

ANNOTATED MINUTES

*Tuesday, October 18, 1994 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

BOARD BRIEFINGS

- B-1 Cultural Diversity Committee Discussion of History, Results of Conference and Future Expectations, and Description of Current Diversity Projects. Presented by Donald Acker.*

DONALD ACKER, NEW CHAIR; CURTIS SMITH, MIKE OSWALD, CHRIS JOHNSON, JIMI JOHNSON, GAIL PARKER, AND JERRY WALKER PROVIDED PRESENTATION AND RESPONSE TO BOARD QUESTIONS.

- B-2 Discussion on Recommended Changes to the Public Contract Review Board Rules. Presented by Dave Boyer and Lillie Walker.*

DAVID BOYER AND LILLIE WALKER PRESENTED PRESENTATION AND RESPONSE TO BOARD QUESTIONS.

- B-3 David M. Griffith Report on Costs, Fees and Revenue Study. Presented by Dave Boyer.*

DAVID BOYER AND BETSY WILLIAMS PRESENTED PRESENTATION AND RESPONSE TO BOARD QUESTIONS. BOARD CONSENSUS TO WAIT UNTIL AFTER NOVEMBER 8TH ELECTIONS BEFORE POSSIBLE INCREASE OF VARIOUS FEES, WITH THE EXCEPTION OF FURTHER INVESTIGATION OF THE SURVEYOR FEES. POTENTIAL NEED TO INCREASE SOME FEES BEFORE ELECTION. STAFF TO TALK TO COUNTY COUNSEL ABOUT LEGAL ISSUES AND REPORT BACK TO THE BOARD.

*Tuesday, October 18, 1994 - 1:30 PM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

PLANNING ITEMS

Vice-Chair Tanya Collier convened the meeting at 1:35 p.m., with

Commissioners Sharron Kelley, Gary Hansen and Dan Saltzman present, and Chair Beverly Stein excused.

P-1 C 10-94 *Second Reading and Possible Adoption of a Proposed ORDINANCE Amending the Comprehensive Framework Plan Policies and Significant Environmental Concern (SEC) Section of the Zoning Code to Protect Significant Wildlife Habitat, Scenic Views and Streams in the West Hills and Howard Canyon Areas, in Fulfillment of Periodic Review Remand Order Requirements*

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER SALTZMAN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF THE SECOND READING AND ADOPTION. GORDON HOWARD EXPLANATION OF AMENDMENTS DISCUSSED AT FIRST READING. GORDON HOARE, BILL MOSHOFSKY, DAVE KOENNECKE, DAN MCKENZIE, EUGENE OSTER AND JOSEPH KABDEBO TESTIMONY IN OPPOSITION TO PROPOSED ORDINANCE DUE TO ZONING LIMITATIONS FOR WEST HILLS PROPERTY OWNERS. DONNA MATRAZZO, ARNOLD ROCHLIN, JOHN SHERMAN AND JANE HART TESTIMONY AND SUGGESTED AMENDMENTS TO PROPOSED ORDINANCE. MR. HOWARD EXPLANATION CONCERNING AMENDMENTS RECOMMENDED BY STAFF AND RESPONSE TO BOARD QUESTIONS. BOARD DISCUSSION. UPON MOTION OF COMMISSIONER HANSEN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT SECTION 11.15.6424(B) BE AMENDED TO INCLUDE: "AND WHICH SHALL BE CONSIDERED IN MAKING THE DETERMINATION OF VISUAL SUBORDINATION...". MR. HOWARD RESPONSE TO BOARD QUESTION REGARDING FENCING STANDARDS. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT THE FENCE EXEMPTION AREA BE AMENDED FROM 15 FEET TO 100 FEET. MR. HOWARD EXPLANATION OF LOT OF RECORD DEFINITION. UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, IT WAS UNANIMOUSLY APPROVED THAT SECTION 11.15.6428(D)(1) BE AMENDED THAT THE LOT OF RECORD SHALL BE DEFINED BY THE UNDERLYING ZONING DISTRICT. MR. HOWARD EXPLANATION OF

AVAILABLE FOR PURCHASE ISSUE. UPON MOTION OF COMMISSIONER HANSEN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT LANGUAGE IN SECTION 11.15.6428(D)(2) BE AMENDED FROM AVAILABLE FOR PURCHASE TO "THE SUBJECT OF A LISTING AGREEMENT OR ADVERTISED FOR SALE...". FOLLOWING DISCUSSION AND UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER SALTZMAN, IT WAS UNANIMOUSLY APPROVED THAT THE STREAM PROTECTION AND WATER QUALITY ISSUES WOULD BE ADDRESSED IN GOALS 6 AND 7. JOHN DuBAY RESPONSE TO BOARD QUESTION CONCERNING WHETHER AN ADDITIONAL READING WOULD BE REQUIRED. UPON MOTION OF COMMISSIONER SALTZMAN, SECONDED BY COMMISSIONER KELLEY, ORDINANCE 801 UNANIMOUSLY APPROVED, AS AMENDED. SCOTT PEMBLE RESPONSE TO QUESTIONS AND ISSUES RAISED DURING PUBLIC TESTIMONY AND RESPONSE TO BOARD QUESTIONS.

Commissioner Saltzman left at 2:30 p.m.

P-2

C 11-94 *Second Reading and Possible Adoption of a Proposed ORDINANCE Amending Comprehensive Framework Text Plan Policy 16 - B and MCC 11.15 Regarding the Regulation of Surface Mining and Nearby Surrounding Land Uses in Partial Fulfillment of Periodic Review Work Program Tasks Required to Bring Multnomah County's Land Use Program into Compliance with Statewide Planning Goal 5*

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF THE SECOND READING AND ADOPTION. GARY CLIFFORD DISCUSSION OF STAFF RECOMMENDED AMENDMENTS TO PROPOSED ORDINANCE, JOHN DuBAY MEMORANDUM IN RESPONSE TO MR. ROCHLIN'S OBJECTIONS TO PROPOSED ORDINANCE, AND RESPONSE TO BOARD QUESTIONS. ARNOLD ROCHLIN, JANE HART AND KLAUS HEYNE TESTIMONY AND SUGGESTED AMENDMENTS TO PROPOSED ORDINANCE. MR. CLIFFORD RESPONSE TO ISSUES RAISED IN PUBLIC TESTIMONY. MR. DuBAY AND MR. CLIFFORD RESPONSE TO BOARD QUESTIONS AND DISCUSSION CONCERNING AMENDMENTS TO BE PROPOSED AND

CONSIDERED AT THIRD READING. AT THE SUGGESTION OF MR. CLIFFORD AND UPON MOTION OF COMMISSIONER HANSEN, SECONDED BY COMMISSIONER KELLEY, IT WAS UNANIMOUSLY APPROVED THAT SECTION II.(D)(2) ON PAGE 3 BE AMENDED TO REPLACE THE WORD OPERATOR WITH "OWNER'S REPRESENTATIVE". VICE-CHAIR COLLIER DIRECTED THAT ISSUES CONCERNING REGULATION OF "EXEMPT MINING ACTIVITY"; AND COUNTY PARTICIPATION WITH DOGAMI IN REVIEW OF A RECLAMATION PERMIT PROPOSAL BE DISCUSSED AND CONSIDERED AT THIRD READING. AT THE REQUEST OF MR. CLIFFORD AND UPON MOTION OF COMMISSIONER HANSEN, SECONDED BY COMMISSIONER KELLEY, SECTION 11.15.7325(C)(4) WAS AMENDED TO READ "OPERATING HOURS SHALL BE ALLOWED FROM 7:00 AM TO 6:00 PM." AT THE REQUEST OF COMMISSIONER KELLEY, PROPOSED AMENDMENTS TO PAGE 23 CHANGING VEGETATION SCREENING FROM 50 TO 100 FEET; PAGE 26 CHANGING SETBACK FOR MINERAL EXTRACTION FROM 50 TO 100 FEET TO A PROPERTY LINE; AND PAGE 26 CHANGING SETBACK TO A NOISE OR DUST SENSITIVE USE FROM 250 TO 400 FEET ARE TO BE CONSIDERED AT THIRD READING. VICE-CHAIR COLLIER DIRECTED STAFF TO PROVIDE AN EXPLANATION OF AND PURPOSE FOR COMMISSIONER KELLEY'S PROPOSED SITE DISTANCE REQUIREMENTS. SCREENING OF MINE SITES FROM "NOISE AND DUST SENSITIVE" LAND USES TO BE DISCUSSED AND CONSIDERED AT THIRD READING. MR. CLIFFORD RESPONSE TO BOARD QUESTIONS AND DISCUSSION. TRANSPORTATION REQUIREMENTS TO BE DISCUSSED AND CONSIDERED AT THIRD READING. MR. DuBAY RESPONSE TO BOARD QUESTION CONCERNING COUNSEL PROPOSED AMENDMENTS. STAFF DIRECTED TO PREPARE MEMORANDUM CONTAINING ONE SET OF POTENTIAL AMENDMENTS FOR DISCUSSION AT THIRD READING. IN RESPONSE TO A QUESTION OF MR. HEYNE, THE ISSUE REGARDING HILLSIDE EROSION COMPLIANCE OF EXISTING EXEMPT SIDES IN THE 5,000 CUBIC YARDS MINING AREA WILL BE ADDRESSED AT THE THIRD READING. IN RESPONSE TO A QUESTION OF MR. ROCHLIN, MR. DuBAY ADVISED THE DEFINITION OF "SIGNIFICANT SITE"

ISSUE WOULD BE DISCUSSED AT THE THIRD READING. SECOND READING UNANIMOUSLY APPROVED. THIRD READING SCHEDULED FOR THURSDAY, OCTOBER 27, 1994.

There being no further business, the meeting was adjourned at 3:10 p.m.

**OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON**

Deborah L. Bogstad

Deborah L. Bogstad

*Thursday, October 20, 1994 - 9:30 AM
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

REGULAR MEETING

Vice-Chair Tanya Collier convened the meeting at 9:35 a.m., with Commissioners Sharron Kelley, Gary Hansen and Dan Saltzman present, and Chair Beverly Stein excused.

CONSENT CALENDAR

UPON MOTION OF COMMISSIONER KELLEY, SECONDED BY COMMISSIONER HANSEN, THE CONSENT CALENDAR (ITEMS C-1 THROUGH C-7 AND C-9 THROUGH C-11) WAS UNANIMOUSLY APPROVED.

NON-DEPARTMENTAL

- C-1** *In the Matter of the Appointments of Margaret Boyles, Winzel Hamilton, Hank Miggins, Robert Sacks and Juanita Skophammer to the CITIZEN INVOLVEMENT COMMITTEE*
- C-2** *In the Matter of the Appointments of Bill Davis, Lorey Freeman, Lauren Hartmann, Margaret Jozsa, Kathleen Lowe, Clinton Nelson and Darlene Swan to the COMMUNITY HEALTH COUNCIL*
- C-3** *In the Matter of the Appointment of Michelle DeShazer to the DUII COMMUNITY ADVISORY BOARD*
- C-4** *In the Matter of the Appointment of Angel Lopez to the LIBRARY ADVISORY BOARD*

C-5 *In the Matter of the Appointments of Laura Ross-Paul and Mary Ruble to the METROPOLITAN ARTS COMMISSION*

DEPARTMENT OF HEALTH

C-6 *Ratification of Amendment #3 to Intergovernmental Agreement Contract 200714 Between Oregon Health Sciences University Hospital and Multnomah County, Identifying Authorized and Unauthorized Use of Urgency and Emergency Care at OHSU by CareOregon Clients and Establishing a Fee Schedule, for the Period Upon Execution through August 31, 1995*

COMMUNITY AND FAMILY SERVICES

C-7 *Ratification of Intergovernmental Agreement Contract 103515 Between Multnomah County and Portland State University, Providing Evaluation Services to the SAFAH Homeless Families Program in Accordance with the HUD Grant, for the Period Upon Execution through September 30, 1995*

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-9 *ORDER in the Matter of the Execution of Deed D951104 Upon Complete Performance of a Contract to Jamal Tarhuni*

ORDER 94-199.

C-10 *ORDER in the Matter of the Execution of Deed D951105 Upon Complete Performance of a Contract to Jamal Tarhuni*

ORDER 94-200.

C-11 *ORDER in the Matter of the Execution of Quitclaim Deed to Appa L. Anderson*

ORDER 94-201.

DEPARTMENT OF ENVIRONMENTAL SERVICES

C-8 *ORDER in the Matter of the Execution of Deed D941024 Upon Complete Performance of a Contract to Wesley Hayzlett and Jettabe Hayzlett*

**UPON MOTION OF COMMISSIONER KELLEY,
SECONDED BY COMMISSIONER SALTZMAN, TO
REMOVE ITEM C-8 UNANIMOUSLY APPROVED.
(ORDER 94-160 APPROVED SEPTEMBER 8, 1994.)**

REGULAR AGENDA

SHERIFF'S OFFICE

- R-1 *Budget Modification MCSO 1 Requesting Authorization to Reclassify a Community Service Officer Position in the David Douglas Safety Action Team Budget to an Integrated Community Service Coordinator*

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-1. LARRY AAB PRESENTED EXPLANATION. BUDGET MODIFICATION WAS UNANIMOUSLY APPROVED.

PUBLIC CONTRACT REVIEW BOARD

(Recess as the Board of County Commissioners and convene as the Public Contract Review Board)

- R-2 *ORDER in the Matter of Exempting from Public Bidding an Extension of Exemption to Contract with Swanberg & Associates for Security Guard Services*

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-2. COMMISSIONER HANSEN PRESENTED EXPLANATION. ORDER 94-202 WAS UNANIMOUSLY APPROVED.

(Recess as the Public Contract Review Board and reconvene as the Board of County Commissioners)

DEPARTMENT OF HEALTH

- R-3 *First Reading of a Proposed ORDINANCE to Provide Fee Schedule Changes for the Environmental Health Section of the Department of Health*

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF THE FIRST READING. DR. GARY OXMAN PRESENTED EXPLANATION. NO TESTIMONY RECEIVED. FIRST READING WAS UNANIMOUSLY APPROVED. SECOND READING SCHEDULED FOR THURSDAY, OCTOBER 27, 1994.

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-4 *ORDER in the Matter of the Distribution of Proceeds from the Sale of Tax Foreclosed Properties for the Period July 1, 1993 through June 30, 1994*

COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-4. KATHY TUNEBERG PRESENTED EXPLANATION. ORDER 94-203 WAS UNANIMOUSLY APPROVED.

R-5 *Ratification of Intergovernmental Agreement Contract 301245 Between Marion County and Multnomah County, Providing Training and Support During Implementation of a Computerized Pavement Management System, for the Period Upon Execution through June 30, 1995*

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-5. AGREEMENT WAS UNANIMOUSLY APPROVED.

R-6 *First Reading and Possible Adoption of a Proposed ORDINANCE Amending Multnomah County Code Chapter 5.10 Establishing a Transportation Systems Development Charge and Declaring an Emergency*

PROPOSED ORDINANCE READ BY TITLE ONLY. COPIES AVAILABLE. COMMISSIONER KELLEY MOVED AND COMMISSIONER SALTZMAN SECONDED, APPROVAL OF THE FIRST READING AND ADOPTION. ED PICKERING PRESENTED EXPLANATION AND RESPONSE TO BOARD QUESTIONS. NO TESTIMONY RECEIVED. ORDINANCE NO. 802 UNANIMOUSLY APPROVED.

R-7 *RESOLUTION in the Matter of Adopting a Transportation Impact Fee Systems Development Charge*

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-7. ED PICKERING PRESENTED EXPLANATION. RESOLUTION 94-204 UNANIMOUSLY APPROVED.

R-8 *Consideration of a RESOLUTION Approving Multnomah County's Local Greenspaces Projects List and Endorsing the Metropolitan Greenspaces Bond Measure*

COMMISSIONER SALTZMAN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-8. CHARLIE CIECKO OF METRO PRESENTED EXPLANATION AND RESPONSE TO BOARD QUESTIONS. AMANDA FRITZ PRESENTED TESTIMONY IN SUPPORT OF THIS ITEM. RESOLUTION 94-205 WAS UNANIMOUSLY APPROVED.

