE WITH THE TERMS OF THIS AGREEMENT" TO 5, PAGE 28; DELETE THE WORD "EXEMPTION" AND ADD THE WORD "ABATEMENT" TO PAGE 29; REPLACE THE WORD "COUNTY" WITH "THE BOARD OF COUNTY COMMISSIONERS AFTER CONSULTATION WITH THE CITY OF GRESHAM" TO PAGE 37; REMOVE THE WORD "IS" AND ADD "THE ATTACHED EXHIBITS ARE" FROM D, PAGE 38. AMENDMENTS UNANIMOUSLY APPROVED.

COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT BETWEEN FUJITSU MICROELECTRONICS, PORTLAND DEVELOPMENT COMMISSION AND MULTNOMAH COUNTY, REVIEWED BY CITY OF GRESHAM. COMMISSIONER COLLIER MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF THE FOLLOWING

AMENDMENTS: PAGE 2, DELETE "MULTNOMAH EDUCATIONAL SERVICE DISTRICT"; PAGE 3, DELETE "AND COUNTY" AND ADD "AS AN INDIVIDUAL WHO POSSESSES CORE COMPETENCIES, ABILITIES, TRAINING OR EXPERIENCE WHICH ARE CONSISTENT WITH THE JOB DESCRIPTION FOR THE SPECIFIC POSITION. CRITERIA FOR IDENTIFYING A QUALIFIED APPLICANT SHALL BE CONSISTENT WITH FMI JOB DESCRIPTIONS AND THIS AGREEMENT."; PAGE 4, NUMBER 12, DELETE "MULTNOMAH COUNTY SHALL DEVELOP A WORKING DEFINITION OF THIS TERM." AND ADD THE DEFINITION OF THE TERM UNDEREMPLOYED: "PERSONS EMPLOYED FOR UNDER 35 HOURS PER WEEK WHO DESIRE FULLTIME EMPLOYMENT AND/OR PERSONS WORKING FULLTIME AT A POSITION BELOW THEIR SKILL LEVEL."; PAGE 5, NUMBER 3, DELETE "MULTNOMAH EDUCATIONAL SERVICE DISTRICT"; PAGE 6, NUMBER 7, DELETE "AFTER FMI HAS HIRED AN APPLICANT REFERRED BY JOBNET, JOBNET SHALL NOT BE RESPONSIBLE FOR THE EMPLOYEES ACTIONS." AND ADD "JOBNET SHALL NOT BE RESPONSIBLE FOR AN APPLICANT'S ACTIONS DURING ANY PORTION OF THE REFERRAL OR EMPLOYMENT PROCESS."; PAGE 7, NUMBER F(2) ADD "OR IF JOBNET AND COUNTY FAIL TO ARRIVE AT A MUTUALLY SATISFACTORY AGREEMENT."; PAGE 9, G, DELETE "ACT AS A CONTACT FOR REFERRAL FOR FMI SUPERVISORS WHO IDENTIFY TARGETED POPULATION EMPLOYEES AS A HAVING A PROBLEM WHICH INTERFERES WITH THEIR EMPLOYMENT." AMENDMENTS UNANIMOUSLY APPROVED. COMMISSIONER KELLEY DISCUSSED CONCERNS WITH JOBNET RECRUITMENT LANGUAGE ON PAGE 4. MICHAEL DILLON OF MT. HOOD COMMUNITY COLLEGE AND MICHAEL OGAN OF PORTLAND DEVELOPMENT

COMMISSION COMMENTS IN RESPONSE.
COMMISSIONER COLLIER, SANDRA DUFFY,
ROB FUSSELL AND PAT CLANCY EXPLANATION
IN RESPONSE TO BOARD QUESTIONS AND
DISCUSSION. FIRST SOURCE HIRING
AGREEMENT UNANIMOUSLY APPROVED, AS
AMENDED. MS. DUFFY CLARIFIED THAT
COUNTY IS ACCEPTING THIRD PARTY
BENEFICIARY STATUS UNDER THIS
AGREEMENT.

COMMISSIONERS SALTZMAN, KELLEY,
HANSEN AND COLLIER PRESENTED
STATEMENTS AND COMMENTS IN SUPPORT OF
STRATEGIC INVESTMENT PROGRAM
AGREEMENT AND ACKNOWLEDGED EFFORTS
OF NEGOTIATING TEAM. CHAIR STEIN
ACKNOWLEDGED CONTRIBUTIONS OF
NEGOTIATING TEAM AND PRESENTED
STATEMENT IN OPPOSITION TO GRANTING A
PROPERTY TAX ABATEMENT. AGREEMENT
APPROVED, WITH COMMISSIONERS KELLEY,
HANSEN, COLLIER AND SALTZMAN VOTING
AYE, AND CHAIR STEIN VOTING NO.

There being no further business, the meeting was adjourned at 11:50 a.m.

Tuesday, July 18, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PLANNING ITEMS

Chair Beverly Stein convened the planning meeting at 1:31 p.m., with
Vice-Chair Sharron Kelley, Commissioners Gary Hansen and Tanya Collier present,
and Dan Saltzman present at 1:35 p.m.

P-1 ORDER in the Matter of Multnomah County Appointing Planning and
Zoning Hearings Officers

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER COLLIER,
ORDER 95-146 WAS UNANIMOUSLY APPROVED.**

Commissioner Saltzman arrived at 1:35 p.m.

- P-2 First Reading of a Proposed ORDINANCE Amending Comprehensive Framework Plan Policy 34, Trafficways, and the Accompanying Functional Classification of Trafficways Map

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF FIRST READING. ED PICKERING EXPLANATION. NO ONE WISHED TO TESTIFY. FIRST READING UNANIMOUSLY APPROVED. SECOND READING THURSDAY, JULY 27, 1995.

- P-3 SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD. (Continued from May 23, 1995 and June 27, 1995)

PLANNER MARK HESS PRESENTED STAFF REPORT. HEARINGS OFFICER JOAN CHAMBERS EXPLANATION OF CRITERIA, APPLICABLE PROVISIONS, FINDINGS, KEY ISSUES, INTERPRETATION AND OTHER ISSUES LEADING TO DECISION. TO UPHOLD PLANNING DIRECTOR DECISION. APPELLANT DAN MCKENZIE PRESENTED ORAL AND WRITTEN TESTIMONY AND EXHIBITS IN OPPOSITION TO PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS. RALPH ROSENLUND TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS AND SEC PERMIT. ARNOLD

ROCHLIN PRESENTED ORAL AND WRITTEN TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS AND SEC PERMIT, AND REQUESTED TIME TO REVIEW APPELLANT'S SUBMITTALS. SCOTT ROSENLUND AND NANCY ROSENLUND TESTIMONY IN SUPPORT OF AFFIRMING PLANNING DIRECTOR AND HEARINGS OFFICER DECISIONS. MR. McKENZIE REBUTTAL TO ISSUES RAISED IN MR. ROCHLIN'S TESTIMONY. IN RESPONSE TO A QUESTION OF CHAIR STEIN, COUNTY COUNSEL JOHN DuBAY SUGGESTED A RECESS WHILE THE BOARD AND PARTIES REVIEW MR. McKENZIE'S EXHIBITS AND THE BOARD DETERMINES WHETHER THEY MAY BE ADDED TO THE RECORD.

The hearing was recessed at 2:37 p.m. and reconvened at 2:47 p.m.

MR. HESS EXPLAINED THAT THE COMPLETE SEC 8-94 FILE REFERRED TO IN HIS INTRODUCTORY COMMENTS INCLUDES THE HEARINGS OFFICER PROCEDURE, PRIOR PROCEEDINGS FOR THE ADMINISTRATIVE DECISION, AND THE ZONING VIOLATION FILE ZV 29-94, AND WAS SUBMITTED TO THE OFFICE OF THE BOARD CLERK ON MAY 22, 1995. THERE BEING NO REQUEST FOR CONTINUANCE OR OBJECTION TO ANY ASPECT OF THE HEARING, CHAIR STEIN CLOSED THE HEARING. COMMISSIONER COLLIER MOVED AND COMMISSIONER KELLEY SECONDED, TO UPHOLD THE HEARINGS OFFICER DECISION, DENY THE APPEAL AND APPROVE THE APPLICATION. MOTION UNANIMOUSLY APPROVED.

FINAL ORDER 95-147 IN THE MATTER OF THE REVIEW OF THE HEARINGS OFFICER DECISION WHICH APPROVED SEC 8-94, A SIGNIFICANT ENVIRONMENTAL CONCERN (SEC) PERMIT FOR THE "ROSENLUND ADDITION" FILED

**WITH BOARD CLERK ON THURSDAY, JULY 20,
1995.**

There being no further business, the planning meeting was adjourned at
2:50 p.m.

Thursday, July 20, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

Chair Beverly Stein convened the regular meeting at 9:31 a.m., with Vice-Chair Sharron Kelley, Commissioners Gary Hansen and Dan Saltzman present, and Commissioner Tanya Collier excused.

**CHAIR STEIN INTRODUCED AND THE BOARD
GREETED ST. ANDREWS SUMMER DAY CAMP
VISITORS.**

CONSENT CALENDAR

**UPON MOTION OF COMMISSIONER KELLEY
SECONDED BY COMMISSIONER HANSEN, THE
CONSENT CALENDAR (ITEMS C-1 THROUGH C-
20) WAS UNANIMOUSLY APPROVED.**

NON-DEPARTMENTAL

C-1 In the Matter of the Re-Appointment of John Wight to the MERIT CIVIL
 SERVICE COUNCIL

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-2 ORDER in the Matter of Purchase and Sale Agreement for the Sale of
 Certain Real Property to Fiona Erika Dady

ORDER 95-148.

C-3 ORDER in the Matter of the Execution of Deed D951196 for Repurchase
 of Tax Acquired Property to Former Owner Homestead Holding Co. Inc.

ORDER 95-149.

- C-4 ORDER in the Matter of the Execution of Deed D951198 Upon Complete Performance of a Contract to Melissa Nolind

ORDER 95-150.

- C-5 ORDER in the Matter of the Execution of Deed D951202 for Certain Tax Acquired Property to Michael J. Bross

ORDER 95-151.

- C-6 ORDER in the Matter of the Execution of Deed D951203 Upon Complete Performance of a Contract to Charles L. Williams and Leslee Williams, Husband and Wife

ORDER 95-152.

- C-7 ORDER in the Matter of the Execution of Deed D951205 Upon Complete Performance of a Contract to Richard Renton and Roxanne Renton

ORDER 95-153.

- C-8 ORDER in the Matter of the Execution of Deed D951207 Upon Complete Performance of a Contract to Dwight M. Shank and Shirley F. Shank

ORDER 95-154.

- C-9 ORDER in the Matter of the Execution of Deed D951208 Upon Complete Performance of a Contract to Heritage Properties, Inc. 1/2 and Gary and Mary Arlene Moberly 1/2

ORDER 95-155.

- C-10 ORDER in the Matter of the Execution of Deed D951209 for Repurchase of Tax Acquired Property to Former Owner Margaret McGee

ORDER 95-156.

- C-11 ORDER in the Matter of Approval of Contract 15779 for the Sale of Certain Tax Foreclosed Real Property to Former Owner Thomas E. Miller

ORDER 95-157.

- C-12 ORDER in the Matter of Contract 15793 for the Sale of Certain Real Property to G & B Investments

ORDER 95-158.

- C-13 ORDER in the Matter of Contract 15794 for the Sale of Certain Real Property to Ronald Engesether, Jr.

ORDER 95-159.

- C-14 ORDER in the Matter of Contract 15796 for the Sale of Certain Real Property to Karl H. Keener and Linda Ann Keener

ORDER 95-160.

- C-15 ORDER in the Matter of Contract 15797 for the Sale of Certain Real Property to Jeffrey Fish

ORDER 95-161.

- C-16 Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 301694 Between the Oregon Department of Transportation, Multnomah County and Tri-Met, Allowing Tri-Met to Bid and Award the Construction Project for Pedestrian Shelters and Bicycle Storage Facilities at 9 East County Light Rail Stations

DEPARTMENT OF COMMUNITY CORRECTIONS

- C-17 Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 900265 Between the City of Portland and Multnomah County, Wherein City Funds \$107,152 to Participate in Contract with the Council for Prostitution Alternatives, Inc., Providing Services for Women Leaving Prostitution

DEPARTMENT OF JUVENILE JUSTICE SERVICES

- C-18 Ratification of Intergovernmental Agreement Contract 700076 Between the City of Portland and Multnomah County, Providing the Stipend for a

Weekly Restitution Program Entitled "Payback" Wherein Adjudicated and Diverted Youth Perform Maintenance Work at City Water Bureau Sites

- C-19 Budget Modification JJD 2 Requesting Authorization to Add \$7,000 in City of Portland Revenues to the Detention Division Budget for the Project "Payback" Program

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- C-20 Ratification of Intergovernmental Agreement Contract 104715 Between the Oregon Department of Human Resources, Children's Services Division and Multnomah County, Providing \$170,040 in Funding for Substance Abuse Services for Clients of the Multi-Agency Family Support Team Project, for the Period July 1, 1995 through June 30, 1997

REGULAR AGENDA

PUBLIC COMMENT

- R-1 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

RICHARD KOENIG PRESENTED WRITTEN AND ORAL COMMENTS REGARDING FAMILY SERVICES MEDIATION PROGRAM.

NON-DEPARTMENTAL

- R-2 Presentation of Employee Service Awards Honoring 28 Multnomah County Employees with Five to Twenty Years of Service

BOARD GREETED, ACKNOWLEDGED AND PRESENTED 5 YEAR AWARDS TO BRUCE LLOYD, ANNETTE POTTS, BRIAN SCAZZAFAVO, JAMES SURRENCY AND DONNA WALTMAN OF ASD; MARIE GRIFFITHS OF DCC; PATRICIA FRAHLER OF DES; KARL JOHNSON OF JJD; AND NANCY McCOY, CAROL WARD AND JERRY WALKER OF NOND. 10 YEAR AWARDS TO LESLIE BRUNTON OF DA; JERRY BUCHANAN, GAIL McKEEL, STEVEN MILES AND CAROL NICHOLS OF DES. 15 YEAR AWARDS TO JANET

HENDRY OF DCC; RICKIE GILMORE, JOHN LOCKHART, SANDRA McFARLAND, SHARYN MIDDLETON, EDGARDO RIVERA AND TERESA RUTLEDGE OF DES; AND MARY BOYER OF NOND. 20 YEAR AWARDS TO MICHAEL BUFTON, SHIRLEY BURLINGHAM AND RALPH SCHAFFER, JR. OF DES.

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-3 Presentation of Multnomah County Department of Community Corrections Employee Recognition Awards to Employee of the Year: Kathleen Treb; Highest Professional Standards: Dave Landis, Peter Sturdevant, Carl Goodman and Robin Rossmiller; Meritorious Service: Bill Bender, OB Addy, Kwame Boateng, Mike Grimes, Gloria Maier and Karen Rhein; and Community Recognition: Matthew Delenikos and Katy Gallagher**

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, PROCLAMATION 95-162 IN THE MATTER OF RECOGNIZING THE CONTRIBUTIONS OF KATHY TREB, DAVE LANDIS, PETER STURDEVANT, CARL GOODMAN, ROBIN ROSSMILLER, BILL BENDER, OB ADDY, KWAME BOATENG, MIKE GRIMES, GLORIA MAIER AND KAREN RHEIN WAS UNANIMOUSLY APPROVED. TAMARA HOLDEN PRESENTATION AND STAFF INTRODUCTIONS AS BOARD GREETED AND ACKNOWLEDGED EMPLOYEES.

NON-DEPARTMENTAL

- R-4 First Reading of a Proposed ORDINANCE Amending Ordinance Nos. 720 and 771 to Make Changes in the Bylaws of the Metropolitan Human Rights Commission**

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF THE FIRST READING. HELEN CHEEK EXPLANATION. NO

**ONE WISHED TO TESTIFY. FIRST READING
UNANIMOUSLY APPROVED. SECOND READING
THURSDAY, JULY 27, 1995.**

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-5 First Reading of a Proposed ORDINANCE Amending Fees for Action Proceedings and Administrative Actions Under MCC 5.10 and Moving County Surveyor Fees from MCC 11.45 to MCC 5.10

**PROPOSED ORDINANCE READ BY TITLE ONLY.
COPIES AVAILABLE. COMMISSIONER KELLEY
MOVED AND COMMISSIONER HANSEN
SECONDED, APPROVAL OF THE FIRST
READING. JOHN DORST INTRODUCED NEW
SURVEYOR ROBERT HOVDEN. MR. DORST
EXPLANATION AND RESPONSE TO BOARD
QUESTIONS. NO ONE WISHED TO TESTIFY.
FIRST READING UNANIMOUSLY APPROVED.
SECOND READING THURSDAY, JULY 27, 1995.**

- R-6 Ratification of Intergovernmental Agreement Contract 300186 Between Multnomah County and the Port of Portland, Addressing Procedures to Improve Collection of Property Taxes Owing on Account of Port Agreements with Taxable Entities

**COMMISSIONER KELLEY MOVED AND
COMMISSIONER SALTZMAN SECONDED,
APPROVAL OF R-6. KATHY TUNEBOG
EXPLANATION. SANDRA DUFFY RESPONSE TO
BOARD QUESTIONS. AGREEMENT
UNANIMOUSLY APPROVED.**

- R-7 ORDER in the Matter of Authorizing a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes

**COMMISSIONER KELLEY MOVED AND
COMMISSIONER SALTZMAN SECONDED,
APPROVAL OF R-7. MS. TUNEBOG
EXPLANATION AND RESPONSE TO BOARD
QUESTIONS. MS. TUNEBOG TO PROVIDE**

COMMISSIONER KELLEY WITH ADDITIONAL INFORMATION. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT LANGUAGE REFERRING TO ORDINANCE 795 BE DELETED FROM THE ORDER. ORDER 95-163 UNANIMOUSLY APPROVED, AS AMENDED.

DEPARTMENT OF HEALTH

R-8 Request for Approval of Contract 200726 Between Multnomah County and Buck Medical Services, dba American Medical Response, Northwest (AMR), Providing Exclusive Ambulance Franchise Services through 9-1-1 ALS Response, for the Period August 14, 1995 through August 14, 2000 (Continued from July 6, 1995)

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-8. BILL COLLINS EXPLANATION AND DISCUSSION OF FINAL CONTRACT CHANGES PURSUANT TO HIS JULY 19 MEMORANDUM. BETH BAUGHMAN OF COMMUNITY AMBULANCE PRESENTED WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO CONTRACT. LORI HAMM OF CARE AMBULANCE PRESENTED WRITTEN AND ORAL TESTIMONY IN OPPOSITION TO CONTRACT AND RESPONDED TO BOARD QUESTIONS. MR. COLLINS AND COUNTY COUNSEL LARRY KRESSEL RESPONSE TO BOARD QUESTIONS AND DISCUSSION. MR. KRESSEL AND CHAIR STEIN RESPONSE TO CONCERNS OF CARE AMBULANCE. MR. COLLINS RESPONSE TO QUESTIONS OF COMMISSIONER SALTZMAN. UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER SALTZMAN, THE THREE AMENDMENTS PROPOSED VIA MR. COLLINS' MEMORANDUM OF JULY 19, 1995 REGARDING DISPOSABLE SUPPLIES REIMBURSEMENT RATES AND THE 90 SECOND BOEC DISPATCH

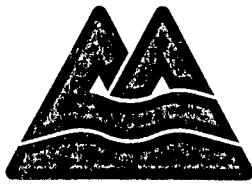
**POLICY WERE UNANIMOUSLY APPROVED.
CONTRACT UNANIMOUSLY APPROVED, AS
AMENDED.**

There being no further business, the meeting was adjourned at 10:26 a.m.

OFFICE OF THE BOARD CLERK
FOR MULTNOMAH COUNTY, OREGON



Deborah L. Bogstad



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS		
BEVERLY STEIN •	CHAIR •	248-3308
DAN SALTZMAN •	DISTRICT 1 •	248-5220
GARY HANSEN •	DISTRICT 2 •	248-5219
TANYA COLLIER •	DISTRICT 3 •	248-5217
SHARRON KELLEY •	DISTRICT 4 •	248-5213
CLERK'S OFFICE •	248-3277 •	248-5222

AGENDA

MEETINGS OF THE MULTNOMAH COUNTY BOARD OF COMMISSIONERS

FOR THE WEEK OF

JULY 17, 1995 - JULY 21, 1995

Monday, July 17, 1995 - 7:00 PM - SIP Public Hearing	Page 2
Tuesday, July 18, 1995 - 9:30 AM - Board Briefing	Page 2
Tuesday, July 18, 1995 - 10:30 AM - Regular Meeting	Page 2
Tuesday, July 18, 1995 - 1:30 PM - Planning Items	Page 3
Tuesday, July 18, 1995 - PM - Board Briefing	Page 3
<u>(IMMEDIATELY FOLLOWING PLANNING ITEMS)</u>	
Thursday, July 20, 1995 - 9:30 AM - Regular Meeting	Page 3

Thursday Meetings of the Multnomah County Board of Commissioners are
cablecast live and taped and can be seen by Cable subscribers in Multnomah County
at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30
Friday, 10:00 PM, Channel 30
Sunday, 1:00 PM, Channel 30

Produced through Multnomah Community Television

**INDIVIDUALS WITH DISABILITIES MAY CALL THE OFFICE OF THE BOARD
CLERK AT 248-3277 OR 248-5222, OR MULTNOMAH COUNTY TDD PHONE 248-
5040, FOR INFORMATION ON AVAILABLE SERVICES AND ACCESSIBILITY.**

Monday, July 17, 1995 - 7:00 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

PUBLIC HEARING

- PH-1 *The Multnomah County Board of Commissioners and the Gresham City Council Will Convene for the Purpose of Receiving Public Testimony on the Proposed Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77. Public Testimony is Limited to Three Minutes Per Person. The Gresham City Council May Take Action on the Contract Agreement At the Conclusion of the Public Hearing.*
-

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-1 *Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck. 1 HOUR REQUESTED.*
-

Tuesday, July 18, 1995 - 10:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

REGULAR MEETING

- R-1 *Request for Ratification of Abatement Contract Between Multnomah County, the City of Gresham and Fujitsu Microelectronics, Inc., to Exempt Portions of Fujitsu Microelectronics' Proposed Project from Property Tax Assessments Under the Strategic Investment Program (SIP) Pursuant to ORS 285.330 and Multnomah County's Strategic Investment Program Policy, as Adopted by Resolution 95-77*
-

*Tuesday, July 18, 1995 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

PLANNING ITEMS

- P-1 ORDER in the Matter of Multnomah County Appointing Planning and Zoning Hearings Officers*
- P-2 First Reading of a Proposed ORDINANCE Amending Comprehensive Framework Plan Policy 34, Trafficways, and the Accompanying Functional Classification of Trafficways Map*
- P-3 SEC 8-94 DE NOVO HEARING, with Testimony Limited to 20 Minutes Per Side, Including Rebuttal, in the Matter of an Appeal of the April 3, 1995 Hearings Officer Decision AFFIRMING AND MODIFYING the Planning Director Decision and DENYING an Appeal in the Matter of APPROVING, Subject to Conditions, a Requested Significant Environmental Concern (SEC) Permit for an Addition to an Existing Single Family Dwelling, for Property Located at 5830 NW CORNELL ROAD. (Continued from May 23, 1995 and June 27, 1995)*
-

*Tuesday, July 18, 1995 - PM
(IMMEDIATELY FOLLOWING PLANNING ITEMS)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

BOARD BRIEFING

- B-2 Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse. 45 MINUTES REQUESTED.*
-

*Thursday, July 20, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

REGULAR MEETING

CONSENT CALENDAR

NON-DEPARTMENTAL

- C-1 In the Matter of the Re-Appointment of John Wight to the MERIT CIVIL SERVICE COUNCIL*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-2 *ORDER in the Matter of Purchase and Sale Agreement for the Sale of Certain Real Property to Fiona Erika Dady*
- C-3 *ORDER in the Matter of the Execution of Deed D951196 for Repurchase of Tax Acquired Property to Former Owner Homestead Holding Co. Inc.*
- C-4 *ORDER in the Matter of the Execution of Deed D951198 Upon Complete Performance of a Contract to Melissa Nolind*
- C-5 *ORDER in the Matter of the Execution of Deed D951202 for Certain Tax Acquired Property to Michael J. Bross*
- C-6 *ORDER in the Matter of the Execution of Deed D951203 Upon Complete Performance of a Contract to Charles L. Williams and Leslee Williams, Husband and Wife*
- C-7 *ORDER in the Matter of the Execution of Deed D951205 Upon Complete Performance of a Contract to Richard Renton and Roxanne Renton*
- C-8 *ORDER in the Matter of the Execution of Deed D951207 Upon Complete Performance of a Contract to Dwight M. Shank and Shirley F. Shank*
- C-9 *ORDER in the Matter of the Execution of Deed D951208 Upon Complete Performance of a Contract to Heritage Properties, Inc. 1/2 and Gary and Mary Arlene Moberly 1/2*
- C-10 *ORDER in the Matter of the Execution of Deed D951209 for Repurchase of Tax Acquired Property to Former Owner Margaret McGee*
- C-11 *ORDER in the Matter of Approval of Contract 15779 for the Sale of Certain Tax Foreclosed Real Property to Former Owner Thomas E. Miller*
- C-12 *ORDER in the Matter of Contract 15793 for the Sale of Certain Real Property to G & B Investments*
- C-13 *ORDER in the Matter of Contract 15794 for the Sale of Certain Real Property to Ronald Engesether, Jr.*
- C-14 *ORDER in the Matter of Contract 15796 for the Sale of Certain Real Property to Karl H. Keener and Linda Ann Keener*
- C-15 *ORDER in the Matter of Contract 15797 for the Sale of Certain Real Property to Jeffrey Fish*
- C-16 *Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 301694 Between the Oregon Department of Transportation, Multnomah County and Tri-Met, Allowing Tri-Met to Bid and Award the Construction Project for Pedestrian Shelters and Bicycle Storage Facilities at 9 East County Light Rail*

Stations

DEPARTMENT OF COMMUNITY CORRECTIONS

- C-17 *Ratification of Amendment No. 1 to Intergovernmental Agreement Contract 900265 Between the City of Portland and Multnomah County, Wherein City Funds \$107,152 to Participate in Contract with the Council for Prostitution Alternatives, Inc., Providing Services for Women Leaving Prostitution*

DEPARTMENT OF JUVENILE JUSTICE SERVICES

- C-18 *Ratification of Intergovernmental Agreement Contract 700076 Between the City of Portland and Multnomah County, Providing the Stipend for a Weekly Restitution Program Entitled "Payback" Wherein Adjudicated and Diverted Youth Perform Maintenance Work at City Water Bureau Sites*
- C-19 *Budget Modification JJD 2 Requesting Authorization to Add \$7,000 in City of Portland Revenues to the Detention Division Budget for the Project "Payback" Program*

DEPARTMENT OF COMMUNITY AND FAMILY SERVICES

- C-20 *Ratification of Intergovernmental Agreement Contract 104715 Between the Oregon Department of Human Resources, Children's Services Division and Multnomah County, Providing \$170,040 in Funding for Substance Abuse Services for Clients of the Multi-Agency Family Support Team Project, for the Period July 1, 1995 through June 30, 1997*

REGULAR AGENDA

PUBLIC COMMENT

- R-1 *Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.*

NON-DEPARTMENTAL

- R-2 *Presentation of Employee Service Awards Honoring 27 Multnomah County Employees with Five to Twenty Years of Service*

DEPARTMENT OF COMMUNITY CORRECTIONS

- R-3 *Presentation of Multnomah County Department of Community Corrections Employee Recognition Awards to Employee of the Year: Kathleen Treb; Highest Professional Standards: Dave Landis, Peter Sturdevant, Carl Goodman and Robin Rossmiller; Meritorious Service: Bill Bender, OB Addy, Kwame Boateng, Mike Grimes, Gloria Maier and Karen Rhein; and Community Recognition: Matthew Delenikos and Katy Gallagher*

NON-DEPARTMENTAL

- R-4 *First Reading of a Proposed ORDINANCE Amending Ordinance Nos. 720 and 771 to Make Changes in the Bylaws of the Metropolitan Human Rights Commission*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-5 *First Reading of a Proposed ORDINANCE Amending Fees for Action Proceedings and Administrative Actions Under MCC 5.10 and Moving County Surveyor Fees from MCC 11.45 to MCC 5.10*
- R-6 *Ratification of Intergovernmental Agreement Contract 300186 Between Multnomah County and the Port of Portland, Addressing Procedures to Improve Collection of Property Taxes Owing on Account of Port Agreements with Taxable Entities*
- R-7 *ORDER in the Matter of Authorizing a Public Sale of Properties Acquired by Multnomah County through the Foreclosure of Liens for Delinquent Taxes*

DEPARTMENT OF HEALTH

- R-8 *Request for Approval of Contract 200726 Between Multnomah County and Buck Medical Services, dba American Medical Response, Northwest (AMR), Providing Exclusive Ambulance Franchise Services through 9-1-1 ALS Response, for the Period August 14, 1995 through August 14, 2000 (Continued from July 6, 1995)*



MULTNOMAH COUNTY OREGON

OFFICE OF THE BOARD CLERK
SUITE 1510, PORTLAND BUILDING
1120 S.W. FIFTH AVENUE
PORTLAND, OREGON 97204

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR • 248-3308
DAN SALTZMAN • DISTRICT 1 • 248-5220
GARY HANSEN • DISTRICT 2 • 248-5219
TANYA COLLIER • DISTRICT 3 • 248-5217
SHARRON KELLEY • DISTRICT 4 • 248-5213
CLERK'S OFFICE • 248-3277 • 248-5222

MULTNOMAH COUNTY COMMISSION **MEETING** **AGENDA CHANGES**

Tuesday, July 18, 1995 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-1** *Presentation of the Mt. Hood Cable Regulatory Commission Staff Report on Community Needs Ascertainment for Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; and the Paragon Cable Franchise Renewal. Presented by David Olson and Julie Omelchuck. 1 HOUR REQUESTED.*

POSTPONED TO 9:30 AM, TUESDAY, AUGUST 15, 1995.

Tuesday, July 18, 1995 - PM
(IMMEDIATELY FOLLOWING PLANNING ITEMS)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland

BOARD BRIEFING

- B-2** *Status Update on the Proposed Willamette River Bridge Financing Package. Presented by Kathy Busse. 45 MINUTES REQUESTED.*

MOVED UP TO 9:30 AM, TUESDAY, JULY 18, 1995.

1995-3.AGE/12/dlb
7/13/95

#1

PLEASE PRINT LEGIBLY!

MEETING DATE 7-18-95

NAME

Bonnie Marino-Blair

ADDRESS

3428 SE 45th

STREET

Portland, OR 97206

CITY

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO.

7 tax abatement

SUPPORT

OPPOSE

SUBMIT TO BOARD CLERK

#2

PLEASE PRINT LEGIBLY!

MEETING DATE 7/8/95

NAME

Alan Jones

ADDRESS

17650 NE Davis

STREET

Gresham, OR

CITY

97230

ZIP

I WISH TO SPEAK ON AGENDA ITEM NO. R-1

SUPPORT

X

OPPOSE

SUBMIT TO BOARD CLERK

MEETING DATE JUL 18 1995
AGENDA NUMBER R-1

AGENDA PLACEMENT FORM

SUBJECT: BOARD ACTION ON PROPOSED CONTRACT WITH FUJITSU
MICROELECTRONICS, INC. FOR TAX ABATEMENT

BOARD BRIEFING: Date Requested: _____

Amount of Time Needed: _____

REGULAR MEETING: Date Requested: Tuesday, July 18, 1995

Amount of Time Needed: 60 minutes

DEPARTMENT: Management Support Services DIVISION Budget & Quality

CONTACT: Barry Crook TELEPHONE : 248-3575

BLDG/ROOM: 106/1400

PERSON(S) MAKING PRESENTATION: Commissioner Tanya Collier

Sandra Duffy, Multnomah County Pat Clancy, Public Financial Management

Tom Potiowsky, Portland State University & Public Financial Management

ACTION REQUESTED

☐ INFORMATIONAL ONLY ☐ POLICY DIRECTION ☒ APPROVAL ☐ OTHER

SUMMARY (Statement of rationale for action requested, personnel and fiscal/budgetary impacts, if applicable):

The Multnomah County Board of Commissioners is requested to approve or modify the proposed abatement contract between Fujitsu Microelectronics, Inc., Multnomah County and the City of Gresham to exempt portions of their proposed project from property tax assessments as permitted under the Strategic Investment Program (SIP) as set out in ORS 285.330 et. seq., and the County's Strategic Investment Program Policy, adopted by Resolution 95-77.

BOARD OF
COUNTY COMMISSIONERS
JUL 12 PM 1:12
MULTNOMAH COUNTY
OREGON

Fujitsu's project will increase the assessed value base by \$100 million, which is expected to decrease taxes paid by the average property by \$20 per year. In addition, Fujitsu will make payments directly to Multnomah County equal to the lesser of 25% of the abated taxes or \$2 million in each year the abatement is in effect, as a Community Service Fee, as authorized by the state statute. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract. Fujitsu has committed to provide the County with \$500,000 as a one-time payment for the County to use to develop affordable housing. Fujitsu has also agreed in the contract to pay for all impacts on local infrastructure as a result of the project.

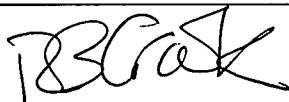
There will be some additional costs imposed upon County staff in terms of resources necessary to monitor compliance with the abatement agreement. Such costs and methodologies to be employed in carrying out that responsibility are unclear at this time. As this process becomes clearer and requirements for monitoring compliance become more specific, the Budget & Quality Office may request additional funds to carry out this task.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____

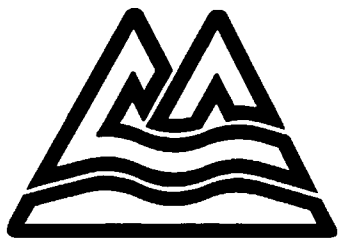
OR

DEPARTMENT MANAGER: _____



ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Office of the Board Clerk 248-3277/248-5222



MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN
DAN SALTZMAN
GARY HANSEN
TANYA COLLIER
SHARRON KELLEY

BUDGET & QUALITY OFFICE
PORTLAND BUILDING
1120 S.W. FIFTH - ROOM 1400
P. O. BOX 14700
PORTLAND, OR 97214
PHONE (503)248-3883

TO: Board of County Commissioners

FROM: Barry Crook, Budget & Quality Manager

TODAY'S DATE: July 11, 1995

REQUESTED PLACEMENT DATE: Tuesday, July 18, 1995

SUBJECT: Board Approval of the Proposed Fujitsu Microelectronics SIP Agreement

I. Recommendation / Action Requested:

The Multnomah County Board of Commissioners is requested to approve or modify the proposed abatement contract between Fujitsu Microelectronics, Inc., Multnomah County and the City of Gresham to exempt portions of their proposed project from property tax assessments as permitted under the Strategic Investment Program (SIP) as set out in ORS 285.330 et. seq., and the County's Strategic Investment Program Policy, adopted by Resolution 95-77.

II. Background / Analysis:

The County's Negotiation Team, headed by Commissioner Tanya Collier, has completed negotiations on the terms of a contract granting tax abatement for the proposed expansion of Fujitsu's Gresham plant. They are proposing a major expansion of the plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investment to bring the total investment to over \$1 billion by 2011. Under the terms of the Strategic Investment Policy, the County will agree to cap the assessed valuation of the new facilities identified in the application at \$100 million. This valuation grows at 4% per year.

The County's SIP directs recipients of the abatement to make efforts to achieve the County's goals in a number of areas. The County's program directed the contract to engage the recipients in a comprehensive program targeted toward welfare, underemployed and unemployed residents of Multnomah County. The contract represents a sincere commitment on the behalf of Fujitsu to become a leader in job creation and support of those County residents who have not become successful participants in the County's economic health. The contract seeks to get to a specific population with jobs, to provide services to those people in terms of child care, housing and transportation to assure that they will not find those impediments to job success. Additionally, the contract seeks to make certain contributions to the community at large.

III. Financial Impact:

Fujitsu's project will increase the assessed value base by \$100 million, which is expected to decrease taxes paid by the average property by \$20 per year. In addition, Fujitsu will make payments directly to Multnomah County equal to the lesser of 25% of the abated taxes or \$2 million in each year the abatement is in effect, as a Community Service Fee, as authorized by the state statute. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract. Fujitsu has committed to provide the County with \$500,000 as a one-time payment for the County to use to develop affordable housing. Fujitsu has also agreed in the contract to pay for all impacts on local infrastructure as a result of the project.

IV. Legal Issues:

The contract is a binding agreement between the County and Fujitsu and sets forth a number of commitments by Fujitsu which must be met in order to retain the full benefit of the tax abatement. These commitments are in the following areas: investment, payment of the Community Service Fee, job creation, training, child care, housing, environmental protection, and mitigation of impacts on public infrastructure. In addition to the contract between Fujitsu and Multnomah County, a key element of the implementation of the goals set forth in the County's SIP policy and in the contract recitals, is the First Source Agreement (FSA) between the Portland Development Commission's (PDC) JobNet and Fujitsu. This contract, developed jointly by PDC and the County, requires Fujitsu to hire all of its jobs which require less than 2 years of college through JobNet. jobs requiring more than 2 years of college are jointly recruited by Fujitsu and JobNet. The FSA sets forth a number of steps and requirements for ensuring the targeted population finds its way into the positions created under that tax abatement program..

V. Controversial Issues:

There has been considerable debate within the community over the equity and wisdom of granting

firms the tax abatement permitted by the State enabling legislation.

VI. Link to Current County Policies:

This proposed contract agreement has been negotiated in accordance with the policy established by the Board on April 13, 1995 under Resolution 95-77.

VII. Citizen Participation:

A public hearing to gather citizen comment on the proposed contract is scheduled to take place on Monday, July 17, 1995. The policy under which this contract was negotiated was likewise subject to public comment prior to its adoption.

VIII. Other Government Participation:

The City of Gresham has participated as a working member of the negotiation team and will be part of the convening body for this public hearing. They will also be required to approve the terms of the contract. The Oregon Economic Development Department has acted as a sponsor for the applicant, Fujitsu Microelectronics, Inc., and prepared their application which was submitted to the County on May 8, 1995. The Portland Development Commission's JobNet is a party to the First Source Agreement which is an integral part of the implementation of the County's SIP goals.



PUBLIC FINANCIAL MANAGEMENT, INC.

Financial and Investment Advisors

1000 SW Broadway, Suite 1500
Portland, Oregon 97205-3067
503-223-3383 (Fax) 503-223-7002

Fujitsu Microelectronics Strategic Investment Plan Contract Analysis

Multnomah County and Fujitsu Microelectronics Inc. (Fujitsu) completed negotiations on the terms of a contract granting tax abatements for the proposed expansion of Fujitsu's Gresham plant. Fujitsu develops, manufactures and markets a broad range of semiconductors. The Gresham Manufacturing Division opened in 1988 with 225,000 square feet of building. They are proposing a major expansion of the Gresham plant in two phases. The first phase would include investment of \$500 million and the second phase would include investment of \$350 million. In addition, Fujitsu expects additional investments to bring the total investment to over a billion dollars by 2011. The new plants will produce the next generation of Dynamic Random Access Memory microchips (DRAMs) and Erasable Programmable Read Only Memory (EPROM) chips, replacing the products currently manufactured at the existing plant. Fujitsu remains uncommitted as to the use of the old plant once the new ones are built but has expressed some plans for retrofitting to produce yet-undetermined products. Under the terms of the Strategic Investment Policy, the County will agree to cap the assessed valuation of the new facilities identified in the application at \$100 million. This valuation grows at 4 percent per year.

The County's SIP directs recipients of the abatement to make efforts to achieve the County's goals in a number of areas. This is different than the programs implemented elsewhere. Traditional SIP contracts have only specified mitigation of impact, up front payments and job creation. Multnomah County's program directed the contract to engage the recipients in a comprehensive program targeted toward welfare, underemployed and unemployed residents of Multnomah County. We are pleased with the outcome of the negotiations. The contract represents a sincere commitment on the behalf of Fujitsu to become a leader in job creation and support of those County residents who have not become successful participants in the County's economic health. The contract seeks to get to a specific population with jobs, to provide services to those people in terms of child care, housing and transportation to assure that they will not find those areas impediments to job success. Additionally, the contract seeks to make certain contributions to the community at large.

The contract is a binding agreement between the County and Fujitsu and sets forth a number of commitments by Fujitsu which must be met in order to retain the full benefit of the tax abatement. These commitments are in the following areas: Investment, Payment of the Community Service Fee, Job Creation, Training, Child Care, Housing, Environmental Protection and Mitigation of Impacts on Public Infrastructure. In addition to these contractual commitments, Fujitsu's expansion in Gresham will add \$100 million to the assessed value base in Gresham. This addition is expected to decrease taxes paid by the average property tax payer by \$20 per year.

In addition to the contract between Fujitsu and Multnomah County, a key element of the implementation of the goals is the First Source Agreement (FSA) between PDC's Job Net and Fujitsu. This contract, developed jointly by PDC and Multnomah County, requires Fujitsu to hire all of its jobs which require less than 2 years of college through Job Net. Jobs requiring more than 2 years of college are jointly recruited by Fujitsu and Job Net. The FSA sets forth a number of steps and requirements for ensuring the targeted population finds its way into the positions created under the tax abatement program.

Investment

In order to benefit from the tax abatement program, Fujitsu must invest in capital improvements to the manufacturing plant in Gresham. Since the assessed value under the SIP will be capped at \$100



million, Fujitsu must invest more than that to begin enjoying the benefits of the program. As noted, this results in the first part of the investment accruing to the tax roles in Multnomah County. Since the County is not limited in its property tax collections in the area where the plant will be built, additional assessed value does not result in increased tax revenues but rather results in lower taxes paid by the County's taxpayers. Without the expansion, taxes would be unchanged, with the expansion, taxpayers will pay less taxes. At the end of the 15 year abatement period, all of the assessed value will be on the County's tax rolls.

Payment of the Community Service Fee

The SIP requires Fujitsu to make payments directly to Multnomah County equal to 25% of the abated taxes. This results in over \$8 million in payments to the County. The County's use of the Community Service Fee is not specified in the contract.

Job Creation

The County sought to create a wide range of jobs with career advancement opportunities. We believe this goal has been attained.

The contract commits Fujitsu to the creation of 445 jobs. Over 330 of these jobs will be the type of job which presents an entry level opportunity for welfare, un- and under- employed residents of Multnomah County. Since it is not legal to require residency in Multnomah County, we have involved Job Net of the Portland Development Commission to be the exclusive recruiting agent of Fujitsu. Under a direct contract with the County and City, Job Net will seek applicants from mid-Multnomah County. They will develop a strategy to reach the population identified by the County. Fujitsu will be required to hire from this population to the extent Job Net can produce qualified applicants. This commitment to use the Job Net process will run during the entire period of the abatement.

Additionally, Fujitsu has committed to develop a program to track the career path of all newly hired workers to make sure targeted populations are supported in ways that allow them to progress professionally.

Fujitsu has committed to maintain both wages and benefits comparable to the present program. It expects, however, due to competition for workers, both wages and benefits will rise during the next decade.

In addition to the committed jobs, another 300 jobs are expected to be created in Multnomah County as indirect results of this expansion and several hundred construction jobs during the construction periods.

First Source Agreement

The contract requires Fujitsu to enter into an "Exclusive Full Service First Source Agreement" with Job Net. The FSA provides that all openings be advertised through Job Net. Positions requiring more than 2 years of college may, upon mutual agreement between Job Net and Fujitsu, be advertised outside of the Job Net process. The FSA sets forth a process through which the targeted population in Multnomah County is notified of the jobs. The FSA also sets forth a process for outreach to the Mid- and East-County residents to make them aware of job and training opportunities. The FSA is attached as an exhibit to the contract. The contract provides for payments equal to \$180,000 over the first three years and \$300 per job placement thereafter.

Training

The County sought to make sure that the targeted population would be qualified for jobs created under the SIP. This requires readiness skills in specific job related skills. We believe the contract has accomplished this goal.

Fujitsu acknowledged that it will be challenging to find 445 qualified people for their jobs. In order to accomplish the goal of hiring the County's targeted population Fujitsu has committed to participating in a

comprehensive skill development program to be designed cooperatively by East County schools, Mt. Hood Community College, Multnomah County and other major microelectronics firms. The program will involve the job readiness program at Mt. Hood Community College, the School to Work program and various other projects of the Consortium. The Mid-County Superintendents and Mike Dillion of MHCC have already begun meeting with Fujitsu to design and implement the program. They have committed to developing the program and funding up to 1/2 of the cost of such a program. The training program is expected to begin before the plant is completed. This will result in Fujitsu making payments prior to receiving the benefit of the abatement.

Once potential employees are identified by Fujitsu, they have committed to providing a paid, two week job training program to increase the beginning success of people being newly hired into the industry. Once on the job, Fujitsu has committed to maintaining various continuing education opportunities they already provide.

Lastly, Fujitsu has committed to providing 10 scholarships to MHCC and PCC a year for 15 years.

The total expected cost of the training component of the contract is approximately \$1.5 million over 15 years.

Child Care

The County sought to create a work environment which include child care options so that child care is not an obstacle to a career. We believe the contract has achieved this goal.

Fujitsu provides substantial child care subsidies to its employees. While its current program is somewhat limited in that it focuses on a single provider near the plant and that provider is only open during weekdays, the company has agreed to expand options to assure that no one has difficulties in taking or keeping a job due to child care concerns. This has involved a commitment to allow a preference for those needing child care for day shifts, and a commitment to fund alternative child care during the weekends and nights as necessary. Additionally, the child care subsidy has been increased for families making below the County's mean income.

The combined estimated cost to the company for new child care programs and subsidies is approximately \$1.1 million.

Housing

The County's goal in the area of housing was to remove housing costs as a barrier to employment and to increase the stock of affordable housing. We believe both of these goals have been met.

Fujitsu has committed to provide the County with \$500,000 as a one time payment for the County to use to develop affordable housing. Additionally, Fujitsu has committed to a rental subsidy program which will subsidize the cost of housing (up to \$200 per month) for families making below the County's mean wage. The expected cost of this program is \$650,000. To the extent that this program is not utilized by Fujitsu's employees, the unused portion will be contributed to the County for additional affordable housing. The entire housing related package is estimated at \$1.15 million.

Transportation

The County has sought to eliminate the lack of transportation as a barrier to employment and to encourage use of modes of transportation other than single occupancy vehicles. We believe this goal has been met.

Fujitsu has proposed three programs to address this concern. The first program is to provide shuttle service to and from the nearest light rail station for shift changes when Tri-Met is not running on Stark (in front of the plant). This really addresses two shift changes on which occur on Saturday and Sunday early mornings. The second is to subsidize the purchase of bus passes by paying half the cost of the pass.

The third initiative is to provide payments to van pool drivers to encourage the use of van pools. In addition to these specific programs, Fujitsu will be developing a traffic management plan aimed at trip reduction in conjunction with its permitting process in Gresham. This will include a plan to encourage more transit use, designation of prime parking spaces for car pools, provision of bike racks and shift scheduling to avoid traffic peaks.

Environmental Protection

The County sought to have Fujitsu to take leadership in protecting the environment and reducing waste. We believe this goal has been met.

Fujitsu has a well documented history of complying with environmental regulations. They have regularly exceeded the minimum standards set by regulatory agencies. Fujitsu has agreed to revisit the extensive plan they have developed to include a more comprehensive program aimed not at compliance but at continued reduction of all toxins and waste products. Under this agreement, Fujitsu will use all new technology to reduce waste and consumption as it becomes available.

Impact Mitigation

The County sought to have all impacts on local infrastructure mitigated. This goal has been achieved.

The contract specifies that Fujitsu will pay for all impacts on local infrastructure as a result of this project. Those impacts are not specifically known at this time due to the fact that site plans have not been formally filed with Gresham. Gresham's normal process will evaluate all the impact on both Gresham's services and the County's services and assess appropriate costs before granting the necessary permits to complete the project.

Summary

We believe all the goals of Multnomah County's SIP have been addressed in this contract. The contract has been written toward outcomes rather than dollar figures. Fujitsu must achieve results, not just spend money. To the extent that they can achieve goals in efficient means, the contract allows them to spend less. To the extent that goals are not being achieved, the contract specifies no maximum amounts of money that must be spent. Fujitsu must provide a training program to get people ready to work, they must hire through Job Net, they must support those hired through on-going training, addressing housing, child care, transportation needs as well as wages and benefits above the industry norm. They must act as an environmental steward and make contributions to the community at large through payment of property taxes, community service fees and contributions to a community wide affordable housing fund.

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JULY __, 1995

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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 et seq. and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services related to the facility. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the Project to be undertaken by FMI be financed under the terms of the

SIP and receive other benefits as authorized by law and as provided by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the property tax abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

Classifications	Wage Range	1995
Operator	\$6.75- 16.97/hr.	
Technician	\$10.28- 24.84/hr.	
Engineer	\$578- 1,534/wk.	
Administrative	\$7.32- 24.34/hr.	
Supervisors	\$635- 1,267/wk.	
TOTAL	---	535

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular payroll that are in addition to the 535 jobs identified above as an employment baseline

above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

Classifications	Wage Range	1996	1997	1998	Total
Operator	\$6.75- 16.97/hr	32	149	149	330
Technician	\$10.28- 24.84/hr.	36	22	---	58
Engineer	\$578- 1,534/wk.	9	20	8	37
Administrative	\$7.32- 24.37/hr.	---	10	---	10
Supervisors	\$635- 1,267/wk.	---	10	---	10
TOTAL	---	77	211	157	445

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 30 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 30, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees as long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. \$ 125 Federal Dependent Care Reimbursement
- n. 30% Subsidy at Children's World Child Care Center or an equivalent service

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee

health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.
- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of that child care at Children's World Child Care Center.
- c. FMI shall continue to provide child care resource and referral services through Metro Childcare Resources and Referral Agency (MCRRA) for all employees.
- d. FMI shall contract with MCRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is

anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.

- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MCRRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- c. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- d. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.

- e. FMI shall provide bike racks.
- f. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- g. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- h. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

a. 25% up to \$2 million

For each year in which FMI receives the Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name: Dave Boyer
Position Title: County Finance Manager
Address: 1120 SW Fifth, Suite 1430
Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*

- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry as follows:

(1) Strategic Workforce Development Program

FMI will help establish the training programs and criteria for the training to be provided through the Strategic Workforce Development Program.

FMI shall make additional monetary contributions for start up and ongoing training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm.² Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at Portland Community College. The scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded

²

If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to accept a job due to the unavailability of affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees

holding New Jobs either special temp or regular who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The County will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures set out below, the difference shall be paid to the County Finance Department to be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

Year	Housing Subsidy	Year	Housing Subsidy
1996	3,333	2004	32,050
1997	101,600	2005	32,542
1998	101,950	2006	33,059
1999	29,918	2007	33,602
2000	32,303	2008	34,172
2001	29,709	2009	34,711
2002	31,134	2010	35,400
2003	31,581	2011	37,060
TOTAL		633,189	

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

- (1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:
 - a. The types of goods and services which FMI purchases in the conduct of its business.
 - b. Those goods and services unavailable within the County and/or state.
 - c. The types of vendors with whom it presently contracts.
 - d. The solicitation efforts it can make to expand local procurement including, but not limited to

educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.

- e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:

- (i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and

- (ii) Hire local labor and craftsmen.

- (2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually, subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV B(10) is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

c. FMI Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

These reports and any documents in support of the report, which are submitted to the County are submitted in confidence. County agrees to treat them in a confidential manner. While any such

documents submitted to the County become public records, it is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the documents as confidential. These documents contain proprietary information which may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2), and contain employee survey information of a private nature, exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

- a. Hiring activity for the prior quarter for FAB II, including day of hire, title and level and starting compensation.
- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.

- c. Hiring and termination activity of new employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section II A (2) of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.
- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses.

The report shall include industry data from which a meaningful comparison can be made to determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to

track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report the number of employee's who:

- (1) Receive child care subsidies;
- (2) Whether it is a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.
- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) How many children, on the average, are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift? On

weekends during the day; on weekends during the night?

- (8) What was the total actual cost to FMI for direct subsidies to employees?

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes subsidized for year for all employees (FAB I and FAB II).
- b. How many employees received the southeast relocation benefit for the year? Identify prior location for each employee and distance from plant. What was the median total cost per relocation? What was the median monthly rent (only) amount per relocation?
- c. Describe the FMI program which matches employees by their location for carpooling. Submit any written material which has been created in the implementation of the program. How many employee matches were made this year? How many payments of \$35 were made to drivers? What procedures are used to evaluate the plan? What program changes have been or will be made to improve employee participation? Any tax benefits? Net cost to FMI?

- d. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees. What actual costs, if any, did FMI have for additional service? Any tax benefits? Net cost to FMI?
- e. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.
- f. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. What was FMI's net cost (after tax advantages) for this benefit?
- g. FMI shall report number of "guaranteed rides" provided pursuant to Section II C(4)(d) of this agreement? What was FMI's net cost (after tax advantages) for this benefit?

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

- (1) Payments to Mt. Hood Community College for East County Microelectronics Training

Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

(2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

(3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior

years;

- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;
- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County
- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax exemption as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.

3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax Exemption

The County and the City approve the provisions of this Agreement related to the Property Tax Exemption by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Exemption

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

- A. Procedure to Determine if a Breach of Agreement by FMI Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this

Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide to the County such documentation or information as County requires to verify compliance with the Agreement.

3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano
Fujitsu Microelectronics, Inc.
21015 SE Stark Street
Gresham, Oregon 97030

4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:
 - a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the

matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.

c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.

6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the determination to the Presiding Judge of the Circuit Court.

7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.

8. If the arbitrator determines that FMI has breached this agreement he/she shall:

a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or

b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have

spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or

c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.

(1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.

(2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.

(3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.

9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.

10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%-- which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced

Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI

has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply with Agreement

Any funds collected under Sections IV B above, shall be paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the County to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV A or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT OR TO DELAY PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, or elects by January 1, 1997 to defer construction of Phase 2 to a later date, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional

amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI does not commence construction of Phase 2 of the Project by January 1, 1997, but such a decision is only to defer construction of Phase 2 to a later date, then FMI shall so notify the County in Writing. If Phase 2 is constructed, then Phase 2 shall be taxed pursuant to ORS 307.123; provided however, that upon the completion of construction of Phase 2 FMI shall be obligated to provide an additional 211 New Jobs (445-234 in Phase 1) along with the other benefits and contributions which are otherwise required by this Agreement with respect to the additional 211 New Jobs.

VIII. MISCELLANEOUS TERMS

- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement is the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's

written determination under Section IV A of this Agreement is specifically included as part of this Agreement.

- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.
- G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government approval of any future applications seeking property tax exemptions.
- H. This agreement shall bind the successors and assigns of the parties.

DATED this _____ day of _____, 1995.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)

Beverly Stein, Chairman
Board of Commissioners

Vice President

REVIEWED:

Sandra N. Duffy
Assistant County Counsel

CITY OF GRESHAM

Mayor

City Recorder

REVIEWED:

City Attorney

F:\DATA\COUNSEL\WPDATA\SDX\265SND.CON\m

FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

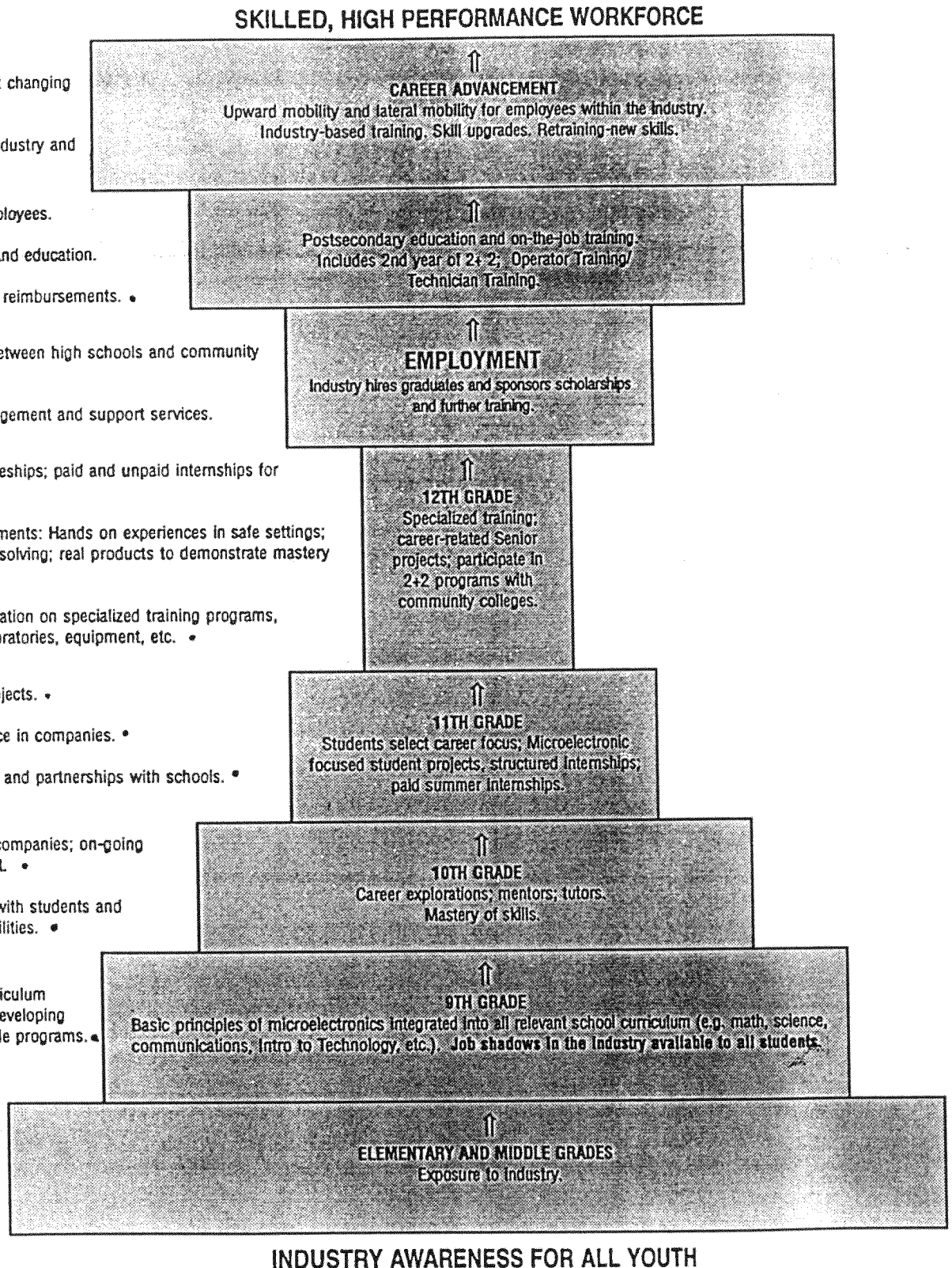
FUJITSU MICROELECTRONICS, INC.

SCHOOL-TO-WORK PLAN

SCHOOL-TO-WORK BUILDING BLOCKS FOR THE SEMICONDUCTOR INDUSTRY

Suggested Implementation Strategies:

- Targeted training to meet changing workforce needs.
- Ongoing evaluation by industry and educators.
- Ongoing training for employees.
- Non-traditional training and education.
- Scholarships and tuition reimbursements.
- Articulated curriculum between high schools and community colleges.
- Job retention/case management and support services.
- Company-paid apprenticeships; paid and unpaid internships for students.
- Simulated work environments: Hands on experiences in safe settings; real tools; real problem-solving; real products to demonstrate mastery of skills.
- Industry/school collaboration on specialized training programs, curriculum options, laboratories, equipment, etc.
- Work-based student projects.
- Summer work experience in companies.
- Employer commitments and partnerships with schools.
- Teacher internships in companies; on-going curriculum development.
- Company connections with students and teachers: Many possibilities.
- Industry/education curriculum development teams: Developing 9th, 10th, 11th, 12th grade programs.
- Marketing industry concepts: Field trips, classroom projects, etc.

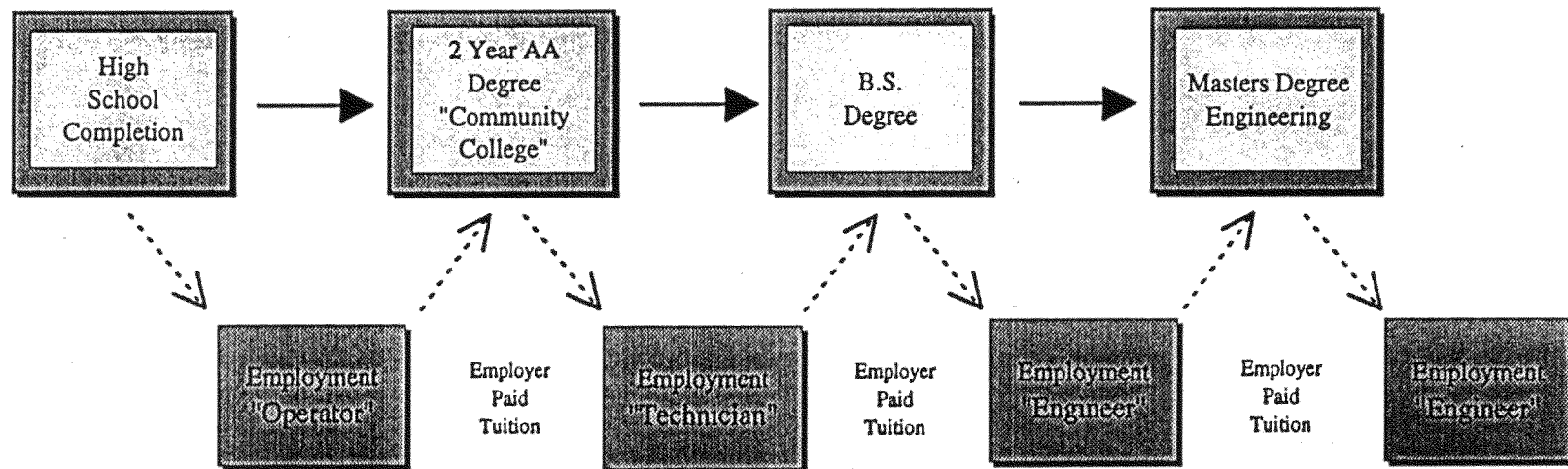


EDUCATIONAL CAREER PROGRESSION
IN
SEMICONDUCTOR INDUSTRY CHART

CAREER PROGRESSION IN THE SEMICONDUCTOR INDUSTRY

EXHIBIT C

EDUCATION ROUTE



EMPLOYMENT/ON-THE-JOB TRAINING ROUTE

Source: Portland Development Commission.

CHART 5

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSED), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

- 1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
- 2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
- 3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
- (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP and County shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement.
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Multnomah County shall develop a working definition of this term.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts

needed and other relevant job related information as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III (A)(6) to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III (A)(6) of this agreement.
3. PDCJNP shall refer applicants to FMI who meet the developed objective criteria FMI notified PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions.

8. FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort, as required under Section II (A)(3)(b) of the SIP contract (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II(C) of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race,

color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."

- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.
- g. Act as a contact for referral for FMI supervisors who have identified targeted population employees as having a problem which interferes with their employment.
- h. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- i. Expand JobNet's contacts in outer southeast and East county.
- j. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- k. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of

each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
2. However, this FSA is intended to implement the job creation and retention provisions of the SIP contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.
3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV A(6) et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____
Dated: _____

By _____
Jan Burreson
Executive Director

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRoberts, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Richard Faus, Assistant City Attorney
City of Gresham

Dated: _____

F:\DATA\COUNSEL\WPDATA\SDX\263SND.CON\mw

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JULY __, 1995

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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 et seq. and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services related to the facility. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the Project to be undertaken by FMI be financed under the terms of the

SIP and receive other benefits as authorized by law and as provided by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the Property Tax Abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

Classifications	Wage Range	1995
Operator	\$6.75- 16.97/hr.	229
Technician	\$10.28- 24.84/hr.	124
Engineer	\$578- 1,534/wk.	48
Administrative	\$7.32- 24.34/hr.	74
Supervisors	\$635- 1,267/wk.	60
TOTAL	---	535

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular payroll that are in addition to the 535 jobs identified above as an employment baseline

above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

Classifications	Wage Range	1996	1997	1998	Total
Operator	\$6.75- 16.97/hr	32	149	149	330
Technician	\$10.28- 24.84/hr.	36	22	---	58
Engineer	\$578- 1,534/wk.	9	20	8	37
Administrative	\$7.32- 24.37/hr.	---	10	---	10
Supervisors	\$635- 1,267/wk.	---	10	---	10
TOTAL	---	77	211	157	445

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 31 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 31, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees are long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Employee Counseling Referral

FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the

first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

(3) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. § 125 Federal Dependent Care Reimbursement

- n. 30% Subsidy at Children's World Child Care Center or an equivalent service
- o. Tuition reimbursement

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Property Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job

classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.

- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of that child care at Children's World Child Care Center.
- c. FMI shall continue to provide child care resource and referral services through Metro Child_Care Resources and Referral Agency (MCCRRA) for all employees.
- d. FMI shall contract with MCCRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.
- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MCCRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be

unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- c. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- d. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.
- e. FMI shall provide bike racks.
- f. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- g. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- h. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

a. 25% up to \$2 million

For each year in which FMI receives the

Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name:	Dave Boyer
Position Title:	County Finance Manager
Address:	1120 SW Fifth, Suite 1430 Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*
- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry. as follows: See Exhibit E.

(1) Strategic Workforce Development Program

FMI will help establish the training programs and criteria for the training to be provided through the Strategic Workforce Development Program.

FMI shall make additional monetary contributions for start up and ongoing training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the SIP personnel commitment for the entire project for each firm.² schedule of personnel for the entire project for each firm. The Schedule of personnel for the Project for FMI shall be:

<u>Years</u>	<u>Total Number of Employees at Project</u>
<u>1996</u>	<u>77</u>
<u>1997</u>	<u>288</u>
<u>1998</u>	<u>445</u>
<u>1999</u>	<u>445</u>
<u>2000</u>	<u>445</u>

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

² If Firm A has made a personnel commitment for its entire project of 500 employees and Firm B has made a personnel commitment for 1000 employees, Firm A will pay an amount equal to 1/3 of the budget and Firm B will pay 2/3 of the budget.

<u>2001</u>	<u>445</u>
<u>2002</u>	<u>445</u>
<u>2003</u>	<u>445</u>
<u>2004</u>	<u>445</u>
<u>2005</u>	<u>445</u>
<u>2006</u>	<u>445</u>
<u>2007</u>	<u>445</u>
<u>2008</u>	<u>445</u>
<u>2009</u>	<u>445</u>
<u>2010</u>	<u>445</u>
<u>2011</u>	<u>445</u>

Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the School-to-Work Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at

Portland Community College. The scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to

accept a job due to the unavailability of affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees holding New Jobs ~~either~~ and special ~~temporaries~~ or regular who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The County Board of County Commissioners, in consultation with Gresham City Council and the Gresham Community Development Housing Corporation and the Countywide HCDC will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures

set out below, the difference shall be paid to the County Finance Department to be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

Year	Housing Subsidy	Year	Housing Subsidy
1996	3,333	2004	32,050 38,050
1997	101,600 77,934	2005	32,542 38,542
1998	101,950 78,284	2006	33,059 39,059
1999	29,918 6,351	2007	33,602 39,602
2000	32,303 38,303	2008	34,172 40,172
2001	29,709 35,709	2009	34,711 40,711
2002	31,134 37,134	2010	35,400 41,400
2003	31,581 37,581	2011	37,060 42,060
TOTAL		633,189	

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

- (1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:

- a. The types of goods and services which FMI purchases in the conduct of its business.
- b. Those goods and services unavailable within the County and/or state.
- c. The types of vendors with whom it presently contracts.
- d. The solicitation efforts it can make to expand local procurement including, but not limited to educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.
- e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:
 - (i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and
 - (ii) Hire local labor and craftsmen.

- (2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually, subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary

standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV.B.10. is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

C. FMI Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

These FMI proprietary information contained in reports and any documents submitted by FMI to the County in support of the report, which are submitted to the County are is submitted in confidence. County agrees to treat them proprietary information in a confidential manner. While any such documents submitted to the County become public records, it is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the relevant documents as confidential. These Documents which contain proprietary information which may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2). Additionally, and contain employee survey information of a private nature, is exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

a. Hiring activity for the prior quarter for FAB

II, including day of hire, title and level and starting compensation.

- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.
- c. Hiring and termination activity of new employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section II.A. 2. of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.
- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses.

The report shall include industry data from which a meaningful comparison can be made to

determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report: the number of employee's who:

- (1) The number of employees who Receive child care subsidies;
- (2) Whether it is The number of employees receiving a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.

- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) How many The number of children, on the average, who are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift.; On weekends during the day.; On weekends during the night?
- (8) What was tThe total actual cost to FMI for direct subsidies to employees?.

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes subsidized for year for all employees (FAB I and FAB II).
- b. How many Number of employees who received the southeast relocation benefit for the year? Identify prior location for each employee and distance from plant. What was tThe median total cost per relocation? What was the median monthly rent (only) amount per relocation?.
- b. c. Describe the FMI program which matches employees by their location for carpooling. S(submit any written material which has been created in the implementation of the

program); How many The number of employee matches were made this year; How many the number of payments of \$35 that were made to drivers?; What Describe the procedures are used to evaluate the plan? program. What Describe what program changes have been or will be made to improve employee participation; Any describe the tax benefits? received and the Nnet cost to FMI?.

- c. d. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees; What the actual costs, if any, did FMI paid have for additional service; Any the tax benefits? and the Nnet cost to FMI?.
- e. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.
- f. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. What was Describe FMI's net cost (after tax advantages) for this benefit?.
- g. FMI shall report number of "guaranteed rides" provided pursuant to Section II.C.4.d. of this agreement? and What was FMI's net cost (after tax advantages) for this benefit?

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does

the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

(1) Payments to Mt. Hood Community College for East County Microelectronics Training Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

(2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

(3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the

employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior years;
- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;
- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County

- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its development permit as it relates to transportation and utility infrastructure and public safety.
- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

j. Environmental Management Plan

- (1) FMI shall report on its progress under its EMP toward the County's goal to eliminate environmental impact.
- (2) FMI shall report on any violations of environmental laws at the Project which occurred in the prior year and, if there were any, whether the appropriate environmental agency approved the clean-up measures.

5. County Report on FMI Compliance

The County shall also prepare an annual report to the public describing fmi's compliance with the terms of this agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax ~~exemption~~ abatement as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.
3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax
Exemption Abatement

The County and the City approve the provisions of this Agreement related to the Property Tax Exemption Abatement by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Exemption Abatement

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

A. Procedure to Determine if a Breach of Agreement by FMI
Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide

to the County such documentation or information as County requires to verify compliance with the Agreement.

3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano
Fujitsu Microelectronics, Inc.
21015 SE Start Street
Gresham, OR 97030

4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:
 - a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.

- c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.
- 6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the determination to the Presiding Judge of the Circuit Court.
- 7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.
- 8. If the arbitrator determines that FMI has breached this agreement he/she shall:
 - a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or
 - b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or
 - c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.

- (1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.
 - (2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.
 - (3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.
9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.
 10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this

Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%-- which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and

to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply with Agreement

Any funds collected under Sections IV.B. above, shall be

paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the County Board of County Commissioners, after consultation with the City, to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV.A. or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT OR TO DELAY PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, or elects by January 1, 1997 to defer construction of Phase 2 to a later date, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI does not commence construction of Phase 2 of the Project by January 1, 1997, but such a decision is only to defer construction of Phase 2 to a later date, then FMI shall so notify the County in Writing. If Phase 2 is constructed, then Phase 2 shall be taxed pursuant to ORS 307.123; provided however, that upon the completion of construction of Phase 2 FMI shall be obligated to provide an additional 211 New Jobs (445-234 in Phase 1) along with the other benefits and contributions which are otherwise required by this Agreement with respect to the additional 211 New Jobs.

VIII. MISCELLANEOUS TERMS

- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement is and the attached exhibits are the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's written determination under Section IV.A. of this Agreement is specifically included as part of this Agreement.
- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.

G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government approval of any future applications seeking property tax exemptions.

H. This agreement shall bind the successors and assigns of the parties.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)

Beverly Stein, Chairman
Board of Commissioners

Date: _____, 1995

Richard Romano
Vice President

Date: _____, 1995

REVIEWED:

Sandra N. Duffy
Assistant County Counsel

Date: _____, 1995

CITY OF GRESHAM

Gussie McRobert
Mayor

Date: _____, 1995

Phyllis Brough
City Recorder

Date: _____, 1995

REVIEWED:

Richard D. Faus
Assistant City Attorney

Date: _____, 1995

F:\DATA\COUNSEL\WPDATA\SDX\271SND.CON\mw

FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

FUJITSU MICROELECTRONICS, INC.

SCHOOL-TO-WORK PLAN

DRAFT 17

EXHIBIT B

EDUCATIONAL CAREER PROGRESSION

IN

SEMICONDUCTOR INDUSTRY CHART

SIP APPLICATION

DRAFT 17

EXHIBIT D

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM

MHCC BUDGET

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

COPY

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Multnomah Educational Service District, Oregon State Employment Department (OSED), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

- 1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
- 2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
- 3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
- (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP and County shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement.
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Multnomah County shall develop a working definition of this term. Persons employed for under 35 hours per week, who desire full-time employment, and./or persons working full-time at a position below their skill level.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, Multnomah Educational Service District and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions.

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts needed and other relevant job related information

as soon as FMI becomes aware of the need for new employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies for or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III.A.6. to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III.A.6. of this agreement.
3. PDCJNP shall refer qualified applicants to FMI who meet the developed objective criteria after FMI notifies PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. After FMI has hired an applicant referred by PDCJNP, PDCJNP shall not be responsible for the employee's actions. PDCJNP shall not be responsible for an applicant's actions during any portion of the referral or employment process.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II.C. of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race, color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated, or if PDCJNP and County fail to arrive at a mutually satisfactory agreement, before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."

- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.
- ~~g. Act as a contact for referral for FMI supervisors who have identified targeted population employees as having a problem which interferes with their employment.~~
- g. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- h. Expand JobNet's contacts in outer southeast and East county.
- i. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- j. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of

each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
2. However, this FSA is intended to implement the job creation and retention provisions of the SIP contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.
3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV.A.6. et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By _____
Fujitsu Microelectronics, Inc.
Office: _____

Dated: _____

By _____
Jan Burreson
Executive Director
Portland Development Commission

Dated: _____

APPROVED AS TO FORM:

By _____
Portland Development Commission
Legal Counsel

Dated: _____

By _____
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By _____
Sandra N. Duffy
Assistant County Counsel

Dated: _____

By _____
Gussie McRobert, Mayor
City of Gresham

Dated: _____

REVIEWED:

By _____
Richard D. Faus, Assistant City Attorney
City of Gresham

Dated: _____

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7/17/95

Pamela Wev
Submittal
(Discussed 7/18/95)

STRATEGIC INVESTMENT PROGRAM AGREEMENT

BETWEEN MULTNOMAH COUNTY AND FUJITSU MICROELECTRONICS INC.

BENCHMARKS AND PERFORMANCE MEASURES

SUMMARY*

July 1995

Introduction

Multnomah County strives for specific, measurable results as the objectives for all of its programs. The standards by which the County has chosen to measure its performance are the *Multnomah County Benchmarks*, adopted in 1994. Consistent with those standards, Multnomah County's Strategic Investment Program (SIP) sets forth desired outcomes for each of its goals.

The SIP Agreement with Fujitsu Microelectronics Inc. (FMI) reflects the objective of Multnomah County and the Company in entering into this partnership: the creation of entry-level positions for persons recently unemployed and underemployed, positions with adequate starting wages and benefits that will progress to careers in the semiconductor industry, providing good wages for a working family in Multnomah County. The targeted population will include graduates of Oregon educational institutions, including School-To-Work Programs and workforce transition programs for welfare recipients. An integral part of the partnership is the Portland Development Commission's JobNet Program which will work closely with the County and the Company to provide qualified applicants from the targeted population in Multnomah County.

FMI submitted its application under the SIP on May 8, 1995. The County accepted the application as complete after the Company's submittal of May 19. During the following six weeks negotiating teams from the County and FMI met frequently to develop a contract that would meet the objectives of the County's SIP and satisfy FMI's competitive objectives. **The County's objective, beyond hiring of the targeted population, was to ensure that no applicant would be unable to accept employment at FMI because of the unavailability of affordable child care, housing, and/or transportation.**

Following are the Multnomah County Benchmarks applicable to this agreement, and the measurable standards in place in the agreement, on which all parties's performance will be judged.

*Full definition and explanation of terms and conditions are contained in the SIP Contract.

In order to contribute to the achievement of **Multnomah County Benchmarks.**

- #33 Increase average annual payroll per worker.
- #34 Increase percentages of citizens with incomes above 100 percent of the Federal poverty level.
- #35 Increase percentage of children living above poverty.
- #37 Increase percentage of citizens with incomes above 125 percent of the Federal poverty level.
- #28 Increase number of identified child care slots available for every 100 children under age 13.

Fujitsu agrees to:

Create 445 new, full-time jobs with benefits by December 31, 1998.

Hire entry level production workers from a pool of candidates from a targeted population of Multnomah County residents: unemployed, underemployed, welfare recipients, and graduates of Oregon educational institutions.

Beginning in the sixth year of the tax abatement, maintain at least fifty percent of new jobs created at salaries above the mean annual covered wage for Multnomah County.

Retain for two years or more seventy percent of employees hired from the target populations.

Assure that no applicant is unable to accept employment because of the unavailability of affordable child care, affordable housing, and/or affordable transportation.

Assure shift assignment preference to employees to resolve or alleviate child care program.

Subsidize child care for all employees at thirty percent of its cost and at fifty percent for employees earning \$20,800 or less.

Create a written Local Procurement Plan for expanding procurement of local goods and services, increasing the company's 1994 rate of \$900,000 per month for goods and services.

In order to contribute to the achievement of **Multnomah County Benchmarks:**

- #10 Increase percentage of population with economic access to health care.

Fujitsu agrees to:

Provide employees with present level of benefits, including as a minimum standard the Oregon Health Plan.

In order to contribute to the achievement of **Multnomah County Benchmarks:**

- #25 Increase percentage of home owners and renters below median income spending less than thirty percent of their household income on housing and utilities.

Fujitsu agrees to:

Provide direct housing subsidies to employees whose household earnings are below 75 % of the average county wage.

Contribute to the creation of fifty affordable housing units at the rate of \$10,000 per unit.

In order to contribute to the achievement of **Multnomah County Benchmarks:**

- #38 Increase percentage of students completing high school or an equivalent program.
- #39 Increase percentage of people who leave post-secondary programs possessing skill sets to match workforce needs.

Fujitsu agrees to:

Provide a minimum of \$1,000,000 to support the establishment of the Eastside Workforce Development Center.

Provide ten scholarships of \$2500 each in the field of engineering and science for each year of the tax abatement, distributed evenly between Mt. Hood Community College and Portland Community College.

Participate in and contribute to regional semiconductor workforce development programs and Multnomah County School-to-Work Programs.

Pay employees during a two-week training period.

Provide tuition reimbursement for employee continuing education.

In order to contribute to the achievement of **Multnomah County Benchmarks:**

- #72 Increase percentage of people who commute (one-way) within thirty minutes between where they live and work.
- #73 Increase percentage of people who commute to and from work and use multiple modes of transportation for commuting.