R-9 Metro Regional Parks and Greenspaces Request for Approval of the Transfer of \$75,000 from the Natural Areas Acquisition and Protection Fund Towards the Purchase of a 5 Acre Site in North Portland (Approximately NE 47th and NE Columbia Blvd.) Containing a Portion of Whitaker Pond and Abutting the Columbia Slough

COMMISSIONER KELLEY MOVED AND COMMISSIONER HANSEN SECONDED, APPROVAL OF R-9. NANCY CHASE OF METRO PRESENTED EXPLANATION AND RESPONSE TO BOARD QUESTIONS. REQUEST WAS UNANIMOUSLY APPROVED. (NOTE: BUDGET MODIFICATION WILL BE BEFORE THE BOARD AT A LATTER DATE FOR APPROVAL.)

JUVENILE JUSTICE DIVISION

R-10 Budget Modification JJD 1 Requesting Authorization to Reprogram \$435,041 in Casey Foundation Funds to Reflect Planned Expenditures

COMMISSIONER HANSEN MOVED AND COMMISSIONER KELLEY SECONDED, APPROVAL OF R-10. MARIE EIGHMEY PRESENTED EXPLANATION AND RESPONSE TO BOARD QUESTIONS. BUDGET MODIFICATION WAS UNANIMOUSLY APPROVED.

PUBLIC COMMENT

R-11 Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

NONE.

There being no further business, the meeting was adjourned at 10:15 a.m.

**OFFICE OF THE BOARD CLERK
for MULTNOMAH COUNTY, OREGON**



Carrie A. Parkerson

**Thursday, October 20, 1994 - 10:30 AM
(Or Immediately Following Regular Meeting)
Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland**

BOARD BRIEFING

B-4 *Detention Improvement Plan and the Annie E. Casey Foundation Grant.
Presented by Hal Ogburn and Rick Jensen.*

**PRESENTATION AND RESPONSE TO BOARD
QUESTIONS BY HAL OGBURN AND RICK JENSEN.**

*Friday, October 21, 1994 - 1:30 PM - 5:00 PM
Portland Building, Second Floor Conference Room A
1120 SW Fifth, Portland*

WORK SESSION

WS-1 *Board Work Session and Discussion on Potential Legislative Issues.*

**POTENTIAL LEGISLATIVE ISSUES DISCUSSED BY:
CHAIR BEVERLY STEIN, BILL FARVER, RHYS
SCHOLES, JO ANN ALLEN, CHAIR STAFF; VICE-
CHAIR TANYA COLLIER, COMMISSIONER SHARRON
KELLEY, ROBERT TRACHTENBERG, STAFF;
COMMISSIONER GARY HANSEN, MIKE DELMAN,
STAFF; COMMISSIONER DAN SALTZMAN, AUDITOR
GARY BLACKMER, HAL OGBURN, JJD; CARY
HARKAWAY, DCC; BILLI ODEGAARD, DH; MIKE
OSWALD, DES; JOAN PASCO, MCSO; HOWARD KLINK,
CFSD; BARRY CROOK AND DAVE WARREN, B&Q;
AND JIM SCHERZINGER, STATE LEGISLATIVE
REVENUE OFFICE. FOLLOW-UP LEGISLATIVE
ISSUES ALL DAY RETREAT SCHEDULED FOR
TUESDAY, NOVEMBER 29, 1994, LOCATION TO BE
ANNOUNCED.**



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

OCTOBER 17, 1994 - OCTOBER 21, 1994

- Tuesday, October 18, 1994 - 9:30 AM - Board Briefings Page 2*
- Tuesday, October 18, 1994 - 1:30 PM - Planning Items Page 2*
- Thursday, October 20, 1994 - 9:30 AM - Regular Meeting Page 3*
- Thursday, October 20, 1994 - 10:30 AM - Board Briefing Page 5*
- Friday, October 21, 1994 - 1:30 PM - Work Session Page 5*

FUTURE MEETING CHANGES/CANCELLATIONS

- Tuesday, 11/15/94 - Cancelled/AOC Conference*
- Thursday, 11/17/94 - Cancelled/AOC Conference*
- Tuesday, 11/22/94 - 9:30 AM Regular Meeting Scheduled*
- Thursday, 11/24/94 - Cancelled/Holiday*

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

- Thursday, 6:00 PM, Channel 30*
- Friday, 10:00 PM, Channel 30*
- Saturday, 12:30 PM, Channel 30*
- Sunday, 1:00 PM, Channel 30*

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.

Tuesday, October 18, 1994 - 9:30 AM

*Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

BOARD BRIEFINGS

- B-1 Cultural Diversity Committee Discussion of History, Results of Conference and Future Expectations, and Description of Current Diversity Projects. Presented by Donald Acker. 9:30 TIME CERTAIN, 1 HOUR REQUESTED.*
- B-2 Discussion on Recommended Changes to the Public Contract Review Board Rules. Presented by Dave Boyer and Lillie Walker. 10:30 TIME CERTAIN, 45 MINUTES REQUESTED.*
- B-3 David M. Griffith Report on Costs, Fees and Revenue Study. Presented by Dave Boyer. 11:15 TIME CERTAIN, 45 MINUTES REQUESTED.*
-

Tuesday, October 18, 1994 - 1:30 PM

*Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

PLANNING ITEMS

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- P-2 C 11-94 Second Reading and Possible Adoption of a Proposed ORDINANCE Amending Comprehensive Framework Text Plan Policy 16 - B and MCC 11.15 Regarding the Regulation of Surface Mining and Nearby Surrounding Land Uses in Partial Fulfillment of Periodic Review Work Program Tasks Required to Bring Multnomah County's Land Use Program into Compliance with Statewide Planning Goal 5*
-

Thursday, October 20, 1994 - 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 Appointments of Margaret Boyles, Winzel Hamilton, Hank Miggins, Robert Sacks and Juanita Skophammer to the CITIZEN INVOLVEMENT COMMITTEE*
- C-2 *In the Matter of the Appointments of Bill Davis, Lorey Freeman, Lauren Hartmann, Margaret Jozsa, Kathleen Lowe, Clinton Nelson and Darlene Swan to the COMMUNITY HEALTH COUNCIL*
- C-3 *In the Matter of the Appointment of Michelle DeShazer to the DUII COMMUNITY ADVISORY BOARD*
- C-4 *In the Matter of the Appointment of Angel Lopez to the LIBRARY ADVISORY BOARD*
- C-5 *In the Matter of the Appointments of Laura Ross-Paul and Mary Ruble to the METROPOLITAN ARTS COMMISSION*

DEPARTMENT OF HEALTH

- C-6 *Ratification of Amendment #3 to Intergovernmental Agreement Contract 200714 Between Oregon Health Sciences University Hospital and Multnomah County, Identifying Authorized and Unauthorized Use of Urgency and Emergency Care at OHSU by CareOregon Clients and Establishing a Fee Schedule, for the Period Upon Execution through August 31, 1995*

COMMUNITY AND FAMILY SERVICES

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DEPARTMENT OF ENVIRONMENTAL SERVICES

- C-8 *ORDER in the Matter of the Execution of Deed D941024 Upon Complete Performance of a Contract to Wesley Hayzlett and Jettabe Hayzlett*

- C-9 *ORDER in the Matter of the Execution of Deed D951104 Upon Complete Performance of a Contract to Jamal Tarhuni*
- C-10 *ORDER in the Matter of the Execution of Deed D951105 Upon Complete Performance of a Contract to Jamal Tarhuni*
- C-11 *ORDER in the Matter of the Execution of Quitclaim Deed to Appa L. Anderson*

REGULAR AGENDA

SHERIFF'S OFFICE

- R-1 *Budget Modification MCSO 1 Requesting Authorization to Reclassify a Community Service Officer Position in the David Douglas Safety Action Team Budget to an Integrated Community Service Coordinator*

PUBLIC CONTRACT REVIEW BOARD

(Recess as the Board of County Commissioners and convene as the Public Contract Review Board)

- R-2 *ORDER in the Matter of Exempting from Public Bidding an Extension of Exemption to Contract with Swanberg & Associates for Security Guard Services*

(Recess as the Public Contract Review Board and reconvene as the Board of County Commissioners)

DEPARTMENT OF HEALTH

- R-3 *First Reading of a Proposed ORDINANCE to Provide Fee Schedule Changes for the Environmental Health Section of the Department of Health*

DEPARTMENT OF ENVIRONMENTAL SERVICES

- R-4 *ORDER in the Matter of the Distribution of Proceeds from the Sale of Tax Foreclosed Properties for the Period July 1, 1993 through June 30, 1994*
- R-5 *Ratification of Intergovernmental Agreement Contract 301245 Between Marion County and Multnomah County, Providing Training and Support During Implementation of a Computerized Pavement Management System, for the Period Upon Execution through June 30, 1995*
- R-6 *First Reading and Possible Adoption of a Proposed ORDINANCE Amending Multnomah County Code Chapter 5.10 Establishing a Transportation Systems Development Charge and Declaring an Emergency*
- R-7 *RESOLUTION in the Matter of Adopting a Transportation Impact Fee Systems*

Development Charge

- R-8 *Consideration of a RESOLUTION Approving Multnomah County's Local Greenspaces Projects List and Endorsing the Metropolitan Greenspaces Bond Measure*
- R-9 *Metro Regional Parks and Greenspaces Request for Approval of the Transfer of \$75,000 from the Natural Areas Acquisition and Protection Fund Towards the Purchase of a 5 Acre Site in North Portland (Approximately NE 47th and NE Columbia Blvd.) Containing a Portion of Whitaker Pond and Abutting the Columbia Slough*

JUVENILE JUSTICE DIVISION

- R-10 *Budget Modification JJD 1 Requesting Authorization to Reprogram \$435,041 in Casey Foundation Funds to Reflect Planned Expenditures*

PUBLIC COMMENT

- R-11 *Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.*

*Thursday, October 20, 1994 - 10:30 AM
(Or Immediately Following Regular Meeting)*

*Multnomah County Courthouse, Room 602
1021 SW Fourth, Portland*

BOARD BRIEFING

- B-4 *Detention Improvement Plan and the Annie E. Casey Foundation Grant. Presented by Hal Ogburn and Rick Jensen. 45 MINUTES REQUESTED.*

Friday, October 21, 1994 - 1:30 PM - 5:00 PM

*Portland Building, Second Floor Conference Room A
1120 SW Fifth, Portland*

WORK SESSION

- WS-1 *Board Work Session and Discussion on Potential Legislative Issues.*



Beverly Stein, Multnomah County Chair

Room 1410, Portland Building
1120 S.W. Fifth Avenue
P.O. Box 14700
Portland, Oregon 97204
(503) 248-3308

MEMORANDUM

To: Commissioner Dan Saltzman
Commissioner Gary Hansen
Commissioner Tanya Collier
Commissioner Sharron Kelley
Clerk of the Board

From: Beverly Stein, Chair

Date: September 20, 1994

Re: Absence from Board meeting

|||||
On October 18th thru October 20, 1994 I will be in Washington D.C.
Therefore I will miss the Board meetings for that week.

In addition to my absences I will be attending the AOC Conference
on November 15th thru 18th.

cc: Bill Farver
Delma Farrell

BOARD OF
COUNTY COMMISSIONERS
1994 SEP 30 PM 3:47
MULTNOMAH COUNTY
OREGON



TANYA COLLIER
Multnomah County Commissioner
District 3



1120 SW Fifth St., Suite 1500
Portland, OR 97204
(503) 248-5217

M E M O R A N D U M

TO: Chair, Beverly Stein
Commissioner Gary Hansen
Commissioner Sharron Kelley
Commissioner Dan Saltzman

FROM: Commissioner Tanya Collier

DATE: October 14, 1994

SUBJECT: Late arrival to a Board Briefing

Due to a long-standing commitment to attend a meeting concerning the Brentwood-Darlington project, I will be unable to attend the Board Briefing on October 18, 1994.

BOARD OF
COUNTY COMMISSIONERS
1994 OCT 14 PM 2:12
MULTNOMAH COUNTY
OREGON

Board Briefing
10-18-94
B-1
Handout #1

CULTURAL DIVERSITY CONFERENCE
JUNE 17, 1994
CONCURRENT DISCUSSION GROUPS SUMMARIES

HIRING AND RETENTION

Address speed of hiring process, Evaluate existing data for reasons for exit, Establish a mentor program.

RESULTS CAMPAIGN, DIVERSITY CONNECTION

Training, Top down buy-in, "Walk the talk."

NESBY POST ASSESSMENT: WHAT NEXT

Training for top management, Conflict resolution training, Top management participation on CDC, Mentor program.

CDC 101: THE ROLE OF CDC'S

Consultation, Communication, Advocacy and conflict resolution. Management involvement, Financial commitment.

IMPLEMENTING CONFLICT RESOLUTION TRAINING

Training in conflict resolution including cultural dimensions, Mediation training, Identify resource group.

ADDRESSING CLIENT DIVERSITY ISSUES

Consumer and diversity orientation should be reflected in customer environment, Customer/staff interactions, Staff composition, Service delivery.

TO DO

- *Identify activities already in progress addressing these issues.
- *Identify county work areas without active CDC's.
- *Develop Countywide CDC mission and goals.

Multnomah County Health Department



Cross Cultural Committee Information Packet

Multnomah County



Health Department

CROSS CULTURAL COMMITTEE

Cross Cultural Committee

Information Packet

October 29, 1993

Message from the Director

The Multnomah County Health Department exists, as an agency, to serve individuals, families, neighborhoods, and communities. As employees of the Health Department, we are all public servants. ALL residents of Multnomah County (and sometimes outside of the County) are our customers.

We serve a richly diverse community which is becoming more diverse with each passing year. Each of us individually has a responsibility to learn and understand more about the people we serve - including their cultures.

The Health Department has been focusing, over the past several years, on strategies to improve our individual and collective cultural competencies. In order to do so, we must deal with stereotypes and prejudices which we all carry. As an agency, we must value and actively seek diversity among our staff.

The materials contained in this packet were prepared by the Cross Cultural Committee and reflect intense and rich discussions. The values, philosophy, and strategies have been accepted as a foundation for the Health Department's commitment to multiculturalism. The Cross Cultural Committee has and will continue to be a catalyst for the agency in achieving the goal of improved cultural competence.

Billi Odegaard, Director

Multnomah County Health Department



CROSS CULTURAL COMMITTEE

BACKGROUND

In 1987, a diverse work group of Health Department staff met to explore cross cultural inservice options centered around the changing client populations that were being served by the Department. With assistance of a training consultant, this group conducted a Department-wide needs assessment survey.

The results of the survey indicated that staff had an interest in cultural diversity education and training. The work group also found that the task of helping the Department become "culturally competent" was much greater than could be accomplished by training sessions alone.

The committee made recommendations to the Director, Billi Odegaard, that the Department proceed with a broad-based, systematic, planned process toward a goal of Department-wide cultural competency. In 1988, Billi Odegaard accepted the group's recommendations and appointed the Cross Cultural Committee as a permanent standing administrative committee of the Department. She charged the committee with the task of guiding the Department in its efforts to become a culturally competent Public Health Department.

The Cross Cultural Committee has been working to fulfill its charges and act as a catalyst for change within the Department since its inception. The committee has written mission, vision, role statements, philosophy, as well as goals and objectives.

The Cross Cultural Committee and the Department Administrative Team are working closely together to weave cultural competency into the fabric of the Department following a multi-year action plan developed by the Committee.

GOAL STATEMENT

The goal of the Cross Cultural Committee is to achieve a culturally diverse system of care which provides culturally competent, professionally competent services

MISSION STATEMENT

To serve as a catalyst for change by assisting the Health Department achieve and maintain multicultural competence.

STATEMENT OF PURPOSE

Identify, achieve and maintain multicultural competency throughout the Health Department.



CROSS CULTURAL COMMITTEE

VALUE STATEMENT

The Cross Cultural Committee values and upholds the following statements:

Culture:

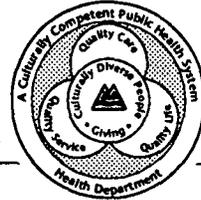
- That, culture covers more than race, color and ethnicity; and,
- That, keeping individuals' culture enhances the agency's overall culture and leads to a better environment for the personal growth of all; and,
- That, an agency profits from the experience and growth which each individual contributes to the daily life and purpose of the agency; and,
- That, everyone's culture must be validated and respected.