Fujitsu agrees to:

Provide a Transportation Management Plan that subsidizes and otherwise encourages the use of public transportation and carpooling.

In order to contribute to the achievement of **Multnomah County Benchmarks:**

- #76 Decrease the per capita cost of government.

Fujitsu agrees to:

Pay to the County a Community Service Fee in the amount of twenty-five percent of the amount of abated taxes per year, up to \$2 million, estimated to be \$8 million.

Comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation, utility infrastructure, and public safety.

In order to contribute to the achievement of the **Multnomah County Benchmarks:**

- #66 Increase the number of days per year our rivers and streams meet government in-stream water quality standards.
- #67 Decrease the pounds of solid waste landfilled per capita per year.

Fujitsu agrees to:

Maintain an Environmental Management Plan that has as its goal that the company have no adverse impacts on the natural or built environment.

#1 Bonnie Marino-
BLAIR SUBMITTAL
7/18/95

TERMED

U.S. District Court
U.S. District Court for the District of Oregon (Portland)

CIVIL DOCKET FOR CASE #: 93-CV-1481

Sherwood v. Fujitsu Microelec
Assigned to: Honorable Helen J Frye
Demand: \$10,000
Lead Docket: None
Dkt# in other court: None

Filed: 11/19/93
Jury demand: Plaintiff
Nature of Suit: 442
Jurisdiction: Federal Question

Cause: 42:12102 Americans With Disabilities Act

CHERYL ANN SHERWOOD
Plaintiff

Debra L Hall
[COR]
Crispin & Associates
1230 SW First Ave
Suite 300
Portland, OR 97204-3236
503-224-2007

Craig A Crispin
[COR LD NTC]
Crispin & Associates
1230 SW First Ave
Suite 300
Portland, OR 97204-3236
503-224-2007

v.

FUJITSU MICROELECTRONICS INC,
California Corporation
Defendant

Howard Rubin
221-0309
[COR LD NTC]
Amburgey & Rubin PC
1750 SW Harbor Way
Suite 450
Portland, OR 97201
221-0309

=====

FUJITSU MICROELECTRONICS INC
Counter-claimant

Howard Rubin
221-0309
[COR LD NTC]
Amburgey & Rubin PC
1750 SW Harbor Way
Suite 450

Certified to be a true and correct
copy of original filed in my office.
Dated: July 18, 1995
Donald M. Cinhamond, Clerk
By: Kathi Wright, Deputy

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

Portland, OR 97201
221-0309

CHERYL ANN SHERWOOD
Counter-defendant

Debra L Hall
[COR]
Crispin & Associates
1230 SW First Ave
Suite 300
Portland, OR 97204-3236
503-224-2007

Craig A Crispin
[COR LD NTC]
Crispin & Associates
1230 SW First Ave
Suite 300
Portland, OR 97204-3236
503-224-2007

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

- 11/19/93 1 COMPLAINT and JURY TRIAL DEMAND (Cause Code: 42:12102) (Receipt # 81633) (tely) [Entry date 11/23/93]
- 11/19/93 2 SUMMONS ISSUED as to Defendant Fujitsu Microelec (tely) [Entry date 11/23/93]
- 11/19/93 3 ORDER Discovery Schedule discovery ddl set for 3/21/94 pretrial order deadline set for 4/18/94 (tely) [Entry date 11/23/93]
- 12/21/93 4 ANSWER to [1-1] and COUNTER-CLAIM by Defendant Fujitsu Microelec against Plaintiff Cheryl Ann Sherwood (tely) [Entry date 12/22/93]
- 1/6/94 5 ORDER DESIGNATING CASE FOR MEDIATION by Honorable Helen J. Frye . Volunteer mediator Donna M Cameron is empowered to serve as a member of this court for the purposes of mediation process (see file). Signed 1/4/94 (counsel notified) (tely) [Entry date 01/10/94]
- 3/14/94 6 MOTION by Defendant TO EXTEND DISCOVERY AND PRETRIAL ORDER DEADLINES (tely) [Entry date 03/15/94]
- 3/22/94 7 RESPONSE by Plaintiff Cheryl Ann Sherwood to [6-1] Defendants MOTION TO EXTEND DISCOVERY AND PRETRIAL ORDER DEADLINES (tely)
- 4/4/94 8 REPLY IN SUPPORT by Defendant re [6-1] MOTION TO EXTEND DISCOVERY AND PRETRIAL ORDER DEADLINES (tely) [Entry date 04/05/94]
- 4/8/94 9 RECORD OF ORDER by Honorable Helen J. Frye GRANTING Defendants MOTION TO EXTEND DISCOVERY AND PRETRIAL ORDER DEADLINES [6-1] discovery ddl set for 5/20/94 pretrial order ddl set for 6/20/94 pretrial conference set for 9:30 7/11/94 jury trial set for 9:00 7/19/94 in Portland Pretrial documents are to be exchanged no later than the Friday before the Pretrial Conference (counsel notified) Court Rptr none (tely) [Entry date 04/11/94]
- 5/4/94 10 MOTION by Defendant Fujitsu Microelec RESET TRIAL DATE (tely) [Entry date 05/05/94]
- 5/4/94 11 AFFIDAVIT by Defendant Fujitsu Microelec of Amy R Alpern MOTION RESET TRIAL DATE [10-1] (tely) [Entry date 05/05/94]
- 5/16/94 12 RECORD OF ORDER by Honorable Helen J. Frye SETTING telephone conference for 9:00am on 5/24/94 . At this conference the Court will decide Defendants MOTION to POSTPONE trial date [10]. (counsel notified) Court Rptr none (tely)

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

5/24/94 13 STIPULATION and ORDER FOR PROTECTIVE ORDER re confidential documents (see file) Signed 5/24/94 Honorable Helen J. Frye (tely) [Entry date 05/25/94]

5/24/94 14 RECORD OF PROCEEDINGS of telephone status conference before Honorable Helen J. Frye. ORDER GRANTING Defendant's MOTION RESET TRIAL DATE [10-1] Pretrial documents due 9/7/94; pretrial conference set for 10:00 9/6/94; & jury trial set for 9:00 9/7/94 in Portland. Court will ask a Magistrate Judge to hold a settlement conference in this case. (cc: Counsel notified) Court D Grube (tely) [Entry date 05/31/94]

6/2/94 15 RECORD OF ORDER by Honorable Helen J. Frye correcting the minute entry to read that all pretrial documents should be exchanged no later than 9/2/94 (counsel notified) Court Rptr none (tely) [Entry date 06/03/94]

6/8/94 16 STIPULATED MOTION by Parties TO EXTEND DISCOVERY UNTIL 7/8/94 (tely)

6/9/94 17 RECORD OF ORDER by Honorable Helen J. Frye GRANTING stipulated MOTION TO EXTEND DISCOVERY UNTIL 7/8/94 [16-1] This stipulation does not extend the pretrial order lodging date (counsel notified) Court Rptr none (tely)

6/20/94 18 MOTION by Plaintiff Cheryl Ann Sherwood TO EXTEND TIME TO 7/8/94 TO FILE PRETRIAL ORDER (tely) [Entry date 06/21/94]

6/20/94 19 AFFIDAVIT by Plaintiff Cheryl Ann Sherwood of Debra L Hall MOTION TO EXTEND TIME TO 7/8/94 TO FILE PRETRIAL ORDER [18-1] (tely) [Entry date 06/21/94]

6/22/94 20 RECORD OF ORDER by Honorable Helen J. Frye GRANTING Joint MOTION TO EXTEND TIME TO 7/8/94 TO FILE PRETRIAL ORDER [18-1] (counsel notified) Court Rptr none (tely) [Entry date 06/23/94]

7/8/94 -- LODGED PRETRIAL ORDER (tely) [Entry date 07/11/94]

7/13/94 21 MOTION by Defendant FOR LEAVE TO FILE AMENDED ANSWER Expedited Oral Argument Requested (tely) [Entry date 07/14/94]

7/13/94 22 MEMORANDUM IN SUPPORT by Defendant Fujitsu Microelec of MOTION FOR LEAVE TO FILE AMENDED ANSWER [21-1] (tely) [Entry date 07/14/94]

7/13/94 23 AFFIDAVIT by Defendant Fujitsu Microelec of J Kent Pearson, Jr. MOTION FOR LEAVE TO FILE AMENDED ANSWER [21-1] (tely) [Entry date 07/14/94]

7/13/94 24 AMENDED ANSWER & COUNTERCLAIMS by Defendant Fujitsu Microelec [4-1] (tely) [Entry date 07/14/94]

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

7/19/94 25 RECORD OF ORDER by Honorable Helen J. Frye that Plaintiff shall file her response to Defendants MOTION FOR LEAVE TO FILE AMENDED ANSWER [21-1] by 7/25/94 & defendant shall file a reply by 7/28/94. The Court shall rule thereafater without oral argument. ORDER DENYING oral argument request. (counsel notified) Court Rptr none (tely)

7/28/94 26 RECORD OF ORDER by Honorable Helen J. Frye GRANTING Defendants MOTION FOR LEAVE TO FILE AMENDED ANSWER [21-1] (counsel notified) Court Rptr none (tely) [Entry date 08/01/94]

8/12/94 27 MOTION by Defendant Fujitsu Microelec TO CONTINUE TRIAL DATE Expedited consideration requested (tely)

8/12/94 28 AFFIDAVIT by Defendant Fujitsu Microelec of J Kent Pearson, Jr. MOTION TO CONTINUE TRIAL DATE [27-1] (tely)

8/12/94 29 RECORD OF ORDER by Honorable Helen J. Frye GRANTING Defendants MOTION TO CONTINUE TRIAL DATE [27-1] . ORDER striking trial date of 9/7/94; pretrial conference of 9/6/94. Counsel will not need to exchange the trial materials until the Friday ebfore the new pretrial conference. ORDER setting telephone status conference for 10:00am on 9/6/94 to set a new trial date. (counsel notified) Court Rptr none (tely) [Entry date 08/15/94]

9/6/94 30 RECORD OF ORDER of telephone status conference by Honorable Helen J. Frye SETTING pretrial conference set for 9:30am on 10/31/94 & 3 day jury trial set for 9:00am on 11/8/94 in Portland . Pretrial documents are to be exchanged the Friday before the pretrial conference. (counsel notified) Court Rptr none (tely) [Entry date 09/08/94]

10/28/94 31 TRIAL MEMORANDUM by Defendant Fujitsu Microelec (tely) [Entry date 10/31/94]

10/28/94 32 EXHIBIT LIST by Defendant Fujitsu Microelec (tely) [Entry date 10/31/94]

10/28/94 33 PROPOSED VOIR DIRE by Defendant Fujitsu Microelec (tely) [Entry date 10/31/94]

10/28/94 34 WITNESS LIST FILED by Defendant Fujitsu Microelec (tely) [Entry date 10/31/94]

10/28/94 35 WITNESS STATEMENT FILED by Defendant Fujitsu Microelec of Dr. Merrit Quarum (tely) [Entry date 10/31/94]

10/28/94 36 MOTION by Defendant Fujitsu Microelec FOR A JURY VIEW (tely) [Entry date 10/31/94]

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

10/28/94 37 MEMORANDUM IN SUPPORT by Defendant Fujitsu Microelec re
MOTION FOR A JURY VIEW [36-1] (tely) [Entry date 10/31/94]

10/28/94 38 AFFIDAVIT by Defendant Fujitsu Microelec of Mary Mertens
re MOTION FOR A JURY VIEW [36-1] (tely)
[Entry date 10/31/94]

10/31/94 39 MOTION by Plaintiff Cheryl Ann Sherwood DISCOVERY OF
DEFENDANTS FINANCIAL DOCUMENTS (tely) [Entry date 11/01/94]

10/31/94 40 WITNESS LIST FILED by Plaintiff Cheryl Ann Sherwood (tely)
[Entry date 11/01/94]

10/31/94 41 PROPOSED VOIR DIRE by Plaintiff Cheryl Ann Sherwood (tely)
[Entry date 11/01/94]

10/31/94 42 TRIAL MEMORANDUM by Plaintiff Cheryl Ann Sherwood (tely)
[Entry date 11/01/94]

10/31/94 43 RESPONSE by Plaintiff Cheryl Ann Sherwood to [36-1]
Defendants MOTION FOR A JURY VIEW (tely)
[Entry date 11/01/94]

10/31/94 44 EXHIBIT LIST by Plaintiff Cheryl Ann Sherwood (tely)
[Entry date 11/01/94]

10/31/94 45 RECORD OF PROCEEDINGS of Pretrial Conference before
Honorable Helen J. Frye. ORDER DENYING Plaintiff's MOTION
DISCOVERY OF DEFENDANTS FINANCIAL DOCUMENTS [39-1]
Parties to submit a new Pretrial Order by 11/4/94 (cc:
Counsel notified) Court Rptr D Grube (tely)
[Entry date 11/01/94]

11/1/94 46 RECORD OF ORDER by Honorable Helen J. Frye DENYING
Defendant's MOTION FOR A JURY VIEW [36-1] at this stage in
the proceedings. (counsel notified) Court Rptr none (tely)

11/1/94 47 OBJECTION to Defendants expert witness & MOTION by
Plaintiff Cheryl Ann Sherwood EXCLUDE PROPOSED EXPERT
TESTIMONY OF DR. MERRIT QUARUM (tely)

11/1/94 48 AFFIDAVIT by Plaintiff Cheryl Ann Sherwood of Debra L Hall
MOTION EXCLUDE PROPOSED EXPERT TESTIMONY OF DR. MERRIT
QUARUM [47-1] (tely)

11/1/94 49 OBJECTIONS by Defendant Fujitsu Microelec to Plaintiff's
proposed voir dire [41-1] (tely) [Entry date 11/02/94]

11/1/94 50 AMENDED WITNESS LIST FILED by Defendant Fujitsu Microelec
(tely) [Entry date 11/02/94]

11/2/94 51 OBJECTIONS by Plaintiff Cheryl Ann Sherwood to Defendants
proposed voir dire [33-1] (tely)

Proceedings include all events.
3:93cv1481 Sherwood v. Fujitsu Microelec

TERMED

11/7/94 52 RECORD OF ORDER by Honorable Helen J. Frye STRIKING Jury trial set for 11/8/94 as case has been reported SETTLED. ORDER setting final paper call for 1:30pm on 12/5/94 (counsel notified) Court Rptr none (tely) [Entry date 11/08/94]

11/10/94 53 STIPULATION and ORDER OF DISMISSAL WITH PREJUDICE, WITHOUT ATTORNEYS' FEES TO ANY PARTY. SO ORDERED, Signed 11/9/94 Honorable Helen J. Frye (fshr)



DAN SALTZMAN, Multnomah County Commissioner, District One

1120 S.W. Fifth Avenue, Suite 1500 • Portland, Oregon 97204 • (503) 248-5220 • FAX (503) 248-5440

POSSIBLE SALTZMAN AMENDMENTS
TO THE FUJITSU SIP CONTRACT

There are several areas within the draft contract with Fujitsu which might benefit from clarification. While I have not decided to propose these amendments as yet, I offer them for comment from the public and my colleagues.

PAGE 1, lines 7/8 of Recital B:

DELETE "...related to the facility."

The Community Service Fee is intended to be used by the relevant jurisdictions for public benefit, as determined by those jurisdictions. The phrase "related to the facility" seems to suggest that there should be a direct connection between the impact of the facility and the expenditure of the CSF. This inappropriately limits the discretion of elected bodies to respond to community needs through use of the CSF.

PAGE 14, line 6 of (2) "For the Multnomah County Community"

CHANGE "The County" to "The Board of County Commissioners"

This change would clarify that the dispersal of the \$500,000 will be decided by a vote of the Board of County Commissioners, as opposed to an administrative decision.

PAGE 17, beginning of last paragraph of d. "Environmental Management Plan"

CLARIFY "An acceptable EMP..."

Who will determine the "acceptability" of the EMP?

PAGE 19, 2. "Confidentiality of Reports"

ADD an additional paragraph: "The County shall also prepare an annual report to the public describing FMI's compliance with the terms of this contract."

CLARIFY the extent of confidentiality.

This potential amendment reflects my greatest substantive concern. My reading of this section is that it is a blanket granting of confidentiality for all reports and supporting documentation provided by the Company for compliance purposes. I recognize the legitimate need to shield truly proprietary information. But surely the public deserves the opportunity to evaluate the Company's compliance with this contract beyond the Board of County Commissioner's say-so. This language should be modified to make clear that the County may offer non-proprietary information on contract compliance for public perusal, and should offer a process for the Company to distinguish what is and isn't proprietary, thus being an appropriate exception to public records laws.

PAGE 35, line 4 of D. "Allocation of Funds Paid by FMI for Failure to Comply with Agreement"

CHANGE "County" to "Board of County Commissioners"

This change would clarify that the distribution of funds will be decided by a vote of the Board of County Commissioners, as opposed to an administrative decision.



7/18/95 Co Kelley
Submitted L

MT. HOOD COMMUNITY COLLEGE

STEPS TO SUCCESS

14030 N.E. SACRAMENTO STREET ■ PORTLAND, OREGON 97230 ■ (503) 256-0432

Dr. Paul E. Kreider, *President*

May 31, 1995

Sharron Kelly, Multnomah County Commissioner
1120 S.W. Fifth Avenue, Suite 1500
Portland, OR 97204

Dear Sharron,

The Steps to Success Program is very interested in being involved in the Fujitsu expansion project. Currently in Multnomah County there are approximately 10,000 families on welfare (Aid to Dependent Children). The vast majority of these families consist of a female head of household with 1 or 2 children.

The mission of Steps to Success is to work with these families and provide the education and training necessary to allow the parent(s) to successfully move into the labor market and transition off welfare. Each month Steps to Success is transitioning over 300 individuals into the labor market. Our average wage is approximately \$6.25 per hour. Statewide tracking demonstrates that only 17% of our participants who go to work have returned to welfare 18 months later.

Employer satisfaction with our participants is high. They are enthusiastic about going to work and understand what it takes to become outstanding employees.

Our participants would be best suited for the operator jobs. Our proposal would be to dedicate 50% of the available new job openings each year to Steps to Success participants who reside in Multnomah County. Over the three year period that represents 165 jobs. That would mean that 165 Multnomah County families would be able to move out of poverty and into the economic mainstream. What that would mean to the quality of life for those individuals and their children is hard to calculate in financial terms. We do know that every 100 families we move off of welfare saves the state 1.7 million dollars in welfare benefits over a two year period!

Our program can work with Fujitsu and the county to design a pre-employment training program for potential employees. Fujitsu and Mt. Hood Community College already have a strong relationship and have collaborated on several previous training projects.

Our East County Steps to Success site serves approximately 2000 adults per year, so we can guarantee more than enough qualified applicants.

I would be happy to put together a detailed proposal for you. The following information, if available, would be really helpful:

1. Can we get their current operator job description.
2. What are the hours/shifts of the available position?
3. Is a GED acceptable to meet the high school diploma requirement?
4. What opportunities exist around the possibility of on-site child care?

I'm leaving today for San Diego but will be back by Friday, June 2, 1995. Could we possibly meet? I'm very excited about this opportunity and am grateful for your including us in this project and your on-going concern for low income families. I'll look forward to hearing from you.

Sincerely,



Nan Poppe, Director
Steps to Success Program
Mt. Hood Community College



DAN SALTZMAN, Multnomah County Commissioner, District One

1120 S.W. Fifth Avenue, Suite 1500 • Portland, Oregon 97204 • (503) 248-5220 • FAX (503) 248-5440

SALTZMAN STATEMENT ON FUJITSU SIP CONTRACT

In voting for this contract between Fujitsu and Multnomah County, it is important to recognize how different it is from traditional tax break agreements that we have seen around the country.

- This agreement goes above and beyond any other contract we have with regard to setting clear and measurable performance indicators (or benchmarks). No other contract among the 3000 or so held by Multnomah County comes anywhere near the level of specificity of what FMI must do to maintain compliance with the abatement contract.
- This agreement is unique and unprecedented with regard to the detailed benchmarks that FMI must meet with respect to hiring welfare, unemployed and underemployed Multnomah County residents.
- This agreement signals a public/private partnership that works to help address community needs beyond the immediate impact of one company.

Most significant is the County's and Fujitsu's commitment to take on the major challenge of hiring, training, and providing child care and transportation subsidies, to county residents who need it most, to really make "the welfare to work" goal become a reality in a way that neither government nor private industry can do alone. It won't be easy, and we'll need to work together to make it succeed.

We all wring our hands and bemoan the lack of career, economic opportunity for young people coming out of high school, as well as indicators such as teen pregnancy, juvenile crime and general disaffection from the community. We see the impact of those trends on our social services. Nothing will empower such young people more than a career path family wage job. It will get or keep them off welfare and provide esteem and sense of worth -- the true underpinnings of a healthy community.

At the heart of it all, this agreement is a deal. The question for us today is whether it's a good one. Put aside the fact that FMI is a large Japanese-based company. If someone walked in off the street and offered Multnomah County the following deal for \$23 million, stretched over 15 years, it would be hard to say no:

- Over 400 full time jobs, with full benefits and career paths. Targeted to people who often rely on county human services.
- An initial addition to the property tax base of \$100 million, which will grow to \$1 billion after 15 years (compared with total county assessed valuation of \$30 billion).
- And, the deal will actually lower individuals' property taxes in Multnomah County.

Why should or would the County say no to such a deal?

I believe in proactive government, one that seizes opportunities to better the lives of the citizens it serves. Government should not be so locked into dogma or political theory, that it shies away from public/private partnerships that can substantially better the lives of its citizens.

The county could just say no to tax abatements. Stay away from destiny-shaping investments and just let the free market dictate what happens with the two or three large industrial -zoned tracts of real estate that remain undeveloped.

The result of a hands-off policy could be real estate developed into a billion dollar factory generating hundreds of new jobs. However, it could just as easily become self-storage facilities or strip malls that generate a fraction of those jobs, with little or no hope of career advancement.

For me it's an easy call: let's be activists and help shape those investments to ensure we get the most out of those properties .

There has also been a lot of criticism about this contract because Oregon's unemployment rate is so low now.

Let's not forget the low unemployment rate masks a far worse picture among minorities, women and discouraged workers. The unemployment rate for black males and females is always double the reported unemployment rate. It is also double or triple for single female head of households. It is these members of our community that we are targeting with this agreement.

I would also ask each one of you to think about people you know, people who are considered "employed" because they are working at two or three different jobs -- often with minimal benefits or none at all.

Most important is that the primary age group that benefits from these jobs are those in the 18 to 24 age range, who have only high school degrees -- that's about three out of every four people in Oregon. This is the age range with the highest poverty rate of all.

Who speaks for them?

A lot of us thirty, forty and fifty-somethings -- at our peak earning potential -- tend to look down on these jobs and say they are not worth the taxpayer investment to make them happen. These same people usually bemoan the vanishing middle class and the fact that our society appears to ever more becoming one of the "haves" and the "have nots".

Well, right now most of the opportunities available to this age group are service sector jobs, that more often than not involve a counter, a cashier, or emptying wastebaskets, with low pay and minimal benefits. These are not the jobs that make or restore a middle class. It is easy to see why this generation has a sense of despair and futility about their future. They are resigned to the prospect of never owning a home, or to never having the standard of living of the baby boomers.

Consider these jobs and the future family-wage careers they lead to in that context and they become a lot more valuable to all of us.

Oregon's marketing slogan is "Things look different here." This agreement is a great example of that. To those who are focused on how other jurisdictions have signed "bad" agreements I would say that we have learned from others' mistakes and created something that is a true partnership to do good things. Give this a chance to be another innovative Oregon success story.

SHARRON KELLEY
Multnomah County Commissioner
District 4



Portland Building
1120 S.W. Fifth Avenue, Suite 1500
Portland, Oregon 97204
(503) 248-5213

Statement on Fujitsu Application

I am pleased to support the application of Fujitsu under the Strategic Investment Program for the expansion of its plant in Gresham.

I am convinced that the expansion of this plant will provide very significant benefits to the present and future residents of the City of Gresham and Multnomah County. In brief summary, these benefits include:

1. The addition of \$100 million to the property tax base for the City and County (even with the tax abatement), with this amount increasing by \$4 million or four percent each year.
2. On top of these tax payments, Fujitsu will pay over \$8 million as a community service fee.
3. The Fujitsu expansion will add 445 jobs directly, and an additional 300 jobs through indirect growth, as well as several hundred temporary construction jobs. These additional employment opportunities are quite important to those like myself who are determined not to repeat the extended recession that the Portland metropolitan area experienced in the early 1980s.
4. Fujitsu has agreed to join the County in targeting entry level positions on County residents currently on welfare and providing assistance with child care, housing and transportation to assure that these are not impediments to job success. This targeting will reduce the number of clients the County must subsidize to provide basic services. For every 100 families we move off welfare in this manner, the State of Oregon will save \$1.7 million in welfare benefits over two years. In addition, this targeting will reduce the impacts from in-migration by increasing likely local hiring to 90 percent of the entry level jobs.
5. Fujitsu has agreed to join a comprehensive skill development program to be designed cooperatively by East County schools, Mt.

Hood Community College and other major microelectronics firms. This will provide a career path for residents obtaining the lower paying entry level positions.

6. The contract specifies that Fujitsu will pay for all impacts on local infrastructure as a result of the project. This is an excellent approach to growth management.

These specific benefits fit into the larger picture of where the County needs to go. Multnomah County needs to adapt to a new economy driven by advanced technologies and global competition in which productive skills are the key to success. This adaptation will require increased emphasis on education, job training in technical skills, and the encouragement of companies that treat their workers not as costs to be cut but as assets to be developed. This contract moves the County forward significantly in these areas.

I am also convinced that approving this application under the Strategic Investment Policy is necessary to assure that Fujitsu expands here in Multnomah County and not elsewhere. Locally, within the Portland metropolitan area, the per capita income of Multnomah County residents has not kept pace with income growth in the neighboring counties. In the manufacturing sector in Multnomah County, the number of jobs has declined over the last 15 years while it has grown in neighboring counties. If we want the economy of Multnomah County to maintain its health and not stagnate, we need to be competitive in our taxation policies.



Beverly Stein, Multnomah County Chair

Room 1515, Portland Building
1120 S.W. Fifth Avenue
Portland, Oregon 97204

Phone: (503) 248-3308
FAX: (503) 248-3093
E-Mail: MultChair@aol.com

Statement of Beverly Stein Regarding Fujitsu Application for Tax Abatement July 18, 1995

It is not a surprise to anyone when I say I have been troubled by the Strategic Investment Program since it was first adopted by the legislature. I believe there are tax incentive programs which can be useful but this one leaves much to be desired from a county perspective.

The state could craft a better program that would avoid forcing counties to compete against each other for jobs. The state could offer to share with local governments the income tax windfall that they will receive from these companies. I suggest the legislature review this program and consider making it more flexible and innovative. One idea would be to allow counties to seek an equity share and even a position on the Board of companies who want tax breaks.

I believe good corporate citizens understand that addressing the specific job training, child care, housing and transportation needs of their employees is good for the overall health of the community and good for business. Without any tax incentive many local businesses have addressed the needs of their employees and contributed to the broader community.

Powell's Books took the initiative to go to the Northeast Workforce Center to get assistance in recruiting for jobs.

Emanuel Hospital has developed a model program to help their employees buy houses in the neighborhood around the hospital.

Dozens of companies from the Hawthorne Auto Clinic to Hanna Anderson help their workers pay childcare expenses. They do it because it helps them attract and retain good employees

When we adopted our policy in April to implement the Strategic Investment Program I voted against it because I did not think it went far enough to justify the enormous tax



break companies would get. If, without tax breaks, responsible businesses offer support, decent wages and benefits to their employees, then, to justify a property tax break, I believe a higher level of contribution and effort is required.

Under the capable leadership of Commissioner Collier the negotiating team pushed the limits of the policy and negotiated an agreement with some important features. In particular the commitment to recruit employees from the ranks of the unemployed and underemployed was very attractive to me. It is those provisions of the contract which led me to seriously consider supporting the agreement. I believe those provisions are the only justification for this agreement. I want to see the evaluation of these programs to insure they deliver the results they promise.

However, a tax abatement of \$23 million dollars is an extraordinary action. Our policy set forth a threshold criteria which I consider a bottom line. The policy states that "abatements will be granted to secure investments that would otherwise not take place within Multnomah County". I advocated to include this statement in the policy because I believed a threshold question which must be answered before all others is whether the abatement is absolutely necessary to secure the investment. **Without crossing that threshold, without meeting that criteria, there are insurmountable issues of fairness that preclude my support.**

This contract will pass today so we will never know definitively the answer to the question "would Fujitsu expand without the abatement?" However, the contradictory information I have read and heard does not give me confidence that this standard and threshold concern has been met.

What are we to make of Fujitsu's various statements on this point? Their application made it clear that the abatement was essential to the investment. Mr. Nakano, in his widely publicized remarks last week, suggested otherwise. Last night, Mr. Romano returned to the company's original position. He attributed the confusion to Mr. Nakano's great love for Gresham and his desire to see expansion there.

But then I went back and took another look at Mr. Nakano's remarks. He had other reasons for his opinion, and they were fundamental business reasons. He talked about the need to spread administrative costs over a larger operation, he talked about economies of scale, he talked about currency exchange rates and he talked about the growing demand for the company's products.

There is other evidence we must consider. Fujitsu already owns the land where the expansion would take place, another fundamental business reason for them to move forward with or without the tax break. And finally, we read this morning that newspapers in Japan have reported that the expansion was already in the works.

The company has the burden of proof and has not, in my mind, carried that burden. I will vote no.

STRATEGIC INVESTMENT PROGRAM CONTRACT

BETWEEN

MULTNOMAH COUNTY, OREGON,

CITY OF GRESHAM, OREGON,

AND

FUJITSU MICROELECTRONICS, INC.

JULY 18, 1995

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AGREEMENT

This Agreement is by and between Multnomah County (the County), the City of Gresham (the City) and Fujitsu Microelectronics, Inc. (FMI), 21015 SE Stark Street, Gresham, Oregon 97030.

RECITALS

A. The 1993 Oregon Legislature adopted House Bill (HB) 3686 to establish the Strategic Investment Program (SIP) by amending ORS 285.330 et seq. and 307.123. The SIP provides, upon approval and recommendation of the county in which the facility is located, incentives for the development of industrial facilities for statutorily defined "key industries". The SIP provides state revenue bond financing for eligible facilities. With County approval the value for property tax purposes of eligible facilities is limited initially to \$100 million while such bonds are outstanding (but no longer than 15 years).

B. In consideration of the state financing and the limits to property taxation, a company and the affected county and city, if the facility is located within a city, are required to enter into an agreement which specifies the conditions which must be met by the company, including, but not limited to, making special efforts to hire employees from within the county and payment of a Community Service Fee (CSF) to offset the costs of public services. The governing body of the county and the city may impose additional reasonable requirements on an applicant for the SIP.

C. On April 13, 1995, the County adopted Resolution 95-77, which provides a process and criteria for the evaluation of applications for participation in the SIP. On May 8, 1995, FMI submitted an application for expansion of FMI's Gresham Manufacturing Division for manufacturing silicon wafers (The Project) pursuant to Resolution 95-77.

D. The County has reviewed the application of FMI and has relied on the application and on submittal of additional information by FMI to find that the application demonstrates compliance with the criteria and evaluation guidelines adopted by Resolution 95-77.

E. The City has reviewed the application of FMI and has relied upon said application and on submittal of additional information by FMI to find that the Project merits approval under the SIP.

F. This Agreement provides the terms under which the County and the City agree to recommend to the State of Oregon that the Project to be undertaken by FMI be financed under the terms of the SIP and receive other benefits as authorized by law and as provided

by this Agreement.

TERMS AND CONDITIONS

Now therefore, in consideration of the following mutual promises, the parties agree as follows:

I. DEVELOPMENT OF PROJECT BY MEANS OF STRATEGIC INVESTMENT PROGRAM

A. FAB II Investment

The Project, identified as FAB II by FMI, represents an investment of approximately \$1.032 billion.

B. Use of State of Oregon Industrial Development Revenue Bonds

FMI intends to apply for, and will take such actions as are required by the State of Oregon for, issuance of industrial development revenue bonds (the Bonds) to finance at least 5% of the costs of the Project as more specifically described in FMI's SIP application to the County dated May 8, 1995. The actual scheduling of the Project will be subject to the provisions of the agreements between FMI and the State of Oregon regarding issuance of the Bonds.

II. OBLIGATIONS OF FMI

In consideration of the County's and City's actions to approve an abatement of property taxes for FAB II presently estimated at approximately \$32 million (the Property Tax Abatement), FMI has agreed to fill the role of an exemplary corporate citizen in Multnomah County. Such a citizen provides resources to prepare the unemployed and underemployed, including welfare recipients and school-to-work students, for entry level jobs which provide career paths, family wages, excellent benefits including child care, transportation and housing which assure the success of the employee in those jobs. An exemplary corporate citizen also leads the business community by progressing toward a goal to have no negative impact on the environment through state-of-the-art transportation and environmental programs. And, an exemplary corporate citizen positively affects the educational and economic well-being of the community in which it resides by directing its efforts and resources to the benefit of its community's citizens and businesses. In meeting these performance requirements, FMI agrees as follows:

A. Job Creation, Compensation, Retention and Career Paths

County goal: It is the Goal of Multnomah County to create long term jobs with family wages, benefits and working conditions for County residents or creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family wage jobs.

1. First Source Agreement

In order to target the County's unemployed and underemployed population, FMI shall enter into an Exclusive Full-Service First Source Hiring Agreement (FSA), with the Portland Development Commission Job Net Program (PDCJNP). An executed copy of the FSA is attached to this Agreement as Exhibit A.

2. Creation of New Jobs

- a. FMI employs 535 FTE in its present Gresham facility (FAB I). This number is a baseline from which to calculate the number of new jobs added by FAB II. The job classifications for FAB I, the wage range, and the number of employees in each classification are set out below:

Classifications	Wage Range	1995
Operator	\$6.75- 16.97/hr.	229
Technician	\$10.28- 24.84/hr.	124
Engineer	\$578- 1,534/wk.	48
Administrative	\$7.32- 24.34/hr.	74
Supervisors	\$635- 1,267/wk.	60
TOTAL	---	535

- b. FMI shall, as a result of development of the FAB II Project, create and retain, as described below, no less than 445 new jobs with benefits. "New Jobs" are defined as full time permanent positions on the regular payroll that are in addition to the 535 jobs identified above as an employment baseline

above which are assigned to the Project after the date of execution of this Agreement and meet retention and compensation requirements set out below. The phasing, number, and classification of such jobs shall be as follows:

Projected Full Time Employee Hiring Schedule

Classifications	Wage Range	1996	1997	1998	Total
Operator	\$6.75- 16.97/hr	32	149	149	330
Technician	\$10.28- 24.84/hr.	36	22	---	58
Engineer	\$578- 1,534/wk.	9	20	8	37
Administrative	\$7.32- 24.37/hr.	---	10	---	10
Supervisors	\$635- 1,267/wk.	---	10	---	10
TOTAL	---	77	211	157	445

FMI shall create, at a minimum, the total number of new jobs set out in the chart above for each of the identified years (the New Jobs). Each year's minimum shall be created by December 31 of the relevant year. A New Job is "created" when someone is hired as a regular full-time employee.

At present there are 48 contract employees at FAB I in non-production positions. It is anticipated that additional contract employees may be hired during the start-up period for FAB II which may include some production positions. The start-up period will end December 31, 1998. Permanent contract employees shall not be hired as regular full-time production employees. The number of permanent contract employees for non-production positions at FAB II shall not exceed 10% of the number of New Jobs at FAB II.

3. Job Retention and Career Paths

a. Retention of 445 Jobs

It is the intent of the parties that FMI create and retain 445 New Jobs after construction of FAB II. The retention of that number of New Jobs for each year of the

fifteen (15) years of the Property Tax Abatement is a specific condition of the Property Tax Abatement. Whether a failure to maintain the yearly minimum number of jobs is a breach of the agreement shall be determined under the procedures set out in Section IV A, which includes a provision for the County to waive the sanction for a breach, if it is determined that industry-wide conditions have made retention of job positions economically infeasible.

b. Retention of Individual Employees in a Specific Job and Advancement on Career Path

(1) Long-Term Employees

It is the intent of the parties that employees hired in New Jobs and employees hired for FAB I to replace employees transferred or promoted to FAB II be retained long term either in the initial position or in progressively more responsible positions within FMI. FMI shall demonstrate that 70% of all of its regular full-time employees are long-term employees. An employee whose employment with FMI terminates in less than two years will not be considered a long-term employee. The following employees will not be counted as a less than two-year employee: (1) those terminated for cause; and (2) those who voluntarily terminate employment other than for reasons of inadequacy of child care, transportation or housing.

(2) Employee Counseling Referral

FMI shall provide supervisors of Temporary Operators and Operators I with performance criteria so that if any employee fails to meet these they will be referred to the Department of Human Resources before disciplinary action. FMI's Department of Human Resources shall connect an employee from the targeted population with the appropriate provider of counseling support as identified by the County. This additional cooperative effort (including employees who are at risk of being terminated for cause), which is intended to improve employee retention figures, shall be taken for the

first year of employment, including the temporary period, on behalf of an employee from the targeted population. Nothing in this provision overrides FMI's standards for employment as set by FMI's personnel policies and procedures. The employees from the targeted population shall have no special or additional rights arising from the FSA.

(3) Promotional Practices

Current promotional practices have resulted in 69% of operators being promoted and 55% of technicians being promoted. To meet the County's goal of encouraging local employment that provides clear career paths, FMI shall, during the term of the Property Tax Abatement, maintain as a baseline the present promotion percentages and make good faith efforts to increase those percentages.

4. Wage Scales by Job Type

Beginning the sixth year of the Tax Abatement, and all subsequent years the Property Tax Abatement is in effect, 50% or more of the 445 New Jobs created shall pay an amount at or above the mean annual covered wage in Multnomah County as determined by the most recent data from the Oregon Employment Department.

5. Employer-Paid Benefits

FMI now provides its regular full-time employees, and part-time employees on a pro rata basis, with the following benefits:

- a. Medical insurance
- b. Dental insurance
- c. Vision insurance
- d. An Employee Assistance Plan
- e. Pension Plan
- f. 401K Plan
- g. Life insurance
- h. AD&D
- i. Long-term disability
- j. Bonus options
- k. Leave options
- l. Vacation
- m. § 125 Federal Dependent Care Reimbursement

- n. 30% Subsidy at Children's World Child Care Center or an equivalent service
- o. Tuition reimbursement

For operators and technicians, these benefits represent 41% of salary. County/City recognizes that these benefits exceed the microelectronics industry standard. The parties also recognize that market conditions (e.g. health costs) may dictate a change in employee contributions or a redesign of benefits where such benefits become cost prohibitive.

County/City requires that FMI, during the period of the Property Tax Abatement, continue to provide benefits which represent the same percent of salary and which exceed its industry standard. The data to be used to determine the industry standard is Radford Consulting Group Survey of High Technology Companies, or its equivalent.

If, during the Property Tax Abatement, the industry standard provides health insurance benefits not, on the whole, equal to those provided under the Oregon Health Plan (OHP), then OHP (or its successor plan) shall be the minimum standard for an employee health plan. Any such health insurance plan of FMI must also allow other employees not covered by the plan, and members of employees' families, to purchase health insurance at or below cost to the extent that FMI's health-insurance carrier will write coverage for such persons.

FMI specifically agrees that any future increases in required employee contributions for benefits based upon increases in premiums shall be on a pro rata basis, with employee and employer assuming a proportional share of the increase.

6. Child Care

County Goal: To provide support for all parents needing child care, especially entry-level parents.

To meet the County's goal and assure that no applicant for employment be unable to accept employment because of the unavailability of affordable child care, FMI shall provide all of its regular employees at FAB I and FAB II the following child care benefits:

- a. Shift assignment preference shall be given to any employee, regardless of job

classification, who demonstrates in writing that a particular work shift will resolve or alleviate child care problems.

- b. Child care subsidies shall be paid for all FAB I or FAB II covered employees with children below the age of 14 whose gross family earnings fall below 75% of the average county wage level (\$20,800 per year 1994). Such qualified employees shall have the cost of their child care at Children's World Child Care Center subsidized at 50% of the market rate. All other employees with child care needs shall continue to receive the currently available 30% subsidy on the market cost of that child care at Children's World Child Care Center.
- c. FMI shall continue to provide child care resource and referral services through Metro Child Care Resources and Referral Agency (MCCRRA) for all employees.
- d. FMI shall contract with MCCRRA or an equivalent agency to accomplish a reasonable child care solution for every employee. It is anticipated that night and weekend child care will be the most difficult to accommodate. FMI agrees to financially support the most cost-effective solution for its employees, including, but not limited to subsidizing expanded hours at an existing day care facility.
- e. If the County's goal cannot be met solely by subsidies to Children's World, then FMI must broaden its child care subsidy program to other MCCRRA providers in order to meet the goal.
- f. County will determine whether its goal has been met based on applicant and employee surveys conducted in a manner to be agreed upon by FMI and PDCJNP.

7. Transportation

County Goal: To encourage employees to use transit, carpools, vanpools, or alternative modes of transportation.

To meet the County's goal which is intended to lessen the harmful environmental impact of traffic and to assure that no applicant for employment be

unable to accept employment because of the unavailability of affordable transportation, FMI agrees to the following transportation plan for regular employees hired for New Jobs:

- a. FMI shall provide a 50% subsidy of bus passes.
- b. FMI shall establish, through its on-site ride sharing coordinator, a program which matches employees by their location for the purpose of carpooling. Additionally, FMI shall pay a cash payment of \$35 per month for the driver of the vehicle who carpools with another FMI employee more than 80% of the work days in any one calendar month.
- c. FMI shall reserve ten of the most convenient spaces to the facility for carpool parking. This number shall be expanded if needed, or reduced after one year if not used.
- d. FMI shall negotiate and contract with Tri-Met or other transportation entity for the provision of additional outlying schedules which coincide with plant shift schedules.
- e. FMI shall provide bike racks.
- f. FMI shall provide shower and locker facilities to facilitate use of alternate modes of transportation.
- g. FMI shall guarantee rides home for those who work overtime or miss their carpool or vanpool.
- h. FMI shall continue to work with the City and Tri-Met to facilitate and encourage employee utilization of public transportation and to create a written transportation program.

Each applicant for a job with FMI shall be provided with a written statement which explains these benefits, as well as all other benefits that FMI will make available to those applicants who become employees.

B. Community Obligations

1. Community Service Fee

- a. 25% up to \$2 million

For each year in which FMI receives the

Property Tax Abatement, FMI shall pay to the County a Community Service Fee (CSF), as provided by ORS 285.330 (5) (b), equal to 25 percent of the property taxes abated in such tax year, but not exceeding \$2 million.

b. By November 15

Such payment shall be made to the County Finance Manager no later than November 15, beginning the first tax year of the Property Tax Exemption. Payment shall be made based on an invoice submitted by the County to FMI in such form and according to such method as shall be agreed to by the parties prior to November 15 of the tax year in which the Project is assessed and taxed. The payment shall be sent to:

Name:	Dave Boyer
Position Title:	County Finance Manager
Address:	1120 SW Fifth, Suite 1430 Portland, OR 97204

c. Statement 30 Days in Advance

County shall provide FMI with a statement of the CSF due no less than 30 days prior to the due date.

d. CFS Not a Tax

Any increase in amounts paid by FMI as provided herein resulting from a change in property values shall not be considered a change in tax or tax rate.

2. Additional Contributions

FMI shall make additional monetary and in-kind contributions to the County in the amounts and at the times described herein. The in-kind contributions may consist of the allocation of staff time, facilities, equipment and/or any other activity on the part of FMI that furthers the program objectives of the County and FMI, as described herein.

a. Job Training

County Goals:

- ◆ *To build a world-class workforce that provides the full range of skills necessary to attract and sustain competitive, high performance companies.*
- ◆ *To graduate all children from high school with skills enabling them to succeed in the workforce and/or in post-secondary education, including the fundamental ability to read, write, communicate and reason.*
- ◆ *To establish stronger educational programs beyond the secondary level to meet the region's needs for accessible education, expanded graduate programs, high-quality research, technology transfer and economic development.*
- ◆ *To provide educational opportunities to enhance upward mobility for both technical and management roles.*

FMI shall make additional contributions to programs and facilities for training and education in the high tech industry. See Exhibit E.

(1) Strategic Workforce Development Program

FMI will help establish the training programs and criteria for the training to be provided through the Strategic Workforce Development Program.

FMI shall make additional monetary contributions for start up and ongoing

training costs for an East County Microelectronics Center related to education and training for the high tech industry.

The amount of these contributions shall be determined in the following manner:

(a) A Budget Committee comprised of representatives from MHCC, a superintendent of a school district member of Mt. Hood Regional Cooperative Consortium (MHRCC), the County and each microelectronics firm located in the County which has entered into an SIP contract with the County/City shall determine a Training Center start-up budget and an annual operating budget;¹

(b) After the budget is agreed upon by a majority of the committee, the funding for the budget shall be apportioned between the microelectronics firms which have entered into SIP contracts with County/City. The apportionment is based on a ratio of the schedule of personnel for the entire project for each firm. The Schedule of personnel for the Project for FMI shall be:

Years	Total Number of Employees at Project
1996	77
1997	288
1998	445
1999	445
2000	445
2001	445

¹ The public entities will enter into an ORS Chapter 190 Intergovernmental Agreement to authorize this partnership.

2002	445
2003	445
2004	445
2005	445
2006	445
2007	445
2008	445
2009	445
2010	445
2011	445

Payments will be scheduled by the Budget Committee. Compliance by FMI with those scheduled payments, is compliance with this Agreement.

(2) School-to-Work

The Strategic Workforce Development Program will include the School-to-Work Program which operates in conjunction with local high schools.

Good faith efforts shall be made by FMI, along with other local semiconductor companies, to increase meaningful participation in the School-to-Work Program through the building blocks of implementation strategies identified and illustrated in the chart created by the Semiconductor Workforce Consortium (SWC) and attached as Exhibit B.

(3) Scholarships

FMI shall provide ten (10) scholarships of \$2,500 each for each year of the Property Tax Abatement to support students in the fields of engineering and science. Five scholarships shall be awarded at Mt. Hood Community College and five scholarships shall be awarded at Portland Community College. The

scholarship money shall be paid to each school on or before January 1 of each year of the Property Tax Abatement. These scholarships shall be awarded through each school's Financial Aid Office on a needs basis using applicable federal or state regulations to determine the need.

(4) Entry Level On-the-Job Training

FMI shall provide a minimum of two weeks (80 hours) on-site or off-site job training for each employee hired as an operator at no cost to the employee. The employee shall be paid at least Oregon minimum wage during the training period.

(5) Ongoing Education of Employees

FMI provides tuition reimbursement for its employees who take classes related to improving their on-the-job skills, or which lead to a certificate or degree relevant to the microelectronics industry. FMI shall make good faith efforts to identify and support employees for career paths through education in a manner demonstrated in the PDC chart attached as Exhibit C. This is an FMI employee benefit which shall continue under the terms and conditions set out in Section II A (5) above.

b. Housing Program

County Goal: To provide assistance securing affordable housing.

(1) For Employees

In addition to the County's general goal, the County wants to assure that no potential FMI employee be unable to accept a job due to the unavailability of

affordable housing. In furtherance of the County's goal, FMI shall establish a program to provide affordable housing subsidies for all regular employees holding New Jobs and special temporaries who are wage earners with dependent children whose household earnings are below 75% of the average county wage (\$20,800 per year for 1994). The subsidy that FMI shall offer is as follows:

For any employee meeting the eligibility requirements as stated above, whose earnings are from \$6.75 per hour to \$8.00 an hour, FMI shall provide a housing subsidy of \$200 per month. For employees earning from \$8.01 per hour to \$9.30 per hour FMI shall provide \$100 in a monthly housing subsidy.

Each applicant for a job with FMI shall be provided with a written statement which explains this benefit, as well as all other benefits that FMI will make available to those applicants who become employees.

(2) For the Multnomah County Community

FMI shall make a one-time payment of \$500,000, on or before July 1, 1996, to the County Finance Department to be used to increase the inventory of affordable low-income housing in Multnomah County. The Board of County Commissioners, in consultation with Gresham City Council and the Gresham Community Development Housing Corporation and the Countywide HCDC will determine which community program will receive the funds.

Additionally, to the extent that the individual employee housing subsidies provided in Section II B (2)(b)(1) and individual employee relocation payments provided in Section II A (7)(b) do not total the estimated annual expenditures set out below, the difference shall be paid to the County Finance Department to

be added to the community housing funds for affordable low-income housing.

SIP PROGRAM

Year	Housing Subsidy	Year	Housing Subsidy
1996	3,333	2004	38,050
1997	77,934	2005	38,542
1998	78,284	2006	39,059
1999	6,351	2007	39,602
2000	38,303	2008	40,172
2001	35,709	2009	40,711
2002	37,134	2010	41,400
2003	37,581	2011	42,060
TOTAL		633,189	

c. Procure Locally Produced or Sold Goods and Services

County Goal: To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.

(1) FMI shall have a written local procurement plan for expanding procurement of local goods and services. The plan will identify:

- a. The types of goods and services which FMI purchases in the conduct of its business.
- b. Those goods and services unavailable within the County and/or state.
- c. The types of vendors with whom it presently contracts.

- d. The solicitation efforts it can make to expand local procurement including, but not limited to educating potential local suppliers through the Gresham and Troutdale and Portland Area Chambers of Commerce (notifications in their monthly newsletters, at bi-monthly noon forums, at Business AM's hosted by FMI and Expo-East & After Hour Showcase), working with Oregon Association of Minority Entrepreneurs to assure solicitation of Women's Business Enterprises (WBE), Minority Business Enterprises (MBE), and utilization of the Oregon Market Place which works with buyers seeking Oregon-based suppliers.
 - e. A separate analysis of the construction expenditures for the Project which can be made locally through a contractual agreement with FMI's construction contractor in which the contractor makes a commitment to:
 - (i) Purchase locally where the cost is the same or lower than non-local goods and services if quality specifications meet or exceed those of the non-local goods and services; and
 - (ii) Hire local labor and craftsmen.
- (2) In 1994, \$1 million of FMI's monthly expenditures for goods and services were made within the State of Oregon, and of that amount, \$900,000 of its monthly expenditures were within Multnomah County. Using those figures as a baseline, it is FMI's goal to materially increase these expenditures annually, subject to FMI's ability to find local suppliers whose products meet FMI's specifications and quality standards and whose products cost the same or lower than non-local goods and services. FAB

II construction expenditures are not credited against these figures.

d. Environmental Management Plan

County Goal: To approve tax abatements only for firms that demonstrate a commitment to environmental protection.

To meet the County goal, FMI must demonstrate its commitment to the environment by writing, adopting and implementing an exemplary Environmental Management Program (EMP) that has as its goal that FMI have no adverse impact on the environment to which it is a steward.

FMI's EMP shall be a systematic Environmental Management Plan which identifies baseline measures in each of the following categories: (1) toxic and hazardous materials; (2) water conservation, reuse and waste water discharge; (3) air quality; (4) waste reduction and recycling; and (5) energy conservation. The EMP shall include an evaluation matrix to measure progress toward eliminating FMI's environmental impact under the EMP over time.

FMI shall consult with Oregon Department of Environmental Quality employee Phil Berry, or his successor, and other consultants in drafting its EMP.

An acceptable EMP which meets the exemplary standard in the microelectronics industry as determined by DEQ, shall be submitted to the County on or before December 31, 1995. Compliance with this requirement is mandatory. The sanction for failure to comply, set out in Section IV.B.10. is intended to disgorge a significant portion of the tax abatement until compliance occurs.

e. Infrastructure and Public Services

County Goal: To have no unmitigated adverse impacts on the level of services provided to existing residents of the County and City involving transportation infrastructure, utility infrastructure and public safety.

FMI shall comply with all applicable City and County development requirements to mitigate adverse impacts on the level of services to existing residents of the County and City which involve transportation and utility infrastructure and public safety. Failure to comply with these state or local development requirements is a breach of this Agreement.

c. Reporting Requirements

1. FMI to Report Contract Compliance to County

FMI shall prepare and submit to County Budget and Quality quarterly reports on the jobs created under this contract, including compensation and job retention information. FMI shall prepare and submit to County Budget and Quality annual reports demonstrating compliance with all other aspects of this contract. The annual report shall include the quarterly report information on the jobs information for the quarter ending September 30. No separate quarterly report is required. The report is to be sent to the following address:

Barry Crook
Multnomah County Office of Budget & Quality
1120 SW Fifth Avenue, Suite 1400
Portland, OR 97204

2. Confidentiality of Reports

FMI proprietary information contained in reports and documents submitted by FMI to the County in support of the report, is submitted in confidence. County agrees to treat proprietary information in a confidential manner. While any such documents submitted to the County become public records, it

is the intention of the parties to assert an exemption to disclosure for those documents under the Public Records Law, ORS 192.502(3). This contract is intended as the written request from FMI for confidentiality as well as the County's assurance it will treat the relevant documents as confidential. Documents which contain proprietary information may give competitors an undue advantage which are also entitled to nondisclosure protection under ORS 192.501(2). Additionally, employee survey information of a private nature is exempt from disclosure under ORS 192.502(2).

FMI understands and agrees that the County may send portions of the report to other governmental entities for review, for example, the portion of the report on compliance with the EMP may be sent to DEQ for review. The confidentiality of the documents is intended to extend to them in the hands of all other governmental agencies. ORS 192.502(9) contemplates continued confidentiality for documents transferred by a public body to another public body.

3. Quarterly Reports on Job Creation, Compensation and Retention

Beginning the first year of the Property Tax Abatement, FMI shall prepare and deliver within 45 days of the close of each fiscal quarter (March 31, June 30, September 30 and December 31), a report addressing the number of jobs which have been created in the prior quarter, the compensation paid for those jobs and the retention percentage of jobs created prior to the prior quarter. These quarterly reports shall contain the following information:

- a. Hiring activity for the prior quarter for FAB II, including day of hire, title and level and starting compensation.
- b. Percent of FAB II employees hired before the prior quarter and who remain employed by FMI, those who have left and a classification of the reasons the employees, if any, left FMI.
- c. Hiring and termination activity of new

employees of FAB I to demonstrate retention of the 535 FAB I jobs identified in Section

II.A. 2. of this Agreement. This should include date of hire or termination; title, level, compensation and classification of reasons for termination.

- d. Number of promotions of operators within the classification promotions of operators to technicians within the classification and number of promotions from technician to other than a technician.
- e. The average amount of time of employees in each classification.

4. Annual Reports

FMI shall prepare and deliver by November 15 of the tax year following the tax abatement year, a report which addresses each of the reporting requirements listed below:

a. Benefits

FMI shall compile statistical data of the employee benefits provided for operator classifications. The data shall include FMI's actual costs to provide each of those benefits and the value of any tax credits or tax deductions, if any, applicable to any of those business expenses.

The report shall include industry data from which a meaningful comparison can be made to determine whether FMI has continued to provide 41% of salary as benefits for all employee classifications and to exceed the industry standard for employee benefits.

FMI, County and PDCJNP will work together to determine the form of report necessary to track benefits of the targeted population. To the extent possible, data compilations generated and used by FMI in its operations

will be used for the report to the County.

b. Hiring Outside of FSA

The report shall include information regarding employee hires made outside of the FSA. It shall include the date of hire, job classification, wage scale and residency (state, county, city) at, or just prior to, time of hire. A report form shall be created by County and/or City with FMI.

c. Child Care

FMI shall report:

- (1) The number of employees who receive child care subsidies;
- (2) The number of employees receiving a 30% subsidy or a 50% subsidy;
- (3) The number of FMI employee children at each participating child care facility;
- (4) The efforts used to inform employees of their child care benefits (booklets or brochures should be attached);
- (5) The number of requests for alternative providers or alternative child care help.
- (6) The number of requests for a particular shift to accommodate child care needs. The number of requests granted, the number denied, the number put on a waiting list.
- (7) The number of children, on the average, who are provided child care benefits for a child on the 6 p.m.-to-6 a.m. shift; on weekends during the day; on weekends during the night.

- (8) The total actual cost to FMI for direct subsidies to employees.

d. Transportation

The state may require companies to prepare Traffic Management Plans (TMP). The County will accept that report in lieu of the reporting requirements set out below to the extent the TMP covers the matter.

FMI shall report:

(1) Employee Transportation Matters:

- a. Total number of monthly bus passes subsidized for year for all employees (FAB I and FAB II).
- b. Describe the FMI program which matches employees by their location for carpooling (submit any written material which has been created in the implementation of the program); The number of employee matches made this year; the number of payments of \$35 that were made to drivers. Describe the procedures used to evaluate the program. Describe what program changes have been or will be made to improve employee participation; describe the tax benefits received and the net cost to FMI.
- c. Describe the results of negotiations with Tri-Met for provision of additional schedules for employees; the actual costs, if any, FMI paid for additional service; the tax benefits and the net cost to FMI.
- d. FMI shall monitor reserved carpool parking spaces twice a day, one hour after shift change, for a week once a quarter to determine usage of

carpool spaces. Please report those findings. Describe expansion or intent to decrease spaces, if any.

e. FMI shall monitor bike racks and make a report in the same manner as for carpool spaces. Describe FMI's net cost (after tax advantages) for this benefit.

f. FMI shall report number of "guaranteed rides" provided pursuant to Section II.C.4.d. of this agreement and FMI's net cost (after tax advantages) for this benefit.

2. Community Transportation Matters:

Describe what progress has been made in the last year to facilitate and encourage utilization of public transportation and to create a written program. What does the program contemplate for the near and long future to continue progress toward the County/City goal of substantially decreasing reliance on single occupant automobiles by FMI employees?

e. Job Training

FMI shall report on:

(1) Payments to Mt. Hood Community College for East County Microelectronics Training Center

FMI shall report the amount of its payment to Mt. Hood Community College for its budgeted program share of capital and operating costs for the East County Microelectronics Training Center for the year and the date it was made.

(2) Scholarships

FMI shall report the amount of its scholarship contributions, the beneficiaries and the date made.

(3) Entry Level On-the-Job Training

FMI shall report the number of production entry-level employees who have had on-the-job training; the length of such training and the completion rate of the training.

(5) Ongoing Education of Employees

FMI shall report on its efforts to inform its employees of ongoing educational opportunities; the number of employees who received tuition reimbursements during the year; and, a comparison to the prior year. The reimbursement reporting should identify the type of program the employee was in, whether post-graduate degree, four-year degree, two-year degree, certification program, individual training or enrichment without certificate or degree goal.

f. Employee Housing Subsidy

FMI shall report on:

- (1) The number of employees receiving affordable housing subsidies in prior years;
- (2) The total number of \$100 monthly subsidies;
- (3) The total number of \$200 monthly subsidies;

- (4) Net cost to FMI (after tax advantages) for program.

g. Community Housing Payments

FMI shall report on the amount of payment made and date of payment.

h. Local Procurement

FMI shall report:

- (1) Progress toward a written Local Procurement Plan, or amendments to the Plan.
- (2) The amount of FMI expenditures in Oregon.
- (3) The amount of expenditures in Multnomah County
- (4) The percent increase of expenditures over prior year.
- (5) All solicitation efforts to identify local providers of goods and services to propose bids.

i. Infrastructure and Public Service

- (1) FMI shall provide a copy of its development approval, including conditions of approval, within 30 days of the approval, so that the County/City can identify development impacts which have been or will be mitigated through development conditions and those which will have to be mitigated separately under this Agreement.
- (2) FMI shall report on its compliance with the conditions of approval for its

development permit as it relates to transportation and utility infrastructure and public safety.

- (3) FMI shall report on its compliance with additional requirements for mitigation imposed under this Agreement.

j. Environmental Management Plan

- (1) FMI shall report on its progress under its EMP toward the County's goal to eliminate environmental impact.
- (2) FMI shall report on any violations of environmental laws at the Project which occurred in the prior year and, if there were any, whether the appropriate environmental agency approved the clean-up measures.

5. County Report on FMI Compliance

The County shall also prepare an annual report to the public describing FMI's compliance with the terms of this agreement.

D. Cooperation With Oregon Department of Revenue

FMI shall comply with the requirements of the Oregon Department of Revenue for designating and describing the improvements and equipment that are being financed, in whole or in part, by the Bonds and which shall be subject to the property tax abatement as described in this Agreement.

III. OBLIGATIONS OF COUNTY AND CITY

A. Findings

In consideration of the actions of FMI as described in this Agreement the County and the City find that:

1. Development of the Project will foster the economic growth and legislative policy as set forth in ORS 285.310.
2. The Project is consistent with the City of Gresham's Comprehensive Plan acknowledged by the Land Conservation and Development Commission pursuant to ORS chapter 197.
3. The completion of the Project in the County and the City would be in the best interest of the citizens of Multnomah County and the City of Gresham.

B. The County and City Agree as follows:

1. Approval of Provisions Related to Property Tax Abatement

The County and the City approve the provisions of this Agreement related to the Property Tax Abatement by execution of this Agreement. The County agrees to approve the application of FMI by official action of its governing body in compliance with ORS 285.330 et seq.

2. Request for Undertaking of Project

The County agrees to request that the state, acting through the State Treasurer authorize and issue revenue bonds in accordance with ORS 285.310 to 285.397 to finance, in whole or in part, the costs of the Project and lease the Project to FMI.

3. Property Tax Abatement

Upon issuance of the Bonds and leasing of the Project by the state, the Project shall be subject to assessment and taxation as provided in ORS 307.123.

IV. REMEDIES OF THE COUNTY

A. Procedure to Determine if a Breach of Agreement by FMI Has Occurred

1. Multnomah County's Office of Budget and Quality (Budget) shall have the duty to monitor compliance by FMI with the terms of this Agreement.
2. If Budget has substantial evidence to believe that FMI has failed to comply with any term of this Agreement, it will confer with City and take whatever action is necessary to aid in a preliminary determination of whether a breach has occurred. FMI shall have the burden of documenting compliance with this Agreement. FMI shall provide to the County such documentation or information as County requires to verify compliance with the Agreement.
3. If Budget determines that a breach has occurred, it shall send a notice to FMI that it is not in compliance with this Agreement. The notice shall be in writing and shall be sent to FMI at the following address:

Richard Romano
Fujitsu Microelectronics, Inc.
21015 SE Start Street
Gresham, OR 97030
4. FMI shall have 30 days to respond in writing to any notice of noncompliance. If FMI's written response fails to satisfy the County that a breach has not occurred, the County may retain an outside consultant, or the County Auditor may be used to verify FMI's compliance. The City in which the Project is located may submit substantial evidence of a contract breach to Budget which shall commence this breach determination procedure. FMI shall provide access to the facility and to necessary records to aid in the determination.
5. If the County concludes that a breach of this Agreement has occurred, these procedures shall be followed:

- a. If FMI agrees that a breach has occurred, it can enter into a compliance agreement to cure the breach.
 - b. If FMI does not agree that a breach has occurred, the parties shall mediate the matter with a professional mediation service recognized by and used by legal practitioners in the community. If there is an agreement that FMI has not breached the agreement, the matter is concluded. If there is an agreement that FMI did breach the agreement, the parties shall enter into a compliance agreement. The terms of the compliance agreement are subject to the mediation and binding arbitration provisions of this Agreement.
 - c. If no agreement is reached in mediation, the parties shall submit the matter to binding arbitration.
6. The parties shall use an arbitrator with the American Arbitration Association, or shall, by mutual agreement, choose an arbitrator from the official arbitrator list maintained by Multnomah County Circuit Court. If the parties cannot agree on an arbitrator, they shall submit the determination to the Presiding Judge of the Circuit Court.
7. In determining whether a breach of this Agreement has occurred, an arbitrator will have to interpret the terms of this Agreement. The arbitrator is charged with a duty to make a decision based on the plain meaning language of this Agreement and the evidence presented. In interpreting the non-objective performance standards set forth in this Agreement, the arbitrator shall interpret such standards in light of the County's goals set forth in Resolution 95-77. The arbitrator shall be guided by equitable principles as applied by courts of equity in order to arrive at to a fair result.
8. If the arbitrator determines that FMI has breached this agreement he/she shall:

- a. Prepare a compliance agreement which sets a reasonable period of time for FMI to cure its breach; or
- b. Impose the appropriate sanction provided in this Agreement. In the event a sanction for a breach is not specifically provided for in this Agreement, the arbitrator shall determine the sanction. The goal of the sanction is to disgorge any benefit FMI realized from the breach and imposing a 100% penalty (i.e. the payment due is two times what FMI should have spent to comply with the agreement), but not to exceed 75% of the tax abatement value in the year of the breach; or
- c. Determine whether the breach was on account of an industry-wide problem and beyond the control of FMI.
 - (1) The burden of proof to show that an industry-wide problem has prevented compliance with the terms of this Agreement is on FMI. This burden is met by a preponderance of the evidence. Even if an industry-wide problem exists in the area of employment, i.e. the industry is terminating employees and not hiring new employees, FMI's job-creation requirements are not excused unless there is no net hiring by FMI of regular full-time production employees in any of its plants wherever located.
 - (2) If there was no industry-wide problem which accounts for the breach of the Agreement by FMI, the appropriate sanction under this Agreement shall be imposed.
 - (3) If there was an industry-wide problem which resulted in the breach of this Agreement, the County, with input from the City, may waive the breach or the arbitrator may equitably mitigate the sanction, in whole or in part, balancing the best interests of the citizens of Multnomah County in the continued economic viability of FMI with the right

of County citizens to have the benefit of the County's bargain in which substantial property taxes were foregone.

9. The decision of the arbitrator is final and binding on the parties. The arbitrator's decision shall be enforced as provided by the law of the State of Oregon.
10. The costs of the investigation and verification on a breach of this Agreement shall be paid by FMI if a breach has occurred. If no breach is determined to have occurred, the County/City shall pay for the investigation.

B. Specific Remedies for Specific Breaches

It is the intent of the parties that good faith efforts will be made to comply with all the terms of this Agreement. However, in such a large Project, over a long period of time (15 years) it is difficult to anticipate all contingencies with accuracy. In a spirit of fairness and recognizing the cyclical vagaries of business, the County/City are willing to waive sanctions where the variance from numerically ascertainable terms varies by a plus or minus 5%. For example, the requirement that job benefits represent 41% of salary can vary by 5%-- which means benefits can be 38.95% of salary (i.e. -5% variance) one year, and no sanction will be imposed. The variance is not cumulative (i.e. in the example above, in the year following the -5% variance, 41% remains the contract term which must be met and the variance, if any, is calculated from that). This waiver applies to Sections 2, 5 and 8 below.

If FMI breaches any provision of this agreement, the sanction for each breach is as set forth below:

1. Failure to Pay CSF

If, in any tax year, FMI fails to pay the CSF required under Section II B(1), or any portion thereof, the County may collect the amount of the delinquency plus a penalty equal to 100% of the delinquent CSF (i.e. twice the amount of the delinquency).

2. Failure to Create and Retain Jobs

If FMI fails to meet the job creation or job retention requirements of this Agreement, FMI shall pay an amount equal to twice the average gross annual salary plus benefits for operators and technicians in the year of the breach for every job not created or job not retained.

3. Failure to Retain Long-Term Employees

If FMI fails to retain long-term employees, as defined by this agreement, FMI shall work with PDCJNP to identify the problem(s) and to fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

4. Failure to Meet Promotion Requirements

If FMI fails to meet promotion requirements, FMI shall meet with PDCJNP to identify the problem(s) and fashion a remedy appropriate to the circumstance which is calculated to meet the County's goals.

5. Failure to Maintain Compensation Levels, Including Benefits

If FMI fails to maintain wage levels, including benefits, except as otherwise provided in this Agreement, FMI shall pay twice the amount of the monetary benefit realized by FMI on account of its breach.

6. Failure to Use FSA

If FMI fails to perform its obligations under the provisions of the FSA, FMI shall pay 75% of the Property Tax Abatement for that year.

7. Failure to Meet Child Care Subsidy, Housing Subsidy, Transportation Costs or Other Employer Paid Benefit Requirements

If FMI fails to meet the child care subsidy, housing subsidy or other employer-paid benefits requirements under this Agreement, FMI shall pay an amount twice the subsidy payment or the cost which has been foregone from the time of the breach until time compliance begins.

8. Failure to Meet Procurement of Locally Produced Goods and Services Requirements

If FMI fails to meet local procurement requirements, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goals.

9. Failure to Meet Reporting Requirements

If FMI fails to meet reporting requirements under this Agreement, FMI shall pay twice the amount necessary to have an auditor investigate and prepare the report, or any portion thereof which has been omitted.

10. Failure to Meet Any Environmental Objectives

If FMI, after submitting an acceptable EMP, fails to make material progress toward the objectives of its Environmental Management Plan, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

If FMI fails to submit an acceptable plan by December 31, 1995, or intentionally violates federal, state or local civil or criminal environmental laws, FMI shall pay 75% of the tax abatement for the tax year in which the failure or the act occurred.

11. Failure to Pay the Costs of Unmitigated Costs to Transportation and Utility Infrastructure and Public Safety

If FMI fails to meet any costs of unmitigated costs to transportation and utility infrastructure and public safety, FMI shall pay an amount equal to twice the foregone cost to meet the objective.

12. Failure to Meet Job Training Requirements

a. Strategic Workforce Development Program

If FMI fails to make its payments to the SWD Program, the County shall collect an amount equal to twice the amount of the foregone payment.

b. School-to-Work

If FMI fails to meet its obligations in the School-to-Work Program, FMI shall meet with the County/City to identify the problem(s) and to fashion a remedy appropriate to the circumstances and designed to meet the County's goal.

c. Scholarships

If FMI fails to make scholarship contributions the County shall collect an amount equal to twice the amount of the foregone contributions.

d. Entry Level On-the-Job Training

If FMI fails to provide job training or pay wages during the training period, the County shall collect an amount equal to twice the amount of the foregone wages and the reasonable market value of the training.

e. Ongoing Education of Employees

If FMI fails to provide ongoing education of employees, the County shall collect an amount equal to twice the amount of tuition reimbursements paid in 1995.

C. Non-Applicability

These remedies shall not apply to any year for which FMI has paid ad valorem property taxes on the full market value of the Project, due to cancellation or disqualification of the property tax exemption provided for by ORS 307.123.

No sanction or combination of sanctions shall exceed 75% of the total tax abatement for any single tax year. A tax year begins on July 1 and ends on the following June 30.

D. Allocation of Funds Paid by FMI for Failure to Comply with Agreement

Any funds collected under Sections IV.B. above, shall be paid to the County Finance Manager and held in a segregated fund. The funds shall be distributed by the Board of County Commissioners, after consultation with the City, to a program or project in the area of public policy most directly related to the failure to comply.

V. REMEDIES OF FMI

If the City or County breaches this Agreement, FMI shall be entitled to exercise any of its legal or equitable remedies, either through the arbitration process set forth in Section IV.A. or through administrative or judicial processes.

VI. TERM OF AGREEMENT

This Agreement shall commence on the date of execution by the parties and terminate on the completion of the obligations of all parties after the conclusion of the final year of the Property Tax Abatement.

VII. ELECTION TO NOT CONSTRUCT OR TO DELAY PHASE 2

In the event that FMI elects not to commence construction of Phase 2 of the Project by January 1, 1997, or elects by January 1, 1997 to defer construction of Phase 2 to a later date, then the total number of New Jobs to be provided will be reduced by 234, and the rights and obligations under this Agreement of the parties will be proportionately reduced, except any monies already paid in excess of the proportional amount does not have to be repaid, and this Agreement shall apply only to Phase 1.

If FMI does not commence construction of Phase 2 of the Project by January 1, 1997, but such a decision is only to defer construction of Phase 2 to a later date, then FMI shall so notify the County in Writing. If Phase 2 is constructed, then Phase 2 shall be taxed pursuant to ORS 307.123; provided however, that upon the completion of construction of Phase 2 FMI shall be obligated to provide an additional 211 New Jobs (445-234 in Phase 1) along with the other benefits and contributions which are otherwise required by this Agreement with respect to the additional 211 New Jobs.

VIII. MISCELLANEOUS TERMS

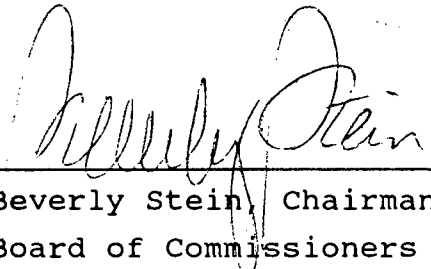
- A. No persons shall be denied or subject to discrimination in receipt of the benefits of any services or activities made possible by or resulting from the Agreement on the grounds of sex, race, color, creed, marital status, age, national origin, mental health or physical handicap, disabled or Vietnam era veteran status (except where there are bona fide occupational qualifications). Any violation of this provision shall be considered a material violation of the Agreement.
- B. All requirements of the Oregon Revised Statutes Nos. 279.320 through 279.430, Public Contracting, as applicable, are incorporated herein by reference.
- C. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Multnomah County or Federal District Court for Oregon.
- D. This Agreement and the attached exhibits are the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and

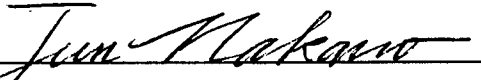
supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. In the event that there is no tax abatement for any year within the 15-year abatement period, the parties may negotiate to modify the term of the Agreement. An arbitrator's written determination under Section IV.A. of this Agreement is specifically included as part of this Agreement.

- E. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.
- F. The parties acknowledge that any payments required under this Agreement do not constitute property taxes and are not subject to the limits under Section II.B. Article XI of the Oregon Constitution.
- G. FMI acknowledges that its compliance with this agreement will be an important consideration for local government approval of any future applications seeking property tax exemptions.
- H. This agreement shall bind the successors and assigns of the parties.

MULTNOMAH COUNTY

FUJITSU MICROELECTRONICS, INC.
(FMI)


Beverly Stein, Chairman
Board of Commissioners
Date: _____, 1995


~~J.M. Richard Romano~~ JUN NAKANO
~~J.M. Vice President~~ General Manager
Date: 9-5, 1995

REVIEWED:

Sandra N. Duffy
Sandra N. Duffy
Assistant County Counsel

Date: August 8, 1995

CITY OF GRESHAM

BY: David K. Eichner, Gresham Council President

Will K. C.P.
for Gussie McRobert, Mayor
in the Mayor's absence
Date: August 15, 1995

Phyllis Brough
Phyllis Brough, City Recorder
Date: August 16 1995

REVIEWED:

Richard Faus
Richard Faus, Assistant City Attorney

APPROVED: By Nina Regor, Asst.
City Manager

Nina Regor
For Bonnie Kraft, City Manager
in the City Manager's Absence
Date: 8/15/95

FSA

between

PORTLAND DEVELOPMENT COMMISSION
JOB NET PROGRAM

and

FUJITSU MICROELECTRONICS, INC.

EXCLUSIVE FULL-SERVICE FIRST SOURCE HIRING AGREEMENT

FUJITSU MICROELECTRONICS, INC.

I. PARTIES

This Exclusive Full-Service First Source Hiring Agreement (FSA) is for the recruitment, referral and placement of employees in covered positions and is between Portland Development Commission JobNet Program (PDCJNP) and Fujitsu Microelectronics, Inc., Gresham, Oregon (FMI). Multnomah County (County) and City of Gresham (City) are Third Party Beneficiaries (TPB) of this FSA and are entitled to enforce its terms. By executing this FSA, County and City accept TPB status.

II. RECITALS

- A. On April 13, 1995, County adopted a Strategic Investment Program (SIP) Policy pursuant to the provisions of ORS 285.330 et seq. and ORS 307.123. This Policy provides procedures, goals and standards to evaluate SIP applications.
- B. The County, City and FMI must sign an SIP Contract setting out the additional reasonable requirements that FMI will meet in order for the County to request State financing for FMI's proposed Project. The Contract and the State financing are prerequisites for FMI qualifying for a Property Tax Abatement.
- C. A provision of the SIP Contract requires that FMI enter into an FSA with PDCJNP.
- D. PDCJNP is the entity designated as the publicly funded job training provider with which FMI must enter into a first-source hiring agreement pursuant to ORS 285.323.
- E. Amid regional growth and economic prosperity, too many citizens of Multnomah County live in poverty; a disproportionate share of them are women. Over 14% of families with children under the age of 18 have incomes below the poverty level; sixty percent of these households are headed by women. The County seeks to link the job creation benefits of industrial expansion to disadvantaged residents, ensuring access to new jobs by that population. The County also recognizes that in order to ensure the success of such residents in family wage jobs, private and public resources must be dedicated to the support of families during their transition from poverty to self-sufficiency.

- F. FMI and PDCJNP commit to work together and in partnership with Mount Hood Community College (MHCC), Portland Community College (PCC), other institutions of higher learning, Public School Districts, Oregon State Employment Department (OSD), Adult and Family Services (AFS), Private Industry Council (PIC), churches and social services infrastructure to identify, train and refer a targeted population of potential FMI employees to FMI for regular employment with career advancement opportunities.
- G. The targeted population includes welfare recipients, unemployed, underemployed, students in a School-to-Work Program and Oregon graduates of high schools, vocational and technical schools, two year and four year colleges and universities.
- H. The Multnomah County East Branch of AFS is the largest branch in the State providing services and welfare benefits for over 4000 families.
- I. There are a substantial number of unemployed and underemployed in Outer Southeast and East County.
- J. The parties recognize that this targeted population may have less financial, social and emotional support to cope with impediments to employment. The Parties commit to a strong collaborative effort to overcome these impediments by marshalling support services which will allow recruiting, training, referring and employing these persons.

THEREFORE, THE PARTIES AGREE TO THE FOLLOWING:

III. TERMS AND CONDITIONS

A. Definitions

1. Applicant: Persons who apply for employment with FMI, whether referred by PDCJNP or another referral source or self-referred.
2. Contract Worker: Persons hired on a temporary or permanent basis who are self-employed or employees of a business other than FMI who perform under a contract for services.
3. Covered Positions: Regular Jobs of FMI in the Portland Metropolitan area. There are two categories of covered positions:

- (1) Category One: Jobs which require less than a two year college degree or certificate which are not highly technical nor managerial in nature.
 - (2) Category Two: Jobs which require a two year college certificate or degree, two or more years of college or are highly technical or managerial in nature.
4. Internal Hire: FMI positions which are filled by FMI regular employees by internal promotion, transfer or recall of a laid off employee.
5. Potential Applicant: Anyone who is a member of the targeted population or any other person who comes to PDCJNP to apply for a position with FMI.
6. Qualified Applicant: FMI, PDCJNP shall determine minimum threshold objective criteria for identifying a "qualified applicant" as an individual who possesses core competencies, abilities, training or experience which are consistent with the job description for the specific position. Criteria for identifying a qualified applicant shall be consistent with FMI job descriptions and this Agreement.
7. Regular Employee: Full-time regular employee on the regular payroll of FMI entitled to employer-paid benefits.
8. Regular Job: Full-time and part-time regular positions on the regular payroll entitled to employer-paid benefits.
9. School-to-Work: This is a program created pursuant to the Oregon Educational Act for the 21st Century which encourages educational institutions and businesses to develop programs related to School-to-Work transitions and work experience internships. ORS 329.885.
10. Targeted Population: A person who is a welfare recipient, unemployed, underemployed, school-to-work participant and graduates of local vocational and semiconductor training programs and other Oregon institutions of higher education.
11. Temporary Operator: An entry level operator who is a payrolled temporary employee hired with the intention that he/she will become a regular

employee. Such an employee can be hired for a regular position at any time during the nine month probationary period, but if not hired by the end of the nine months is not permitted to remain employed at FMI, unless there are no positions open at the end of the nine month probationary period. If such an employee is passed over for hiring when positions come open, FMI may terminate such an employee.

12. Underemployed: Persons employed for under 35 hours per week, who desire full-time employment, and/or persons working full-time at a position below their skill level.
13. Unemployed: Persons without a job that pays compensation or who is receiving unemployment compensation.
14. Welfare Recipients: Persons receiving support payments from AFS.

B. Recruitment

1. Exclusive Recruiting Through PDCJNP

- a. FMI shall recruit potential applicants for Category One covered positions exclusively through PDCJNP, except for internal hires.

It is agreed that FMI shall provide PDCJNP with an advanced notice a minimum of eight (8) weeks prior to the anticipated hire date for all planned hiring activity. If PDCJNP is unable to supply sufficient candidates by four weeks prior to the date of hiring, FMI will be authorized to pursue applicants from any other source of their choice.

If the eight week minimum notice is not reasonably possible, PDCJNP and FMI will work together to assure FMI meets its hiring requirement in the most effective manner.

- b. PDCJNP may share FMI job openings for all covered positions with its JobNet partners and affiliated agencies, including but not limited to the OSED, Department of Vocational Rehabilitation and AFS; PCC; Clackamas Community College; MHCC; PIC; and Employment, Training and Business Services.

2. PDCJNP Outreach to Targeted Population

- a. PDCJNP shall work with MHCC, OSED, social service agencies, churches, schools and others to identify potential applicants for all FMI covered positions.
- b. PDCJNP shall develop and implement recruitment processes for all covered positions.

3. Workforce Development

- a. FMI shall work with PDCJNP, MHCC, local public school districts, and other education and training providers to develop training systems related to the semiconductor industry which will result in the targeted population acquiring the education and skills necessary for students to be certified as qualified applicants and meet FMI's employment needs.
- b. FMI shall assist in creating industry standards and a certification process for operators and technicians.
- c. FMI shall work with local education and training providers to develop cooperative education and internship programs for high school, community colleges and college/university students. FMI shall expend reasonable efforts to identify intern positions which students enrolled in microelectronics or semiconductor related training programs can fill.
- d. FMI shall help PDCJNP create screening and assessment tools for the targeted population. FMI shall not disqualify any potential training candidate on the basis of prior work history. FMI shall provide personnel to advise and screen candidates for semiconductor training programs at MHCC and local high schools. In the event the screening and assessment tools become obsolete, FMI agrees to initiate appropriate revisions.

4. Notification of Open Covered Positions

FMI shall notify PDCJNP of its hiring schedule, position qualifications, wages offered, shifts needed and other relevant job related information as soon as FMI becomes aware of the need for new

employees in all covered positions. FMI shall provide job descriptions and qualifications for all positions in order to facilitate PDCJNP's determination of qualified applicants upon request from PDCJNP.

C. Referral and Hiring

1. PDCJNP shall process for referral any qualified applicant who applies for or is referred for any covered position when an opening exists at FMI.
2. PDCJNP shall screen all applicants for openings for covered positions using the developed objective criteria determined pursuant to Section III.A.6. to decide who is a "qualified applicant." FMI specifically agrees that successful completion of the MHCC training program which FMI established or approved and FMI's two-week training program will substitute for any requirement of a stable work history. However, FMI shall not be required to hire such an applicant if the applicant does not otherwise meet FMI's hiring criteria as established under Section III.A.6. of this agreement.
3. PDCJNP shall refer qualified applicants to FMI who meet the developed objective criteria after FMI notifies PDCJNP of openings for covered positions.
4. FMI shall request a specific number of applicants for each job opening and FMI shall conduct a personal interview with every qualified job applicant referred to FMI at FMI's request.
5. FMI shall make the final hiring decision on any job applicant but shall select employees for Category One covered positions from among the qualified persons referred by PDCJNP.
6. For Category Two position openings, FMI agrees to consider qualified applicants referred by PDCJNP and to make a good faith effort to maximize hiring from qualified local residents, graduates of local vocational and semiconductor training programs and local two and four year colleges and universities.
7. PDCJNP shall not be responsible for an applicant's actions during any portion of the referral or employment process.

D. Reporting Requirements

1. FMI, PDCJNP and the County shall work together to create reporting forms for the reporting requirements set out in Section II.C. of the SIP Contract between FMI and County/City.
2. FMI and PDCJNP shall work together to determine a process of disseminating employee surveys which will be used for evaluating how well the County goals are being met through the FMI, PDCJNP, County and City partnership.

E. Controlling Regulations and Laws

1. FMI and PDC shall comply with all federal, state and local laws, regulations, and ordinances relative to employment. If this Agreement conflicts with any labor laws or other governmental regulations, the laws or regulations shall prevail.
2. FMI and PDC agree to comply with Title VII of the Civil Rights Act of 1964, and with Section V of the Rehabilitation Act of 1973, as amended or with any successor statutes. No individual shall be excluded from participation in, denied the benefits of or subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of race, color, sex, national origin, marital status, age, or religion.

F. Assignments and Modifications

1. If, during the term of this FSA, FMI should transfer possession of all or a portion of its business concerns affected by this FSA to any other party by lease, sale or assignment or otherwise, FMI, as a condition of transfer shall require the party taking possession to agree, in writing, to the terms of this FSA.
2. If PDCJNP's federal, state or local grants are suspended or terminated, or if PDCJNP and County fail to arrive at a mutually satisfactory agreement, before or during the contract period, this FSA may be assigned to another member of JobNet mutually selected by FMI and County.
3. FMI and County may mutually agree to modify this agreement in order to improve the working relationship described herein.

G. Payment for Services

1. Compensation

FMI shall pay to the County, for PDCJNP's services, \$60,000 each year beginning August 1, 1995, and continuing through July 31, 1998. For the remaining years of this agreement, beginning August 1, 1998, FMI shall pay to the County, for PDCJNP's services, an annual amount computed as follows: (a) \$300 for each Category One job opening which occurred at FMI and posted with JobNet; and, (b) \$300 for each Category Two job placement which occurs at FMI through JobNet, in the prior fiscal year, July 1-June 30. A lump sum annual payment will be made to the County Finance Department by September 1 of each year.

2. Scope of Work

A summary of the scope of the work which will be provided to FMI by PDCJNP follows:

- a. Develop with FMI the objective criteria for "qualified applicant."
- b. Develop and implement recruitment processes for all FMI covered positions.
 - (1) Identify and locate the targeted population.
 - (2) Announce all job openings through PDCJNP's network.
 - (3) Perform preliminary screening and assessment based on agreed upon criteria.
- c. Develop with FMI the report forms necessary for quarterly and annual compliance reports.
- d. Develop employee survey and work with FMI to create a dissemination and collection process.
- e. Develop surveys and evaluation criteria for applicants from the targeted population who do not accept employment.
- f. Evaluate surveys, track targeted population and prepare report to County.

- g. Evaluate job related portions of quarterly and annual FMI reports received from County and report back to County on compliance issues.
- h. Expand JobNet's contacts in outer southeast and East county.
- i. Assist in efforts to develop workforce strategies to increase education, training and job opportunities.
- j. Assist in creating a social services infrastructure in outer southeast and East Multnomah County.

3. Credit for participation by other SIP firms

In the event other firms enter into an SIP contract with the County, it is the intent of PDCJNP to fairly apportion the costs of its services between the firms. A ratio for apportionment will be created based upon the annual hiring commitment of each company. PDCJNP will determine the additional marginal costs attributable to the addition firm(s). The total costs will be apportioned between all of the firms. FMI's maximum potential liability is limited to \$60,000 each of the first three years of this agreement, but it could receive a credit to the extent FMI's proportional share is less than \$60,000 in any one year. This provision does not apply after the first three years of the FSA.

H. Sanctions

A breach of the FSA is a breach of the SIP Contract. The sanctions set forth therein are applicable. Additionally, any actual costs incurred by PDCJNP on account of a breach, including administrative time of the staff, shall be paid by FMI to PDCJNP upon demand. In the event of a dispute regarding this provision, the Arbitration provisions of Section K. of this FSA apply.

I. Incorporation of SIP contract.

- 1. The SIP contract is incorporated into this FSA by this reference. To the extent there are any conflicts between the SIP contract and the FSA, the SIP contract controls.
- 2. However, this FSA is intended to implement the job creation and retention provisions of the SIP

contract by providing further specificity regarding FMI's good faith efforts to hire from a targeted population.

3. To the extent that this FSA places additional obligations on FMI, it is not inconsistent with the SIP contract.

J. Effective Date

This FSA shall take effect when the Multnomah County Board of County Commissioners approves the SIP Contract.

K. Arbitration

If any breach or disputed term or condition of this FSA cannot be resolved to the mutual satisfaction of the parties, the binding arbitration procedure set out in Section IV.A.6. et seq. of the SIP contract shall be used to resolve the matter.

L. Term

This FSA shall be in effect until the end of the property tax abatement period for FMI which is expected to include tax year 2011/12, ending June 30, 2012.

IT IS SO AGREED:

By Jim Makani
Fujitsu Microelectronics, Inc.
Office: GMD

Dated: 10-6-95

By Jan Burreson
Executive Director
Portland Development Commission

Dated: _____

APPROVED AS TO FORM:

By Katrina Beaumont Imperato
Legal Counsel
Portland Development Commission

Dated: October 17, 1995

ACCEPTED:

By

Beverly Stein
Beverly Stein, Chair
Multnomah County
Board of Commissioners

Dated: _____

REVIEWED:

By

Sandra N. Duffy
Sandra N. Duffy
Assistant County Counsel

Dated: 10/23/95

ACCEPTED:

By

Gussie McRobert
Gussie McRobert
Mayor
City of Gresham

Dated: 10/2/95

REVIEWED:

By

Richard D. Faus
Richard D. Faus
Assistant City Attorney
City of Gresham

Dated: 2 October 1995

ACCEPTED:

By

Bonnie Kraft
Bonnie Kraft
City Manager
City of Gresham

Dated: 10/2/95

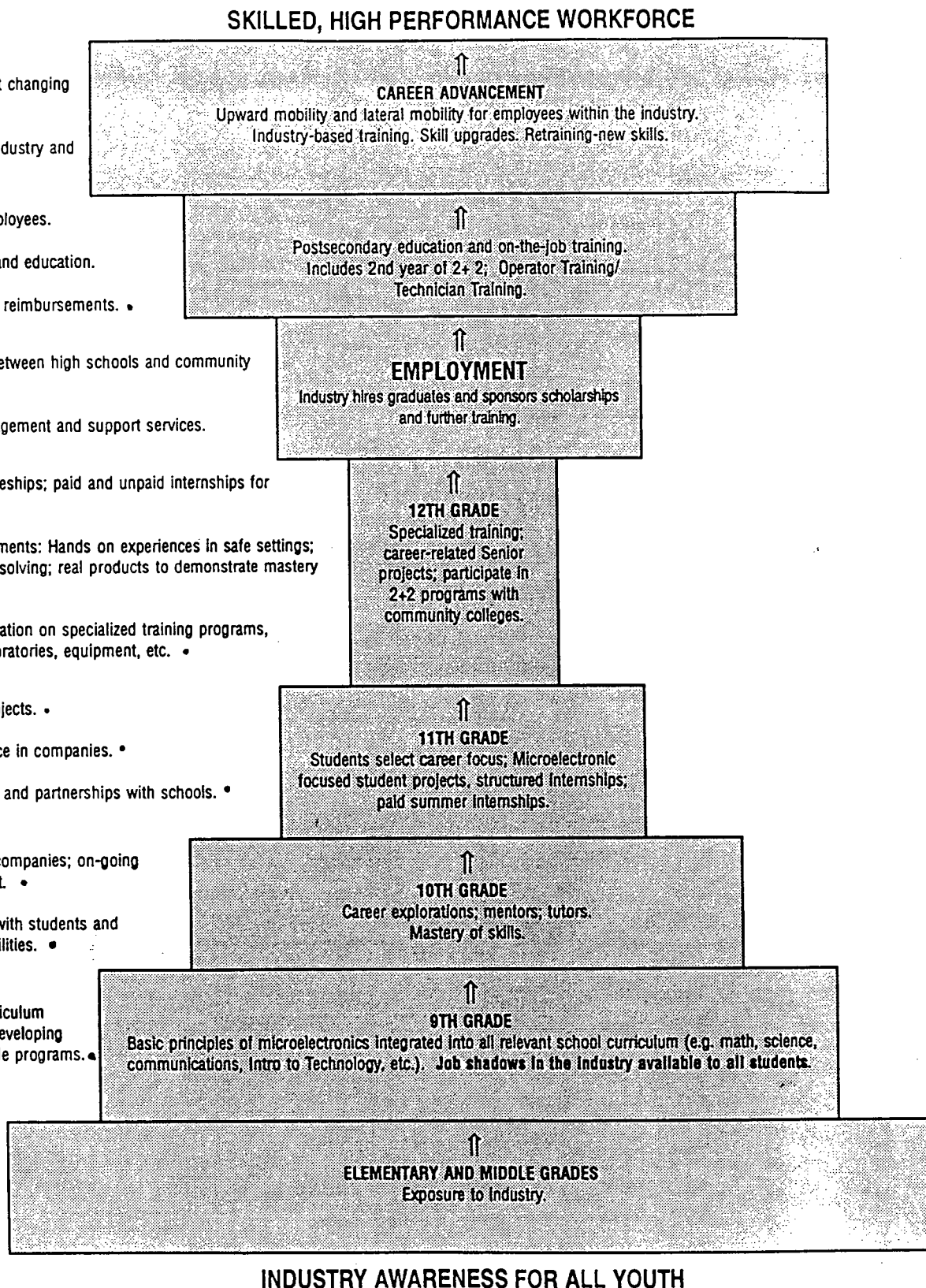
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SCHOOL-TO-WORK PLAN

SCHOOL-TO-WORK BUILDING BLOCKS FOR THE SEMICONDUCTOR INDUSTRY

Suggested Implementation Strategies:

- Targeted training to meet changing workforce needs.
- Ongoing evaluation by industry and educators.
- Ongoing training for employees.
- Non-traditional training and education.
- Scholarships and tuition reimbursements. •
- Articulated curriculum between high schools and community colleges.
- Job retention/case management and support services.
- Company-paid apprenticeships; paid and unpaid internships for students. •
- Simulated work environments: Hands on experiences in safe settings; real tools; real problem-solving; real products to demonstrate mastery of skills. •
- Industry/school collaboration on specialized training programs, curriculum options, laboratories, equipment, etc. •
- Work-based student projects. •
- Summer work experience in companies. •
- Employer commitments and partnerships with schools. •
- Teacher internships in companies; on-going curriculum development. •
- Company connections with students and teachers: Many possibilities. •
- Industry/education curriculum development teams: Developing 9th, 10th, 11th, 12th grade programs. •
- Marketing industry concepts: Field trips, classroom projects, etc.



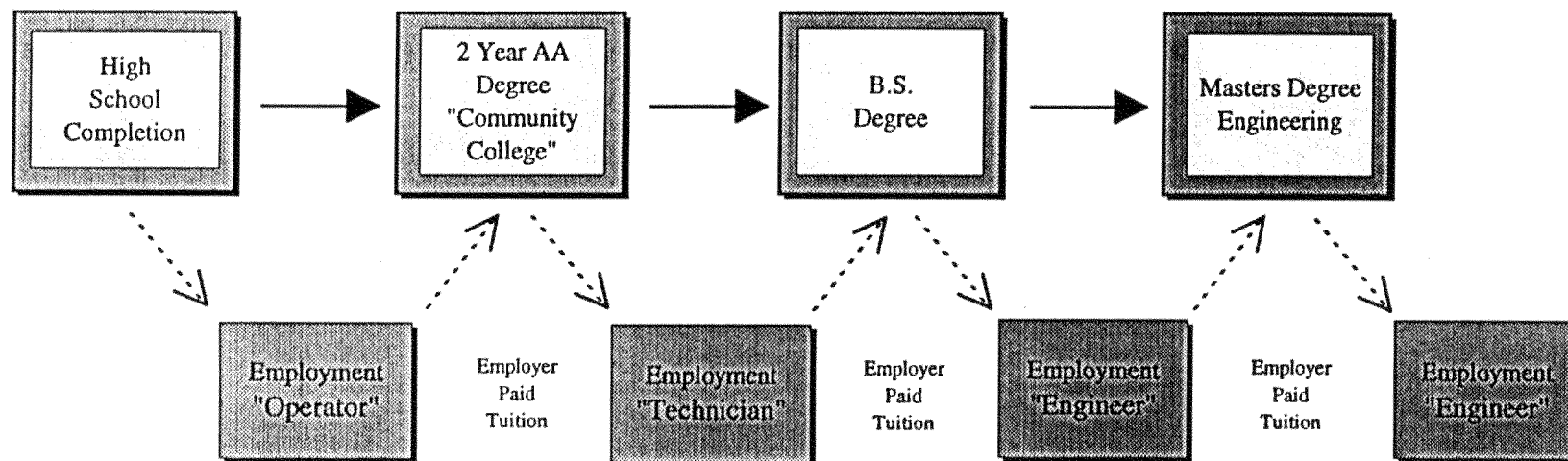
EDUCATIONAL CAREER PROGRESSION

IN

SEMICONDUCTOR INDUSTRY CHART

CAREER PROGRESSION IN THE SEMICONDUCTOR INDUSTRY

EDUCATION ROUTE



EMPLOYMENT/ON-THE-JOB TRAINING ROUTE

SIP APPLICATION



May 8, 1995

Beverly Stein, Chair
Multnomah County Commission
1120 S.W. Fifth Avenue, Suite 1515
Portland, OR 97204

**Re: Confidential Application/Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Chair Stein:

On behalf of Fujitsu Microelectronics, Inc., I am pleased to submit to you a confidential application for approval under the county's newly adopted Strategic Investment Program for Fujitsu's Gresham expansion. Fujitsu has been a cooperative and active partner in industry-wide efforts regarding workforce training and development, and maintains high standards not only for technology, but for educational investment in its employees, community participation, and employee benefits. This billion-dollar-plus project will increase Fujitsu's employment by over 400 people and, if approved under the Strategic Investment Program, will serve as the basis for future expansion by the company.

The information in the application was developed by Fujitsu and submitted to the Oregon Economic Development Department in confidence, and the Department is committed to keeping this information confidential. The application and any reports developed by the consultants hired by Multnomah County are part of the negotiation process contemplated in the county's Strategic Investment Program. Until the consultant develops the draft contract that is submitted, along with a report, to the Board of County Commissioners, the negotiation process is ongoing. The application, the substance of the negotiations and any records developed in the process of negotiations are confidential under ORS 285.050 (8) and ORS 192.502 (8). Confidentiality must be maintained by Multnomah County under ORS 192.501 (2), 192.502 (3) & (9).



We have appreciated the opportunity to work with the county staff in the development of the Strategic Investment Program policy, and look forward to working with the county and Gresham as your consultants and negotiating team review the enclosed materials.

Please feel free to call me directly at (503) 986-0106 in Salem, or Marcy Jacobs, Regional Development Officer at (503) 229-5625 in Portland.

Sincerely,

A handwritten signature in cursive script, appearing to read "William C. Scott".

William C. Scott
Director

**CONFIDENTIAL APPLICATION FOR
MULTNOMAH COUNTY
STRATEGIC INVESTMENT PROGRAM (SIP)**

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 8, 1995

PREFACE

This document contains an application for Multnomah County's Strategic Investment Program (SIP) submitted on behalf of Fujitsu Microelectronics, Inc. The application is intended for review by Multnomah County and consultants retained by Multnomah County, and then to serve as a basis for negotiations between the applicant and the County.

The application is organized to address requirements of Multnomah County's adopted Strategic Investment Program. Referenced in the application are a variety of exhibits which are attached.

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I. GENERAL INFORMATION

Fujitsu Microelectronics, Inc. (FMI) develops, designs, manufactures and markets a broad selection of semiconductors and other advanced electronic components. The Gresham Manufacturing Division (GMD) opened in October 1988, with 225,000 square feet of building area on a 200 acre site.

Fujitsu's GMD is proposing a major expansion of its current plant. FMI currently employs 540 at its Gresham campus. With expanded facilities, another 445 employees are expected to be hired by the end of 1998.

Proceeding with this planned expansion is predicated on approval of an application to Multnomah County pursuant to the Strategic Investment Program (SIP). This application is organized to address state enabling legislation (HB 3686) adopted by the 1993 Oregon Legislature together with the goals and standards of the adopted Multnomah County Strategic Investment Program.

A. COMPANY BACKGROUND

Fujitsu Ltd., a Japanese company, is the second largest computer company in the world, and a leading manufacturer of telecommunications and semiconductor products. Fujitsu Microelectronics, Inc. (FMI) is a wholly owned subsidiary of Fujitsu Ltd. and is an American corporation that develops, manufactures, and markets a variety of semiconductor products.

Within the State of Oregon, FMI now operates a wafer fabrication plant employing 540 employees. This plant is located on a 200 acre campus in the city of Gresham in Multnomah County. The success of the current and proposed plant facilities will lead to future expansion on this campus.

The Gresham Manufacturing Division (GMD) of FMI was established in 1988. The land was originally purchased in 1984 and actual construction began in 1987. Original product lines included Application Specific Integrated Circuits (ASICs), custom made microchips, and later was changed to Dynamic Random Access Memory microchips (DRAMs). Currently GMD manufactures 4 Megabit DRAMs as well as a variety of EPROM (Erasable Programmable Read Only Memory) devices.

Corporate headquarters for FMI are located in San Jose, California. In fiscal year 1994, it is estimated that FMI will post \$740 million in sales of which \$132 million is generated from the Gresham Manufacturing Division (GMD). The Gresham operation is an integral part of Fujitsu's global manufacturing network, producing standard memory products for worldwide distribution. Approximately 72% of GMD products were exported in fiscal year 1994.

The current memory products are fabricated on 6-inch silicon wafers. A maximum of 215 microchips can be produced on a 6-inch wafer. The new manufacturing facility under consideration is intended to provide a state-of-the-art wafer fabrication process capable of processing 8-inch silicon wafers of 16 Megabit DRAMs at the onset and 64 Megabit DRAMs in the future. An 8-inch wafer can accommodate a maximum of 470 microchips, more than double the current capacity.

The new products will be marketed to leading personal and mainframe computers as well as manufacturers of automated equipment. Expectations are that an additional \$635 million annual revenue will be generated when the expansion is fully completed. The first phase is estimated to begin in the second half of 1995. The second phase would begin after initial ramp-up of approximately 18 months.

B. PROJECT SPECIFICATIONS

As noted in the table, the total anticipated investment through the year 2011 exceeds \$1 billion. The project will include two phases, totalling \$850 million. Another \$182 million will be invested in replacement equipment over the life of the proposed tax abatement.

Investment Schedule (in millions of dollars)

Year	Land	Building	Process Support	Equipment	Total
First Phase:					
1995	\$0.0	\$25.0			\$25.0
1996		\$75.0	\$75.0	\$125.0	\$275.0
1997			\$75.0	\$125.0	\$200.0
Second Phase:					
1998				\$350.0	\$350.0
Subsequent Replacement Equipment:					
1999				\$14.0	\$14.0
2000				\$14.0	\$14.0
2001				\$14.0	\$14.0
2002				\$14.0	\$14.0
2003				\$14.0	\$14.0
2004				\$14.0	\$14.0
2005				\$14.0	\$14.0
2006				\$14.0	\$14.0
2007				\$14.0	\$14.0
2008				\$14.0	\$14.0
2009				\$14.0	\$14.0
2010				\$14.0	\$14.0
2011				\$14.0	\$14.0
Total	\$0.0	\$100.0	\$150.0	\$782.0	\$1,032.0

Construction Employment: Will average between 350-500 people per day.

Regular Full Time Employment: Employment at start-up is expected to be approximately 200 and then gradually rise to 445 by the completion of Phase II in the second half of 1998. The jobs created as a result of this new facility expansion will be in similar job classifications now utilized in the existing fabrication plant. The average wages, including shift differentials and regular bonus pay, for these new jobs are as follows:

Projected Employee Hiring Schedule

Classifications	1996	1997	1998	Total
Operator	32	149	149	330
Technician	36	22	---	58
Engineer	9	20	8	37
Administrative	---	10	---	10
Supervisors	---	10	---	10
Total	77	211	157	445

The average wages for these new jobs are as follows:

Classifications	Average Total Pay Annually	Annual Median Earnings	Education Required
Operators	\$26.5K	\$26.2K	H.S.
Technicians	\$47.6K	\$48.8K	A.A.
Engineers	\$56.4K	\$54.4K	B.S.
Administrative (exempt positions)	\$41.0K	\$40.8K	A.A./B.S.
Supervisors (Production)	\$56.5K	\$56.1K	A.A./B.S.

Note: Wage estimates are in thousands of dollars.

Economic Impact

This \$1 billion+ investment for the Fujitsu GMD plant is expected to have the following economic impact after total ramp-up:

- 445 regular employees
- A payroll of over \$17 million per year
- Personal income tax collections of \$1.5 million per year. *Note:* Corporate income taxes represent an additional amount.
- Cumulative property tax payments of \$30.9 million over the 15 year life of the program.
- Cumulative estimated community service fee of \$8.2 million.
- Cumulative savings to the company of \$23.4 million over the 15 year life of the program.

Additional features and benefits associated with this investment for Fujitsu, Multnomah County and Oregon are summarized as follows:

1. Because 8-inch wafers require more materials and expendable tools (approx. 1.3 times more than 6-inch wafers) at higher costs per item, local purchasing will be increased generating secondary jobs and added personal income for Oregonians.
2. The Gresham expansion will pay for user fees such as sewer and water hookup and increase consumption of electricity (13-18 MW) utilizing a new dedicated substation established on the GMD campus.
3. GMD's new facility will possess state-of-the-art environmental safeguards. Water conservation recycling currently utilized in Fab I will be expanded to Fab II, as well as a new chemical reclamation program.
4. A larger-critical mass of microchip manufacturing in Oregon will encourage other related industry to locate here (including other microchip firms as well as vendors and customers).
5. GMD's expansion will promote the concept of establishing an East County Microelectronics Training Center to facilitate local hiring and training for the Semiconductor Industry. GMD is already pursuing the feasibility of such a center through partnership with state and local public agencies.
6. GMD has made a concerted effort to expand local procurement for goods and services. This effort includes qualified small and minority businesses as well as major suppliers of production materials. The expansion of Fab II will further facilitate the opportunity to allow local businesses to participate in GMD supplier relationships.

II. PAST PRACTICES

Fujitsu is a company with an established record of performance in Multnomah County. This section specifically addresses four areas of past practices: environmental protection, worker safety, labor relations, and prior and existing tax abatement agreements.

A. ENVIRONMENTAL PROTECTION

Fujitsu has an excellent compliance record to date. Violations have been minor and have been quickly corrected to the satisfaction of the regulatory agencies. Following is a list of those violations:

1. DEQ Request for Noise Compliance Plan, August 10, 1988. The request was a DEQ response to concern from neighbors regarding noise levels.

Corrective measures taken to reduce operating noise:

- 1) Construction of sound attenuating wall for the cooling towers.
- 2) Installation of continuous noise monitoring system.
- 3) Installation of additional sound insulation in utility building walls and in equipment.
- 4) Relocation of emergency generator.
- 5) Enhanced landscaping on the east side of utility building, to buffer sound next to residential area.

A DEQ letter of full compliance with noise control regulations was received November 3, 1989. No further concerns have been expressed by neighbors.

2. DEQ Noncompliance Notice, February 18, 1992. All items corrected to agency's satisfaction. No further action by the agency. No fines were levied against Fujitsu.
3. DEQ Notice of Noncompliance, Stormwater, February 8, 1995. Stormwater violation for oil and grease, 1993. No citation issued and 1994 stormwater testing in full compliance. (Note: Fujitsu conducts extensive testing of stormwater runoff exceeding state requirements).
4. DEQ Annual Air Quality Inspection, April 6, 1995. The inspection included investigation of a February 10, 1995 neighbor complaint to the DEQ of a fertilizer odor. Notice of the complaint was received by Fujitsu on April 6, the day of the inspection. No odors were detected by the DEQ compliance officer and the DEQ inspection report states "It is not possible to identify Fujitsu as the source of the 2/10/95 complaint's odor". A full investigation has subsequently been completed by Fujitsu with no evidence of any malfunction or upset condition that would have been a source for the odors. Additional stack testing is planned to confirm the investigation findings.

5. City of Gresham, Notice of Noncompliance. Industrial wastewater discharge. February 8, 1993. Violation of fluoride limits. No penalty issued. (Note: Currently there are no state or federal regulations which require Fujitsu to remove fluorides. This is a city requirement only, which is not in effect for other similar companies or municipalities).
6. City of Gresham, Notice of Noncompliance. Industrial wastewater discharge.

April 7, 1994	pH Excursion
September 15, 1994	pH Excursion
October 10, 1994	pH Excursion
November 30, 1994	pH Excursion
December 7, 1994	pH Excursion
March 10, 1994	pH Excursion - rescinded
Total penalties:	\$750.00

Fujitsu has submitted a corrective action plan to the City for the pH excursion problems. This includes the installation of an autosampler which will pull a sample of water for analysis immediately whenever an excursion is detected. However, it should be noted that the above excursions do not represent any increase in non compliance, but a change in how the permit is interpreted and administered. Past records demonstrate that no notices of noncompliance were issued in the past for short term exceedences of less than one hour. All of the above exceedences were limited to a few minutes, well below one hour.

B. WORKER SAFETY

Fujitsu has a safety record which meets or exceeds industry experience in Oregon, as indicated by a more detailed review of safety information attached as Exhibit A. Fujitsu GMD has been involved in two worker safety issues. Both items have been corrected:

1. OSHA Citation, December 10, 1992. Violation of fall protection standards. Three violations noted, all corrected to agency satisfaction, two of three items corrected at time of inspection. Total penalty: \$300.00
2. OSHA Citation, April 21, 1994. Violation of hazardous materials storage standards. Item corrected at time of inspection. Total penalty: \$240.00

C. LABOR RELATIONS

Fujitsu Microelectronics, Inc. Gresham Manufacturing Division operates under employment policies and practices which are designed to insure that the environment is free of any discrimination based on race, sex, national origin or religion and free of harassment in any form.

To substantiate the claim that Fujitsu provides a high quality employment environment, free of these issues, a synopsis of those recent filings of discrimination against the company is offered. These filings represent those actions taken by employees in the form of complaints filed with the Bureau of Labor and Industries (BOLI), Civil Rights Division.

During the past five calendar years, 1991, 1992, 1993, 1994 and 1995 year-to-date, Fujitsu Microelectronics, Inc. Gresham Manufacturing Division has had a total of six complaints filed. Three have been complaints based on discrimination against an individual who has or claims to have physical disability under the definition of disability provided by the Americans with Disability Act or ADA. Two of the claims have been for racial discrimination, discrimination based on race, as defined under the EEOC guidelines on Equal Employment Opportunity. One of the claims has been based upon sexual discrimination under the same EEOC guidelines and the final claim was based on age as defined by the Age Discrimination and Employment Act of 1967, ADEA.

There are seven cases referenced as one of the claims was a dual claim for both race and sex discrimination. Of these claims, five have been closed by the Bureau of Labor and Industries (BOLI) or withdrawn by the claimant. In those cases where the claims have been closed by BOLI, the findings cite that the claims were closed because no basis existed for the claim.

The one remaining case recently has been filed against the company, and it is too early in the process to determine whether or not BOLI will pursue this claim. The company is preparing a response and anticipates this claim will be closed for lack of basis, as with previous claims.

The low level of claims files and the lack of actionable filings bear out Fujitsu's record of fair and equal treatment to employees. As noted, discussions with representatives of the Civil Rights Division of the Bureau of Labor and Industries indicate that this number of claims during this period of time is better than average in comparison with other manufacturing organizations of similar size.

D. PRIOR & EXISTING TAX ABATEMENT AGREEMENTS

Fujitsu has not asked for or received other tax abatements in the United States (whether in or outside of Oregon).

III. MULTNOMAH COUNTY GOALS & STANDARDS

This section provides a response to Multnomah County SIP goals and standards. For each topic, a narrative is provided that describes GMD's approach to achieving County adopted goals. This is followed by a more specific response to the SIP policy standards.

A. NEED FOR THE EXEMPTION

Multnomah County Goal:

- **Abatements will be granted to secure investments that would otherwise not take place within Multnomah County.**

In addressing this goal, it is useful to provide a perspective on the rapidly changing and competitive nature of the industry in which Fujitsu operates. The semiconductor industry represents a dynamic evolution of continuous development and advances in technology. In addition, the rapid advancement of technology impacts the life of each product device and, subsequently, the facilities that produce them.

Technological improvements have led to a continuing trend of more sophisticated products, fueling the electronics revolution that significantly impacts every aspect of modern society. In effect, the first four decades of the semiconductor era have seen a maturing industry emerging to world dominance.

Technological improvements fall into two broad categories: process and structure. Process improvements are those that allow the fabrication of microchips in ever higher density, quantity, and reliability. Structure improvements are the invention of new chip designs that allow greater circuit performance, power control, and reliability.

The advancement of chip density and concurrent reduction in the size of individual circuit components has been a focus of technological advancement. There are several benefits to the reduction of the component size and its increased circuit density. These include increased speed, less power requirements, less cost to consumers, and tremendous expansion in applications and marketing potential.

The most significant effect of these improvements is reflected in the cost of the chips. Chip prices have constantly declined, even as the performance of chips have increased. To offset the decline in chip prices while delivering a more sophisticated circuit, the semiconductor industry has had to continually make dramatic improvements in processing technology.

The essence of the marketing game in this industry is to design a new chip and ride the sales curve up before the competition can bring out a competing design. Concurrently, in the

fabrication area, process engineers must labor to keep up with higher yields (good die per wafer), shrinking die-size, and volume requirements.

Marketplace pressures and trends in semiconductor processing have led to higher levels of automation in the fabrication process. Automatic machines, for the most part, load wafers, process them through predetermined steps, and return them to transfer carriers with the push of a button. Sophisticated automation is absolutely critical in the production of advanced chips. As chip designs advance, so must the fabrication automation required to produce them. Many industry experts feel that automation is the key to dominance in the worldwide semiconductor industry.

Currently, GMD produces 4 Mg DRAMs (Dynamic Random Access Memory) and a variety of densities of EPROMs (Erasable Programmable Read Only Memory) in a very sophisticated automated fabrication plant. The 4 Mg DRAM is currently at the peak of the sales curve and has been stabilized at this point for some time due to the recent recession recovery. The EPROM devices are somewhat similar in status. It is anticipated that both of these devices should have another four or more years of respectable margins, even though prices will probably begin to decline sometime in the latter part of FY 1995.

In order to compete with the next generation of memory device design (16 Mg DRAM, 64 Mg DRAM), Fujitsu must establish a new fabrication plant to accommodate the next level of automation required to produce them. The firm cannot produce the next generation of product with the current facility/equipment. To compete in the marketplace at the front end of the sales curve when profit margins are in keeping with the high capital investment required, timing is absolutely critical.

All forecasts of the industry indicate the front end of the sales curve for 16 Mg DRAMs and 64 Mg DRAMs will be early 1997. Considering the magnitude of constructing a new fabrication plant, the lead time required, weather conditions and any other infringements on construction, it is absolutely critical to begin the process of construction immediately in order to be in production by early 1997.

The 16 Mg DRAM is anticipated to peak on the sales curve sometime in FY 1997 or 1998, and should remain profitable five years out from that point. The 64 Mg DRAM should peak around the year 2001 or 2002, and remain profitable more than five years out.

Industry analysts are predicting these higher density chips will have much longer life cycles than previous lower density devices. The next generation of memory chip will be the 256 Mg DRAM, and that will most likely require the construction of a new fabrication facility.

Changing product cycles and market conditions will affect Fujitsu's existing facility (Fab I) needs. It is anticipated that GMD will continue to produce the 4 Mg DRAM and EPROMs to the

end of their life cycles. Beyond that point, it is anticipated that GMD will convert production in Fab I to either standard logic or application specific devices.

These latter products have much different life cycles. In particular, standard logic devices are generally used in computer controller functions and do not require many continuous revisions. Their product life can be as much as ten years. The Application Specific devices are semi-custom made chips for specific customer application and are affected by individual contracted agreements in terms of life cycle.

It is also anticipated that in future years GMD may develop a Research & Development Design capability and generate product development on site in accordance with future market trends.

Standard:

- **Applicant will describe why an abatement is needed and state that they would not locate here otherwise.**

GMD has scrutinized other locations in the world as possible locations for the new fab plant expansion. This includes sites in Great Britain as well as Japan. Although many factors influence a location decision, this project will not take place in Gresham without approval by Multnomah County under the Strategic Investment Program (SIP).

B. HIRING, WAGES, BENEFITS, TRAINING & RETENTION

The Fab II expansion by Fujitsu Microelectronics, Inc. supports and meets each of the four goals outlined by Multnomah County. This project will create a total of 445 full time, permanent jobs with benefits. Fujitsu Microelectronics is also committed to enhancing employee advancement through education, training and promotion programs and opportunities.

Multnomah County Goals:

- **The creation of long-term jobs with family wages, benefits, and working conditions for residents of Multnomah County or the creation of a full spectrum of jobs for residents of Multnomah County who are unemployed or underemployed, with a clear career track from entry-level jobs to family-wage jobs.**
- **Company will do a child care impact study and respond by providing support for all parents needing child care, especially entry-level parents.**
- **Provide educational opportunities to enhance upward mobility for both technical and management roles.**
- **Minimize the number of contracted on-site jobs that pay low wages.**

Staffing of the Fab II expansion will be done in two phases over three years. The result of this hiring plan will be a staff of 445 full time regular positions. In addition, GMD plans that there will be a limited number of contract and temporary employees associated with this expansion. The general hiring plan will proceed according to the following schedule.

Projected Full Time Employee Hiring Schedule

Classifications	1996	1997	1998	Total
Operator	32	149	149	330
Technician	36	22	---	58
Engineer	9	20	8	37
Administrative	---	10	---	10
Supervisors	---	10	---	10
Total	77	211	157	445

Initial hiring will be done in the period just prior to March of 1996. In this period, the company will create 77 new positions. Those positions will be comprised of 32 production operators, 16 equipment maintenance technicians, 20 process technicians, and 9 equipment and process engineers. The second phase of the hiring plan will be from March 1996 - March 1997. At the close of the second phase of the hiring plan, employment will reach a total of 445, distributed across categories of operator, technician, engineering and administrative.

Currently, average annual earnings of the four primary employment categories ranges from \$26,500-\$56,400, based upon today's compensation practices:

Classifications	Average Total Pay Annually	Annual Median Earnings	Education Required
Operators	\$26.5K	\$26.2K	H.S.
Technicians	\$47.6K	\$48.8K	A.A.
Engineers	\$56.4K	\$54.4K	B.S.
Administrative (exempt positions)	\$41.0K	\$40.8K	A.A./B.S.
Supervisors (Production)	\$56.5K	\$56.1K	A.A./B.S.

Note: Earnings are in thousands of dollars.

These earnings represent a total of all cash compensation paid to include base hourly rate or salary as applicable and all regularly scheduled overtime, average additional overtime worked by these positions, shift differentials, lead pay where applicable and cash bonuses paid. In addition to these primary categories, there will also be 10 production and management positions created with average annual total earnings of \$56,500, and 10 administrative positions with an average annual salary of \$41,000.

It is noted that earnings of Fujitsu hourly employees are impacted by 12-hour production work schedules wherein employees work 1.59 hours of scheduled overtime each work shift. The standard workday for all GMD production workers is ten hours of straight time or regular hours and 1.59 hours at premium pay (base hourly rate times 1.5).

This 12-hour work schedule creates a situation in which all production employees' actual regular earnings are enhanced, giving them an effective rate of pay which is 6.8% higher than their nominal base rate of pay. This differential is illustrated in the following table:

Position	Average Hourly Base Rate	Average Hourly Effective Rate
Operator	\$10.22	\$10.92
Technician	\$17.80	\$19.02

Applicable programs and specifics of this project proposal for Fujitsu GMD are provided below for each of the *standards* under this section.

Optional Standards (for High Wage vs. Full Spectrum of Jobs):

"Multnomah County wishes to attract firms that will pay especially high wages and will employ large numbers of area residents who are unemployed or underemployed, but understands that jobs that pay especially high wages generally require skills that large numbers of unemployed or underemployed area residents are unlikely to possess. In recognition of the fact that projects eligible for the SIP are likely to fall into two broad categories -- research-oriented facilities that pay high wages but are unlikely to employ large numbers of current area residents and production-oriented facilities that can employ significant numbers of current area residents but at wages that are high only in relation to other production jobs -- this policy provides two parallel sets of standards." -- *excerpted from Multnomah County adopted SIP Policy.*

The following standard may be met by an applicant offering primarily *high-wage* jobs:

- **The applicant will make assurance that 75% of regular employees (counted on an FTE basis) will be paid more than the mean covered payroll per employee in Multnomah County.**

This standard does not apply to the Fujitsu GMD application. Consistent with the Multnomah County Strategic Investment Program, Fujitsu GMD will address the following alternative standards applicable to applicants providing a *full spectrum* of jobs:

- **The applicant will agree to a minimum number of jobs to be created through the project as part of the terms and conditions of the abatement contract.**

Fujitsu Microelectronics, Inc. agrees that the expansion of its existing operations in Gresham will create an additional 445 full time regular positions in several phases after completion of both

phases of the project. It is anticipated that a creation of these jobs will provide a significant number of advancement opportunities to the company's existing workforce in Fab I.

As selected members of the existing workforce are transferred to the new facility, an equal number of job opportunities will be created in the existing facility. This will represent significant opportunity to the community, as employees transferring into Fab II will have a high likelihood of promotional advancement via transfer, thereby increasing their wages or potential wages. Positions which are then available in the existing facility will offer an opportunity for a current resident to find employment with Fujitsu GMD.

- **The applicant will demonstrate that a clear path exists for advancement from entry-level positions to positions that provide higher pay, including positions that pay more than the mean covered payroll per employee in the county.**

Fujitsu Microelectronics, Inc. has a well established internal opportunities program comprised of a job posting program designed to advance employees through promotional opportunities as they become qualified to hold positions of higher responsibility. Attached Exhibit B details the hierarchies and the movement of employees into advanced positions through those job ranks. Employees have full access to this system for all non-exempt positions and professional exempt positions below the level of Section Head.

Advancement opportunities within the Fab II expansion will be governed by the same policies and practices as currently exist in Fab I. Fujitsu anticipates that job advancement in the new facility will continue to track the same experiential levels and offer newly promoted employees earnings which are equivalent to those currently being paid to individuals in those job categories.

- **The applicant will describe its wage scale for occupations with entry-level positions and describe how an entry-level employee might typically move through pay levels and job classifications.**

The general pattern of progression for entry level positions in the organization begins with special temporary trainee positions. These jobs, which pay a base rate of \$6.75 an hour, are also eligible for shift differentials and earn overtime pay as well. In addition, they are granted medical benefits, holiday pay and bonuses.

A typical employee will graduate from the Special Temporary program in just slightly over four months, advancing to the position of a regular Level I production operator. The current retention or success rate for this conversion is 77%. At that time, employee wages increase to a total annual average of \$19,983, with eligibility for all Fujitsu Microelectronics, Inc. employee benefits programs. At this time, the employee is also given prior service credit for any temporary time towards eligibility for participation in the group retirement plan and 401K savings plan.

Typical production operator job advancement, given acceptable job performance, a normal learning curve and acceptable attendance, will be promotion to a Level II operator between 12 and 18 months after becoming a full time regular employee. At that time the individual is eligible for a salary increase to an annual average of \$25,111. In some cases, the individual salary may be adjusted above that level. Again, these positions include regularly scheduled overtime, additional overtime as necessary, shift differentials, lead differentials and cash bonus payments.

A Level II operator has access to promotional opportunities in other departments such as Equipment Maintenance, Process Engineering and the Training Dept. If the operator chooses to remain a Production Operator, the individual would be eligible for promotion within 1-2 additional years of service depending upon performance and job skills. At that time, this employee would be eligible for an average annual cash compensation of \$28,034.

However, these employees have other options and would be eligible to bid for positions the Equipment Maintenance or Process Engineering. At this point in time the individual has total annual earnings in excess of a mean covered payroll of Multnomah County and access to numerous other promotional opportunities based upon their own ambition and job skill development.

Fujitsu Microelectronics, Inc., Gresham Manufacturing Division, has a clear preference for local hiring from the Oregon Labor Market whenever that is possible and practical. Fujitsu feels strongly that hiring local employees provides a significantly better opportunity for success and long term retention. The secondary option to recruit and hire individuals from other locales and relocate them to this area has proven in the past to be expensive and less than desirable from a retention standpoint.

The firm has taken steps to improve its ability to attract, hire and retain individuals from the local labor market through the establishment of a cooperative educational program with Mt. Hood Community College for Equipment Maintenance Technicians. This program offers students at Mt. Hood Community College who are working on degrees which are relevant to the semiconductor industry, opportunity to work part-time while completing their education with the goal of full-time regular employment at the completion of their degree. The company has also begun an aggressive college recruitment program throughout the State of Oregon, for entry level engineering candidates with a goal of meeting 60% to 75% of all future engineering staffing requirements through these sources.

- **The applicant will agree to negotiate contract terms and conditions appropriate to its operations and to the local labor market that will specify minimum percentages for hiring current residents of the region.**

Fujitsu Microelectronics, Inc. agrees to enter into a Full Service First Source Hiring Agreement with the Portland Development Commission's JobNet program to insure that hiring opportunities for applicants from the local community are maximized. It is understood that JobNet will utilize

its network of affiliate organizations to target specific populations of interest to Multnomah County.

To assist in targeting newly created jobs to the local community, Fujitsu will sign a "First Source Hiring Agreement" with JobNet. This will cover new positions created at the facility and any openings that result from employee transfers.

Fujitsu understands that JobNet will target job announcements to key contacts in Multnomah County including employment and training agencies, colleges, schools, community and religious organizations, and over 200 related private and non-profit organizations. Through JobNet, the State Employment Department will also match each position opening with their data base of local register job applicants. These systems will allow local residents first access to newly created jobs.

- **The applicant will describe how their employment practices facilitate the retention of employees and will agree to negotiate contract terms that specify appropriate measures and standards for employee retention.**

Fujitsu Microelectronics, Inc. offers a full array of benefits to its employees which are designed to retain employees for a long term employment relationship. The company is fully cognizant that a highly skilled and stable employee is important to a productive workforce, which in turn enables the company to be significantly more profitable and viable into the future. Fujitsu's benefit programs, therefore, are designed to retain employees by developing their job skills through an educational reimbursement policy which allows employees to pursue additional education through institutions of higher learning of their choice.

The company also offers an Associates of Arts Degree in Microelectronics Technology which is available to all GMD employees. Classes are held on site and are attended by approximately 20% of the current workforce.

This program was designed to give people the job skills and training that they need to advance within the organization. The company recognizes that they are much more likely to retain employees who are able to advance in the positions of higher skill and responsibility and who have an opportunity to enhance their earnings via those promotional opportunities.

In addition to these programs, the company offers a complete set of employee benefits which are designed to meet most if not all of an employee's insurance needs as well as provide a sense of security. These benefits are available to all employees as described in further detail as part of the response to General Standards (which follow).

Fujitsu Microelectronics, Inc. agrees to negotiate appropriate measures and standards for employee retention as part of the SIP abatement contract.

- **The applicant will describe a credible program to assist employees who need child care, taking into account the hours and shifts that employees will work, and will make assurance that such a program will be implemented. This standard applies only to employers that will be offering a substantial number of below-family-wage jobs.**

Fujitsu Microelectronics, Inc. has entered into negotiations with Children's World Inc. to expand the existing child care assistance program. The current assistance program provides a subsidy of 15% of cost for all employees who desire to use Children's World. Fujitsu has negotiated an additional discount of 15% for employees who use facilities of Children's World.

In addition, GMD provides a child care referral service through Metro Child Care Resource and Referral for those employees who do not wish to use Children's World and would like to make other arrangements. The cost of that referral service is borne totally by the company. Correspondence from Children's World documenting this relationship is provided as Exhibit C.

In light of plans to enhance child care subsidies, GMD will investigate the ability to extend child care to a 24 hour per day, 7 day per week operation with Children's World, depending on economic viability for the provider. This option may become more viable pending the interest or location of other similar firms in the area.

GMD is hopeful that this can be accomplished as the firm is cognizant that the nature of manufacturing operations requires that employees seek child care at times which are not standard in the current child care industry. In addition to these measures, Fujitsu Microelectronics, Inc. will consider increasing the child care subsidy for those employees whose earnings fall below the current mean covered payroll for Multnomah County.

General Standards (for All Applicants):

- **The applicant will describe by category (e.g. entry-level production, skilled production, technical and professional, management, administrative and support, sales, clerical, maintenance, security, shipping and receiving, food service, etc.) the number of jobs and wage scales of those jobs that the project will create at the facility. The applicant also will specify which of these are regular full time, part time, temporary, or contract positions.**

The following table describes by category the number of full time positions, entry level production, skilled production, technical, professional, management, administrative and support positions that will be created by the expansion of Fab II.

Projected Employee Hiring Schedule

Classifications	1996	1997	1998	Total
Operator	32	149	149	330
Technician	36	22	---	58
Engineer	9	20	8	37
Administrative	---	10	---	10
Supervisors	---	10	---	10
Total	77	211	157	445

An analysis of current levels of total cash compensation indicates that 71% of all FMI regular employees earn more than the mean covered payroll of Multnomah County (of approximately \$27,000 annually). Just over 63% of the non-exempt workforce earn above that level. And 100% of the exempt/professional workforce has earnings above that level.

All of the positions described in this table are regular full time positions. As noted in the discussion under the Standard describing the advancement path available to entry level positions, initial entry to operator positions is through a special temporary trainee position. The special trainee position is used as a probationary training and screening mechanism prior to regular employment.

Contract Services at Fujitsu GMD *

Vendor	Service	# of Employees	Health Benefits
Marriot	Cafeteria	5	Yes
CBM	Janitorial	11	Yes
Northwest Landscape	Groundskeeper	5	Yes
Guardsmark	Security	16	Yes
Edwards	Facility Engineer	6	Yes
VTEK	Equipment Maintenance Engineers	5	Yes
Total		48	

* Note: Contractors have provided wage information to GMD, but this wage information is proprietary and not for public disclosure.

Fujitsu Microelectronics, Inc.'s existing Fab I operations includes 48 persons who provide on-site services which are contracted from a number of local firms. Contracted services include cafeteria, janitorial, groundskeeping, security, facility engineering, and equipment maintenance.

All of the firms which provide contracted services through on-site employees provide these employees health care benefits. *Note:* Information on wages for these positions is not available. Each of the firms with which Fujitsu Microelectronics, Inc. contracts for on-site services has

stated that providing wage information will place them at a competitive disadvantage within the marketplace, particularly in regard to competition for future contracts with Fujitsu Microelectronics, Inc.

It is anticipated that GMD will continue to utilize the above mentioned contractors with a slight increase in the number of employees (maximum 10% increase). GMD does not anticipate using any other contract help at this time.

- **The applicant will agree to enter into an exclusive Full Service First Source Agreement to use Job Net or an equivalent sourcing arrangement.**

As previously indicated, Fujitsu Microelectronics, Inc. agrees to enter into a Full Service First Source Hiring Agreement with the Portland Development Commission to use its JobNet program.

- **The applicant will describe training and education programs available to entry-level employees and training and education programs available to other employees. In-house programs, tuition assistance for job-related training and education, or contracts directly with community colleges or universities would meet this standard.**

Fujitsu Microelectronics' Gresham Manufacturing Division (GMD) is committed to providing high quality education and training to its employees and encourages career advancements through internal training programs and the pursuit of higher education. All employees receive customized on the job training based upon their job responsibilities. At company expense employees may also earn an Associate of Applied Science Degree in the Microelectronics Technology.

Offered in partnership with Mount Hood Community College (MHCC), this program presents fully accredited college courses on the GMD campus as well as at MHCC. Currently 100 employees are enrolled in Spring Term courses. The effectiveness of this type of training partnership is illustrated by press coverage, as per the *Gresham Outlook* article (attached as Exhibit D).

Employees may also register for these classes without earning a degree. To encourage graduates of this program to continue their studies and earn a Bachelors degree, the GMD is linked with Oregon Institute of Technology (OIT) to provide a seamless transition from the GMD/MHCC Microelectronics Technology Associate Degree to OIT's Manufacturing Technology Bachelor Degree program.

Employees may also pursue college courses and degrees at other local colleges and universities through the GMD Educational Assistance Program. Fifteen employees to date have earned college degrees through this program. In 1994, GMD invested over \$1 million in education and training for GMD employees.

Summary of Employee Development Programs

Job Classification	New Hire Orientation	Initial Development	Ongoing Learning
Entry Level and Experienced Operators	40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits.	2-6 Weeks of on the job training leading to formal certification at a first level of competence on equipment, process and operations.	Cross training on equipment, processes and operations. Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also noted are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995.
Technicians	40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits.	On the job training and classroom training provided by company trainers, seminars, vendors and workshops.	Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995.
Engineers	40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits.	Training provided through company seminars, vendors and workshops. Professional association workshops and seminars.	Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: workshops on technical operations; cross functional team training; and pre-management classes planned for the summer 1995.

Job Classification	New Hire Orientation	Initial Development	Ongoing Learning
Supervisors	40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. New Supervisor Orientation: One week program provides overviews of all GMD Departments.	Training provided through company seminars, vendors and workshops. Professional association workshops and seminars.	Gresham Manufacturing Division / Mount Hood Community College Microelectronics Technology Associate Degree classes are open to all employees. Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are: problem solving workshops; and GMD Frontline Leadership - 18 4-hour workshops on basic supervisory and communication skills; together with management workshops and technical operations training.
Managers	40 Hours of training on: Cleanroom Procedures, Safety, Teamwork, Quality, Document Control, and GMD Employee Benefits. New Supervisor Orientation: One week program provides overviews of all GMD Departments.	Training provided through company seminars, vendors and workshops. Professional association workshops and seminars.	Through the Education Assistance Program enrollment in courses and degree programs at colleges and universities throughout the Portland metro area is available. Also available are problem solving workshops; and management workshops and technical operations training.

Summary of GMD Education Partnerships

Mount Hood Community College: MHCC

GMD/MHCC Microelectronics Technology Associate Degree Program

- Courses are open to all employees.
- Approximately 100 employees are enrolled in program courses for Spring Term.
- The program features a custom designed manufacturing curriculum presented by MHCC Instructors and GMD staff.
- Courses are held on the company campus at convenient times for employees.
- Educational counselling is available for all employees with a coordinator who is stationed at GMD.

GMD/MHCC Equipment Maintenance Co-Op Program

- To establish a career link for MHCC students and to secure a pool of potential and future employees, GMD has established a cooperative education intern program between the Electronics Department at Mount Hood Community College and the Equipment Maintenance Section at GMD.
- Co-Op students are scheduled to work 25 hours per week and must be attending school full time. The company reimburses 50% of each academic term's tuition when satisfactory grades are achieved.

Clackamas Community College: CCC

- Provides team training for employees.
- CCC presents customized Supervisor and Lead Training programs.

Portland State University: PSU

- A Customized Management Development Program was co-developed by PSU and GMD Management.

Oregon Institute of Technology: OIT

- The GMD is a partner with OIT in the Advanced Research Project Administration Grant.
- As part of its commitment to career enhancement, GMD is participating in a project funded by Advanced Research Project Administration to provide pathways to advanced degrees at the Oregon Institute of Technology. Additionally GMD, Mount Hood Community College and the Oregon Institute of Technology are working together to identify a potential base of unemployed Oregon workers and to develop assessment tools for placement in the semiconductor workforce.
- GMD has paid the matching half of the Advanced Research Project Administration Grant which funds the half salary of a Mount Hood Community College instructor who assists in the development of the GMD/MHCC Microelectronics Technology Associate Degree Program and provides counselling services to employees who are planning college degree activities.

Future Training and Education

In Partnership with Mount Hood Community College, the GMD has received a grant from the Metro Regional Strategies Board to develop an education and training needs assessment and a business plan to determine the advisability of establishing an East County High Technology Training Center.

This center proposal is an idea developed by GMD to round out the availability of high tech and semiconductor industry training for the people of Metropolitan Portland, Gresham and beyond. The center is intended to complete the design of three major high technology training centers spanning the metro area: The Capital Center on the West Side, The Wacker/Benson Center in Portland and the proposed East Multnomah County Center.

This assessment has the support of the Semiconductor Workforce Consortium. The Semiconductor Workforce Consortium designs regional training strategies with the goal of employing as many Oregonians as possible in the semiconductor industry. The Chair of the Semiconductor Workforce Consortium is Shawn Fisher, a Fujitsu employee, who is also responsible for education and training at GMD.

The center might have several purposes. First, it will prepare individuals for employment at GMD or other semiconductor industry companies. The Semiconductor Workforce Consortium Report released in April 1995 conservatively projects the number of new jobs in the semiconductor industry in the next five years to be 7,000.

The second proposed purpose of the center is to act as a school-to-work training center for East Multnomah County. And finally, the center might serve to act as a magnet to attract other high technology companies to locate in the east Multnomah County area.

Japanese Word Processors

GMD has donated one Japanese word processor to each of the following three high schools:

- Gresham High School
- Sam Barlow High School
- Reynolds High School

Grade School - The GMD/Clear Creek Middle School Robotics Project

- GMD has donated and installed a Robotics Learning System at Clear Creek Middle School's Technology Education Lab. The Technology Education Lab introduces six, seventh and eight grade students to high technology education in the following areas: aerodynamics, computers, lasers, propulsion, robotics, and television programming and recording. Clear Creek Middle School is located on property adjacent to the GMD campus.

- **The applicant will describe the benefits offered to employees, making clear what the employer's contribution is and which employees qualify.**

Fujitsu Microelectronics, Inc. offers a complete benefits program to all of its regular full time employees. These benefits are detailed according to the table below. The table also illustrates respective employer/employee contributions for each of the identified benefits.

Benefit	Company Contribution \$/Month	Employee Contribution \$/Month
Medical Insurance		
CIGNA		
EE Only	\$273.00	\$40.00
EE + Family	\$696.00	\$80.00

Benefit	Company Contribution \$/Month	Employee Contribution \$/Month
HMO Oregon		
EE Only	\$105.00	\$0.00
EE + Family	\$314.00	\$32.00
Kaiser		
EE Only	\$106.00	\$0.00
EE + Family	\$355.00	\$34.00
Dental		
EE Only	\$28.00	\$0.00
EE + Family	\$74.00	\$0.00
Vision		
EE Only	\$6.00	\$0.00
EAP		
EE + Family	\$2.00	\$0.00
401K* (Voluntary)	\$120.00	\$120.00 (Co. matching funds)
Pension	\$78.00	\$0.00
Life	\$17.00	\$0.00
AD&D	\$4.00	\$0.00
LTD	\$8.00	\$0.00
Vacation	2 weeks paid time depending on length of service	
Personal Time	10 paid days per year No-fault program	
Holiday	12 paid holidays per year no-fault program	
Productivity Bonus	Up to 18 days pay annually based on company results	
Service Awards	1 week's pay at 5 years service	
Child Care Subsidy	Discount of 30% of child care costs at Children's World	
Lump Sum Shift Payments	\$100, \$200 or \$400 per quarter depending on shift assignment	
Shift Differentials	15% of base of night shifts 8% of base for modified shifts	
Annual Merit Increases	Annual salary increases based on performance (average 4.5% year)	
Perfect Attendance Bonus	Up to \$200 per quarter depending on number of consecutive quarters	
Lead Pay	10% of base for lead 5% of base for assistant lead	
Educational Reimbursement	Up to \$3,500 per year	

* Note: Calculated based on 3.5% of average company salary on monthly basis.

Many of the employee benefits are provided essentially as a 100% contribution from GMD; family contributions typically involve some co-pay payment.

- **The applicant will demonstrate its commitment to all full-time, long-term employees by describing employer-paid benefits, which may include: health insurance, dental insurance, life insurance, accidental death insurance, disability insurance, retirement, profit sharing, employee ownership/stock purchase, educational assistance, day care, and transportation assistance. As a part of these benefits, the applicant must provide employer-paid health insurance equal to or better on the whole than the Oregon Health Plan, and must allow other employees and members of employees' families to purchase health insurance at or below cost, to the extent that the applicant's health insurance carrier will write coverage for such persons.**

Fujitsu Microelectronics, Inc. demonstrates its commitment to full time, long term employees through the use of extensive benefit plans. Details of these benefit plans are described for the prior standard. For comparative purposes, a summary of the Oregon Health Plan is provided as Exhibit E. The company provides benefits substantially above those indicated in the Oregon Health Plan.

C. HOUSING & TRANSPORTATION

Working with the City of Gresham and Multnomah County, Fujitsu GMD is prepared to participate in addressing Multnomah County goals for housing and transportation.

Multnomah County Goals:

- **Provide assistance securing affordable housing.**
- **Encourage employees to use transit, car pools, van pools, or alternative modes of transportation.**

Fujitsu Microelectronics, Inc. recognizes the County's goal to provide Multnomah County Citizens assistance in locating and securing affordable housing, and will cooperate in assessing the extent to which Fab II expansion may impact affordable housing availability. It is assumed the County is particularly concerned about employees whose total annual compensation would be below \$27,258.

Fujitsu has a proven record of paying uniquely high wages evidenced by the fact that the lowest employment classification, Operator, currently carries an average total compensation of nearly \$27,000 annually. Fujitsu agrees to provide any information at its disposal regarding residence location of its current workforce in anticipation that additional members of the workforce will be distributed in like manner.

With regard to transportation, Fujitsu has worked for several years with the City of Gresham and Tri-Met to facilitate and encourage employee utilization of the public transit system. In conjunction with MAX light rail, Tri-Met has implemented a timed transfer and feeder bus system to create more efficient bus scheduling, transfers, and route coverage.

Fujitsu is committed to working with the City of Gresham to encourage reduction of single-driver trips and increased car pooling. To improve on its existing efforts Fujitsu has made contact with Tri-Met to seek involvement of specialists experienced in developing "Employee Transportation Programs".

Standards:

- **The County will place a percentage of the Community Service Fee aside to address the need for assistance with home ownership and the creation of low and moderate rental units.**

Fujitsu understands it is a County objective to set aside a percentage of the Community Service Fee specifically to assist county patrons with home ownership and creation of low and moderate rental units. Fujitsu endorses this action.

Fujitsu Microelectronics, Inc. agrees to provide to Gresham any information at its disposal regarding the residence location of its current workforce in anticipation that all additional members of the workforce will likely be located in a similar manner. Current analysis of the existing workforce demonstrated that 27% resides within the city limits of Gresham and more than 60% of that workforce resides within Multnomah County. Exhibit F (Zip Code Map) illustrates the residence distribution of the current GMD workforce.

- **The County will work with the City in which the project will be located, other cities in the region, and Metro to assess the applicant's impact on the availability of affordable housing in the region and, if an adverse impact is predicted, the applicant will agree in negotiations to fund an appropriate company- or community-operated program.**

Fujitsu, being sensitive to this high priority of the County, has worked diligently to evaluate possible impacts of its expansion. After careful review of the facts associated with this issue, Fujitsu has concluded that its Fab II expansion will have minimal long-term measurable impact on the availability of affordable housing in Multnomah County. This determination is based on three specific findings associated with this subject:

1. *Given that a large percentage of new employees will already be living in the region, it is unlikely many will have the need to purchase or rent new housing on their own. Using the current workforce Zip Code distribution as a guideline, new entry level employees will come from jurisdictions spread widely throughout Multnomah County and metro area. The largest percentages will come from the Gresham, Troutdale, Wood Village, Fairview and Sandy*

areas. Some will certainly represent second family incomes already living in residences throughout the region.

Based on Fujitsu's plan to utilize services of Portland Development Commission's JobNet program, it is even more likely that jobs will be filled with existing residents. This is in line with Fujitsu's experience and Oregon Economic Development projections that as much as 90% of operator positions can be filled from existing Oregon residents. As noted, Exhibit F (zip code map) illustrates the residence distribution of the current workforce.

2. *Compared to the entire metro area, the Gresham/East County area is designated as having an inadequate existing job base to serve its residential population.* This finding would indicate a general jobs deficiency in the area lending credence to the anticipation that new hires from the Gresham area are likely to come from existing residences. Exhibit G comprises a *Jobs-to-Household Analysis for Gresham Area as Compared to the Metro Area*, a report prepared by E.D. Hovee & Company using Metro data, April, 26, 1995.

It is Fujitsu's hope that creation of additional employment base in Multnomah County will attract Gresham area residents who would take advantage of the option to work closer to home, if available. More locally available jobs can also be expected to reduce length of worker trip commutes and vehicle miles traveled (VMT).

3. *Issues of housing affordability will be limited to the early hiring and training period of operators.* As described in the discussion of employee career path, the typical operator will graduate from a Special Temporary program in just over four months. At that time, compensation increases to \$19,983. After an additional 12-18 months, the typical production operator will be promoted to a Level II position with an average annual compensation of \$25,111.

This equates to more than 90% of the mean statewide and Multnomah County wage for non farm wage and salary employees. Consequently, within less than a two year time period, all Fujitsu employees are experiencing earnings consistent with mid to upper level incomes to achieve objectives of housing choice and affordability.

- **The applicant will describe a credible program to encourage employees to use transit, car pools, van pools, or alternative modes of transportation and will make assurances that such a program will be implemented.**

Fujitsu Microelectronics, Inc. will be working in conjunction with the City of Gresham and Tri-Met to establish a program which will encourage employee use of alternative modes of transportation, including public transportation and car pooling. The company will explore the viability of establishing company sponsored van pools for those employees living at a distance of greater than 20 miles from the plant. In addition, the company will offer incentives to its

employees such as reserved parking places and special recognition for those employees who participate in traffic abatement and alternative transportation programs.

Fujitsu will designate a key employee as Transportation Coordinator. This person will work with Tri-Met to develop a multi-dimensional transportation plan for the company focused on encouraging employee use of alternative modes of transportation.

Fujitsu will conduct an on-site company sponsored "Transportation Fair" and supply all new employees with Tri-Met's "World's Greatest Transit Stuff" kit. Fujitsu will cooperate with other area companies in transportation programs addressing common issues of concern to the companies, local jurisdictions and Tri-Met.

D. INFRASTRUCTURE & PUBLIC SERVICES

Fujitsu is cooperating with the City of Gresham to assure adequacy of current and planned infrastructure and public services. A letter from the Gresham City Manager verifies infrastructure capacity and is attached as Exhibit H.

Multnomah County Goal:

- **No unmitigated adverse impacts on the level of services provided to existing residents of Multnomah County and the region.**

Fujitsu Microelectronics, Inc. has met with The City of Gresham Community Development Department staff on several occasions during the past few weeks to go over all details of the proposed development. It has been determined that no unmitigated adverse impacts are associated with the proposed project.

The facility will be built on land which is zoned light-industrial, already owned by the company and appropriate for the proposed purpose. The company agrees to meet all requirements of the site design, review, permitting and building process. It will submit necessary building plans and comply with any and all development standards set forth by the City. To facilitate a prompt and efficient inspection process, the company has agreed to provide on-site office space for City inspectors.

Standards:

"As part of its application, the applicant will describe impacts in the following areas and what it has committed to do to mitigate negative impacts. The applicant will provide statements from the relevant agencies that there will be no unmitigated adverse impacts on the level of service or infrastructure or that describe what unmitigated adverse impacts will result from the project. Remedies for unmitigated adverse impacts will be negotiated as part of the terms and conditions of the contract." -- *excerpted from Multnomah County adopted SIP policy.*

- **Transportation infrastructure (including traffic and congestion, transit, port, rail, air, multi-modal).**

During the GMD construction phase, it is anticipated there will be no noticeable impact on traffic flow. Based on information available at the time of this application, there are no known traffic impacts associated with the development itself.

If any improvements are deemed necessary such as roads, signal lights, etc., Fujitsu will pay the full cost of their impact on the City. The City operates on the basis of 100% cost recovery. There should be no unmitigated impacts on City assets or services.

- **Utility infrastructure (water and sewer capacity; solid and hazardous waste disposal).**

Water to the site is supplied by Portland's Bull Run system distributed by the Rockwood Water District. The water service need has been submitted to Rockwood and there is sufficient capacity to service the new operation.

No additional water lines are anticipated. If any are required, full expense of installation will be borne by Fujitsu. If necessary, Gresham's water system could also serve Fujitsu's needs. *Note:* Because Fujitsu expects to install a state of the art water recycling system, water needs will be reduced substantially.

Sewer services will be supplied by The City of Gresham. Wastewater needs have been submitted and evaluated by the City. No expansion of the current system is necessary to accommodate this new requirement.

Solid and hazardous waste disposal practices have been coordinated with the City of Gresham and the Oregon Department of Environmental Quality. GMD is involved in efforts to recycle or reuse a wide variety of materials, including solvent, oils, mercury vapor lamps, batteries, cardboard and paper. The company has acquired a trash compactor to reduce the volume of trash that is landfilled. Confirmation of the City of Gresham's working relationship with GMD for toxic waste reduction is provided by Exhibit I.

- **Public safety (police, fire, emergency medical services, disaster preparedness).**

Public Safety issues have been evaluated by the City of Gresham and current service levels are deemed sufficient and ample to handle the expansion. Fujitsu meets and/or exceeds all hazardous waste and emergency service requirements.

E. ENVIRONMENTAL PROTECTION

Consistent with its past practices, Fujitsu GMD remains committed to a record of compliance with regulatory requirements and exemplary practices for protection of the natural environment.

Multnomah County Goal:

- **To grant abatements only to firms that demonstrate a commitment to environmental protection.**

Environmental protection standards for a semiconductor manufacturing facility are extensively regulated by city, state and federal laws, statutes and ordinances. Compliance with these regulations requires regular thorough and well documented monitoring as well as a number of annual comprehensive reports that must be submitted to regulatory agencies documenting environmental protection activities for air, water, groundwater, toxic chemical use and waste reduction and recycling.

Programs are described below. Verification of compliance is demonstrated by the attached inspection and compliance reports and verification statements contained in Section II of this application describing past practices.

Standards:

"The applicant will describe credible programs in each of the following areas, will present verification by the relevant regulatory authorities that these programs are reasonable, and will demonstrate a commitment to ongoing monitoring." -- *excerpted from Multnomah County adopted SIP policy.*

- **Reducing the use of toxic and hazardous materials.**

Goal: The Gresham Manufacturing Division (GMD) of Fujitsu Microelectronics, Inc. is committed to reducing the use of toxic substances in the workplace. In instances where toxic substances cannot be totally eliminated, GMD minimizes the amount of hazardous waste generated and disposes of the waste in a manner that minimizes undesirable effects in the environment.

A copy of the Oregon Department of Environmental Quality (DEQ) acknowledgement of GMD's *Toxic Use Reduction Plan* is presented as Exhibit J. GMD's policy had been formalized and posted for all GMD employees to read.

Summary of Plan: GMD management has committed to an overall reduction of 50% toxic chemical usage by 2001. Chemicals targeted for reduction include:

S-50 rinse OFPR 8600 photoresist TSMR 8900 photoresist ZPP 3200 photoresist Isopropyl Alcohol	OMR-502 Hydrofluoric Acid Sulfuric Acid Nitric Acid Phosphoric Acid Ammonium Hydroxide
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Summary of Progress: GMD has made considerable progress in achieving toxic use reduction goals. The GMD goal for 2001 of 50% reduction was achieved by mid-1992, over eight years ahead of schedule.

Furthermore, glycol ethers, a group of chemicals associated with reproductive and other health risks are in the process of elimination. Other toxic chemicals eliminated include xylene and phenol. In order to maintain the level of reductions achieved, GMD will continue toward reducing the use of toxic chemicals wherever feasible.

Verification: (a) Statement, City of Gresham, April 14, 1995, Exhibit I.
(b) DEQ Letter, February 22, 1994, Exhibit J.

- **Water conservation, reuse, and waste water discharge.**

Description: A part of its commitment to resource conservation, GMD has implemented water reuse and on-site wastewater treatment systems. The goal of these systems is to minimize the amount of water used and to ensure water leaving the facility exceeds the water quality standards set by the community and by industry.

Wastewater Treatment Overview: All non-domestic use water at the facility is treated by one of two systems prior to discharge to the City of Gresham Publicly Owned Treatment Works (POTW). At the POTW the water undergoes additional treatment prior to discharge to the Columbia River.

At the facility all non-fluoride contaminated wastewater is piped to GMD's Acid Waste Neutralization System (AWN). The system measures the pH of the wastewater, adjusts the pH to a neutral level, and then rechecks pH again prior to discharge.

Fluoride contaminated wastewater is piped to a separate system and is treated by a process known as precipitation. In this process, lime is added to the wastewater to react with the fluoride in the wastewater. The solid "flock" which is created by the reaction is then separated from the wastewater and disposed of as a solid, nontoxic waste.

The pH of this wastewater is also evaluated and adjusted to a neutral level prior to discharge. In addition, continuous monitoring instruments that are a part of GMD's wastewater treatment

systems, bi-weekly grab and composite samples are collected and analyzed by an outside lab to verify wastewater quality.

Proper operation of wastewater treatment systems is ensured by continuous monitoring. The facility's management control system continuously monitors operational parameters and notifies the control room staff immediately when an operating condition has been violated. A member from the round the clock facilities maintenance team will immediately assess the problem at the piece of equipment of concern.

Water Reuse Overview: In 1992 as part of its commitment to resource conservation, GMD implemented a wastewater reuse program. Storage tanks were installed to hold reject water from the reverse osmosis/deionization process (a process used to generate ultra pure water).

Whereas previously this water was discharged directly to POTW, it is now used throughout the facility as general purpose wastewater. This water reuse program saves approximately 200,000 gallons of water per day. GMD is continuously looking for other innovative ways to minimize or reuse water.

Verification: City of Gresham, Inspection Reports, dated November 1, 1994, Exhibit K. Note: The latest report notes a pH excursion issue. According to Fujitsu records, this is not a change in compliance, but a difference of interpretation of the permit parameters at the City of Gresham. To meet the more stringent current requirements, an autosampler has been installed.

- **Air quality.**

Air Pollution Control Equipment: GMD is committed to minimizing the amount of pollutants discharged to the atmosphere. In 1993 GMD eliminated all chlorofluorocarbons (CFC) from its manufacturing process. CFCs are gasses known to deplete ozone from the atmosphere.

GMD treats all acid emissions with wet scrubbers prior to discharge to the air. A wet scrubber uses water to remove any water soluble compounds from the air emission stream by stripping it out. The result is a transfer of the pollutant from the air into water. The water is then sent to treatment systems where its hazardous characteristics are eliminated.

Additional air quality pollution control devices include a state of the art brownian diffusion filter used to remove aerosol sized nitric acid particulates from air streams. GMD's implementation in 1991 was the first of its kind to be implemented at a semiconductor manufacturer.

Scrubber Maintenance and Operations: All pollution control equipment at the facility is monitored 24 hours a day, 365 days per year in the facilities control center. The facilities management control system continuously monitors operational parameters and notifies the control room staff immediately when an operating condition has been violated. A member from

the round the clock facilities maintenance team will immediately access the problem at the piece of equipment of concern.

In addition to round the clock monitoring, all pollution control equipment is regularly maintained in accordance with a maintenance schedule. This schedule meets or exceeds the maintenance requirements set forth by the manufacturer. A written log of all scheduled and unscheduled maintenance is kept by the GMD facilities department.

While not a requirement by the Environmental Protection Agency or the Oregon Department of Environmental Quality, GMD performs an annual stack sampling in accordance with U.S. Environmental Protection Agency Protocols to verify proper operation of the scrubbers.

Fujitsu submitted an Air Contaminant Discharge Permit (ACDP) renewal application on July 1, 1995. The DEQ is extending the terms and conditions of the current permit pending receipt of Fujitsu's Clean Air Act permit application due September 15, 1995. Fujitsu intends to apply for a ACDP permit with synthetic minor source status and to submit the ACDP permit application along with a Notice of Intent to Construct to the DEQ in May of 1995.

Verification: DEQ Annual Air Quality Inspection, Exhibit L, dated April 6, 1995.

- **Waste reduction and recycling.**

Description: GMD sends all spent solvents for fuel recovery. Oils are sent for recycling or fuel recovery. Mercury vapor lamps and batteries are sent for recycling. Treatment of waste acids is addressed in section 2.0. Cardboard and paper are recycled, and this past year GMD acquired a trash compactor to reduce the volume of trash sent to landfill.

Verification: Van Waters and Rogers Letter, Exhibit M, dated April 17, 1995.

- **Energy conservation.**

Description: In 1992 GMD put together a team of facilities representatives to create and implement solutions to decrease electricity consumption. Since that time the team has replaced all retrofitted nearly all light fixtures with electronic ballasts and high efficiency light bulbs.

GMD efforts have resulted in approximately \$40,000 in rebates from Portland General Electric for energy conservation. The Energy conservation team is also replacing many pump and blower motors (from wastewater treatment and air handling systems) with variable frequency drive (VFD) motors. GMD expects to receive \$50,000 in credits from the VFD program.

The new facility will be designed with additional energy saving features including high efficiency motors and reduced airflow in the Fab.

F. STIMULATION OF LOCAL ECONOMY

Fujitsu GMD has a track record of procurement from local vendors as part of an ongoing effort to stimulate local economic benefits. Broader economic and fiscal effects are addressed in the state impact analysis (next section). This section focuses on GMD procurement practices in relationship to Multnomah County objectives.

Multnomah County Goal:

- **To encourage the purchase of goods and services produced or sold by businesses in Multnomah County and the region.**

Fujitsu is a global company that has a philosophy of decentralized procurement practices. This allows Fujitsu GMD to purchase goods and services from local resources. Local vendors are an important facet of the procurement source selection and the company will not limit participation to the smaller or simpler jobs, providing the vendor has the capabilities and resources to properly provide the necessary requirements in the best interest of company objectives.

For these reasons, Fujitsu values a strong local base. To illustrate this effort the following information indicates actual dollars spent by GMD for goods and service over the past nine months:

Total Expenditures = \$42.5 Million

State of Oregon Expenditures = \$9.7 Million

Multnomah County Expenditures = \$8.3 Million

* Services = \$6.2 Million

* Goods (materials) = \$2.1 Million

Total Oregon Vendors = 428

Standards:

- **The applicant will have a plan to identify for procurement locally-produced or sold goods and services and to solicit bids from local suppliers.**

It is the policy of Fujitsu to encourage meaningful participation from local vendors wherever possible to provide useful and acceptable quality and services at competitive prices. Buyers endeavor to place orders locally in Multnomah County and within the state of Oregon before looking elsewhere.

It is recognized that the primary objective of the purchasing function is the timely acquisition of goods and services at the lowest total cost. Elements of total cost in addition to basic price include transportation, storage, service, technical assistance and willingness to stock material for GMD requirements.

Fujitsu will cooperate with the Gresham and Troutdale Area Chambers of Commerce to hold a workshop for Multnomah County businesses focusing on "how to become a Fujitsu supplier." Fujitsu will make special effort to contact minority and woman owned businesses from the Portland metro area. Fujitsu will advertise in appropriate Portland area publications including the Gresham Area Chamber of Commerce Newsletter, inviting local businesses to request bid opportunities.

IV. IMPACT ANALYSIS

This final section of the Fujitsu SIP application contains information as provided by the Oregon Economic Development Department and Oregon Department of Revenue. Subsequent to the following narrative, fiscal and then economic impacts are summarized as per the outline contained in the Multnomah County SIP policy.

A. STATE AGENCY ANALYSIS

Economic Impact Summarized

By the year 2001, the proposed project is expected to have invested over \$850 million and increased its employment by over 400 employees in the high technology industry, one of Oregon's "key industries." The project's investment is expected to have the following statewide impacts by the year 2001:

- Total wage and salary employment increased by 1,023 (multiplier effect of 2.3).
- Personal income increased by \$37.3 million.
- Property values increased by a minimum of \$117 million.
- Population increased by 646.
- Income tax collections increased by \$1.5 million.