Justice:

- That, every individual has the right to be treated in a just and equitable manner; and,
- That, treating individuals with fairness does not mean treating everyone the same; and,
- That, without a commitment for justice an agency can not grow and progress without destroying an inherent part of the human soul; and,
- That, in order to be just, individual and corporate accountability must exist; and,
- That, justice is not a privilege; it is a right.

Dignity:

- That, everyone deserves an environment where an individual will be treated with respect regardless of status, gender, sexual orientation lifestyle, age, race, ethnicity or color; and,
- That, having self respect engenders respect for others; and,
- That, each person must be given the opportunity to keep his or her dignity and respect; and,
- That, peace begins with respect for individual rights.



CROSS CULTURAL COMMITTEE

Philosophy

The purpose of the Multnomah County Health Department is to provide culturally competent and professionally competent services to a diverse population of clients. Health Department employees and clients represent several cultures, racial and ethnic groups. Consequently, the Multnomah County Health Department has made a commitment to affirmative action, cultural diversity and achieving cultural competence.

The Health Department realizes that the definition of culture for the 90's cannot be limited to race and color. The definition of culture must also include groups of individuals who come together because of similar needs, characteristics, and/or preferences, such as women, differently abled, homosexuals, elderly and Health Department employees. As a result, the Department has developed a cross cultural philosophy.

This cultural philosophy recognizes that difference is the key element, as there are significant differences between individuals and within each individual cultural group (e.g., geographic location, economic level, age, generation, gender, religion, education, etc.). The Health Department values and plans to promote the acknowledgment, appreciation and use of cultural differences, as a critical factor in the development and implementation of any system, institution, program, service or curriculum. These systems, programs, services and curricula will be expected to utilize an inclusionary process for cultural diversity in their development and dissemination, rather than an exclusionary process for cultural conformity.

Systemic multiculturalism (cultural diversity) and cultural competence must involve all levels of the Health Department and be woven into the existing organizational structure. Consequently, the Health Department will use the Cross Cultural Committee, the organization's existing channels of communication and chain of command to implement cultural changes, address cultural issues and problems, establish and maintain cultural diversity, and to achieve cultural competence.

Supervisors and managers will have the responsibility to: 1) hire culturally diverse staff; 2) see that employees achieve cultural competence and demonstrate cultural sensitivity when interacting with clients and coworkers; 3) attend to the dynamics of difference; 4) have their work units provide culturally diverse and culturally competent services; 5) ensure that the staff and client population served, reflect the cultural, racial and ethnic composition of the community.

The Health Department believes that, in addition to receiving cultural training, the most important method for reaching multiculturalism (cultural competence) is for employees and clients to talk with each other regarding cultural issues. As groups identify cultural problems, discuss cultural issues, accept and understand others' values and beliefs and reach mutually acceptable solutions, they become more culturally sensitive, culturally competent and appreciate the need for cultural diversity.



Multnomah County

Health Department

CROSS CULTURAL COMMITTEE

Role Statements

The role of the Health Department Cross Cultural Committee is to:

- Facilitate changes in the Health Department which will result in culturally and professionally competent service delivery and support systems;
- Act as a resource to the Health Department on cultural issues;
- Identify, clarify, discuss and make recommendations regarding cultural problems, issues and concerns;
- Participate in cultural discussions, propose alternatives and identify possible consequences of proposed solutions;
- Make recommendations regarding cultural issues;
- Collaborate with management and staff to identify appropriate, credible and competent cultural resources;
- Identify and support culturally sensitive assessment of community needs, consultation and technical assistance;
- Act as an advisor to the Health Department by identifying and assessing the cultural sensitivity of educational materials and training programs;
- Collaborate with management and staff to assure that cultural concerns and issues are addressed in a culturally sensitive and timely manner; and
- Be the recognized and acknowledged resource as having cultural knowledge and experience.



CROSS CULTURAL COMMITTEE

Goal and Objectives

1993-94

Goal:

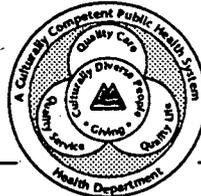
To achieve a culturally diverse system of care which provides culturally competent, professionally competent services.

Objectives:

1. Continue to identify cultural issues and concerns in the Health Department.
2. Review and implement the plan for achieving systemic cultural diversity and cultural competence.
3. Continue to increase the organization's awareness of the identified cultural issues and concerns.
4. Review and refine the method that addresses employee cultural issues and concerns which are brought to the Cross Cultural Committee ('buddy system').
5. Orient and involve Health Department managers and supervisors in implementation of the Health Department's Cross Cultural Action Plan.
6. Present/orient Health Department Cross Cultural Philosophy to managers and supervisors.

Methods:

1. The Cross Cultural Committee will do the following:
 - a. Orient and update employees to the Cross Cultural Committee's creation, purpose, problem statements and future goals.
 - b. Continue to increase employee's awareness of cultural issues, concerns and problems.
 - c. Obtain approval from DAT of Subcommittee recommendations.
 - d. Support implementation of recommendations.
 - e. Continue to devise action plans and methods to address multicultural problems, issues and concerns.
 - f. Continue to establish strategies to assure the existence and evaluation of ongoing systems in the Health Department to address multicultural issues in a timely manner.
 - g. Implement periodical assessments of the organization's level of cultural competence.
 - h. Continue to identify employee cross cultural training needs.
 - i. Continue assisting employees to address cultural problems.
2. Continue to address agency issues of cultural insensitivity.
3. Continue joint meetings with Department Administrative Team to discuss cultural issues.
 - a. Obtain approval of Subcommittee reports/recommendations.
 - b. Review implementation of Focus Group recommendations.
4. Continue awareness of countywide multicultural issues by:
 - a. Having a Health Department representative on the countywide Cross Cultural Committee.
 - b. Having employees who are members of Multnomah County Managers of Color.
 - c. Having employees who participate in a gay and lesbian support group (GLEE).
 - d. Implementing focus Groups and subcommittees as needed to address cross cultural issues.



CROSS CULTURAL COMMITTEE

Cross Cultural Committee Members

Members

Kathleen Fuller-Poe (Co-Chair)
Dave Houghton (Co-Chair)
Kathy Wilson (Recorder)

Bruce Bliatout
Carolina Hess
Arna Hubbard
Christine Khamvongsa
Gloria McClendon
Loreen Nichols
Billi Odegaard
Gary Sawyer
Ileana Strauss
Jan Vlahos

Program Area

CareOregon/Medicaid
Language Services
Support Services

International Health Clinic
Information and Referral
Primary Care
North Portland Health Center
Planning and Development
HIV Programs
Health Department Director
Laboratory and X-Ray Services
East County Field Services
Staff Training and Development

CULTURAL DIVERSITY CONFERENCE
JUNE 17, 1994
CONCURRENT DISCUSSION GROUPS SUMMARIES

HIRING AND RETENTION

Address speed of hiring process, Evaluate existing data for reasons for exit, Establish a mentor program.

RESULTS CAMPAIGN, DIVERSITY CONNECTION

Training, Top down buy-in, "Walk the talk."

NESBY POST ASSESSMENT: WHAT NEXT

Training for top management, Conflict resolution training, Top management participation on CDC, Mentor program.

CDC 101: THE ROLE OF CDC'S

Consultation, Communication, Advocacy and conflict resolution. Management involvement, Financial commitment.

IMPLEMENTING CONFLICT RESOLUTION TRAINING

Training in conflict resolution including cultural dimensions, Mediation training, Identify resource group.

ADDRESSING CLIENT DIVERSITY ISSUES

Consumer and diversity orientation should be reflected in customer environment, Customer/staff interactions, Staff composition, Service delivery.

TO DO

- *Identify activities already in progress addressing these issues.
- *Identify county work areas without active CDC's.
- *Develop Countywide CDC mission and goals.

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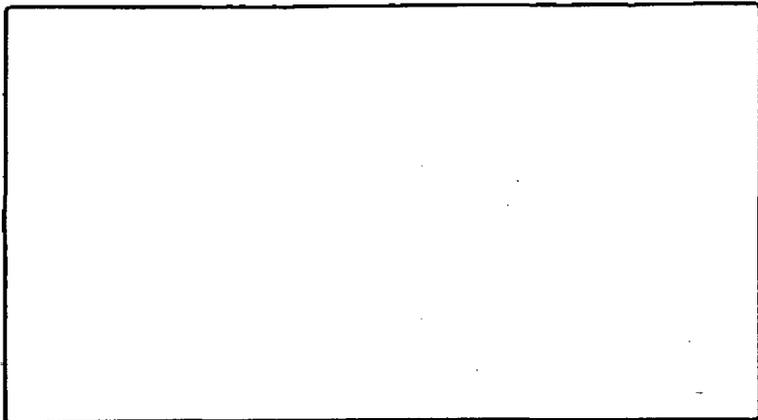
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dmg
DAVID M. GRIFFITH AND ASSOCIATES, LTD.

**MULTNOMAH COUNTY, OREGON
REPORT ON
COSTS, FEES AND REVENUE**

OCTOBER 1, 1994

California Office: 5715 Marconi Ave., Suite A / Carmichael, CA 95608 / (916) 485-8102

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SECTION I

David M. Griffith and Associates, Ltd. (DMG) is a nationwide consulting firm specializing in cost accounting and revenue enhancement studies for state and local government. The Western Region office, headquartered in Carmichael (Sacramento), California, has provided services to over 70 Western counties and over 200 Western cities.

PROJECT SCOPE AND OBJECTIVES

DMG was engaged by Multnomah County to conduct a detailed study of user fee service costs and revenues for three divisions. Some services provided by Multnomah County primarily benefit specific individuals who apply for the service. For example, an applicant for a conditional use permit expects to conduct a business based on the permit, and receives a direct personal benefit from the permit. Parties who benefit in this direct manner from public services generally pay a fee to offset the cost of this service; these payments are referred to as user fees. This project's primary goal is to provide a comprehensive user fee analysis for the following divisions in the Environmental Services department: Land Use Planning, Animal Control, and County Surveyor.

The objectives were to: (1) calculate the full cost (both direct and indirect) of providing user fee services, (2) compare costs with revenues currently received for these services, and (3) recommend realistic, achievable fee recovery levels based on the costs of services.

This report summarizes our recommendations for Multnomah County's user fees. Detailed discussions cover Land Use Planning, Animal Control, and County Surveyor.

SUMMARY OF FINDINGS

The first task in this study was separating fee-for-service activities from non-fee activities within the departments surveyed. Not all activities within a department are recoverable from user fees, e.g. planning's economic development activities, or animal control's dog bite investigations. Non-fee activities and their corresponding costs are identified during our review of division operations, but are not included in revenue recommendations.

The study's primary objective is providing County decision makers with basic data needed for setting fees for services benefitting individuals. In co-operation with County staff, DMG

developed detailed cost and revenue estimates for these services based on fiscal 1994/1995 budgets for user fee services. This report details the full cost of services and presents recovery options based on what DMG has found, through its experience, to be acceptable to elected officials and the public.

Based on our experience with other local governments and our understanding of existing Multnomah County policies, we have recommended changes to several fees. DMG recognizes the fact that not all fees can be raised to cover total costs. However, barring compelling public policy, our recommendations assume that individuals and business benefiting from special services should bear the cost of that benefit. For these services, DMG generally recommends that fees be set at 100% of costs.

Our recommendations also consider the proposed limitation on user fees included on the November ballot. The measure if enacted would require majority approval by the voters for any changes to fees in the future. Given this measure, Multnomah County fees should be set at a level that is as close to cost as possible due to the likely future difficulty in setting fees in the future. Costs that are not recovered through fees are covered by the expenditure of general tax dollars. This means that subsidies enacted now represent a steady, recurring future drain on resources, making them unavailable for other uses.

Following is a brief description of the recommended fee increases and the rationale supporting them. (Note: the activities described below relate only to user fee services)

1. **Land Use Planning Division** - Current user fee revenue totals \$100,786, while the costs of services related to these fees are \$273,847. The general fund therefore subsidizes these services by \$173,061. DMG recommends that most planning user fees be set at 100% of cost. However, given the disparity between current charges and full cost, certain fees are recommended at less than 100% recovery, e.g. appeals and services to single family residence owners.

Implementing DMG's recommendations will increase Multnomah County's planning user fee revenues by \$113,379 annually reducing the subsidy from 63% to 22%.

2. **Animal Control Division** - Animal Control user fee related costs are \$479,164 annually. Current revenues are \$142,670, or 30% of costs. This does not include license revenues or costs as these are not typically considered user fees. Revenues generated from license services are meant to pay for all licensing costs and to subsidize other activities for which no reimbursement is available, e.g. animal abuse investigation. A detailed discussion of license activities can be found in section III of this report.

DMG generally recommends that animal control fees be raised as close to 100% of cost, up to the point where compliance is still maintained. In most cases, 100% cost recovery is not feasible in fee-for-service activities, leaving license revenues and the general fund to subsidize most of the animal control services.

Implementing DMG's fee-for-service recommendations will increase revenues by \$86,449 annually. Implementing DMG's recommended increases in licenses will generate \$92,557 with a total increase of \$179,006 annually.

3. County Surveyor - The County Surveyor has proposed charging for its primary user fee services based on actual time and materials costs. Environmental Services maintains an internal cost accounting system tracking labor costs by project used by all staff in the Surveyor's group. DMG recommends that Multnomah County adopt this policy.

Currently surveyor costs including allocated overhead are \$1,538,880, resulting in a subsidy of \$166,860 from the road fund and general fund. An additional \$92,500 for surveyor costs is reimbursed from the general fund to support activities as prescribed by state statute. After implementation of actual cost recovery for surveyor fees, the subsidy will be reduced to approximately \$40,000.

ECONOMIC AND POLICY CONSIDERATIONS

A service for which a user fee may be charged can be thought of as an effort performed by a governmental agency on behalf of a private citizen or group. The underlying assumption is that for services benefiting individuals, and not society as a whole, the individual should pay for the cost of the service. Setting user fees, therefore, is essentially equivalent to establishing prices for services. Making a profit is not an objective of a county in providing services. It is commonly felt (and often a point of law) that fees should be established at a level which will recover the cost of providing each service, no more or less.

There are circumstances, however, in which it would be reasonable policy to set fees at more or less than the cost of providing services. The following are key points to consider:

1. **Subsidy and Benefit.** Subsidies arise when the price charged to service users (a user fee) is less than the full cost of service. For example, Multnomah County spends \$2,204 on large subdivision plans processed by planning staff. Currently the fee for that service averages \$1,000, so the County pays the difference (a \$1,204 subsidy) from general tax revenues.

In reality, most governments are unaware of the subsidies they pay to support user fee services. Before setting levels of subsidy can be implemented as a conscious policy, elected officials require a detailed analysis of costs and of revenues collected for each user fee service. Using our above example, if Multnomah County's policy for large subdivision plan fees is that users pay 80% of costs (20% subsidy), then we now know the fee should be set at \$1,763.

The decision to subsidize a service from general tax revenues begins with perceived benefits. Many county activities by their nature provide benefits beyond the immediate recipient. Therefore, it may be appropriate to spread the cost of these services over the large base of potential beneficiaries, rather than only direct recipients.

Typically, government services yield a mix of benefits. For example, planning's subdivision review services are required by ordinance. Developers benefit from the service by obtaining permission to subdivide and sell lots, generating profits. Final owners of the lots benefit from living in a well-designed community, adding to their property value. The community at large benefits by ensuring that the new development has minimal adverse impact on surrounding areas.

DMG's approach to recommending cost recovery and subsidy levels begins with assessing private versus public benefit. The decision matrix on the following page helps illustrate our perspective in determining user benefit versus what is appropriate for the taxpayer to subsidize. The four rows identify different activities which have varying levels of individual and public benefit. Row one lists the characteristics of an activity

that is appropriately funded by taxpayers. Row four lists the characteristics of a user fee for which the individual benefiting from the service should pay. The two rows in the middle show varying levels of cost and benefit between the two extremes.

The matrix does not provide absolute answers - there may be many activities that fall in that "gray" area. The chart is merely to give DMG's basic perspective on fee setting. Multnomah County's Board of County Commissioners and staff may perceive these benefits differently, and may need to adjust our recommended fees accordingly.