The majority of this impact is expected to occur in Multnomah County and the Portland metro area, with minor impacts statewide. The following impacts are anticipated for the Portland metropolitan area:

- Wage and salary employment increased by 921.
- Personal income increased by \$33.6 million.
- Property values increased by a minimum of \$117 million.

During the course of the fifteen year period during which the company could obtain tax abatements from the Strategic Investment Program, the company's investment in the proposed facility is projected to generate \$30.9 million in property tax payments by the company, an additional \$8.2 million in community service fee payments by the company, and a savings to the company of \$23.4 million.

1. Project Description

Investment Schedule

The investment is expected to occur in two phases. The first phase involves the construction of a building and purchase of manufacturing equipment. This phase is set to begin in late 1995 and to

be completed by early 1997. The second phase involves the purchase of additional equipment occurring in 1997. Table 1 below shows the project's anticipated investment schedule, which includes reinvestment in equipment throughout the foreseeable future.

Table 1. Project Investment Schedule (\$ millions)

Calendar Year	Land	Building	Process Support	Equipment	Total
1995	\$0.0	\$25.0			\$25.0
1996		\$75.0	\$75.0	\$125.0	\$275.0
1997			\$75.0	\$125.0	\$200.0
1998				\$350.0	\$350.0
1999				\$14.0	\$14.0
2000				\$14.0	\$14.0
2001				\$14.0	\$14.0
2002				\$14.0	\$14.0
2003				\$14.0	\$14.0
2004				\$14.0	\$14.0
2005				\$14.0	\$14.0
2006				\$14.0	\$14.0
2007				\$14.0	\$14.0
2008				\$14.0	\$14.0
2009				\$14.0	\$14.0
2010				\$14.0	\$14.0
2011				\$14.0	\$14.0
Total	\$0.0	\$100.0	\$150.0	\$782.0	\$1,032.0

Assessed Value of Property

The investment will increase the amount of assessed value of property in the community, the county, and the state. However, the assessed value of property will not increase by the investment amounts shown above. Instead, the investment amounts are adjusted for depreciation before being added to the property tax rolls. And, under the Strategic Investments Program, the assessed value of a project is capped at \$100 million dollars in its first year on the tax rolls. The \$100 million cap floats upward each year - this analysis uses a 4% annual increase in the \$100 million cap.

The project's impact on assessed value is shown in Table 2. This table shows only the projected assessed value of the project itself, and does not include the increased assessed value in residential property and other business property that is likely to occur due to the development of the project. The table shows the total projected assessed value of the facility without the Strategic Investments Program (SIP) and with the SIP.

Table 2. Increase in Assessed Value Due to the Project (\$ Millions)

Tax Year	Without SIP*	With SIP
1995	0.0	0.0
1996	0.0	0.0
1997	396.9	100.0
1998	328.4	104.0
1999	516.7	108.2
2000	403.5	112.5
2001	320.9	117.0
2002	266.9	121.7
2003	237.2	126.5
2004	228.4	131.6
2005	221.2	136.9
2006	214.0	142.3
2007	208.2	148.0
2008	202.6	153.9
2009	196.0	160.1
2010	191.1	166.5
2011	188.9	173.2
2012	186.9	186.9

* Note: SIP is the Strategic Investment Program. Without SIP, this analysis assumes the project investment still occurs despite the lack of the proposed tax abatement. However, as indicated by Fujitsu, the SIP is required for this investment to occur. If no project investment occurred, there would be no assessed valuation impact.

Tax Savings by Company

The increase in assessed value of property serves to increase some taxing district property tax revenues and to decrease other taxing district property tax rates. These impacts are discussed in Section 5 below.

The capping of the facility's assessed value lowers the company's property tax liability. The company must also pay a community service fee equal to one quarter of the forgiven property taxes (or a maximum of \$2 million per year) and incurs certain "other" costs associated with participating in the Strategic Investments Program.

These impacts, from the company's point of view, are shown in Table 3 below. Not shown in this table are any potential ongoing costs of compliance with local or state program rules. Also not shown in the table is any impact on the company's federal or state corporate excise taxes, which might be higher than otherwise due to a reduction in property tax liability.

Table 3. Tax Impact of Strategic Investments Program on Company (\$ thousands)

Payments with SIP							
Tax Year	Property Tax	Service Fee	Other**	Total	Property Tax w/o SIP	1995 \$ Value Savings	1995 \$ Value of Savings***
During CIP*							
1995	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0
During SIP*							
1997	1,539	1,142	107	2,788	5,924	3,136	2,688
1998	1,601	864	0	2,465	4,945	2,480	1,969
1999	1,665	1,573	0	3,238	7,666	4,428	3,255
2000	1,732	1,120	0	2,852	6,057	3,204	2,181
2001	1,802	785	0	2,587	4,858	2,271	1,431
2002	1,874	559	0	2,434	4,065	1,631	952
2003	1,950	426	0	2,376	3,623	1,248	674
2004	2,028	373	0	2,401	3,496	1,095	548
2005	2,109	325	0	2,434	3,389	955	442
2006	2,194	276	0	2,470	3,283	813	349
2007	2,282	232	0	2,515	3,199	685	272
2008	2,374	187	0	2,562	3,115	554	204
2009	2,469	138	0	2,608	3,017	409	139
2010	2,569	95	0	2,664	2,945	281	89
2011	2,672	61	0	2,733	2,913	180	53
SIP* Sum	30,861	8,157	107	39,125	62,494	23,370	15,245
After SIP*							
2012	2,884	0	0	2,884	2,884	0	0

Notes: * CIP is the construction-in-progress property tax exemption; SIP is the strategic investment program property tax exemption.

** Other costs include bond related expense. Not directly identified is the ongoing cost of annual compliance to the company.

*** Savings are discounted to 1995 dollars at an 8% annual rate.

Table 3 shows that the company can expect to save about \$23.4 million in current dollars, or \$15.2 million in 1995 constant dollars, due to using the Strategic Investment Program.

2. Employment Impacts

Employment at the project is expected begin as early as the first quarter of 1996, gradually rise to 445 by the end of 1998, and remain at that level. Construction jobs involved in the project could reach an average of 500 in mid-1996.

The average wage level (total compensation) of the new jobs at the project (excluding construction jobs) is expected to begin at about \$33,000 in 1996 and to rise gradually over time with inflation. By comparison, the 1996 projected statewide average wage (total compensation) is \$27,250 for non farm wage and salary employees.

The Portland metropolitan area and the state have historically low unemployment rates (4.2% and 5.4% respectively, as of March 1995). This implies that there is a general shortage of qualified labor in the local labor market. Also, the technical nature of some of the permanent jobs in this industry means that the company will be recruiting some people who have specialized skills and who are generally in short supply in the nation's economy.

Human resources experts familiar with this industry indicate that, in the current labor market, high technology companies in Oregon can expect to hire current Oregonians for 90% of their administrator and operator positions, 50% of their technician positions, and 10% of their engineer positions.

Although the company may be able to hire current Oregonians for a large portion of the new positions created, some of these new hires may be leaving jobs that are then filled by non-Oregonians. Considering such back-filling by non-Oregonians is important to understanding the impact of the potential facility on the state's total population, employment, and personal income. This analysis conservatively assumes that 10% of the new Oregon jobs in engineering and technician positions and 50% of the new Oregon jobs in operator and administrative positions will be filled either directly (at the project) or indirectly (at other Oregon facilities losing employees to the project) by current Oregonians.

This may be a conservative estimate; actual hiring may result in more employment of Oregonians and less in-migration. Under the conservative assumption, the influx of new workers is expected to boost statewide population by about 646 by the year 2001. Much of this population increase would occur in residential areas within commuting distance of the project.

The overall effect of the investment on the state economy can be estimated using the state econometric model (see Table 4). This computer model is used by state government to forecast the state's economy, including personal income and employment. In forecasting the economic impacts of investments, the model uses information on historical relationships between economic variables such as between employment and population, or between wages and personal income. Specific situations may vary from historical averages, and thus may cause slightly greater or lesser economic impacts than shown in this analysis.

Figures shown in Table 4 for years 1996 to 2001 are directly from the econometric model; figures for years after 2001 were held constant or adjusted for inflation (at 4% per year). Wage and salary employment is expected to be 1,023 higher by the year 2001 as a result of the project. This means that the 445 jobs created at the facility are expected to support an additional 658 jobs in other companies.

These additional jobs are due to local spending by the company and the company's employees. Most of these additional jobs are expected to be spread through the service-producing sectors with the biggest gains coming in services (about 231 jobs) and retail trade (about 122 jobs).

Table 4. Statewide Economic Impact of the Project 1995-2001
with 2002-2012 forecasted separately

Year	Wage & Salary Employment	High Tech Employment	Construction Employment	Personal Income (\$ MM)	Population
1995	113	0	113	3.3	0
1996	706	33	470	20.7	49
1997	556	189	121	18.2	259
1998	797	385	16	26.6	494
1999	995	460	22	32.4	588
2000	1,023	463	27	34.8	617
2001	1,023	464	30	37.3	646
2002	1,023	464	30	38.8	646
2003	1,023	464	30	40.4	646
2004	1,023	464	30	42.0	646
2005	1,023	464	30	43.7	646
2006	1,023	464	30	45.4	646
2007	1,023	464	30	47.2	646
2008	1,023	464	30	49.1	646
2009	1,023	464	30	51.1	646
2010	1,023	464	30	53.1	646
2011	1,023	464	30	55.3	646
2012	1,023	464	30	57.5	646

The direct and indirect effects of the project are expected to increase the state's population by just under 650 by the year 2001.

The Portland metropolitan area is expected to capture most of the direct employment gains and a majority of the secondary impacts. Of the more than 1,000 direct and secondary jobs expected to be created by the project in 2001, over 900 are expected to occur in the Portland metropolitan area. This estimate is based on the assumption that 90% of the secondary jobs generated by the project are located in the Portland metro area.

3. Income Effects

The project is expected to boost statewide wage and salary income, increasing state residents' total annual income. In 2001, over \$17 million in salaries is expected to go directly to workers at the project. Another \$16 million in salaries is expected to go to other workers whose jobs were

generated by the economic activity of the project. Total personal income in 2001 in the state is expected to be \$37.3 million higher than it would have been without to the project.

The impact on the regional economy can be approximated by assuming that 90% of the income effects will occur in the four county Portland metropolitan area (of which Multnomah County is a part). This calculation leads to a total personal income gain of \$33.6 million in the Portland metro area.

4. Property Values

Property values will rise directly due to the project and indirectly due to employment and migration effects. Indirect assessed property effects are not estimated in this analysis. Therefore, this analysis understates the increase in property values and the reduction in general government taxing district property tax rates and the increase in educational district property tax collections. The impact of the project itself on assessed property values was shown earlier in Table 2.

Technological change is expected to lead to rapid depreciation of the semiconductor wafer fabrication equipment. Clean room and process support equipment is expected to depreciate more slowly. The appraised value of the building shell is expected to decline in value even more slowly. The value of the project without the Strategic Investments Program is expected to peak in 1999 at \$516.7 million.

Table 2 presents the increase in local assessed value of property due to the project both without and with the Strategic Investments Program. The column labelled "With SIP" presents the increase in the assessed value of the property under the Strategic Investments Program, after a "construction-in-progress" property tax exemption at the beginning of phase one. This value begins at \$100 million in the first year of the bond (1997), and rises by 4% per year throughout the fifteen years of the bond.

For the purpose of estimating the impact of property tax rates and taxing district revenues, the following analysis ignores the impact on rates and revenues of the indirect assessed values associated with the investment. This results in a more conservative estimate of the project's impact on property tax rates and revenues than would be the case if the likely increase in indirect assessed value was included in the calculations.

5. Revenue Effects

Increased Personal Income Tax Collections

Personal income tax collections, all of which accrue to the state General Fund, average 4% of total personal income. This implies that the \$37.3 million increase in personal income in 2001 will generate \$1.5 million in additional personal income taxes for the year 2001.

Increased Revenue for Multnomah County Taxing Districts

The project, even under the Strategic Investment Program, will add substantial assessed value to the tax rolls of several taxing districts. The addition of assessed value to general government taxing districts, which are not in Measure 5 tax rate compression, will not change the amount of property taxes that can be collected by the districts (this is limited by the districts' levies); rather, it will lower the property tax rates in those districts from what the rates would have been without the project.

In contrast, the addition of assessed value to educational taxing districts, which are in Measure 5 tax rate compression, will increase the amount of property taxes that can be collected by the districts; however, educational districts can expect to see a compensating reduction in revenues from state basic school support, after adjusting for changes in school enrollment. Thus, local taxing districts can expect to see no real change in their revenues from taxes, after adjusting tax rates or basic school support revenue. However, local taxing districts can expect to see an increase in revenue due to the collection of an annual community service fee from the project during the period of time in which the project receives a property tax reduction due to the Strategic Investment Program.

Reduced Property Tax Rates for Multnomah County Residents

For Multnomah County residents, the project is expected to reduce property tax rates from what they would have been without the investment. The exact amount of the reduction varies from property to property depending upon the taxing districts in which the properties occur.

The following paragraphs and tables are based on an analysis which uses data on assessed value of property, property tax levies, and property tax rates from the Oregon Department of Revenue and the Multnomah County Tax Supervising and Conservation Commission. Tax rates are assumed to remain constant without the project.

Table 3, on the next page, shows the likely tax and revenue effects of the project on the two major categories of taxing districts from 1995 through 2000 (years 2001 through 2012 are presented on following pages). Table 3 shows that the local taxing districts receive more revenue if the investment is made (financed under the Strategic Investment Program) than if the investment is not made.

This increase in taxing district revenue is due in part to the Community Service Fee which is outside Measure 5 limitations and is not subject to the 6% growth limitation on property tax levies. It is also due in part to higher assessed values in school districts with fixed tax rates (after Measure 5 property tax rate compression); however, higher school district property tax revenues are likely to be offset by lower basic school support revenues. This likely reduction in basic school support is not shown in the table, but should be expected to offset fully the increase in educational district property tax revenues.

Table 3a, following Table 3, shows the likely tax impacts on homeowners. Table 3a shows that a homeowner with a home located in the same taxing districts and valued at \$100,000 (appreciating in value at 4% per year) would have annual property taxes about \$20 to \$25 lower throughout most of the next fifteen years due to the reduction in property tax rates from additional assessed values in the taxing districts (this analysis uses only the assessed value of the project to calculate property tax rates; additional indirect assessed value due to the project may lower rates further). *Note:* The assumption of an annual average 4% rate of increase in assessed valuation corresponds closely to actual experience of all property accounts in Multnomah County over the 1984-1994 period.

Increased Sales for Portland Area Businesses

Construction of the facilities would involve large purchases from local construction companies. The project includes investment of about \$100 million in the construction of a building. Much of the site preparation and construction work would be likely to be done by Portland metropolitan area construction companies.

These investment-related purchases would help add to the employment and profits of local companies and to the earned income of Multnomah County and Portland metropolitan area residents. The county's additional employees and residents would also add to the sales revenue of Multnomah County and Portland area businesses.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 1994 - 2000
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	1994	1995	1996	1997	1998	1999	2000
District Revenues without Facility							
Multnomah County	125,346	132,867	140,839	149,289	158,246	167,741	177,806
Portland J Port	2,343	2,484	2,633	2,791	2,958	3,136	3,324
Metro J Service	5,928	6,283	6,660	7,060	7,484	7,933	8,408
Tri-Met Transit	5,503	5,833	6,183	6,554	6,948	7,364	7,806
Rockwood Utility	0	0	0	0	0	0	0
Gresham City	16,485	17,474	18,523	19,634	20,812	22,061	23,384
Gresham-Barlow 26J School	13,739	9,829	10,419	11,044	11,706	12,409	13,153
Gresham 26 (Gresham 4 Bond)	2,293	2,431	2,577	2,731	2,895	3,069	3,253
Multnomah (E) ESD	13,088	9,249	9,804	10,392	11,015	11,676	12,377
Multnomah (H) ESD	6,469	4,572	4,846	5,137	5,445	5,771	6,118
Mt Hood Comm College	6,445	4,739	5,024	5,325	5,644	5,983	6,342
Company's Payments	0	0	0	2,681	2,465	3,238	2,852
Facility Property Taxes	0	0	0	1,539	1,601	1,665	1,732
Facility Comm. Service Fee	0	0	0	1,142	864	1,573	1,120
District Rate Changes Per Thousand							
Multnomah County	0.0000	0.0000	0.0000	-0.0111	-0.0109	-0.0107	-0.0105
Portland J Port	0.0000	0.0000	0.0000	-0.0002	-0.0002	-0.0002	-0.0002
Metro J Service	0.0000	0.0000	0.0000	-0.0005	-0.0005	-0.0005	-0.0005
Tri-Met Transit	0.0000	0.0000	0.0000	-0.0005	-0.0005	-0.0005	-0.0005
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	0.0000	0.0000	0.0000	-0.1090	-0.1070	-0.1050	-0.1031
Educational Districts	0.0000	-0.0000	-0.0000	-0.0515	-0.0505	-0.0496	-0.0487
Total	0.0000	-0.0000	-0.0000	-0.1728	-0.1696	-0.1665	-0.1634
District Revenue Changes							
General Government Districts	0	0	0	0	0	0	0
Gresham-Barlow 26J School	(0)	0	(0)	217	226	235	244
Gresham 26 (Gresham 4 Bond)	(0)	(0)	(0)	0	0	0	(0)
Multnomah (E) ESD	0	0	(0)	212	220	229	239
Multnomah (H) ESD	(0)	(0)	0	105	109	113	118
Mt Hood Comm College	0	0	(0)	96	100	104	108
Community Service Fee	0	0	0	1,142	864	1,573	1,120
Total	(0)	0	(0)	1,772	1,519	2,254	1,829

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 2001 - 2007
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	2001	2002	2003	2004	2005	2006	2007
District Revenues without Facility							
Multnomah County	188,474	199,782	211,769	224,475	237,944	252,221	267,354
Portland J Port	3,523	3,735	3,959	4,196	4,448	4,715	4,998
Metro J Service	8,913	9,448	10,015	10,615	11,252	11,928	12,643
Tri-Met Transit	8,275	8,771	9,297	9,855	10,447	11,073	11,738
Rockwood Utility	0	0	0	0	0	0	0
Gresham City	24,787	26,275	27,851	29,522	31,293	33,171	35,161
Gresham-Barlow 26J School	13,943	14,779	15,666	16,606	17,602	18,658	19,778
Gresham 26 (Gresham 4 Bond)	3,448	3,655	3,874	4,107	4,353	4,614	4,891
Multnomah (E) ESD	13,119	13,906	14,741	15,625	16,563	17,557	18,610
Multnomah (H) ESD	6,485	6,874	7,286	7,724	8,187	8,678	9,199
Mt Hood Comm College	6,723	7,126	7,554	8,007	8,487	8,996	9,536
Company's Payments	2,587	2,434	2,376	2,401	2,434	2,470	2,515
Facility Property Taxes	1,802	1,874	1,950	2,028	2,109	2,194	2,282
Facility Comm. Service Fee	785	559	426	373	325	276	232
District Rate Changes							
Multnomah County	-0.0103	-0.0101	-0.0099	-0.0097	-0.0096	-0.0094	-0.0092
Portland J Port	-0.0002	-0.0002	-0.0002	-0.0002	-0.0002	-0.0002	-0.0002
Metro J Service	-0.0005	-0.0005	-0.0005	-0.0005	-0.0005	-0.0005	-0.0004
Tri-Met Transit	-0.0005	-0.0005	-0.0004	-0.0004	-0.0004	-0.0004	-0.0004
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	-0.1011	-0.0993	-0.0974	-0.0956	-0.0939	-0.0921	-0.0904
Educational Districts	-0.0478	-0.0469	-0.0461	-0.0453	-0.0444	-0.0436	-0.0428
Total	-0.1604	-0.1575	-0.1546	-0.1517	-0.1489	-0.1462	-0.1435
District Revenue Changes							
General Government Districts	0	0	0	0	0	0	0
Gresham-Barlow 26J School	254	264	275	286	297	309	322
Gresham 26 (Gresham 4 Bond)	(0)	0	0	0	(0)	(0)	(0)
Multnomah (E) ESD	248	258	268	279	290	302	314
Multnomah (H) ESD	123	128	133	138	144	149	155
Mt Hood Comm College	112	117	121	126	131	137	142
Community Service Fee	785	559	426	373	325	276	232
Total	1,522	1,326	1,223	1,202	1,188	1,173	1,165

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3. Effect of Investment on Taxing Districts and Property Owners, Tax Years 2008 - 2012
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	2008	2009	2010	2011	2012
District Revenues without Facility					
Multnomah County	283,395	300,399	318,423	337,528	357,780
Portland J Port	5,298	5,616	5,953	6,310	6,689
Metro J Service	13,402	14,206	15,058	15,962	16,919
Tri-Met Transit	12,442	13,188	13,980	14,819	15,708
Rockwood Utility	0	0	0	0	0
Gresham City	37,271	39,507	41,878	44,390	47,054
Gresham-Barlow 26J School	20,965	22,222	23,556	24,969	26,467
Gresham 26 (Gresham 4 Bond)	5,185	5,496	5,825	6,175	6,545
Multnomah (E) ESD	19,727	20,910	22,165	23,495	24,904
Multnomah (H) ESD	9,751	10,336	10,956	11,613	12,310
Mt Hood Comm College	10,108	10,715	11,358	12,039	12,761
Company's Payments	2,562	2,608	2,664	2,733	2,884
Facility Property Taxes	2,374	2,469	2,569	2,672	2,884
Facility Comm. Service Fee	187	138	95	61	0
District Rate Changes					
Multnomah County	-0.0090	-0.0089	-0.0087	-0.0085	-0.0087
Portland J Port	-0.0002	-0.0002	-0.0002	-0.0002	-0.0002
Metro J Service	-0.0004	-0.0004	-0.0004	-0.0004	-0.0004
Tri-Met Transit	-0.0004	-0.0004	-0.0004	-0.0004	-0.0004
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	-0.0888	-0.0871	-0.0855	-0.0839	-0.0854
Educational Districts	-0.0420	-0.0413	-0.0405	-0.0398	-0.0405
Total	-0.1408	-0.1382	-0.1357	-0.1332	-0.1356
District Revenue Changes					
General Government Districts	0	0	0	0	0
Gresham-Barlow 26J School	335	348	362	376	406
Gresham 26 (Gresham 4 Bond)	(0)	0	0	(0)	(0)
Multnomah (E) ESD	327	340	354	368	397
Multnomah (H) ESD	162	168	175	182	196
Mt Hood Comm College	148	154	160	166	180
Community Service Fee	187	138	95	61	0
Total	1,158	1,148	1,145	1,153	1,179

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 3a. Impact on Home Property Taxes Tax Years 1994 to 2012

In Current Dollars (4% growth rate):	1994	1995	1996	1997	1998	1999	2000
Sample Home Value	100,000	104,000	108,160	112,486	116,986	121,665	126,532
Prop. Taxes without Facility	1,806	1,618	1,683	1,751	1,821	1,893	1,969
Prop. Taxes with Facility w/o SIP	1,806	1,618	1,683	1,679	1,761	1,805	1,899
Change with Facility w/o SIP	0	0	0	(72)	(59)	(88)	(70)
Tax Savings with Facility w/ SIP	1,806	1,618	1,683	1,731	1,801	1,873	1,948
Change with Facility w/ SIP	0	0	0	(19)	(20)	(20)	(21)
In 1995 Constant Dollars:	1994	1995	1996	1997	1998	1999	2000
Sample Home Value	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Prop. Taxes without Facility	1,806	1,556	1,556	1,556	1,556	1,556	1,556
Prop. Taxes with Facility w/o SIP	1,806	1,556	1,556	1,493	1,506	1,484	1,501
Change with Facility w/o SIP	0	0	0	(64)	(51)	(73)	(55)
Tax Savings with Facility w/ SIP	1,806	1,556	1,556	1,539	1,539	1,540	1,540
Change with Facility w/ SIP	0	0	0	(17)	(17)	(17)	(16)
In Current Dollars (4% growth rate):	2001	2002	2003	2004	2005	2006	2007
Sample Home Value	131,593	136,857	142,331	148,024	153,945	160,103	166,507
Prop. Taxes without Facility	2,048	2,130	2,215	2,304	2,396	2,492	2,591
Prop. Taxes with Facility w/o SIP	1,992	2,084	2,175	2,265	2,359	2,457	2,558
Change with Facility w/o SIP	(56)	(46)	(40)	(38)	(37)	(35)	(33)
Tax Savings with Facility w/ SIP	2,027	2,108	2,193	2,281	2,373	2,468	2,567
Change with Facility w/ SIP	(21)	(22)	(22)	(22)	(23)	(23)	(24)
In 1995 Constant Dollars:	2001	2002	2003	2004	2005	2006	2007
Sample Home Value	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Prop. Taxes without Facility	1,556	1,556	1,556	1,556	1,556	1,556	1,556
Prop. Taxes with Facility w/o SIP	1,514	1,523	1,528	1,530	1,533	1,535	1,536
Change with Facility w/o SIP	(42)	(34)	(28)	(26)	(24)	(22)	(20)
Tax Savings with Facility w/ SIP	1,540	1,540	1,541	1,541	1,541	1,542	1,542
Change with Facility w/ SIP	(16)	(16)	(15)	(15)	(15)	(15)	(14)
In Current Dollars (4% growth rate):	2008	2009	2010	2011	2012		
Sample Home Value	173,168	180,094	187,298	194,790	202,582		
Prop. Taxes without Facility	2,695	2,803	2,915	3,031	3,153		
Prop. Taxes with Facility w/o SIP	2,663	2,772	2,886	3,003	3,125		
Change with Facility w/o SIP	(32)	(30)	(29)	(28)	(27)		
Tax Savings with Facility w/ SIP	2,671	2,778	2,889	3,005	3,125		
Change with Facility w/ SIP	(24)	(25)	(25)	(26)	(27)		
In 1995 Constant Dollars:	2008	2009	2010	2011	2012		
Sample Home Value	100,000	100,000	100,000	100,000	100,000		
Prop. Taxes without Facility	1,556	1,556	1,556	1,556	1,556		
Prop. Taxes with Facility w/o SIP	1,538	1,539	1,541	1,542	1,543		
Change with Facility w/o SIP	(18)	(17)	(16)	(15)	(14)		
Tax Savings with Facility w/ SIP	1,542	1,542	1,543	1,543	1,543		
Change with Facility w/ SIP	(14)	(14)	(14)	(13)	(14)		

B. FISCAL IMPACT SUMMARY

"This analysis will show property-tax revenues under each of three scenarios and will calculate their differences from each other: (1) without the project; (2) with the project without abatement; and (3) with the project with abatement. Community service fees will be shown separately and will not be counted as property tax revenue." -- *excerpted from Multnomah County adopted SIP policy.*

This section summarizes impacts based on the state agency analysis provided above. It is anticipated that this analysis is subject to further review by Multnomah County.

It is noted that: (1) without the project, no additional (or incremental) tax revenues are expected; (2) the practical effects of the project without abatement are identical to option (1) as Fujitsu's planned investment would not occur; and (3) with the project, property tax revenues will increase and/or tax rates decline, as is further summarized below.

1. Education Districts

Starting in 1997, Gresham-Barlow 26J Schools receive \$217,000 more in property tax revenue, increasing to \$406,000 by 2012. Multnomah ESD and Mt. Hood Community College also received added tax revenues. As noted, these calculations do not include potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

2. County

The project with abatement is not expected to affect Multnomah County property tax revenues, but rather to lower property tax rates by \$.0111 per \$1,000 tax assessed valuation in 1997 (and by varying amounts for each year thereafter).

3. City

Similarly, the project with tax abatement is forecast to reduce the City of Gresham tax rate by \$.1090 per \$1,000 taxable assessed valuation as of 1997.

4. Special Districts

Special districts would also experience reduced tax rates. Affected taxing districts include Port of Portland, Metro, Tri-Met, Rockwood Utility and Educational Districts.

5. Impacts on existing property tax payers (tax bills relative to no development and relative to no abatement)

With abatement, the owner of a home valued at \$100,000 would benefit from reduction in property taxes of about \$20-\$25 per year throughout most of the next 15 years due to the reduction in property tax rates from added assessed values generated for the affected taxing districts.

6. Cumulative fiscal impacts including those of SIP abatements already granted

During the course of the 15 year period during which Fujitsu GMD could obtain SIP-related tax abatements, the company's investment in the proposed facility is expected to generate \$30.9 million in property tax payments and an additional \$8.2 million in community service fee payments by the company. The multi-year cumulative savings to the company is projected to be \$23.4 million.

C. ECONOMIC IMPACT SUMMARY

Consistent with the adopted Multnomah County SIP policy, economic impacts reviewed are fivefold:

1. Labor market impacts (number and types of jobs; incomes; impacts on other employers)

The project will generate an additional 445 direct jobs. Total added direct and indirect wage and salary employment is 1,023 (with a multiplier effect of 2.3). As detailed in this application, staffing of the GMD Fab II expansion will involve hiring of operators, technicians, engineers, administrators, and supervisors. With the exception of engineers, between 50%-90% of persons hired are expected to be current Oregonians.

2. Indirect and induced business activity (additional demand for locally-produced goods and services; resulting changes in employment and income)

Approximately 23% of total GMD procurement is from existing Oregon firms (i.e. a base of 428 vendors). Expansion of GMD will result in added purchases of locally produced goods and services, and further broadening of the Oregon vendor base, including outreach to minority and women owned businesses from the Portland metro area.

As noted, the total employment multiplier is 2.3. That is, for every new job created at GMD, another 1.3 jobs are expected to be created statewide in supporting industries and services.

3. Competitive impacts on existing businesses (would abatements give new firm unfair advantage over direct competitors already located here?)

Fujitsu GMD is marketing products on a worldwide basis. As a "footloose" company, a semiconductor firm has the opportunity to locate anywhere. Competition occurs globally rather than locally.

As an existing Oregon company, expansion of Fujitsu GMD made possible with SIP will help to maintain and bolster the company's competitive position globally for the next generation of semiconductor products. Given the interconnected nature of Oregon's semiconductor industry (both suppliers and customers), other existing Oregon businesses can be expected to experience considerable net economic benefit (as evidenced by the economic multiplier information noted above).

4. Dollars of abated taxes per job created

Over the 15 year life of the project, the company will save a total of \$23.4 million. When compared to the 445 jobs created, this equates to \$52,600 per job (or an annual average of approximately \$3,500 per direct job created). When indirect jobs are added, the annual tax abatement drops to a range of \$1,500 (per direct plus indirect job).

5. Jobs per acre

The Fujitsu GMD site has a total of 160 net usable acres (i.e. 200 acres total less 40 acres of lake and wetland area). With 540 employees on a site of 160 net usable acres, current employment density equates to 3.4 jobs per acre. Addition of Fab II (and 445 employees) will increase total site density to 6.2 jobs per acre. Further increases in employment density are possible with future expansions predicated on the success of Fab I and proposed Fab II facilities.

APPLICATION EXHIBITS

Exhibit A. SIP Safety Information

Exhibit B. Wafer Fab Job Progression

Exhibit C. Correspondence from Children's World

Exhibit D. Fujitsu/MHCC Training Program (Gresham Outlook News Article)

Exhibit E. Summary of Oregon Health Plan

Exhibit F. Residence Location of Current Fujitsu Workforce

Exhibit G. Jobs-to-Housing Analysis for Gresham Area as Compared to the Metro Area

Exhibit H. City of Gresham Verification of Infrastructure Capacity

Exhibit I. City of Gresham Correspondence Regarding Toxic Waste Reduction Program

Exhibit J. DEQ Verification of Toxic Use Reduction

Exhibit K. City of Gresham Inspection Report

Exhibit L. DEQ Annual Air Quality Inspection

Exhibit M. Waste Reduction & Recycling Verification

EXHIBIT A.
SIP SAFETY INFORMATION

MEMO

May 1, 1995

To: Dick Romano
From: June Ann Cole *cash*
Safety and Environmental Control
Subject: SIP Safety Information

The most recent accident statistics published for OSHA for the State of Oregon are for the year 1992. I did call and get the incident rate and lost work day rate for the semiconductor industry for 1993, however, this is not yet in print.

According to 1992 data, the electronics industry is the second safest industry listed on a list of 16 industries as determined by lost workday cases. The incidence rate ranges from a low of 1.2 per 100 workers to a high of 10.1 per 100 workers. The electronics industry is second at 2.5 lost workday cases per 100 workers. The rate for GMD for 1992 was 1 lost workday case per 100 workers. The Oregon rate for lost workday cases for 1993 was 2.3. The GMD rate was 2.0 cases.

OSHA also reports occupational injuries and illnesses in terms of the total number of cases reported. This rate of total cases of occupational injuries/illness for the semiconductor industry in the State of Oregon was 3 cases per 100 workers in 1992 and 4.4 cases per 100 workers in 1993. GMD had a rate of 3 cases per 100 workers in 1992 and 4 cases per 100 workers in 1993.

Another measure of safety performance is the worker's compensation experience rating. Average is 1.0 or 100%. Any percentage below that represents better than average performance and percentages in excess of 100% represent worse than average performance. The experience modification rating for Fujitsu (all of Oregon) as of 3/31/95 is 75%, much better than average.

Please let me know if you need any additional measures of safety performance. Thank you.

EXHIBIT B.
WAFER FAB JOB PROGRESSION

Wafer Fab Job Progression

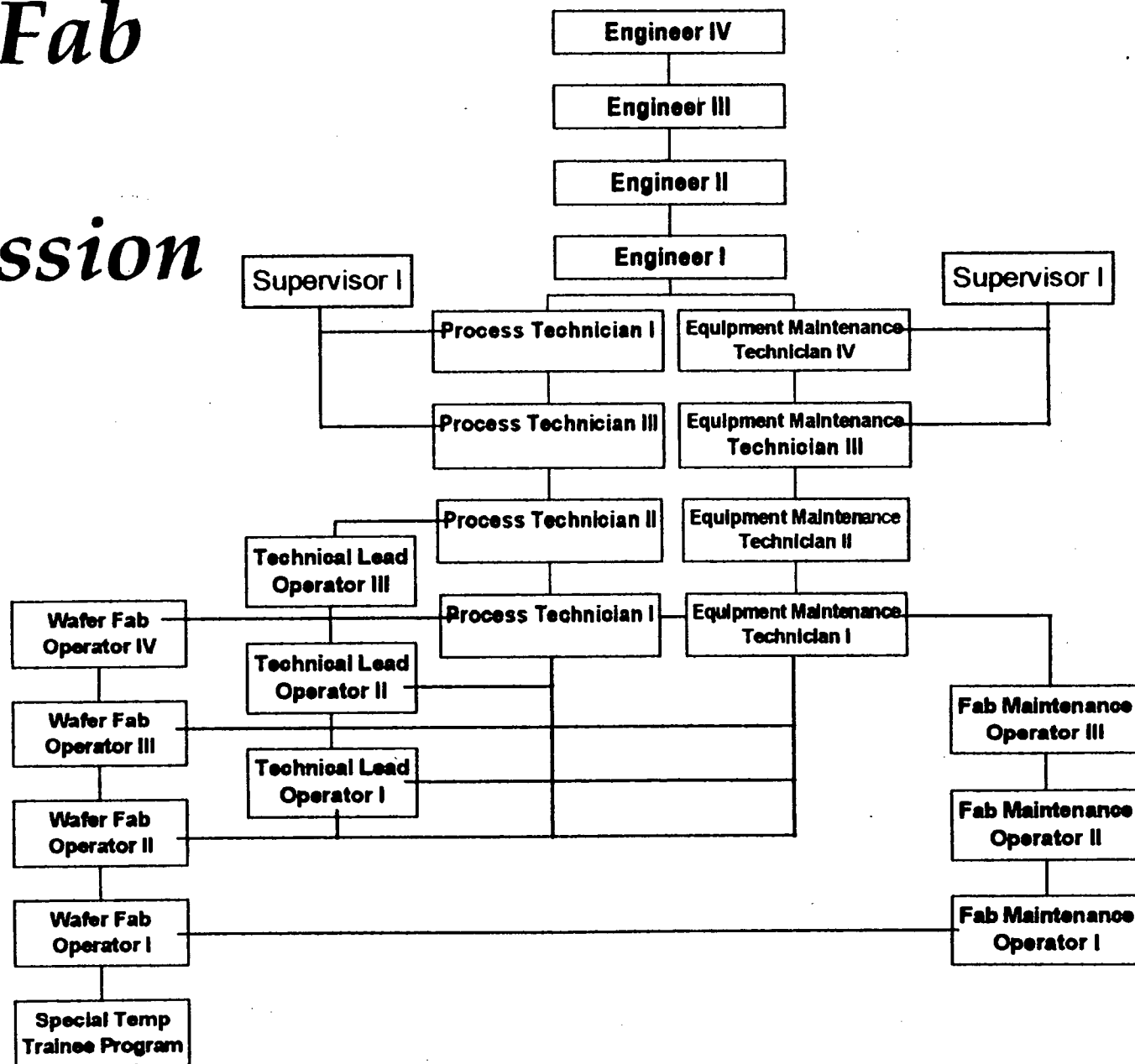


EXHIBIT C.
CORRESPONDENCE FROM CHILDREN'S WORLD



1505 SE 122nd Avenue
Portland, OR 97233
(503) 254-9654
Fax (503) 254-9711

April 20, 1995

Duane Watari
Senior Human Resources Administrator
Fujitsu Microelectronics, Inc.
21015 SE Stark Street
Gresham, OR. 97030-2099

Dear Duane:

Children's World Learning Centers appreciates the opportunity of providing your employees with the best in quality early childhood education and school-age child care. For the past three years, our combined 30% subsidy (15% from Children's World) has allowed families to bridge the gap between quality and affordability.

As we have discussed in the past, Children's World will be available to Fujitsu Microelectronics to discuss additional child care needs of your employees. Specifically, we are interested in addressing the needs of extended hours. Currently our centers are open from 5:30am to 6:00pm.

Duane, please let me know if I can be of assistance to you in the future. My direct line phone number is (360) 254-9655. It has been a pleasure working with you.

Sincerely,

Tammy Marquez
Work/Family District Representative

EXHIBIT D.
FUJITSU/MHCC TRAINING PROGRAM
(GRESHAM OUTLOOK NEWS ARTICLE)

High-tech training



JOHN HENDERER/The Outlook

Steve Rennie and Laura Moore, both students at Mt. Hood Community College, have nearly completed their degrees and paid internships as technicians at Fujitsu Microelectronics through a new cooperative program. Both say they hope to get full time jobs at the company.

Future of Fujitsu at MHCC

□ Internships provide firm with highly trained employees

by JOHN HENDERER
of The Outlook staff

Students Laura Moore and Steve Rennie have a hankering to fix and maintain multi-million dollar machines that manufacture computer chips for Fujitsu Microelectronics in Gresham.

Unlike most others, they already have experience at it.

In May, they will finish a one-year internship with the company through Mt. Hood Community College.

Moore, 30, a former computer programmer and mother of two, and Rennie, 32, a single, former military air traffic controller earned, \$8.50 an hour as interns at Fujitsu while finishing the

second year of their degrees.

Over the past year, they worked with experienced technicians repairing and maintaining equipment and machinery that works at the atomic level to manufacture computer memory chips.

Students typically attended class for about five hours a day, then went to work at Fujitsu for about as many hours, donning dust inhibiting "bunny suits."

Rennie worked in a "physical vapor deprivation" sector in which metal for circuits is "sputtered" through an acceleration tube and slammed onto silicon wafers.

Moore worked in a section which

— similar to photo lithography — etched away portions of the silicon wafers to produce minute transistors after the wafers had been exposed to light through a screen similar to a film negative.

Both said they hope to become full time employees at Fujitsu, where beginning technicians typically earn about \$12 an hour, according to Ve Hartshorn, MHCC program coordinator.

"I've always liked electronics," Moore said.

Last week, they prepped classmates in Mt. Hood's Electronic System Technology program for a recruitment

Turn to INTERNS, Page 2

Fujitsu advertising for employees

□ Company targeting workers used to fast-paced activity

by JOHN HENDERER
of The Outlook staff

"Burned out on fast food work? You may not have realized it, but your fast-food or production/assembly line experience may have prepared you for a rewarding career in the high-tech industry."

With this advertisement on March 5, Gresham's Fujitsu Microelectronics invited people to become computer chip fabrication operators, earning \$6.75 an hour.

Fujitsu may soon offer several hundred more similar jobs if the county approves a tax break application and the company builds a new plant estimated to cost between \$700 million and \$800 million.

These wages fall short of those hoped for by County Chairwoman

Beverly Stein, who cast the only vote against a tax break plan for huge high-tech industrial expansions.

Stein lobbied unsuccessfully to require wages equal to the mean covered county payroll costs of 1993, \$27,298, for at least half the new jobs created. But she acknowledges the issue is "problematic."

Officials at Fujitsu declined to elaborate on job salaries at the firm, except to say they are "competitive."

Information made public by high-tech companies elsewhere can offer indicators of what might be expected of new high tech jobs here.

In Hillsboro, 500 of 975 new positions at IDT's \$800 million expansion are expected to be fab operators, lower-skilled workers who typically comprise half a high tech manufacturing company's work force, according to information in the company's application to Washington County for a tax break.

At IDT, entry level fab operators earn \$6.49 an hour, ranging up to

\$12.89 for experienced workers, or \$13,500 to \$26,800 a year.

The average salary for all high-tech positions statewide is \$39,300, while all other employers pay an average \$24,100 wage, according to the Oregon Employment Division.

Although fab operators start out at relatively low salaries, they have opportunity for advancement and they receive fringe benefits such as health care or child care. Employees can also earn extra pay for working a graveyard shift and through bonuses.

"Salary level is important," acknowledged Rob Fussell, Gresham's economic development manager, "but ... a lot of the lower paying jobs don't have anywhere to go. After six months at McDonald's are they that much more down a career path, or are they just a better hamburger flipper?"

Fujitsu is expected to apply for a tax break on May 5.

Interns

Continued from Page 1A.

visit from Fujitsu officials, offering glowing reviews.

"Where are you going to have the opportunity to get experience in a company, get paid for it and have your schedule arranged so you can do it?" Rennie asked students.

Hartshorn said Fujitsu's goal is to have a "ready employee" as a technician at the end of the internship program.

Technicians form a more specialized core of workers at high tech manufacturing firms, comprising approximately 15 percent of the workforce. Job training for employees is on-going and vitally important, say educators and officials who track the industry.

Fujitsu learned the hard way how important it is to develop a solid labor force, and the internship program is one of two ventures with the college which attempt to learn from mistakes.

"We do not want to go through the painful experience that we did when we started up this operation" in 1988, said Dick Romano, Fujitsu vice president of administration.

Fujitsu recruited and hired employees from as far away as Texas, Utah and Arizona, but lost many who perhaps did not expect the region's rainy seasons.

"For whatever reason, it wasn't a good investment," Romano said. "We're looking at every avenue possible to hire from the local area. That's the only way we're going to have a stable work force."

"This is not a thing where (employers tell workers), 'I want you to stamp the box here and stamp it as fast as you can.' This industry can't survive with that," said Lynne St. Jean, project manager of workforce and target industries at the Portland Development Commission.

Fujitsu approached the college for help in 1993 to obtain additional training, at the company's expense, for employees. College officials helped design courses specific to the semiconductor industry, beginning a venture that has grown to enroll about 60 workers in an associate's degree program in microelectronics technology.

Last Fall, Fujitsu asked the college if any students might be interested in a paid internship program.

College officials were ecstatic. Finally, the electronics program could rival MHCC's automotive technology which offers internships with Ford, Chrysler and Mazda.

Fujitsu offered internships to three people this year and is expected to offer between six and 10 for next year.

Interest in the college program is growing. Already, over 30 people — about double this time last year — have applied for acceptance into the electronic systems technology program for fall.

"Your linkages with industry are where your success rests," said Hartshorn at MHCC. "I was telling my wife — 'It's kind of neat to think my kid could get a job at something other than Burger King out here'."

People interested in more information about the college's program can call 667-7342 to register or receive an information packet.

EXHIBIT E.
SUMMARY OF OREGON HEALTH PLAN

February 1995

Contact:

Office of Medical Assistance Programs
Human Resources Building
500 Summer St. NE
Salem OR 97310-1014
(503) 945-5772

Oregon Health Plan

Highlights/Fact Sheet

• **What it is:** The Oregon Health Plan is a blueprint for universal access to basic and affordable health coverage. It offers:

- A basic health care package for low-income persons
- Health insurance for individuals who have been denied coverage for medical reasons
- Future expansion through an "employer mandate," requiring employers to cover workers
- Two voluntary group insurance plans available to small employers — one offers low premiums, the other guarantees availability
- Reforms to make insurance more affordable
- Assessment of new technologies and their need in particular geographic regions
- Assessment of service expansions and cost-containment

A bi-partisan plan, it was created by the people of Oregon through community, business, labor and government participation. The 1993 Legislature funded the state's share to finance the plan for the 1993-95 biennium.

• **Why it is needed:** Oregonians spent more than \$10 billion on health care in 1993, double the

1988 figure. Oregon health insurance premiums were rising 20 percent annually while the number of uninsured Oregonians grew by 5 percent annually. More than 600,000 Oregonians had either inadequate or no health insurance. One in five Oregonians who returned to welfare did so to obtain medical coverage.

• **Who benefits:** A *high-risk pool* covers more than 3,000 Oregonians who could not otherwise buy insurance because of pre-existing medical conditions.

An affordable *small-business insurance package* went on the market March 1, 1993.

An *employment-based plan* affecting the 300,000 working uninsured is scheduled to go into effect for large employers beginning March 31, 1997, and for small employers on Jan. 1, 1998. It requires employers either to provide group insurance to permanent employees working 17½ hours weekly (and their dependents), or to pay into a state insurance pool. Small employers who start coverage before July '95 receive tax credits.

The first phase of a *Medicaid reform and expansion*, which began on February 1, 1994, extended a Basic Health Care Package to more than 100,000 individuals, who joined about 180,000 Oregonians who previously



qualified for Medicaid. It covers most people below the federal poverty level, and pregnant women and young children up to 133 percent of poverty level.

The second phase of the Medicaid expansion, which began January 1, 1995, added many seniors and persons with disabilities, and foster children, (all of whom already were eligible for Medicaid) to those who receive the Basic Health Care Package.

- **How it's managed:** The plan's five-year Medicaid demonstration is managed by the Office of Medical Assistance Programs in the Oregon Department of Human Resources. The U.S. Health Care Financing Administration is monitoring the project. About 20 prepaid health plans are participating, offering managed care in nearly all of Oregon's 36 counties.

The Oregon Health Plan Administrator coordinates Oregon health care reform, including developing potential alternatives to the employer mandate. An Oregon Health Reform Implementation Group has been formed with several task forces to study the economic impact of the Oregon Health Plan and a variety of issues related to the employer mandate.

The tax credit program is the responsibility of the Insurance Pool Governing Board. The high-risk pool is managed by the Oregon Medical Insurance Pool.

- **What the Medicaid expansion covers:** The Basic Health Care Package is based on a priority list of health services created by the Oregon Health Services Commission. The package stresses prevention, with services such as maternity and newborn care, immunizations, well-child

exams and preventive dental care. It also covers all major diseases of women and children, reasonable diagnostic services, dental services, prescription drugs, many transplants, hospice care, mammograms. Beginning in 1995, outpatient chemical dependency services were added to the package, and mental health services were expanded for about 25 percent of OHP-eligibles (to be phased in to 100 percent by July 1996).

- **What isn't covered:** The Basic Health Care Package does not pay to treat conditions that get better on their own; conditions for which home treatments are effective; cosmetic conditions; and conditions for which treatment is generally ineffective (such as advanced cancer) although in such cases comfort care is provided.

- **How it's financed:** Costs of the Medicaid plan are divided roughly 62 percent federal, 38 percent state. To pay the increased state share of \$65 million during the 1993-95 biennium, the Legislature approved a combination of state general funds and a 10-cent-a-pack increase in the state cigarette tax.

The Medicaid expansion is expected to slow the climb of health care costs by giving low-income Oregonians a regular family health care provider. The plan emphasizes managed care, paying health plans a fixed amount every month to treat a stipulated number of enrolled patients. Before the plan, about 85,000 Medicaid clients received services through managed care; as of January 1, 1995, more than 225,000 are enrolled in prepaid plans

EXHIBIT F.
RESIDENCE LOCATION OF
CURRENT FUJITSU WORKFORCE

Distribution of Fujitsu GMD Workforce by Zip Code

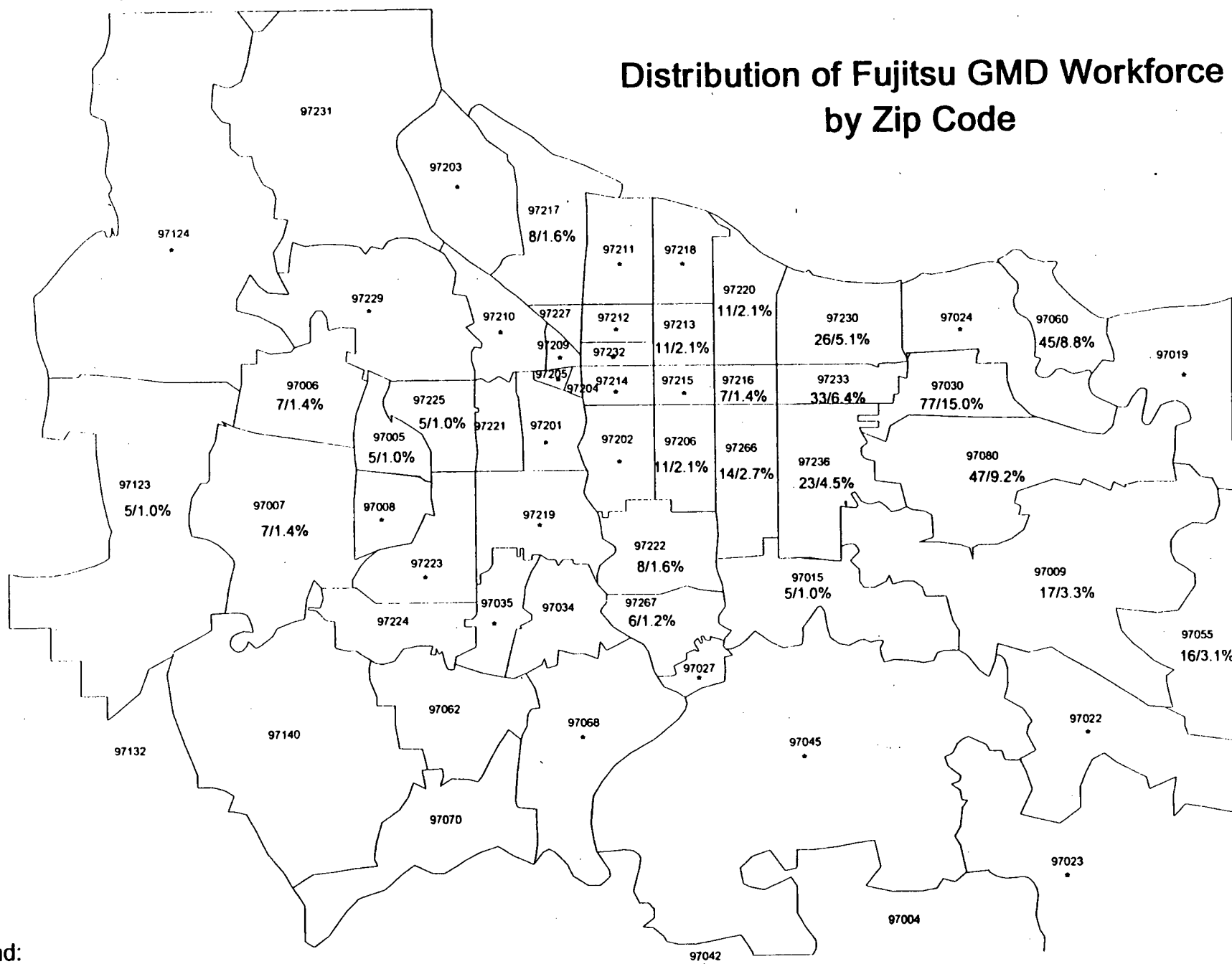
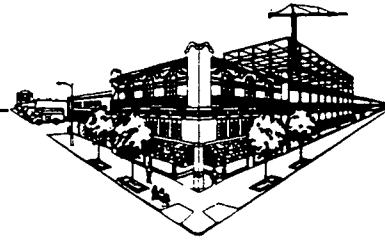


EXHIBIT G.
JOBS-TO-HOUSING ANALYSIS FOR GRESHAM AREA
AS COMPARED TO THE METRO AREA

E. D. Hovee & Company

Economic and Development Services



MEMORANDUM

To: Rob Fussell, Economic Development Manager
City of Gresham

From: Eric Hovee

Subject: Gresham Jobs/Housing Balance Analysis

Date: May 5, 1995

Our firm is currently involved as part of a consultant team conducting a *Gresham Land Use Alternatives Study* for the City of Gresham Community Development Department. The purpose of the project is to evaluate different land use designations, densities and design standards in order to reduce automobile trips and support alternative modes of transportation. The study also is intended to address relevant land use provisions of the state Transportation Planning Rule.

One of the specific objectives of the study is to evaluate the effectiveness of proposed land use alternatives in supporting jobs-housing balance. Preliminary analysis conducted by our firm is based on census tract employment and household data available from Metro.

For definitional purposes, several items are noted:

- Consistent with Metro data, comparisons are made between *jobs* and *households* (rather than housing units).
- We have compared 1992 with projected 2015 conditions based on Metro's published *The Regional Forecast*, November 1993.
- A surplus of jobs to households is calculated based on a comparison of localized conditions with the four-county metropolitan area (Multnomah, Washington, Clackamas, Clark). A figure of over 100% indicates a relatively high proportion of jobs to households; a figure of less than 100% indicates a relative jobs deficiency.

Attachments to this memorandum include a jobs-to-household worksheet and a map illustrating job surplus/deficit relative to the entire Portland metro area. What follows is a brief analysis of the results:

- Compared to the entire metro area, the Gresham/east Multnomah County generally has an inadequate existing job base to serve its residential population. At a ratio of 1.12 jobs-to-households, the Gresham/east county ratio is only 75% that of the regionwide job-to-housing ratio (of 1.49).
- Metro's Regional Forecast anticipates some improvement in the Gresham area's jobs-to-household balance, from 75% of the metro average in 1992 to 88% in 2015.
- There are significant disparities in the jobs-to-household ratios within the Gresham area, when considered on a census tract level. Census tract 102 (Columbia South Shore) has a jobs-to-household ratio that is 397% of the regional average (due to a significant employment base and relatively few housing units). In contrast, census tract 99.01 (south of Powell, west of Eastman) has a jobs-to-household ratio only 11% that of the regional average (with a very nominal employment base located in a heavily residential tract).
- Even when census tracts are aggregated to form three larger districts, there are significant differences in the extent to which Gresham households are served by nearby places of employment. The northern Gresham area (generally north of Stark/Burnside) has a jobs-to-household ratio that is roughly in balance with the entire region. In contrast, southern and eastern Gresham are employment deficient with job-to-household ratios that are only 60%-65% of the regional average. These ratios are not expected to improve appreciably over the next 20 years. While there are commercial development opportunities, there is relatively little industrially designated land in the southern Gresham area.
- From a policy perspective, an important transportation and growth management (TGM) question is whether additional land use planning provisions should be made to encourage additional employment-related development in the southern and/or eastern Gresham areas. The appropriate planning response may be different in southern versus eastern Gresham. Much of the eastern Gresham area (census tracts 104.02 and 105) lies east of the city and urban growth boundary, and so may not be suitable for significant industrial or commercial development despite lack of a local employment base. An alternative might be to consider encouraging small-scale home occupation uses in these more rural areas, as well as encouraging additional larger scale employment development on lands currently designated throughout the Gresham area for industrial and commercial use.

I hope that this information is useful in summarizing the need for development of additional employment opportunities in the Gresham/east Multnomah County area. If there are questions regarding any aspect of this analysis, please give me a call.

EH:jm

enclosures

Jobs-to-Household Analysis for Gresham Area as Compared to the Metro Area

Census Tract	1992 Estimated		Ratio Jobs:HH	% of Metro*	2015 Estimated		Ratio Jobs:HH	% of Metro*
	Jobs	Hhlds			Jobs	Hhlds		
96.02	3,975	2,802	1.42	95.1%	4,777	3,113	1.53	97.4%
98.01	1,417	1,052	1.35	90.3%	3,659	1,260	2.90	184.4%
98.02	1,504	2,714	0.55	37.1%	3,446	3,741	0.92	58.5%
99.01	306	1,894	0.16	10.8%	595	1,984	0.30	19.0%
99.02	2,074	2,136	0.97	65.1%	1,671	5,504	0.30	19.3%
99.03	256	1,185	0.22	14.5%	303	2,250	0.13	8.6%
100	5,782	2,386	2.42	162.4%	9,006	3,111	2.89	183.8%
101	1,417	2,000	0.71	47.5%	3,692	2,746	1.34	85.4%
102	6,426	1,085	5.92	396.9%	17,343	4,746	3.65	232.1%
103.01	2,368	2,220	1.07	71.5%	9,232	3,452	2.67	169.8%
103.02	701	1,610	0.44	29.2%	1,077	2,550	0.42	26.8%
104.02	1,882	1,448	1.30	87.1%	5,224	5,191	1.01	63.9%
104.04	983	2,145	0.46	30.7%	5,844	4,979	1.17	74.5%
104.05	2,080	1,787	1.16	78.0%	2,655	1,787	1.49	94.3%
104.06	2,224	2,552	0.87	58.4%	2,825	3,021	0.94	59.4%
104.07	1,532	1,544	0.99	66.5%	2,095	2,645	0.79	50.3%
105	601	1,240	0.48	32.5%	484	1,377	0.35	22.3%
Gresham Sub Total	35,528	31,800	1.12	74.9%	73,928	53,457	1.38	87.8%
Northern Gresham	14,887	9,717	1.53	102.7%	36,121	16,607	2.18	138.1%
Southern Gresham	18,158	19,395	0.94	62.7%	32,099	30,282	1.06	67.3%
Eastern Gresham	2,483	2,688	0.92	61.9%	5,708	6,568	0.87	55.2%
Portland Metro Area	863,943	578,982	1.49	--	1,337,318	849,234	1.57	--

Source: E.D. Hovee & Company using METRO Data.

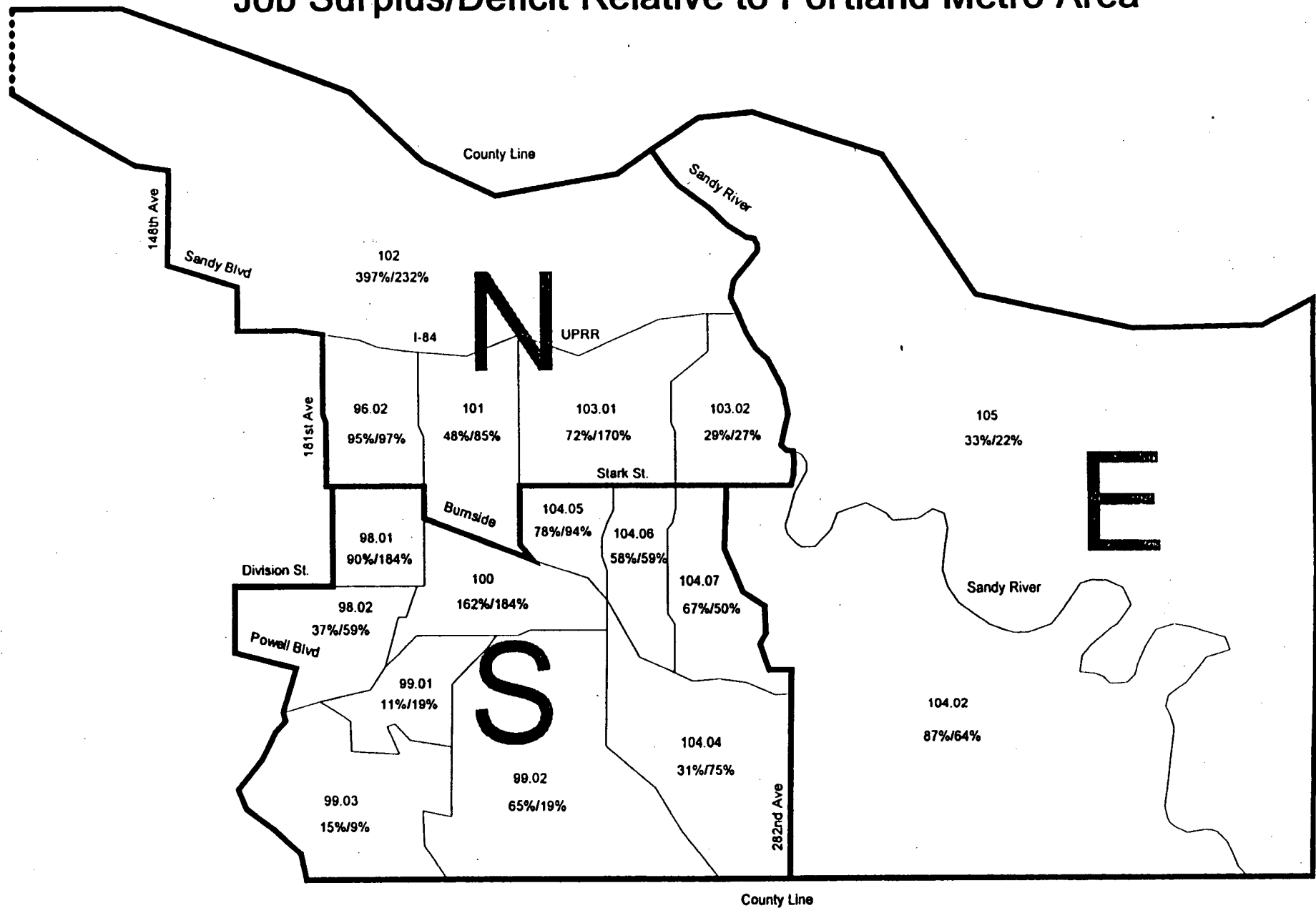
Note: Northern Gresham includes Census Tracts 96.02, 101, 102, 103.01, and 103.02.

Southern Gresham includes Census Tracts 98.01, 98.02, 99.01, 99.02, 99.03, 100, 103.01, 103.02, 104.04, 104.05, 104.06 and 104.07.

Eastern Gresham includes Census Tracts 104.02 and 105.

* Note: Compared to 4-County Portland Metro Area.

Job Surplus/Deficit Relative to Portland Metro Area



Note: Percentage figures in each tract indicate the jobs-to-household ratio for the Portland metro area. The first of each pair of percentage figures indicates 1992 conditions, the second the 2015 Metro-based projection.

Source: Metro data, interpolated by E.D. Hovee & Company, April 1995.

EXHIBIT H.
CITY OF GRESHAM VERIFICATION OF
INFRASTRUCTURE CAPACITY



Administration

Bonnie R. Kraft
City Manager

Nina D. Regor
Asst. City Manager

Judith M. Ure
Executive Assistant

Citizen Involvement

Kay Foetisch
Citizen Involvement
Coordinator

Anndy Wiselogle
Mediation Specialist

Public Affairs

John Mills
Public Affairs Officer

Recording Services

Phyllis R. Brough
City Recorder

Connie Otto
Staff Assistant

Support

Janelle Semion
Executive Secretary,
City Manager

Kelle Landavazo
Executive Secretary,
Assistant City Manager

Molly Cafferty
Executive Secretary,
Council

Cecile Turley
Senior Secretary,
Citizen
Involvement/
Mediation

Faye Simon
Central Receptionist

Jana Suter
Central Receptionist

CITY OF GRESHAM

Office of the City Manager
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 669-2660
FAX (503) 665-7692

May 8, 1995

The Honorable Beverly Stein
Chair, Multnomah County Commission
1120 SW Fifth Avenue, Room 1515
Portland, OR 97204

Dear Commissioner Stein:

The City of Gresham is pleased to be a part of this SIP application. We have evaluated the proposed Fujitsu expansion and determined there are no known adverse impacts on public facilities, nor are there any expected adverse impacts to public safety.

The project would increase the total site-generated flows to the sanitary sewer system to about 2.0 million gallons per day. The actual quantity will depend upon the percentage of wastewater recycling attained. There is adequate capacity in the interceptor sewerlines and adequate treatment capacity in the wastewater treatment plant to handle the additional projected flows.

Mike Baker of Rockwood PUD has verified that the existing distribution waterlines and reservoir capacity are adequate to serve the proposed expansion. A new metering facility will be required. The City of Gresham water system also has significant capacity to act as a back up in case of an emergency or a maintenance shutdown.

An analysis of the traffic impact from the expansion will be required with the development permit application. The existing signalized access to Stark Street is likely to function at an acceptable level of service. Additional cost, if any, will be borne by Fujitsu.

Underground stormwater detention facilities were provided with the first phase of development. A similar system (or surface storage) will be feasible to serve the proposed expansion.

The City of Gresham has enjoyed an eight-year relationship with Fujitsu. They have proved to be a conscientious corporate citizen. This expansion will create living-wage jobs for our citizens and help maintain Gresham's quality of life. We look forward to this new phase in our partnership with Fujitsu.

Regards,

Bonnie R. Kraft

Bonnie R. Kraft
City Manager

BK:RF/kl/js

EXHIBIT I.
CITY OF GRESHAM CORRESPONDENCE
REGARDING TOXIC WASTE REDUCTION PROGRAM



CITY OF GRESHAM

Fire Department
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 661-3000

April 14, 1995

Ms. Beverly Stein, Chair
Multnomah County Commission
1120 SW 5th, room 1515
Portland, OR 97204

Dear Ms. Stein:

The staff of Fujitsu Microelectronics, Inc.'s Gresham facility has asked that I write to you to confirm our working relationship with that company regarding their toxic waste reduction program. As the Hazardous Materials Planner for the City of Gresham, I work closely with Fujitsu on a variety of hazardous materials issues, and have always found them to be extremely cooperative, concerned about compliance with federal, state and local legislation, and continually searching for environmentally safe alternatives in their industrial processes. Their plans and reports are complete and on time, they solicit assistance from this Department when needed, and are prompt with implementing our recommendations.

We have every confidence that Fujitsu will continue their exemplary approach to environmental issues and cooperation with local governments. Please feel free to call me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Sandstrom", is written over a horizontal line.

Richard J. Sandstrom
Hazardous Materials Planner

cc. Parrott
Cole

EXHIBIT J.
DEQ VERIFICATION OF TOXIC USE REDUCTION

February 22, 1994

Ms. June Ann Cole
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, Oregon, 97030

Re: Toxic Use Reduction/Hazardous Waste Reduction
Plan for Facility with EPA ID # ORD987166204
and TRIS # 97030FJSM21015

Dear Ms. Cole:

Thank you for the efforts you have devoted to preparing your facility's Toxics Use Reduction and Hazardous Waste Reduction (TURHWR) Plan. Completion of the TURHWR Plan and the Annual Progress Reports (APR) fulfill two of the major requirements of Oregon's Toxics Use Reduction and Hazardous Waste Reduction Law. The TURHWR rules also require that the plans be maintained at each facility and that the completed plan be made available to the Department of Environmental Quality (DEQ) upon request (OAR 340-135-090). DEQ periodically reviews plans for completeness and to gather information about the quality of TURHWR planning in Oregon.

As part of this endeavor, DEQ's Northwest Regional Office will review the TURHWR plan and APR's for your facility in the near future. It is our goal to make the review of your TURHWR plan as simple as possible for both DEQ and the industrial facilities involved. You can select from two plan review options:

Option 1: You can voluntarily send a copy of your plan to DEQ for review. If you choose this option, your plan will be maintained as confidential while in our possession and, if you desire, will be returned to you after our review is completed.

If you choose Option 1, please send one (1) copy of your plan to my attention at DEQ's Northwest Regional Office. To help us handle your plan as a confidential document please send it by registered mail, return receipt requested, or by some other method requiring a verifiable signature from the person accepting the document, such as Federal Express or a courier. If you do not send the document using this type of delivery, we cannot guarantee that the plan will be held confidential for the entire time it is in our possession.

Option 2: DEQ staff have the statutory authority to review the plan at your facility. If you would prefer that we come to your facility to review the plan, then no action is required on your part.



2020 SW Fourth Avenue
Suite 400
Portland, OR 97201-4987
(503) 229-5263 Voice/TDI
DEQ-1

Ms. June Ann Cole
February 22, 1994
Page 2

If you choose Option 2, DEQ staff will contact you to set up an appointment to visit your facility and review your plan. As required by law, DEQ will notify you at least five days in advance of our review.

If the Department finds that your plan is not complete or if you do not have a plan, your facility will receive a Notice of Deficiency (NOD) requiring that the deficiency be corrected within 90 days (OAR 340-135-050 [3]). After this period, the Department may require a public hearing to resolve uncorrected discrepancies. There are no penalties or fines in this program, however, by law, any discrepancies automatically become public record.

Thank you in advance for your cooperation. Should you have any questions regarding the review of your facility's TURHWR plan or DEQ's planning requirements please contact Peter Myling of my staff at 229-5534.

Sincerely,

Fredrick Moore
for

David St. Louis, Manager
Hazardous Waste Reduction and Permitting

DSL:psb

EXHIBIT K.
CITY OF GRESHAM INSPECTION REPORT



City E. DiLoreto
Director

Parks & Recreation
Division

Conway
Manager

Sanitary Sewer &
Wastewater Treatment
Division

Guthrie
Manager

Stormwater Division

Grady
Manager

Transportation Division

McRae
Manager

Public Works Division

Anderson
Manager

Department of Solid Waste &
Recycling

Kottke
Manager

Department of Customer
Relations

City Lane
Manager

Public Services

Page

CITY OF GRESHAM

Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-3813
(503) 669-2549
FAX (503) 661-5927
November 1, 1994

FILE COPY

COPY

June Ann Cole
Safety and Environmental Control
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, Oregon 97030

Dear Ms. Cole:

RE: SEPTEMBER 23, 1994 INSPECTION

Enclosed is Fujitsu's facility inspection Report for September 23, 1994.
Please review the report for completeness and accuracy.

I appreciated the accompaniment of Blair Collins during the inspection. He was helpful in responding to my inquiries. Although the facility is obviously being managed with a great concern toward environmental regulations, please respond to the City by November 30, 1994 with the following required actions:

Required Action No. 1:

Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the City with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system, due to the manually operated discharge valve.

Required Action No. 2:

Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the City with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?

If you have any questions, you may phone me at 669-2431.

Sincerely,

Alan P. Johnston
Pretreatment Coordinator

cc: Gregory DiLoreto, Director
Gareth Ott, Sanitary Sewer and WWTW Division Manager
Susan Kalotay, Pretreatment Specialist
Mike Re, OMI, Project Manager

File: 3033-PP paper



CITY OF GRESHAM
DEPARTMENT OF ENVIRONMENTAL SERVICES
INDUSTRIAL PRETREATMENT PROGRAM
INSPECTION FORM

I. GENERAL

FACILITY NAME: Fujitsu Microelectronics, Inc.
LOCATION ADDRESS: 21015 SE Stark Street
MAILING ADDRESS: 21015 SE Stark Street, Gresham, OR 97030
CONTACT PERSON: June Anne Cole
TITLE: Section Head, Safety
TELEPHONE NUMBER: 669-6061
PERMIT NO: 333
EXPIRATION DATE: 04/17/95
OBSERVATION DATE: 09/23/94
BUSINESS TYPE: Manufacturer of Integrated Circuits
CATEGORICAL DISCHARGER: Y/N: Yes 40 CFR: 469 Subpart A
SIC CODE: 3674
NUMBER OF SHIFTS: 2 (175 Day: 11:30am - 12:00am / 175 Night: 11:30pm - 12:00pm) 7 Days/wk
NUMBER OF EMPLOYEES PER SHIFT: 450 total

WATER FLOW SCHEMATIC: On file

WASTE GENERATING PROCESSES:

1. NAME: Acid Waste Neutralization Units
DESCRIPTION: Neutralization units for wastewater from scrubbers, chemical handling area, process, RO/ DI and utility building
AMOUNT: 792,000 gpd max., (300 gpd average)
CHEMICAL NATURE: Sodium Hydroxide, Sulfuric Acid
FREQUENCY OF DISCHARGE: Continuous
DESTINATION: Sanitary sewer
2. NAME: HF Treatment System
DESCRIPTION: Pretreatment for Hydrofluoric Acid
AMOUNT: 172,800 gpd max. (100 gpd Average)
CHEMICAL NATURE: Calcium Hydroxide, Aluminum Sulfate, Polymer Calcium Fluoride
FREQUENCY OF DISCHARGE: Continuous
DESTINATION: Sanitary sewer
3. NAME: Scrubbers
DESCRIPTION: Recirculation of water and additives. Scrubbers exhaust from system. In basement of process building
AMOUNT: 108,000 gpd max.
CHEMICAL NATURE: Caustics, Acids
FREQUENCY OF DISCHARGE: Continuous at low flow rate
DESTINATION: Acid neutralization unit

INDUSTRIAL PRETREATMENT INSPECTION FORM

4. NAME: Chemical Handling
 DESCRIPTION: Pump filters the high purity chemicals. No solvents used.
 AMOUNT: 14,400 gpd max.
 CHEMICAL NATURE: Acids and Bases
 FREQUENCY OF DISCHARGE: Batch discharge
 DESTINATION: Acid neutralization unit
5. NAME: Reverse Osmosis / Deionization (RO/DI)
 DESCRIPTION: RO/DI units regenerated approximately 1 bed/week. Bed size: 50-100 ccf of resin. 9 ion exchange system on site.
 AMOUNT: 288,000 gpd max during regeneration process
 CHEMICAL NATURE: Hydrochloric Acid, Sodium Hydroxide
 FREQUENCY OF DISCHARGE: Batch from regeneration process. Continuous from RO units
 DESTINATION: Acid neutralization unit
6. NAME: Boilers Blowdown
 DESCRIPTION: 3 gas or oil fired boilers 5,000 to 10,000 lb/hr. avg. 7,000 lb.
 AMOUNT: 2,160 gpd max
 CHEMICAL NATURE: Caustic (for alkalinity), O2 scavenger, Inhibitor
 FREQUENCY OF DISCHARGE: Approximate daily blowdown
 DESTINATION: Sanitary Sewer
7. NAME: Process Vacuum Units
 DESCRIPTION: 2 units, pumps gases from vacuum lines
 AMOUNT: 14,400 gpd max
 CHEMICAL NATURE: None
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Acid neutralization unit
8. NAME: Cooling Towers
 DESCRIPTION: Induced draft cooling towers
 AMOUNT: 74,880 gpd max
 CHEMICAL NATURE: biocide (Sodium Hypochloride), 351 inhibitor
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer
9. NAME: Solvent Storage
 DESCRIPTION: Storage for solvent inventory
 AMOUNT: None
 CHEMICAL NATURE: Solvents
 FREQUENCY OF DISCHARGE: None
 DESTINATION: No direct discharge
10. NAME: Cafeteria
 DESCRIPTION: Food service, no deep fryer
 AMOUNT: None
 CHEMICAL NATURE: None
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer

INDUSTRIAL PRETREATMENT INSPECTION FORM

11. NAME: Domestic
 DESCRIPTION: Domestic use
 AMOUNT: N/A
 CHEMICAL NATURE: Domestic
 FREQUENCY OF DISCHARGE: Continuous
 DESTINATION: Sanitary Sewer

12. NAME: Arsenic Source
 DESCRIPTION: Used in manufacture of wafers
 AMOUNT: Small amounts of gas used in process
 CHEMICAL NATURE: Arsene gas
 FREQUENCY OF DISCHARGE: Small amounts used occasionally
 DESTINATION: Arsene gas is collected and filtered through carbon and then discharged through the air scrubbers and on to the sanitary sewer

PRODUCT LINE:
 PROCESS: Manufacturer of Integrated Circuit Wafers
 FLOW DIAGRAM: N/A

PRETREATMENT FACILITIES:
 PROCESS: 1. 2 acid waste neutralization units
2. 1 HF treatment unit
 FLOW DIAGRAM: On file with discharge application

CHEMICALS:

NAME (Primary Ingredients)	STORED ON SITE	DISCHARGED TO SEWER	EPA HAZ. WASTE
Process:			
Sulfuric Acid	X		
Nitric Acid	X		
Hydrogen Peroxide	X		
Ammonium Hydroxide	X		
Phosphoric Acid	X		
Hydrochloric Acid	X		
Hydrofluoric Acid	X		
Nitric/Hydrofluoric Acid Mixture	X		
Ammonium Fluoride/Hydrofluoric Acid Mixture	X		
Tetramethylammonium Hydroxide	X		
RO/DI System:			
Hydrochloric Acid	X		
Sodium Hydroxide	X		
Acid Neutralization System:			
Sodium Hydroxide	X	X	
Sulfuric Acid	X	X	
HF Waste Treatment System:			
Calcium Hydroxide	X	X	
Aluminum Sulfate	X	X	
Polymer	X	X	

INDUSTRIAL PRETREATMENT INSPECTION FORM

SAMPLING LOCATION:

PROCESS STREAM: Manholes at HF treatment and Acid Waste Neutralization Area

COMBINED STREAM: Parshall flume at NW corner of the facility

II. PREINSPECTION MEETING

OVERVIEW:

PURPOSE/OBJECTIVES: Compliance with industrial wastewater permit. Conformance with federal Pretreatment requirements. Assist Industry with Pretreatment Program.

ORDER OF INSPECTION: Process flow

ACCOMPANIMENT:

NAME: Blair Collins TITLE: Environmental

MEETINGS SCHEDULED: 2/year

PROCESS INFORMATION CONFIDENTIALITY: Wastewater constituents quantity on file

WWTP'S INTENT: Maintain treatment operations; maintain ability to dispose of sludge in beneficial manner; ensure worker safety in collection and treatment system; protect water quality of receiving stream.

INFORMATION TO BE COLLECTED:

LIST OF RECORDS: None

PERMIT VERIFICATION:

REVIEW PERMIT: Y/N: Yes

MODIFICATION: None

WRITTEN INFORMATION:

TRANSMITTED: None

RECEIVED: None

NEW REQUIREMENTS: None

SAFETY REQUIREMENTS OF OBSERVER: None

SPLIT SAMPLES: None

PHOTOGRAPHS: None

QUESTIONS & COMMENTS: None

III. ON SITE INSPECTION

PERIPHERAL EXAMINATION:

SIZE: _____
ADDITIONAL BUILDINGS: None
OUTSIDE CHEMICAL STORAGE: Empty clean drums, loading area
LOCATION OF SANITARY SEWER: _____

OBSERVED PHYSICAL CHARACTERISTICS OF WASTESTREAM:

LOCATION: Parshal flume
COLOR: Clear
SOLIDS: Some
SMELL: None

LOCATION CONTACT PERSON: June Anne Cole

AVAILABILITY OF SAMPLING RESULTS: From June Anne Cole

LOCATION OF SAMPLING POINTS: _____

AS DESCRIBED IN SECTION I: Y/N: Y

WWTP SAMPLING AT THIS TIME: Y/N: Y

PROXIMITY OF CHEMICAL STORAGE TO FLOOR DRAINS: None observed

FLOOR DRAINS DISCHARGE TO STORM OR SANITARY: None observed

SPILL CONTROL PRACTICES:

PAST SPILLS: Acid waste to drain
UNUSUAL DISCHARGES: pH Spikes-Sensor failure - Other
TEMPORARY PROBLEMS: _____

IMPLEMENTATION OF ACCIDENTAL SPILL CONTROL PROGRAM: Y/N: Y

AIR POLLUTION CONTROL EQUIPMENT:

WASTEWATER: N/A
POLLUTANTS: _____
VOLUME: _____

WASTE RESIDUALS:

STORED: HF treat system precipitate stored on site
DISPOSED: Landfill

HAZARDOUS WASTE GENERATION:

Y/N: Y

DISPOSAL DESTINATION: Either Chempro in Kent, WA, Romic in East Palo Alto, CA, or USPCI in Clive, Utah.

DISPOSAL COMPANY: Managed by Van Waters and Rogers

RECENT PROCESS CHANGES:

PROPOSED: Addition of heat tape control system to verify current to the system. Also, all heat tape electrical requirements put on backup electrical.

INDUSTRIAL PRETREATMENT INSPECTION FORM

OPERATIONAL PROBLEMS:

SHUTDOWNS: None

FOLLOW-UP ACTIVITIES:

LETTER OK:

Cover letter.

LETTER W/ REQUIREMENTS:

LETTER OTHER:

DATE

11/1/94

OBSERVER SIGNATURE:

Alan Johnston

November 28, 1994

Alan Johnston
Pretreatment Coordinator
City of Gresham
Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-2549

Dear Mr. Johnston:

This letter is to address the action items presented in your memo dated November 1, 1994. The action items were identified during an audit performed on September 23, 1994. Our responses are as follows:

Action Item 1: - *"Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the city with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system due to the manually operated discharge valve."*

Fujitsu understands that as a high volume generator of wastewater we must be concerned with the potential to discharge wastewater out of compliance. Part of this concern stems from a pH excursion which resulted from activities in the chemical loading area. Fujitsu has procedures and guidelines set forth in our *Site Contingency Plan* for controlling water collected in the chemical loading area. These procedures are included as Attachment I. Despite having procedures in place, a discharge of low pH water accumulated in the chemical loading area did occur. A worker responsible for loading dock activities was under the false notion that water from the chemical loading area exits the facility through the acid waste neutralization (AWN) system. Subsequent to the incident the procedure for discharging accumulated water has been reviewed and the responsible employee subject to corrective action.

Action Item 2: *"Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the city with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?"*

As you are aware, pH excursions to the combined effluent have occurred during recent modifications to our AWN system. The primary cause of the excursions was improper switching over

ATTACHMENT 1

Spill Prevention Control and Countermeasure Plan (Part of Fujitsu's Contingency Plan)
Procedure for Releasing Water from the Chemical Loading Area

Unloading Areas

Fuel oil is unloaded into the 10,000 gallon tank at an unloading pad adjacent to the storage tank. The pad has a drain line that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area. The hose connection for the tank truck is capped and the block valve is kept shut except when oil is received.

Bulk acid and caustic is unloaded into the appropriate tanks at an unloading pad adjacent to the acid and caustic bulk tanks. The truck unloading pad has a drain line that discharges directly in to the City of Gresham Sewer line. This line has a block valve that is normally closed. The area is drained when it is determined that the water is uncontaminated or will not cause an exceedance of the City of Gresham Wastewater permit discharge limits. The hose connections for the tank truck are located within the containment area. These connections are capped and the block valve is kept shut except when chemicals are received.

Utility Building chemicals are unloaded from trucks near the UB roll up door. The chemicals are immediately transported to their respective storage and use locations. There is no secondary containment for the truck. Any spill is immediately contained via temporary means and would be discharged offsite via the storm drain system.

CSS and other Fab Chemicals are received in drums, bottles or canisters. They are unloaded at the Chemical Dock near the CSS building. The chemicals are immediately transported to their respective storage and use locations. The dock has a trench drain that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

The Main Receiving Dock also has a trench drain. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

Spill Prevention Practices

The stormwater discharge structure has an underflow weir to prevent the discharge of floating oil and debris. If oil is not trapped by this weir, it can be expected to collect in the ponds where it could be removed prior to offsite discharge.

All chemical storage areas and tanks are regularly inspected as part of normal facility operation. Normal inspections consist of visual inspections for leaks and the containment integrity. Whenever a leak or spill is found, the spilled material is cleaned up and the source of the spill is identified and corrected. The tank or area is not used until the problem is corrected. Once

EXHIBIT L.
DEQ ANNUAL AIR QUALITY INSPECTION

State of Oregon
Department of Environmental Quality

Memorandum

Date: April 6, 1995

To: Files/AQ-Multnomah County #26-3240
From: David Sellers - NWR *DS*
Subject: Annual Inspection - Fujitsu, Gresham, April 6, 1995

Facility Information

Fujitsu Microelectronics, Inc
21015 SE Stark Street
Gresham, OR 97030

Permit Information

ACDP 26-3240, Expired 9/1/93
Renewal submitted on 7/1/93
Title V Call in Date 9/15/95

Facility Contacts

June Ann Cole, Safety and Env. Control
Dave Schrott,
Phone - 229-6000

Inspection Summary

The facility was inspected on April 6, 1995, and found to be in compliance with Oregon air pollution rules and permit conditions in Air Contaminant Discharge Permit (ACDP) 26-3240. An odor survey prior to entering the plant found no odors. Volatile organic compound records show compliance with the plant site emission limit for VOC. The facility is meeting reporting requirements in its ACDP.

Facility Description

Fujitsu produces semiconductor integrated circuits at its Gresham facility. Volatile organic compounds (VOC) are emitted due to evaporation of organic solvents in wafer coating and cleaning compounds. Inorganic gases (ammonia and acid gases) are released from various processes and are controlled by wet scrubbers.

Plant Site Emission Limits (PSELs)

The annual VOC PSEL is 27 tons. The short term VOC PSEL is 6 pounds per hour. The 1994 annual report shows compliance with the annual PSEL. 1994 VOC emissions totalled 19 tons. VOC emissions are determined based on mass balance of material used and hazardous waste removed from the plant. Starting in 1995 waste will be hauled the second week of each month to make the mass balance calculation easier and more accurate.

Memo To: Files/AQ-Multnomah County #26-3240
April 6, 1995
Page 3

Permit Modification

Fujitsu submitted an ACDP renewal application on July 1, 1993. The Department has not acted on the renewal. Fujitsu plans to submit a modification application to increase the VOC PSEL to allow increased use of existing capacity, and to make the facility a synthetic minor source.

cc: Air Quality Division - DEQ
June Ann Cole, Fujitsu Microelectronics

COUNTY: Multnomah

SOURCE INSPECTION FORM

SOURCE NAME: Fujitsu Microelectronics Inc.

SOURCE ADDRESS: 2115 SE Stark St
Portland OR 97230

OFFICIAL CONTACTED: June Ann Cole
503-221-1000

☐ SW
☒ AQ
☐ NC

PERMIT NUMBER		POINT	ACTION		DATE SCHEDULED			DATE ACHIEVED			RESULT	INSPEC. NO.
CO.	SOURCE		NO.	TYPE	MO.	DAY	YR.	MO.	DAY	YR.		
1	3240			7	7						X	1545

TABLE A PARA	PREP. TIME	TRANS TIME	INSPECTION TIME	PAPER TIME
61B	10	10	20	10

8.1

8.2

8.3

8.4

COMPLIANCE STATUS (RESULT CODE)				TREATMENT/PROCESS EQUIPMENT – ADDITIONAL REMARKS – OPERATING CONDITIONS	
	IN COMP.	NOT IN COMPLI- ANCE	ON SCHEDULE		
All permit conditions	<input checked="" type="checkbox"/>			Attached Inspection Report Memo	
Permit emission limits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Emission standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Performance reqts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Monitoring & Reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Open burning limits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Procedural Reqts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Fugitive emissions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
SOURCES IN VIOLATION & LIMITS VIOLATED					

David Sellers 4/6/15
SIGNATURE OF INSPECTOR AND DATE

SIGNATURE OF PERSON INTERVIEWED DATE

EXHIBIT M.
WASTE REDUCTION & RECYCLING VERIFICATION

Van Waters & Rogers Inc.

subsidiary of Univar

3950 N.W. YEON AVE.
PORTLAND, OR 97210-1412
PHONE (503) 222-1721
FAX (503) 222-2714

April 17, 1995

FAX (503) 669-6109

Mr. Dick Romano
Fujitsu Microelectronics
21015 S.E. Stark
Gresham, Oregon 97030

Dear Dick:

We have been your primary waste management vendor since Fujitsu Microelectronics opened its doors in Gresham. We appreciate the long relationship and I believe we have served you well over these years. It is my understanding that, as a part of the process of considering future expansion in Gresham, you are reviewing the current state of regulatory compliance at FMI-Gresham. Here is a brief discussion of this issue relative to VW&R and your RCRA & CERCLA regulatory requirements.

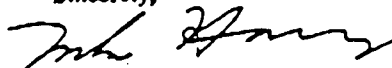
All hazardous waste shipped via our ChemCare waste management program has been disposed of in compliance with all federal, state, and local statutes, regulations, and caselaw. VW&R has chosen or suggested Treatment Storage and Disposal facilities very carefully because our handling agreement requires us to indemnify FMI-Gresham for any and all future CERCLA liability resulting from the disposal of your waste at these sites. Thus, the long-term and short-term interests of FMI-Gresham and VW&R are exactly the same.

In all cases, where we sought (with your in-house environmental professionals) to determine the best disposal method for your hazardous wastes, we attempted to recycle the waste as the first priority. Where this has been both technologically and economically practical, your waste has been recycled. Where recycling of the waste was not possible, the next option evaluated was Alternative Fuel Blending. This technology utilizes the waste as a fuel alternative to natural gas for use in Cement Kiln operations. The waste is burned and does not become a part of any aggregate or secondary product. Finally, your unrecyclable hazardous waste with high solids content has been disposed of via destructive incineration.

Every shipment of hazardous waste shipped under our ChemCare program is covered by our contractual indemnification that protects FMI from all future CERCLA-based cleanup costs as well as any attorney fees resulting from waste shipped under our program. There is not, at this time, comparable indemnification available from any other company.

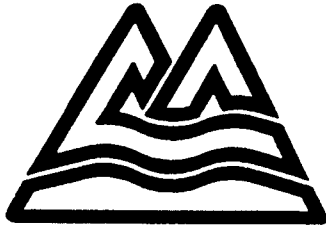
We appreciate your business and will continue to work hard to serve you. If you have additional questions, please let me know. Thank you.

Sincerely,



Michael Harvey
Account Executive





MULTNOMAH COUNTY, OREGON

BOARD OF COUNTY COMMISSIONERS**BEVERLY STEIN****DAN SALTZMAN****GARY HANSEN****TANYA COLLIER****SHARRON KELLEY****BUDGET & QUALITY****PORTLAND BUILDING****1120 S.W. FIFTH - ROOM 1400****P. O. BOX 14700****PORTLAND, OR 97214****PHONE (503) 248-3883**

TO: Beverly Stein, Chair of the Board of County Commissioners
Dan Saltzman, Board of County Commissioners
Gary Hansen, Board of County Commissioners
Tanya Collier, Board of County Commissioners
Sharron Kelley, Board of County Commissioners
Pat Clancy, Public Financial Management

FROM: Barry Crook, Budget and Quality Manager
Budget & Quality Office

DATE: May 24, 1995

SUBJECT: Supplemental Information from SIP Applicant #1

Attached is the additional information that I had requested in order to declare the application from Fujitsu complete. After consultation with the consultant team and Tanya Collier, lead negotiator, I have determined that the information contained in these supplemental materials is sufficient to render the application complete. I have informed the applicant of that decision today. According to the policy guidelines, I have seven days to prepare a report from the consultant team on this application. So I intend to prepare and deliver that report to the Board of County Commissioners by next Wednesday, May 31st.

In the packet dated May 19, 1995, in response to our request for additional information, but which is not necessary in order to declare the application complete, and in response to question #8, on page 3 of the response, the company has informed me of a typographical error. The third sentence should indicate that the applicant, over the last two years, has hired 74.5% of its employees locally, and 24.5% were non-local hires.

If you have any questions, please call me at 248-3575.

R. Barry Crook
Budget & Quality Manager

Oregon
ECONOMIC
DEVELOPMENT
DEPARTMENT

May 17, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Suite 1400
Portland, OR 97204

Re: **Confidential Response/Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

On behalf of Fujitsu Microelectronics, Inc., I am pleased to transmit responses to your May 12, 1995 request for additional information to complete the confidential Fujitsu application. With this submittal, we hope that Fujitsu application under the Strategic Investment Program for Multnomah County will be complete, and that negotiations can commence.

I appreciate the work of your consulting team in reviewing the application, and look forward to assisting the process in any way that I can.

Sincerely,



Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronic, Inc.
Mike Ogan, PDC



**RESPONSES TO COMPLETE APPLICATION FOR
MULTNOMAH COUNTY
STRATEGIC INVESTMENT PROGRAM (SIP)**

Submittal #2

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 17, 1995

PREFACE

This report provides responses to questions raised in the May 12, 1995 Multnomah County review of a Confidential Application for Multnomah County Strategic Investment Program (SIP) previously submitted on May 8, 1995 by the Oregon Economic Development Department on behalf of Fujitsu Microelectronics, Inc.

Responses are organized in the order presented by the May 12 letter from R. Barry Crook, Budget and Quality Manager for Multnomah County. It is intended that these responses provide the information required for the SIP application to be deemed complete.

A response to Additional Information Requested (needed to evaluate the Application but not to deem it complete) will be provided under separate cover.

Questions regarding any aspect of this response report can be addressed to either:

Richard Romano
Vice President, Administration
Fujitsu Microelectronics
Gresham Manufacturing Division
21015 S.E. Stark Street
Gresham, Oregon 97030
(503) 669-6005

or

Marcy Jacobs
Regional Business Development Officer
Oregon Economic Development Department
One World Trade Center
121 S.W. Salmon Street, Suite 300
Portland, Oregon 97204
(503) 229-5625

Responses Needed to Complete Application

This report provides responses needed to complete the application of Fujitsu Microelectronics, as stipulated by correspondence dated May 12, 1995 from R. Barry Crook, Budget and Quality Manager for Multnomah County. For each item, the information requested is quoted in **boldface** type. The response from Fujitsu and the Oregon Economic Development Department (OEDD) follows. Several exhibits providing additional detail are attached as noted.

- 1. No clear answer was given as to why the abatement was needed. What are some of the factors which influence your decision to locate here and how is the abatement a significant feature of that decision? How does the Gresham facility compare relative to other sites being considered? (Page reference your application, page 10.)**

Expansion possibilities at three existing Fujitsu manufacturing facilities are considered the strongest alternatives. These sites are located in Durham, England, Iwate, Japan and Gresham, Oregon. A comparison of relevant data is presented below:

	FJ - Iwate	FMI - GMD	FML - Durham
Property Tax Rate	1.4%	1.5%	0.4%
Tax on \$1 billion additional capacity (\$ million)	\$14.0*	\$15.0	\$4.0
Operator/Technician Labor Cost Index**	1.2	1.0	0.7

Notes: * Iwate location currently offers 100%, three-year property tax exemption for new building, land improvements and manufacturing equipment.

** Labor costs of different plant sites are shown in relation to the Fujitsu-GMD (Gresham) operation.

Given equivalent costs of plant construction and procurement of new process equipment, property tax exemptions must be obtained to make expansion at the Gresham facility competitive with other alternatives.

- 2. The Application requires demonstration of a clear career path for advancement. While a title hierarchy was provided, no demonstration of advancement was included. Please submit an analysis of career path advancement using current and historical employee data. (Page reference your application, page 13.)**

Examination of the number of promotions by job title indicates that since May 1, 1993 the Fujitsu Microelectronics Gresham Manufacturing Division (GMD) has had 152 wafer fab operator promotions, which is equal to 69% of that job classification being promoted. GMD also has had 55 technician promotions which represents 55% of that job classification

receiving promotions and 22 engineering promotions representing 48% of those individuals being promoted.

Additional information will be provided during the negotiation period. The company is trying to obtain more information regarding the level of detail required by the county.

3. **The Application requires submission of a wage scale. Please provide a wage scale for each job classification, clearly indicating base salaries as separated from other payments. (Page reference your application, page 13.)**

This information is included as Exhibit B.

4. **The Application requires a comparison of health benefits provided by the Company to the Oregon Health Plan. A specific listing of benefits provided by the Company's major medical insurance provider is required. This should include at minimum: a description of types of benefits available to each class of employee, a description of items covered under the Company's health benefits program and a description of Company requirements to receive health benefits. (Page reference your application, page 24.)**

Fujitsu is providing a summary of benefit plans (as Exhibit C) and a comparison of medical plans (as Exhibit D) for review. As with all of the company's benefits, those listed in the comparisons are available to all full-time regular employees. Eligibility for these benefits typically begins on the date of employment, except for the 401K plan and LTD coverage which require that an individual be employed by the company for three months prior to enrollment.

5. **The Application failed to describe a credible program for child care and failed to agree to do a child care impact study as required in the SIP. (Page reference your application, page 16.) The Company must agree, in writing, to conduct a child care impact study.**

Fujitsu maintains a child care program with two basic elements. The first of these elements is a child care referral program. Fujitsu has contracted with Metro Child Care Resource and Referral to provide its employees with information regarding child care services which are available in the greater Portland metropolitan area.

The second aspect of the GMD program is an ongoing agreement with Children's World to provide employees with a 30% discount on the cost of child care and free registration fee. Children's World provides 15% of the discount and Fujitsu pays for the remaining 15%.

To address the child care needs which will be created by the expansion, Fujitsu GMD will survey its workforce upon hiring to determine the child care impact implications. The company will address those implications through the following measures:

- GMD will negotiate with Children's World as was indicated in the original application to extend their hours of operation through a 24 hour a day, 7 day per week operation.
- In addition, Fujitsu is willing to negotiate an amount of subsidy in addition to the discounts already offered for those employees whose earnings fall below the average wage of Multnomah County.

6. The Application requires demonstration of commitment to employees through the Benefits Plan. The benefits are not clearly described as to who is eligible and who is not eligible for benefits. (Page reference your application, page 24.)

As has been indicated in prior responses, all full-time regular employees are eligible for the Fujitsu benefits package. A full-time regular employee is an employee employed directly by the company on a continuing basis for more than 30 hours per week.

As of this writing, only one employee out of GMD's 540 regular employees works a modified shift of less than 30 hours per week and therefore is not eligible for company medical benefits. This employee, however, enjoys all other benefits on a pro-rated basis.

Please refer to benefit plan Summary Plan Descriptions booklets in back of the Employee Handbook for a detailed description of eligibility requirements and specific coverages offered under each benefit. *Note:* The entire Employee Handbook is being submitted with this response report as Exhibit E. Due to its length, one original copy is transmitted. Additional copies are available on request.

7. The Application requires a commitment to fund an "appropriate Company - or community operated program" if an adverse impact of housing affordability is predicted by an impact study. The Company has not done so in the Application. A written statement affirming the Company's willingness to negotiate in good faith based on the need identified through the impact study is required. (Page reference your application, page 25.)

Consistent with the standard referenced on page 25 of the May 8 application, Fujitsu GMD anticipates cooperating with Multnomah County, the City of Gresham, other cities in the region and Metro to assess impacts of the GMD plant expansion on the availability of affordable housing in the region. If an adverse impact is predicted, the company is willing to negotiate in good faith based on the need identified to fund an appropriate company or community oriented program.

8. The Application requires a description of a credible program to encourage employees to use alternative modes of transportation. This standard was not met. The following will be required to have the application deemed complete: (a) provide a copy of the DEQ

required trip reduction plan showing how the Company plans to comply with the requirement to reduce work related trips; (b) a written commitment to develop a credible program concurrent with the plant expansion; and (c) submission of the name and title of the "key employee" who will be named as Transportation Coordinator.

Responses to this question are organized in the order indicated:

- (a) It is the understanding of Fujitsu and OEDD that DEQ does not yet have a trip reduction plan requirement in place. The 1994 Oregon State Legislature adopted legislation to implement such a plan as part of the adopted Transportation Planning Rule. Implementing regulations have been drafted but not yet adopted by DEQ.

It is understood that trip reduction plans may be required of employers in the future. Fujitsu GMD will proceed to prepare and implement a plan in cooperation with DEQ, Tri-Met, the City of Gresham, Multnomah County and other appropriate jurisdictions once a requirement is in place.

- (b) In the meantime, Fujitsu agrees to commit to developing a credible program concurrent with plant expansion to encourage employees to use transit, carpools, vanpools or other modes of transportation. As noted on pages 26-27 of the May 8 application, Fujitsu currently has in place an informal program to assist employees in securing alternative transportation. This program involves the use of Tri-Met's promotional materials and the ability to match employees by zip code location for carpooling through the use of our Human Resource Information System.
- (c) Fujitsu GMD has identified a key employee in the Human Resources Department, Ms. Beverly Wilkinson, who has acted in the role of informal transportation coordinator for the last three years. Over the last three years, Fujitsu GMD has worked with Tri-Met to encourage increasing the frequency and improving the timing of public transportation that is available to the plant site. Given the current GMD workforce, Tri-Met has not found it feasible to respond on either of these transit service objectives.

- 9. The Application requires statements from relevant agencies that there will be no unmitigated adverse impacts (related to infrastructure) due to the project. The Application contains no such statements from Multnomah County regarding roads or public safety. Such a statement is required.**

These items are being addressed by correspondence from the Multnomah County transportation office and sheriff's department, as per Exhibits F and G.

- 10. The Application requires a plan for identifying local suppliers. No plan was presented. The Company will need to agree to develop such a plan during negotiations.**

Pages 33-34 of the May 8 application address local procurement activities currently underway as part of Fujitsu corporate policies and plans for the future. With expansion of GMD, the company agrees to develop a more detailed local procurement plan during project negotiations.

- 11. Fiscal impact study lacks an impact analysis of the project assuming the project is built but no abatement is granted. This analysis is a required part of the Application.**

This additional analysis has been completed by Art Ayre, Oregon Economic Development Department, and is attached to this set of response items as Exhibit H.

LIST OF EXHIBITS

Exhibit A. Fujitsu GMD Employee Promotion Data

Exhibit B. Wage Scale

Exhibit C. 1995 Summary of Benefit Plans

Exhibit D. Comparison of Fujitsu GMD Benefit Plans

Exhibit E. Fujitsu Employee Handbook (one copy attached)

Exhibit F. Multnomah County Road Evaluation

Exhibit G. Multnomah County Public Safety Evaluation

Exhibit H. Expanded Fiscal Impact Study (with project completion but no abatement)

Exhibit A.
Fujitsu GMD Employee Promotion Data
(To be provided during the negotiation period)

Exhibit B.
Wage Scale

EXEMPT BASE SALARY STRUCTURE

GRADE	MAX MIDPT MIN	MANUFACTURING	PRODUCTION SUPPORT
E10	\$1689 \$1407 \$1126	Asst to Mgr, Ops Engrg	
E9	\$1634 \$1279 \$1023	Engineer IV/Equip Engineer IV/Industrial Engineer IV/Process Supervising Engr II/Equip Engrg Supervising Engr II/Ops Engrg	Engineer IV/Facilities Engineer IV/Q.A. Engineer IV/Q.A. Audit Engineer IV/Test Supervising Engr II/Facilities Supervising Engr II/Integr Engrg Supervising Engr II/Device Supervising Engr II/Test
E8	\$1394 \$1162 \$ 930		Supervisor/Facilities Analytical Svcs
E7	\$1267 \$1066 \$ 845	Area Supervisor Engineer III/Equip Engineer III/Industrial Engineer III/Process Supervisor II/Equip Mtc Supervising Engr I/Ops Engrg Supervising Engr I/Equip Supervising Engr I/Process	Engineer III/Facilities Engineer III/Q.A. Engineer III/Test Supervisor III/Facilities Mtc
E6	\$1152 \$ 960 \$ 768	Sr Technical Liaison/Wafer Fab	Chemist III Test Area Supervisor Supervisor, Material Cntl/Planner Sr Prod & Mtl Cntl Planner Supervisor II/Facilities Mtc Supervisor II/Q.A. Training Supervisor
E5	\$1048 \$ 874 \$ 689	Engineer II/Equip Engineer II/Industrial Engineer II/Process Supervisor II/Wafer Fab Supervisor I/Equip Mtc	Engineer II/Facilities Engineer II/Q.A. Engineer II/Test Prod & Mtl Cntl Planner Supervisor II/Test
E4	\$ 953 \$ 794 \$ 635	Supervisor I/Wafer Fab	Chemist II Supervisor I/Facilities Mtc Supervisor I/Q.A. Supervisor I/Test
E3	\$ 867 \$ 723 \$ 578	Engineer I/Equip Engineer I/Industrial Engineer I/Process	Engineer I/Facilities Engineer I/Q.A. Engineer I/Test Assoc Material Planner
E2	\$ 788 \$ 667 \$ 525		Chemist I

Effective: 3/27/95

Revised: 2/28/95

NON-EXEMPT BASE SALARY STRUCTURE

GRADE	MAX MIDPT MIN	MANUFACTURING	PRODUCTION SUPPORT
N34	\$27.32 \$22.77 \$18.22	Assoc Engineer/Equip	
N33	\$24.84 \$20.70 \$16.56	Assoc Engineer/Process Equip Mtc Tech IV Equip Engrg Tech Spclt II	Assoc Engineer/Q.A. Facilities Mtc Tech IV Test Tech IV
N32	\$22.58 \$18.82 \$15.06	Process Eng Tech IV	Q.A. Tech IV
N31	\$20.53 \$17.11 \$13.69	Equip Mtc Tech III Equip Engrg Tech Spclt I Process Eng Tech III Sr PROMIS Spclt	Facilities Mtc Tech III Test Tech III
N30	\$18.66 \$15.55 \$12.44	PROMIS Spclt II Trainer IV (Wafer Fab)	Laboratory Tech III Q.A. Tech III Q.A. Inspector IV Trainer IV (Test) Tool Room Attendant
N29	\$16.97 \$14.14 \$11.31	Equip Mtc Tech II Process Eng Tech II PROMIS Spclt I Technical Lead Opr III* Wafer Fab Opr IV Wafer Fab Scheduler III	Facilities Mtc Tech II Test Tech II Laboratory Tech II Q.A. Tech II Test Opr IV Material Control Spclt Stock Control Clerk II
N28	\$15.42 \$12.85 \$10.28	Equip Mtc Tech I Fab Mtc Opr III Process Eng Tech I Technical Lead Opr II* Trainer III (Wafer Fab) Wafer Fab Scheduler II	Facilities Mtc Tech I Probe Card Repair Spclt II Q.A. Inspector III Test Tech I Prod Control Clerk III Trainer III (Test) Stock Control Clerk I
N27	\$13.83 \$11.68 \$ 9.53	Fab Mtc Opr II Wafer Fab Opr III Wafer Fab Scheduler I	Q.A. Tech I Test Opr III Material Handler III Prod Control Clerk II
N26	\$12.57 \$10.62 \$ 8.67	Engrg Support Spclt Fab Mtc Opr I Technical Lead Opr I* Parts Clerk II Wafer Fab Opr II Trainer II (Wafer Fab)	Q.A. Inspector II Probe Card Repair Spclt I Material Handler II Trainer II (Test)
N25	\$11.27 \$ 9.66 \$ 8.05		Test Opr II Prod Control Clerk I
N24	\$10.25 \$ 8.78 \$ 7.32	Trainer I (Wafer Fab) Parts Clerk I	Q.A. Inspector I Material Handler I Trainer I (Test)
N23	\$ 8.71 \$ 7.98 \$ 7.25	Wafer Fab Opr I	Test Opr I
S.T.	— \$ 6.75 —	Wafer Fab Opr-Trainee	Q.A. Inspector-Trainee Test Opr-Trainee

Effective: 3/27/95

*Plus 10% Lead Pay Differential

Exhibit C.
1995 Summary of Benefit Plans

1995 SUMMARY OF BENEFIT PLANS



HEALTH CARE INSURANCE

All medical and dental benefits begin on date of hire and end on date of termination. There is a small pre-tax contribution for employee and/or dependent coverage based on the plan selected and the actual monthly premium. 1995 contribution rates:

	<u>HMO OREGON</u>	<u>KAISER</u>	<u>Plan A</u>	<u>CIGNA</u> <u>Plan B</u>	<u>Plan C</u>
Employee Only	\$ 0.00	\$ 0.00	\$40.00	\$20.00	\$ 0.00
1 Dependent	\$16.00	\$17.00	\$60.00	\$40.00	\$20.00
2 or more Dependents	\$32.00	\$34.00	\$80.00	\$60.00	\$40.00

Medical

- HMO Oregon • HMO; network of physicians; no deductible; \$5.00 co-payment per visit; \$5.00 cost per prescription; free mail-order "maintenance" prescriptions.
- Kaiser • HMO; no deductible; \$1.00 co-payment per visit; \$3.00 cost per prescription.
- Cigna • Indemnity Plan -
 - Plan A: \$100 individual/\$200 family annual deductible; plan pays 80% of reasonable and customary charges; \$1,000 out-of-pocket maximum.
 - Plan B: \$200 individual/\$400 family annual deductible; plan pays 70% of reasonable and customary charges; \$2,000 out-of-pocket maximum.
 - Plan C: \$300 individual/\$600 family annual deductible; plan pays 70% of reasonable and customary charges; \$3,000 out-of-pocket maximum.
- Preferred Provider - Network of physicians; All Plans; \$10.00 co-payment per visit, then plan pays 90% of reasonable and customary charges.
- Prescriptions - PCS Card for \$5 generic co-payment and \$10 name brand co-payment at participating pharmacies; 60% reimbursement at non-participating pharmacies.

Dental

- Cigna • \$50/\$100 annual deductible; \$1,500 maximum per person per year; preventative care (routine check-ups) covered at 100% of reasonable and customary charges twice per calendar year.
- Orthodontia - \$50 per person deductible; \$1,000 per person maximum lifetime coverage.

Vision

- Vision Service Plan • \$10 deductible for eye exam, once per year; eligible for new lenses once every other year, if needed.
- Fujitsu pays employee premium; no dependent coverage available.

EAP

- Cascade Centers • Employee Assistance Program provides confidential consultation, information and counseling for you and/or your dependents.

OTHER INSURANCE (Company Paid Premiums)

Life Insurance

- Three times annual base salary
- Fujitsu pays employee premium

(over)

Exhibit D.
Comparison of Fujitsu GMD Benefit Plans

FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

	CIGNA		KAISER	BLUE CROSS/BLUE SHIELD HMO
	INDEMNITY PLAN	PREFERRED PROVIDER SERVICE		
DEPENDENT ELIGIBILITY	To age 21, or age 25 if full-time student.	To age 21, or age 25 if full-time student.	To age 21, or age 25 if full-time student.	To age 21, or age 25 if full-time student.
OFFICE VISITS	A B/C *80% 70%	\$10 copayment per visit, 100% thereafter	Member pays \$1 each visit	\$5 copayment each visit
DEDUCTIBLE/	A = \$100/\$200 per family B = \$200/\$400 per family C = \$300/\$600 per family	A = \$100/\$200 per family B = \$200/\$400 per family C = \$300/\$600 per family	No deductible No coinsurance	No deductible No coinsurance
PATIENT OUT-OF-POCKET MAXIMUM	A = \$1,000 per year B = \$2,000 per year C = \$3,000 per year	A = \$1,000 per year B = \$2,000 per year C = \$3,000 per year	\$600 per person/\$1,200 per family	\$1,000 per person per calendar year
ROUTINE PHYSICAL EXAMS	\$200 (100% no deductible) Covers employee only	\$200 (100% no deductible) Covers employee only	Member pays \$1 each visit	\$5 copayment per visit (subject to frequency limitations)
WELL CHILD EXAMS	*80% = A; 70% = B/C per visit based on American Pediatric Association schedule	*90% per visit based on American Pediatric Assoc. schedule	Member pays \$1 each visit	\$5 copayment per visit (subject to frequency limitations)
X-RAY & LAB	A B/C *80% *70%	*90%	No Charge	No Charge
PRE-ADMISSION TESTING	*80% *70%	*90%	Covered In Full	Covered In Full
OUTPATIENT SURGERY	*80% *70%	*90%	Member pays \$1 each visit	Covered In Full
ACCIDENT	*80%, *70% Subject to deductible	*90%, subject to deductible	\$1 per visit Non-Kaiser facilities-Member pays 50% of 1st \$100 and all supplemental charges for qualifying emergency care	Covered as any other condition Emergency Room-Member pays 50% of 1st \$100 up to \$50 maximum; charge is waived if admitted to hospital
HOSPICE BENEFITS	\$100 per day to \$10,000 lifetime	\$100 per day to \$10,000 lifetime	Covered in full for terminal illness with a life expectancy of 6 months or less	Lifetime maximum \$15,000 per enrollee.

FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

CIGNA

KAISER

BLUE CROSS/BLUE SHIELD HMO

INDEMNITY PLAN	PREFERRED PROVIDER SERVICE
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HOME HEALTH CARE	100% for a period of Home Health Care max. of 60 visits per calendar year.	100% for a period of Home Health Care max. of 60 visits per calendar year.	No charge within service area when authorized	No charge within service area; frequency of visits limited. Precertification required.
HOSPITAL SERVICE	Pre-admission Review applies (\$250 penalty for non-compliance) *80% = A *70% = B/C	Pre-admission Review applies (\$250 penalty for non-compliance) *90%	No charge - Pre-admission Review is built in	No charge; responsibility of primary care physician
INPATIENT SURGERY	*80% = A; *70% = B/C	*90%	No Charge	No Charge
MATERNITY	*80% = A; *70% = B/C	*90%	No charge for hospitalization \$1 per office visit for pre and postnatal care	No charge for hospitalization \$25 copay for all pre and postnatal care
CANCER SCREENS	*80% = A; *70% = B/C routine check-ups for mammogram, pap, ovarian, prostate or testicular	*90% routine check-ups for mammogram, pap, ovarian, prostate or testicular	\$1 per office visit	\$5 copayment
<u>MENTAL & NERVOUS:</u>				
OUTPATIENT CARE	80% = A, 70% = B/C of \$80 limit per visit, \$2,000 maximum per year	*90% = PPO of \$80 limit per visit, \$2,000 maximum per year	\$15 per visit, 40 visits per 2 year benefit period	Outpatient-80% up to \$2,000 for adults & child in any 24 consecutive month period
INPATIENT CARE	*Pre-admission review applies, 80% = A, 70% = B/C covered	*Pre-admission review applies, 90% covered	80% to \$4,000 for adults, and \$6,000 for children under 18 per 2 year benefit period	Residential-80% up to \$1,000 for adults, and \$2,500 for children in any 24 consecutive month period Inpatient-80% up to \$4,000 for adults, \$6,000 for children in any 24 consecutive month period
<u>CHEMICAL & DRUG CARE:</u>				
OUTPATIENT CARE	80% = A; 70% = B/C of \$3,000 maximum per year; \$6,000 maximum per lifetime	*90% = PPO of \$3,000 maximum per year; \$6,000 maximum per lifetime	\$1 copay for up to 40 visits in a 2 year benefit period	Outpatient-80% up to \$1,500 for adults, and \$2,000 for children in any consecutive 24 month period

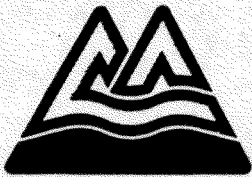
FUJITSU MICROELECTRONICS, INC.
GRESHAM MANUFACTURING DIVISION

	CIGNA	KAISER	BLUE CROSS/BLUE SHIELD HMO
	INDEMNITY PLAN	PREFERRED PROVIDER SERVICE	
INPATIENT CARE	*80% = A; 70% = B/C for up to 8 days of detoxification	*90% for up to 8 days of detoxification	80% up to \$4,500 for adults, \$4,000 for children under 18 per 2 year benefit period
MAXIMUM (COMBINED)	\$50,000 lifetime	\$50,000 lifetime	Residential-80% up to \$3,500 for adults, and \$3,000 for children in any 24 consecutive 24 month period
CHIROPRACTIC, PHYSICAL THERAPY & OTHER THERAPIES	*80% = A; 70% = B/C up to 50 visits total per year, of which 30 visits maximum per year can be for Chiropractic.	*90% up to 50 visits total per year. No PPO for Chiropractic.	Inpatient-80% up to \$4,500 for adults, \$4,000 for children in any 24 consecutive month period
DURABLE EQUIPMENT/ACUPUNCTURE	*80% = A; 70% = B/C Acupuncture is subjected to review determined by diagnosis and limited to 15 visits per condition.	*90% *90%	Physical Therapy covered if authorized; \$5 copay per visit, 20 visits or 2 months max. Chiropractic not covered
CLAIM FORMS	Required	Generally not required	Not Covered Not Covered
PRE-EXISTING CONDITION LIMITATION	Treatment free for 1st 6 months of coverage or services are excluded for 6 months after coverage. Possible credit for prior employment.	Not required for Kaiser service	Paid at 80% Not Covered
LIFETIME MAXIMUM	Unlimited	No limit	Not required
APPROVED FACILITIES	Any licensed hospital or medical physician	Unlimited	No limit
PRESCRIPTION DRUGS	Any licensed hospital or medical physician	Must use listed facilities and physicians in PPO directory	Unlimited
	PCS Managed Care Network card used at participating pharmacies: \$5 copayment for generic medicines, \$10 copayment for name brand medicines. 60% reimbursement at non-participating pharmacies.	Kaiser facilities only	Must use listed facilities noted in directories provided
		\$3 copayment per prescription, at Kaiser pharmacies only	\$5 copayment at participating pharmacies; 50% reimbursement at non-participating pharmacies
			\$0 copayment for mail-order pharmacy (maintenance medications)

*ANNUAL DEDUCTIBLE MUST BE SATISFIED AND ALL CHARGES ARE LIMITED TO USUAL AND CUSTOMARY AMOUNTS. THIS BENEFIT DESCRIPTION IS MEANT AS A BRIEF SUMMARY OF EACH BENEFIT OPTION. ALL PLAN PROVISIONS AS NOTED IN THE CONTRACT APPLY AND YOU SHOULD REFER TO THE CONTRACT FOR DETAILS.

Exhibit E.
Fujitsu Employee Handbook
(one copy attached)

Exhibit F.
Multnomah County Road Evaluation



MULTNOMAH COUNTY OREGON

DEPARTMENT OF ENVIRONMENTAL SERVICES
TRANSPORTATION DIVISION
1620 S.E. 190TH AVE.
PORTLAND, OREGON 97233
(503) 248-5050

BOARD OF COUNTY COMMISSIONERS
BEVERLY STEIN • CHAIR OF THE BOARD
DAN SALTZMAN • DISTRICT 1 COMMISSIONER
GARY HANSEN • DISTRICT 2 COMMISSIONER
TANYA COLLIER • DISTRICT 3 COMMISSIONER
SHARRON KELLEY • DISTRICT 4 COMMISSIONER

May 17, 1995

Rob Fussell
City of Gresham
1333 NW Eastman Parkway
Gresham OR 97030

RE: Fujitsu SIP Application Transportation Impacts

Dear Rob:

The proposed expansion of Fujitsu Microelectronics, Inc. will have impacts to Multnomah County transportation facilities. These impacts will result from an increase in trips generated from the Fujitsu Microelectronics site. The specific impacts are not known at the time of this application. Impacts anticipated are related to street systems adjacent to the site and to the regional street system. The impacts to adjacent streets will be mitigated by improvements determined as part of the planning and permit process. The regional impacts will be mitigated through payment of the Traffic Impact Fees.

In order to assure that these impacts are mitigated, Fujitsu Electronics, through phone conversations with Dick Romano, to be followed up by a written letter from Dick, agrees to mitigate all transportation related impacts as determined by Multnomah County, and to pay all costs and fees associated with such mitigation. Other non-improvement programs related to the transportation section of the SIP are to be detailed during negotiations.

If you have any questions, please call me at 248-3599.

Sincerely,

LARRY F. NICHOLAS, P. E.
Director of Transportation


John K. Dorst
Engineering Services Administrator

JDJS0393.LTR

Exhibit G.
Multnomah County Public Safety Evaluation



Multnomah County Sheriff's Office

12240 N.E. GLISAN ST., PORTLAND, OREGON 97230

**JOHN BUNNELL
SHERIFF**

(503) 255-3600

May 16, 1995

Multnomah County Chair Beverly Stein
1120 SW Fifth, Suite 1515
Portland, OR 97204

Dear Chair Stein:

I have asked our agency to analyze any potential impact to law enforcement or public safety due to the expansion of the Gresham Fujitsu Manufacturing Division. It is our conclusion that the increase in traffic and congestion potential along Stark can be absorbed with existing resources.

I have also conferred with Chief Art Knori as to possible public safety problems in the Mid-Multnomah County area due to the proposed expansion. Collectively, we feel that the expansion fits a normal growth pattern for the area and should result in no unusual impacts for law enforcement agencies.

This expansion falls within a normal range of growth we would expect in our county over the next five to ten years.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'J' and 'B'.

John Bunnell, Sheriff

Exhibit H.
Expanded Fiscal Impact Study
(with project completion but no abatement)

EXHIBIT H

- 11. Fiscal Impact study lacks an impact analysis of the project assuming the project is built but no abatement is granted. This analysis is a required part of the Application.**

The following paragraphs and tables are based on an analysis which uses data on assessed value of property, property tax levies, and property tax rates from the Oregon Department of Revenue and the Multnomah County Tax Supervising and Conservation Commission. Tax rates are assumed to remain constant without the project.

A Small Increase in Revenue for Multnomah County taxing districts.

The project, if built without the Strategic Investments Program, will add substantial assessed value to the tax rolls of several taxing districts. The addition of assessed value to taxing districts that are not in Measure 5 tax rate compression (primarily general government districts) will not change the amount of property taxes that can be collected by the districts (this is limited by the districts' levies); rather, it will lower the property tax rates in those districts from what the rates would have been without the project. In contrast, the addition of assessed value to taxing districts that are in Measure 5 tax rate compression (primarily educational districts) will increase the amount of property taxes that can be collected by the districts; however, educational districts can expect to see a compensating reduction in revenues from state basic school support, after adjusting for changes in school enrollment.

General government taxing districts with some properties that are in compression and some properties that are not in compression (e.g., Multnomah County and other region-wide general government taxing districts) can expect to see a small increase in property tax revenues and some decrease in property tax rates. The increase in revenue would come from the fact that the decline in the post-compression tax rate would be less than the amount needed to fully offset the increase in revenue from the project itself. Properties in general government property tax rate compression would contribute to these districts' increase in revenue but would not receive a reduction in their property tax rates unless the pre-compression decline in rates was sufficient to lower the combined general government property tax rate below the Measure 5 cap. The decrease in property tax rates would be effective for those properties brought out of compression by the project or not in compression for general government property tax rates. Thus, local taxing districts can expect to see only a small increase in property tax revenue, after adjusting tax rates or basic school support revenue. The calculation of this small increase in revenue is beyond the ability of the analytical methods used in this analysis. Instead, the analysis assumes that no properties are in general government property tax rate compression; therefore, the analysis shows all of the impact of the project on general government districts as a rate decrease rather than as a combination of rate decrease and revenue increase.

Finally, without the Strategic Investments Program, local taxing districts would not receive a community service fee from the project.

Reduced property tax rates for Multnomah County residents.

For Multnomah County residents, the project is expected to reduce property tax rates from what they would have been without the investment. The exact amount of the reduction varies from property to property depending upon the taxing districts in which the properties occur.

Table 4 (this table numbering is intended to integrate with the existing application) shows the likely property tax and revenue effects of the project if the project is built without the Strategic Investments Program. Impacts are shown for the two major categories of taxing districts from 1995 through 2000 (years 2001 through 2012 are presented on following pages). Table 4 shows that most educational taxing districts receive more revenue if the investment is made. This increase in taxing district revenue is due to higher assessed values in school districts with fixed tax rates (after Measure 5 property tax rate compression); however, higher school district property tax revenues are likely to be offset by lower basic school support revenues. This likely reduction in basic school support is not shown in the table, but should be expected to offset fully the increase in educational district property tax revenues, after adjusting for changes in school enrollment.

The impact of the facility on taxing district property tax rates is shown in the "District Rate Changes per Thousand" section of the table. Properties located in some but not all of the same taxing districts as the project would receive a reduction in rates only for those districts in which they resided. Such properties should see a decline in their property tax rates equal to the sum of the declines in the districts in which they reside, unless the property is under Measure 5 property tax rate compression. Properties under property tax rate compression may still see a small decline in their property tax rates due to the downward impact of additional assessed value on the property tax rates that apply to bonded indebtedness. In Table 4, educational taxing district rate impacts are not shown separately; most of the combined educational district rate impact would be due to a projected decline in the tax rate associated with Gresham's school bonds, with a much smaller impact due to Mount Hood Community College's bond. This assumes that the bond amounts remain constant.

Table 4 - Without Strategic Investments Program (cont.)
Effect of Investment on Taxing Districts and Property Owners
Tax Years 2001 - 2007
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	2001	2002	2003	2004	2005	2006	2007
District Revenues without Facility							
Multnomah County	188,474	199,782	211,769	224,475	237,944	252,221	267,354
Portland J Port	3,523	3,735	3,959	4,196	4,448	4,715	4,998
Metro J Service	8,913	9,448	10,015	10,615	11,252	11,928	12,643
Trimet Transit	8,275	8,771	9,297	9,855	10,447	11,073	11,738
Rockwood Utility	0	0	0	0	0	0	0
Gresham City	24,787	26,275	27,851	29,522	31,293	33,171	35,161
Gresham-Barlow 26J School	13,943	14,779	15,666	16,606	17,602	18,658	19,778
Gresham 26 (Gresham 4 Bond)	3,448	3,655	3,874	4,107	4,353	4,614	4,891
Multnomah (E) ESD	13,119	13,906	14,741	15,625	16,563	17,557	18,610
Multnomah (H) ESD	6,485	6,874	7,286	7,724	8,187	8,678	9,199
Mt Hood Comm College	6,723	7,126	7,554	8,007	8,487	8,996	9,536
Company's Payments							
Facility Property Taxes	4,858	4,065	3,623	3,496	3,389	3,283	3,199
District Rate Changes							
Multnomah County	-0.0282	-0.0221	-0.0186	-0.0169	-0.0154	-0.0141	-0.0129
Portland J Port	-0.0005	-0.0004	-0.0003	-0.0003	-0.0003	-0.0003	-0.0002
Metro J Service	-0.0014	-0.0011	-0.0009	-0.0008	-0.0007	-0.0007	-0.0006
Trimet Transit	-0.0013	-0.0010	-0.0008	-0.0008	-0.0007	-0.0006	-0.0006
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	-0.2674	-0.2124	-0.1794	-0.1636	-0.1499	-0.1372	-0.1262
Educational Districts	-0.1233	-0.0988	-0.0838	-0.0766	-0.0703	-0.0645	-0.0595
Total	-0.4220	-0.3359	-0.2839	-0.2589	-0.2373	-0.2173	-0.2001
District Revenue Changes							
General Government Districts	0	0	0	0	0	0	0
Gresham-Barlow 26J School	688	575	512	494	479	463	451
Gresham 26 (Gresham 4 Bond)	(0)	0	0	0	0	0	0
Multnomah (E) ESD	672	562	500	482	467	453	441
Multnomah (H) ESD	332	278	247	238	231	224	218
Mt Hood Comm College	304	254	226	218	211	205	199
Total	1,997	1,668	1,486	1,432	1,388	1,344	1,309

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 4 - Without Strategic Investments Program
Effect of Investment on Taxing Districts and Property Owners
Tax Years 1994 - 2000
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	1994	1995	1996	1997	1998	1999	2000
District Revenues without Facility							
Multnomah County	125,346	132,867	140,839	149,289	158,246	167,741	177,806
Portland J Port	2,343	2,484	2,633	2,791	2,958	3,136	3,324
Metro J Service	5,928	6,283	6,660	7,060	7,484	7,933	8,408
Trimet Transit	5,503	5,833	6,183	6,554	6,948	7,364	7,806
Rockwood Utility	0	0	0	0	0	0	0
Gresham City	16,485	17,474	18,523	19,634	20,812	22,061	23,384
Gresham-Barlow 26J School	13,739	9,829	10,419	11,044	11,706	12,409	13,153
Gresham 26 (Gresham 4 Bond)	2,293	2,431	2,577	2,731	2,895	3,069	3,253
Multnomah (E) ESD	13,088	9,249	9,804	10,392	11,015	11,676	-12,377
Multnomah (H) ESD	6,469	4,572	4,846	5,137	5,445	5,771	6,118
Mt Hood Comm College	6,445	4,739	5,024	5,325	5,644	5,983	6,342
Company's Payments							
Facility Property Taxes	0	0	0	5,924	4,945	7,666	6,057
District Rate Changes							
Multnomah County	0.0000	0.0000	0.0000	-0.0438	-0.0343	-0.0507	-0.0375
Portland J Port	0.0000	0.0000	0.0000	-0.0008	-0.0006	-0.0009	-0.0007
Metro J Service	0.0000	0.0000	0.0000	-0.0021	-0.0017	-0.0025	-0.0018
Trimet Transit	0.0000	0.0000	0.0000	-0.0020	-0.0015	-0.0023	-0.0017
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	0.0000	0.0000	0.0000	-0.4045	-0.3219	-0.4624	-0.3497
Educational Districts	0.0000	0.0000	0.0000	-0.1829	-0.1473	-0.2074	-0.1594
Total	0.0000	0.0000	0.0000	-0.6362	-0.5074	-0.7261	-0.5508
District Revenue Changes							
General Government Districts	0	0	0	0	0	0	0
Gresham-Barlow 26J School	0	0	0	843	702	1,094	861
Gresham 26 (Gresham 4 Bond)	0	0	0	0	(0)	0	(0)
Multnomah (E) ESD	0	0	0	824	686	1,068	841
Multnomah (H) ESD	0	0	0	407	339	528	415
Mt Hood Comm College	0	0	0	373	310	483	380
Total	0	0	0	2,447	2,036	3,173	2,497

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Table 4 - Without Strategic Investments Program (cont.)
Effect of Investment on Taxing Districts and Property Owners
Tax Years 2008 - 2012
(all figures in thousands of dollars except taxes on home)

In Thousands of Dollars:	2008	2009	2010	2011	2012
District Revenues without Facility					
Multnomah County	283,395	300,399	318,423	337,528	357,780
Portland J Port	5,298	5,616	5,953	6,310	6,689
Metro J Service	13,402	14,206	15,058	15,962	16,919
Trimet Transit	12,442	13,188	13,980	14,819	15,708
Rockwood Utility	0	0	0	0	0
Gresham City	37,271	39,507	41,878	44,390	47,054
Gresham-Barlow 26J School	20,965	22,222	23,556	24,969	26,467
Gresham 26 (Gresham 4 Bond)	5,185	5,496	5,825	6,175	6,545
Multnomah (E) ESD	19,727	20,910	22,165	23,495	24,904
Multnomah (H) ESD	9,751	10,336	10,956	11,613	12,310
Mt Hood Comm College	10,108	10,715	11,358	12,039	12,761
Company's Payments					
Facility Property Taxes	3,115	3,017	2,945	2,913	2,884
District Rate Changes					
Multnomah County	-0.0119	-0.0108	-0.0100	-0.0093	-0.0087
Portland J Port	-0.0002	-0.0002	-0.0002	-0.0002	-0.0002
Metro J Service	-0.0006	-0.0005	-0.0005	-0.0005	-0.0004
Trimet Transit	-0.0005	-0.0005	-0.0004	-0.0004	-0.0004
Rockwood Utility	0.0000	0.0000	0.0000	0.0000	0.0000
Gresham City	-0.1161	-0.1062	-0.0979	-0.0914	-0.0854
Educational Districts	-0.0548	-0.0502	-0.0463	-0.0433	-0.0405
Total	-0.1841	-0.1684	-0.1553	-0.1450	-0.1356
District Revenue Changes					
General Government Districts	0	0	0	0	0
Gresham-Barlow 26J School	439	425	415	410	406
Gresham 26 (Gresham 4 Bond)	0	(0)	0	(0)	(0)
Multnomah (E) ESD	429	415	405	401	397
Multnomah (H) ESD	212	205	200	198	196
Mt Hood Comm College	194	188	183	181	180
Total	1,275	1,234	1,204	1,191	1,179

Assumptions:

1. District assessed values, property tax levies, and property tax rates are based on data for 1994-1995 tax year.
2. Combined school district property tax rate (inside Measure 5 limit) remains at \$5 per thousand dollars of assessed value; bonded indebtedness is additional.
3. Analysis includes only direct investment impacts on property tax rates.
4. Although table shows changes in school property tax revenue, figures do not reflect potential changes in basic school support due to changes in local property tax revenue and to changes in school enrollment.

Oregon
ECONOMIC
DEVELOPMENT
DEPARTMENT

May 18, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Suite 1400
Portland, OR 97204

Re: **Confidential Response #2, Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

Per your request, I am enclosing additional information regarding hiring, promotion and classification of Fujitsu employees. The listing is dividing into three sections:

- Operators
- Technicians
- Engineers

Questions regarding any aspect of this listing should be addressed to Ron Craig, Manager, Human Resources, Fujitsu GMD.

Please let me know if I can provide additional assistance.

Sincerely,



Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronics, Inc.
Mike Ogan, PDC



Fujitsu GMD Employee Promotion Data

The following pages contain a detailed job history of hiring, promotion and classification data by employee position and date. The names of individual employees have been deleted from the list to protect confidentiality of personnel matters.

The listing is divided into three sections:

- ◆ Operators
- ◆ Technicians
- ◆ Engineers

Questions regarding any aspect of this listing should be addressed to Ron Craig, Manager, Human Resources, Fujitsu GMD.

GMD ACTIVE :ATORS JOB HISTORY
 16 MAY 1995
 PAGE1

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

72	01/17/91	4.3 Wafer Fab Opr IV	Photo	Transfer	72
	10/22/90	.2 Supv I, Wafer Fab		Classification	
	06/25/90	.3 Supv, Wafer Fab		Promotion	
	12/06/88	1.5 Wafer Fab Opr IV	Photo	Classification	
	09/06/88	.2 Wafer Fab Opr		New Hire	

74	03/27/95	.1 Wafer Fab Opr IV	PVD	Promotion	74
	10/01/90	4.5 Wafer Fab Opr III	PVD	Promotion	
	04/03/89	1.5 Wafer Fab Opr II		Classification	
	09/06/88	.6 Wafer Fab Opr		New Hire	

75	08/01/93	1.8 Wafer Fab Opr IV	Photo	Reclassification	75
	10/12/92	.8 Wafer Fab Opr IV	Photo/DAX	Reclassification	
	09/30/91	1.0 Wafer Fab Opr IV	Photo	Promotion	
	10/02/89	2.0 Wafer Fab Opr III	Photo	Promotion	
	12/06/88	.8 Wafer Fab Opr II		Classification	
	09/06/88	.2 Wafer Fab Opr		New Hire	

78	08/01/93	1.8 Wafer Fab Opr III	Ion Implant	Reclassification	78
	04/03/89	4.3 Wafer Fab Opr III	CVD	Promotion	
	12/06/88	.3 Wafer Fab Opr II	Etch	Classification	
	09/06/88	.2 Wafer Fab Opr		New Hire	

81	12/06/88	6.4 Wafer Fab Opr IV	Photo	Classification	81
	09/06/88	.2 Wafer Fab Opr		New Hire	

GMD ACTIVE ..ATORS JOB HISTORY

16 MAY 1995

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

98	01/30/95	.3 Test Opr IV		Reclassification	98
	08/30/93	1.4 Pack Department Scheduler		Reclassification	
	04/02/90	3.4 Supv II, Assembly		Classification	
	09/19/88	1.5 Supv, Assembly		New Hire	

103	01/30/95	.3 Wafer Fab Opr III	Ion Implant	Reclassification	103
	10/10/94	.3 Wafer Fab Opr III	CVD	Reclassification	
	09/26/94	.0 Wafer Fab Opr III		Promotion	
	09/30/91	3.0 Wafer Fab Opr II	Diffusion	Classification	
	08/19/91	.1 Wafer Fab Opr		Transfer	
	01/10/89	2.6 Test Opr II		Classification	
	10/10/88	.3 Test Opr		New Hire	

107	08/29/94	.7 Test Opr IV		Promotion	107
	04/01/91	3.4 Test Opr III		Promotion	
	10/02/89	1.5 Test Opr II		Promotion	
	01/10/89	.7 Test Opr I		Classification	
	10/10/88	.3 Test Opr		New Hire	

108	08/30/93	1.7 Test Opr III		Lateral Transfe	108
	03/30/92	1.4 Assembly Opr III		Promotion	
	04/02/90	2.0 Assembly Opr II		Promotion	
	01/10/89	1.2 Assembly Opr I		Promotion	
	10/10/88	.3 Assembly Opr - Trainee		New Hire	

109	08/01/93	1.8 Wafer Fab Opr II	PVD	Reclassification	109
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GMD ACTIV. _RATORS JOB HISTORY

16 MAY 1995

PAGE3

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

	04/26/93	.3 Wafer Fab Opr II		Lateral Transfe	
	04/02/90	3.1 Assembly Opr II		Promotion	
	01/10/89	1.2 Assembly Opr I		Promotion	
	10/10/88	.3 Assembly Opr - Trainee		New Hire	

113	09/26/94	.6 Wafer Fab Opr III		Promotion	113
	08/21/93	1.1 Wafer Fab Opr II	Photo	Reclassification	
	04/27/90	3.3 Wafer Fab Opr II	Diffusion	Classification	
	01/27/90	.2 Wafer Fab Opr		Transfer	
	02/20/89	.9 Supv I, Test		Promotion	
	01/10/89	.1 Test Opr II		Classification	
	10/10/88	.3 Test Opr		New Hire	

117	03/28/94	1.1 Q.A. Inspector III		Promotion	117
	01/04/93	1.2 Q.A. Inspector II		Reclassification	
	01/25/89	3.9 Assembly Opr II		Classification	
	10/25/88	.3 Assembly Opr		New Hire	

124	02/15/93	2.2 Q.A. Inspector II		Promotion	124
	10/02/89	3.4 Assembly Opr II		Promotion	
	02/21/89	.6 Assembly Opr I		Classification	
	11/21/88	.3 Assembly Opr		New Hire	

132	03/27/95	.1 Fab Mtc Opr III	Fab Maintenance	Promotion	132
	03/29/93	2.0 Fab Mtc Opr II	Fab Maintenance	Promotion	
	12/02/90	2.3 Fab Mtc Opr I		Promotion	
	03/01/89	1.8 Wafer Fab Opr I		Classification	

GMD ACTIVE .ATORS JOB HISTORY

16 MAY 1995

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

	12/01/88	.2 Wafer Fab Opr - Trainee		New Hire	

144	08/29/94	.7 Wafer Fab Opr IV	Diffusion	Promotion	144
	10/25/93	.8 Wafer Fab Opr III	Diffusion	Lateral Transfe	
	09/30/91	2.1 Test Opr III		Promotion	
	04/09/89	2.5 Test Opr II		Classification	
	01/09/89	.2 Test Opr		New Hire	

148	03/28/94	1.1 Q.A. Inspector IV		Promotion	148
	03/30/92	2.0 Q.A. Inspector III		Promotion	
	09/16/91	.5 Q.A. Inspector II		Lateral Transfe	
	04/01/91	.5 Wafer Fab Opr III	Etch	Promotion	
	04/09/89	2.0 Wafer Fab Opr II		Classification	
	01/09/89	.2 Wafer Fab Opr		New Hire	

151	03/28/94	1.1 Wafer Fab Opr III	Photo	Reclassification	151
	08/01/93	.7 Wafer Fab Opr III	Etch	Reclassification	
	04/01/91	2.3 Wafer Fab Opr III	Photo	Promotion	
	04/09/89	2.0 Wafer Fab Opr II		Classification	
	01/09/89	.2 Wafer Fab Opr		New Hire	

156	03/29/93	2.1 Technical Lead Opr III	Ion Implant	Promotion	156
	07/23/90	2.7 Technical Lead Opr II	Implant	Promotion	
	04/16/89	1.3 Wafer Fab Opr III		Classification	
	01/16/89	.2 Wafer Fab Opr		New Hire	

GMD ACTIVE ATORS JOB HISTORY
 16 MAY 1995
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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

157	03/21/94	1.2 Wafer Fab Opr IV	Implant	Reclassificatio	157
	03/29/93	1.0 Wafer Fab Opr IV	Etch	Promotion	
	10/01/90	2.5 Wafer Fab Opr III	Etch	Promotion	
	04/16/89	1.5 Wafer Fab Opr II	Etch/Photo	Classification	
	01/16/89	.2 Wafer Fab Opr	CVD	New Hire	

158	09/20/94	.7 Wafer Fab Opr IV	PVD	Reclassificatio	158
	04/23/89	5.4 Wafer Fab Opr IV	Ion Implant	Classification	
	01/23/89	.2 Wafer Fab Opr		New Hire	

162	05/08/95	.0 Wafer Fab Opr IV	CVD	Reclassificatio	162
	01/23/95	.3 Wafer Fab Opr IV	Implant	Reclassificatio	
	03/28/94	.8 Wafer Fab Opr IV	CVD	Promotion	
	10/01/90	3.5 Wafer Fab Opr III	CVD	Promotion	
	04/23/89	1.4 Wafer Fab Opr II		Classification	
	01/23/89	.2 Wafer Fab Opr		New Hire	

174	03/27/95	.1 Wafer Fab Opr III	Etch	Promotion	174
	07/05/93	1.7 Wafer Fab Opr II	Etch	Lateral Transfe	
	03/22/93	.3 Assembly Opr II		Lateral Transfe	
	03/30/92	1.0 Q.A. Inspector II		Promotion	
	04/14/91	1.0 Q.A. Inspector I		Classification	
	01/14/91	.2 Q.A. Inspector		Promotion	
	05/13/89	1.7 Wafer Fab Opr II	Judgement	Classification	
	02/13/89	.2 Wafer Fab Opr		New Hire	

GMD ACTIVE OPERATORS JOB HISTORY

16 MAY 1995

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
			JOB			

201	09/26/94	.6	Wafer Fab Opr III		Promotion	201
	10/02/89	5.0	Wafer Fab Opr II	Diffusion	Classification	
	03/13/89	.6	Wafer Fab Opr		New Hire	

202	03/06/95	.2	Wafer Fab Opr III	PVD	Reclassification	202
	02/13/95	.1	Wafer Fab Opr III	Etch	Reclassification	
	04/01/91	3.9	Wafer Fab Opr III	Judgement	Promotion	
	06/13/89	1.8	Wafer Fab Opr II		Classification	
	03/13/89	.3	Wafer Fab Opr		New Hire	

213	05/02/94	1.0	Q.A. Inspector III		Reclassification	213
	02/13/90	4.2	Q.A. Tech I		Classification	
	11/13/89	.3	Q.A. Tech		Promotion	
	06/27/89	.4	Q.A. Inspector I		Classification	
	03/27/89	.3	Q.A. Inspector		New Hire	

220	10/21/91	3.6	Q.A. Inspector II		Transfer	220
	06/27/89	2.3	Wafer Fab Opr II		Classification	
	03/27/89	.3	Wafer Fab Opr		New Hire	

254	08/29/94	.7	Wafer Fab Opr IV	Etch	Promotion	254
	10/01/90	3.9	Wafer Fab Opr III	Etch	Promotion	
	08/22/89	1.1	Wafer Fab Opr II		Classification	
	05/22/89	.3	Wafer Fab Opr		New Hire	

GMD ACTIVE RATORS JOB HISTORY

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				
260	03/28/94	1.1	Wafer Fab Opr IV	Ion Implant	Promotion	260
	04/01/91	3.0	Wafer Fab Opr III	CVD	Promotion	
	08/30/89	1.6	Wafer Fab Opr II		Classification	
	05/30/89	.3	Wafer Fab Opr		New Hire	

262	09/26/94	.6	Wafer Fab Opr IV		Promotion	262
	09/30/91	3.0	Wafer Fab Opr III	Etch	Promotion	
	10/02/89	2.0	Wafer Fab Opr II		Classification	
	06/05/89	.3	Wafer Fab Opr		New Hire	

268	03/29/93	2.1	Wafer Fab Opr IV	PVD	Promotion	268
	06/29/92	.7	Wafer Fab Opr III	PVD	Reclassificatio	
	03/30/92	.2	Wafer Fab Opr III	Super Clean	Transfer	
	10/02/89	2.5	Wafer Fab Opr III	Super Clean	Classification	
	06/05/89	.3	Wafer Fab Opr		New Hire	

282	05/29/94	1.0	Wafer Fab Opr IV	Photo	Reclassificatio	282
	09/30/91	2.7	Wafer Fab Opr IV	Ion Implant	Promotion	
	08/20/91	.1	Wafer Fab Opr III		Transfer	
	07/23/90	1.1	Technical Lead Opr II		Promotion	
	10/02/89	.8	Wafer Fab Opr III		Classification	
	06/12/89	.3	Wafer Fab Opr		New Hire	

289	03/28/94	1.1	Wafer Fab Opr IV	Test Wafers	Promotion	289
	12/05/90	3.3	Wafer Fab Opr III	Test Wafers	Promotion	
	05/22/89	1.5	Wafer Fab Opr		New Hire	

GMD ACTIVE - KATORS JOB HISTORY

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

300	04/19/93	2.1 Test Opr III		Lateral Transfe	300
	04/02/90	3.0 Wafer Fab Opr III	Etch	Promotion	
	10/02/89	.5 Wafer Fab Opr II		Classification	
	06/12/89	.3 Wafer Fab Opr		New Hire	

316	08/29/94	.7 Technical Lead Opr II	PVD	Promotion	316
	11/10/92	1.8 Technical Lead Opr I	PVD	Promotion	
	04/01/91	1.6 Wafer Fab Opr II	PVD	Promotion	
	10/24/89	1.4 Wafer Fab Opr I		Classification	
	07/24/89	.3 Wafer Fab Opr		New Hire	

318	08/29/94	.7 Q.A. Inspector III		Promotion	318
	04/13/93	1.4 Q.A. Inspector II		Rehire	
	10/31/89	3.4 Wafer Fab Opr II	CVD	Classification	
	07/31/89	.3 Wafer Fab Opr		New Hire	

320	10/01/90	4.6 Wafer Fab Opr IV	CVD	Promotion	320
	10/31/89	.9 Wafer Fab Opr III		Classification	
	07/17/89	.3 Wafer Fab Opr		New Hire	

321	09/30/91	3.6 Wafer Fab Opr IV	CVD	Promotion	321
	05/27/91	.3 Wafer Fab Opr III		Transfer	
	07/23/90	.8 Technical Lead Opr II		Promotion	
	11/15/89	.7 Wafer Fab Opr III		Classification	
	07/10/89	.4 Wafer Fab Opr		New Hire	

GMD ACTIVE ATORS JOB HISTORY

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES
IN
JOBS

327	03/28/94	1.1 Test Opr III		Promotion	327
	08/30/93	.6 Test Opr II		Lateral Transfe	
	09/30/91	1.9 Assembly Opr II		Promotion	
	09/14/89	2.0 Assembly Opr I		Classification	
	08/28/89	.0 Assembly Opr - Trainee		New Hire	

355	03/27/95	.1 Technical Lead Opr III	Diffusion	Promotion	355
	05/10/93	1.9 Technical Lead Opr II	Diffusion	Promotion	
	03/29/93	.1 Wafer Fab Opr III	Diffusion	Promotion	
	04/01/91	2.0 Wafer Fab Opr II	Diffusion	Promotion	
	11/15/89	1.4 Wafer Fab Opr I		Promotion	
	08/16/89	.2 Wafer Fab Opr - Trainee		New Hire	

359	12/06/93	1.4 Technical Lead Opr II	Ion Implant	Promotion	359
	11/14/89	4.1 Wafer Fab Opr III	Ion Implant	Classification	
	08/14/89	.3 Wafer Fab Opr		New Hire	

360	03/28/94	1.1 Wafer Fab Opr IV	Etch	Promotion	360
	04/29/91	2.9 Wafer Fab Opr III	Etch	Transfer	
	08/06/90	.7 Technical Lead Opr II	PVD	Promotion	
	04/02/90	.3 Wafer Fab Opr III	Etch	Promotion	
	11/14/89	.4 Wafer Fab Opr II	CVD	Classification	
	08/14/89	.3 Wafer Fab Opr	Implant	New Hire	

GMD ACTIVE COORDINATORS JOB HISTORY

16 MAY 1995

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				
367	03/27/95		.1 Technical Lead Opr II	PVD	Promotion	367
	12/06/93		1.3 Technical Lead Opr I	PVD	Promotion	
	04/01/91		2.7 Wafer Fab Opr II	PVD	Promotion	
	11/15/89		1.4 Wafer Fab Opr I	CVD	Promotion	
	08/16/89		.2 Wafer Fab Opr - Trainee		New Hire	

370	01/30/95		.3 Wafer Fab Opr III	Etch	Reclassification	370
	09/26/94		.3 Wafer Fab Opr III		Promotion	
	04/01/91		3.5 Wafer Fab Opr II	Etch	Promotion	
	11/16/89		1.4 Wafer Fab Opr I		Promotion	
	08/16/89		.3 Wafer Fab Opr - Trainee		New Hire	

371	03/28/94		1.1 Wafer Fab Opr III	CVD	Promotion	371
	04/01/91		3.0 Wafer Fab Opr II	CVD	Promotion	
	11/20/89		1.4 Wafer Fab Opr I		Promotion	
	08/16/89		.3 Wafer Fab Opr - Trainee		New Hire	

381	09/26/94		.6 Wafer Fab Opr III		Promotion	381
	08/01/93		1.2 Wafer Fab Opr II	Etch	Reclassification	
	10/01/90		2.8 Wafer Fab Opr II	PVD	Promotion	
	01/21/90		.7 Wafer Fab Opr I		Classification	
	08/21/89		.4 Wafer Fab Opr		New Hire	

386	12/07/94		.4 Technical Lead Opr III	PVD	Reclassification	386
	07/23/90		4.4 Technical Lead Opr III	Ion Implant	Promotion	
	11/28/89		.6 Wafer Fab Opr IV		Classification	
	08/28/89		.3 Wafer Fab Opr		New Hire	

GMD ACTIVE RATORS JOB HISTORY

16 MAY 1995

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

387	10/10/94	.6 Wafer Fab Opr IV	PVD	Reclassification	387
	12/11/89	4.8 Wafer Fab Opr IV	Photo	Classification	
	09/11/89	.2 Wafer Fab Opr		New Hire	

388	05/08/95	.0 Wafer Fab Opr III	Diffusion	Reclassification	388
	03/27/95	.1 Wafer Fab Opr III	Diffusion	Promotion	
	03/22/95	.0 Wafer Fab Opr II	Implant	Reclassification	
	05/14/94	.9 Wafer Fab Opr II	Diffusion	Reclassification	
	08/01/93	.8 Wafer Fab Opr II	CVD	Reclassification	
	01/04/93	.6 Wafer Fab Opr II		Reclassification	
	09/30/91	1.3 Q.A. Inspector II		Promotion	
	11/28/89	1.8 Q.A. Inspector I		Classification	
	08/28/89	.3 Q.A. Inspector		New Hire	

389	03/30/95	.1 Wafer Fab Opr III	CVD	Reclassification	389
	01/30/95	.2 Wafer Fab Opr III	PVD	Reclassification	
	09/26/94	.3 Wafer Fab Opr III		Promotion	
	08/01/93	1.2 Wafer Fab Opr II	PVD	Reclassification	
	03/29/93	.3 Wafer Fab Opr II	Implant	Promotion	
	04/13/92	1.0 Wafer Fab Opr I	Implant	Reclassification	
	12/11/89	2.3 Wafer Fab Opr I	PVD	Classification	
	09/11/89	.2 Wafer Fab Opr		New Hire	

410	07/02/94	.9 Wafer Fab Opr IV	PVD	Reclassification	410
	12/11/89	4.6 Wafer Fab Opr IV	Photo	Classification	
	09/11/89	.2 Wafer Fab Opr		New Hire	

GMD ACTIVE RATORS JOB HISTORY

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EMP... JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

416	03/27/95	.1 Technical Lead Opr III	Diffusion	Promotion	416
	08/02/93	1.6 Technical Lead Opr II	Diffusion	Promotion	
	03/29/93	.3 Wafer Fab Opr III	CVD	Promotion	
	04/01/91	2.0 Wafer Fab Opr II	CVD	Promotion	
	11/16/89	1.4 Wafer Fab Opr I		Promotion	
	08/16/89	.3 Wafer Fab Opr - Trainee		New Hire	

417	03/29/93	2.1 Wafer Fab Opr II	Etch	Promotion	417
	11/14/89	3.4 Wafer Fab Opr I	Etch	Promotion	
	08/16/89	.2 Wafer Fab Opr - Trainee		New Hire	

423	08/29/94	.7 Wafer Fab Opr III	PVD	Promotion	423
	04/02/90	4.4 Wafer Fab Opr II	PVD	Classification	
	09/25/89	.5 Wafer Fab Opr	CVD	New Hire	

431	08/29/94	.7 Wafer Fab Opr III	Photo	Promotion	431
	10/16/93	.9 Wafer Fab Opr II	Photo	Reclassification	
	07/12/93	.3 Wafer Fab Opr II	Etch	Rehire	
	01/02/90	3.5 Wafer Fab Opr II	Etch	Classification	
	10/02/89	.3 Wafer Fab Opr		New Hire	

440	09/26/94	.6 Wafer Fab Opr IV	PVD	Promotion	440
	08/01/94	.2 Wafer Fab Opr III	PVD	Reclassification	
	01/30/90	4.5 Wafer Fab Opr III	CVD	Classification	

GMD ACTIVE OPERATORS JOB HISTORY

16 MAY 1995

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				
	10/30/89		.3 Wafer Fab Opr		New Hire	

446	03/27/95		.1 Wafer Fab Opr IV	Etch	Promotion	446
	03/09/95		.0 Wafer Fab Opr III	Etch	Reclassification	
	11/03/93		1.3 Wafer Fab Opr III	CVD	Lateral Transfe	
	04/02/90		3.6 Fab Mtc Opr III		Classification	
	11/27/89		.3 Fab Mtc Opr		Promotion	
	09/18/89		.2 Wafer Fab Opr		New Hire	

454	05/04/95		.0 Wafer Fab Opr III	PVD	Reclassification	454
	04/02/90		5.1 Wafer Fab Opr III	Photo	Classification	
	10/30/89		.4 Wafer Fab Opr		New Hire	

458	08/29/94		.7 Wafer Fab Opr IV	Photo	Promotion	458
	03/30/92		2.4 Wafer Fab Opr III	Photo	Promotion	
	02/06/90		2.1 Wafer Fab Opr II	Photo	Classification	
	11/06/89		.3 Wafer Fab Opr		New Hire	

461	12/05/94		.4 Fab Mtc Opr II		Lateral Transfe	461
	08/01/93		1.3 Wafer Fab Opr III	PVD	Reclassification	
	10/01/90		2.8 Wafer Fab Opr III	Etch	Promotion	
	04/02/90		.5 Wafer Fab Opr II		Classification	
	10/23/89		.4 Wafer Fab Opr		New Hire	

462	03/28/94		1.1 Wafer Fab Opr IV	Ion Implant	Promotion	462

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JOBS

	08/01/93	.7 Wafer Fab Opr III	Ion Implant	Reclassification	
	04/02/90	3.3 Wafer Fab Opr III	Photo	Promotion	
	03/18/90	.0 Wafer Fab Opr II		Classification	
	12/18/89	.2 Wafer Fab Opr		New Hire	

465	03/29/93	2.1 Test Opr III		Promotion	465
	04/01/91	2.0 Test Opr II		Promotion	
	01/21/90	1.2 Test Opr I		Classification	
	10/30/89	.2 Test Opr		New Hire	

481	09/26/94	.6 Wafer Fab Opr IV	Judgement	Promotion	481
	09/07/92	2.1 Wafer Fab Opr III	Judgement	Transfer	
	06/29/92	.2 Q.A. Inspector II		Reclassification	
	07/15/91	1.0 Prod Control Clerk II		Promotion	
	04/01/91	.3 Q.A. Inspector II		Promotion	
	04/02/90	1.0 Q.A. Inspector I		Classification	
	11/27/89	.3 Q.A. Inspector		New Hire	

498	09/26/94	.6 Technical Lead Opr II	Ion Implant	Promotion	498
	07/05/93	1.2 Technical Lead Opr I	Ion Implant	Promotion	
	09/30/91	1.8 Wafer Fab Opr II	Implant	Promotion	
	04/29/90	1.4 Wafer Fab Opr I		Promotion	
	01/29/90	.2 Wafer Fab Opr - Trainee		New Hire	

511	03/27/95	.1 Fab Mtc Opr II	Fab Maintenance	Promotion	511
	08/19/93	1.6 Fab Mtc Opr I	Fab Maintenance	Promotion	
	09/30/91	1.9 Wafer Fab Opr II	Etch	Promotion	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS.....	EMP_NO
	DATES	IN				
			JOBS			
	05/28/90		1.3 Wafer Fab Opr I		Promotion	
	02/26/90		.2 Wafer Fab Opr - Trainee		New Hire	

514	03/28/94		1.1 Wafer Fab Opr III	Etch	Promotion	514
	09/30/91		2.5 Wafer Fab Opr II	Etch	Promotion	
	05/28/90		1.3 Wafer Fab Opr I		Promotion	
	02/26/90		.2 Wafer Fab Opr - Trainee		New Hire	

521	09/26/94		.6 Wafer Fab Opr III		Promotion	521
	09/30/91		3.0 Wafer Fab Opr II	Photo	Promotion	
	06/12/90		1.3 Wafer Fab Opr I		Promotion	
	03/12/90		.3 Wafer Fab Opr - Trainee		New Hire	

524	04/24/95		.1 Wafer Fab Opr II	PVD	Reclassification	524
	04/01/91		4.1 Wafer Fab Opr II	Ion Implant	Promotion	
	06/26/90		.8 Wafer Fab Opr I		Classification	
	03/26/90		.3 Wafer Fab Opr		New Hire	

544	05/21/91		4.0 Fab Mtc Opr II	Fab Maintenance	Promotion	544
	09/04/90		.7 Wafer Fab Opr II	Photo	Classification	
	06/04/90		.3 Wafer Fab Opr		New Hire	

546	03/29/93		2.1 Wafer Fab Opr IV	Photo	Promotion	546
	10/01/90		2.5 Wafer Fab Opr III	Photo	Classification	
	06/18/90		.3 Wafer Fab Opr		New Hire	

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EMP...	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS.....	EMP_NO
	DATES	IN				
		JOBS				

549	09/18/90		4.7 Wafer Fab Opr III	CVD	Classification	549
	06/18/90		.3 Wafer Fab Opr		New Hire	

551	09/20/94		.7 Wafer Fab Opr III	Photo/II	Reclassification	551
	10/01/90		4.0 Wafer Fab Opr III	CVD	Promotion	
	06/18/90		.3 Wafer Fab Opr		New Hire	

552	03/29/93		2.1 Test Opr IV		Promotion	552
	10/01/90		2.5 Test Opr III		Classification	
	06/18/90		.3 Test Opr		New Hire	

557	01/16/95		.3 Fab Mtc Opr II		Rehire	557
	09/30/91		3.3 Wafer Fab Opr II	Etch	Promotion	
	06/25/90		1.3 Wafer Fab Opr I		New Hire	

561	03/27/95		.1 Wafer Fab Opr III	CVD	Promotion	561
	07/15/93		1.7 Wafer Fab Opr II	CVD	Reclassification	
	09/30/91		1.8 Wafer Fab Opr II	Photo	Promotion	
	07/30/90		1.2 Wafer Fab Opr I		New Hire	