2. **Economic Incentives.** In some cases it may be desirable to use fees as a means of encouraging or discouraging certain activities. Higher fees for increased water usage, for example, may result in promoting better water conservation. Similarly, fees for senior citizens and recreation services may be subsidized heavily to encourage participation.
3. **Elasticity of Demand.** The price charged for a service can affect the quantity demanded by potential users. In many instances, raising the price of a service results in fewer units of the service being purchased. Whether total revenue goes up, down, or stays the same results from the magnitude of the fee increase and potential volume decrease.
4. **Competitive Restraints.** Although a county may have a monopoly on providing certain services within its boundaries, citizens and industries may choose to relocate to other communities with lower fees. There are often alternatives in the private sector which compete with the County. The private market has a relatively minor impact on the user fees analyzed in the three divisions analyzed in this report.

Knowing the true cost of services, county management can consider economic as well as political factors when deciding how high to set its user fees.

SUBSIDY EXAMPLES

Public Safety Patrol services performed by sheriff's deputies benefit the community as a whole through crime deterrence, rather than a specific individual through call responses. Accordingly, costs of service are 100% supported by taxes.

Youth athletic programs benefit participating young people and their families directly. Most communities feel that offering children a safe, educational outlet for their energies also benefits the community as a whole. Typically youth sports costs are 30% fee supported and 70% general tax revenue supported.

Planning fees for processing planned development (subdivision) applications are of direct benefit to developers who will profit from selling lots and to homeowners who will be ensured sound development practices. The benefit to the community as a whole is much less direct. Normally planned development application costs are supported 100% from user fees.

COST OF SERVICES METHODOLOGY

The user fee activity costs developed in this study were generated through a DMG computer model designated the FASTR System (Fee And Service Technical Review). In addition to producing the costs of user fee type activities, FASTR provides significant management information relative to the operational efficiency of the departments.

The costing methodology followed by DMG is complete and rigorous. In the first step, centrally budgeted costs such as county administration, finance department, personnel, etc., are allocated to the users of the services provided. These users include the departments in which fee for service activities are carried out as well as all other departments in the County.

Next, DMG along with county personnel develop time estimates within departments where fee-based services are provided. Based upon these estimates, DMG's software generates a model of departmental activities. The model calculates costs for each fee area, which are then reviewed with department staff. Costs include direct labor, benefits, services and supplies, and the appropriate allocation of county-wide and departmental overhead.

The results are thorough, fully supported costs for providing user fee related services. Cost is then compared to revenue, and fee increases, if appropriate, are recommended. It should be noted that revenue and expense assumptions used in this report are based on the 1994/1995 budget.

USER FEE REPORT

Following are report sections II through IV presenting analysis and recommendations for specific divisions. Included are discussions of economic and policy considerations related to each.

The sections contain a summary showing per-unit current fees and total costs, total program cost, revenue, and subsidy data for each division activity. Fee-for-service programs are identified, and additional revenues based on DMG's recommendations are calculated. In some cases, our recommendation may take the form of rate of recovery for a total activity, rather than a specific fee.

ADDITIONAL REPORTS

A copy of all DMG computerized FASTR workpapers are included. These worksheets provide detailed calculations used to determine "total costs" of user fee activities.

SECTION II

LAND USE PLANNING

The Department of Environmental Services Land Use Planning Division is responsible for guiding real estate development within the unincorporated areas of Multnomah County. The divisions primary functions are to promote conservation of natural resources and to enforce and regulate all rules related to development for the unincorporated areas within the County. Our review of the Land Use Planning division focused on the following major activities:

- Long Range Planning - State mandated land use planning through the development of land use plans and programs.
- Current Planning - Review of land use, design review applications, building permits and zone changes.
- Columbia River Gorge National Scenic Area - Controls all development and improvements within this scenic area so that it meets Federal requirements.
- Zoning Code Enforcement - This activity responds to citizens complaints regarding zoning violations in the unincorporated area of the County.

Our review covered other sections within planning, including general customer service activities and special projects. Generally services provided within these sections are not supported by user fees.

The study identified and assigned costs to 27 user fee services, plus three non-fee areas (long range planning/special projects, code enforcement, and customer service). Total fee-for-service costs, including all indirect (support) costs, are \$274,268. Current revenue, based on normal volume and existing fees, is \$100,286. The general fund subsidy for user fee services is \$173,982, or 63%.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - There are three major subsidy areas in the planning process. The first is long range planning/special projects, which are community-based activities, and impact all local residents. Preparing and maintaining the County's general plan serves to protect and enhance the community. DMG's experience suggests that the County should not implement fees for this activity. Most communities subsidize these activity from the general fund rather than spreading these costs over current planning activities. In addition, various grants and contracts support a portion of long range planning.

A second major subsidy area involves code enforcement. This involves dealing with citizen complaints regarding zoning code violations as well as proactive enforcement. This service benefits the whole community by ensuring compliance with land use and zoning standards, and generally is supported by tax revenues.

The third subsidized activity is customer service (public information). This is the time spent answering questions on the telephone and at the counter which does not generate applications. Governments have a general obligation to inform citizens about land use and other requirements. This activity typically receives support from general revenues. However, the County may wish at a later date to establish fees for services that go beyond general information and seek detailed assistance in preparing applications. For example, many communities assess a fee if a citizen requests written interpretations of regulations as they apply to a particular case. In the future, Multnomah may wish to institute fees for requests that exceed the basic obligation to inform County residents of requirements.

2. **Economic Incentives** - One possibility is setting planning fees substantially lower than full costs to encourage growth. Conversely, fees may be raised above full cost to discourage growth. However, our experience has been that the impact of fees on land use activity is not as dramatic as in areas such as recreation. For most real estate development projects, planning fees are too small a portion of total project costs to have any effect.

3. **Elasticity** - Planning fees tend to be relatively inelastic and thus can be raised with the anticipation that revenue will increase. Typically, planning applications are submitted by individuals seeking special consideration for their real property, expecting a personal benefit or profit. As an example, a developer proposes to subdivide a property. Without appropriate planning approvals, the project cannot go forward and the land remains unused. The developer's objectives generally will require paying the fees required for approval. The fee will be absorbed in the eventual price of the project, or result in lower profits, or a combination of both.

The above observation does not preclude the possibility that extremely high fees may cause a decline in unit volume, as smaller projects become less feasible economically. In practice, however, net revenue generated through fee increases significantly offsets potential unit reduction.

4. **Competition** - As an exercise of local authority to regulate land use, there is no direct competition that would inhibit setting fees at any desired level. There may be some competitive restraint vis-a-vis fees from neighboring communities. Inasmuch as planning fees are generally low in comparison to the final costs of development projects, however, the impact of higher fees on limiting development is not significant.

ANALYSIS AND RECOMMENDATIONS

The Transportation division (Right of Way section) has a staff member who provides support to planning's review of some types of current planning applications. Input includes detailed review of applications to analyze traffic and road impacts, e.g. commercial site plans and subdivisions. Related costs are included in the total costs of these services, so that 100% cost recovery will include reimbursing the County for both planning and transportation staff time.

DMG has worked closely with the division's manager and staff to develop an analysis which accurately assesses the current level of service, current costs, and current subsidies. DMG suggests an aggressive approach to setting fees for planning activities because this is an area where services clearly benefit individuals. DMG typically recommends full cost recovery for all planning services relating to land development activities and other current planning activities. The primary exceptions are:

- appeals, to ensure the public right to a hearing is not impaired by economic circumstances, and for administrative cases set by state law at \$100,
- interpretations, since governments are responsible for informing the general public about laws and regulations, which in the area of land use are difficult and complex,
- conflict resolutions, where charging 100% of costs would result in fees so high that administrative mediation would be very costly and seldom chosen by citizens, and
- historic landmark activities, where subsidies are generally used to ensure higher rates of compliance.

However, due to the significant difference between current fees and full cost, full cost recovery will be difficult to implement. Fees currently are a small fraction of actual costs of services. Therefore, DMG has based its recommendations on the following policy (used in other communities with the same cost and current fee discrepancies):

- Implement 100% recovery levels for land development activities excluding those covering an existing single family residence. These activities benefit individual applicants through generating economic gain once the project is complete, with costs being passed along to the buyer of the final product. In this case, the new owner is assured of a well developed area with the potential for increased property value in the future. (fees 4, 5, 7, 9, 10, 14-18, 20, & 23)
- Subsidies are recommended for county residents who wish to make improvements to their homes, and for other small residential applications. Recommendations were made at a level of 60-80% recovery of full costs. An 80% recovery level was chosen if the recommended fee was not more than triple the current fee, or if the jump was relatively small in total dollars. A 60% recovery level was recommended if a higher increase would more than triple (approximately) the current fee for this service. The primary

exception was property line adjustments, where a recovery level of 100% was recommended as the total fee only increased about \$150. (fees 1, 2, 3, 6, 19, 24-27, & 29)

- DMG recommends small increases for appeals, with current fees increasing by \$200. We note that if an appeal takes place and the individual or business bringing forward the appeal prevails, a good portion of the fee is reimbursed. Appeal fees have to be set at an amount which offers individuals the financial capability to exercise their right to challenge a ruling. However, they must also be set high enough to ensure that appeals are not filed frivolously. DMG's analysis shows that appeals are expensive activities, averaging about \$1,200 each. (fees 7, 11, 12, & 21)

Appeals of administrative actions are limited by State of Oregon statute to \$100, irrespective of costs. This type of appeal can occur in each category, so that despite our recommendation the fee will be \$100 (fees 7, 11, 12, & 21).

- Recent statutory changes require that lots of exception applications (fee 18) be reviewed under the same criteria as a Type 1 land division (fee 7). DMG's analysis and recommendation per the following summary sheets was based on the former procedures, and we now recommend that the fee for lots of exception be set at \$1,615, as per fee 7.

The implementation of DMG's recommendations will generate additional revenues of \$113,379 and bring the divisions fee-for-service recovery level from 37% up to 78%. This would reduce the overall user fee subsidy paid for with general fund dollars from \$173,061 to \$59,682.

Based on DMG's perception of who benefits from these services, we feel our recommendations are appropriate. However, there are several options available to the Board of County Commissioners. Some of these are listed below:

- Adopt DMG's specific fees recommendations.
- Choose an overall level, such as 60%, which will still increase revenues, but not require such large increases on a fee-by-fee basis. Given DMG's current recommendations, this policy would primarily benefit developers and other commercial applicants.
- Implement a phased approach to DMG's recommendations over a 2-4 year period, e.g. doubling fees the first year and increasing them a percentage each year thereafter. However, the November ballot initiative may require an annual election on each fee.
- Maintain current levels of general fund subsidy. However, we note that current fees are far below costs and below fees of neighboring jurisdictions, such as Clackamas County.

The summary charts that follow display all relevant financial data for each fee (and non-fee) activity within the Land Use Planning division. The first chart summarizes total revenues at current, full cost, and recommended levels. The second chart displays per-unit service costs, current fees, and our recommendations.

User Fee Study Summary Sheet

multnomah county, oregon

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		Per Unit Information							
Planning	UNIT	CURRENT	60% OF	80% OF	100% OF	CURRENT	RECOMM	SUBSIDY @	
	VOLUME	FEE	FULL COST	FULL COST	FULL COST	SUBSIDY	FEE	RECOM FEE	
1	WILL RIVER GREENWAY	8.0	\$125.00	\$407.78	\$543.70	\$679.63	\$554.63	\$410.00	\$269.63
2	SIGNIF ENV CONCERN	6.0	\$125.00	\$407.60	\$543.46	\$679.33	\$554.33	\$410.00	\$269.33
3	COND USE - SGL FAMILY	20.0	\$800.00	\$1,098.24	\$1,464.32	\$1,830.40	\$1,030.40	\$1,100.00	\$730.40
4	COND USE - ALL OTHERS	20.0	\$800.00	\$1,098.24	\$1,464.32	\$1,830.40	\$1,030.40	\$1,830.00	\$0.40
5	ZONE CHANGE	3.0	\$500.00	\$1,098.00	\$1,464.00	\$1,830.00	\$1,330.00	\$1,830.00	\$0.00
6	PRE-APP & PRE-INIT	90.0	\$50.00	\$206.28	\$275.04	\$343.80	\$293.80	\$210.00	\$133.80
7	TYPE 1 LAND DIV	8.0	\$800.00	\$967.80	\$1,290.40	\$1,613.00	\$813.00	\$1,615.00	(\$2.00)
8	TYPE 1 APPEAL BCC	1.0	\$300.00	\$1,012.80	\$1,350.40	\$1,688.00	\$1,388.00	\$500.00	\$1,188.00
9	TYPE 2 LAND DIV	11.0	\$450.00	\$510.00	\$680.00	\$850.00	\$400.00	\$850.00	\$0.00
10	TYPE 3 LAND DIV	15.0	\$250.00	\$510.00	\$680.00	\$850.00	\$600.00	\$850.00	\$0.00
11	TYPE 2&3 APPEAL HO	1.0	\$100.00	\$831.00	\$1,108.00	\$1,385.00	\$1,285.00	\$300.00	\$1,085.00
12	TYPE 2&3 APPEAL BCC	1.0	\$300.00	\$465.60	\$620.80	\$776.00	\$476.00	\$500.00	\$276.00
13	TYPE 2&3 APPEAL BCC	1.0	\$500.00	\$294.00	\$392.00	\$490.00	(\$10.00)	\$500.00	(\$10.00)
14	TYPE 4 LAND DIV	8.0	\$125.00	\$146.25	\$195.00	\$243.75	\$118.75	\$250.00	(\$6.25)
15	PROP LINE ADJUSTMENT	21.0	\$75.00	\$118.46	\$157.94	\$197.43	\$122.43	\$250.00	(\$52.57)
16	PROP LINE ADJ CFU	1.0	\$75.00	\$157.80	\$210.40	\$263.00	\$188.00	\$250.00	\$13.00
17	PROP LINE ADJ EFU	1.0	\$75.00	\$142.80	\$190.40	\$238.00	\$163.00	\$250.00	(\$12.00)
18	LOT OF EXCEPTION	14.0	\$100.00	\$104.40	\$139.20	\$174.00	\$74.00	\$175.00	(\$1.00)
19	C.R.N.S.A. DES REV	30.0	\$100.00	\$228.00	\$304.00	\$380.00	\$280.00	\$300.00	\$80.00
20	GEN PLAN AMENDMENT	1.0	\$1,000.00	\$1,493.40	\$1,991.20	\$2,489.00	\$1,489.00	\$2,490.00	(\$1.00)
21	NOTICE OF REVIEW	6.0	\$300.00	\$465.00	\$620.00	\$775.00	\$475.00	\$500.00	\$275.00
22	NOT OF REV (TRANSCR)	6.0	\$500.00	\$293.90	\$391.86	\$489.83	(\$10.17)	\$500.00	(\$10.17)
23	PLANNED DEVELOPMNT	1.0	\$1,000.00	\$1,322.40	\$1,763.20	\$2,204.00	\$1,204.00	\$2,200.00	\$4.00
24	DESIGN REVIEW	12.0	\$678.00	\$1,179.95	\$1,573.26	\$1,966.58	\$1,288.58	\$1,575.00	\$391.58
25	USE UNDER PRESCR CON	25.0	\$100.00	\$162.62	\$216.83	\$271.04	\$171.04	\$215.00	\$56.04
26	TEMPORARY PERMIT	8.0	\$100.00	\$115.43	\$153.90	\$192.38	\$92.38	\$150.00	\$42.38
27	HILLS DEV/ EROS CONT	60.0	\$150.00	\$352.40	\$469.86	\$587.33	\$437.33	\$350.00	\$237.33
28	HEALTH HARDSHIP	3.0	\$125.00	\$115.60	\$154.14	\$192.67	\$67.67	\$125.00	\$67.67
29	VARIANCE	25.0	\$400.00	\$357.50	\$476.67	\$595.84	\$195.84	\$475.00	\$120.84
30	LR PLAN / SPEC PROJ	1.0	\$70,000.00	\$244,831.80	\$326,442.40	\$408,053.00	\$338,053.00		\$408,053.00
31	CODE ENFORCEMNT	1.0	\$0.00	\$52,600.80	\$70,134.40	\$87,668.00	\$87,668.00		\$87,668.00
32	CUSTOMER SERVICE	1.0	\$0.00	\$100,549.80	\$134,066.40	\$167,583.00	\$167,583.00		\$167,583.00