564	03/27/95		.1 Wafer Fab Opr IV	Etch	Promotion	564
	03/29/93		2.0 Wafer Fab Opr III	Etch	Promotion	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				
	11/06/90		2.4 Wafer Fab Opr II	Etch	Classification	
	08/06/90		.3 Wafer Fab Opr		New Hire	

575	09/26/94		.6 Wafer Fab Opr III		Promotion	575
	09/30/91		3.0 Wafer Fab Opr II	PVD	Promotion	
	08/20/90		1.1 Wafer Fab Opr I	PVD	New Hire	

576	09/26/94		.6 Wafer Fab Opr III	Photo	Promotion	576
	08/02/93		1.1 Wafer Fab Opr II	Photo	Reclassificatio	
	03/29/93		.3 Assembly Opr II		Promotion	
	03/08/93		.1 Assembly Opr I		Lateral Transfe	
	08/20/90		2.5 Wafer Fab Opr I	CVD	New Hire	

581	03/27/95		.1 Technical Lead Opr II	PVD	Promotion	581
	02/15/94		1.1 Technical Lead Opr I	PVD	Reclassificatio	
	11/08/93		.3 Technical Lead Opr I	Etch	Promotion	
	10/16/93		.1 Wafer Fab Opr II	Etch	Reclassificatio	
	03/30/92		1.5 Wafer Fab Opr II	PVD	Promotion	
	09/10/90		1.6 Wafer Fab Opr I	PVD	New Hire	

583	09/26/94		.6 Wafer Fab Opr III		Promotion	583
	08/01/93		1.2 Wafer Fab Opr II	Ion Implant	Reclassificatio	
	03/29/93		.3 Wafer Fab Opr II	PVD	Promotion	
	09/10/90		2.5 Wafer Fab Opr I	PVD	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

584	08/29/94	.7 Wafer Fab Opr III	Photo	Promotion	584
	03/30/92	2.4 Wafer Fab Opr II	Photo	Promotion	
	09/10/90	1.6 Wafer Fab Opr I	Photo	New Hire	

585	12/05/94	.4 Fab Mtc Opr II		Lateral Transfe	585
	12/06/93	1.0 Technical Lead Opr II	Diffusion	Promotion	
	07/24/93	.4 Wafer Fab Opr III	Etch	Reclassification	
	03/29/93	.3 Wafer Fab Opr III	Etch/Photo	Promotion	
	01/01/91	2.2 Wafer Fab Opr II	Etch/Photo	Classification	
	10/01/90	.3 Wafer Fab Opr		New Hire	

586	02/21/94	1.2 Technical Lead Opr I	Diffusion	Promotion	586
	01/02/94	.1 Wafer Fab Opr II	CVD	Reclassification	
	08/01/93	.4 Wafer Fab Opr II	PVD	Reclassification	
	03/30/92	1.3 Wafer Fab Opr II	Implant	Promotion	
	10/01/90	1.5 Wafer Fab Opr I	Implant	New Hire	

588	03/28/94	1.1 Wafer Fab Opr III	Etch	Promotion	588
	03/30/92	2.0 Wafer Fab Opr II	Etch	Promotion	
	10/01/90	1.5 Wafer Fab Opr I	Etch	New Hire	

589	02/13/95	.3 Technical Lead Opr II	Diff/II	Promotion	589
	01/30/95	.0 Wafer Fab Opr III	Etch	Reclassification	
	08/29/94	.4 Wafer Fab Opr III	Ion Implant	Promotion	
	03/30/92	2.4 Wafer Fab Opr II	Ion Implant	Promotion	
	10/01/90	1.5 Wafer Fab Opr I	Implant	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

590	09/26/94	.6 Wafer Fab Opr III		Promotion	590
	03/30/92	2.5 Wafer Fab Opr II	Photo	Promotion	
	10/01/90	1.5 Wafer Fab Opr I	Photo	New Hire	

599	03/27/95	.1 Q.A. Inspector III		Promotion	599
	03/29/93	2.0 Q.A. Inspector II		Promotion	
	03/09/92	1.1 Q.A. Inspector I		Promotion	
	10/22/90	1.4 Assembly Opr I		New Hire	

600	06/27/94	.9 Q.A. Inspector II		Promotion	600
	08/16/93	.9 Wafer Fab Opr II	Etch	Reclassification	
	08/02/93	.0 Wafer Fab Opr II		Reclassification	
	03/30/92	1.3 Assembly Opr II		Promotion	
	10/22/90	1.4 Assembly Opr I		New Hire	

604	09/26/94	.6 Wafer Fab Opr III		Promotion	604
	03/30/92	2.5 Wafer Fab Opr II	Diffusion	Promotion	
	11/05/90	1.4 Wafer Fab Opr I	Diffusion	New Hire	

605	03/27/95	.1 Wafer Fab Opr III	Ion Implant	Promotion	605
	03/29/93	2.0 Wafer Fab Opr II	Ion Implant	Promotion	
	11/05/90	2.4 Wafer Fab Opr I	Photo	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

606	09/26/94	.6 Wafer Fab Opr III	CVD	Promotion	606
	08/10/93	1.1 Wafer Fab Opr II	CVD	Reclassification	
	03/29/93	.4 Wafer Fab Opr II	Diffusion	Promotion	
	11/05/90	2.4 Wafer Fab Opr I	Diffusion	New Hire	

607	09/26/94	.6 Wafer Fab Opr III		Promotion	607
	03/29/93	1.5 Wafer Fab Opr II	PVD	Promotion	
	11/05/90	2.4 Wafer Fab Opr I	PVD	New Hire	

609	03/28/94	1.1 Wafer Fab Opr III	PVD	Promotion	609
	03/30/92	2.0 Wafer Fab Opr II	PVD	Promotion	
	11/05/90	1.4 Wafer Fab Opr I	PVD	New Hire	

614	03/27/95	.1 Fab Mtc Opr II	Fab Maintenance	Promotion	614
	04/26/93	1.9 Fab Mtc Opr I	Fab Maintenance	Promotion	
	03/29/93	.1 Wafer Fab Opr II	Etch	Promotion	
	12/03/90	2.3 Wafer Fab Opr I	Etch	New Hire	

616	03/27/95	.1 Wafer Fab Opr IV	Etch	Promotion	616
	03/29/93	2.0 Wafer Fab Opr III	Etch	Promotion	
	04/15/91	2.0 Wafer Fab Opr II	Etch	Classification	
	12/03/90	.4 Wafer Fab Opr		New Hire	

623	01/30/95	.3 Wafer Fab Opr III	CVD	Reclassification	623
	09/26/94	.3 Wafer Fab Opr III		Promotion	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				
	03/29/93		1.5 Wafer Fab Opr II	CVD	Promotion	
	01/21/91		2.2 Wafer Fab Opr I	CVD	New Hire	

632	10/03/94		.6 Q.A. Inspector II		Lateral Transfe	632
	08/29/94		.1 Wafer Fab Opr III	Photo	Promotion	
	03/29/93		1.4 Wafer Fab Opr II	Photo	Promotion	
	02/18/91		2.1 Wafer Fab Opr I	Photo	New Hire	

633	09/20/94		.7 Wafer Fab Opr II	Diffusion	Reclassification	633
	08/10/93		1.1 Wafer Fab Opr II	CVD	Reclassification	
	03/29/93		.4 Wafer Fab Opr II	Diffusion	Promotion	
	02/18/91		2.1 Wafer Fab Opr I	Diffusion	New Hire	

655	03/27/95		.1 Wafer Fab Opr III	Diffusion	Promotion	655
	08/01/93		1.7 Wafer Fab Opr II	Diffusion	Reclassification	
	03/29/93		.3 Wafer Fab Opr II	CVD	Promotion	
	04/08/91		2.0 Wafer Fab Opr I	CVD	New Hire	

659	03/29/93		2.1 Wafer Fab Opr III	CVD	Promotion	659
	08/12/91		1.6 Wafer Fab Opr II	CVD	Classification	
	05/13/91		.2 Wafer Fab Opr		New Hire	

683	03/28/94		1.1 Wafer Fab Opr III	PVD	Promotion	683
	11/12/91		2.4 Wafer Fab Opr II	PVD	Classification	
	08/12/91		.3 Wafer Fab Opr	CVD	New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
			JOB			

688	03/27/95		.1 Wafer Fab Opr II	CVD	Promotion	688
	06/27/94		.7 Wafer Fab Opr I	CVD	Rehire	
	03/08/93		1.3 Assembly Opr I		Lateral Transfe	
	10/24/91		1.4 Wafer Fab Opr I	CVD	Classification	
	07/24/91		.3 Wafer Fab Opr	CVD	New Hire	

689	03/28/94		1.1 Q.A. Inspector III		Promotion	689
	12/14/92		1.3 Q.A. Inspector I		Reclassification	
	08/05/91		1.4 Assembly Opr I		New Hire	

690	03/27/95		.1 Wafer Fab Opr II	Implant	Promotion	690
	01/08/94		1.2 Wafer Fab Opr I	Implant	Reclassification	
	06/29/92		1.5 Wafer Fab Opr I	Diffusion	Reclassification	
	08/05/91		.9 Parts Clerk II		New Hire	

691	03/27/95		.1 Wafer Fab Opr IV	Ion Implant	Promotion	691
	10/18/94		.4 Wafer Fab Opr III	Ion Implant	Reclassification	
	12/09/91		2.9 Wafer Fab Opr III	Diffusion	Reclassification	
	12/09/91		.0 Wafer Fab Opr III	PVD	Classification	
	09/09/91		.2 Wafer Fab Opr	Etch	New Hire	

693	03/29/93		2.1 Wafer Fab Opr II	CVD	Promotion	693
	08/26/91		1.6 Wafer Fab Opr I	Diffusion	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

695	08/29/94	.7 Test Opr III		Promotion	695
	08/30/93	1.0 Test Opr II		Reclassification	
	03/29/93	.4 Assembly Opr II		Promotion	
	08/26/91	1.6 Assembly Opr I		New Hire	

700	03/27/95	.1 Wafer Fab Opr IV	Ion Implant	Promotion	700
	06/06/94	.8 Wafer Fab Opr III	Ion Implant	Reclassification	
	08/01/93	.8 Wafer Fab Opr III	PVD	Reclassification	
	12/09/91	1.6 Wafer Fab Opr III	Etch	Classification	
	09/09/91	.2 Wafer Fab Opr	Etch	New Hire	

703	03/27/95	.1 Wafer Fab Opr III	Implant	Promotion	703
	02/02/95	.1 Wafer Fab Opr II	Implant	Reclassification	
	05/11/94	.7 Wafer Fab Opr II	PVD	Reclassification	
	03/29/93	1.1 Wafer Fab Opr II	Ion Implant	Promotion	
	09/30/91	1.5 Wafer Fab Opr I	Implant	New Hire	

709	08/29/94	.7 Wafer Fab Opr III	Photo	Promotion	709
	03/29/93	1.4 Wafer Fab Opr II	Photo	Promotion	
	11/04/91	1.4 Wafer Fab Opr I	Photo	New Hire	

718	01/31/94	1.3 Fab Mtc Opr I	Fab Maintenance	Promotion	718
	09/27/93	.3 Wafer Fab Opr II	CVD	Promotion	
	01/27/92	1.7 Wafer Fab Opr I	CVD	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN

JOBS

720	11/30/94	.5 Wafer Fab Opr II	PVD	Reclassification	720
	08/29/94	.3 Wafer Fab Opr II	Etch	Promotion	
	01/27/92	2.6 Wafer Fab Opr I	Etch	New Hire	

721	03/27/95	.1 Test Opr III		Promotion	721
	03/28/94	1.0 Test Opr II		Promotion	
	08/30/93	.6 Test Opr I		Lateral Transfe	
	01/27/92	1.6 Wafer Fab Opr I	Photo	New Hire	

728	09/27/93	1.6 Test Opr II		Promotion	728
	02/24/92	1.6 Test Opr I		New Hire	

732	01/08/94	1.3 Wafer Fab Opr II	Diffusion	Reclassification	732
	03/29/93	.8 Wafer Fab Opr II	CVD	Promotion	
	03/30/92	1.0 Wafer Fab Opr I	CVD	New Hire	

738	03/28/94	1.1 Wafer Fab Opr II	Etch	Promotion	738
	10/12/92	1.5 Wafer Fab Opr I	Photo	New Hire	

739	03/27/95	.1 Wafer Fab Opr III	CVD	Reclassification	739
	08/29/94	.6 Wafer Fab Opr III	Photo	Promotion	
	03/28/94	.4 Wafer Fab Opr II	Photo	Promotion	
	11/30/92	1.3 Wafer Fab Opr I	Photo	New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
DATES	IN					
			JOB			

742	09/27/93	1.6	Test Opr II		Promotion	742
	01/18/93	.7	Test Opr I		New Hire	

743	03/27/95	.1	Wafer Fab Opr II	Photo	Promotion	743
	02/15/93	2.1	Wafer Fab Opr I	Photo	Reclassification	
	02/01/93	.0	Wafer Fab Opr I	Ion Implant	New Hire	

744	08/08/94	.8	Q.A. Inspector I		Promotion	744
	02/01/93	1.5	Wafer Fab Opr I	Etch	New Hire	

769	06/07/93	1.9	Wafer Fab Opr III	CVD	New Hire	769
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773	05/10/94	1.0	Wafer Fab Opr IV	PVD	Reclassification	773
	06/21/93	.9	Wafer Fab Opr IV	CVD	New Hire	

779	08/29/94	.7	Wafer Fab Opr II	Etch	Promotion	779
	07/12/93	1.1	Wafer Fab Opr I	Etch	New Hire	

780	01/30/95	.3	Wafer Fab Opr II	CVD	Reclassification	780
	09/26/94	.3	Wafer Fab Opr II		Promotion	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				
	07/19/93		1.2 Wafer Fab Opr I	CVD	New Hire	

782	04/13/95		.1 Wafer Fab Opr III	Diffusion	Reclassificatio	782
	08/02/93		1.7 Wafer Fab Opr III	CVD	New Hire	

784	05/08/95		.0 Wafer Fab Opr IV	Implant	Reclassificatio	784
	12/28/94		.4 Wafer Fab Opr IV	Photo	Reclassificatio	
	08/23/93		1.3 Wafer Fab Opr IV	Ion Implant	New Hire	

786	08/30/93		1.7 Wafer Fab Opr IV	CVD	New Hire	786

787	03/22/95		.2 Wafer Fab Opr III	Diffusion	Reclassificatio	787
	04/02/94		1.0 Wafer Fab Opr III	Implant	Reclassificatio	
	09/13/93		.6 Wafer Fab Opr III	Diffusion	New Hire	

790	02/06/95		.3 Wafer Fab Opr II	CVD	Reclassificatio	790
	09/26/94		.4 Wafer Fab Opr II	Etch	Promotion	
	08/23/93		1.1 Wafer Fab Opr I	Etch	New Hire	

791	08/23/93		1.7 Test Opr III		New Hire	791

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EMP..	JOB.....	TIME..	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				

795	01/30/95	.3	Wafer Fab Opr II	Ion Implant	Reclassification	795
	09/26/94	.3	Wafer Fab Opr II		Promotion	
	09/13/93	1.0	Wafer Fab Opr I	Implant	New Hire	

796	03/27/95	.1	Wafer Fab Opr II	Photo	Promotion	796
	09/13/93	1.5	Wafer Fab Opr I	Photo	New Hire	

798	07/04/94	.9	Q.A. Inspector II		Lateral Transfe	798
	09/27/93	.8	Wafer Fab Opr II	CVD	New Hire	

800	03/27/95	.1	Wafer Fab Opr II	Implant	Promotion	800
	09/27/93	1.5	Wafer Fab Opr I	Implant	New Hire	

802	08/29/94	.7	Wafer Fab Opr III	Photo	Promotion	802
	10/25/93	.8	Wafer Fab Opr II	Photo	New Hire	

803	11/15/93	1.5	Wafer Fab Opr III	Photo	New Hire	803
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804	11/15/93	1.5	Wafer Fab Opr IV	Etch	New Hire	804
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810	11/15/93	1.5	Wafer Fab Opr I	PVD	New Hire	810
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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS.....	EMP_NO
	DATES	IN				
		JOB				

812	03/27/95	.1 Wafer Fab Opr II	CVD	Promotion	812
	11/15/93	1.4 Wafer Fab Opr I	CVD	New Hire	

813	08/29/94	.7 Wafer Fab Opr II	Diffusion	Promotion	813
	11/15/93	.8 Wafer Fab Opr I	Diffusion	New Hire	

815	03/27/95	.1 Wafer Fab Opr II	Etch	Promotion	815
	11/15/93	1.4 Wafer Fab Opr I	Etch	New Hire	

817	09/26/94	.6 Wafer Fab Opr IV	CVD	Promotion	817
	12/13/93	.8 Wafer Fab Opr III	CVD	New Hire	

820	03/27/95	.1 Wafer Fab Opr II	Photo	Promotion	820
	01/30/95	.2 Wafer Fab Opr I	Photo	Reclassification	
	12/13/93	1.1 Wafer Fab Opr I	Photo/DAX	New Hire	

821	03/27/95	.1 Wafer Fab Opr II	Photo	Promotion	821
	12/13/93	1.3 Wafer Fab Opr I	Photo	New Hire	

822	12/13/93	1.4 Wafer Fab Opr I	Photo	New Hire	822
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GMD ACTIVE RATORS JOB HISTORY

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

823	03/27/95	.1 Wafer Fab Opr II	CVD	Promotion	823
	12/13/93	1.3 Wafer Fab Opr I	CVD	New Hire	

824	11/28/94	.5 Test Opr I		Lateral Transfe	824
	09/21/94	.2 Wafer Fab Opr I	CVD	Reclassification	
	12/13/93	.8 Wafer Fab Opr I	Etch	New Hire	

827	09/26/94	.6 Wafer Fab Opr II		Promotion	827
	01/17/94	.7 Wafer Fab Opr I	Photo	New Hire	

828	09/26/94	.6 Wafer Fab Opr II	Diffusion	Promotion	828
	01/17/94	.7 Wafer Fab Opr I	Diffusion	New Hire	

829	08/29/94	.7 Wafer Fab Opr III	Etch	Promotion	829
	01/17/94	.6 Wafer Fab Opr II	Etch	New Hire	

830	01/17/94	1.3 Wafer Fab Opr IV	Photo	New Hire	830
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833	01/17/94	1.3 Wafer Fab Opr II	Photo	New Hire	833
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GMD ACTIVE _RATORS JOB HISTORY
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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

835	03/27/95	.1 Wafer Fab Opr II	CVD	Promotion	835
	01/17/94	1.2 Wafer Fab Opr I	CVD	New Hire	

837	03/27/95	.1 Wafer Fab Opr II	Diffusion	Promotion	837
	01/17/94	1.2 Wafer Fab Opr I	Diffusion	New Hire	

838	03/27/95	.1 Wafer Fab Opr II	Photo	Promotion	838
	01/17/94	1.2 Wafer Fab Opr I	Photo	New Hire	

843	03/07/94	1.2 Wafer Fab Opr III	Photo	New Hire	843
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844	03/07/94	1.2 Wafer Fab Opr IV	Diffusion	New Hire	844
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847	03/27/95	.1 Wafer Fab Opr II	Etch	Promotion	847
	02/07/94	1.1 Wafer Fab Opr I	Etch	New Hire	

848	03/27/95	.1 Test Opr II		Promotion	848
	02/21/94	1.1 Test Opr I		New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				
849	01/02/95	.4	Wafer Fab Opr I	Monitor Check	Reclassification	849
	02/21/94	.9	Wafer Fab Opr I	Photo	New Hire	

859	03/27/95	.1	Q.A. Inspector II		Promotion	859
	04/18/94	.9	Q.A. Inspector I		New Hire	

862	04/18/94	1.1	Wafer Fab Opr IV	Etch	New Hire	862

872	03/27/95	.1	Wafer Fab Opr II	CVD	Promotion	872
	05/16/94	.9	Wafer Fab Opr I	CVD	New Hire	

879	06/06/94	.9	Wafer Fab Opr I	Ion Implant	New Hire	879

881	06/06/94	.9	Wafer Fab Opr I	CVD	New Hire	881

889	06/27/94	.9	Wafer Fab Opr I	CVD	New Hire	889

891	08/08/94	.8	Wafer Fab Opr III	Photo	New Hire	891

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				

892	07/11/94	.8	Wafer Fab Opr I	Photo	New Hire	892
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893	07/11/94	.8	Wafer Fab Opr IV	PVD	New Hire	893
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894	07/25/94	.8	Wafer Fab Opr III	Photo	New Hire	894
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896	09/20/94	.7	Wafer Fab Opr I	CVD	Reclassificatio	896
	07/25/94	.2	Wafer Fab Opr I	Photo	New Hire	

899	11/07/94	.5	Test Opr 'II		Reclassificatio	899
	08/08/94	.2	Test Opr I		New Hire	

902	08/22/94	.7	Test Opr II		New Hire	902
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905	01/30/95	.3	Wafer Fab Opr III	CVD	Reclassificatio	905
	08/22/94	.4	Wafer Fab Opr III		New Hire	

906	01/30/95	.3	Wafer Fab Opr I	Photo	Reclassificatio	906
	08/22/94	.4	Wafer Fab Opr I		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

908 08/22/94 .7 Wafer Fab Opr I Etch New Hire 908

911 09/20/94 .7 Wafer Fab Opr I CVD Reclassificatio 911
08/22/94 .1 Wafer Fab Opr I New Hire

913 09/05/94 .7 Wafer Fab Opr I Photo New Hire 913

916 09/19/94 .7 Wafer Fab Opr I Ion Implant New Hire 916

917 09/19/94 .7 Wafer Fab Opr I PVD New Hire 917

918 11/13/94 .5 Wafer Fab Opr III Etch Reclassificatio 918
10/03/94 .1 Wafer fab Opr III PVD New Hire

919 10/03/94 .6 Wafer Fab Opr IV Photo New Hire 919

921 10/03/94 .6 Wafer fab Opr II Etch New Hire 921

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
DATES	IN					
			JOB			

923	10/03/94	.6	Wafer Fab Opr I	CVD	New Hire	923
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927	04/10/95	.1	Wafer Fab Opr I	Photo	Reclassificatio	927
	10/17/94	.5	Wafer Fab Opr I		New Hire	

928	10/17/94	.6	Wafer Fab Opr I	CVD	New Hire	928
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929	10/17/94	.6	Wafer Fab Opr I	Etch	Reclassificatio	929
	10/17/94	.0	Wafer Fab Opr I		New Hire	

930	10/17/94	.6	Wafer Fab Opr I	Etch	New Hire	930
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932	11/21/94	.5	Wafer Fab Opr III	Etch	Reclassificatio	932
	10/31/94	.1	Wafer Fab Opr III	Diffusion	New Hire	

935	10/31/94	.5	Wafer Fab Opr I	Photo	New Hire	935
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936	10/31/94	.5	Wafer Fab Opr I	Photo	New Hire	936
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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS.....	EMP_NO
	DATES	IN				
		JOB				

937	11/28/94	.5	Wafer Fab Opr III	Etch	New Hire	937
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938	11/28/94	.5	Wafer Fab Opr IV	Ion Implant	New Hire	938
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940	11/14/94	.5	Test Opr I		New Hire	940
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941	11/14/94	.5	Wafer Fab Opr I		New Hire	941
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942	11/14/94	.5	Wafer Fab Opr I		New Hire	942
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944	11/28/94	.5	Test Opr III		New Hire	944
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946	11/28/94	.5	Wafer Fab Opr II	Photo	New Hire	946
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947	11/28/94	.5	Wafer Fab Opr III	CVD	New Hire	947
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948	11/28/94	.5	Wafer Fab Opr I	Photo	New Hire	948
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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				

949	11/28/94	.5 Wafer Fab Opr I	CVD	New Hire	949

950	11/28/94	.5 Wafer Fab Opr I	Ion Implant	New Hire	950

951	11/28/94	.5 Wafer Fab Opr I	Photo	New Hire	951

953	11/28/94	.5 Q.A. Inspector I		New Hire	953

955	11/28/94	.5 Test Opr I		New Hire	955

956	11/28/94	.5 Test Opr I		New Hire	956

957	11/28/94	.5 Wafer Fab Opr I	Etch	New Hire	957

958	11/28/94	.5 Wafer Fab Opr I	PVD	New Hire	958

959	11/28/94	.5 Wafer Fab Opr I	Photo	New Hire	959

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EMP... JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

961 12/12/94 .4 Wafer Fab Opr I PVD New Hire 961

962 12/12/94 .4 Wafer Fab Opr I Etch New Hire 962

963 12/12/94 .4 Wafer Fab Opr I PVD New Hire 963

965 03/03/95 .2 Wafer Fab Opr I Etch Reclassificatio 965
01/02/95 .2 Wafer Fab Opr I PVD New Hire

966 01/02/95 .4 Wafer Fab Opr I Etch New Hire 966

967 03/20/95 .2 Wafer Fab Opr I PVD Reclassificatio 967
01/02/95 .2 Wafer Fab Opr I Diffusion New Hire

968 01/02/95 .4 Wafer Fab Opr I Photo New Hire 968

970 02/06/94 1.3 Wafer Fab Opr I PVD New Hire 970

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				

971	02/06/95	.3	Wafer Fab Opr 1	Diff/11	New Hire	971
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973	02/27/95	.2	Wafer Fab Opr 1	Photo	New Hire	973
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974	02/27/95	.2	Wafer Fab Opr 1	Etch	New Hire	974
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975	02/27/95	.2	Wafer Fab Opr 1	Photo	New Hire	975
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976	02/27/95	.2	Wafer Fab Opr 1	Diffusion	New Hire	976
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977	02/27/95	.2	Wafer Fab Opr 1	Implant	New Hire	977
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978	02/27/95	.2	Wafer Fab Opr 1	Etch	New Hire	978
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979	02/27/95	.2	Wafer Fab Opr 1	Photo	New Hire	979
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980	03/13/95	.2	Wafer Fab Opr 1	PVD	New Hire	980
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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

981	03/13/95	.2 Wafer Fab Opr 1	Diffusion	New Hire	981
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982	03/13/95	.2 Wafer Fab Opr 1	Etch	New Hire	982
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983	04/18/95	.1 Wafer Fab Opr 1	Etch	Reclassification	983
	03/13/95	.1 Wafer Fab Opr 1	PVD	New Hire	

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EMP...	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOBS				
28	10/03/88		6.6 Facilities Mtc Tech IV	Instrumentation	Classification	28
	06/27/88		.3 Facilities Mtc Tech		New Hire	

29	11/27/89		5.5 Facilities Mtc Tech IV	ROD1/Waste Treatment	Promotion	29
	10/03/88		1.1 Facilities Mtc Tech III		Classification	
	06/27/88		.3 Facilities Mtc Tech		New Hire	

32	10/02/89		5.6 Facilities Mtc Tech IV	Mechanical	Promotion	32
	04/03/89		.5 Facilities Mtc Tech III		Classification	
	07/06/88		.7 Facilities Mtc Tech		New Hire	

40	10/01/90		4.6 Facilities Mtc Tech IV	HVAC	Promotion	40
	04/03/89		1.5 Facilities Mtc Tech III		Classification	
	07/11/88		.7 Facilities Mtc Tech		New Hire	

56	04/03/89		6.1 Facilities Mtc Tech IV	Electrical	Classification	56
	07/25/88		.7 Facilities Mtc Tech		New Hire	

61	11/27/89		5.5 Facilities Mtc Tech IV	Electrical	Promotion	61
	04/03/89		.7 Facilities Mtc Tech III		Classification	
	08/01/88		.7 Facilities Mtc Tech		New Hire	

62	04/02/90		5.1 Facilities Mtc Tech IV	HVAC	Promotion	62

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

04/03/89 1.0 Facilities Mtc Tech III Classification
 08/08/88 .7 Facilities Mtc Tech New Hire

63 09/30/91 3.6 Facilities Mtc Tech IV Mechanical Promotion 63
 04/03/89 2.5 Facilities Mtc Tech III Mechanical Classification
 08/08/88 .7 Facilities Mtc Tech New Hire

66 09/30/91 3.6 Facilities Mtc Tech IV RODI/Waste Treatment Promotion 66
 10/02/89 2.0 Facilities Mtc Tech III RODI/Waste Treatment Promotion
 04/03/89 .5 Facilities Mtc Tech II Classification
 08/22/88 .6 Facilities Mtc Tech New Hire

80 07/18/94 .8 Assoc Engineer/Process CVD Promotion 80
 03/30/92 2.3 Process Engrg Tech III CVD Promotion
 10/02/89 2.5 Process Engrg Tech II CVD Promotion
 05/01/89 .4 Process Engrg Tech I Lateral Transfe
 12/06/88 .4 Wafer Fab Opr III Classification
 09/06/88 .2 Wafer Fab Opr New Hire

82 03/29/93 2.1 Process Engrg Tech III Etch Promotion 82
 09/30/91 1.5 Process Engrg Tech II Etch Promotion
 01/21/90 1.7 Process Engrg Tech I Etch Promotion
 04/03/89 .8 Wafer Fab Opr II Etch Classification
 09/06/88 .6 Wafer Fab Opr Etch New Hire

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				
91	04/03/89		6.1 Facilities Mtc Tech IV	ROD1/Waste Treatment	Classification	91
	09/12/88		.6 Facilities Mtc Tech		New Hire	

96	12/19/88		6.4 Equipment Mtc Tech IV	PVD/Ion Implant	Classification	96
	09/19/88		.2 Equipment Mtc Tech		New Hire	

97	03/22/93		2.1 Equipment Mtc Tech IV	PVD/Ion Implant	Lateral Transfe	97
	09/25/89		3.5 Equipment Engineer I	PVD	Promotion	
	04/01/89		.5 Equipment Mtc Tech IV	PVD	Classification	
	09/19/88		.5 Equipment Mtc Tech	PVD	New Hire	

129	03/30/92		3.1 Facilities Mtc Tech III	Mechanical	Promotion	129
	04/03/89		3.0 Facilities Mtc Tech II	Mechanical	Classification	
	11/21/88		.4 Facilities Mtc Tech	Mechanical	New Hire	

134	10/25/93		1.6 Test Technician IV		Reclassification	134
	08/30/93		.2 Test Engineer I		Reclassification	
	04/29/91		2.3 Assembly Engineer I		Promotion	
	04/01/91		.1 Assembly Tech IV		Promotion	
	10/02/89		1.5 Assembly Tech III		Promotion	
	04/03/89		.5 Assembly Tech II		Classification	
	12/05/88		.3 Assembly Tech		New Hire	

136	10/01/90		4.6 Equipment Mtc Tech IV	PVD/Ion Implant	Promotion	136
	04/02/90		.5 Equipment Mtc Tech III		Promotion	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN
JOBS

	10/02/89	.5 Equipment Mtc Tech II		Promotion	
	04/03/89	.5 Equipment Mtc Tech I		Classification	
	12/05/88	.3 Equipment Mtc Tech		New Hire	

138	04/01/91	4.1 Equipment Mtc Tech IV	CVD	Promotion	138
	10/02/89	1.5 Equipment Mtc Tech III		Promotion	
	04/01/89	.5 Equipment Mtc Tech II		Classification	
	12/19/88	.3 Equipment Mtc Tech		New Hire	

145	04/09/89	6.1 Test Technician IV		New Hire	145
	01/09/89	.2 Test Technician		New Hire	

147	08/29/94	.7 Process Engrg Tech III	Etch	Promotion	147
	04/26/93	1.3 Process Engrg Tech II	Etch	Lateral Transfe	
	06/29/92	.8 Wafer Fab Opr III	Photo	Reclassification	
	10/01/90	1.7 Process Engrg Tech II	DAX	Promotion	
	05/01/89	1.4 Process Engrg Tech I		Transfer	
	04/09/89	.1 Wafer Fab Opr III		Classification	
	01/09/89	.2 Wafer Fab Opr		New Hire	

155	03/27/95	.1 Q.A. Tech III		Promotion	155
	03/02/92	3.1 Q.A. Tech II		Lateral Transfe	
	09/30/91	.4 Process Engrg Tech II	Etch	Promotion	
	06/04/90	1.3 Process Engrg Tech I	Etch	Promotion	
	04/02/90	.2 Wafer Fab Opr II	Photo	Promotion	
	04/16/89	1.0 Wafer Fab Opr I	Photo	Classification	
	01/16/89	.2 Wafer Fab Opr	Photo	New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
DATES	IN					
	JOB					

159	09/26/94		1.6 Process Engrg Tech II	PVD	Promotion	159
	06/07/93		1.3 Process Engrg Tech I	PVD	Lateral Transfe	
	03/30/92		1.2 Technical Lead Opr II	PVD	Promotion	
	06/17/91		.8 Technical Lead Opr I	PVD	Promotion	
	10/01/90		.7 Wafer Fab Opr II		Promotion	
	04/23/89		1.4 Wafer Fab Opr I		Promotion	
	01/23/89		.2 Wafer Fab Opr - Trainee		New Hire	

166	10/25/93		1.6 Equipment Mtc Tech IV	Etch	Lateral Transfe	166
	04/30/89		4.5 Test Technician IV		Classification	
	01/30/89		.2 Test Technician		New Hire	

169	03/07/94		1.2 Process Engrg Tech I	PVD	Reclassification	169
	10/18/93		.4 Process Engrg Tech I	CVD	Promotion	
	04/01/91		2.5 Wafer Fab Opr II	CVD	Promotion	
	05/06/89		1.9 Wafer Fab Opr I		Classification	
	02/06/89		.2 Wafer Fab Opr		New Hire	

172	05/13/89		6.0 Equipment Mtc Tech III	Etch	Classification	172
	02/13/89		.2 Equipment Mtc Tech		New Hire	

180	10/01/90		4.6 Facilities Mtc Tech IV	Electrical	Promotion	180
	05/27/89		1.3 Facilities Mtc Tech III		Classification	
	02/27/89		.2 Facilities Mtc Tech		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

184	11/28/94	.5 Test Equip Tech II		Rehire	184
	03/28/94	.7 Test Opr IV		Promotion	
	03/30/92	2.0 Test Opr III		Promotion	
	04/02/90	2.0 Test Opr II		Promotion	
	05/18/89	.9 Test Opr I		Classification	
	02/27/89	.2 Test Opr		New Hire	

186	07/18/94	.8 Equipment Mtc Tech IV	Photo	Reclassification	186
	10/02/89	4.8 Equipment Mtc Tech IV	PVD/Ion Implant	Classification	
	03/03/89	.6 Equipment Mtc Tech		New Hire	

187	08/29/94	.7 Assoc Engineer/Process	CVD	Promotion	187
	03/06/89	5.5 Process Engrg Tech III	CVD	New Hire	

188	10/02/89	5.6 Equipment Mtc Tech IV	Photo	Classification	188
	03/06/89	.6 Equipment Mtc Tech		New Hire	

198	03/27/95	.1 Assoc Engineer/Equipment		Reclassification	198
	03/07/94	1.1 Equip Engrg Technical Spc Etch		Reclassification	
	03/01/93	1.0 Equip Engrg Technical Spc		Reclassification	
	12/17/90	2.2 Supv II, Equip Mtc		Promotion	
	04/02/90	.7 Equipment Mtc Tech IV		Promotion	
	10/02/89	.5 Equipment Mtc Tech III		Classification	
	03/13/89	.6 Equipment Mtc Tech		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES
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JOBS

200	10/02/89	5.6 Facilities Mtc Tech IV	Instrumentation	Classification	200
	03/13/89	.6 Facilities Mtc Tech		New Hire	

226	03/27/95	.1 Process Engrg Tech IV	Photo	Promotion	226
	03/30/92	3.0 Process Engrg Tech III	Photo	Promotion	
	10/02/89	2.5 Process Engrg Tech II	Photo	Classification	
	04/10/89	.5 Process Engrg Tech	Photo	New Hire	

232	09/27/93	1.6 Facilities Mtc Tech III	Chemical Supply System	Promotion	232
	02/03/92	1.6 Facilities Mtc Tech II	Chemical Supply System	Reclassification	
	07/24/89	2.5 Chemical Tech II	Chemical Supply System	Classification	
	04/24/89	.2 Chemical Tech	Chemical Supply System	New Hire	

236	06/13/94	.9 Assoc Engineer/Process		Promotion	236
	09/30/91	2.7 Process Engrg Tech III	PVD	Promotion	
	10/01/90	1.0 Process Engrg Tech II	PVD	Promotion	
	08/01/89	1.2 Process Engrg Tech I	PVD	Classification	
	05/01/89	.3 Process Engrg Tech		New Hire	

239	09/27/93	1.6 Laboratory Tech III		Promotion	239
	02/17/92	1.6 Laboratory Tech II		Lateral Transfe	
	10/01/90	1.4 Process Engrg Tech II	PVD	Promotion	
	08/01/89	1.2 Process Engrg Tech I	PVD	Classification	
	05/01/89	.3 Process Engrg Tech	PVD	New Hire	

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271	08/29/94	.7 Assoc Engineer/Process	Diff/II	Promotion	271
	03/07/94	.5 Process Engrg Tech IV	Diff/II	Reclassificatio	
	06/29/92	1.7 Process Engrg Tech IV	Ion Implant	Promotion	
	03/01/92	.3 Process Engrg Tech III	DAX	Lateral Transfe	
	10/02/89	2.4 Process Engrg Tech III	DAX	Classification	
	05/08/89	.4 Process Engrg Tech		New Hire	

279	03/29/93	2.1 Process Engrg Tech III	Device	Promotion	279
	10/01/90	2.5 Process Engrg Tech II	Device	Promotion	
	08/15/89	1.1 Process Engrg Tech I		Classification	
	05/15/89	.3 Process Engrg Tech		New Hire	

285	09/27/93	1.6 Process Engrg Tech III	Etch	Promotion	285
	04/01/91	2.5 Process Engrg Tech II	Etch	Promotion	
	07/16/90	.7 Process Engrg Tech I	Etch	Promotion	
	04/02/90	.3 Wafer Fab Opr III	Etch	Promotion	
	09/19/89	.5 Wafer Fab Opr II	Etch	Classification	
	06/19/89	.3 Wafer Fab Opr	Etch	New Hire	

286	03/07/94	1.2 Process Engrg Tech I	CVD	Reclassificatio	286
	11/03/93	.3 Process Engrg Tech I		Promotion	
	08/01/93	.3 Wafer Fab Opr III	CVD	Reclassificatio	
	10/26/92	.8 Wafer Fab Opr III	Photo	Reclassificatio	
	04/02/90	2.6 Wafer Fab Opr III	CVD	Promotion	
	10/02/89	.5 Wafer Fab Opr II	CVD	Classification	
	06/19/89	.3 Wafer Fab Opr	CVD	New Hire	

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299	08/29/94	.7 Equipment Mtc Tech III	Photo	Promotion	299
	06/29/92	2.2 Equipment Mtc Tech II	Photo	Reclassification	
	04/01/91	1.2 Process Engrg Tech II	Photo	Promotion	
	06/11/90	.8 Process Engrg Tech I		Promotion	
	04/02/90	.2 Wafer Fab Opr III		Promotion	
	10/02/89	.5 Wafer Fab Opr II		Classification	
	06/10/89	.3 Wafer Fab Opr		New Hire	

301	02/20/95	.2 Assoc Engineer/Q.A.		Promotion	301
	03/29/93	1.9 Q.A. Tech II		Promotion	
	12/10/90	2.3 Q.A. Tech I		Promotion	
	09/05/89	1.3 Q.A. Inspector II		Classification	
	06/05/89	.3 Q.A. Inspector		New Hire	

311	04/02/90	5.1 Equipment Mtc Tech IV	Etch	Reclassification	311
	10/02/89	.5 Equipment Mtc Tech III	Etch	Classification	
	06/19/89	.3 Equipment Mtc Tech		New Hire	

312	09/27/93	1.6 Equipment Mtc Tech IV	Photo	Promotion	312
	04/02/90	3.5 Equipment Mtc Tech III	Photo	Classification	
	07/05/89	.7 Equipment Mtc Tech		New Hire	

313	03/29/93	2.1 Laboratory Tech III		Promotion	313
	02/03/92	1.1 Laboratory Tech II		Reclassification	

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10/01/90 1.3 Chemical Tech II Promotion
 04/02/90 .5 Chemical Tech I Classification
 07/17/89 .7 Chemical Tech New Hire

315 08/29/94 .7 Equipment Mtc Tech III Etch Promotion 315
 03/30/92 2.4 Equipment Mtc Tech II Etch Promotion
 10/29/90 1.4 Equipment Mtc Tech I Etch Promotion
 04/02/90 .6 Wafer Fab Opr III Classification
 07/05/89 .7 Wafer Fab Opr New Hire

324 03/28/94 1.1 Q.A. Tech II Promotion 324
 12/10/90 3.3 Q.A. Tech I Promotion
 09/19/89 1.2 Q.A. Inspector II Classification
 06/19/89 .3 Q.A. Inspector New Hire

330 03/28/94 1.1 Facilities Mtc Tech IV RODI/Waste Treatment Promotion 330
 09/30/91 2.5 Facilities Mtc Tech III RODI/Waste Treatment Promotion
 10/02/89 2.0 Facilities Mtc Tech II RODI/Waste Treatment Classification
 06/26/89 .3 Facilities Mtc Tech New Hire

331 09/26/94 .6 Facilities Mtc Tech IV Chemical Supply System Promotion 331
 02/03/92 2.6 Facilities Mtc Tech III Chemical Supply System Reclassificatio
 04/02/90 1.8 Chemical Tech III Chemical Supply System Classification
 06/26/89 .8 Chemical Tech Chemical Supply System New Hire

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
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332	03/07/94	1.2 Assoc Engineer/Process	Device	Reclassification	332
	03/30/92	1.9 Assoc Engineer/Process	Etch	Promotion	
	10/22/90	1.4 Process Engrg Tech III	Etch	Rehire	
	10/30/89	1.0 Process Engrg Tech III	Etch	Classification	
	07/17/89	.3 Process Engrg Tech	Etch	New Hire	

333	03/28/94	1.1 Facilities Mtc Tech III	Chemical Supply System	Promotion	333
	02/03/92	2.1 Facilities Mtc Tech II	Chemical Supply System	Reclassification	
	04/02/90	1.8 Chemical Tech II	Chemical Supply System	Classification	
	07/10/89	.7 Chemical Tech	Chemical Supply System	New Hire	

338	04/02/90	5.1 Equipment Mtc Tech IV	PVD/Ion Implant	Classification	338
	07/31/89	.7 Equipment Mtc Tech		New Hire	

357	04/02/90	5.1 Equipment Mtc Tech IV	PVD/Ion Implant	Classification	357
	08/14/89	.6 Equipment Mtc Tech	PVD	New Hire	

375	12/19/94	.4 Equipment Mtc Tech III	CVD	Promotion	375
	10/25/93	1.1 Equipment Mtc Tech II	CVD	Reclassification	
	03/01/93	.7 Equipment Mtc Tech II	Photo	Lateral Transfe	
	03/30/92	.9 Process Engrg Tech II	CVD	Promotion	
	11/05/90	1.4 Process Engrg Tech I	CVD	Promotion	
	10/01/90	.1 Wafer Fab Opr II	CVD	Promotion	
	11/17/89	.9 Wafer Fab Opr I	CVD	Promotion	
	08/16/89	.3 Wafer Fab Opr - Trainee	CVD	New Hire	

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382	08/15/94	.8 Process Engrg Tech II	PVD	Promotion	382
	08/31/93	1.0 Wafer Fab Opr III	CVD	Reclassification	
	06/30/92	1.2 Wafer Fab Opr III	Diffusion	Reclassification	
	03/30/92	.3 Wafer Fab Opr III	Diffusion	Transfer	
	04/02/90	2.0 Wafer Fab Opr III	Super Clean	Classification	
	08/21/89	.6 Wafer Fab Opr		New Hire	

395	03/30/93	2.1 Process Engrg Tech II	Photo	Promotion	395
	03/30/92	1.0 Wafer Fab Opr IV	CVD	Promotion	
	04/02/90	2.0 Wafer Fab Opr III	Photo	Classification	
	08/28/89	.6 Wafer Fab Opr		New Hire	

397	05/23/94	1.0 Q.A. Tech II		Promotion	397
	03/28/94	.2 Q.A. Inspector IV		Promotion	
	03/30/92	2.0 Q.A. Inspector III		Promotion	
	07/08/91	.7 Q.A. Inspector II		Promotion	
	12/05/89	1.6 Wafer Fab Opr III	Photo	Classification	
	09/05/89	.2 Wafer Fab Opr		New Hire	

405	03/27/95	.1 Equipment Mtc Tech III	CVD	Promotion	405
	07/19/93	1.7 Equipment Mtc Tech II	CVD	Lateral Transfe	
	03/30/92	1.3 Technical Lead Opr III	Diffusion	Promotion	
	08/06/90	1.6 Technical Lead Opr II	Diffusion	Promotion	
	04/02/90	.3 Wafer Fab Opr III		Promotion	
	12/11/89	.3 Wafer Fab Opr II		Classification	
	09/11/89	.2 Wafer Fab Opr		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
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409	08/29/94	.7 Equipment Mtc Tech III	Photo	Promotion	409
	03/29/93	1.4 Equipment Mtc Tech II	Photo	Promotion	
	01/29/91	2.2 Equipment Mtc Tech I	Photo	Classification	
	10/29/90	.3 Equipment Mtc Tech		Promotion	
	10/01/90	.1 Wafer Fab Opr III		Promotion	
	12/18/89	.8 Wafer Fab Opr II		Classification	
	09/18/89	.2 Wafer Fab Opr		New Hire	

411	04/02/90	5.1 Equipment Mtc Tech IV	Photo	Classification	411
	09/05/89	.6 Equipment Mtc Tech		New Hire	

419	03/28/94	1.1 Assoc Engineer/Process		Promotion	419
	03/29/93	1.0 Process Engrg Tech III	Etch	Promotion	
	04/01/91	2.0 Process Engrg Tech II	Etch	Promotion	
	12/05/89	1.3 Process Engrg Tech I		Classification	
	09/05/89	.2 Process Engrg Tech		New Hire	

425	10/01/90	4.6 Facilities Mtc Tech IV	Instrumentation	Promotion	425
	11/21/89	.9 Facilities Mtc Tech III		Classification	
	08/21/89	.3 Facilities Mtc Tech	ROD1/Waste Treatment	New Hire	

430	04/02/90	5.1 Equipment Mtc Tech IV	CVD	Classification	430
	09/05/89	.6 Equipment Mtc Tech		New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				

434	04/02/90		5.1 Equipment Mtc Tech IV	Photo	Classification	434
	10/02/89		.5 Equipment Mtc Tech		New Hire	

435	10/11/93		1.6 Equipment Mtc Tech III	Etch	Rehire	435
	04/02/90		3.5 Equipment Mtc Tech III		Classification	
	10/09/89		.5 Equipment Mtc Tech			

438	03/27/95		.1 Process Engrg Tech IV	Device	Promotion	438
	03/30/92		3.0 Process Engrg Tech III	Device	Promotion	
	10/01/90		1.5 Process Engrg Tech II	Device	Promotion	
	01/16/90		.7 Process Engrg Tech I		Classification	
	10/16/89		.3 Process Engrg Tech		New Hire	

450	04/02/90		5.1 Equipment Mtc Tech IV	PVD/Ion Implant	Classification	450
	10/02/89		.5 Equipment Mtc Tech	PVD	New Hire	

452	09/30/91		3.6 Facilities Mtc Tech IV	RODI/Waste Treatment	Promotion	452
	01/16/90		1.7 Facilities Mtc Tech III	RODI/Waste Treatment	Classification	
	10/16/89		.3 Facilities Mtc Tech		New Hire	

464	04/01/91		4.1 Equipment Mtc Tech IV	CVD	Promotion	464
	04/02/90		1.0 Equipment Mtc Tech III		Classification	
	12/18/89		.3 Equipment Mtc Tech		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
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466	10/31/94	.5 Equipment Mtc Tech II	Photo	Lateral Transfe	466
	08/29/94	.2 Test Technician II		Promotion	
	04/01/91	3.4 Test Technician I		Transfer	
	04/02/90	1.0 Test Opr III		Promotion	
	01/30/90	.2 Test Opr II		Classification	
	10/30/89	.3 Test Opr		New Hire	

489	03/29/93	2.1 Facilities Mtc Tech IV	HVAC	Promotion	489
	09/30/91	1.5 Facilities Mtc Tech III	HVAC	Promotion	
	04/15/90	1.5 Facilities Mtc Tech II		Classification	
	01/15/90	.2 Facilities Mtc Tech		New Hire	

493	03/27/95	.1 Facilities Mtc Tech IV	Instrumentation	Promotion	493
	03/29/93	2.0 Facilities Mtc Tech III	Instrumentation	Promotion	
	04/22/90	2.9 Facilities Mtc Tech II	Instrumentation	Classification	
	01/22/90	.2 Facilities Mtc Tech		New Hire	

494	03/29/93	2.1 Facilities Mtc Tech IV	Instrumentation	Promotion	494
	10/01/90	2.5 Facilities Mtc Tech III	Instrumentation	Classification	
	01/22/90	.7 Facilities Mtc Tech		New Hire	

499	07/05/93	1.9 Equipment Mtc Tech IV	CVD	Reclassification	499
	03/29/93	.3 Equip Engrg Technical Spc	CVD	Reclassification	
	11/09/92	.4 Equip Engrg Technical Spc	CVD	Promotion	
	10/01/90	2.1 Equipment Mtc Tech III	CVD	Classification	
	02/12/90	.6 Equipment Mtc Tech		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
500	04/01/91	4.1	Process Engrg Tech II	Device	Promotion	500
	02/12/90	1.1	Process Engrg Tech I		New Hire	

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
517	08/29/94	.7	Equipment Mtc Tech IV	Photo	Promotion	517
	03/30/92	2.4	Equipment Mtc Tech III	Photo	Promotion	
	06/26/90	1.8	Equipment Mtc Tech II	Photo	Classification	
	03/26/90	.3	Equipment Mtc Tech		New Hire	

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
518	08/29/94	.7	Equipment Mtc Tech IV	Photo	Promotion	518
	09/30/91	2.9	Equipment Mtc Tech III	Photo	Promotion	
	07/23/90	1.2	Equipment Mtc Tech II		Classification	
	04/23/90	.2	Equipment Mtc Tech		New Hire	

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
529	01/18/94	1.3	Facilities Mtc Tech III	HVAC	Reclassification	529
	03/29/93	.8	Facilities Mtc Tech III	HVAC	Promotion	
	04/01/91	2.0	Facilities Mtc Tech II	HVAC	Promotion	
	07/09/90	.7	Facilities Mtc Tech I		Classification	
	04/09/90	.2	Facilities Mtc Tech		New Hire	

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
532	01/18/94	1.3	Facilities Mtc Tech IV	HVAC	Reclassification	532
	04/01/91	2.8	Facilities Mtc Tech IV	RODI/Waste Treatment	Promotion	
	10/01/90	.5	Facilities Mtc Tech III		Classification	
	04/23/90	.4	Facilities Mtc Tech		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

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533	08/29/94	.7 Assoc Engineer/Equipment	Diff/Wet	Promotion	533
	03/07/94	.5 Equip Engrg Technical Spc	Diff/Wet	Reclassification	
	03/29/93	.9 Equip Engrg Technical Spc		Reclassification	
	11/09/92	.4 Equip Engrg Technical Spc	Ion Implant	Promotion	
	04/01/91	1.6 Equipment Mtc Tech III	CVD	Promotion	
	08/21/90	.6 Equipment Mtc Tech II		Classification	
	05/21/90	.3 Equipment Mtc Tech		New Hire	

535	09/27/93	1.6 Equipment Mtc Tech IV	PVD/Ion Implant	Promotion	535
	09/30/91	2.0 Equipment Mtc Tech III	PVD/Ion Implant	Promotion	
	08/07/90	1.1 Equipment Mtc Tech II		Classification	
	05/07/90	.3 Equipment Mtc Tech		New Hire	

536	09/30/91	3.6 Equipment Mtc Tech III	PVD/Ion Implant	Promotion	536
	08/07/90	1.1 Equipment Mtc Tech II		Classification	
	05/07/90	.3 Equipment Mtc Tech		New Hire	

537	03/28/94	1.1 Equipment Mtc Tech IV	PVD/Ion Implant	Promotion	537
	09/30/91	2.5 Equipment Mtc Tech III	PVD/Ion Implant	Promotion	
	08/07/90	1.1 Equipment Mtc Tech II		Classification	
	05/07/90	.3 Equipment Mtc Tech		New Hire	

538	08/29/94	.7 Equipment Mtc Tech IV	Etch	Promotion	538
	03/30/92	2.4 Equipment Mtc Tech III	Etch	Promotion	
	08/07/90	1.6 Equipment Mtc Tech II	Etch	Classification	

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	05/07/90	.3 Equipment Mtc Tech		New Hire	

555	03/27/95	.1 Q.A. Tech III		Promotion	555
	03/29/93	2.0 Q.A. Tech II		Promotion	
	10/11/90	2.5 Q.A. Tech I		Classification	
	07/11/90	.3 Q.A. Tech		New Hire	

567	12/05/94	.4 Test Process Tech I		Promotion	567
	03/28/94	.7 Test Opr III		Promotion	
	04/01/91	3.0 Test Opr II		Classification	
	07/30/90	.7 Test Opr		New Hire	

571	03/28/94	1.1 Facilities Mtc Tech IV	HVAC	Promotion	571
	03/30/92	2.0 Facilities Mtc Tech III	HVAC	Promotion	
	12/10/90	1.3 Facilities Mtc Tech II	HVAC	Classification	
	09/10/90	.2 Facilities Mtc Tech		New Hire	

573	03/27/95	.1 Q.A. Tech II		Promotion	573
	05/23/94	.8 Q.A. Tech I		Promotion	
	03/28/94	.2 Q.A. Inspector III		Promotion	
	03/30/92	2.0 Q.A. Inspector II		Promotion	
	08/20/90	1.6 Q.A. Inspector I		New Hire	

596	03/30/92	3.1 Process Engrg Tech II	Device	Promotion	596
	10/22/90	1.4 Process Engrg Tech I	Device	New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

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597	03/30/92	3.1 Equipment Mtc Tech IV	Etch	Promotion	597
	01/22/91	1.2 Equipment Mtc Tech III	PVD	Classification	
	10/22/90	.3 Equipment Mtc Tech		New Hire	

612	03/27/95	.1 Equipment Mtc Tech III	Etch	Promotion	612
	03/29/93	2.0 Equipment Mtc Tech II	Etch	Promotion	
	02/24/92	1.1 Equipment Mtc Tech I	Etch	Promotion	
	09/30/91	.4 Wafer Fab Opr II	Etch	Promotion	
	12/03/90	.8 Wafer Fab Opr I		New Hire	

617	03/29/93	2.1 Test Technician IV		Promotion	617
	09/30/91	1.5 Test Technician III		Promotion	
	11/26/90	.8 Test Technician II		New Hire	

620	05/23/94	1.0 Q.A. Tech I		Promotion	620
	09/27/93	.7 Q.A. Inspector II		Promotion	
	12/03/90	2.8 Q.A. Inspector I		New Hire	

622	03/27/95	.1 Equipment Mtc Tech III	Photo	Promotion	622
	10/25/93	1.4 Equipment Mtc Tech II	Photo	Lateral Transfe	
	07/19/93	.3 Test Technician II		Reclassification	
	01/28/91	2.5 Assembly Tech II		New Hire	

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS..... EMP_NO
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624	01/16/95	.3 Process Engrg Tech I	Photo	Other	624
	08/29/94	.4 Wafer Fab Opr III	Photo	Promotion	
	09/27/93	.9 Wafer Fab Opr II	Photo	Promotion	
	01/21/91	2.7 Wafer Fab Opr I	Photo	New Hire	

647	10/10/94	.6 Process Engrg Tech I	Photo	Promotion	647
	09/27/93	1.0 Wafer Fab Opr III	Photo	Promotion	
	07/08/91	2.2 Wafer Fab Opr II	Photo	Classification	
	04/08/91	.2 Wafer Fab Opr		New Hire	

652	03/29/93	2.1 Facilities Mtc Tech II	R001/Waste Treatment	Promotion	652
	04/22/91	1.9 Facilities Mtc Tech I	R001/Waste Treatment	New Hire	

665	03/28/94	1.1 Facilities Mtc Tech IV	Instrumentation	Promotion	665
	08/28/91	2.6 Facilities Mtc Tech III	Instrumentation	Classification	
	05/28/91	.3 Facilities Mtc Tech		New Hire	

672	08/29/94	.7 Process Engrg Tech II	Photo	Promotion	672
	08/30/93	1.0 Process Engrg Tech I	Photo	Promotion	
	03/29/93	.4 Wafer Fab Opr III	Photo	Promotion	
	10/10/91	1.5 Wafer Fab Opr II	Photo	Classification	
	07/10/91	.3 Wafer Fab Opr	Photo	New Hire	

677	03/07/94	1.2 Process Engrg Tech I	CVD	Reclassification	677
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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

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	11/15/93	.3 Process Engrg Tech I		Promotion	
	08/10/93	.3 Wafer Fab Opr III	CVD	Reclassification	
	03/29/93	.4 Wafer Fab Opr III	Diffusion	Promotion	
	11/05/91	1.4 Wafer Fab Opr II	Diffusion	Classification	
	08/05/91	.3 Wafer Fab Opr	Diffusion	New Hire	

707	08/29/94	.7 Equipment Mtc Tech III	CVD	Promotion	707
	11/22/93	.8 Equipment Mtc Tech II	CVD	Promotion	
	01/14/92	1.9 Equipment Mtc Tech I	CVD	Classification	
	10/14/91	.3 Equipment Mtc Tech		New Hire	

741	03/01/93	2.2 Equipment Mtc Tech IV	CVD/Diffusion	New Hire	741

745	02/15/93	2.2 Equipment Mtc Tech IV	CVD/Diffusion	New Hire	745

747	03/08/93	2.2 Equipment Mtc Tech IV	Photo	New Hire	747

748	03/08/93	2.2 Equipment Mtc Tech IV	Etch	New Hire	748

763	03/27/95	.1 Process Engrg Tech II		Promotion	763
	08/01/94	.7 Process Engrg Tech I	Etch	Promotion	
	05/10/93	1.2 Wafer Fab Opr II	Etch	New Hire	

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EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				

801	10/11/93		1.6 Equipment Mtc Tech III	Etch	New Hire	801

805	01/16/95		.3 Equipment Mtc Tech II		Promotion	805
	10/25/93		1.2 Wafer Fab Opr I	CVD	New Hire	

825	11/07/94		.5 Equipment Mtc Tech I	PVD/Ion Implant	Promotion	825
	09/20/94		.1 Wafer Fab Opr I	Ion Implant	Reclassification	
	12/13/93		.8 Wafer Fab Opr I	CVD	New Hire	

851	03/07/94		1.2 Equipment Mtc Tech III	PVD/Ion Implant	New Hire	851

858	03/27/95		.1 Equipment Mtc Tech III		Promotion	858
	04/18/94		.9 Equipment Mtc Tech II		New Hire	

861	04/18/94		1.1 Equipment Mtc Tech II		New Hire	861

863	04/18/94		1.1 Equipment Mtc Tech II	Etch	New Hire	863

864	03/27/95		.1 Equipment Mtc Tech III		Promotion	864

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EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
DATES IN
JOBS

	05/02/94	.9 Equipment Mtc Tech II	CVD/Diffusion	New Hire	

874	06/06/94	.9 Test Technician III		New Hire	874

877	06/06/94	.9 Facilities Mtc Tech IV	HVAC	New Hire	877

883	06/27/94	.9 Equipment Mtc Tech IV	PVD/Ion Implant	New Hire	883

895	07/25/94	.8 Equipment Mtc Tech IV	PVD/Ion Implant	New Hire	895

924	10/17/94	.6 Equipment Mtc Tech IV		New Hire	924

945	11/28/94	.5 Equipment Mtc Tech II	CVD	New Hire	945

972	02/20/95	.2 Facilities Mtc Tech IV	Electrical	New Hire	972

GMD ACT1 ENGINEERS JOB HISTORY

16 MAY 1995

PAGE1

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

16	08/30/93	1.7 Test Engineer III		Reclassification	16
	04/03/89	4.4 Assembly Engineer III		Classification	
	05/09/88	.9 Assembly Engineer		New Hire	

23	03/07/94	1.2 Supervising Engr I, Opr E PVD		Promotion	23
	03/01/93	1.0 Process Engineer III	CVD	Reclassification	
	04/01/91	1.9 Process Engineer III	CVD	Promotion	
	08/28/90	.6 Process Engineer II		Promotion	
	05/29/90	.2 Process Engineer I		Transfer	
	05/23/88	2.0 Supv, Wafer Fab		New Hire	

26	11/07/94	.5 Process Engineer IV	Device	Reclassification	26
	03/07/94	.7 Supervising Engr II, Inte		Promotion	
	08/08/92	1.6 Process Engineer IV	CVD/Photo	Reclassification	
	03/30/92	.4 Process Engineer IV	Photo	Promotion	
	04/03/89	3.0 Process Engineer III	Photo	Classification	
	05/23/88	.9 Process Engineer		New Hire	

88	09/26/94	.6 Test Engineer III		Promotion	88
	10/22/90	3.9 Test Engineer II		Promotion	
	12/06/88	1.9 Test Technician IV		Classification	
	09/06/88	.2 Test Technician		New Hire	

94	03/27/95	.1 Equipment Engineer III	Photo	Promotion	94
	12/06/93	1.3 Equipment Engineer II	Photo	Reclassification	
	10/25/93	.1 Technical Group Supv	Photo	Reclassification	
	03/01/93	.7 Technical Group Supv	Etch	Reclassification	

GMD ACTIVITY ENGINEERS JOB HISTORY

16 MAY 1995

PAGE2

EMP...	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
DATES	IN					
	JOB					
	12/17/90	2.2	Supv II, Equip Mtc		Promotion	
	04/03/89	1.7	Equipment Mtc Tech IV		Classification	
	09/19/88	.5	Equipment Mtc Tech		New Hire	

95	11/08/93	1.5	Equipment Engineer II	Etch	Promotion	95
	04/02/90	3.6	Equipment Mtc Tech IV	Etch	Promotion	
	04/03/89	1.0	Equipment Mtc Tech III		Classification	
	09/19/88	.5	Equipment Mtc Tech		New Hire	

179	10/25/93	1.6	Q.A. Audit Engineer IV		Reclassification	179
	08/08/92	1.2	Process Engineer IV	Diff/PVD/SPC	Reclassification	
	05/27/89	3.2	Process Engineer IV	Diffusion	Classification	
	02/27/89	.2	Process Engineer		New Hire	

197	03/07/94	1.2	Supervising Engr I, Opr E	Photo	Promotion	197
	09/27/93	.4	Process Engineer II	Photo	Promotion	
	03/01/93	.6	Process Engineer I	Photo	Reclassification	
	06/10/91	1.7	Process Engineer I	Photo	Promotion	
	04/02/90	1.2	Process Engrg Tech II		Promotion	
	03/13/89	1.1	Process Engrg Tech I		New Hire	

211	03/27/95	.1	Process Engineer III	Photo	Promotion	211
	04/01/91	4.0	Process Engineer II	Photo	Promotion	
	06/27/89	1.8	Process Engineer I		Classification	
	03/27/89	.3	Process Engineer		New Hire	

GMD ACTIV ENGINEERS JOB HISTORY

16 MAY 1995

PAGE3

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO
 DATES IN
 JOBS

212	03/27/95	.1 Process Engineer III	Diff/II	Promotion	212
	03/07/94	1.1 Process Engineer II	Diff/II	Reclassification	
	04/01/91	2.9 Process Engineer II	Ion Implant	Promotion	
	03/27/89	2.0 Process Engineer I		New Hire	

257	03/27/95	.1 Equipment Engineer II		Promotion	257
	08/29/94	.6 Assoc Engineer/Equipment	Photo	Promotion	
	03/01/93	1.5 Equip Engrg Technical Spc	Photo	Reclassification	
	04/01/91	1.9 Equipment Mtc Tech IV	Photo	Promotion	
	04/02/90	1.0 Equipment Mtc Tech III		Promotion	
	10/02/89	.5 Equipment Mtc Tech II		Classification	
	06/05/89	.3 Equipment Mtc Tech		New Hire	

306	03/07/94	1.2 Supervising Engr I, Opr E Etch		Promotion	306
	08/08/92	1.6 Process Engineer II	Etch/Implant	Reclassification	
	03/30/92	.4 Process Engineer II		Promotion	
	04/01/91	1.0 Process Engineer I		Promotion	
	04/02/90	1.0 Assoc Engineer/Process		Promotion	
	11/10/89	.4 Process Engrg Tech IV		Classification	
	07/05/89	.4 Process Engrg Tech		New Hire	

319	03/27/95	.1 Equipment Engineer III		Promotion	319
	10/26/92	2.4 Equipment Engineer II	Etch	Promotion	
	04/01/91	1.6 Equipment Engineer I	Etch	Promotion	
	04/02/90	1.0 Equipment Mtc Tech IV		Classification	
	07/24/89	.7 Equipment Mtc Tech		New Hire	

GMD ACTIVE ENGINEERS JOB HISTORY

16 MAY 1995

PAGE4

EMP.. JOB..... TIME. JOB TITLES..... AREAS..... JOB-REASONS.... EMP_NO

DATES IN

JOBS

346	03/28/94	1.1 Process Engineer II		Promotion	346
	10/26/90	3.4 Process Engineer I	Etch	Promotion	
	10/02/89	1.1 Process Engrg Tech III		Classification	
	07/10/89	.2 Process Engrg Tech		New Hire	

354	03/07/94	1.2 Supervising Engr II, Equi		Promotion	354
	03/29/93	.9 Equipment Engineer III	Photo	Promotion	
	04/02/90	3.0 Equipment Engineer II	Photo	Promotion	
	11/14/89	.4 Equipment Engineer I		Classification	
	08/07/89	.3 Equipment Engineer		New Hire	

356	03/07/94	1.2 Equipment Engineer II	CVD	Reclassification	356
	11/08/93	.3 Equip Maintenance Engr II	Diffusion/II/CVD	Promotion	
	04/01/91	2.6 Equipment Mtc Tech IV	CVD	Promotion	
	04/02/90	1.0 Equipment Mtc Tech III		Classification	
	08/07/89	.7 Equipment Mtc Tech		New Hire	

451	03/29/93	2.1 Facilities Engineer IV	RODI/Waste Treatment	Promotion	451
	04/01/91	2.0 Facilities Engineer III	RODI/Waste Treatment	Promotion	
	01/08/90	1.2 Facilities Engineer II	RODI/Waste Treatment	Classification	
	10/09/89	.2 Facilities Engineer	RODI/Waste Treatment	New Hire	

485	03/07/94	1.2 Equipment Engineer II	Ion Implant	Reclassification	485
	12/06/93	.2 Equipment Engineer II	HVAC	Reclassification	
	04/12/93	.7 Technical Group Supv	PVD/Ion Implant	Promotion	
	03/01/93	.1 Equipment Mtc Tech IV	PVD/Ion Implant	Lateral Transfe	

GND ACTIVE ENGINEERS JOB HISTORY

16 MAY 1995

PAGES

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
			JOB			
	11/09/92		.3 Equip Engrg Technical Spc		Reclassification	
	04/08/90		2.6 Equipment Mtc Tech IV	DAX	Classification	
	01/08/90		.2 Equipment Mtc Tech		New Hire	

627	01/17/94		1.3 Equipment Engineer I		Promotion	627
	03/29/93		.8 Equipment Mtc Tech III	Photo	Promotion	
	01/28/91		2.2 Equipment Mtc Tech II	Photo	New Hire	

636	03/27/95		.1 Industrial Engineer II		Promotion	636
	06/18/91		3.8 Industrial Engineer I		Classification	
	03/18/91		.3 Industrial Engineer		New Hire	

680	08/12/91		3.8 Sr Safety Engineer		New Hire	680

719	03/28/94		1.1 Process Engineer II		Promotion	719
	01/27/92		2.2 Process Engineer I	Device	New Hire	

752	03/08/93		2.2 Facilities Engineer IV	HVAC	New Hire	752

767	11/07/94		.5 Process Engineer III		Demotion	767
	03/07/94		.7 Supervising Engr I, Opr E CVD		Promotion	
	05/31/93		.8 Process Engineer II	CVD	New Hire	

GMD ACTIVE ENGINEERS JOB HISTORY

16 MAY 1995

PAGE6

EMP...	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS.....	EMP_NO
	DATES	IN				
		JOB				

818	12/13/93		1.4 Process Engineer I	Diffusion	New Hire	818
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832	03/27/95		.1 Equipment Engineer II		Promotion	832
	04/10/94		1.0 Equipment Engineer I	CVD	Classification	
	01/10/94		.2 Equipment Engineer	CVD	New Hire	

857	03/27/95		.1 Equipment Engineer II		Promotion	857
	07/04/94		.7 Equipment Engineer I	Diff/II	Classification	
	04/04/94		.2 Equipment Engineer	Diff/II	New Hire	

867	12/01/94		.5 Supervising Engr I, Proce Device		Promotion	867
	05/16/94		.5 Process Engineer III	Device	New Hire	

870	06/06/94		.9 Equipment Engineer II	CVD	New Hire	870
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873	06/06/94		.9 Equipment Engineer I	Ion Implant	New Hire	873
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875	06/06/94		.9 Supervising Engr II, Test		New Hire	875
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GMD ACT... ENGINEERS JOB HISTORY

16 MAY 1995

PAGE7

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
	DATES	IN				
		JOB				
898	08/09/94		.8 Process Engineer IV		New Hire	898

900	08/22/94		.7 Process Engineer III		New Hire	900

901	08/22/94		.7 Safety Engineer		New Hire	901

903	08/22/94		.7 Q.A. Engineer III		New Hire	903

904	08/22/94		.7 Process Engineer I		New Hire	904

910	12/12/94		.4 Q.A. Engineer IV		Classification	910
	09/12/94		.2 Q.A. Engineer		New Hire	

920	10/03/94		.6 Environmental Engineer II		Classification	920
	10/03/94		.0 Environmental Engineer		New Hire	

931	10/31/94		.5 Facilities Engineer III	Controls	New Hire	931

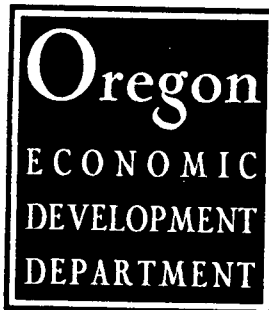
964	01/02/95		.4 Q.A. Engineer II		New Hire	964

GMD ACTIVE ENGINEERS JOB HISTORY

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PAGE8

EMP..	JOB.....	TIME.	JOB TITLES.....	AREAS.....	JOB-REASONS....	EMP_NO
DATES	IN					
	JOBS					



May 19, 1995

R. Barry Crook
Budget and Quality Manager
Multnomah County - Budget and Quality Office
1120 S.W. Fifth, Room 1400
Portland, OR 97204

Re: **Confidential Response #3, Strategic Investment Program
Fujitsu Microelectronics, Inc. - Gresham Expansion**

Dear Barry:

Per your request of May 12, 1995, I am enclosing the Additional Information requested from Fujitsu. This information was requested to assist in evaluating the application, but not to deem it complete.

We appreciate the opportunity to assist Fujitsu and the county in commencing negotiations. Please address further questions directly to Dick Romano, Vice President for Administration, Fujitsu Microelectronics.

Sincerely,

A handwritten signature in cursive script that reads "Marcy Jacobs".

Marcy Jacobs
Regional Development Officer

cc: Richard Romano, Fujitsu Microelectronics, Inc.
Mike Ogan, PDC



CONFIDENTIAL

ADDITIONAL INFORMATION REQUESTED

Submittal #3

Submitted by:

Oregon Economic Development Department

On behalf of:

Fujitsu Microelectronics, Inc.
Gresham Manufacturing Division (GMD)

May 19, 1995

FUJITSU MICROELECTRONICS, INC.
ADDITIONAL INFORMATION REQUESTED
May 19, 1995

Question 1 - Page 5, Attached are copies of all DEQ Non Compliance notifications.

- 1.1 Letter from the DEQ regarding a request for a noise abatement plan dated August 10, 1988 and follow up DEQ report dated November 3, 1989.
- 1.2 Notice of Non Compliance dated February 18, 1992. GMD corrected all listed items of non compliance. No further action was taken by the DEQ.
- 1.3 Notice of Non Compliance, stormwater, dated 2/8/95. No further action was taken by the DEQ.

Question 2 - Page 6 - Attached are copies of all OSHA Citations.

- 2.1 OSHA Citation, dated December 10, 1992, fall protection violations. No further action taken by OSHA.
- 2.2 OSHA Citation, dated 7/8/94, hazardous materials storage violation. No further action taken by OSHA.
- 2.3 A request was also made for 1993 and 1994 worker safety data within the industry. However, this data is not yet published. The most recent data published by OSHA is for the calendar year 1992. Exhibit A lists 1993 lost time and injury incident rates obtained by telephone from OSHA for 3674, the semiconductor industry but the full report will not be available until the annual publish date of September 1995. Data for 1994 will not be available until September, 1996.

Available published data, copies attached:

The SIC code numbers for the electronics industry are 367. The subcategory code for the semiconductor

industry is 3674. Semiconductor specific data may not be reported but may be incorporated into the 367 category.

- 2.3.1 Oregon OSHA injury and illness incident rates for 1992
- 2.3.2 Bureau of labor statistics for 1991, 1992
- 2.3.3 National Safety Council incident rate estimates 1992,1993

Question 3 - The employee handbook was submitted in a prior response dated May 17, 1995.

Question 4 - Please refer to Exhibit 4 which is a scattergram of 1994 W-2 wages as reported for tax purposes. This scattergram represents all employees who worked a full 12 months for the company during 1994. We have drawn in on this graph a line depicting the \$27,200 per year level which we understand to be the average wage in Multnomah County. For the purpose of analysis we have calculated that of the wages represented on this graph 68.7% of them lie above the 27,200 line and 31.3% percent of them fall below. We would hasten to add that these wages represent 1994 wages and that the workforce has received an annual merit increase as of March 27, 1995 which increased wages on average to all employees by 5%.

Question 5 - Definition of regular position

In contemporary Human Resources terminology, a regular position is one which is filled by a full-time employee on a continuing basis. In other words, it is not a temporary position. The word permanent is no longer used in referring to positions in private sector companies as it has significant legal implications. All except one of our regular positions are full-time positions. In order to be classified as a full-time position the job must work in excess of 30 hours per week. The majority of all regular positions at Fujitsu work 40 or more hours per week. As of this writing, there is one position which is a regular part-time position of the approximately 540 regular positions at Fujitsu.

Question 6 - Are cash bonuses figured into wage calculations presented in application

Our cash bonuses were not included in the wage calculations presented in the application. The components of pay which were used to calculate the wages depicted in the application were base rate, compressed overtime, average overtime by job classification, shift differential where applicable and lead pay where applicable. There are three cash bonuses which our non-exempt workforce and some portions of our exempt workforce are eligible. They are lump sum shift payments, paid on a quarterly basis ranging from \$100 to \$400 per quarter, perfect attendance bonuses, ranging from \$50 to \$200 per quarter, and production bonuses equal to one day's pay payable on a monthly basis.

Question 7 - Significant number of advancement opportunities

As of this point in time it is difficult to predict how many of the existing workforce will be transferred into the new facility as opposed to how many will be hired outright for the new facility. It is also difficult to say what percent of those transfers will in effect constitute promotional opportunities. A best estimate would be that one half, 50%, of the individual transferred from our existing fab into the new fab would represent promotional opportunities. However, it would be difficult to make a firm commitment in terms of numbers or percents at this early stage.

Question 8 - Local Hiring Practices

We are providing a list of all employees hired over the last two year period. This list indicates the number of those individuals who were hired locally or who were hired from out of the area. Our analysis of hiring practices over the last two years indicates that 25.4% of employees hired during that time were local hires and 74.5 percent of those employees hired were hired from the local area. Please refer to the complete listing of those employees and their locations for more detailed information (Exhibit 8). We have no formal policy regarding the hiring of employees from the local area but prudent business practices dictate that to reduce costs per hire and improve rates of retention that the company should select local candidates whenever possible.

Question 9 - Detailed List of Benefits

Please refer to exhibits 1995 Summary of Benefits Plan and Fujitsu Microelectronics Gresham Manufacturing Division Medical Health Plan Comparison for a complete detailed listing of benefits available.

All of the benefits listed are available to all full-time regular employees. A full-time regular employee is an individual employed directly by the company on a continuing basis working more than 30 hours per week.

Question 10 - Each one of our contract service vendors were contacted and specifically requested to allow disclosure of the rates charged to GMD. In every instance they declined, citing competitive harm to their business as the primary reason. A blended form of response to your request would not be meaningful because of the extreme variance between lower paid personnel (i.e. janitorial) versus higher paid (i.e. contract engineers). If we are assured of strict confidentiality we could probably arrange for permission to share this information verbally during the negotiation process.

Question 11 - As stated in the application information we now employ 48 contract employees on a regular basis. This represents 8.9% of our total workforce. Although difficult to predict precisely, we do not anticipate increasing this number more than an additional 10% (5 employees) with the expansion. A 10% increase in contract manpower would represent 5.4% of total workforce at the completion of our project.

Question 12 - Temporary Employees

To fully explain the situation regarding temporary employment at Fujitsu it is important to understand that there are two types of temporary employees in our organization. The first we refer to as pure temporaries. These are individuals brought to work on a project basis. Their employment may range anywhere from one day to several months in length depending upon the nature of the project to which they are assigned. The number of pure temporary employees currently in the organization is approximately 10 individuals. That number fluctuates depending upon the number of projects under way in any point in time. It is unlikely that

those individuals will be become regular employees of the company. These individuals are payrolled through a temporary agency and are actually the employees of that agency.

The second class of temporary employees is what we refer to as special temporaries. These individuals are payrolled through a temporary service. However, they have been selected by the company to participate in our training program designed to qualify them for regular positions as entry level production operators as those regular positions become available. At this point in time we have approximately 40 individuals in that program.

We have policies regarding how temporary employment is considered when an individual becomes a regular employee. They receive prior service credit for temporary time for the purposes of determining their length of service under our pension and 401K plan. We also have a policy which dictates that no special temporary will remain in temporary status longer than 12 months. If they have not become qualified through the acquisition of skills to become a regular employee during that time we end their assignment with us. Special temporaries are eligible to become regular employees after no less than 90 days on their temporary training assignment. The average period of time required for a special temporary to become regular is approximately 4 1/2 months.

Question 13 - The employee handbook was submitted in a prior response dated May 17, 1995.

Question 14 - Exhibit 14, missing page.

Complete copy of the letter from Fujitsu to Alan Johnston dated 11/28/94.

Question 15 - Questions are being directly referred to Art Ayre, Oregon Economic Development Department.

Question 16

Part A - Description of Children's World Capacity

The capacity of the two Children's World facilities located near

the plant in Gresham is 126 children each. Both of these facilities offer a full range of child care programs, one for infants, toddlers and 2 year olds, a second for 3 to 5 year olds, and a third for school age children 6 to 12 years old. The third program for children 6 to 12 does feature a before and after school program.

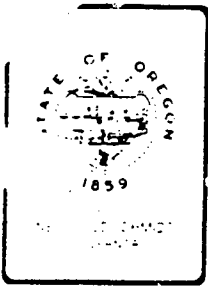
Part B - Analysis of placement rate for child care request by company's referral service

Please see attached letter from Carolyn L. Morrison, Executive Director of Child Care Support Services, who is our contact person for the Metro Child care Resource and Referral service with which Fujitsu has contracted (Exhibit 16).