User Study Summary Sheet

multnomah county, oregon

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Total Program Information

Planning	REVENUE @	REVENUE @	REVENUE @	REVENUE @	CURRENT	REVENUE @	REMAINING	INCREASED
	CURRENT FEE	60% FEE	80% FEE	100% FEE	SUBSIDY	RECOM FEE	SUBSIDY @	REVENUE @
							RECOM FEE	RECOM FEE
1 WILL RIVER GREENWAY	\$1,000	\$3,262	\$4,350	\$5,437	\$4,437	\$3,280	\$2,157	\$2,280
2 SIGNIF ENV CONCERN	\$750	\$2,446	\$3,261	\$4,076	\$3,326	\$2,460	\$1,616	\$1,710
3 COND USE - SGL FAMILY	\$16,000	\$21,965	\$29,286	\$36,608	\$20,608	\$22,000	\$14,608	\$8,000
4 COND USE - ALL OTHERS	\$16,000	\$21,965	\$29,286	\$36,608	\$20,608	\$36,600	\$8	\$20,600
5 ZONE CHANGE	\$1,500	\$3,294	\$4,392	\$5,490	\$3,990	\$5,490	\$0	\$3,990
6 PRE-APP & PRE-INIT	\$4,500	\$18,565	\$24,754	\$30,942	\$26,442	\$18,900	\$12,042	\$14,400
7 TYPE 1 LAND DIV	\$6,400	\$7,742	\$10,323	\$12,904	\$6,504	\$12,920	(\$16)	\$6,520
8 TYPE 1 APPEAL BCC	\$300	\$1,013	\$1,350	\$1,688	\$1,388	\$500	\$1,188	\$200
9 TYPE 2 LAND DIV	\$4,950	\$5,610	\$7,480	\$9,350	\$4,400	\$9,350	\$0	\$4,400
10 TYPE 3 LAND DIV	\$3,750	\$7,650	\$10,200	\$12,750	\$9,000	\$12,750	\$0	\$9,000
11 TYPE 2&3 APPEAL HO	\$100	\$831	\$1,108	\$1,385	\$1,285	\$300	\$1,085	\$200
12 TYPE 2&3 APPEAL BCC	\$300	\$466	\$621	\$776	\$476	\$500	\$276	\$200
13 TYPE 2&3 APPEAL BCC	\$500	\$294	\$392	\$490	(\$10)	\$500	(\$10)	\$0
14 TYPE 4 LAND DIV	\$1,000	\$1,170	\$1,560	\$1,950	\$950	\$2,000	(\$50)	\$1,000
15 PROP LINE ADJUSTMENT	\$1,575	\$2,488	\$3,317	\$4,146	\$2,571	\$5,250	(\$1,104)	\$3,675
16 PROP LINE ADJ CFU	\$75	\$158	\$210	\$263	\$188	\$250	\$13	\$175
17 PROP LINE ADJ EFU	\$75	\$143	\$190	\$238	\$163	\$250	(\$12)	\$175
18 LOT OF EXCEPTION	\$1,400	\$1,462	\$1,949	\$2,436	\$1,036	\$2,450	(\$14)	\$1,050
19 C.R.N.S.A. DES REV	\$3,000	\$6,840	\$9,120	\$11,400	\$8,400	\$9,000	\$2,400	\$6,000
20 GEN PLAN AMENDMENT	\$1,000	\$1,493	\$1,991	\$2,489	\$1,489	\$2,490	(\$1)	\$1,490
21 NOTICE OF REVIEW	\$1,800	\$2,790	\$3,720	\$4,650	\$2,850	\$3,000	\$1,650	\$1,200
22 NOT OF REV (TRANSCR)	\$3,000	\$1,763	\$2,351	\$2,939	(\$61)	\$3,000	(\$61)	\$0
23 PLANNED DEVELOPMNT	\$1,000	\$1,322	\$1,763	\$2,204	\$1,204	\$2,200	\$4	\$1,200
24 DESIGN REVIEW	\$8,136	\$14,159	\$18,879	\$23,599	\$15,463	\$18,900	\$4,699	\$10,764
25 USE UNDER PRESCR CON	\$2,500	\$4,066	\$5,421	\$6,776	\$4,276	\$5,375	\$1,401	\$2,875
26 TEMPORARY PERMIT	\$800	\$923	\$1,231	\$1,539	\$739	\$1,200	\$339	\$400
27 HILLS DEV/ EROS CONT	\$9,000	\$21,144	\$28,192	\$35,240	\$26,240	\$21,000	\$14,240	\$12,000
28 HEALTH HARSHIP	\$375	\$347	\$462	\$578	\$203	\$375	\$203	\$0
29 VARIANCE	\$10,000	\$8,938	\$11,917	\$14,896	\$4,896	\$11,875	\$3,021	\$1,875
* 30 LR PLAN / SPEC PROJ	\$70,000	\$244,832	\$326,442	\$408,053	\$338,053	\$0	\$408,053	(\$70,000)
* 31 CODE ENFORCEMNT	\$0	\$52,601	\$70,134	\$87,668	\$87,668	\$0	\$87,668	\$0
* 32 CUSTOMER SERVICE	\$0	\$100,550	\$134,066	\$167,583	\$167,583	\$0	\$167,583	\$0
Department Totals	\$170,786	\$562,291	\$749,721	\$937,151	\$766,365	\$214,165	\$722,986	\$43,379
% of Full Cost	18.22%	60.00%	80.00%	100.00%	81.78%	22.85%	77.15%	4.63%
Excluding Noted Items	\$100,786	\$164,308	\$219,077	\$273,847	\$173,061	\$214,165	\$59,682	\$113,379
	36.80%	60.00%	80.00%	100.00%	63.20%	78.21%	21.79%	41.40%

* - Items marked with an asterisk have been excluded from the fee for service totals.

SECTION IV

ANIMAL CONTROL

The Animal Control division is responsible for the enforcement of all local and state laws relating to the care, treatment, impounding, and disposal of animals. The division responds to citizen calls for service regarding animals, issues animal licenses per law, and continues to aggressively controls lost or stray animal populations. Its primary goal is to protect both animals and residents of the county through the promotion and enforcement of responsible ownership. The division is operated under the supervision of the Environmental Services department.

The division operates an extensive animal licensing program for dogs and cats and provides most of its licensing through an automated computer system. The division has a license compliance group which attempts to increase licensing through a massive canvassing program. Much of this canvassing is provided with temporary employees. The licensing function (fees 1-12, & 15) costs the County \$515,965 annually (This does not include the cost of facility licensing which requires annual inspections, license replacement, and puppy/kitty tags). Total revenues are \$1,077,317.

In DMG's analysis of this division, licensing activities were treated as non-fee-for-service activities. License revenues typically are used to cover more than the cost of issuing the licenses. The excess revenues are used to support other valuable services that are not recovered through fees, including collection of stray and wild animals. However, since there is potential for substantial revenue increases, the licensing function will be discussed along with the user fee services activities in the analysis section below.

Total costs of fee-for-service activities are \$479,164, with \$142,670 in corresponding revenues. This leaves a subsidy of \$336,494 which is currently being funded by either license revenues or general fund dollars.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - In most animal control agencies, services have deliberately been subsidized to promote compliance. Subsidization of animal services is usually the result of a desire by a county to encourage use of the service either by 1) groups of people who may not be able to afford them, and 2) the citizens as a whole to keep the county free of animal related problems. It is common for local governments to have a sliding scale of fees for animal control based on the ability to pay.

In Multnomah County Animal Control, there are several non-fee-for service subsidy areas which are listed by fee number in the analysis and recommendations

section below. Most of these are common to all animal control operations, but three areas deserve special discussion:

- Nuisance, fee 50, includes time mostly associated with complaints regarding barking dogs, cruelty, and loose animals.
- Animal care program, fee 51, includes costs for janitorial services at the animal control facility, for minor maintenance by staff, and for staff time showing animals to people for potential adoptions.
- Animal rescue costs, fee 52, include protective custody costs and emergency animal rescue for animals in distress, abandoned, or neglected.

These three areas cost the general fund \$855,148 annually.

2. **Economic Incentives** - Many fees in an animal control division are established as a disincentive to participate in a particular activity. An example would be high dangerous dog fees. Other fees can be established as an incentive to promote compliance or to generate a response that will possibly save the county money in the future, such as lower licensing fees for animals that have been spayed.
3. **Elasticity** - Demand for animal control fees tend to be relatively elastic. That is, if fees are raised past a certain point, the public generally resists paying for those services and will not bother to license their dog or cat, spay or neuter their pet, or redeem their animals from impoundment at the shelter. While many citizens are responsible owners, some prefer to risk a later citation (or losing their pet) rather than pay for a license.
4. **Competition** - Veterinary hospitals will usually provide alteration, euthanasia, and perhaps adoption services. However, they do not provide all the services that an animal control division provides. In addition, they make it a practice not to subsidize their services. Therefore, competition is not really a factor in establishing animal control fees. They only competition would be not using animal services at all.

ANALYSIS AND RECOMMENDATIONS

The Animal Control division currently collects less revenue than it expends on animal services, which is not uncommon. Total user fee services (#13, 14, 16-21, 26-28, 30-35, 37-42, 44-48) cost \$479,164 annually with offsetting revenues of \$142,670. Licensing services (#1-12, and 15) cost \$515,965 per year with revenues of \$1,077,317. Dead animal pick-up on the roadways costs \$117,858 and is reimbursed in full by the Roads Fund (fee 49). The non fee for service activities cost \$1,438,352 and include the impoundment of non-returned animals, boarding of non-returned animals, back-up adoptions, destruction of dangerous dogs, animal nuisance, animal care program, and animal rescue (fees 22-25, 29, 36, 43, and 49-52). Total Animal Control division costs are \$2,591,338 with total revenues of \$1,344,984, generated primarily from licensing. This leaves the division with a total general fund subsidy of \$1,246,353 (48%).

DMG would typically recommend recovery levels as close to full cost as possible, or to the point at which compliance will not be lost. Unfortunately, it is rare for an animal regulation agency to attain this level. Typically, excluding license services, an animal control division seems to peak when they are recovering 40-50% of their total user fee costs. Currently, your division is at a 30% recovery level.

Following is a summary of DMG's recommendations for Multnomah County Animal Control services. In addition to these recommendations, we have given some analysis in the licensing area which would provide other revenue options should the Commission want to reduce the current subsidy further.

- Facility Inspections - DMG recommends charging a fee that represents full cost. This activity requires anyone owning 4 or more animals to have a facility license and an annual inspection. The current fee also includes annual licenses for the animals which is less than what they would pay for licensing each animal individually. Because of the type of service received, there appears to be no reason for subsidization. (fees 16-18)
- Impounds - There was no recommended fee increase for this service although costs are higher than current fees. The reasoning behind the recommendation is that if impound fees are raised too high, it acts as a disincentive for owners to retrieve their pets. When pets are not returned, the expense on the overall division is increased due to future maintenance of the animal. (fees 19-21)
- Boards - The current rates are very similar to local kennel daily rents in the surrounding areas. Current fees are a bit higher than cost because the division wants to stay non-competitive with private companies. In addition, a portion of the fee is intended to recover the rental of the space provided to the animal which is not part of the total cost. (fees 26-28)
- Owner Released - DMG has recommended a fee decrease for animals released by owners for euthanization and disposal. Currently, the fee is \$25 with a cost of

\$17. A fee equal to cost has been recommended. The staff was concerned that this was less than the private sector for the same service, but it is DMG's opinion that only full cost recovery is appropriate in this instance.

The costs associated with the release of healthy animals by owners is currently greater than the current fees of \$15 or \$25. However, DMG has recommended not lowering these fees because the division incurs the subsequent costs in either maintenance, adoption services, or euthanization and disposal of these animals. DMG is concerned that raising the fees higher could have the result that the animals would be merely dumped instead of being brought to the facility. (fees 31-33)

- Adoption - Current adoption fees only recover about 40% of total costs, not including the costs of back-up adoptions. DMG has made recommendations which reflect a 60% recovery level resulting in a \$10 increase each. No fee recommendation was made for back-up adoptions as they help insure an animal will be processed out of the facility. (fees 34-36)
- Notice of Infraction - A minor increase was recommended for first time notice of infractions which will recover full cost. No increases were made for second and third offenses as these are currently recovering more than cost. This is appropriate because these are typically seen as disincentives for failure to comply. Overall, the division has a relatively low recovery level for collection of all notice of infractions because current policy dismisses the fine if compliance occurs within 30 days. The division feels this is a useful policy because they have relatively little power to collect these fees and achieving compliance is the ultimate goal. (fees 37-39)
- Appeals/Hearings - DMG recommends increases for these services to approximately 80% recovery of full costs. The division refunds the fee if the appeal is won, so that full costs can never be 100% recovered. These recommendations should not financially prevent anyone from appealing the process. (fees 40 & 45)
- Dangerous Dog Program - Animals included in this program have behaved in a manner that warrants annual monitoring by division staff. It is DMG's opinion that this activity should not be subsidized, since owners are responsible for the behavior of their pets. However, full cost was not recommended due to the large difference between full cost and the current fee. Our recommendations are based on an average recovery level of at least 60% immediately. DMG also recommends implementing full cost recovery in the near future. (fees 41-44)

Note that the recommended fee shown on the following User Fee Study Summary Sheet is an average of \$115 for all dangerous dogs (levels 1-4), reflecting an average recovery of 60% of costs. Based on discussions with County staff, the fee covers the annual monitoring and renewal processes, and not incident

responses. In their opinion, the fee should increase with the increasing severity level of the dog's behavior. DMG recommends that the fees be set at \$100 (50% of full cost) for level 1, \$115 (60%) for level 2, \$135 (70%) for level 3, and \$155 (80%) for level 4. This will yield an average fee of \$115 and an average cost recovery of 60%.

- Livestock Pickup & Return - Full cost has been recommended as DMG sees this as a service that directly benefits the owners of the livestock. (fee 46)
- Dead Animal Disposal - No fee changes were recommended at this time as full cost is being recovered. Costs for non-veterinarian disposal slightly exceeds cost, but volume is insignificant and the charge is competitive with private agencies.

Total revenues for veterinary disposal reflects a low rate of cost recovery. Although this is a current fee, charges have not been collected. This situation has been remedied after DMG's analysis and revenues are projected at about \$10,000. (fees 47 & 48)

- Licenses - DMG recommends increases to current 1 year licenses by \$1 each, 2 year licenses by \$2 each, and 3 year licenses by \$3 each. In general, these are relatively small increases that will generate additional revenues of \$92,557 increasing current revenues from \$1,077,317 to \$1,169,874 or an increase of about 9%. The increase was recommended because there has not been a fee increase in 3-4 years.

The issue of licenses is very important to DMG's overall analysis of Multnomah County Animal Control because, other than the general fund, it is the primary source of revenue for operations. The above increases seem very reasonable to DMG. However, should the Commission determine that it is inappropriate for the general fund to subsidize animal control services at the current level, there are a variety of options that could be implemented to reduce the subsidy.

DMG's experience has been that most animal control agencies that operate anywhere close to recovering their costs of services do so through their licensing revenues. This practice assumes that license revenue is an appropriate source of funding these services. DMG notes that the general public benefits from animal control services through reduced risk of disease and injury, and that animal owners are not the only beneficiary of animal control services.

Following, are some example options for license revenue increases.

- If the County Commission wanted to recover the balance of the costs associated with fee-for-service activities (\$157,488) total license revenues would need to be increased by \$250,045 instead of the \$92,557 recommended increase. In this instance, an overall increase of 23% straight across the board or more than doubling DMG's current recommended fee increases for each license category would be necessary (i.e. \$2 for one

year, \$4 for two years).

- If the Commission wanted to cut the current subsidy in half, after the implementation of DMG recommendations for fee services, a total of \$579,953 would need to be generated from license increases. This would result in a 54% increase of current fees, or multiplying each current fee by 1.5.
- If the Commission wanted to recover all subsidy costs, after the implementation of DMG's recommended fee increases, excluding license increases, additional revenues of \$1,159,905 would need to be generated from licenses. This would require approximately doubling current fees. DMG notes that this could reduce actual revenues received, since many owners would elect not to license their animals.

When increasing license fees, there comes a point at which owners will elect not to license their animals. If large increases in license fees are ever implemented, the County would need to insure compliance by 1) eliminating the waiver for notice of infractions (30 day grace period) and 2) implementing a mechanism that will enable the division to collect unpaid fees, licenses and fines. Determining the mix of support for animal control services between general fund dollars and license revenues is a fundamental policy decision which issues of cost cannot resolve.

Should all of DMG's recommendations be implemented, the division will realize \$179,006 in revenues annually. License increases makes up \$92,557 with the balance (\$86,449) coming from user fee recommended increases.

Following is a summary schedule which present specific fee recommendations and resulting changes in revenues for animal control services.

User Fee Study Summary Sheet

multnomah county, oregon

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		Per Unit Information								
Animal Control		UNIT	CURRENT	60% OF	80% OF	100% OF	CURRENT	RECOMMENDED	SUBSIDY @	
		VOLUME	FEE	FULL COST	FULL COST	FULL COST	SUBSIDY	FEE	RECOM FEE	
1	1 YR. LICENSE-DOG	15042.0	\$10.00	\$4.83	\$6.44	\$8.05	(\$1.95)	\$11.00	(\$2.95)	
2	1 YR. LICENSE-DOG (FERTILE)	8594.0	\$25.00	\$4.83	\$6.44	\$8.05	(\$16.95)	\$26.00	(\$17.95)	
3	2 YR. LICENSE-DOG	3029.0	\$17.00	\$4.82	\$6.43	\$8.04	(\$8.96)	\$19.00	(\$10.96)	
4	2 YR. LICENSE-DOG (FERTILE)	1731.0	\$46.00	\$4.83	\$6.44	\$8.05	(\$37.95)	\$48.00	(\$39.95)	
5	3 YR. LICENSE-DOG	4727.0	\$24.00	\$4.83	\$6.44	\$8.05	(\$15.95)	\$27.00	(\$18.95)	
6	3 YR. LICENSE-DOG (FERTILE)	2700.0	\$60.00	\$4.83	\$6.44	\$8.05	(\$51.95)	\$63.00	(\$54.95)	
7	1 YR. LICENSE-CAT	15255.0	\$8.00	\$4.83	\$6.44	\$8.05	\$0.05	\$9.00	(\$0.95)	
8	1 YR. LICENSE-CAT (FERTILE)	2722.0	\$15.00	\$4.83	\$6.44	\$8.05	(\$6.95)	\$16.00	(\$7.95)	
9	2 YR. LICENSE-CAT	3266.0	\$14.00	\$4.83	\$6.44	\$8.05	(\$5.95)	\$16.00	(\$7.95)	
10	2 YR. LICENSE-CAT (FERTILE)	583.0	\$25.00	\$4.84	\$6.45	\$8.06	(\$16.94)	\$27.00	(\$18.94)	
11	3 YR. LICENSE-CAT	3237.0	\$19.00	\$4.83	\$6.44	\$8.05	(\$10.95)	\$22.00	(\$13.95)	
12	3 YR. LICENSE-CAT (FERTILE)	578.0	\$36.00	\$4.82	\$6.43	\$8.04	(\$27.96)	\$39.00	(\$30.96)	
13	LICENSE-REPLACEMENT	2639.0	\$3.00	\$4.31	\$5.75	\$7.19	\$4.19	\$3.00	\$4.19	
14	PUPPY/KITTEN TAGS	125.0	\$0.00	\$10.73	\$14.31	\$17.89	\$17.89	\$0.00	\$17.89	
15	LICENSE COMPLIANCE	1.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
16	FACILITY INSPECTION-DOG	73.0	\$100.00	\$85.04	\$113.38	\$141.73	\$41.73	\$142.00	(\$0.27)	
17	FACILITY INSPECTION-EXOTIC	6.0	\$100.00	\$84.80	\$113.06	\$141.33	\$41.33	\$142.00	(\$0.67)	
18	FACILITY INSPECTION-CAT	19.0	\$50.00	\$85.13	\$113.51	\$141.89	\$91.89	\$142.00	(\$0.11)	
19	IMPOUND-DOG	2168.0	\$25.00	\$19.37	\$25.82	\$32.28	\$7.28	\$25.00	\$7.28	
20	IMPOUND-CAT	10.0	\$15.00	\$14.52	\$19.36	\$24.20	\$9.20	\$15.00	\$9.20	
21	IMPOUND-OTHER	10.0	\$15.00	\$14.52	\$19.36	\$24.20	\$9.20	\$15.00	\$9.20	
22	IMPOUND-DOG (NON RETURNED)	8435.0	\$0.00	\$20.87	\$27.82	\$34.78	\$34.78	\$0.00	\$34.78	
23	IMPOUND-CAT (NON RETURNED)	802.0	\$0.00	\$14.77	\$19.69	\$24.61	\$24.61	\$0.00	\$24.61	
24	IMPOUND-OTHER (NON-RETURNED)	211.0	\$0.00	\$20.87	\$27.82	\$34.78	\$34.78	\$0.00	\$34.78	
25	IMPOUND-EUTHANIZE/DISPOSE	5794.0	\$0.00	\$11.48	\$15.30	\$19.13	\$19.13	\$0.00	\$19.13	
26	BOARD-CAT OR OTHER PER DAY	6.0	\$5.00	\$2.70	\$3.60	\$4.50	(\$0.50)	\$5.00	(\$0.50)	
27	BOARD-DOG PER DAY	20.0	\$8.00	\$3.03	\$4.04	\$5.05	(\$2.95)	\$8.00	(\$2.95)	
28	BOARD-LIVESTOCK PER DAY	5.0	\$8.00	\$2.88	\$3.84	\$4.80	(\$3.20)	\$8.00	(\$3.20)	
29	BOARDS-NON RECOVER. (3 DAYS)	10544.0	\$0.00	\$9.53	\$12.70	\$15.88	\$15.88	\$0.00	\$15.88	
30	VETERINARY FEE	10.0	\$20.00	\$13.26	\$17.68	\$22.10	\$2.10	\$22.00	\$0.10	
31	EUTHANIZE/DISP-OWNER RELEASED	193.0	\$25.00	\$10.30	\$13.73	\$17.16	(\$7.84)	\$17.00	\$0.16	
32	RELEASE OF OWNED-1	100.0	\$15.00	\$6.55	\$8.74	\$10.92	(\$4.08)	\$15.00	(\$4.08)	
33	RELEASE OF OWNED-2 OR MORE	1.0	\$25.00	\$12.00	\$16.00	\$20.00	(\$5.00)	\$25.00	(\$5.00)	
34	ADOPTION-DOGS	1783.0	\$20.00	\$30.66	\$40.88	\$51.10	\$31.10	\$30.00	\$21.10	
35	ADOPTION-CATS	563.0	\$20.00	\$30.95	\$41.26	\$51.58	\$31.58	\$30.00	\$21.58	
36	BACK-UP ADOPTIONS	1000.0	\$0.00	\$12.83	\$17.10	\$21.38	\$21.38	\$0.00	\$21.38	
37	NOTICE OF INFRACTION	3075.0	\$25.00	\$17.45	\$23.26	\$29.08	\$4.08	\$29.00	\$0.08	
38	NOTICE OF INFRACTION (2ND)	878.0	\$50.00	\$17.44	\$23.26	\$29.07	(\$20.93)	\$50.00	(\$20.93)	
39	NOTICE OF INFRACTION (3RD)	439.0	\$75.00	\$17.45	\$23.26	\$29.08	(\$45.92)	\$75.00	(\$45.92)	
40	APPEALS	180.0	\$25.00	\$40.31	\$53.74	\$67.18	\$42.18	\$50.00	\$17.18	

User Fee Study Summary Sheet

multnomah county, oregon

		Per Unit Information							
Animal Control		UNIT VOLUME	CURRENT FEE	80% OF FULL COST	80% OF FULL COST	100% OF FULL COST	CURRENT SUBSIDY	RECOMMENDED FEE	SUBSIDY @ RECOM FEE
41	DANGEROUS DOG-LVL 1 & 2	310.0	\$25.00	\$117.47	\$156.62	\$195.78	\$170.78	\$115.00	\$80.78
42	DANGEROUS DOG-LVL 3 & 4	100.0	\$50.00	\$117.45	\$156.60	\$195.75	\$145.75	\$115.00	\$80.75
43	DESTRUCTION OF DOG-LVL 5	1.0	\$0.00	\$14,585.40	\$19,447.20	\$24,309.00	\$24,309.00	\$0.00	\$24,309.00
44	DANGEROUS DOG DECLASSIFY	50.0	\$25.00	\$32.54	\$43.39	\$54.24	\$29.24	\$40.00	\$14.24
45	HEARINGS-DANGEROUS DOGS	138.0	\$25.00	\$67.10	\$89.46	\$111.83	\$86.83	\$80.00	\$31.83
46	LIVESTOCK PICKUP & RETURN	20.0	\$10.00	\$22.08	\$29.44	\$36.80	\$26.80	\$37.00	(\$0.20)
47	DEAD ANIMAL DISPOSAL	10.0	\$15.00	\$7.26	\$9.68	\$12.10	(\$2.90)	\$15.00	(\$2.90)
48	DEAD DISPOSAL FOR VETS	1041.0	\$10.00	\$5.52	\$7.36	\$9.20	(\$0.80)	\$10.00	(\$0.80)
49	DEAD ANIMAL PICKUP	2596.0	\$48.15	\$27.24	\$36.32	\$45.40	(\$2.75)	\$48.15	(\$2.75)
50	ANIMAL NUISANCE	1.0	\$0.00	\$335,105.40	\$446,807.20	\$558,509.00	\$558,509.00	\$0.00	\$558,509.00
51	ANIMAL CARE PROGRAM	1.0	\$0.00	\$122,868.00	\$163,824.00	\$204,780.00	\$204,780.00	\$0.00	\$204,780.00
52	ANIMAL RESCUE	1.0	\$0.00	\$55,115.40	\$73,487.20	\$91,859.00	\$91,859.00	\$0.00	\$91,859.00

User Fee Study Summary Sheet

multnomah county, oregon

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		Total Program Information							
Animal Control		REVENUE @ CURRENT FEE	REVENUE @ 60% FEE	REVENUE @ 80% FEE	REVENUE @ 100% FEE	CURRENT SUBSIDY	REVENUE @ RECOM FEE	REMAINING SUBSIDY @ RECOM FEE	INCREASED REVENUE @ RECOM FEE
* 1	1 YR. LICENSE-DOG	\$150,420	\$72,653	\$96,870	\$121,088	(\$29,332)	\$165,462	(\$44,374)	\$15,042
* 2	1 YR. LICENSE-DOG (FERTILE)	\$214,850	\$41,509	\$55,345	\$69,182	(\$145,668)	\$223,444	(\$154,262)	\$8,594
* 3	2 YR. LICENSE-DOG	\$51,493	\$14,612	\$19,483	\$24,353	(\$27,140)	\$57,551	(\$33,198)	\$6,058
* 4	2 YR. LICENSE-DOG (FERTILE)	\$79,626	\$8,361	\$11,148	\$13,935	(\$65,691)	\$83,088	(\$69,153)	\$3,462
* 5	3 YR. LICENSE-DOG	\$113,448	\$22,831	\$30,442	\$38,052	(\$75,396)	\$127,629	(\$89,577)	\$14,181
* 6	3 YR. LICENSE-DOG (FERTILE)	\$162,000	\$13,041	\$17,388	\$21,735	(\$140,265)	\$170,100	(\$148,365)	\$8,100
* 7	1 YR. LICENSE-CAT	\$122,040	\$73,682	\$98,242	\$122,803	\$763	\$137,295	(\$14,492)	\$15,255
* 8	1 YR. LICENSE-CAT (FERTILE)	\$40,830	\$13,147	\$17,530	\$21,912	(\$18,918)	\$43,552	(\$21,640)	\$2,722
* 9	2 YR. LICENSE-CAT	\$45,724	\$15,775	\$21,033	\$26,291	(\$19,433)	\$52,256	(\$25,965)	\$6,532
* 10	2 YR. LICENSE-CAT (FERTILE)	\$14,575	\$2,819	\$3,759	\$4,699	(\$9,876)	\$15,741	(\$11,042)	\$1,166
* 11	3 YR. LICENSE-CAT	\$61,503	\$15,635	\$20,846	\$26,058	(\$35,445)	\$71,214	(\$45,156)	\$9,711
* 12	3 YR. LICENSE-CAT (FERTILE)	\$20,808	\$2,788	\$3,718	\$4,647	(\$16,161)	\$22,542	(\$17,895)	\$1,734
** 13	LICENSE-REPLACEMENT	\$2,610	\$11,385	\$15,180	\$18,974	\$18,364	\$2,610	\$18,364	\$0
* 14	PUPPY/KITTEN TAGS	\$0	\$1,342	\$1,789	\$2,236	\$2,236	\$0	\$2,236	\$0
* 15	LICENSE COMPLIANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
* 16	FACILITY INSPECTION-DOG	\$7,300	\$6,208	\$8,277	\$10,346	\$3,046	\$10,366	(\$20)	\$3,066
* 17	FACILITY INSPECTION-EXOTIC	\$600	\$509	\$678	\$848	\$248	\$852	(\$4)	\$252
* 18	FACILITY INSPECTION-CAT	\$950	\$1,818	\$2,157	\$2,696	\$1,746	\$2,698	(\$2)	\$1,748
** 19	IMPOUND-DOG	\$34,950	\$41,990	\$55,986	\$69,983	\$35,033	\$34,950	\$35,033	\$0
* 20	IMPOUND-CAT	\$150	\$145	\$194	\$242	\$92	\$150	\$92	\$0
* 21	IMPOUND-OTHER	\$150	\$145	\$194	\$242	\$92	\$150	\$92	\$0
* 22	IMPOUND-DOG (NON RETURNED)	\$0	\$178,022	\$234,695	\$293,369	\$293,369	\$0	\$293,369	\$0
* 23	IMPOUND-CAT (NON RETURNED)	\$0	\$11,842	\$15,790	\$19,737	\$19,737	\$0	\$19,737	\$0
* 24	IMPOUND-OTHER (NON-RETURNED)	\$0	\$4,403	\$5,871	\$7,339	\$7,339	\$0	\$7,339	\$0
* 25	IMPOUND-EUTHANIZE/DISPOSE	\$0	\$66,504	\$88,671	\$110,839	\$110,839	\$0	\$110,839	\$0
* 26	BOARD-CAT OR OTHER PER DAY	\$30	\$16	\$22	\$27	(\$3)	\$30	(\$3)	\$0
* 27	BOARD-DOG PER DAY	\$160	\$61	\$81	\$101	(\$59)	\$160	(\$59)	\$0
* 28	BOARD-LIVESTOCK PER DAY	\$40	\$14	\$19	\$24	(\$16)	\$40	(\$16)	\$0
* 29	BOARDS-NON RECOVER. (3 DAYS)	\$0	\$100,463	\$133,951	\$167,439	\$167,439	\$0	\$167,439	\$0
* 30	VETERINARY FEE	\$200	\$133	\$177	\$221	\$21	\$220	\$1	\$20
* 31	EUTHANIZE/DISP-OWNER RELEASED	\$4,825	\$1,987	\$2,650	\$3,312	(\$1,513)	\$3,281	\$31	(\$1,544)
* 32	RELEASE OF OWNED-1	\$1,500	\$655	\$874	\$1,092	(\$408)	\$1,500	(\$408)	\$0
* 33	RELEASE OF OWNED-2 OR MORE	\$25	\$12	\$16	\$20	(\$5)	\$25	(\$5)	\$0
* 34	ADOPTION-DOGS	\$35,660	\$54,667	\$72,889	\$91,111	\$55,451	\$53,490	\$37,621	\$17,830
* 35	ADOPTION-CATS	\$11,260	\$17,424	\$23,232	\$29,040	\$17,780	\$16,890	\$12,150	\$5,630
* 36	BACK-UP ADOPTIONS	\$0	\$12,828	\$17,104	\$21,380	\$21,380	\$0	\$21,380	\$0
** 37	NOTICE OF INFRACTION	\$10,075	\$53,653	\$71,537	\$89,421	\$79,346	\$11,687	\$77,734	\$1,612
** 38	NOTICE OF INFRACTION (2ND)	\$5,750	\$15,314	\$20,419	\$25,523	\$19,773	\$5,750	\$19,773	\$0
** 39	NOTICE OF INFRACTION (3RD)	\$4,350	\$7,660	\$10,213	\$12,766	\$8,416	\$4,350	\$8,416	\$0
** 40	APPEALS	\$4,375	\$7,255	\$9,674	\$12,092	\$7,717	\$8,750	\$3,342	\$4,375