Part C - Analysis of the number of children of the company's employees attending Children's World

The current count of employee's children attending Children's World is 35. 32 of these children are located in the Rockwood and Gresham facilities, 3 of them are located at the Beaverton facility. Please refer to the attached brochure from Children's World Learning Center, Learning for the Fun of It, for some additional information regarding the types of programs available and their content.

Exhibit 1.1
DEQ Letters Regarding Noise Compliance



Department of Environmental Quality

811 SW SIXTH AVENUE, PORTLAND, OREGON 97204-1390 PHONE (503) 229-5696

August 10, 1988

CRSS Constructors, Inc.
21015 S.E. Stark Street
P.O. Box 728
Gresham, Oregon 97030

Attention: Mr. John Henri

Re: Fujitsu Microelectronics Center
Gresham, Oregon
NP - Multnomah County

Dear Mr. Henri:

This letter is to review the applicable noise regulations, report the results of the ambient surveys, present the maximum allowable noise limits for the subject facility, and offer some comments on the noise pollution problem at the subject facility.

Applicable Noise Regulations

The applicable noise regulation controlling a new noise source located on a previously unused site is Oregon Administrative Rule (OAR) 340-35-035(1)(b)(B) which prohibits the noise levels generated, or indirectly caused, by that new noise source from increasing the ambient statistical noise levels, L_{10} , or L_{50} , by more than 10 dBA in any one hour or from exceeding the noise levels specified in Table 8 of the enclosed Noise Control Regulations.

Ambient Noise Measurements

To meet the requirements of the applicable noise regulations cited above, a determination had to be made of the ambient noise level at the site prior to the present construction. Since the future Fujitsu operation will be a 24 hour operation, the most critical time period for meeting compliance with this regulation will be in the early morning hours. For this reason and because Table 8 of the DEQ Noise Control Regulations will be more protective during daytime operations, the daytime ambient noise was ignored and the early morning time period ambient noise data was used to establish Fujitsu's maximum allowable noise levels. The ambient survey required shutting down all noise sources on the site in an attempt to duplicate the pre-construction noise conditions. In order to minimize the impact of a shutdown on construction activities and to expedite the noise mitigation process we selected the 1 a.m. to 4 a.m. time period for monitoring. This time period was selected because it was considered to be most representative of the lowest ambient level in the area as well as the most

critical period of sleep interference. Also measurement positions along the east property line were recommended so the results would represent ambient levels in the most impacted neighborhood.

*When the ambient survey was taken as planned on July 23, 1988, there were problems with interfering noise sources on the site (transformers and a welding generator) and measurement positions being shielded from traffic on Stark Street which would not be representative of pre-construction conditions.

Another shutdown and ambient survey was planned for the next early morning period on July 24, 1988. A new measurement position was selected by your consultant, in the parking lot on the west side of the property (Position 1). This site was chosen as it seemed to be situated approximately equal distance from Stark Street as the cooling towers and it appeared to adequately simulate the ground elevation and terrain before plant construction. Noise was monitored from 1:15 a.m. to 4:45 a.m. In the opinion of the consultant, measurements made from 2:00 a.m. to 3:20 a.m. and from 4:25 a.m. to 4:45 a.m. best represented the ambient conditions. These results, along with later measurements are shown in Table 1.

Based on the new measurement position and the higher-than-expected results, DEQ requested another ambient survey in which they would participate. This shutdown and survey was planned for the early morning of August 2, 1988. Measurement positions were the west parking lot (Position 1 - CRSS consultant), east property line adjacent to cooling towers (Position 2 - CRSS consultant), and 25 feet toward the cooling towers from the residence at 151 S.E. 214th (Position 3 - DEQ). Between 1 a.m. and 4 a.m. everything on the site was shut down except for the transformers. The transformers were shut down from 2 a.m. to 3 a.m. Noise was measured at all three measurement positions from 1 a.m. to 4 a.m. The results are shown on the following table:

TABLE 1
Ambient Survey

<u>Date</u>	<u>Time</u>	<u>Position</u>	<u>L10</u>	<u>L50</u>
7/24/88	0200-0320	1	44 dBA	40 dBA
7/24/88	0425-0445	1	48 dBA	40 dBA
8/2/88	0100-0158	1	43 dBA	39 dBA
8/2/88	0202-0258	1	45 dBA	38 dBA
8/2/88	0304-0400	1	43 dBA	37 dBA
8/2/88	0203-0223	2	42 dBA	38 dBA
8/2/88	0225-0245	2	42 dBA	38 dBA
8/2/88	0245-0258	2	42 dBA	38 dBA
8/2/88	0100-0200	3	45 dBA	38 dBA
8/2/88	0200-0300	3	42 dBA	37 dBA
8/2/88	0300-0400	3	39 dBA	36 dBA

Maximum Allowable Noise Levels

As the applicable regulations state, the maximum allowable noise level is based on the hourly ambient statistical noise level (L₁₀ and L₅₀) plus 10 dBA or Table 8 of the DEQ Noise Control Regulations. Per standard DEQ procedures, a determination was made of the ambient noise level over the entire site during the most critical time period by arithmetically averaging the measured levels in Table 1 above. This procedure emphasizes neither the higher or lower individual hourly statistical ambient measurements. Due to the relatively small variation in noise levels from site to site or hour to hour, the averaging appears to be an equitable approach. The results, the maximum allowable noise levels are shown below in Table 2:

TABLE 2
Maximum Allowable Noise Levels

<u>Time Period</u>	<u>L₁</u>	<u>L₁₀</u>	<u>L₅₀</u>
0700 - 2200	75 dBA	60 dBA	55 dBA
2200 - 0700	60 dBA	53 dBA	48 dBA

Comment

CRSS should be made aware that compliance with the Noise Control Regulations is determined by the noise emissions from the facility during full operation. When noise mitigation plans are developed, consideration must be given to every noise source on the site, not just the cooling towers causing the current neighbor complaints. Consideration must be given to all cooling towers (installed and planned), pumps, air conditioning units, fans, emergency generators, etc. and worst case operating conditions (simultaneous) should be assumed. Your acoustical consultant can review the plans and supply recommendations for the entire project to ensure that the facility is in compliance with the applicable noise regulations when it begins operation. Provision must also be made for future development at the site and the introduction of other noise emitting equipment.

Request for Submittals

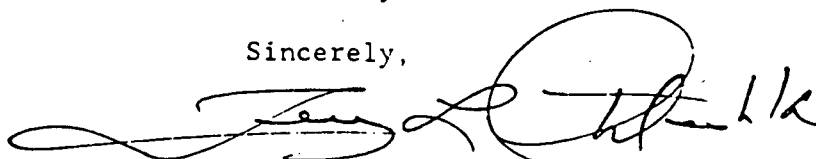

- 1) Please submit, by August 31, 1988, a noise compliance plan and schedule proposing noise reduction measures necessary to ensure the operation of your facility in compliance with the applicable DEQ Noise Control Regulations as shown above in Table 2. The plan should contain detailed technical descriptions of the proposed treatments for each noise source projected to contribute to the noise violation, projected resultant noise levels after treatment, and beginning and completion dates of each step in the treatment process.

CRSS Constructors, Inc.
August 10, 1988
Page 4

- 2) Please submit, by August 24, 1988, a proposal for implementation of immediate, yet temporary if necessary, noise reduction measures to reduce or eliminate the noise emissions from the cooling tower(s) now operating at the site.
- 3) Please submit in writing, by August 31, 1988, a description of development plans for areas to the north of the present construction. These areas may have ambient noise levels different than the area surveyed and further ambient noise surveys may be recommended prior to the start-up of the present construction area. This ambient survey would be necessary for setting maximum allowable noise levels for future development in the area and if taken at this time, a costly future shutdown of the operating facility (necessary for ambient noise measurements) could be prevented.

The Department is most appreciate of both CRSS's and Fujitsu's cooperation in dealing with this noise pollution problem. If I can be of any assistance or answer any questions please call me personally at 229-5092.

Sincerely,

John J. Ruscigno, P.E.
Senior Noise Analyst
Noise Pollution Control

JJR:jjr:d
AD3275
Enclosure
cc: Dick Romano
Elki Lahav



file: N-7.1

Department of Environmental Quality

Bob
Mike
File

811 SW SIXTH AVENUE, PORTLAND, OREGON 97204-1390 PHONE (503) 229-5696

November 3, 1989

Doug Briggs
CRSS Constructors, Inc.
21015 Southeast Stark Street
PO Box 728
Gresham, OR 97030

RECEIVED
NOV - 6 1989
CRSS CONSTRUCTORS

Re: Fujitsu Microelectronics, Inc.
Gresham, Oregon
NP - Multnomah County

Dear Mr. Briggs:

This letter is to report the results of the Department's review of the DEQ Compliance Test Report put together by your acoustical consultant, Van Gulik/Oliver Inc., for the Gresham Manufacturing Division facility of Fujitsu Microelectronics, Inc. (FMI) in Gresham, Oregon.

The report presented the results of the DEQ observed noise compliance testing conducted on September 13, 1989. Noise measurements were made at noise sensitive properties in the surrounding neighborhood during periods of operation simulating worst case scenarios for winter, summer, and power failure. The report's measured noise levels agreed with those obtained by the DEQ the night of the testing.

The report speaks to the reported measurement results at Position #1 during worst case summer scenario with all eight cooling towers in operation. Reported results show a 1 dB exceedance in the 500 HZ center frequency octave band of the DEQ maximum allowable nighttime octave band noise levels. The octave band criteria within DEQ Noise Control Regulations may be invoked by the Director of the DEQ when he has reasonable cause to believe the hourly statistical noise criteria do not adequately protect the health, safety, or welfare of the public. In other words, when a facility's noise emissions contain tonal characteristics which are not adequately mitigated through the hourly statistical noise criteria, the Director of the DEQ may invoke the octave band criteria to specifically address those tonal characteristics. In the case of FMI, the octave band criteria has never been invoked.

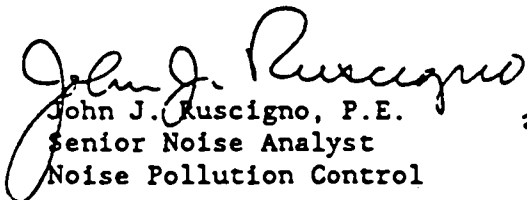
In summary, based on the submitted report and DEQ's own observations and measurements, we find FMI's Gresham facility to currently be operating in compliance with DEQ Noise Control Regulations. We encourage you to maintain the installed noise control elements to ensure continued compliance and also to consider the effects of noise emissions in all equipmental additions/modifications and future plant expansion(s).

Mr. Doug Briggs
November 3, 1988
Page 2

The Department appreciates CRSS' and FMI's cooperation and timely response in addressing Departmental and neighborhood concerns during all phases of the noise abatement process.

Should you have any questions or if I can be of any assistance, please call me personally at 229-5092 or 1-800-452-4011, toll free.

Sincerely,


John J. Ruscigno, P.E.
Senior Noise Analyst
Noise Pollution Control

229-6480

JJR:1
NOISE\AR1866
cc: Van Gulik/Oliver Inc.
Northwest Region, DEQ

Exhibit 1.2
DEQ Notice if Non Compliance
February 18, 1992

February 18, 1992

MR HARRY F DANBERG FACILITIES ENGINEER
FUJITSU MICROELECTRONICS INC
21015 SE STARK STREET
PORTLAND OR 97030-2099

Re: HW-Multnomah County
Fujitsu Microelectronics
EPA Id. No. ORD 987166204
NWR-HSW-92-084
NOTICE OF NONCOMPLIANCE

Dear Mr. Danberg:

This letter confirms the Department of Environmental Quality's (DEQ) inspection and meeting with you on December 10 and 18, 1991, regarding Fujitsu Microelectronics, Inc.'s (FMI) hazardous waste management program and subsequent developments at your facility located at 21015 S.E. Stark Street in Gresham.

FMI generates greater than 1000 kilograms of hazardous waste per month. During our December 10, 1991 inspection, you escorted the DEQ inspection team to FMI's hazardous waste accumulation (90 day storage) room and the "Fab A" building. There, DEQ staff observed the following:

Violation 1: FMI stored containers of hazardous waste without first obtaining a hazardous waste storage permit, in violation of Oregon Revised Statute (ORS) 466.095 (1).

DEQ staff observed that FMI failed to comply with the hazardous waste container management standards of Chapter 40 of the Code of Federal Regulations (CFR) Part (§) 262.34 adopted by reference in Oregon Administrative Rule 340-100-002. Failure to comply with these standards subjects FMI to hazardous waste permitting requirements.



S11 SW Sixth Avenue
Portland, OR 97204-1390
(503) 229-5696
TDD (503) 229-6993
DEQ-1

Specifically, FMI stored a 55 gallon drum in 90 day storage for accumulation of ethyl-cellosolve-acetate, an F003 hazardous waste, with a funnel installed in the container's bung. The hinged lid of the funnel was left in the open position, leaving the container open. At the side of the open barrel, there was a 2.5 gallon container of "EB developer" which was an F003 waste which was not labeled as hazardous waste and without an accumulation date. Also, FMI stored two (2) containers of "waste polyamid resin" in satellite storage containers without hazardous waste labels or otherwise indicating the contents. FMI's hazardous waste container management activity does not comply with the following management standards:

- A. 40 CFR § 262.34 (a)(1) directs compliance with 40 CFR § 265.173 (a) which requires the covering of containers except when adding or removing hazardous waste.
- B. 40 CFR § 262.34 (a)(2) requires that satellite containers, when they are removed from the proximity of their initial point of accumulation and stored at another location, must be clearly marked with the date upon which accumulation begins.
- C. 40 CFR § 262.34 (c)(1)(ii) and (c)(2) require that satellite containers be marked with the words "Hazardous Waste" or with other words that identify the contents of the container.

The above violations are Class I violations. They are considered to be serious violations of the Department's rules. Therefore, we are referring these violations to the Department's Enforcement Section for review of this case to determine the formal enforcement action which would be appropriate. There are a range of actions possible including civil penalty assessment.

Violation 2: FMI did not conspicuously place "No Smoking" signs on the outside of the hazardous waste storage room, a ninety day accumulation area where ignitable wastes were stored. This is a violation of 40 CFR § 265.17 (a).

Violation 3: During the inspection, DEQ staff requested to see the land disposal restriction form for manifest #91018 which pertained to a shipment of hazardous waste containing mercury. FMI did not retain on-site copies of all land disposal restriction notification forms as required by 40 CFR § 268.7 (a)(6).

Mr. Harry F. Danberg, Facilities Engineer
February 18, 1992
Page 3

Violation 4: DEQ staff reviewed manifest #91010 which listed a shipment of waste flammable liquids. Item 11(a) contained ethyl cellosolve acetate and isopropyl alcohol which carried only the waste code F003. Similarly, item 28(a) on page 2 of the manifest contained waste xylene which carried the waste code F003. FMI did not use all applicable waste codes for these wastes on the hazardous waste manifest. In the case of these waste liquids, FMI did not include the D001 waste code which violates 40 CFR § 268.9 (a). This law requires that each applicable waste code be determined, and that each hazardous waste carry any applicable waste code listing under 40 CFR § 261 Subpart D and the characteristic waste code designations under § 261 Subpart C that are relevant.

Violation 5: Staff noted during review of the contingency plan that no home addresses and home telephone numbers of Emergency Coordinators were listed. FMI violated 40 CFR § 265.52 (d) which requires that names, addresses and telephone numbers (both office and home) of persons qualified as Emergency Coordinator must be listed and kept up to date. The list must also indicate the priority in which they will assume responsibility.

Violation 6: FMI told Department staff that FMI had made arrangements with emergency response agencies to address emergency services for the Gresham plant. FMI failed to document and describe in the contingency plan the arrangements agreed to by the local emergency response agencies in violation of 40 CFR § 265.52 (c), pursuant to § 265.37.

These violations are Class II violations. If any of these violations or a similar violation occurs again, we may refer the case to the Department's Enforcement Section with a recommendation to proceed with formal enforcement action.

The Department is continuing to review the inspection report and associated data. You will be notified if any additional violations are discovered.

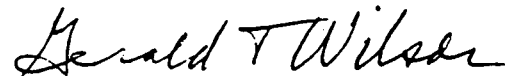
The Department appreciates the actions taken by all FMI staff to this point in correcting the violations that were observed during the December 10 inspection. The DEQ staff believes that FMI was responsive in that some matters were corrected before the inspection team left the premises. Other measures including engineering changes were made by December 13, 1991, and you have continued to keep the Department informed with the submission of information on December 13 and 18, 1991, and February 7, 1992, as further corrections were made. The speed and the cooperation which FMI has demonstrated is commendable.

Mr. Harry F. Danberg, Facilities Engineer
February 18, 1992
Page 4

Regarding your February 7, 1992, submission of the modified "final draft" contingency plan, staff will be unable to complete a review of the document prior to February 21, 1992. A preliminary review has been done, and we believe that further information is needed in Appendix L concerning the emergency coordinators as mentioned above. We will return the contingency plan document when we have completed our review in accordance with Mr. Okada's request.

If you have questions or comments regarding this matter, please contact me at the Northwest Region office at (503) 229-6433.

Sincerely,



Gerald T. Wilson
Hazardous Waste Specialist
Northwest Region

GTW/j

cc: Bruce Long, Oregon Operations, U.S.E.P.A.
Tom Cusak, Hazardous & Solid Waste Division, DEQ
Enforcement Section, DEQ

Exhibit 1.3
DEQ Notice of Non Compliance, Stormwater
February 8, 1995

FEB 08 1995

Oregon

MS JUNE ANN COLE
FUJITSU MICROELECTRONICS INC
21015 SE STARK STREET
GRESHAM OR 97030

DEPARTMENT OF
ENVIRONMENTAL
QUALITY

NORTHWEST REGION

Re: NPDES Stormwater Permit
File No. 104006
Multnomah County
NOTICE OF NONCOMPLIANCE

Dear Ms. Cole:

The laboratory results from your sampling show that your facility's stormwater discharges have violated permit limitations for oil and grease. This is a Class II violation of your permit. Oregon Administrative Rule 340-12-041(2)(c) provides that a permittee shall not receive more than three NONs for Class II violations of the same permit within a thirty-six (36) month period without being issued a more formal enforcement action called a Notice of Permit Violation (NPV). The department may, however, issue a NPV prior to the third NON. The Department requests your cooperation in ensuring that this violation does not recur.

This NON requires you to make an effort to determine the source of this pollution and that you take steps to both reduce it and isolate it from your site's stormwater discharges. Steps that can be taken include covering materials that are being contacted by stormwater, improving housekeeping, and placing simple stormwater treatment devices into catch basins or drainage ditches. If, after taking steps to determine the sources of your stormwater pollution you are unable to make a determination as to what is causing your violation, please let us know in writing.

Prior to your next sampling event, communicate to the Department in writing any changes made onsite that are perceived to improve the quality of stormwater leaving your site.

If you have any questions regarding this NON, please contact Paul Keiran at (503) 229-5937.

Sincerely,

Neil J. Mullane

Neil J. Mullane, Manager
Water Quality Source Control
Northwest Region

prk

cc: Enforcement Section, DEQ
Water Quality Division, DEQ
File



2020 SW Fourth Avenue
Suite 400
Portland, OR 97201-4987
(503) 229-5263 Voice/TDD
DEQ-1

Exhibit 2.1
OSHA Citation, Fall Protection

CT SYSTEM®

C T Corporation System
The Corporation Trust Company

SERVICE OF PROCESS TRANSMITTAL FORM

PORTLAND, OREGON

(City)

(State)

Dec. 15, 1992

(Date)

TO: Mark Utley, Corp. Csl.
Fujitsu Microelectronics, Inc.
3545 N. first St.
San Jose, CA 95134

(☒) Via Federal Express

(☐) Via Messenger

RE: PROCESS SERVED IN

OREGON

(Jurisdiction)

FOR FUJITSU MICROELECTRONICS, INC.

(Name of Company)

CA

(Domestic State)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

1. TITLE OF ACTION: In the Matter of the Alleged Violation of the Oregon Safe Employment Act.
By: Fujitsu Microelectronics Inc.
2. DOCUMENT(S): Citation and Notice of Penalty and Exhibit "A" - Citation # B3184-002-93
3. COURT: Before the State of Oregon Workers' Compensation Dept.
4. NATURE OF ACTION: Alleges violations of above act. Date: 12-10-92
Place: 21015 SE Stark, Gresham, OR 97030
Amount of Penalty: \$300.00
5. BY WHOM PROCESS WAS RECEIVED: C T CORPORATION SYSTEM in Portland, Oregon via regular mail
on Dec. 15, 1992 postmarked: Dec. 11, 1992
6. DATE AND HOUR OF SERVICE: See above.
7. APPEARANCE OR ANSWER DUE: Notice of Corrections Card Due: 1-7-93
8. PLAINTIFF'S ATTORNEY(S): No Attorney
9. REMARKS: (☒) Original Citation (and correction card if applicable) sent to: Mitsumasa Ashida, Pres.

(☐) This confirms our telephone call to your office.

(☐) Above telephoned to C T

office and is sent to you per their instructions.

KINDLY ACKNOWLEDGE RECEIPT BY SIGNING
THE CARBON COPY AND RETURNING IT TO →

Signed C T CORPORATION SYSTEM

O. H. Young/bh

Per 520 SW Yamhill

Address 800 Pacific Bldg.

Portland, Oregon 97204

CT SYSTEM®

C T Corporation System
The Corporation Trust Company

SERVICE OF PROCESS TRANSMITTAL FORM

PORTLAND, OREGON

(City)

(State)

DEC. 11, 1992

(Date)

TO: Fujitsu Microelectronics, Inc.
3840 N. First St.
San Jose, CA 95134

(☐) Via Federal Express

(☐) Via Messenger

RE: **PROCESS SERVED IN** _____

OREGON

(Jurisdiction)

FOR FUJITSU MICROELECTRONICS, INC.

(Name of Company)

CA
(Domestic State)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

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By: Fujitsu Microelectronics Inc.
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Place: 21015 SE Stark, Gresham, OR 97030
Amount of Penalty: \$300.00
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on Dec. 15, 1992 postmarked: Dec. 11, 1992
6. **DATE AND HOUR OF SERVICE:** See above.
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8. **PLAINTIFF'S ATTORNEY(S):** No Attorney
9. **REMARKS:** (☒) Original Citation (and correction card if applicable) sent to: Mitsumasa Ashida, Pres.
(☐) This confirms our telephone call to your office.
(☐) Above telephoned to C T _____ office and is sent to you per their instructions.

KINDLY ACKNOWLEDGE RECEIPT BY SIGNING
THE CARBON COPY AND RETURNING IT TO →

By _____

Received on _____

Signed C T CORPORATION SYSTEM

Per C. H. Young/LH
520 SW Yamhill

Address 800 Pacific Bldg.

Portland, Oregon 97204

COPY FOR RECEIPT



Department of Insurance & Finance
Oregon Occupational Safety & Health Division

CITATION

In accordance with OSHA law, and in the interest of assuring a safe, healthy workplace by preventing occupational injuries, illnesses, and fatalities to your employees, the Oregon Occupational Safety and Health Division (OR-OSHA) recently conducted an inspection of a workplace under your control. During this inspection, certain violations of the Oregon Safe Employment Act and occupational health and/or safety rules were found.

This citation lists the violations and sets a date by which the violations must be corrected. If you are not able to correct the violations by the correction date, you may apply for an extension of the compliance date by following the instructions on the back of this page.

Oregon Safe Employment Act laws require that under certain conditions violations of occupational safety and health rules carry a civil penalty. If penalties have been assessed on this citation, they have been computed in conformity with Oregon Administrative Rules, Chapter 437, Division 1.

If you want to appeal this citation, file your request for hearing within 20 days as outlined on the back of this page.

If you want to discuss this citation, call the OR-OSHA office in your area:

Portland 229-5910

Salem 378-3274

Medford 776-6030

Eugene 686-7562

Bend 388-6066

With the continued cooperation between employers, employees and OR-OSHA, occupational injuries, illnesses, and fatalities to our Oregon work force can be prevented.

John A. Pompei, Administrator
Oregon Occupational Safety & Health Division
(503) 378-3272

COPY

CORRECTIVE ACTION

You are required to notify the appropriate OR-OSHA field office of corrective action taken for violations not corrected at the time of inspection. The attached "Letter of Corrective Action" shall be completed and mailed to the field office listed on this letter. The "Letter of Corrective Action" must be received by the field office on or before the latest correction date on the citation. Failure to return this letter by that time may result in another inspection to verify compliance.

SEE REVERSE SIDE ON WHERE AND WHEN TO POST THIS CITATION, PLUS
EMPLOYER AND EMPLOYEE RIGHTS AND RESPONSIBILITIES.

RECEIVED

12-15-92

Quinn

POSTING

THE LAW REQUIRES THAT A COPY OF THIS CITATION BE POSTED PROMPTLY IN A CONSPICUOUS MANNER ABOUT YOUR WORKPLACE, AND IN A SUFFICIENT NUMBER OF PLACES TO INFORM YOUR EMPLOYEES OF THE FACTS. IT MUST BE PROMINENTLY POSTED FOR A PERIOD OF THREE DAYS OR UNTIL THE VIOLATION IS CORRECTED, WHICHEVER COMES LAST.

EMPLOYER APPEAL RIGHTS

You may appeal any violation, penalty, or correction date on this citation. Your appeal must be in writing; be signed; and, include your name, address, telephone number, citation report number, date received, each item appealed, and the reason for the appeal. The appeal should also show whether you desire an informal conference to discuss and possibly resolve the appealed items. The appeal **must be received by the Department within 20 days of your receipt of the citation.** If you do not appeal, this citation becomes a final order of the Department of Insurance & Finance. Send your appeal to: Department of Insurance & Finance, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

IMPORTANT NOTE: APPEALING A SERIOUS VIOLATION OR THE REASONABLENESS OF THE CORRECTION DATE DOES NOT AUTOMATICALLY EXTEND OR STAY THE CORRECTION DATE. YOU MAY REQUEST AN EXTENSION OF THE CORRECTION DATE THROUGH OR-OSHA (SEE BELOW) OR REQUEST THAT THE WORKERS' COMPENSATION BOARD HEARINGS DIVISION, FOR GOOD CAUSE, ISSUE A STAY OF THE CORRECTION ORDER, PENDING DISPOSITION OF THE CASE (OREGON ADMINISTRATIVE RULE 438-85-326(2)).

EMPLOYEE RIGHTS

Any employee or representative of employees who believes that any period of time fixed in this citation for the correction of alleged violations is unreasonable has the right to request a hearing by submitting a letter to the Dept. of Insurance & Finance, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

EXTENSION OF CORRECTION DATE

- (1) You may apply for an extension of the date for correcting a violation.
- (2) A request for an extension of a correction date must be sent in writing to the field office listed on the "Letter of Corrective Action".
- (3) The request for extension must include:
 - (a) Your name and address.
 - (b) The location of the place of employment.
 - (c) The citation report number.
 - (d) The number of the violation for which the extension is sought.
 - (e) The reason for the request.
 - (f) Facts showing that you have made an effort to correct the violation by the date set for correction, but were unable to do so because of factors beyond your control.
 - (g) All available interim steps being taken to safeguard employees against the cited hazard during the requested extended correction period.
 - (h) The date by which you propose to complete the correction.
 - (i) A statement that a copy of the request for extension has been posted as required by OAR 437-1-275(2)(d) and (h) or for at least 10 days, whichever is longer; and, if appropriate, served on the authorized representative of affected employees; and, certification of the date upon which the posting or service was made.
- (4) Your request must be postmarked or received by the Department no later than the correction date of the violation for which the extension is sought.

CITATION AND NOTICE OF PENALTY

BEFORE THE STATE OF OREGON, DEPARTMENT OF INSURANCE
AND FINANCE, OREGON OCCUPATIONAL SAFETY & HEALTH
VISION
Labor and Industries Building, Salem, Oregon, 97310

(2) Employer ID No.: 7487507-000
(3) Inspection Date: 11/10/92-11/13/92
(4) Date Issued: 12-10-92
(5) Inspection Site:
21015 SE STARK
GRESHAM OR 97030

In the Matter of the violation of)
the OREGON SAFE EMPLOYMENT ACT)
By: FUJITSU MICROELECTRONICS INC)

(6) IMIS Report No.: 123713497(12)
(7) Citation Optional
Report No.: B3184-002-93

(1)
To: FUJITSU MICROELECTRONICS INC
MITSUMASA ASHIDA PRESIDENT
1 MAIN PLACE 101 SW MAIN ST
PORTLAND OR 97204

NOTE: Please include the Citation
Optional Report Number (Block 7) in all
correspondence related to this inspection.

Item No.	Violation Class	Date Correction Required	Penalty
1-1. Standard Violated: OAR437-02-015 29 CFR 1910.23(c)(1) Description of Violation: Open-sided floor(s) or platform(s) 4 feet or more above the adjacent floor or ground level were not guarded by standard railings (or the equivalent as specified in 1910.23(e)(3)), on all open sides: (a) Open-sided platform used to access the R.O.D. cross over valves.	SERIOUS	COMPLETED \$ AT TIME OF IN- SPECTION	150.00
1-2. Standard Violated: OAR437-50-050(1) Description of Violation: All employees were not protected from fall hazards when working on unguarded surfaces more than 10 feet above a lower level and/or at any height above dangerous equipment. (a) Employees could work off of a ladder to shut off R.O.D. cross over valves without leaving hands on ladder. No fall protection for employees doing this job process.	SERIOUS	COMPLETED \$ AT TIME OF IN- SPECTION	150.00

DEPT. POSTING
SAFETY/HEALTH

POSTED 12-15-92
12-18-92
Qac

COPY

CITATION AND NOTICE OF PENALTY

FUJITSU MICROELECTRONICS INC

Employer: 7487507-000
IMIS Report No.: 123713497(12)
Citation Optional
Report No.: B3184-002-93

Item No.	Violation Class	Date Correction Required	Penalty
2-3.	Standard Violated: OAR437-02-015 29 CFR 1910.23(e)(1) Description of Violation: A standard rail did not consist of top rail and and middle rail at a vertical height of 42 inches. (a) The guardrail system on the Number 7 scrubber did not meet the requirements of the standard. (b) The guardrail system on the Number 6 scrubber did not meet the requirements of the standard. (c) The guardrail system on the Number 4 Ammonia scrubber did not meet the requirements of the standard. (d) The guardrail system on the Number 2 acid scrubber did not meet the requirements of the standard.	GENERAL 01-07-93	\$ 0.00

cc: Mitsumasa Ashida President, Fujitsu Microelectronics Inc, C T Corporation System
Registered Agent, 800 Pacific Bldg 520 SW Yamhill, Portland OR 97204

Mitsumasa Ashida President, Fujitsu Microelectronics Inc, Attn Mrs. Cohn Head of
Safety, 21015 SE Stark, Gresham OR 97030

2572-ORCIT/BJH

COPY

* Total Penalty for *
* This Citation: \$ 300.00 *

DEPT. POSTING
SAFETY/HEALTH
POSTED 12-15-92
EXPIRES 12-18-92
INITIAL Jic

Exhibit 2.2
OSHA Citation, Hazardous Materials



Department of Consumer & Business Services
Oregon Occupational Safety & Health Division

CITATION

In accordance with OSHA law, and in the interest of assuring a safe, healthy workplace by preventing occupational injuries, illnesses, and fatalities to your employees, the Oregon Occupational Safety and Health Division (OR-OSHA) recently conducted an inspection of a workplace under your control. During this inspection, certain violations of the Oregon Safe Employment Act and occupational health and/or safety rules were found.

This citation lists those violations and sets a date by which the violations must be corrected. If you are not able to correct the violations by that date, you may apply for an extension of the compliance date by following the instructions on the back of this page.

Oregon Safe Employment Act laws requires that, under certain conditions, violations of occupational safety and health rules carry a civil penalty. If penalties have been assessed on this citation, they have been computed in conformity with Oregon Administrative Rules Chapter 437, Division 1.

If you want to appeal this citation, file your request for hearing **within 20 days** as outlined on the back of this page.

If you want to discuss this citation, call the OR-OSHA office in your area. All numbers are area code 503 and have TDD access.

Portland	229-5910
Salem	378-3274
Medford	776-6030
Eugene	686-7562
Bend	388-6066

With continued cooperation between employers, employees, and OR-OSHA, occupational injuries, illnesses, and fatalities to Oregon's work force can be prevented.


John A. Pompei, Administrator
Oregon Occupational Safety & Health Division
(503) 378-3272

PENALTY INVOICE ATTACHED
PLEASE RETURN WITH PAYMENT

Corrective Action

You are required to notify the appropriate OR-OSHA field office of corrective action taken for violations not corrected at the time of inspection. The attached "Letter of Corrective Action" must be completed and mailed to the field office listed on this letter. The "Letter of Corrective Action" must be received by the field office on or before the latest correction date on the citation. Failure to return this letter by that time may result in another inspection to verify compliance.

**See reverse side on where and when to post this citation,
plus employer and employee rights and responsibilities.**

Posting

The law requires that a copy of this citation be posted promptly in a conspicuous manner in your workplace, and in a sufficient number of places to inform your employees of the facts. It must be prominently posted for a period of three days or until the violation is corrected, whichever comes last.

Employer Appeal Rights

You may appeal any violation, penalty, or correction date on this citation. Your appeal must be in writing; be signed; and, include your name, address, telephone number, citation report number, date received, each item appealed, and the reason for the appeal. The appeal should also show whether you desire an informal conference to discuss and possibly resolve the appealed items. The appeal must be received by the department within 20 calendar days of your receipt of the citation. If you do not appeal, this citation becomes a final order of the Department of Consumer & Business Services. Send your appeal to: Department of Consumer & Business Services, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

Important note: Appealing a serious violation or the reasonableness of the correction date does not automatically extend or stay the correction date. You may request an extension of the correction date through OR-OSHA (see below) or request that the Workers' Compensation Board Hearings Division for good cause, issue a stay of the correction order, pending disposition of the case (Oregon Administrative Rule 438-85-326(2)).

Employee Rights

Any employee or representative of employees who believes that any period of time fixed in this citation for the correction of alleged violations is unreasonable has the right to request a hearing by submitting a letter to the Department of Consumer & Business Services, Oregon Occupational Safety & Health Division, Labor & Industries Bldg., Salem, OR 97310.

Extension of Correction Date

- (1) You may apply for an extension of the date for correcting a violation.
- (2) A request for an extension of a correction date must be sent in writing to the field office listed on the "Letter of Corrective Action."
- (3) The request for extension must include:
 - (a) Your name and address.
 - (b) The location of the place of employment.
 - (c) The citation report number.
 - (d) The number of the violation for which the extension is sought.
 - (e) The reason for the request.
 - (f) Facts showing that you have made an effort to correct the violation by the date set for correction, but were unable to do so because of factors beyond your control.
 - (g) All available interim steps being taken to safeguard employees against the cited hazard during the requested extended correction period.
 - (h) The date by which you propose to complete the correction.
 - (i) A statement that a copy of the request for extension has been posted as requested by OAR 437-1-275(2)(d) and (h) or for at least 10 days, whichever is longer; and, if appropriate, served on the authorized representative of affected employees; and, certification of the date upon which the posting or service was made.
- (4) Your request must be postmarked or received by the department no later than the correction date of the violation for which the extension is sought.

CITATION AND NOTICE OF PENALTY

BEFORE THE STATE OF OREGON, DEPARTMENT OF CONSUMER
AND BUSINESS SERVICES, OREGON OCCUPATIONAL SAFETY
) HEALTH DIVISION
Labor and Industries Building, Salem, Oregon, 97310

(2) Employer ID No.: 7487507-000
(3) Inspection Date: 04-21-94/06-16-94
(4) Date Issued: 07-08-94
(5) Inspection Site:
21015 SE STARK
GRESHAM OR 97030

In the Matter of the violation of)
the OREGON SAFE EMPLOYMENT ACT)
By: FUJITSU MICROELECTRONICS INC)

(6) IMIS Report No.: 124773367(91)
(7) Citation Optional
Report No.: R9932-016-94

(1)
To: FUJITSU MICROELECTRONICS INC
KEN KATASHIBA PRESIDENT
ATTN JUNE ANN COLE
SAFETY OCCUPATIONAL HEALTH MANAGER
21015 SE STARK
GRESHAM OR 97030

NOTE: Please include the Citation
Optional Report Number (Block 7) in all
correspondence related to this inspection.

Item No.	Violation Class	Date Correction Required	Penalty
1-1.	Standard Violated: OAR437-2-221(4)(d) Description of Violation: Materials which could cause hazardous reactions were not kept segregated in storage and marked with appropriate warning signs: (a) For the nitric acid stored next to the acetic acid, in which upon contacting each other can result in an uncontrolled exothermic reaction, in the "acid bay area" of Fujitsu Microelectronics Inc in Gresham, Oregon.	SERIOUS COMPLETED AT TIME OF IN- SPECTION	\$ 240.00
19198-ORCIT/NJS	***** * Total Penalty for * * This Citation: \$ 240.00 * *****		

INVOICE FOR PROPOSED PENALTY

EMPLOYER: FUJITSU MICROELECTRONICS INC

ISSUE DATE: 07-08-94

CITATION OPT REPORT #: R9932-016-94

IMIS REPORT #: 124773367(91)

EMPLOYER ID: 7487507-000

TOTAL PENALTY: \$ 240.00

***** PAYMENT ADVICE *****		***** CASHIER STAMP *****	
I.R.S. #93-0547295		415200	840.345
* PAY TO DEPT OF CONSUMER & BUSINESS SVCS *			
* FISCAL SERVICES SECTION *			
* LABOR & INDUSTRIES BUILDING *			
* SALEM, OREGON 97310 *			
* RETURN COPY OF INVOICE WITH PAYMENT *			

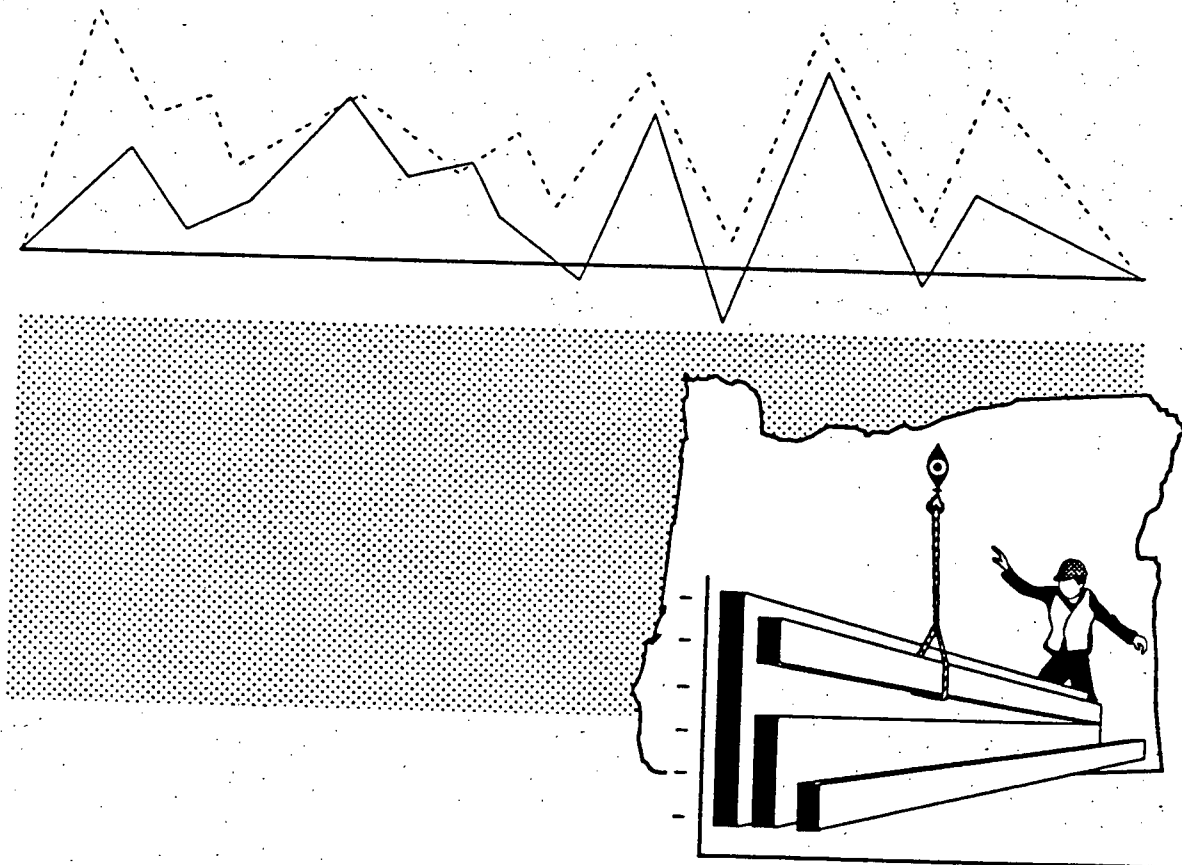
Oregon Revised Statutes, Chapter 654, The Oregon Safe Employment Act Subsection, 654.086(3), states: "When an order assessing a civil penalty becomes final by operation of law or an appeal, unless the amount of penalty is paid within 10 days after the order becomes final, it constitutes a judgment and may be filed with the county clerk in any county of this state. The clerk shall thereupon record the name of the person incurring the penalty and the amount of the penalty in the judgment docket. The penalty provided in the order so docketed shall become a lien upon the title to any interest in property owned by the person against whom the order is entered, and execution upon a judgment of a court of record."

Payment of all penalties shown is to be made by check or money order payable to the order of "Department of Consumer and Business Services" and remitted with a copy of this form.

Exhibit 2.3.1
Oregon OSHA Injury and Illness Rates
1992



DEPARTMENT OF CONSUMER & BUSINESS SERVICES
Research & Analysis Section



OREGON OCCUPATIONAL INJURY AND
ILLNESS SURVEY CALENDAR YEAR 1992

September 1994

**OREGON OCCUPATIONAL INJURY
AND ILLNESS SURVEY 1992**

DEPARTMENT OF CONSUMER & BUSINESS SERVICES
Kerry Barnett, Director

Information Management Division
Dan Adelman, Administrator

Research & Analysis Section
Ed Bissell, Manager
Kathy Thomas, Supervising Research Analyst
Jim Locnikar, Research Analyst

Research Assistants
Stacey Barnhart
Clara Orr
Sarah Loudon

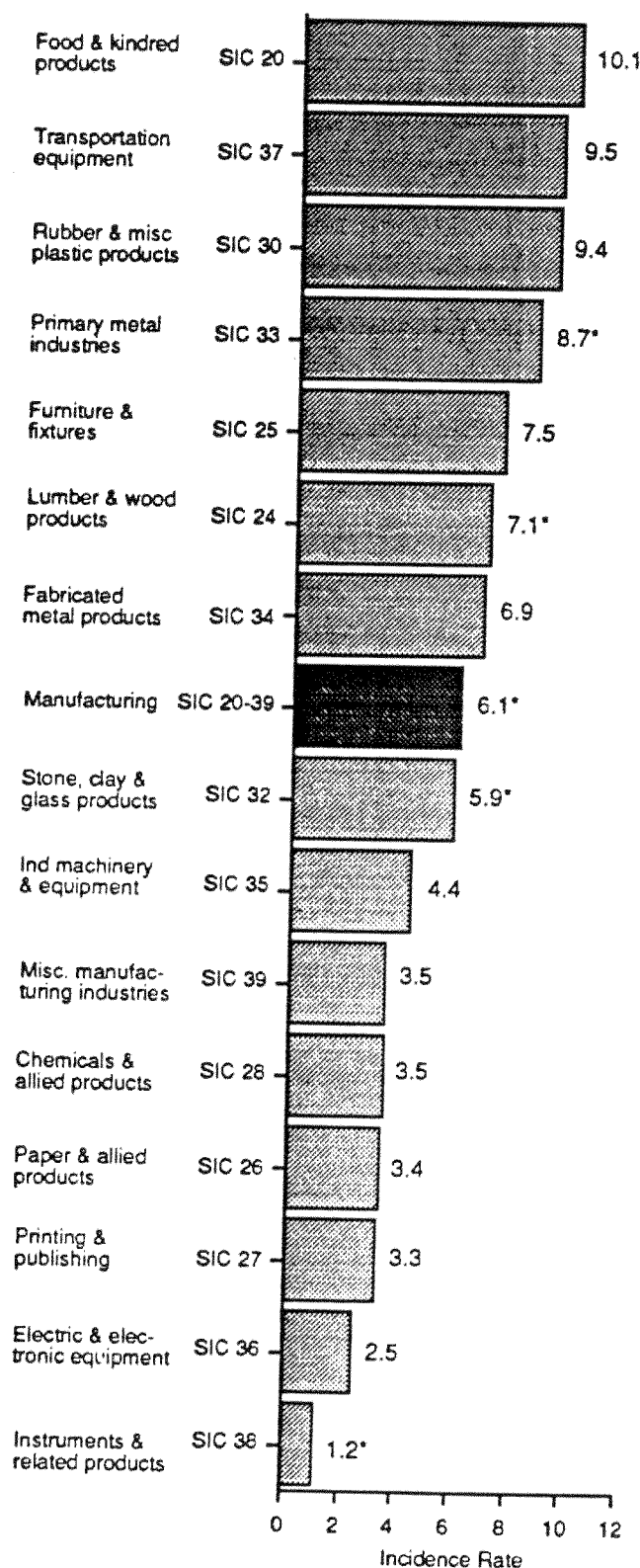
September 1994



Information Management Division
300 Labor & Industries Building
Salem, OR 97310

Figure 7

Lost Workday Cases Incidence Rates by Type of Manufacturing Activity, Oregon, 1992



* Lowest rate ever reported for this industry

The 1992 manufacturing rate of 6.1 was the third consecutive record low for the industry in Oregon, 9.0 percent below the old record of 6.7 set in 1991. Lost workday cases rates among the major groups of manufacturing industries ranged from a high of 10.1 to a low of 1.2 in 1992, with some major groups reporting their lowest rate ever (see Figure 7). Lumber and wood products (SIC 24) reported its sixth straight decrease, down 11.2 percent to 7.1. Miscellaneous manufacturing industries (SIC 39) dropped nearly 60 percent to 3.5. Food and kindred products (SIC 20) registered the highest rate, increasing 11.0 percent to 10.1 from 9.1 in 1991.

HAZARDOUS INDUSTRIES

In 1992, six of the ten most hazardous industries at the three-digit SIC level were engaged in some type of manufacturing activity, while one was involved in services, one in agriculture, forestry and fishing, and two were in transportation and public utilities. As shown in Text Table 1, meat products (SIC 201) recorded the highest 1992 lost workday cases incidence rate of the three-digit SIC industries, 15.4 cases per 100 full-time workers. This represents a 20.3 percent increase from the 1991 rate of 12.8. The lost workday cases rate in logging fell for the eighth consecutive year, dropping 6.8 percent to a new record low of 9.6. The previous record was 10.3 in 1991.

RATES BY EMPLOYMENT SIZE

Establishments in the intermediate size ranges continued to post the highest incidence rates. For the private sector as a whole, establishments with 100-249 employees reported the highest lost workday cases incidence rate of 5.8 cases per 100 full-time employees. As shown in Text Table 2, the lowest incidence rates for the private sector were reported by establishments with fewer than 20 employees and establishments with 2,500 or more employees. The tendency for intermediate sized establishments to have the highest rates has held in Oregon since the inception of the survey and is characteristic of rates by employment size for the nation as well.

Text Table 1

Ranking of the 10 Highest Lost Workday Cases Incidence Rate
3-Digit SIC Industries, Oregon, 1988-1992

Industry	SIC ¹	Incidence Rates ²				
		1988	1989	1990	1991	1992
Meat Products	201	16.4	--	17.8	12.8	15.4
Ship and Boat Building & Repairing	373	24.0	--	21.2	20.3	14.7
Miscellaneous Foods & Kindred Products	209	17.8	15.5	14.7	8.7	11.2
Trucking & Courier Services, Except Air	421	10.8	9.8	9.5	10.0	10.8
Concrete Work	177	--	2.9	8.1	6.3	10.3
Nursing & Personal Care Facilities	805	--	12.3	12.3	10.7	9.8
Bakery Products	205	--	--	7.7	10.4	9.6
Logging	241	14.9	13.8	11.0	10.3	9.6
Air Transportation, Scheduled	451	7.6	7.4	9.7	--	9.6
Motor Vehicles & Equipment	371	7.7	7.4	8.1	5.7	9.4

¹ Standard Industrial Classification Manual, 1987 Edition.

² Incidence rates represent the number of injuries and illnesses per 100 full-time equivalent workers per year.

Note: Dashes indicate data do not meet publication criteria.

Text Table 2

Lost Workday Cases Incidence Rates
by Size Class, Oregon, 1988-1992

Number of Employees	Incidence Rates ¹				
	1988	1989	1990	1991	1992
All Sizes	5.6	5.2	4.8	4.4	4.4
1-3	2.0	1.4	1.6	2.6	1.4
4-10	2.9	2.5	2.8	2.2	3.0
11-19	4.4	4.3	3.2	3.4	3.6
20-49	5.6	5.0	4.4	4.0	4.7
50-99	6.3	5.8	5.6	4.6	4.8
100-249	8.1	7.4	6.1	5.5	5.8
250-499	7.4	7.3	7.0	6.3	5.7
500-999	6.8	6.6	7.1	6.5	4.2
1000-2499	4.7	5.0	4.4	5.3	5.6
2500+	4.0	3.3	3.4	2.4	2.4

¹ Incidence rates represent the number of injuries and illnesses per 100 full-time equivalent workers per year.

Industry 2	SIC code 3	1992 Annual average employment 4 (000's)	Injuries and illnesses				Injuries			
			Total cases	Lost workday cases		Cases without lost work-days	Total cases	Lost workday cases		Cases without lost work-days
				Total 5	With days away from work 6			Total 5	With days away from work 6	
All industries including state and local government 7		1,224.3	8.8	4.2	3.2	4.7	8.2	3.9	3.0	4.3
Private industry 7		1,042.9	9.1	4.4	3.3	4.7	8.5	4.1	3.2	4.4
Agriculture, forestry, and fishing 7		36.7	10.3	5.1	4.2	5.2	9.5	4.7	3.9	4.7
Agricultural production 7	01-02	22.5	9.8	5.1	4.0	4.8	9.4	4.9	3.9	4.5
Agricultural production-crops 7	01	20.4	9.9	5.1	3.9	4.8	9.4	4.9	3.7	4.6
Fruits and tree nuts 7	017	6.1	8.8	5.0	3.6	3.8	8.2	4.5	3.1	3.7
Horticultural specialties 7	018	6.9	11.6	5.4	3.7	6.2	10.9	5.3	3.6	5.7
Agricultural services	07	9.3	10.3	5.3	4.8	5.0	9.1	4.7	4.2	4.4
Veterinary services	074	2.2	7.9	3.8	2.6	4.1	7.9	3.8	2.6	4.1
Landscape and horticultural services	078	3.5	14.9	8.6	8.1	6.3	12.5	7.3	6.8	5.2
Forestry	08	4.1	13.7	5.8	4.8	7.9	11.7	5.4	4.6	6.3
Forestry services	085	2.6	15.6	6.8	5.9	8.8	13.3	6.3	5.7	7.0
Mining 8		1.6	3.8	2.4	2.3	1.4	3.8	2.4	2.3	1.4
Construction		50.2	13.4	6.1	5.5	7.3	13.0	5.9	5.3	7.1
General building contractors	15	11.4	13.9	7.2	6.1	6.7	13.6	7.1	6.1	6.5
Residential building construction	152	6.1	13.3	7.6	6.7	5.7	12.9	7.6	6.7	5.4
Nonresidential building construction	154	5.2	14.1	6.7	5.5	7.4	13.9	6.7	5.4	7.3
Heavy construction, except building	16	7.6	14.4	4.8	4.2	9.7	13.6	4.5	3.9	9.1
Highway and street construction	161	3.1	13.4	4.7	4.1	8.7	12.6	4.3	3.8	8.3
Heavy construction, except highway	162	4.6	15.2	4.8	4.3	10.3	14.3	4.6	4.0	9.7
Special trade contractors	17	31.1	13.0	6.0	5.5	6.9	12.7	5.8	5.4	6.8
Plumbing, heating, air-conditioning	171	7.1	13.2	5.9	5.4	7.3	12.9	5.7	5.2	7.2
Painting and paper hanging	172	2.2	8.4	4.6	4.3	3.8	8.4	4.6	4.3	3.8
Electrical work	173	5.8	9.8	3.2	2.8	6.6	9.6	3.1	2.6	6.5
Masonry, stonework, and plastering	174	3.8	15.2	7.3	7.3	7.2	14.9	7.3	7.3	7.5
Carpentry and floor work	175	2.2	12.9	7.6	7.6	5.3	11.9	6.7	6.7	5.2
Roofing, siding, and sheet metal work	176	2.4	16.3	7.9	7.5	8.4	16.1	7.7	7.3	8.4
Concrete work	177	2.2	17.1	10.3	9.6	6.8	16.7	10.2	9.5	6.5
Miscellaneous special trade contractors	179	5.2	14.3	6.3	5.2	8.0	14.0	6.1	5.0	7.9
Manufacturing		208.9	13.0	6.1	4.0	6.8	11.7	5.6	3.8	6.1
Durable goods		147.0	13.0	6.0	3.7	7.0	11.8	5.5	3.5	6.3
Lumber and wood products	24	55.0	15.9	7.1	4.5	8.8	14.8	6.8	4.3	8.0
Logging	241	10.2	17.0	9.6	8.8	7.4	16.6	9.6	8.7	7.1
Sawmills and planing mills	242	16.3	15.7	6.5	3.5	9.2	14.0	6.0	3.3	8.1
Sawmills and planing mills, general	2421	15.4	15.2	6.1	3.3	9.0	13.7	5.8	3.2	8.0
Millwork, plywood and structural members	243	22.4	15.0	6.7	3.5	8.3	14.0	6.3	3.3	7.7
Millwork	2431	7.9	12.8	5.5	3.8	7.4	11.9	5.0	3.6	6.9
Softwood veneer and plywood	2436	10.3	17.6	7.4	2.5	10.2	16.3	7.0	2.3	9.3
Wood buildings and mobile homes	245	2.4	26.0	9.0	6.2	17.0	25.5	8.8	6.0	16.8
Mobile homes	2451	2.1	25.9	7.8	4.8	18.1	25.5	7.7	4.7	17.8
Miscellaneous wood products	249	3.3	13.6	6.5	4.6	7.1	12.6	5.9	4.3	6.7
Furniture and fixtures	25	3.2	14.3	7.5	5.8	6.8	14.2	7.4	5.8	6.8
Stone, clay, and glass products	32	3.9	16.9	5.9	4.2	11.1	16.6	5.7	4.1	10.9
Concrete, gypsum, and plaster products	327	2.1	12.7	5.9	4.9	6.9	12.6	5.7	4.7	6.9
Primary metal industries	33	10.6	17.5	8.7	4.0	8.8	14.6	7.8	3.7	6.7
Primary nonferrous metals	333	2.2	15.0	8.7	2.6	6.2	13.6	8.0	2.4	5.6
Fabricated metal products	34	10.6	15.8	6.9	4.6	9.0	14.8	6.4	4.4	8.4
Fabricated structural metal products	344	4.2	18.5	8.7	6.5	9.8	17.6	8.1	6.2	9.6
Miscellaneous fabricated metal products	349	2.1	14.1	7.2	3.8	6.9	13.9	7.1	3.7	6.8
Industrial machinery and equipment	35	17.0	9.8	4.4	3.3	5.4	9.1	4.1	3.0	5.0

See footnotes at end of table.

Industry ²	SIC code ³	1992 Annual average employ- ment ⁴ (000's)	Injuries and illnesses				Injuries			
			Total cases	Lost workday cases		Cases without lost work- days	Total cases	Lost workday cases		Cases without lost work- days
				Total ⁵	With days away from work ⁶			Total ⁵	With days away from work ⁶	
Construction and related machinery	353	2.5	10.7	3.9	2.3	6.8	10.2	3.9	2.3	6.3
Special industry machinery	355	2.6	13.3	8.4	6.6	5.0	12.9	8.0	6.3	4.9
Computer and office equipment	357	5.1	3.7	1.4	1.2	2.2	2.7	1.1	1.0	1.6
Industrial machinery, n.e.c.	359	2.4	12.0	4.2	3.7	7.9	11.3	3.6	3.2	7.7
Industrial machinery, n.e.c.	3599	2.1	11.6	4.2	3.7	7.4	11.0	3.6	3.1	7.4
Electronic and other electric equipment	36	18.6	4.8	2.5	1.7	2.3	3.3	1.8	1.3	1.5
Electronic components and accessories	367	14.2	4.5	2.3	1.6	2.2	2.8	1.5	1.2	1.3
Printed circuit boards	3672	2.1	6.4	2.3	2.2	4.1	5.0	1.9	1.8	3.1
Semiconductors and related devices	3674	10.2	3.2	1.9	1.4	1.3	2.1	1.3	1.0	0.7
Transportation equipment	37	13.3	19.2	8.5	5.4	9.7	17.5	8.8	4.8	8.7
Motor vehicles and equipment	371	6.0	18.4	9.4	4.7	9.0	16.6	8.3	3.9	8.4
Motor vehicles and car bodies	3711	3.0	17.5	7.6	3.8	9.9	15.6	6.8	3.5	8.9
Ship and boat building and repairing	373	2.6	30.6	14.7	11.6	15.9	29.3	14.3	11.2	15.0
Instruments and related products	38	11.0	3.6	1.2	0.9	2.4	2.8	0.9	0.6	1.9
Measuring and controlling devices	382	n.a.	3.6	1.3	0.9	2.2	2.7	1.0	0.7	1.7
Instruments to measure electricity	3825	n.a.	3.7	1.4	1.0	2.3	2.7	1.1	0.8	1.6
Miscellaneous manufacturing industries	39	3.8	7.1	3.5	2.0	3.6	5.9	2.7	1.8	3.2
Nondurable goods		61.9	12.8	6.5	4.8	6.3	11.7	6.0	4.5	5.7
Food and kindred products	20	25.2	18.9	10.1	7.6	8.9	16.9	9.1	6.9	7.8
Meat products	201	2.1	27.3	15.4	8.6	12.0	22.3	12.9	7.4	9.4
Preserved fruits and vegetables	203	11.3	15.3	8.6	6.7	6.6	13.8	7.5	5.9	6.3
Canned fruits and vegetables	2033	2.5	15.9	9.2	7.4	6.6	14.2	7.8	6.3	6.4
Frozen fruits and vegetables	2037	7.1	15.7	8.6	6.9	7.1	14.5	7.7	6.3	6.8
Bakery products	205	2.6	16.2	9.6	7.8	6.6	15.0	9.0	7.2	6.0
Miscellaneous food and kindred products	209	3.7	27.5	11.2	7.3	16.2	23.1	10.5	7.1	12.5
Paper and allied products	26	9.0	7.9	3.4	2.6	4.4	7.1	3.4	2.6	3.7
Paper mills	262	3.3	6.8	3.7	2.5	3.2	5.6	3.6	2.4	2.1
Miscellaneous converted paper products	267	2.4	9.4	3.8	3.1	5.6	8.1	3.6	3.0	4.5
Printing and publishing	27	14.8	6.8	3.3	2.8	3.5	6.1	3.0	2.6	3.1
Newspapers	271	4.7	6.3	3.2	2.5	3.1	5.2	2.6	2.1	2.6
Commercial printing	275	6.1	8.0	4.1	3.8	3.9	7.5	3.9	3.6	3.6
Commercial printing, lithographic	2752	4.8	7.9	3.6	3.2	4.4	7.4	3.4	3.1	4.0
Chemicals and allied products	28	2.6	7.4	3.5	2.0	3.9	7.3	3.5	2.0	3.8
Rubber and miscellaneous plastics products	30	4.9	16.5	9.4	5.5	7.1	16.1	9.2	5.4	6.8
Miscellaneous plastics products, n.e.c.	308	4.1	14.6	7.7	4.8	6.9	14.1	7.6	4.7	6.6
Plastics products, n.e.c.	3089	2.8	13.7	6.8	3.8	7.0	13.6	6.7	3.7	6.9
Transportation and public utilities ⁸		62.0	10.4	6.4	5.1	4.0	10.0	6.3	5.0	3.8
Railroad transportation ⁸	40	n.a.	7.8	6.1	5.5	1.7	7.3	5.8	5.3	1.4
Local and interurban passenger transit	41	3.7	6.9	4.3	3.2	2.6	6.9	4.3	3.2	2.6
Trucking and warehousing	42	24.8	16.7	10.8	8.4	5.9	16.6	10.7	8.4	5.9
Trucking and courier services, except air	421	23.0	16.9	10.8	8.4	6.1	16.8	10.8	8.4	6.0
Transportation by air	45	5.3	12.4	7.5	6.8	4.9	12.4	7.5	6.8	4.8
Air transportation, scheduled	451	4.1	14.4	9.6	8.7	4.7	14.3	9.6	8.7	4.7
Transportation services	47	4.3	2.7	1.6	1.0	1.0	2.5	1.6	1.0	0.9
Communications	48	12.8	2.9	1.3	1.0	1.5	2.1	0.9	0.8	1.1
Telephone communications	481	8.4	3.7	1.6	1.2	2.0	2.6	1.2	1.0	1.4
Electric, gas, and sanitary services	49	9.1	5.9	2.7	1.7	3.2	5.3	2.5	1.6	2.8
Wholesale and retail trade		320.7	8.2	3.7	3.1	4.4	8.0	3.6	3.0	4.3
Wholesale trade		80.8	7.8	4.1	3.5	3.7	7.7	4.1	3.4	3.6
Wholesale trade—durable goods	50	45.9	7.2	3.9	3.2	3.3	7.2	3.9	3.2	3.3
Lumber and construction materials	503	5.5	8.1	4.4	3.7	3.7	8.1	4.4	3.7	3.7
Professional and commercial equipment	504	8.9	4.2	2.0	1.6	2.2	4.2	2.0	1.6	2.2
Machinery, equipment, and supplies	508	10.2	6.1	3.4	2.9	2.7	6.1	3.3	2.8	2.7
Wholesale trade—nondurable goods	51	34.9	8.6	4.5	3.9	4.1	8.4	4.4	3.8	3.9
Paper and paper products	511	2.7	4.0	2.1	1.4	1.9	4.0	2.1	1.4	1.9

See footnotes at end of table.

Table 2. Number of nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

Industry ¹	SIC code ²	1992 Annual average employment ³ (000's)	Injuries and illnesses				Injuries			
			Total cases (000's)	Lost workday cases		Cases without lost work-days (000's)	Total cases (000's)	Lost workday cases		Cases without lost work-days (000's)
				Total ⁴ (000's)	With days away from work ⁵ (000's)			Total ⁴ (000's)	With days away from work ⁵ (000's)	
Miscellaneous fabricated metal products	349	2.1	0.3	0.1	0.1	0.1	0.3	0.1	0.1	0.1
Industrial machinery and equipment	35	17.0	1.4	0.6	0.5	0.8	1.3	0.6	0.4	0.7
Construction and related machinery	353	2.5	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Special industry machinery	355	2.6	0.3	0.2	0.2	0.1	0.3	0.2	0.2	0.1
Computer and office equipment	357	5.1	0.2	0.1	0.1	0.1	0.1	(⁷)	(⁷)	0.1
Industrial machinery, n.e.c.	359	2.4	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Industrial machinery, n.e.c.	3599	2.1	0.2	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Electronic and other electric equipment	36	18.6	1.0	0.5	0.3	0.5	0.7	0.3	0.3	0.3
Electronic components and accessories	367	14.2	0.6	0.3	0.2	0.3	0.4	0.2	0.2	0.2
Printed circuit boards	3672	2.1	0.1	0.1	(⁷)	0.1	0.1	(⁷)	(⁷)	0.1
Semiconductors and related devices	3674	10.2	0.3	0.2	0.1	0.1	0.2	0.1	0.1	0.1
Transportation equipment	37	13.3	2.4	1.2	0.7	1.2	2.2	1.1	0.6	1.1
Motor vehicles and equipment	371	6.0	1.1	0.6	0.3	0.5	1.0	0.5	0.2	0.5
Motor vehicles and car bodies	3711	3.0	0.6	0.3	0.1	0.3	0.5	0.2	0.1	0.3
Ship and boat building and repairing	373	2.6	0.6	0.3	0.2	0.3	0.6	0.3	0.2	0.3
Instruments and related products	38	11.0	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Measuring and controlling devices	382	n.a.	0.2	0.1	0.1	0.2	0.2	0.1	(⁷)	0.1
Instruments to measure electricity	3825	n.a.	0.2	0.1	0.1	0.1	0.2	0.1	(⁷)	0.1
Miscellaneous manufacturing industries	39	3.8	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Nondurable goods		61.9	6.9	3.5	2.6	3.4	6.3	3.2	2.4	3.0
Food and kindred products	20	25.2	4.1	2.2	1.6	1.9	3.7	2.0	1.5	1.7
Meat products	201	2.1	0.5	0.3	0.2	0.2	0.4	0.2	0.1	0.2
Preserved fruits and vegetables	203	11.3	1.5	0.9	0.7	0.7	1.4	0.7	0.6	0.6
Canned fruits and vegetables	2033	2.5	0.4	0.2	0.2	0.2	0.3	0.2	0.2	0.2
Frozen fruits and vegetables	2037	7.1	1.0	0.6	0.4	0.5	0.9	0.5	0.4	0.4
Bakery products	205	2.6	0.4	0.2	0.2	0.2	0.4	0.2	0.2	0.2
Miscellaneous food and kindred products	209	3.7	0.9	0.4	0.2	0.5	0.7	0.3	0.2	0.4
Paper and allied products	26	9.0	0.7	0.3	0.2	0.4	0.6	0.3	0.2	0.3
Paper mills	262	3.3	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Miscellaneous converted paper products	267	2.4	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Printing and publishing	27	14.8	0.8	0.4	0.3	0.4	0.7	0.4	0.3	0.4
Newspapers	271	4.7	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Commercial printing	275	6.1	0.4	0.2	0.2	0.2	0.4	0.2	0.2	0.2
Commercial printing, lithographic	2752	4.8	0.4	0.2	0.1	0.2	0.3	0.2	0.1	0.2
Chemicals and allied products	28	2.6	0.2	0.1	(⁷)	0.1	0.2	0.1	(⁷)	0.1
Rubber and miscellaneous plastics products	30	4.9	0.8	0.5	0.3	0.3	0.8	0.4	0.3	0.3
Miscellaneous plastics products, n.e.c.	308	4.1	0.6	0.3	0.2	0.3	0.6	0.3	0.2	0.3
Plastics products, n.e.c.	3089	2.8	0.4	0.2	0.1	0.2	0.4	0.2	0.1	0.2
Transportation and public utilities ⁸		62.0	6.4	4.0	3.1	2.5	6.2	3.9	3.1	2.3
Railroad transportation ⁸	40	n.a.	0.3	0.2	0.2	0.1	0.3	0.2	0.2	0.1
Local and interurban passenger transit	41	3.7	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Trucking and warehousing	42	24.8	4.1	2.7	2.1	1.5	4.1	2.6	2.1	1.5
Trucking and courier services, except air	421	23.0	3.9	2.5	1.9	1.4	3.9	2.5	1.9	1.4
Transportation by air	45	5.3	0.6	0.3	0.3	0.2	0.6	0.3	0.3	0.2
Air transportation, scheduled	451	4.1	0.5	0.3	0.3	0.2	0.5	0.3	0.3	0.2
Transportation services	47	4.3	0.1	0.1	(⁷)	(⁷)	0.1	(⁷)	(⁷)	0.1
Communications	48	12.8	0.4	0.2	0.1	0.2	0.3	0.1	0.1	0.1
Telephone communications	481	8.4	0.3	0.1	0.1	0.2	0.2	0.1	0.1	0.1
Electric, gas, and sanitary services	49	9.1	0.5	0.2	0.1	0.3	0.4	0.2	0.1	0.2
Wholesale and retail trade		320.7	21.2	9.7	7.9	11.5	20.7	9.5	7.7	11.2
Wholesale trade		80.8	6.0	3.2	2.7	2.8	5.9	3.1	2.6	2.7
Wholesale trade—durable goods	50	45.9	3.2	1.7	1.4	1.5	3.2	1.7	1.4	1.5
Lumber and construction materials	503	5.5	0.4	0.2	0.2	0.2	0.4	0.2	0.2	0.2

See footnotes at end of table.

Table 2. Number of nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

Industry ¹	SIC code ²	1992 Annual average employment ³ (000's)	Injuries and illnesses				Injuries			
			Total cases (000's)	Lost workday cases		Cases without lost work-days (000's)	Total cases (000's)	Lost workday cases		Cases without lost work-days (000's)
				Total ⁴ (000's)	With days away from work ⁵ (000's)			Total ⁴ (000's)	With days away from work ⁵ (000's)	
Professional and commercial equipment	504	8.9	0.4	0.2	0.1	0.2	0.4	0.2	0.1	0.2
Machinery, equipment, and supplies	508	10.2	0.6	0.3	0.3	0.3	0.6	0.3	0.3	0.3
Wholesale trade—nondurable goods	51	34.9	2.8	1.4	1.2	1.3	2.7	1.4	1.2	1.3
Paper and paper products	511	2.7	0.1	(⁷)	(⁷)	(⁷)	0.1	(⁷)	(⁷)	(⁷)
Apparel, piece goods, and notions	513	4.2	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Groceries and related products	514	12.6	1.4	0.7	0.7	0.7	1.3	0.7	0.6	0.6
Miscellaneous nondurable goods	519	7.6	0.6	0.2	0.2	0.3	0.6	0.2	0.2	0.3
Retail trade		240.0	15.3	6.5	5.3	8.7	14.8	6.3	5.1	8.5
Building materials and garden supplies	52	9.3	1.0	0.5	0.4	0.5	1.0	0.5	0.4	0.5
Lumber and other building materials	521	4.3	0.5	0.2	0.2	0.2	0.5	0.2	0.2	0.2
General merchandise stores	53	31.0	2.5	1.2	0.9	1.3	2.4	1.2	0.9	1.2
Department stores	531	22.2	1.9	0.9	0.6	1.0	1.8	0.9	0.6	0.9
Variety stores	533	6.3	0.5	0.2	0.2	0.3	0.5	0.2	0.2	0.3
Food stores	54	38.7	3.1	1.2	1.1	1.9	3.0	1.1	1.0	1.8
Automotive dealers and service stations	55	27.7	2.4	1.1	0.8	1.3	2.3	1.0	0.7	1.3
New and used car dealers	551	11.2	1.2	0.6	0.4	0.6	1.1	0.5	0.4	0.6
Apparel and accessory stores	56	12.3	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Women's clothing stores	562	2.5	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Family clothing stores	565	5.8	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Furniture and home furnishings stores	57	9.9	0.7	0.4	0.4	0.3	0.7	0.4	0.3	0.3
Eating and drinking places	58	84.8	4.6	1.6	1.5	2.9	4.5	1.6	1.5	2.9
Miscellaneous retail	59	26.4	0.7	0.3	0.2	0.4	0.7	0.3	0.2	0.4
Drug stores and proprietary stores	591	3.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Nonstore retailers	596	4.5	0.1	0.1	(⁷)	(⁷)	0.1	0.1	(⁷)	(⁷)
Finance, insurance, and real estate		66.6	2.0	0.9	0.7	1.2	1.7	0.8	0.7	1.0
Depository institutions	60	21.2	0.2	0.1	0.1	0.1	0.2	0.1	(⁷)	0.1
Savings institutions	603	4.0	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Nondepository institutions	61	4.1	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Insurance carriers	63	14.1	0.3	0.1	0.1	0.2	0.2	(⁷)	(⁷)	0.1
Fire, marine, and casualty insurance	633	5.9	0.2	(⁷)	(⁷)	0.2	0.1	(⁷)	(⁷)	0.1
Real estate operators and lessors	651	8.3	0.5	0.3	0.3	0.2	0.5	0.3	0.3	0.2
Services		295.1	15.6	7.4	5.8	8.2	14.4	6.9	5.3	7.6
Hotels and other lodging places	70	18.3	1.5	0.7	0.6	0.8	1.4	0.7	0.6	0.7
Hotels and motels	701	17.2	1.3	0.6	0.5	0.7	1.3	0.6	0.5	0.7
Laundry, cleaning, and garment services	721	3.9	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Business services	73	53.1	1.5	0.8	0.7	0.7	1.5	0.8	0.7	0.7
Miscellaneous business services	738	12.5	0.7	0.4	0.4	0.2	0.6	0.4	0.3	0.2
Auto repair, services, and parking	75	10.6	0.6	0.3	0.3	0.3	0.6	0.3	0.3	0.3
Miscellaneous repair services	76	4.9	0.5	0.2	0.2	0.2	0.4	0.2	0.2	0.2
Miscellaneous repair shops	769	2.9	0.3	0.1	0.1	0.2	0.3	0.1	0.1	0.2
Amusement and recreation services	79	12.3	0.5	0.3	0.2	0.3	0.5	0.3	0.2	0.3
Miscellaneous amusement, recreation services	799	8.8	0.4	0.2	0.2	0.2	0.4	0.2	0.2	0.2
Health services	80	89.1	6.0	2.5	2.0	3.5	5.3	2.3	1.7	3.0
Offices and clinics of dentists	802	8.6	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Offices of other health practitioners	804	3.9	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)
Nursing and personal care facilities	805	14.9	2.0	1.2	0.8	0.9	1.9	1.1	0.8	0.8
Hospitals	806	35.8	3.0	1.0	0.8	2.0	2.7	1.0	0.8	1.8
Educational services	82	11.2	0.4	0.2	0.2	0.2	0.4	0.2	0.2	0.2
Colleges and universities	822	5.0	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Social services	83	27.1	2.5	1.3	0.8	1.2	2.5	1.3	0.8	1.2
Job training and related services	833	4.2	0.9	0.4	0.4	0.4	0.9	0.4	0.4	0.4
Engineering and management services	87	21.8	0.7	0.4	0.3	0.3	0.6	0.4	0.3	0.2
Management and public relations	874	4.8	0.1	(⁷)	(⁷)	0.1	0.1	(⁷)	(⁷)	0.1

See footnotes at end of table.

Table 3. Incidence rates per 100 full-time workers¹ of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 199²

Oregon

Industry ²	SIC code ³	Injury and illness lost workdays			Injury lost workdays		
		Total ⁴	With days away from work	With days of restricted work activity ⁵	Total ⁴	With days away from work	With days of restricted work activity ⁵
All industries including state and local government ⁶		94.5	58.8	35.7	88.1	55.6	32.5
Private industry ⁶		99.7	62.0	37.8	93.2	58.9	34.4
Agriculture, forestry, and fishing ⁶		114.7	83.3	31.4	110.8	80.5	30.3
Agricultural production ⁶	01-02	139.2	95.2	44.0	138.1	94.7	43.4
Agricultural production-crops ⁶	01	135.4	92.6	42.9	134.3	92.1	42.2
Fruits and tree nuts ⁶	017	120.3	91.8	-	118.8	90.3	-
Horticultural specialties ⁶	018	131.7	69.6	62.1	129.8	69.5	60.4
Agricultural services	07	83.7	71.9	11.8	74.7	64.2	10.5
Veterinary services	074	50.8	29.8	21.0	50.8	29.8	21.0
Landscape and horticultural services	078	156.7	148.5	-	137.5	131.3	-
Forestry	08	118.4	84.3	34.1	114.1	82.7	31.5
Forestry services	085	169.3	116.8	52.5	162.8	114.2	48.6
Mining ⁷		131.9	117.3	14.6	131.9	117.3	14.6
Construction		148.1	121.9	26.2	144.3	118.6	25.7
General building contractors	15	154.9	118.3	36.6	154.6	118.1	36.5
Residential building construction	152	181.0	148.7	32.2	180.8	148.7	32.1
Nonresidential building construction	154	126.7	84.6	42.1	126.3	84.3	42.1
Heavy construction, except building	16	112.0	89.8	22.2	101.0	79.5	21.5
Highway and street construction	161	119.7	95.0	24.8	104.9	80.1	24.8
Heavy construction, except highway	162	106.5	86.2	-	98.2	79.1	-
Special trade contractors	17	154.9	131.0	23.9	151.7	128.4	23.3
Plumbing, heating, air-conditioning	171	154.8	113.4	41.5	149.3	110.2	-
Painting and paper hanging	172	121.9	-	19.8	121.9	-	19.8
Electrical work	173	83.5	71.4	12.1	81.6	69.5	12.1
Masonry, stonework, and plastering	174	152.3	145.2	7.1	152.3	145.2	7.1
Carpentry and floor work	175	122.5	117.7	-	121.6	116.7	-
Roofing, siding, and sheet metal work	176	263.4	237.1	26.3	261.2	235.0	26.3
Concrete work	177	337.1	279.3	57.8	329.2	271.4	57.8
Miscellaneous special trade contractors	179	155.6	134.4	21.1	151.0	129.9	21.1
Manufacturing		134.1	74.1	60.1	117.9	67.1	50.8
Durable goods		133.9	72.3	61.6	117.4	65.3	52.0
Lumber and wood products	24	170.1	99.6	70.5	160.4	95.3	65.0
Logging	241	274.2	245.4	28.8	273.4	244.6	28.8
Sawmills and planing mills	242	147.6	73.9	73.7	141.1	72.3	68.8
Sawmills and planing mills, general	2421	146.3	73.5	72.9	140.7	72.1	68.6
Millwork, plywood and structural members	243	157.4	77.7	79.7	144.2	69.8	74.3
Millwork	2431	88.8	49.0	39.9	75.7	45.5	30.2
Softwood veneer and plywood	2436	181.0	75.7	105.3	167.0	64.5	102.5
Wood buildings and mobile homes	245	152.9	64.7	88.2	138.3	63.9	74.3
Mobile homes	2451	97.4	39.7	57.6	95.5	39.0	56.4
Miscellaneous wood products	249	134.7	44.7	90.0	112.9	39.7	73.2
Furniture and fixtures	25	145.1	106.9	38.2	142.2	105.8	36.4
Stone, clay, and glass products	32	139.4	48.6	90.7	133.8	48.3	85.5
Concrete, gypsum, and plaster products	327	70.5	32.9	37.6	70.1	32.5	37.6
Primary metal industries	33	177.2	58.7	118.5	146.3	50.1	96.1
Primary nonferrous metals	333	243.9	62.9	181.0	212.6	57.1	155.4
Fabricated metal products	34	122.7	80.6	42.2	114.0	77.2	36.7
Fabricated structural metal products	344	139.6	98.7	40.9	131.4	94.7	36.7
Miscellaneous fabricated metal products	349	113.3	65.6	-	112.9	65.3	-
Industrial machinery and equipment	35	71.3	35.5	35.8	58.0	25.8	32.2
Construction and related machinery	353	71.4	23.3	48.1	71.4	23.3	48.1
Special industry machinery	355	67.6	39.2	28.4	62.4	35.4	27.0
Computer and office equipment	357	27.6	15.5	12.1	14.8	7.6	7.2
Industrial machinery, n.e.c.	359	79.6	69.7	9.9	52.3	43.0	9.3
Industrial machinery, n.e.c.	3599	74.6	65.5	9.0	46.7	37.7	9.0

See footnotes at end of table.