User Fee Study Summary Sheet

multnomah county, oregon

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dmg

Total Program Information									
Animal Control	REVENUE @	REVENUE @	REVENUE @	REVENUE @	CURRENT	REVENUE @	REMAINING	INCREASED	
	CURRENT FEE	60% FEE	80% FEE	100% FEE	SUBSIDY	RECOM FEE	SUBSIDY @	REVENUE @	RECOM FEE
41 DANGEROUS DOG-LVL 1 & 2	\$7,750	\$36,415	\$48,553	\$60,692	\$52,942	\$35,650	\$25,042	\$27,900	
42 DANGEROUS DOG-LVL 3 & 4	\$5,000	\$11,745	\$15,680	\$19,575	\$14,575	\$11,500	\$8,075	\$6,500	
* 43 DESTRUCTION OF DOG-LVL 5	\$0	\$14,585	\$19,447	\$24,309	\$24,309	\$0	\$24,309	\$0	
44 DANGEROUS DOG DECLASSIFY	\$1,250	\$1,627	\$2,170	\$2,712	\$1,462	\$2,000	\$712	\$750	
** 45 HEARINGS-DANGEROUS DOGS	\$3,350	\$9,260	\$12,346	\$15,433	\$12,083	\$10,720	\$4,713	\$7,370	
46 LIVESTOCK PICKUP & RETURN	\$200	\$442	\$589	\$736	\$536	\$740	(\$4)	\$540	
47 DEAD ANIMAL DISPOSAL	\$150	\$73	\$97	\$121	(\$29)	\$150	(\$29)	\$0	
** 48 DEAD DISPOSAL FOR VETS	\$10	\$5,746	\$7,662	\$9,577	\$9,567	\$10,410	(\$833)	\$10,400	
* 49 DEAD ANIMAL PICKUP	\$124,997	\$70,715	\$94,287	\$117,858	(\$7,139)	\$124,997	(\$7,139)	\$0	
* 50 ANIMAL NUISANCE	\$0	\$335,105	\$446,807	\$558,509	\$558,509	\$0	\$558,509	\$0	
* 51 ANIMAL CARE PROGRAM	\$0	\$122,868	\$163,824	\$204,780	\$204,780	\$0	\$204,780	\$0	
* 52 ANIMAL RESCUE	\$0	\$55,115	\$73,487	\$91,859	\$91,859	\$0	\$91,859	\$0	
Department Totals	\$1,344,984	\$1,554,803	\$2,073,070	\$2,591,338	\$1,246,353	\$1,523,990	\$1,067,347	\$179,008	
% of Full Cost	51.90%	60.00%	80.00%	100.00%	48.10%	58.81%	41.19%	8.91%	
Excluding Noted Items	\$142,670	\$287,498	\$383,331	\$479,164	\$336,494	\$321,676	\$157,488	\$179,008	***
	29.77%	60.00%	80.00%	100.00%	70.23%	67.13%	32.87%	37.36%	

* - Items marked with an asterisk have been excluded from the fee for service totals.

** - Revenue for this fee area is based on an estimated recoverable volume for fees 13, 19, 37-40, 45 & 48. (Rec. volumes are 870, 1398, 403, 115, 58, 175, 134, & 1041)

*** - This increased revenue includes additional revenues from the recommended increases in licenses.

Please Note: Activity 15 has an annual cost of \$374,231 of which was spread as support costs to fees 1-14 & 16-18.

The total increased revenue is made up of \$92,557 in animal license increases with the balance (\$86,449) in fee-for-service activities.

SECTION III

COUNTY SURVEYOR

The County Surveyor operates within the Transportation Division of the Environmental Services Department. The Surveyor provides services to other county offices including engineering design and construction offices. Staff provide survey services for county capital improvement projects, maintain the Public Land Corner program, respond to the general public's requests for information, and reviews subdivision and partition plans.

The Transportation Division recently proposed increasing existing fees for subdivision plat reviews, partition plat reviews, and condominium plat reviews that are consistent with fees established by other neighboring local governments. In addition, the Surveyor is responsible for administering several statutory fees established by the Oregon Revised Statutes. Examples include affidavits of correction of recorded survey maps or narratives, withdrawal of variable property from unit ownership or condominium plat, affidavits of correction of any recorded subdivision plat or partition plat, and posting of street vacations.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - Inspection and plan check services such as the surveyor provides are usually intended to be self supporting. Frequently, indirect costs are not included in the rate structure, but this is generally due to a lack of knowledge of the costs, and not a conscious decision to subsidize the service.
2. **Economic Incentive** - Incentives to encourage or discourage growth generally do not play a role in setting fees for inspection services; most jurisdictions wish to recover full costs.
3. **Elasticity** - Demand for services provided by surveyor staff is generally inelastic. Costs of the service will have to be paid if related projects are to be completed and are economically viable for the developer/contractor. High fees, however, may discourage smaller projects.
4. **Competition** - There is no competition for these services from the private sector.

ANALYSIS AND RECOMMENDATIONS

The policy of billing all users of survey services based on actual time and expenses is practical only because the Transportation Division already operates a time accounting system with the capacity to capture and report staff time data. This is the most equitable method of billing users for costs, but usually is not practical because of the added administrative costs for generating user billings.

DMG recommends that developers and other users deposit funds with the County Surveyor prior to application approval and construction. The deposit can reasonably be based upon the existing construction value table used for miscellaneous public works fees, per County Code Chapter 5.10.235. Monthly, the Surveyor's office can accumulate costs and advise customers when their deposit has been used up and what their current balance is. Additional deposits can be required as needed. At the completion of each project, a final accounting of all deposits and all costs will be prepared. Excess of deposits over costs can then be refunded.

Since the November, 1994, ballot measure precludes changing fees to reflect changes in employee compensation, the Transportation Division has elected to establish a single average hourly rate for time and material charges for on-site survey work. The rate proposed, \$42.50 per hour, is an average for all classifications of employees who will charge time to specific development projects.

It is difficult to forecast the actual change in revenues arising from this system of billing for Surveyor's services. However, DMG's recommendation in general is 100% cost recovery, and this system certainly accomplishes that goal. We estimate that the change in billing method will generate over \$100,000 in revenues annually.

Meeting Date: OCT 18 1994
Agenda No.: B-2

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM

SUBJECT: Public Contract Review Board Rules

BOARD BRIEFING Date Requested: October 18, 1994

Amount of Time Needed: 45 Minutes

REGULAR MEETING Date Requested: _____

Amount of Time Needed: _____

DEPARTMENT: MSS DIVISION: Finance

CONTACT: David Boyer or Lillie Walker TELEPHONE #: _____
x3312

BLDG/ROOM #: 106/1430

PERSON(S) MAKING PRESENTATION: Lillie Walker and Dave Boyer

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

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

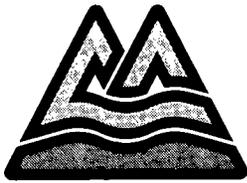
Brief Board on recommended changes to the Public Contract Review Board Rules. Attached memo briefly explains rationale for recommended changes.

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____
OR
DEPARTMENT MANAGER: *David A. Boyer*

1994 OCT 13 PM 4:11
MULTIMEDIA DEPT
OREGON

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES



MULTNOMAH COUNTY OREGON

BEVERLY STEIN
COUNTY CHAIR

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FINANCE
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PLANNING & BUDGET
RISK MANAGEMENT

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P.O. BOX 14700
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PURCHASING, CONTRACTS
& CENTRAL STORES

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2505 S.E. 11TH, 1ST FLOOR
PORTLAND, OREGON 97202

MEMORANDUM

To: Board of County Commissioners

From: Dave Boyer, Finance Director
Lillie Walker, Purchasing Director

Date: October 13, 1994

Subject: Public Contract Review Board Rules Update

Attached are the revisions to the Public Contract review Board (PCRB) Rules that we are recommending the Board of County Commissioners adopt. During the last several months the Purchasing Advisory Committee has been meeting monthly to assist us in making modifications to the PCRB Rules. This committee has been very helpful and we would like to extend our appreciation to the following members: Bob Kieta, Facilities; Bob Pearson, Transportation; Susan Kaeser, Community Corrections, Kathy Tinkle, CSFD; Kathy Gillette, Aging Services; Bob Boertien, Sheriff's Office; Tom Simpson DA's Office; Wes Stevens, Library; Chris White, Juvenile Justice; Joy Belcourt, Health; and Jerry Walker, Purchasing.

The PCRB Rule changes being recommended will allow departments greater authority in the procurement of goods and services and will reduce the amount of time that departmental staff are currently spending to obtain these goods and services. At the same time we have followed state law and have maintained the necessary internal controls to minimize the risks to the County. These changes will result in a decreased workload in the operating departments and the Accounts Payable Section in Finance. Purchasing's workload will also decrease which will allow purchasing staff to concentrate on implementing the extended purchasing system. This is the first step in our plan to move towards a paperless purchasing system with the objective of providing quality services to our internal customers.

In addition, a quality team has been formed in Finance to further address the various processes that occur between purchasing, accounts payable, vendors and the departments. We are anticipating that the work of this team will continue our efforts towards efficiencies and customer service.

The specific revisions and amendments to the PCRB rules are based upon changes that have been made to the applicable Oregon Revised Statutes and Multnomah County Ordinances. We have modeled these PCRB Rules after the Oregon Attorney General's Model Rules of Purchasing Procedures and PCRB Rules of other major jurisdictions in the State.

In the future, we will be bringing these rules back to the Board each time legislation is passed that changes local government purchasing laws.

The following is intended to assist you as we review the proposed rules and to give an insight into the reasons for the recommended amendments. Changes are listed by PCRB Rule Divisions. There are several sections and two divisions that we feel are more important and we have expanded our comments on those areas.

DIVISION 10

10.000 Definitions

This Division has been amended to reflect the definitions of terms contained in the PCRB Rules document. The following definitions are being added and are consistent with the definitions contained in the Oregon Revised Statutes and Attorney General Model Rules.

1. Administrative Rule
2. Bid
3. Contract Amendment
4. Contract Change Orders
5. Invitation to Bid
6. Personal Services Contract
7. Post-consumer Waste
8. Price Agreement
9. Professional Services Contract
10. Public Contract
11. Public Improvement Contract
12. Public Works
13. Recycled Paper
14. Recycled Product
15. Request for Proposals
16. Requirements Contract
17. Secondary Waste Materials
18. Service Contracts.

10.010 Contracts Exempt From Competitive Bidding

This rule has been amended to reflect only the basic purpose and policy of ORS Chapter 279. Qualified Rehabilitation Facilities has been added pursuant to ORS 279.935 and Multnomah County Ordinance 502.

10.020 Contracts For Price Regulated Items

This rule was amended to exempt purchases of goods or services that are regulated by Federal, State or Local regulatory authority.

10.30 Copyrighted materials

Rule modified to accommodate copyrighted purchases made by the library.

10.31 Periodicals

This rule has been added to conform with ORS 279.

10.045 Equipment Maintenance, Repair and Overhaul

This rule was amended to drop reporting requirements. Reporting requirements is covered in Rule 15.025.

10.047 Auction Sales

Amended to allow disposal of surplus items that have a value of \$1,000 or less in a more efficient manner. It also specifically exempts the Multnomah County Library's Titlewave Book Store from this section of the PCRB Rules.

10.048 Donations of Personal Property

This rule was added in accordance with ORS 279.828 which allows for sale or transfer of surplus, obsolete and unused supplies, materials and equipment to not-for-profit organizations. Donation of surplus personal property to not-for-profit organizations is current practice of the County. County departments will continue to have priority over not-for-profit organizations.

10.050 Purchases Established Under Requirements Contract

Section deleted because it is no longer needed due to the changes made to Division 10.060.

10.052 Paper Products

Repealed because paper product purchases should be competitively procured.

10.055 Gasoline, Diesel Fuel, Heating Oil, Lubricants and Asphalt

In section (a) the phrase "Prior to selection of Contractor " has been deleted.

10.060 Requirements Contract

Amendments to this rule increases the dollar limit allowing use of the informal quotation process for contracts up to \$25,000 and clarifies that the term of these type of contracts including renewals not exceed three years.

10.071 Rating Agency Contracts

This rule was added because we needed authority to pay for bond rating agency credit analysis required for bond sales.

10.072 Revenue Intergovernmental agreements under \$1,500

This rule was added to authorize department managers to enter into revenue intergovernmental agreements that are under \$1,500. County is missing opportunities for additional revenue due to the time it takes to obtain Board action to approve intergovernmental agreements.

10.079 Employee Benefit Insurance

This section was added to allow for procurement of employee benefits without competitive bidding. This is consistent with ORS 279.015.

10.080 Insurance Contracts

Section deleted due to the addition of 10.079 and because semi-annual reports are required under Division 15.

10.081: Ballots, Ballot Pages Ballot Cards

This rule was amended to add "mailing of ballot cards".

10.083 Exemptions for Purchases of Three Commodity Food Items

Section deleted and is no longer needed due to the increase in dollar limits in 10.120 and 10.120 (2) (d) is being repealed.

Sections 10.085 Request For Proposals, 10.086 Construction Manager/General Contractor and 10.089 Office Copier Purchase

Sections added to make County rules be consistent with ORS 279 and current County practices.

10.090 Data and Word Processing Contracts

Minimum dollar amount raised from \$10,000 to \$25,000 to be consistent with the remainder of this policy. Adds word processing equipment to provisions and drops reporting requirements.

10.091 Telecommunications System Contracts

Section added and is consistent with ORS 279.

Section 10.092 Professional Services Contracts

Title changed from Personal Service Contracts to Professional Service Contracts. In 10.092 (1) (a) (5), added "and other human services" to provide more clarity to departments.

10.110 Emergency Contracts

Board is delegating to the Chair the authority to enter into contracts as a result of an emergency. This is consistent with ORS 279.015. This change was agreed to by the Board last year and needs to be formally approved.

10.120 Exemption of Contracts Under Certain Dollar Amounts (Including Professional Service Contracts)

Increases dollar amounts from \$15,000 to \$25,000. Any purchase over \$25,000 must go through the formal Bid/RFP process.

Also increases lower dollar amount from \$1,000 to \$2,500. Anything under \$2,500 does not require three quotes. Items between \$2,500 and \$25,000 need three informal quotes. One of the three quotes must be from a minority or woman owned business enterprise, if applicable.

Section 10.120 (2) (d) deleted because of the increase in dollar limits and Section (3) has been deleted because it is not needed due to the dollar limit increase. It would duplicate section 10.120 (1).

Note: The dollar amount have not been increased since 1981 and inflation has eroded the buying power of the current amount of \$15,000. The Consumer Price Index (CPI) increase between 1981 and 1984 increased about 16%. The CPI has increased 44.1% for the period 1984 to 1993 and is expected to increase about 2 to 3 % for 1994. This has reduced the buying power of the \$15,000 by about \$10,500. With the exception of the requirement to attempt to contact a M/WBE firm, this section is consistent with ORS 279.

10.125 Life Cycle Cost Analysis

Technical amendments needed to conform with ORS 279.

10.130 Contract Amendments (including change orders and extra work)

Technical amendments made to conform to ORS 279. Section now allows for change orders if all amendments do not exceed 20% of initial contract.

10.135 Food Service Contracts

Section deleted, food service contracts should be competitively bid.

10.136 Preference to Recycled Materials

Section added to conform with ORS 279.

Section 10.145 Affirmative Action Contracts

Section deleted and moved to Division 60.

DIVISION 15

We are recommending that Ordinance 746 be repealed and that the provisions of the Ordinance be included in the PCRB Rules. It is our goal to maintain the intent of the Ordinance 746. We are recommending that some of the provisions in Ordinance 746 be amended or deleted to allow purchasing to be more efficient and to be more user friendly to outside vendors and departments.

Section II of Ordinance 746 is identical to Administrative Rule (AR) 15.000.

Section III (A) and (B) have been changed and are covered under AR 15.010 and 15.020. In AR 15.010 we are adding and expanding on the definitions. In AR 15.020 we are placing the burden of conflict of interest on County officials rather than with the contractor or vendor. We have had several companies voice their concern that they were reluctant to sign a conflict statement indicating that no one from their company was related to a County employee. We have worked with County Counsel and the Auditor's office in developing this language and it is acceptable to them.