Table 3. Incidence rates per 100 full-time workers¹ of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon							
Industry ²	SIC code ³	Injury and illness lost workdays			Injury lost workdays		
		Total ⁴	With days away from work	With days of restricted work activity ⁵	Total ⁴	With days away from work	With days of restricted work activity ⁵
Electronic and other electric equipment	36	60.3	23.7	36.6	29.4	16.2	13.2
Electronic components and accessories	367	66.8	26.0	40.8	30.3	17.0	13.3
Printed circuit boards	3672	43.7	39.5	4.1	35.9	31.8	4.1
Semiconductors and related devices	3674	52.7	21.4	31.3	29.3	13.3	15.9
Transportation equipment	37	242.5	133.4	109.1	210.2	112.2	98.0
Motor vehicles and equipment	371	188.0	87.7	100.3	136.7	50.1	86.6
Motor vehicles and car bodies	3711	131.6	57.4	74.3	109.6	50.5	59.2
Ship and boat building and repairing	373	514.4	457.2	57.3	499.6	442.4	57.3
Instruments and related products	38	28.0	13.4	14.7	15.0	7.0	8.0
Measuring and controlling devices	382	24.1	15.5	8.6	12.8	8.0	4.8
Instruments to measure electricity	3825	26.5	17.3	9.3	14.0	8.9	5.1
Miscellaneous manufacturing industries	39	69.0	28.1	40.9	49.7	24.1	25.6
Nondurable goods		134.8	78.7	56.1	119.4	71.6	47.8
Food and kindred products	20	205.9	121.2	84.7	176.7	110.2	66.4
Meat products	201	389.0	146.8	242.1	271.0	117.3	153.6
Preserved fruits and vegetables	203	166.9	104.7	62.2	138.4	92.6	45.9
Canned fruits and vegetables	2033	134.7	76.8	57.9	111.0	68.2	42.7
Frozen fruits and vegetables	2037	185.7	125.5	60.2	153.4	111.5	41.8
Bakery products	205	199.9	140.2	59.7	180.6	133.1	47.5
Miscellaneous food and kindred products	209	270.6	131.9	138.7	255.5	124.4	131.1
Paper and allied products	26	95.2	62.5	32.7	94.4	62.3	32.1
Paper mills	262	82.9	56.3	26.6	82.7	56.2	26.6
Miscellaneous converted paper products	267	127.7	80.3	47.4	124.4	79.5	44.9
Printing and publishing	27	70.0	50.3	19.8	55.6	38.7	16.9
Newspapers	271	58.8	36.7	22.1	41.6	25.8	15.8
Commercial printing	275	96.3	76.3	20.1	79.2	59.1	20.1
Commercial printing, lithographic	2752	77.4	55.4	21.9	63.4	41.5	21.9
Chemicals and allied products	28	65.7	23.3	42.4	65.7	23.3	42.4
Rubber and miscellaneous plastics products	30	160.7	62.3	98.4	159.1	61.9	97.1
Miscellaneous plastics products, n.e.c.	308	109.7	45.2	64.4	108.6	44.8	63.8
Plastics products, n.e.c.	3089	99.7	33.7	66.0	99.2	33.4	65.8
Transportation and public utilities ⁷		174.4	130.2	44.2	165.6	127.1	38.5
Railroad transportation ⁷	40	368.8	340.8	28.1	364.2	336.8	27.4
Local and interurban passenger transit	41	103.4	36.8	66.6	103.4	36.8	66.6
Trucking and warehousing	42	255.8	192.9	62.9	254.3	191.7	62.6
Trucking and courier services, except air	421	253.5	194.7	58.8	252.9	194.1	58.8
Transportation by air	45	170.2	132.8	37.3	170.2	132.8	37.3
Air transportation, scheduled	451	221.9	172.2	49.7	221.9	172.2	49.7
Transportation services	47	12.4	—	4.7	12.4	—	4.7
Communications	48	52.2	17.7	—	15.2	6.7	8.5
Telephone communications	481	55.3	24.9	30.4	21.4	9.1	12.3
Electric, gas, and sanitary services	49	—	—	—	—	—	32.6
Wholesale and retail trade		84.6	52.6	32.0	81.8	50.8	31.0
Wholesale trade		77.8	45.8	32.0	77.3	45.5	31.8
Wholesale trade—durable goods	50	68.2	37.7	30.6	68.2	37.6	30.6
Lumber and construction materials	503	72.6	35.7	—	—	35.7	—
Professional and commercial equipment	504	24.9	5.4	—	—	5.4	—
Machinery, equipment, and supplies	508	71.7	30.6	41.2	71.7	30.5	41.2
Wholesale trade—nondurable goods	51	91.0	57.0	34.0	89.8	56.3	33.5
Paper and paper products	511	30.6	27.4	—	30.6	27.4	—
Apparel, piece goods, and notions	513	16.5	3.2	13.3	12.1	1.9	10.1
Groceries and related products	514	126.1	86.9	39.1	124.2	85.7	38.5
Miscellaneous nondurable goods	519	34.2	20.3	13.8	34.2	20.3	13.8
Retail trade		87.4	55.4	31.9	83.6	53.0	30.6
Building materials and garden supplies	52	174.4	84.4	—	173.3	83.6	—
Lumber and other building materials	521	92.3	75.9	16.5	92.3	75.9	16.5
General merchandise stores	53	124.5	63.2	61.3	124.3	63.1	61.2

See footnotes at end of table.

Table 4. Number of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992

Oregon									
Industry ¹	SIC code ²	Injury and illness lost workdays				Injury lost workdays			
		Total ³ (000's)	With days away from work (000's)	With days of restricted work activity ⁴ (000's)	Average lost workdays per lost workday case ⁵	Total ³ (000's)	With days away from work (000's)	With days of restricted work activity ⁴ (000's)	Average lost workdays per lost workday case ⁵
All industries including state and local government ⁶		950.0	591.2	358.8	23	885.8	559.0	326.9	22
Private industry ⁶		861.6	535.3	326.3	23	805.3	508.5	296.8	23
Agriculture, forestry, and fishing ⁶		26.6	19.3	7.3	23	25.7	18.7	7.0	23
Agricultural production ⁶	01-02	17.4	11.9	5.5	27	17.3	11.9	5.4	28
Agricultural production-crops ⁶	01	15.5	10.6	4.9	27	15.3	10.5	4.8	28
Fruits and tree nuts ⁶	017	3.3	2.5	-	24	3.3	2.5	-	26
Horticultural specialties ⁶	018	6.1	3.2	2.9	24	6.1	3.2	2.8	25
Agricultural services	07	6.0	5.1	0.8	16	5.3	4.6	0.8	16
Veterinary services	074	0.8	0.5	0.3	13	0.8	0.5	0.3	13
Landscape and horticultural services	078	4.4	4.1	-	18	3.8	3.7	-	19
Forestry	08	3.2	2.3	0.9	20	3.1	2.2	0.8	21
Forestry services	085	2.9	2.0	0.9	25	2.8	1.9	0.8	26
Mining ⁷		1.9	1.7	0.2	55	1.9	1.7	0.2	55
Construction		64.1	52.7	11.3	24	62.4	51.3	11.1	25
General building contractors	15	13.8	10.5	3.3	22	13.7	10.5	3.2	22
Residential building construction	152	8.5	7.0	1.5	24	8.5	7.0	1.5	24
Nonresidential building construction	154	5.2	3.5	1.7	19	5.2	3.5	1.7	19
Heavy construction, except building	16	7.6	6.1	1.5	23	6.9	5.4	1.5	23
Highway and street construction	161	3.4	2.7	0.7	26	3.0	2.3	0.7	24
Heavy construction, except highway	162	4.2	3.4	-	22	3.9	3.1	-	21
Special trade contractors	17	42.7	36.1	6.6	26	41.8	35.4	6.4	26
Plumbing, heating, air-conditioning	171	10.0	7.3	2.7	26	9.7	7.1	-	26
Painting and paper hanging	172	2.3	-	0.4	26	2.3	-	0.4	26
Electrical work	173	4.6	3.9	0.7	26	4.5	3.8	0.7	27
Masonry, stonework, and plastering	174	4.9	4.7	0.2	21	4.9	4.7	0.2	21
Carpentry and floor work	175	2.2	2.1	-	16	2.2	2.1	-	18
Roofing, siding, and sheet metal work	176	5.1	4.6	0.5	33	5.0	4.5	0.5	34
Concrete work	177	6.1	5.0	1.0	33	5.9	4.9	1.0	32
Miscellaneous special trade contractors	179	7.2	6.3	1.0	25	7.0	6.0	1.0	25
Manufacturing		258.7	142.8	115.8	22	227.4	129.4	98.1	21
Durable goods		186.2	100.5	85.7	22	163.2	90.8	72.4	21
Lumber and wood products	24	91.2	53.4	37.8	24	86.0	51.1	34.9	24
Logging	241	22.9	20.5	2.4	28	22.8	20.4	2.4	28
Sawmills and planing mills	242	24.7	12.4	12.3	23	23.6	12.1	11.5	24
Sawmills and planing mills, general	2421	23.3	11.7	11.6	24	22.4	11.5	10.9	24
Millwork, plywood and structural members	243	35.4	17.5	17.9	24	32.5	15.7	16.7	23
Millwork	2431	6.7	3.7	3.0	16	5.7	3.4	2.3	15
Softwood veneer and plywood	2436	19.3	8.1	11.2	24	17.8	6.9	10.9	24
Wood buildings and mobile homes	245	3.9	1.6	2.2	17	3.5	1.6	1.9	16
Mobile homes	2451	2.1	0.9	1.3	12	2.1	0.9	1.2	12
Miscellaneous wood products	249	4.3	1.4	2.9	21	3.6	1.3	2.3	19
Furniture and fixtures	25	4.5	3.3	1.2	19	4.4	3.3	1.1	19
Stone, clay, and glass products	32	5.4	1.9	3.5	24	5.2	1.9	3.3	23
Concrete, gypsum, and plaster products	327	1.3	0.6	0.7	12	1.2	0.6	0.7	12
Primary metal industries	33	14.8	4.9	9.9	20	12.2	4.2	8.0	19
Primary nonferrous metals	333	5.3	1.4	3.9	28	4.6	1.2	3.4	26
Fabricated metal products	34	12.4	8.1	4.2	18	11.5	7.8	3.7	18
Fabricated structural metal products	344	5.4	3.8	1.6	16	5.1	3.7	1.4	16
Miscellaneous fabricated metal products	349	2.3	1.3	-	16	2.3	1.3	-	16
Industrial machinery and equipment	35	10.4	5.2	5.2	16	8.5	3.8	4.7	14
Construction and related machinery	353	1.8	0.6	1.2	18	1.8	0.6	1.2	18

See footnotes at end of table.

Table 4. Number of lost workdays due to nonfatal occupational injuries and illnesses, by industry, 1992 — Continued

Oregon

Industry 1	SIC code 2	Injury and illness lost workdays				Injury lost workdays			
		Total 3 (000's)	With days away from work (000's)	With days of restricted work activity 4 (000's)	Average lost workdays per lost workday case 5	Total 3 (000's)	With days away from work (000's)	With days of restricted work activity 4 (000's)	Average lost workdays per lost workday case 5
Special industry machinery	355	1.7	1.0	0.7	8	1.6	0.9	0.7	8
Computer and office equipment	357	1.2	0.7	0.5	19	0.6	0.3	0.3	13
Industrial machinery, n.e.c.	359	1.8	1.6	0.2	19	1.2	1.0	0.2	15
Industrial machinery, n.e.c.	3599	1.5	1.3	0.2	18	0.9	0.8	0.2	13
Electronic and other electric equipment	36	12.0	4.7	7.3	24	5.8	3.2	2.6	17
Electronic components and accessories	367	9.6	3.7	5.9	29	4.4	2.4	1.9	20
Printed circuit boards	3672	1.0	0.9	0.1	19	0.8	0.7	0.1	19
Semiconductors and related devices	3674	5.5	2.2	3.3	28	3.1	1.4	1.7	22
Transportation equipment	37	30.5	16.8	13.7	25	26.4	14.1	12.3	24
Motor vehicles and equipment	371	11.4	5.3	6.1	20	8.3	3.0	5.2	17
Motor vehicles and car bodies	3711	4.6	2.0	2.6	17	3.8	1.8	2.1	16
Ship and boat building and repairing	373	10.7	9.5	1.2	35	10.4	9.2	1.2	35
Instruments and related products	38	2.7	1.3	1.4	23	1.4	0.7	0.8	16
Measuring and controlling devices	382	1.6	1.1	0.6	18	0.9	0.5	0.3	13
Instruments to measure electricity	3825	1.6	1.1	0.6	19	0.9	0.5	0.3	13
Miscellaneous manufacturing industries	39	2.4	1.0	1.4	20	1.7	0.8	0.9	18
Nondurable goods		72.5	42.3	30.1	21	64.2	38.5	25.7	20
Food and kindred products	20	44.8	26.3	18.4	20	38.4	24.0	14.4	20
Meat products	201	7.3	2.8	4.5	25	5.1	2.2	2.9	21
Preserved fruits and vegetables	203	16.5	10.3	6.1	19	13.7	9.1	4.5	19
Canned fruits and vegetables	2033	3.2	1.8	1.4	15	2.7	1.6	1.0	14
Frozen fruits and vegetables	2037	12.0	8.1	3.9	22	9.9	7.2	2.7	20
Bakery products	205	5.1	3.6	1.5	21	4.6	3.4	1.2	20
Miscellaneous food and kindred products	209	8.5	4.1	4.4	24	8.0	3.9	4.1	24
Paper and allied products	26	8.5	5.6	2.9	28	8.4	5.5	2.9	28
Paper mills	262	2.6	1.8	0.8	23	2.6	1.8	0.8	23
Miscellaneous converted paper products	267	2.6	1.6	1.0	34	2.6	1.6	0.9	35
Printing and publishing	27	8.4	6.1	2.4	21	6.7	4.7	2.0	19
Newspapers	271	2.3	1.4	0.9	18	1.6	1.0	0.6	16
Commercial printing	275	5.4	4.3	1.1	24	4.4	3.3	1.1	20
Commercial printing, lithographic	2752	3.5	2.5	1.0	22	2.9	1.9	1.0	19
Chemicals and allied products	28	1.4	0.5	0.9	19	1.4	0.5	0.9	19
Rubber and miscellaneous plastics products	30	7.7	3.0	4.7	17	7.6	3.0	4.7	17
Miscellaneous plastics products, n.e.c.	308	4.5	1.8	2.6	14	4.4	1.8	2.6	14
Plastics products, n.e.c.	3089	2.9	1.0	1.9	15	2.8	1.0	1.9	15
Transportation and public utilities 7		107.5	80.3	27.3	27	102.1	78.4	23.7	26
Railroad transportation 7	40	13.9	12.8	1.1	61	13.7	12.7	1.0	62
Local and interurban passenger transit	41	2.6	0.9	1.7	24	2.6	0.9	1.7	24
Trucking and warehousing	42	63.2	47.6	15.5	24	62.8	47.4	15.5	24
Trucking and courier services, except air	421	58.2	44.7	13.5	23	58.1	44.6	13.5	23
Transportation by air	45	7.7	6.0	1.7	23	7.7	6.0	1.7	23
Air transportation, scheduled	451	7.6	5.9	1.7	23	7.6	5.9	1.7	23
Transportation services	47	0.5	-	0.2	8	0.5	-	0.2	8
Communications	48	6.6	2.2	-	39	1.9	0.8	1.1	16
Telephone communications	481	4.9	2.2	2.7	34	1.9	0.8	1.1	18
Electric, gas, and sanitary services	49	-	-	-	-	-	-	2.6	-
Wholesale and retail trade		219.3	136.3	82.9	23	212.1	131.7	80.3	22
Wholesale trade		59.6	35.0	24.5	19	59.2	34.8	24.3	19
Wholesale trade-durable goods	50	30.2	16.7	13.6	18	30.2	16.7	13.5	18
Lumber and construction materials	503	4.0	2.0	-	16	-	2.0	-	-
Professional and commercial equipment	504	2.2	0.5	-	12	-	0.5	-	-
Machinery, equipment, and supplies	508	7.1	3.0	4.1	21	7.1	3.0	4.1	21
Wholesale trade-nondurable goods	51	29.3	18.4	11.0	20	28.9	18.2	10.8	20
Paper and paper products	511	0.7	0.6	-	15	0.7	0.6	-	15
Apparel, piece goods, and notions	513	0.5	0.1	0.4	15	0.4	0.1	0.3	13

See footnotes at end of table.

Exhibit 2.3.2

Bureau of Labor Statistic 1991, 1992

Source: Accident Facts, National Safety Council
1993 and 1994 Editions

**BLS Estimates of Occupational Injury and Illness
Incidence Rates for Selected Industries, 1991, Cont.**

Industry ^a	Incidence Rates ^c				
	SIC Code ^b	Total Cases ^d	Lost Workday Cases	Nonfatal Cases Without Lost Workdays	Lost Workdays
Industrial machinery, n.e.c.	359	11.5	4.7	6.8	94.4
Electronic and other electric equipment	36	8.6	5.2	4.9	83.0
Electric distribution equipment	361	12.2	5.2	7.0	117.4
Electrical industrial apparatus	362	9.8	4.1	5.7	96.7
Household appliances	363	17.6	7.1	10.5	142.1
Electric lighting and wiring equipment	364	10.3	4.6	5.9	103.7
Household audio and video equipment	365	10.3	4.6	5.9	97.1
Communications equipment	366	4.4	2.0	2.4	45.6
Electronic components and accessories	367	6.3	2.8	3.4	64.1
Transportation equipment	37	18.3	7.0	11.3	166.1
Motor vehicles and equipment	371	23.4	8.0	15.4	192.5
Aircraft and parts	372	10.9	4.3	6.6	114.4
Ship and boat building and repairing	373	37.6	17.3	20.3	367.9
Railroad equipment	374	21.1	9.1	12.0	199.3
Guided missiles, space vehicles, parts	376	4.3	2.1	2.2	51.0
Instruments and related products	38	6.0	2.7	3.3	64.4
Search and navigation equipment	381	4.5	1.9	2.6	47.1
Measuring and controlling devices	382	6.4	2.9	3.5	69.8
Medical instruments and supplies	384	6.8	3.0	3.8	75.5
Photographic equipment and supplies	386	5.8	2.5	3.3	59.8
Miscellaneous manufacturing industries	39	11.3	5.1	6.2	104.0
Musical instruments	393	12.4	5.5	6.9	160.6
Toys and sporting goods	394	14.8	7.3	7.5	141.5
Pens, pencils, office, and art supplies	395	9.5	4.4	5.1	98.2
Costume jewelry and notions	396	6.9	3.4	3.5	86.0
<i>Nonurable goods</i>					
Food and kindred products	20	17.5	6.9	10.6	119.7
Meat products	201	19.5	8.0	11.5	207.2
Dairy products	202	30.0	15.0	15.0	324.6
Preserved fruits and vegetables	203	16.2	7.8	8.4	174.5
Grain mill products	204	16.6	7.9	8.7	134.8
Bakery products	205	13.4	6.6	6.8	158.5
Sugar and confectionery products	206	14.2	7.0	7.2	187.6
Fats and oils	207	14.9	7.7	7.2	154.1
Beverages	208	15.5	7.2	8.3	155.9
Miscellaneous food and kindred products	209	18.6	9.3	9.3	184.9
Tobacco products	21	16.5	8.2	8.3	174.1
Textile mill products	22	6.4	2.8	3.6	52.0
Broadwoven fabric mills, cotton	221	10.0	4.4	5.6	88.3
Broadwoven fabric mills, manmade	222	7.8	3.7	4.1	57.9
Broadwoven fabric mills, wool	223	6.7	3.6	3.1	53.5
Narrow fabric mills	224	8.1	4.0	4.1	92.1
Knitting mills	225	10.9	4.6	6.3	100.1
Textile finishing, except wool	226	9.5	4.5	5.0	85.5
Carpets and rugs	227	10.9	5.0	5.9	117.6
Yarn and thread mills	228	13.8	6.7	7.1	131.3
Apparel and other textile products	23	10.9	5.0	5.9	81.4
Men's and boys' suits and coats	231	9.2	4.2	5.0	99.9
Men's and boys' furnishings	232	9.9	4.3	5.6	118.0
Women's and misses' outerwear	233	12.1	5.3	6.8	149.9
Women's and children's undergarments	234	5.4	2.5	2.9	51.4
Hats, caps and millinery	235	8.4	3.8	4.6	86.3
Girls' and children's outerwear	236	9.9	4.4	5.5	150.6
Miscellaneous apparel and accessories	238	6.7	3.1	3.6	86.3
Miscellaneous fabricated textile products	239	11.3	5.0	6.3	95.6
Paper and allied products	26	11.3	5.0	6.3	110.0
Paper mills	261	11.3	5.0	6.3	122.7
Paperboard mills	262	10.5	4.4	6.1	127.7
Paperboard containers and boxes	263	11.5	4.9	6.6	127.0
Printing and publishing	265	12.5	5.7	6.8	135.7
Newspapers	27	6.7	3.2	3.5	74.6
Periodicals	271	7.2	3.4	3.8	86.6
Books	272	2.4	1.3	1.1	22.0
Commercial printing	273	5.5	2.5	3.0	51.1
Manifold business forms	275	7.4	3.6	3.8	79.6
Blankbooks and bookbinding	276	10.1	4.3	5.8	100.0
Chemicals and allied products	278	10.5	4.7	5.8	94.2
Industrial inorganic chemicals	28	6.4	3.1	3.3	62.4
Plastics materials and synthetics	281	5.5	2.7	2.8	59.7
Drugs	282	4.8	2.3	2.5	50.5
Soap, cleaners, and toilet goods	283	6.3	3.1	3.2	62.1
Paints and allied products	284	7.9	4.0	3.9	81.5
Industrial organic chemicals	285	9.2	4.4	4.8	73.9
	286	5.5	2.5	3.0	53.5

See source and footnotes on page 45.

**BLS Estimates of Nonfatal Occupational Injury and Illness
Incidence Rates for Selected Industries, 1992^c, Cont.**

Industry ^a	SIC Code ^b	Incidence Rates ^d			
		Total Cases	Lost Workday Cases	Cases Without Lost Workdays	Lost Workdays
Industrial machinery, n.e.c.	359	12.3	4.5	7.8	90.7
Electronic and other electric equipment	36	8.4	3.6	4.8	81.2
Electric distribution equipment	361	10.9	4.5	6.4	89.5
Electrical industrial apparatus	362	9.9	4.3	5.6	91.4
Household appliances	363	16.5	6.3	10.2	118.4
Electric lighting and wiring equipment	364	10.7	4.8	5.9	114.6
Household audio and video equipment	365	8.7	3.7	5.1	77.9
Communications equipment	366	5.0	2.3	2.6	62.7
Electronic components and accessories	367	5.7	2.5	3.2	58.6
Transportation equipment	37	18.7	7.1	11.6	186.6
Motor vehicles and equipment	371	24.5	8.4	16.1	224.6
Aircraft and parts	372	11.1	4.5	6.6	125.4
Ship and boat building and repairing	373	32.4	15.9	16.6	373.1
Railroad equipment	374	20.0	8.7	11.3	192.7
Guided missiles, space vehicles, parts	376	4.0	1.8	2.2	50.3
Instruments and related products	38	5.9	2.7	3.2	65.3
Search and navigation equipment	381	3.9	1.7	2.2	39.4
Measuring and controlling devices	382	6.3	2.7	3.6	62.6
Medical instruments and supplies	384	7.0	3.4	3.6	86.8
Ophthalmic goods	385	3.6	1.6	2.0	66.5
Miscellaneous manufacturing industries	39	10.7	5.0	5.7	108.2
Musical instruments	393	9.4	4.7	4.8	82.4
Toys and sporting goods	394	13.1	6.5	6.6	144.2
Pens, pencils, office, and art supplies	395	10.3	4.9	5.4	114.8
Costume jewelry and notions	396	7.1	3.4	3.7	70.7
<i>Nonurable goods</i>					
Food and kindred products	20	11.3	5.3	6.0	121.8
Meat products	201	18.8	9.5	9.3	211.9
Dairy products	202	29.5	15.0	14.5	338.3
Preserved fruits and vegetables	203	15.9	7.8	8.1	167.7
Grain mill products	204	15.6	7.9	7.7	150.5
Bakery products	205	13.0	6.2	6.8	149.5
Sugar and confectionery products	206	13.6	6.9	6.6	183.1
Fats and oils	207	14.1	7.7	6.4	179.8
Beverages	208	13.3	7.0	6.3	164.7
Miscellaneous food and kindred products	209	17.3	8.4	8.9	183.2
Tobacco products	21	15.1	7.5	7.6	156.4
Textile mill products	22	6.0	2.4	3.6	42.9
Broadwoven fabric mills, cotton	221	9.9	4.3	5.6	87.1
Broadwoven fabric mills, manmade	222	8.3	3.7	4.6	72.5
Broadwoven fabric mills, wool	223	6.4	2.9	3.5	49.1
Knitting mills	225	8.6	4.0	4.6	114.0
Textile finishing, except wool	226	10.3	4.4	5.9	95.5
Carpets and rugs	227	13.7	4.4	9.3	85.5
Yarn and thread mills	228	13.8	5.9	7.9	145.5
Miscellaneous textile goods	229	19.7	6.6	13.1	56.1
Apparel and other textile products	23	12.7	5.9	6.8	117.2
Men's and boys' suits and coats	231	9.5	4.3	5.2	104.6
Men's and boys' furnishings	232	9.0	4.3	4.8	125.9
Women's and misses' outerwear	233	12.6	5.4	7.2	150.3
Women's and children's undergarments	234	6.8	3.0	3.8	71.2
Hats, caps and millinery	235	6.8	3.0	3.8	72.8
Girls' and children's outerwear	236	14.2	6.8	7.4	248.9
Miscellaneous apparel and accessories	238	8.5	3.7	4.8	79.3
Miscellaneous fabricated textile products	239	8.1	3.5	4.6	89.2
Paper and allied products	26	10.4	4.7	5.7	94.2
Paper mills	262	11.0	5.0	6.0	125.6
Paperboard mills	263	9.7	4.9	4.8	112.8
Paperboard containers and boxes	265	11.6	4.7	6.9	109.7
Printing and publishing	27	12.2	5.6	6.6	133.9
Newspapers	271	7.7	3.3	4.4	74.8
Periodical	272	3.9	1.6	2.3	80.5
Books	273	6.7	3.3	3.4	58.6
Commercial printing	275	8.4	3.3	5.1	70.4
Manifold business forms	276	8.2	4.0	4.2	76.1
Blankbooks and bookbinding	278	10.6	4.9	5.7	62.5
Chemicals and allied products	28	6.0	2.8	3.2	131.7
Industrial inorganic chemicals	281	4.6	1.1	3.5	64.2
Plastics materials and synthetics	282	4.9	2.3	2.6	52.4
Drugs	283	5.7	2.7	3.0	56.7
Soap, cleaners, and toilet goods	284	7.0	2.6	4.4	58.9
Paints and allied products	285	4.4	2.0	2.4	87.3
Industrial organic chemicals	286	3.9	1.7	2.2	63.5

See source and footnotes on page 45.

Exhibit 2.3.3

National Safety Council

Incident Rate Estimates 1992 and 1993

Source: Accident Facts, National Safety Council
1993 and 1994 Editions

Occupational Injury and Illness Incidence Rates by Industry, 1992, Reporters to the National Safety Council

Industry	SIC Code ^b	Incidence Rates per 100 Full-Time Employees ^a					
		Total Cases	Lost Workday Cases	Cases Involving Days Away From Work & Deaths	Nonfatal Cases Without Lost Workdays	Lost Work-days ^c	Days Away From Work
All Industries^d		9.1	3.8	2.1	5.3	84	48
Agriculture, forestry and fishing		6.1	2.5	1.6	3.5	54	17
Agricultural production, crops	01	13.2	7.0	3.2	6.3	165	39
Forestry	08	2.4	0.5	0.4	2.0	18	7
Mining		3.8	1.5	1.0	2.2	50	39
Metal mining	10	4.4	2.0	1.6	2.3	55	45
Coal mining	12	2.8	0.9	0.6	1.9	28	19
Oil and gas extraction	13	3.1	1.4	0.9	1.7	49	38
Nonmetallic minerals, except fuels	14	5.4	1.6	0.9	3.9	55	42
Construction		5.4	2.1	1.4	3.3	48	37
General building contractors	15	5.2	1.9	1.1	3.3	38	31
Heavy construction, except buildings	16	5.4	2.2	1.5	3.2	49	38
Special trade contractors	17	6.9	3.2	2.0	3.7	78	50
Manufacturing		10.8	4.0	1.7	6.9	91	42
Durable goods		15.3	5.3	2.2	10.0	120	57
Lumber and wood products	24	9.6	3.5	2.1	6.1	87	52
Sawmills and planing mills	242	12.8	5.1	3.0	7.7	124	69
Millwork, plywood and structural members	243	8.0	2.9	1.8	5.1	74	42
Furniture and fixtures	25	10.8	3.5	1.9	7.3	65	35
Household furniture	251	11.4	3.6	2.0	7.9	54	29
Stone, clay, and glass products	32	12.3	4.9	2.1	7.3	126	65
Cement, hydraulic	324	15.3	5.2	3.2	10.1	171	110
Concrete, gypsum, and plaster products	327	7.5	2.4	1.5	5.1	64	39
Misc. nonmetallic mineral products	329	9.1	4.9	2.7	4.2	142	90
Primary metal industries	33	16.3	5.2	2.1	11.2	124	64
Blast furnace and basic steel products	331	10.7	2.7	1.7	8.0	76	61
Iron and steel foundries	332	29.2	8.2	2.7	20.9	151	55
Primary nonferrous metals	333	22.9	8.7	4.6	14.2	236	145
Nonferrous rolling and drawing	335	12.6	5.1	1.3	7.5	137	50
Fabricated metal products	34	17.5	5.9	2.2	11.6	120	60
Metal cans and shipping containers	341	16.7	5.8	3.2	10.9	121	78
Cutlery, hand tools, and hardware	342	8.9	3.8	1.9	5.1	71	32
Fabricated structural metal products	344	7.4	2.4	1.9	5.0	69	47
Metal forgings and stampings	346	42.4	13.4	3.7	28.9	226	94
Misc. fabricated metal products	349	12.0	4.4	2.7	7.6	101	66
Industrial machinery and equipment	35	10.2	3.5	1.6	6.8	80	36
Farm and garden machinery	352	8.1	2.6	0.6	5.5	51	15
Construction and related machinery	353	13.3	4.7	2.2	8.6	108	54
Metalworking machinery	354	11.1	4.2	2.1	6.9	55	36
Special industry machinery	355	6.2	2.0	1.3	3.6	57	39
General industrial machinery	356	8.4	2.7	1.5	5.7	56	33
Refrigeration and service machinery	358	18.5	5.7	3.6	13.0	137	65
Industrial machinery, n.e.c.	359	19.1	5.8	2.2	13.3	226	49
Electronic and other electric equipment	36	5.5	1.3	0.7	3.3	57	32
Electric distribution equipment	361	10.5	3.9	1.6	7.6	62	28
Electrical industrial apparatus	362	6.0	2.1	1.1	3.1	62	26
Household appliances	363	14.0	4.8	2.4	8.2	162	90
Electric lighting and wiring equipment	364	7.8	2.1	1.1	4.9	56	34
Communications equipment	366	3.6	1.9	1.1	1.4	49	28
Electronic components and accessories	367	12.6	4.0	0.7	1.6	24	14
Misc. electrical equipment and supplies	369	11.2	3.7	2.2	7.5	122	66
Transportation equipment	37	25.5	8.7	3.4	16.9	198	85
Motor vehicles and equipment	371	41.1	12.8	4.9	28.3	290	129
Aircraft and parts	372	2.9	1.1	0.6	1.7	18	6
Ship and boat building and repairing	373	26.9	13.2	4.9	13.3	309	101
Railroad equipment	374	13.0	4.5	3.3	8.5	110	85
Guided missiles, space vehicles, parts	376	2.9	1.1	0.7	1.8	30	14
Instruments and related products	38	3.8	1.7	0.9	2.2	34	19
Measuring and controlling devices	382	5.7	2.6	2.0	3.2	76	60
Medical instruments and supplies	384	8.5	3.9	1.3	4.6	69	27
Misc. manufacturing industries	39	10.5	5.6	2.9	4.9	112	45
Nondurable goods		7.2	2.9	1.2	4.3	66	31
Food and kindred products	20	17.0	6.7	3.1	10.3	139	69
Meat products	201	26.9	9.8	3.6	17.1	182	70
Dairy products	202	10.3	4.7	3.2	5.6	101	57
Preserved fruits and vegetables	203	23.0	9.1	3.2	13.9	153	62
Grain mill products	204	9.6	3.1	2.6	6.5	70	59
Bakery products	205	14.9	8.9	5.3	6.0	234	147

See source and footnotes on page 51.

Occupational Injury and Illness Incidence Rates by Industry, 1993, Reporters to the National Safety Council

Industry	SIC Code ^b	Incidence Rates per 100 Full-Time Employees ^a					
		Total Cases	Lost Workday Cases	Cases Involving Days Away From Work & Deaths	Nonfatal Cases Without Lost Workdays	Lost Workdays	Days Away From Work
All Industries^d		10.35	4.19	2.09	6.18	89	45
Agriculture, forestry and fishing		5.24	2.62	1.67	2.62	50	32
Agricultural production, crops	01	12.44	7.71	3.51	4.73	159	74
Forestry	08	2.31	1.01	0.84	1.30	29	24
Mining		4.01	1.41	0.89	2.58	45	35
Metal mining	10	5.32	1.55	1.25	3.78	54	49
Coal mining	12	4.48	1.20	0.40	3.28	18	8
Oil and gas extraction	13	3.79	1.47	0.76	2.30	43	32
Nonmetallic minerals, except fuels	14	5.73	2.10	1.63	3.59	79	63
Construction		4.68	1.95	0.89	2.72	38	20
General building contractors	15	10.04	4.42	3.25	5.61	130	106
Heavy construction, except buildings	16	5.36	1.92	1.30	3.44	41	28
Special trade contractors	17	11.07	4.21	2.10	6.86	128	103
Manufacturing		12.27	4.63	1.90	7.64	101	44
Durable goods		17.80	6.31	2.69	11.49	138	61
Lumber and wood products	24	8.34	3.56	1.96	4.79	90	51
Sawmills and planing mills	242	9.79	4.78	2.66	5.01	108	61
Millwork, plywood, and structural members	243	7.22	2.64	1.50	4.59	70	41
Furniture and fixtures	25	10.58	4.29	1.60	6.29	74	28
Household furniture	251	9.75	3.41	1.82	6.34	54	31
Stone, clay, and glass products	32	13.71	4.89	2.00	8.82	126	62
Cement, hydraulic	324	17.56	4.19	2.00	13.37	59	32
Concrete, gypsum, and plaster products	327	7.35	1.65	0.94	5.70	61	43
Misc. nonmetallic mineral products	329	11.00	5.95	3.00	5.06	147	99
Primary metal industries	33	17.48	5.92	2.20	11.55	140	63
Blast furnace and basic steel products	331	10.17	3.75	2.27	6.39	111	83
Iron and steel foundries	332	30.15	8.92	3.15	21.22	182	73
Primary nonferrous metals	333	24.54	8.64	4.01	15.91	224	106
Nonferrous rolling and drawing	335	12.55	4.91	0.92	7.64	109	26
Fabricated metal products	34	19.67	7.17	2.79	12.50	151	70
Metal cans and shipping containers	341	18.66	6.20	3.07	12.45	117	67
Cutlery, hand tools, and hardware	342	10.28	4.39	2.30	5.89	97	44
Fabricated structural metal products	344	9.40	2.96	2.25	6.44	61	46
Metal forgings and stampings	346	43.78	16.15	4.78	27.63	338	133
Misc. fabricated metal products	349	13.48	5.28	2.83	8.20	122	76
Industrial machinery and equipment	35	10.13	3.43	1.52	6.67	86	31
Farm and garden machinery	352	9.31	3.13	0.58	6.17	54	9
Construction and related machinery	353	17.31	5.82	2.69	11.49	162	62
Metalworking machinery	354	15.66	7.24	3.57	8.42	134	68
Special industry machinery	355	5.39	3.12	1.82	2.27	86	68
General industrial machinery	356	9.39	2.96	1.39	6.44	66	26
Refrigeration and service machinery	358	16.93	4.83	2.37	12.10	139	48
Industrial machinery, n.e.c.	359	20.20	6.34	2.73	13.86	183	41
Electronic and other electric equipment	36	6.10	2.37	1.38	3.73	57	31
Electric distribution equipment	361	11.24	4.22	1.35	7.01	68	15
Electric industrial apparatus	362	4.43	1.90	1.02	2.53	39	24
Household appliances	363	13.15	5.27	2.06	7.88	99	40
Electric lighting and wiring equipment	364	9.41	3.88	2.54	5.53	88	54
Communications equipment	366	3.69	1.82	1.10	1.87	52	29
Electronic components and accessories	367	5.02	1.93	1.26	3.09	46	29
Misc. electrical equipment and supplies	369	10.95	3.39	1.93	7.56	77	32
Transportation equipment	37	31.38	10.97	4.74	20.41	227	97
Motor vehicles and equipment	371	49.89	15.64	6.66	34.24	336	155
Aircraft and parts	372	3.68	1.25	0.65	2.43	29	12
Ship and boat building and repairing	373	21.66	10.71	4.60	10.95	191	55
Railroad equipment	374	7.19	3.15	3.15	4.03	101	101
Guided missiles, space vehicles, parts	376	3.35	1.59	0.77	1.76	41	19
Instruments and related products	38	3.33	1.67	0.78	1.65	40	20
Measuring and controlling devices	382	7.34	3.28	1.66	4.05	68	39
Medical instruments and supplies	384	5.73	3.39	1.21	2.33	84	35
Misc. manufacturing industries	39	9.60	4.38	1.39	5.22	91	28
Nondurable goods		7.41	3.15	1.21	4.26	68	29
Food and kindred products	20	16.02	6.77	2.75	9.24	136	61
Meat products	201	25.58	9.81	3.18	15.78	174	69
Dairy products	202	10.97	5.70	3.08	5.25	116	58
Preserved fruits and vegetables	203	18.08	7.30	2.03	10.77	149	56
Grain mill products	204	9.12	3.89	3.14	5.22	89	67

See source and footnotes on page 51.

Exhibit 4
GMD 1994 W-2 Earnings

GMD 1994 W-2 EARNINGS

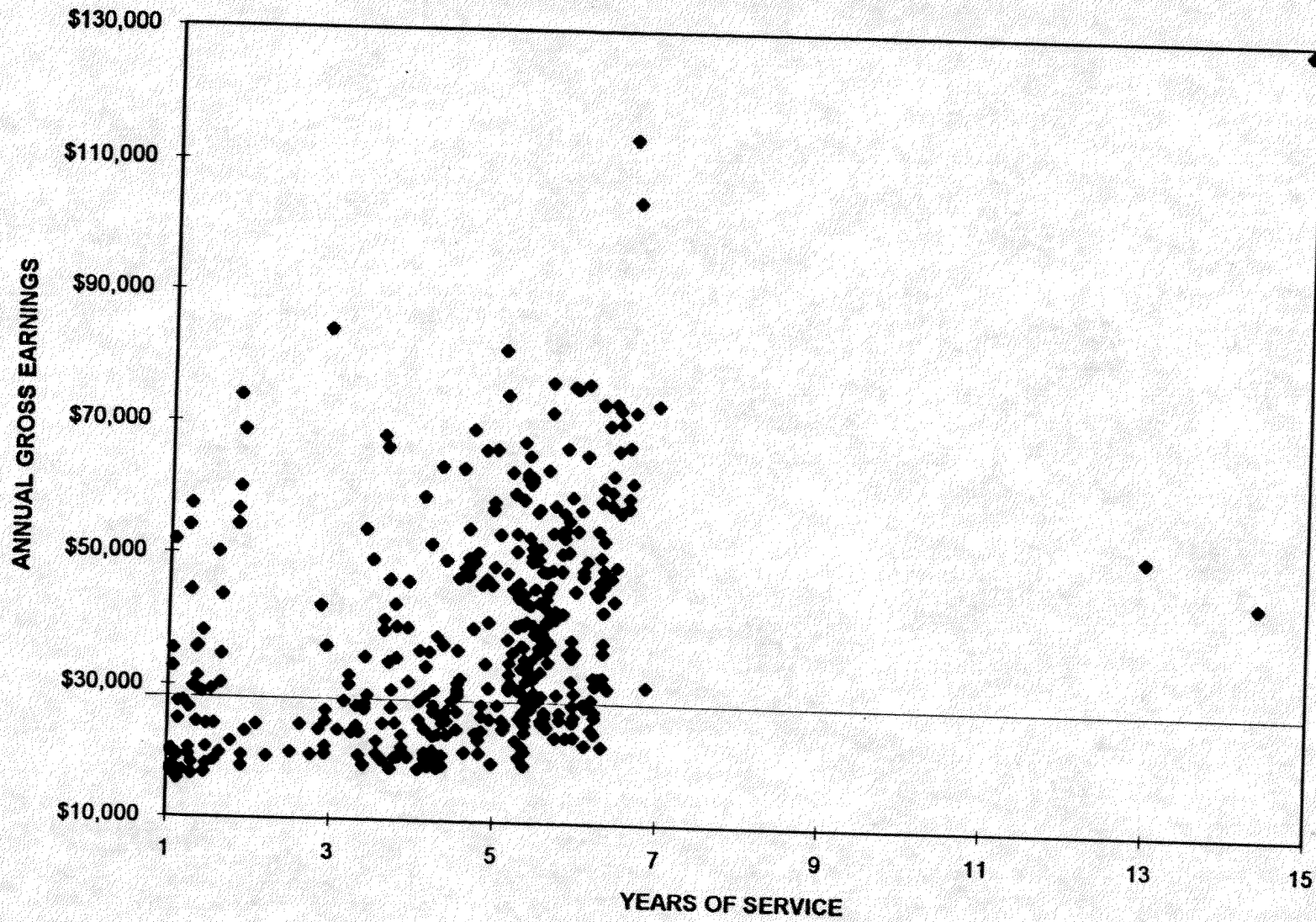


Exhibit 8
Local Hiring Practices

EMF NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
941	Abbott,Faye	Wafer Fab Opr I	11/14/94	Portland	
972	Abelein,Daniel O.	Facilities Mtc Tech IV	02/20/95	Boring	
780	Adee,Jason A.	Wafer Fab Opr II	07/19/93	Gresham	
873	Akagi,Kai Y.	Equipment Engineer I	06/06/94	Gresham	
983	Alagar,Teresa	Wafer Fab Opr I	03/13/95	Gresham	
965	Al-Sheikhly,Ali	Wafer Fab Opr I	01/02/95	Beaverton	
913	Anke,Michael J.	Wafer Fab Opr I	09/05/94	Boring	
798	Ashbaugh,Allen R.	Q.A. Inspector II	09/27/93	Portland	
919	Aviles,Maria A.	Wafer Fab Opr IV	10/03/94	Gresham	Anaheim, CA
899	Balangue,Donna	Test Opr II	08/08/94	Portland	
879	Bard,Donald M.	Wafer Fab Opr I	06/06/94	Portland	
898	Bassett,Doug	Process Engineer IV	08/09/94	Gresham	Mesa, AZ
963	Baxter,Andrew M.	Wafer Fab Opr I	12/12/94	Portland	
842	Beidalah,Athman H.	Process Engineer IV	02/07/94	Sacramento	
880	Bieker,Barry A.	Wafer Fab Opr I	06/06/94	Boring	
932	Blake,Deborah L.	Wafer Fab Opr III	10/31/94	Boring	
973	Blanscett,Aaron	Wafer Fab Opr I	02/27/95	Portland	
866	Bonciolini,Dennis J.	Mgr, Operations Engrg	05/02/94	Hillsboro	
794	Bonstein,Stephanie M.	Wafer Fab Opr I	09/13/93	Milwaukie	
844	Boyd,Debra A.	Wafer Fab Opr IV	03/07/94	Gresham	Tustin, CA
795	Boyd,Judy K.	Wafer Fab Opr II	09/13/93	Milwaukie	
775	Brace,Marty S.	Wafer Fab Opr II	07/12/93	St. Helens	
947	Brown,Beverly A.	Wafer Fab Opr III	11/28/94	Portland	
927	Brown,Jody	Wafer Fab Opr I	10/17/94	Milwaukie	
802	Brown,Robert A.	Wafer Fab Opr III	10/25/93	Gresham	Kearns, UT
786	Brown,Susan	Wafer Fab Opr IV	08/30/93	Gresham	Murray, UT
895	Browning,Roy D.	Equipment Mtc Tech IV	07/25/94	Hillsboro	
954	Budge,Kirk R.	Trainer I (Test)	11/28/94	Troutdale	
925	Bui,Khanh	Probe Card Repair Spclt II	10/17/94	Portland	
829	Burke,Kent M.	Wafer Fab Opr III	01/17/94	Portland	Murray, UT
881	Burke,Lorenz	Wafer Fab Opr I	06/06/94	Portland	
762	Burlison,Alett R.	Wafer Fab Opr I	05/10/93	Gresham	
763	Burlison,Kevin K.	Process Engrg Tech II	05/10/93	Gresham	
974	Burlison,Michael	Wafer Fab Opr I	02/27/95	Turner	
779	Burniston,Tami K.	Wafer Fab Opr II	07/12/93	Portland	
907	Calliham,Retha M.	Wafer Fab Opr I	08/22/94	Portland	
785	Cameron,Deborah A.	Technical Lead Opr II	08/23/93	Vancouver	
975	Campan,Ana	Wafer Fab Opr I	02/27/95	Portland	

EMP NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
900	Campbell, Jan	Process Engineer III	08/22/94	Sandy	Bik Forest, CO
781	Carey, Belinda G.	Supv I, Wafer Fab	08/02/93	Gresham	
809	Carmocan, Nick	Wafer Fab Opr I	11/15/93	Gresham	
959	Casas, Irma	Wafer Fab Opr I	11/28/94	Gresham	
876	Cassel, Denise A.	Human Resources Rep	06/06/94	Troutdale	
783	Caywood, Tony C.	Wafer Fab Opr III	08/09/93	Vancouver	
790	Chungratsang, Tenzing G.	Wafer Fab Opr II	08/23/93	Gresham	
905	Clark, Connie K.	Wafer Fab Opr III	08/22/94	Gresham	
776	Clark, Tino E.	Wafer Fab Opr I	07/12/93	Portland	
863	Clement, Ronald D.	Equipment Mtc Tech II	04/18/94	Portland	Harrisburg, OR
851	Clifford, Mark R.	Equipment Mtc Tech III	03/07/94	Milwaukie	
943	Coleman, Nadine	Parts Clerk II	11/14/94	Portland	
901	Collins, Blair	Safety Engineer	08/22/94	Portland	
914	Colvin, Kenneth L.	Wafer Fab Opr I	09/05/94	Boring	
980	Combs, Rhonda	Wafer Fab Opr I	03/13/95	Portland	
847	Cook, Karen A.	Wafer Fab Opr II	02/07/94	Portland	
777	Cordova, Justin W.	Wafer Fab Opr I	07/19/93	Portland	
902	Corley, Barry R.	Test Opr II	08/22/94	Gresham	Colorado Springs, CO
946	Corral, Joaquin D.	Wafer Fab Opr II	11/28/94	Gresham	
796	Cousins, Terry M.	Wafer Fab Opr II	09/13/93	Troutdale	
761	Crase, Karen J.	Q.A. Inspector II	05/10/93	Woodland	Woodland, WA
945	Dahlman, Michael J.	Equipment Mtc Tech II	11/28/94	Milwaukie	
894	Davis, Robert K.	Wafer Fab Opr III	07/25/94	Gresham	W. Jordan, UT
949	Delozier, Bryan D.	Wafer Fab Opr I	11/28/94	Tigard	
960	Deona, Jose B.	Wafer Fab Opr I	12/12/94	Portland	
877	Dilger, John W.	Facilities Mtc Tech IV	06/06/94	Gresham	
955	Dinh, Tuat M.	Test Opr I	11/28/94	Portland	
961	Doan, Tuan	Wafer Fab Opr I	12/12/94	Portland	
835	Dongretsang, Kalsang D.	Wafer Fab Opr II	01/17/94	Gresham	
942	Duffey, Sean	Wafer Fab Opr I	11/14/94	Vancouver	
872	Eaton, E. Dean	Wafer Fab Opr II	05/16/94	Troutdale	
887	Edward, Gloria	Q.A. Inspector II	06/27/94	Portland	
929	Elliott, Dinnelle	Wafer Fab Opr I	10/17/94	Corbett	
968	Ellis, Heather	Wafer Fab Opr I	01/02/95	Milwaukie	
910	Espeillac, Georgette	Q.A. Engineer IV	09/12/94	Gresham	Eugene
784	Eubanks, Kenneth J.	Wafer Fab Opr IV	08/23/93	Camas	Corona, CA
918	Evans, Lynn W.	Wafer Fab Opr III	10/03/94	Portland	Payson, UT
836	Fetterhoff, Sherry	Wafer Fab Opr I	01/17/94	Portland	

EA NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
908	Findling, Jason E.	Wafer Fab Opr I	08/22/94	Portland	
896	Fink, Timothy R.	Wafer Fab Opr I	07/25/94	Portland	
833	Finnigan, Charles M.	Wafer Fab Opr II	01/17/94	Colton	
958	Flanary, Lynda	Wafer Fab Opr I	11/28/94	Portland	
830	Freund, Ken D.	Wafer Fab Opr IV	01/17/94	Gresham	Midvale, UT
888	Gallagher, Vincent J.	Wafer Fab Opr I	06/27/94	Corvallis	
916	Garabato, Joenellie	Wafer Fab Opr I	09/19/94	Portland	
771	Garcia, Angel R.	Wafer Fab Opr I	06/07/93	Portland	
778	Garcia, Magaly J.	Wafer Fab Opr II	07/12/93	Portland	
764	Giger, Maryanna	Translator/Admin Asst	05/10/93	Portland	
935	Giorgianni, Victor	Wafer Fab Opr I	10/31/94	Vancouver	
967	Gleason, Eric	Wafer Fab Opr I	01/02/95	Gladstone	
852	Gormley, Sheri A.	Admin Svcs Spclt I	03/07/94	Vancouver	
890	Gray, Linda L.	Wafer Fab Opr III	06/27/94	Aloha	
788	Grayson, Bart M.	Supervising Engr I, Equipment	10/04/93	Sandy	
933	Grose, Dale E.	Section Head/Accounting	10/31/94	Eugene	Eugene, OR
957	Gyalnub, Migmar	Wafer Fab Opr I	11/28/94	Gresham	
822	Hache, Stephen T.	Wafer Fab Opr I	12/13/93	Gresham	
911	Hall, H. Dewayne	Wafer Fab Opr I	08/22/94	Troutdale	
923	Hall, Robin D.	Wafer Fab Opr I	10/03/94	Portland	
878	Halva, Chuck B.	Facilities Mtc Tech III	06/06/94	Beaverton	
931	Halvorson, Michael V.	Facilities Engineer III	10/31/94	Lake Oswego	Palo Alto, CA
837	Hammons, Narda L.	Wafer Fab Opr II	01/17/94	Gresham	
858	Hatch, William F.	Equipment Mtc Tech III	04/18/94	Gresham	
857	Hiramoto, Wesley T.	Equipment Engineer II	04/04/94	Gresham	Orosi, CA
939	Hobart, Kim L.	Supv II, Wafer Fab	11/28/94	Troutdale	San Marcus, CA
769	Hogue, Ardin D.	Wafer Fab Opr III	06/07/93	Vancouver	
971	Hussain, Neena	Wafer Fab Opr I	02/06/95	Portland	
826	Huynh, Anthony	Wafer Fab Opr II	02/07/94	Hillsboro	San Jose, CA
821	Iem, Bo V.	Wafer Fab Opr II	12/13/93	Portland	
782	Igo, Larry K.	Wafer Fab Opr III	08/02/93	Portland	Mosier, OR
810	Jackson, Brenda L.	Wafer Fab Opr I	11/15/93	Portland	
904	Jewett, Jason A.	Process Engineer I	08/22/94	Portland	
774	John, Patrick B.	Equipment Mtc Tech IV	08/09/93	Beaverton	
977	Joldes, Benjamin	Wafer Fab Opr I	02/27/95	Portland	
804	Jones, Gwenlauri	Wafer Fab Opr IV	11/15/93	Portland	Riverside, CA
915	Jones, Jeffrey	Programmer Analyst IV	09/19/94	Beaverton	
803	Jones, Robert M.	Wafer Fab Opr III	11/15/93	Portland	Riverside, CA

EMP NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
976	Jones, Sonja	Wafer Fab Opr I	02/27/95	Gresham	
969	Jones, Stanley	Programmer Analyst IV	02/06/95	Washougal	Washougal, WA
770	Kee, Lloyd	Wafer Fab Opr I	06/07/93	Portland	
875	Kelley, Joseph E.	Supervising Engr II, Test	06/06/94	Gresham	St. Charles, MO
903	Kessenich, Jeffrey A.	Q.A. Engineer III	08/22/94	Hillsboro	
891	Kirkman, Dale	Wafer Fab Opr III	08/08/94	Clackamas	W. Jordan, UT
856	Kliffmueller, Colin F.	Equipment Mtc Tech III	03/28/94	Thousand Oaks	Corvallis, OR
808	Knight, Bernadine R.	Wafer Fab Opr III	11/15/93	Cornelius	
797	Kuglin, Diane L.	Wafer Fab Opr IV	09/27/93	Tualatin	San Jose, CA
864	Laakso, David C.	Equipment Mtc Tech III	05/02/94	Sherwood	
953	Lao, Amy I.	Q.A. Inspector I	11/28/94	Portland	
937	Le, Hao P.	Wafer Fab Opr III	11/28/94	Portland	San Diego, CA
938	Lo, Ge C.	Wafer Fab Opr IV	11/28/94	Portland	Midvale, UT
855	Lopez, Annette J.	Wafer Fab Opr I	03/28/94	Gresham	San Antonio, TX
792	Lopez, Augustina M.	Wafer Fab Opr III	09/13/93	San Antonio	San Antonio, TX
924	Lopez, Roy	Equipment Mtc Tech IV	10/17/94	Gresham	Albuquerque, NM
874	Ly, Suor	Test Equip Tech III	06/06/94	Beaverton	
978	Macki, Reino	Wafer Fab Opr I	02/27/95	Gresham	
791	Mapile, Marilyn P.	Test Opr III	08/23/93	Portland	
917	Martz, Sandra	Wafer Fab Opr I	09/19/94	Portland	
930	McBride, Steve	Wafer Fab Opr I	10/17/94	Portland	
811	McGill, Daniel D.	Wafer Fab Opr I	11/15/93	Gresham	
936	McNamara, Michael	Wafer Fab Opr I	10/31/94	Beaverton	
832	Michalski, Kerry D.	Equipment Engineer II	01/10/94	Boring	
962	Miller, Carol A.	Wafer Fab Opr I	12/12/94	Portland	
926	Miller, Stephen S.	Section Head/M.I.S.	10/17/94	Beaverton	
948	Miller, Terry O.	Wafer Fab Opr I	11/28/94	Boring	
823	Mitchell, Wendy L.	Wafer Fab Opr II	12/13/93	Portland	
843	Montgomery, Wanda L.	Wafer Fab Opr III	03/07/94	Gresham	Santa Ana, CA
859	Morales, Deborah R.	Q.A. Inspector II	04/18/94	Troutdale	
950	Morin, Matthew L.	Wafer Fab Opr I	11/28/94	Portland	
818	Mullen, Corina P.	Process Engineer I	12/13/93	Milwaukie	
817	Mullens, Oscar A.	Wafer Fab Opr IV	12/13/93	Portland	
772	Munchel, Sandra	Wafer Fab Opr I	06/07/93	Portland	
886	Murphy, Kinuko	Assoc Accountant	06/27/94	Gresham	
766	Nakamura, Yoko	Translator/Admin Asst II	05/10/93	Portland	
812	Nelson, Allen W.	Wafer Fab Opr II	11/15/93	Troutdale	
862	Nelson, Beatrice F.	Wafer Fab Opr IV	04/18/94	Troutdale	

EMI NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
951	Nelson, Michael S.	Wafer Fab Opr I	11/28/94	Gresham	
820	Nguyen, Cynthia H.	Wafer Fab Opr II	12/13/93	Portland	
970	Nguyen, Hung	Wafer Fab Opr I	02/06/95	Portland	
765	Ortiz, Rosalie L.	Wafer Fab Opr II	05/10/93	Beaverton	
773	Osterman, Richard A.	Wafer Fab Opr IV	06/21/93	Portland	
834	Pacheco, Christina M.	Wafer Fab Opr I	01/17/94	Russellville	
889	Pappas, Kenneth R.	Wafer Fab Opr I	06/27/94	Portland	
827	Peckham, Debbie I.	Wafer Fab Opr II	01/17/94	Portland	Midvale, UT
828	Peckham, Justin M.	Wafer Fab Opr II	01/17/94	Portland	Midvale, UT
865	Perry, Edward D.	Equipment Mtc Tech II	05/02/94	Troutdale	
928	Pham, Phuong H.	Wafer Fab Opr I	10/17/94	Portland	
944	Phan, Daniel	Test Opr III	11/28/94	Gresham	Orange, CA
893	Phetnouvong, Chhunleng	Wafer Fab Opr IV	07/11/94	Portland	Auburn, WA
892	Phetnouvong, Jean-Noel	Wafer Fab Opr I	07/11/94	Portland	Auburn, WA
838	Phuntsok, Tenzin	Wafer Fab Opr II	01/17/94	Gresham	
981	Porter, Michael	Wafer Fab Opr I	03/13/95	Gresham	
793	Portier, Edwin R.	Equipment Engineer III	09/13/93	Sunnyvale	Sunnyvale, CA
813	Pot, Chivoan	Wafer Fab Opr II	11/15/93	Gladstone	
801	Pryor, David F.	Equipment Mtc Tech III	10/11/93	Troutdale	Everett, WA
956	Pryor, Tiffanie M.	Test Opr I	11/28/94	Portland	
885	Pyne, Jim A.	Supv II, Wafer Fab	06/27/94	Boring	Encinitas, CA
814	Ragalie, Narcis	Wafer Fab Opr I	11/15/93	Portland	
787	Richardson, Lori A.	Wafer Fab Opr III	09/13/93	Portland	Salt Lake City, UT
921	Richins, Tami	Wafer Fab Opr II	10/03/94	Gresham	Wenatchee, WA
850	Richmond, Stanley E.	Process Engrg Tech II	03/07/94	Portland	
800	Ronald, Michael S.	Wafer Fab Opr II	09/27/93	Milwaukie	
884	Sakurai, Robert K.	Supervising Engr II, Opr Engrg	06/27/94	Portland	
870	Schenk, Alan L.	Equipment Engineer II	06/06/94	Vancouver	Las Vegas, NV
920	Schrott, David	Environmental Engineer II	10/03/94	Portland	
940	Scott, Lori	Test Opr I	11/14/94	Milwaukie	
979	Secasiu, Ada	Wafer Fab Opr I	02/27/95	Portland	
849	Shaw, Sandra R.	Wafer Fab Opr I	02/21/94	Portland	Longview, WA
922	Silva, Lari L.	Supv II, Wafer Fab	10/03/94	Aloha	
839	Simonis, David K.	Wafer Fab Opr II	01/17/94	Portland	
853	Smith, Robin D.	Fab Mtc Opr	03/28/94	Milwaukie	
984	Snow, Laura	Sr Payroll Clerk	03/27/95	Battle Ground	Battle Ground, WA
831	Srinivasa, Vrithamani N.	Q.A. Engineer IV	01/17/94	Cupertino	Cupertino, CA
867	Stein, John H.	Supervising Engr I, Process	05/16/94	Beaverton	

EMP NO.	NAME	JOB TITLE	HIRE DATE	CURRENT CITY	HIRE CITY
906	Stiles, David R.	Wafer Fab Opr I	08/22/94	Troutdale	
848	Storms, Michael J.	Test Opr II	02/21/94	Troutdale	
871	Strasburg, Max V.	Section Head/Prod Engrg	05/23/94	Gresham	Boise, ID
816	Summey, Randall A.	Wafer Fab Opr II	12/13/93	Lake Oswego	Ft. Collins, CO
799	Sumpter, Rob R.	Equipment Mtc Tech III	09/27/93	Vancouver	
982	Telles, Jim	Wafer Fab Opr I	03/13/95	Troutdale	
861	Thurman, Travis W.	Equipment Mtc Tech II	04/18/94	Gresham	Springfield, OR
964	Tran, Long	Q.A. Engineer II	01/02/95	Aloha	
824	Tran, Sanh H.	Test Opr I	12/13/93	Portland	
952	Trieu, Sunny K.	Wafer Fab Opr I	11/28/94	Portland	
825	Vernholm, David C.	Equipment Mtc Tech I	12/13/93	Portland	
966	Vosika, Tim	Wafer Fab Opr I	01/02/95	Troutdale	
934	Vuksich, Adam	Wafer Fab Opr I	10/31/94	Gresham	
883	Weiland, David M.	Equipment Mtc Tech IV	06/27/94	Gresham	Plantation, FL
805	White, Robert E.	Equipment Mtc Tech II	10/25/93	Gresham	
815	Wiek, Dawn L.	Wafer Fab Opr II	11/15/93	Gresham	
860	Williams, Dwayne E.	Q.A. Inspector II	04/18/94	Vancouver	
789	Wilson, Beverly L.	Wafer Fab Opr III	08/23/93	Hillsboro	
767	Withers, Robert J.	Process Engineer III	05/31/93	Portland	W. Jordan, UT
819	Woods, Dennis L.	Supv II, Equip Mtc	12/13/93	Battleground	Nampa, ID
868	Zapanta, Melvi A.	Wafer Fab Opr IV	05/16/94	Aloha	
869	Zapanta, Romuald G.	Wafer Fab Opr IV	05/16/94	Aloha	

Exhibit 14
Environmental and Safety Data

November 28, 1994

Alan Johnston
Pretreatment Coordinator
City of Gresham
Department of Environmental Services
1333 N.W. Eastman Parkway
Gresham, OR 97030-2549

Dear Mr. Johnston:

This letter is to address the action items presented in your memo dated November 1, 1994. The action items were identified during an audit performed on September 23, 1994. Our responses are as follows:

Action Item 1: *"Recent sampling and analysis results have been indicating a trend toward non-compliance with pH limit requirements at the combined monitoring location. Due to the large volume of wastewater being discharged from the facility, the compliance with pH requirements must be met to ensure POTW worker health and safety. Please provide the city with operating procedures for the chemical loading area located west of the pretreatment plant. Recent occurrences indicate that this area has the potential for slug discharges of unwanted materials into the collection system due to the manually operated discharge valve."*

Fujitsu understands that as a high volume generator of wastewater we must be concerned with the potential to discharge wastewater out of compliance. Part of this concern stems from a pH excursion which resulted from activities in the chemical loading area. Fujitsu has procedures and guidelines set forth in our *Site Contingency Plan* for controlling water collected in the chemical loading area. These procedures are included as Attachment I. Despite having procedures in place, a discharge of low pH water accumulated in the chemical loading area did occur. A worker responsible for loading dock activities was under the false notion that water from the chemical loading area exits the facility through the acid waste neutralization (AWN) system. Subsequent to the incident the procedure for discharging accumulated water has been reviewed and the responsible employee subject to corrective action.

Action Item 2: *"Communications during the inspection indicated that the pretreatment plant was undergoing modifications that may have been a factor in a recent pH excursion. Provide the city with a description of the modifications. Are the changes modifications, improvements, capacity increases, changes in treatment techniques, etc.?"*

As you are aware, pH excursions to the combined effluent have occurred during recent modifications to our AWN system. The primary cause of the excursions was improper switching over

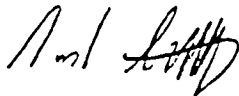
from one system to the other. With both systems in full operation swithcing over should not cause any problems.

In response to your question in Action Item 2, the purpose of modifications to the AWN is to increase the capacity of the Fab A system to operate at the current capacities of the Fab B system. Since July of 1994, the Fab B AWN system has had the capacity to handle an average flow of 350 gpm and a peak flow of 500 gpm. The Fab A system capacities were at 220 gpm and 380 gpm for average and peak flows respectively. Increasing the capacity of the Fab A system will provide us with two redundant systems thereby offering this facility greater operational and maintenance flexibility. Regular and unscheduled maintenance intervals will be performed without disrupting production or sacrificing effluent water quality.

The changes made to the system include pipe, pump, and valve modifications. Because no process changes were part of the modifications, we expect operations and effluent quality to remain the same. Under normal conditions the systems will alternate in operation. In the winter months the Fab A and Fab B systems will be operated in parallel in order to avoid freezing.

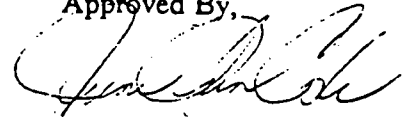
If you have any additional questions regarding operational procedures or changes to our systems please call myself at (503) 669-5572 or June Ann Cole at (503) 669-6091.

Sincerely,



Dave Schrott

Approved By,



June Ann Cole
Section Head

ATTACHMENT 1

**Spill Prevention Control and Countermeasure Plan (Part of Fujitsu's Contingency Plan)
Procedure for Releasing Water from the Chemical Loading Area**

Unloading Areas

Fuel oil is unloaded into the 10,000 gallon tank at an unloading pad adjacent to the storage tank. The pad has a drain line that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area. The hose connection for the tank truck is capped and the block valve is kept shut except when oil is received.

Bulk acid and caustic is unloaded into the appropriate tanks at an unloading pad adjacent to the acid and caustic bulk tanks. The truck unloading pad has a drain line that discharges directly in to the City of Gresham Sewer line. This line has a block valve that is normally closed. The area is drained when it is determined that the water is uncontaminated or will not cause an exceedance of the City of Gresham Wastewater permit discharge limits. The hose connections for the tank truck are located within the containment area. These connections are capped and the block valve is kept shut except when chemicals are received.

Utility Building chemicals are unloaded from trucks near the UB roll up door. The chemicals are immediately transported to their respective storage and use locations. There is no secondary containment for the truck. Any spill is immediately contained via temporary means would be discharged offsite via the storm drain system.

CSS and other Fab Chemicals are received in drums, bottles or canisters. They are unloaded at the Chemical Dock near the CSS building. The chemicals are immediately transported to their respective storage and use locations. The dock has a trench drain that discharges to the storm drain system. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

The Main Receiving Dock also has a trench drain. The drain line has a block valve that is normally closed and locked. The valve is only opened when it is verified that only uncontaminated water is present in the area.

Spill Prevention Practices

The stormwater discharge structure has an underflow weir to prevent the discharge of floating oil and debris. If oil is not trapped by this weir, it can be expected to collect in the ponds where it could be removed prior to offsite discharge.

All chemical storage areas and tanks are regularly inspected as part of normal facility operation. Normal inspections consist of visual inspections for leaks and the containment integrity. Whenever a leak or spill is found, the spilled material is cleaned up and the source of the spill is identified and corrected. The tank or area is not used until the problem is corrected. Once

Exhibit 16
Child Care Information



CHILD CARE
SUPPORT SERVICES, INC.

May 17, 1995

Duane Watari
Fujitsu Microelectronics, Inc.
21015 S.E. Stark Street
Gresham, OR 97030

BOARD OF DIRECTORS

Mark Chambers
Standard Insurance Co.

Peter Dom
Attorney at Law

Gloria Lee
Great Beginnings
Child Care Centers

Tammy Marquez
Children's World

Deborah Thomas
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Jim Whitty
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Pamela Knowles
Davis, Wright, Tremaine
Board Chairperson

Carolyn Morrison
Executive Director

1509 SE 122nd
Portland, OR 97233
503/256-6484
503/253-0406 FAX

U.S.D.A.
Care Food Program

Metro Child Care
Resource & Referral

Dear Duane:

I hope the following information is helpful to you in preparing your response for the SIP application. In addition to the requested statistics, information relating to shift workers and child care issues that may also be useful is included.

If you should have questions later this week, please call Anine at 253-1781. She will probably be able to assist you in my absence. I'll call you early next week to follow up.

**PLACEMENT RATE ANALYSIS OF ENHANCED CHILD CARE REFERRAL SERVICES
FUJITSU**

Usage

56 employees of Fujitsu contacted Metro CCR&R for information on parenting and child care. 23 requested written materials, 2 requested consultation and 31 requested referrals to child care. The 31 employees had 50 children and were referred to 178 providers.

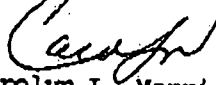
Follow-ups

The return rate for written follow-ups is 68%. The results are as follows:

- 89% found new child care arrangements
- 58% found their new arrangements through the list provided by Metro CCR&R
- 88% cited their new care arrangements as very good

The statistics are consistent with reports provided by a national enhanced child care resource & referral service, Work/Family Directions, which shows a 60 percent average for clients choosing care among those provided by the resource and referral services (1993 and 1994 year end statistics). However, the national statistics are based on requests primarily for regular working hours. Fujitsu statistics show 39 percent of total requests are for evening and/or weekend care. Studies show that two parent families sometimes seek shift work as a way to minimize the worry and cost of child care, working opposite shifts and sharing the child care responsibilities. Consequently, the percentage for usage by shift workers is expected to be lower than the overall norm.

Sincerely,


Carolyn L. Morrison
Executive Director

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM

**A STRATEGIC WORKFORCE DEVELOPMENT PROGRAM
for
FUJITSU MICROELECTRONICS INC.,
LSI LOGIC
and MULTNOMAH COUNTY**

The intent of the Strategic Workforce Development Program (SWDP) would be to meet the immediate needs of Multnomah County, Fujitsu Microelectronics Inc. (FMI) and LSI Logic regarding training and employment of both companies future workforce. Multnomah County's primary goal involving the workforce is to "create long-term jobs with family wages, benefits and working conditions for its residents who are unemployed or under-employed" (to include welfare recipients and school to work students). The primary goal of FMI and LSI Logic is to have a qualified, competitive and committed workforce. The overall objective of the Strategic Workforce Development Program is to achieve both partners' primary goals.

The initial focus of the SWDP will be to successfully train the targeted populations for the purpose of developing the necessary workforce to meet the needs of FMI and LSI Logic. The secondary focus will be to continue to focus on the target populations by creating the appropriate programs and infrastructure to begin to develop and grow the future workforce.

The overall objective would be to adequately prepare the target populations to not only gain employment, but to possess the necessary skills required to progress up the career ladder.

The SWDP would deliver entry level operator outcome based curriculum, based on recognized industry standards. This curriculum would be designed to develop mutually agreed upon student competencies and related assessment tools. The intent of the SWDP would be for the target populations to develop the required proficiencies necessary to immediately enter the workforce. The program students would be employed based on their successful completion of the SWDP and the availability of jobs.

It should be clearly understood that these target populations will require additional training to develop the necessary skills to be successful. It should also be recognized that training and employing these target populations creates two major accomplishments; 1) a significant investment in the long term stability of the county and its residents and 2) the creation and access of a previously untapped and under utilized workforce.

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM

CORE ELEMENTS

The components of this training program will, at a minimum, provide students with the basic skills necessary to successfully master the following knowledge, skills and abilities:

- Ability to read, understand and consistently apply process specifications and other technical direction with careful attention to detail for set-up/selection of proper tooling and processing.
- Ability to communicate process data to engineers, technicians and supervisors verbally and in writing.
- Numerical aptitude and basic math through decimals and fractions. Ability to use percentages, averages and math formulas.
- Ability to use calculator, terminal and prescribed computer programs. Computer keyboarding/data entry skills.
- Ability to use flowcharts and process control charts.
- Good hand/eye coordination.
- High awareness of safety issues.
- Ability to operate multiple work stations and perform multiple tasks.
- Desire to be cross-trained in various duties.

Additional college level electronic training, production environment simulation and internships could also be included. It should be noted that even though this program is being designed specifically for Fujitsu Microelectronics Inc., LSI Logic and the semiconductor industry, a vast majority of these skills are transferable to other occupational areas.

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REGIONAL TRAINING CENTER

The attached budget is an attempt to begin the development of a High Technology Training Center(s) located in East Multnomah County. The initial focus of this Regional Training Center will be to develop the workforce necessary to meet the needs of Fujitsu Microelectronics Inc. (FMI) and LSI Logic. Initially, the primary objective will be to develop and deliver training to the following four target populations identified by Multnomah County:

- 1) Under employed
- 2) Unemployed
- 3) Welfare recipients
- 4) School to Work

This training center will provide entry level outcome based curriculum that will be based on industry standards and mutually agreed upon student proficiencies and assessment tools. The intent of this program would be to provide the necessary skills to the above mentioned target populations that would lead directly to job placement at FMI and LSI Logic. The program students would be placed based on successful completion of the program and availability of jobs.

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM HIGH TECHNOLOGY REGIONAL TRAINING CENTER

PROPOSED BUDGET

Even though this budget reflects specific line items and expenditures, it has been developed for the purpose of identifying a general budget amount. The actual specific budget items and activities would be developed collectively by the stakeholders.

PHASE ONE - 1995-2000

Year One

31 Computers at \$2,000 each	\$ 62,000
31 Electronic Trainers at \$2,350 each	73,000
31 Training Stations at \$450 each	14,000
31 Circuit Boards at \$350 each	11,000
Networking	5,000
Software	30,000
Instructional Supplies	10,000
Facility Remodeling	25,000
Miscellaneous Operating Costs	10,000
One FTE Instructor	46,000
.5 FTE Coordinator	<u>23,000</u>

TOTAL COST FOR YEAR ONE \$ 309,000

Year Two

Software	\$ 10,000
Instructional Supplies	10,000
Facility Remodeling	25,000
Miscellaneous Operating Costs	10,000
One FTE Instructor	48,000
.5 FTE Coordinator	<u>24,000</u>

TOTAL COST FOR YEAR TWO \$ 127,000

Year Three

Software	\$ 10,000
Instructional Supplies	10,000
Miscellaneous Operating Costs	10,000
One FTE Instructor	50,000
.5 FTE Coordinator	<u>25,000</u>

TOTAL COST FOR YEAR THREE \$ 105,000

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM
HIGH TECHNOLOGY REGIONAL TRAINING CENTER - PROPOSED BUDGET
Page 2

Year Four

Software	\$ 10,000
Instructional Supplies	10,000
Miscellaneous Operating Costs	10,000
One FTE Instructor	52,000
.5 FTE Coordinator	<u>26,000</u>

TOTAL COST FOR YEAR FOUR \$ 108,000

Year Five

Software	\$ 10,000
Instructional Supplies	10,000
Miscellaneous Operating Costs	10,000
One FTE Instructor	54,000
.5 FTE Coordinator	<u>27,000</u>

TOTAL COST FOR YEAR FIVE \$ 111,000

TOTAL COST FOR THE FIRST FIVE YEARS \$ 760,000

PHASE TWO - 2000-2005

Year Six

Equipment, Software and Supplies	\$ 30,000
Instructor	56,000
.5 FTE Coordinator	<u>28,000</u>

TOTAL COST FOR YEAR SIX \$ 114,000

Year Seven

Equipment, Software and Supplies	\$ 30,000
Instructor	58,000
.5 FTE Coordinator	<u>29,000</u>

TOTAL COST FOR YEAR SEVEN \$ 117,000

Year Eight

Equipment, Software and Supplies	\$ 30,000
Instructor	60,000
.5 FTE Coordinator	<u>30,000</u>

TOTAL COST FOR YEAR EIGHT \$ 120,000

STRATEGIC WORKFORCE DEVELOPMENT PROGRAM
HIGH TECHNOLOGY REGIONAL TRAINING CENTER - PROPOSED BUDGET
Page 3

Year Nine

Equipment, Software and Supplies	\$ 30,000
Instructor	62,000
.5 FTE Coordinator	<u>31,000</u>

TOTAL COST FOR YEAR NINE	\$ 123,000
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Year Ten

Equipment, Software and Supplies	\$ 30,000
Instructor	64,000
.5 FTE Coordinator	<u>32,000</u>

TOTAL COST FOR YEAR TEN	\$ 126,000
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TOTAL COST FOR THE SECOND FIVE YEARS	\$ 600,000
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PHASE THREE - 2005-2010

Year Eleven

Equipment, Software and Supplies	\$ 35,000
Instructor	66,000
.5 FTE Coordinator	<u>33,000</u>

TOTAL COST FOR YEAR ELEVEN	\$ 134,000
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Year Twelve

Equipment, Software and Supplies	\$ 35,000
Instructor	68,000
.5 FTE Coordinator	<u>34,000</u>

TOTAL COST FOR YEAR TWELVE	\$ 137,000
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Year Thirteen

Equipment, Software and Supplies	\$ 35,000
Instructor	70,000
.5 FTE Coordinator	<u>35,000</u>

TOTAL COST FOR YEAR THIRTEEN	\$ 140,000
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STRATEGIC WORKFORCE DEVELOPMENT PROGRAM
HIGH TECHNOLOGY REGIONAL TRAINING CENTER - PROPOSED BUDGET
Page 4

Year Fourteen

Equipment, Software and Supplies	\$ 35,000
Instructor	72,000
.5 FTE Coordinator	<u>36,000</u>
 TOTAL COST FOR YEAR FOURTEEN	 \$ 143,000

Year Fifteen

Equipment, Software and Supplies	\$ 35,000
Instructor	74,000
.5 FTE Coordinator	<u>37,000</u>
 TOTAL COST FOR YEAR FIFTEEN	 \$ 146,000

TOTAL COST FOR THE THIRD FIVE YEARS	\$ 700,000
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TOTAL COST FOR THE FIFTEEN YEAR PROJECT	\$2,060,000
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MULTNOMAH COUNTY OREGON

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STRATEGIC INVESTMENT PROGRAM
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November 6, 1996

Richard Romano
Vice President of Administration
Fujitsu Microelectronics Inc.
21015 S.E. Stark Street
Gresham, OR 97030-2099

Dear Mr. Romano:

Multnomah County and DEQ have completed a review of the revised Environmental Management Plan (EMP) submitted October 4, 1996 by Fujitsu Microelectronics. We have concluded the revised EMP meets the exemplary standard established by the Strategic Investment Program contract and defined by DEQ.

We would therefore like to extend our congratulations to Fujitsu Microelectronics for demonstrating an environmental commitment that will serve our community and benefit your company for the life of the Strategic Investment Program agreement and beyond. We wish to specifically applaud the scope of the EMP for containing the components of the international ISO 14000 standards and the continuous improvement approach essential to meeting the specific goals and targets established in the EMP.

As with any effort of this scope, there remains a couple of issues requiring further clarification. The single aspect specific to the EMP itself found during our review requiring further clarification involves the goal and target associated with Chemical Use Reduction.

The EMP states that the Chemical Use Reduction goal/target for 1996 (as established in Fujitsu's Toxic Use Reduction Plan) has been achieved and that new goals and targets will be developed upon the completion of FAB2. It is the finding of our review that it is necessary to clarify what interim target will be in effect until a new long-term goal and specific target is established. It is equally critical that the revised EMP establish a more specific timeframe for the development of a new goal and target. During the development of the revised EMP, Fujitsu and DEQ officials discussed the need to formally clarify these issues in the revised EMP.

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The other outstanding issue involves the need to clarify the annual reporting, EMP updates and reviews anticipated in our formal acceptance of Fujitsu's EMP. While not directly addressed in the EMP itself, a mutual understanding of these issues is critical to realizing the goals and targets established and reporting those results.

For the purpose of clarifying the Chemical Use Reduction target and reaching a mutual understanding of the annual reporting, update and review issues, I am requesting a meeting to include representatives from Fujitsu, DEQ and the County at the earliest possible date.

In closing, I want to emphasize our recognition of the substantial effort and environmental commitment the revised EMP represents on the part of Fujitsu Microelectronics. We look forward to the significant environmental results that will be realized as Fujitsu Microelectronics undertakes the implementation of its comprehensive and exemplary EMP.

Sincerely,



John Rakowitz,
Strategic Investment Program

cc: Multnomah County Board of Commissioners
Multnomah County SIP Steering Committee
Oregon Department of Environmental Quality