We are recommending that Section III (C), (D) and (E) be eliminated to make purchasing slightly more efficient. During the last two years the County has awarded only one contract to a firm that was not the lowest bidder. Likewise, there have only been three or four cases during the same time frame that the County has received a single bid or proposal. In order to keep the Board informed on contracts awarded under the above circumstances, these exceptions will be required to be reflected in our semi-annual report to the Board and if the Board sees a problem we can address their concerns promptly. Section III (E) is covered in Administrative Procedure PUR-1. This procedure will be modified to require departments to contact at least three providers and document the reasons for any variance.

Section IV is covered under AR 15.025. We are recommending that we provide semi-annual reports to the Board.

Section V is covered in AR 15.030.

DIVISION 20

20.010 Specification of Particular Brand Names of Product

Makes technical amendments to clarify language. This rule conforms with ORS 279.

20.030 Single Manufacturer or Compatible Products

This rule was amended to clarify the language and drop the reporting requirement. Conforms with ORS 279.

20.040 Product Prequalification

Makes technical amendments and drops the last section under provision (1)(a) of the rule. Conforms with ORS 279.

20.060 Conditions of Exemptions

Minor language change from, "the Board will" to "the Board may". This rule conforms with ORS 279.017

DIVISION 30

30.010 Notice of Application (see below)

30.020 (see below)

30.030 Temporary Rules Exemptions (see below)

30.040 Unanimous Consent Calendar (see below)

Minor language amendment(s) changing "County Chairperson" to "County Chair".

DIVISION 40

40.010 Statutory Requirements

Makes technical amendments to conform with ORS 279.035.

40.015 Receipt and Opening of Bids

Makes technical amendment to conform to ORS 279.025.

40.020 Bidder Disqualification

Makes technical amendment to conform to ORS 279.037.

DIVISION 50

50.020 Contracts Equal to or Less than \$25,000

This rule allows the County to waive the bid security and performance bond for public improvement contracts equal to or less than \$25,000. This rule conforms to ORS 279.033.

DIVISION 60

This division has been amended to conform with ORS 200.

DIVISION 70

This division has been amended to conform with ORS 279.015 and ORS 279.835 to 279.855.

DIVISION 75

This division was added to specify alternate selection procedures for procuring services of architects, engineers and related professional consultants. This division conforms with ORS 279.051. and will allow Facilities Management and Transportation to more efficiently engage the services of architects and engineers.

CC: Meganne Steele

1 **BEFORE THE BOARD OF COUNTY COMMISSIONERS**
2 **FOR MULTNOMAH COUNTY, OREGON**
3 **ACTING AS THE PUBLIC CONTRACT REVIEW BOARD FOR MULTNOMAH COUNTY**
4 **ORDINANCE NO. _____**

5
6
7 An ordinance adopting rules of the Multnomah County Public Contract Review Board.

8
9 Section I. Findings

10 1. The Board of County Commissioners has been established as the local Public Contract
11 Review Board (PCRB) for Multnomah County with authority to adopt rules and regulations relating to the
12 award of County contracts.

13
14 2. There is need to provide for consistent contracting practices and to insure compliance with
15 Oregon Revised Statutes (ORS) Chapter 279.

16
17 3. The County contacting rules previously promulgated in April 1979 and revised in May 1981
18 and July 1986 are in need of revision because of changes in purchasing practices and to insure compliance
19 with ORS Chapter 279.

20
21 4. Multnomah County Code 2.30.860 establishes the duties and responsibilities of the Purchasing
22 Section and Purchasing Director and these duties and responsibilities have been changed and have been
23 incorporated into the PCRB Rules.

24
25 5. In general the rules are consistent with the Oregon Attorney General's Model Public Contract
26 Rules and the exemptions granted in the rules for certain contracts will result in efficiencies and cost savings
27 to the County.

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Section 2. Adoption of Rules

1. Multnomah County Code 2.30.860 (Ordinance 746) is hereby repealed.

2. The Multnomah County Public Contract Review Board Administrative Rules, dated November 3, 1994, attached as Exhibit A and incorporated by reference herein, are hereby adopted and replace those administrative rules previously promulgated by the Board.

Adopted this 3rd day of November, 1994, being the date of its second reading before the Board of County Commissioners of Multnomah County, Oregon, acting as the Public Contract Review Board for Multnomah County.

By _____
Beverly Stein, Chair
MULTNOMAH COUNTY, OREGON

REVIEWED:

By _____
Laurence Kressel, County Counsel
for Multnomah County, Oregon

**EXHIBIT A
NOVEMBER 3, 1994**

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**MULTNOMAH COUNTY
PUBLIC CONTRACT REVIEW BOARD**

INTRODUCTION

The statutory authority for creation of Local or County Public Contract Review Boards is ORS 279.055.

The Multnomah County Board of County Commissioners acts as the Public Contract Review authority for County agencies, public contractors and vendors. The Board of County Commissioners convenes PCRB meetings as necessary and takes formal action at regularly scheduled Thursday morning formal Board meetings. Meeting notices are sent to interested persons who have asked to be on the Public Contract Review Board Meeting's mailing list. The Public Contract Review Board (PCRBR) may exempt contracts or classes of public contracts from competitive bidding requirements. Exemptions for specific contracts are granted by administrative order of the PCRBR. Class exemptions are granted by PCRBR Administrative Rule.

Any County agency who wants to request an exemption from competitively bidding a contract or class of contracts, bid security requirements, or restrictions against brand names or trademarks, are required to send a letter/memorandum, at least two weeks before a scheduled meeting, to the Director, Purchasing Section, 2505 S.E. 11th Avenue, Portland, OR 97202. The Director of the agency initiating the exemption request, or designee, must describe circumstances which would support findings required for granting exemptions. The findings will be reviewed by the Purchasing Section and forwarded to the PCRBR with a recommendation of approval or disapproval, and rationale for the recommendation.

Requests for exemption of a specific contract or contracts must be submitted with all of the information required pursuant to the Public Contract Review Administrative Rules.

The Administrative Rules contained herein were first promulgated April 8, 1976 and subsequently amended May 1, 1981 and July 19, 1986. The Rules were amended November 3, 1994 with the intent to, as close as practical, follow the Oregon Attorney General's Model Public Contract Rules.

The Multnomah County Public Contract Review Board has rule making authority to carry out the powers and duties of the Board under ORS 279.011 to 279.063. All rules shall be adopted in the manner prescribed in the resolution and/or ordinance creating the PCRBR.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 10

10.000 Definitions

- (1) "Administrative Rule" or "AR" means Public Contract Review Board Administrative Rules
- (2) "Bid" means a competitive offer in which price, delivery (or project completion) and conformance to specification will be the predominant award criteria. When authorized by an exemption granted under these Public Contract Review Board (PCRB) Rules, bid also includes a proposal wherein a solicitation of competitive proposals or offers is utilized for procurement when specification and price will not necessarily be the predominant award criteria.
- (2) "Board" means the Multnomah County Public Contract Review Board.
- (3) "Competitive Bidding" means the solicitation by Multnomah County of competitive offers which follow the formal process for advertising, bid and bid opening required by ORS Chapter 279, rules of the Multnomah County Public Contract Review Board and applicable sections of Multnomah County Code.
- (4) "Competitive Quotes" or "Informal Quotation" means the solicitation of offers by Multnomah County from competing vendors. The solicitation may be by advertisement or by Multnomah County initiating a request to vendors to make an offer. The solicitation and offer may be in writing or oral.
- (5) "Contract Amendment" means any amendment for additional work including change orders, extra work, field orders, or other changes in the original specifications and contract price.
- (6) "The County": or, "County" means Multnomah County, Oregon
- (7) "Department" means the Administrative Department under and pursuant to Chapter 1 of the Multnomah County Charter.
- (8) "Department Manager" means the Director of an Administrative Department as defined in the Multnomah County Charter.
- (9) "Director of Purchasing" means the Director of the Purchasing Section, Finance Division for Multnomah County or his/her designee.
- (10) "Invitation to Bid" means the solicitation of competitive offers in which specifications, price or delivery (or completion time) will be the predominant award criteria.
- (11) "Post-consumer waste" means a finished material which would normally be disposed of as solid waste, having completed its life cycle as a consumer item. "Post-consumer waste" does not include manufacturing waste.
- (12) "Price Agreement" means the same as Requirements Contracts defined below (#21).
- (13) "Professional Services Contracts" means a contract for services performed as an independent contractor in a professional capacity as defined in AR 10.092.
- (14) "Public Contract" means any purchase, lease or sale by the County of personal property, public improvements or services other than agreements which are for Professional services.

- (15) "Public Improvement" means projects for construction, reconstruction or major renovation of real property by or for the County. "Public Improvement" does not include emergency work, minor alteration, ordinary repairs or maintenance necessary in order to preserve a public improvement.
- (16) "Public Works" include but is not limited to roads, highways, buildings, structures and improvements of all types, the constructions, reconstruction, major renovation or painting of which is carried on or contracted for by any public agency the primary purpose of which is to serve the public interest regardless of whether title thereof is in a public agency but does not include the reconstruction or renovation of privately owned property which is leased by a public agency.
- (17) "Recycled Material" means any material that would otherwise be a useless, unwanted or discarded material except for the fact that the material still has useful physical or chemical properties after serving a specific purpose and can, therefore, be reused or recycled.
- (18) "Recycled Paper" means a paper product with not less than:
 - (a) Fifty percent of its total weight consisting of secondary waste materials; or
 - (b) Twenty five percent of its total weight consisting of post-consumer waste.
- (19) "Recycled Product" means all materials, goods and supplies, not less than 50 percent of the total weight of which consists of secondary and post-consumer waste with not less than 10 percent of its total weight consisting of post-consumer waste. "Recycled product" also includes any product that could have been disposed of as solid waste, having completed its life cycle as a consumer item, but otherwise is refurbished for reuse without substantial alteration of the product's form.
- (20) "Request for Proposals" means the solicitation of competitive proposals, or offers, to be used as a basis for making an acquisition or entering into a contract when price will not necessarily be the predominant award criteria.
- (21) "Requirements Contracts" means an agreement in which the vendor agrees to supply all the purchaser's requirements that arise for an item or items within a specified time period.
- (22) "Secondary waste materials" means fragments of products or finished products of a manufacturing process which has converted a virgin resource into a commodity of real economic value, and includes post secondary waste, but does not include excess virgin resources of the manufacturing process. For paper "secondary waste materials" does not include fibrous waste generated during the manufacturing process such as fibers recovered from waste water or trimmings of paper machine rolls, mill broke, wood slabs, chips, sawdust or other wood residue from a manufacturing process.
- (23) "Service Contract" means a contract that calls primarily for a contractor's time and effort rather than for an end product.

10.010 Contracts Exempt From Competitive Bidding

- (1) All public contracts exceeding \$25,000 shall be based upon competitive bidding except the following:
 - (a) Contracts made with other public agencies or the federal government.
 - (b) Contracts made with Qualified Rehabilitation Facilities providing employment opportunities for the handicapped.
 - (c) Contracts specifically exempt under the provisions of these rules.

- (d) Contracts between public agencies utilizing an existing solicitation or current requirement contract of one of the public agencies that is party to the contract for which:
 - (1) The original contract met the requirements of ORS 279;
 - (2) The contract allows other public agency usage of the contract; and
 - (3) The original contracting public agency concurs.
- (e) No written agreement under ORS 190 is necessary if the arrangement is between or among units of local government.

10.020 Contracts For Price Regulated Items

- (1) The County may, without competitive bidding, contract for the purchase of goods or services not subject to the provisions of AR 10.092, where the rate or price for the goods or services being purchased is established by federal, State or local regulatory authority.

10.030 Copyrighted Materials

- (1) If the contract is for the purchase of copyrighted materials, the County may contract for the purchase of the goods without competitive bidding.

10.031 Periodicals

- (1) The County may purchase subscriptions for periodicals, including journals, magazines and similar publications without competitive bidding.

10.035 Institutional Commissaries

- (1) Institutional and residential commissaries may, without competitive bidding, purchase personal property for resale for stores operated by them.

10.040 Advertising Contracts

- (1) The County may purchase advertising, regardless of dollar amount, without competitive bidding.

10.045 Equipment Maintenance, Repair and Overhaul

- (1) Contracts for equipment maintenance, repair, or overhaul may be let without competitive bidding, subject to the following conditions:
 - (a) The services and/or parts required are unknown and the cost cannot be determined without extensive preliminary dismantling or testing; or
 - (b) The services and/or parts required are for sophisticated equipment for which specially trained personnel are required and such personnel are available from only one source.

10.047 Sales, Liquidation Sales and Disposal of Personal Property

- (1) The County may sell personal property, including recyclable or reclaimed materials, without formal competitive bidding if the Purchasing Section has determined that a negotiated sale will result in increased net revenue and the following conditions are complied with:
 - (a) When the current market value per item is deemed to be equal to or less than \$1,000, the Purchasing Section may establish a selling price, schedule and advertise a sale date, and sell to the first qualified buyer meeting the sale terms;
 - (b) When the current value per item is deemed to exceed \$1,000, the personal property must be offered for competitive written bid and be advertised in accordance with ORS 279.025 or be offered for sale at public auction in accordance with this rule. If no bids are received or if a determination is made that the market value of the property exceeds the offer of the highest

responsive bidder, all bids may be rejected and the County may negotiate a sale subject to the following conditions:

- (1) An appraisal of the market value of the property is obtained and documented and the negotiated sale price exceeds the market value; or
 - (2) The sale amount exceeds the highest bid received through the bidding or auction process.
- (2) The County may sell personal property through a commercially recognized third party liquidator if the Purchasing Director has determined that a liquidation sale will result in increased net revenue and the following is complied with:
- (a) The selection of the liquidator was conducted, at a minimum, by the competitive request for proposal process governed by rule AR 10.085.
- (3) The County may dispose of personal property in any manner and without any competitive process if it is deemed by the Program Manager to be any one of the following:
- (a) Property whose net value is under \$250
 - (b) Hazardous
 - (c) Property is inoperable and not reasonably repairable.
 - (d) Recyclable material
- (4) This section does not apply to the Titlewave Book Store operations.

10.048 Donations of Personal Property

- (1) The County may transfer personal property, including recyclable or reclaimed materials, without remuneration or only nominal remuneration without competitive bids to the following agencies:
- (a) Another public agency; or
 - (b) Any sheltered workshop, work activity center, or group care home which operates under contract or agreement with, or grant from, any State agency and which is certified to receive federal surplus property; or
 - (c) Any recognized non-profit activity which is certified to receive federal surplus property.
- (2) The County may donate or sell, without competitive bids, surplus personal property to recognized private non-profit social or health service agencies, subject to the following conditions:
- (a) A determination has been made that the property is not needed for other public purposes;
 - (b) If the property has a current market value of \$1,000 or more, the donation or sale shall:
 - (1) Be approved by the County Chair/Sheriff;

- (2) Be documented by the County to be clearly in the public interest and the most efficient/cost effective method of disposing of the property.
- (3) The County shall maintain a record of all transfers, donations, or sales authorized by subsection (1) or (2) of this rule.

10.050 (Hist: PCRB Eff. 4-8-76, Repealed by PCRB 1994.)

10.052 (Hist: PCRB Eff. 5-1-81, Repealed by PCRB 1989.)

10.055 Gasoline, Diesel Fuel, Heating Oil, Lubricants and Asphalt

- (1) The County is exempt from formal competitive bidding for the purchase of gasoline, diesel fuel, heating oil, lubricants and asphalt subject to the following conditions:
 - (a) The Purchasing Section seeks competitive quotes from a majority of vendors in the area; and
 - (b) Makes its purchases from the least expensive source; and
 - (c) Retains written justification for the purchase made.

10.060 Requirements Contract

- (1) The County may enter into requirements contracts whereby it is agreed to purchase requirements or anticipated needs at a predetermined price provided the following conditions are complied with:
 - (a) The contract must be let by competitive bidding pursuant to the requirements of Chapter 279, Oregon Revised Statutes, and applicable rules of the Multnomah County Public Contract Review Board.
 - (b) Requirements contracts, equal to or less than \$25,000, may be let through informal quotation providing that written quotation requests are mailed (by Purchasing) to a broad base of vendors. The quotation request must include all contract renewal language.
 - (c) The term of the Requirements Contract including renewals does not exceed three years.
- (2) The County may request specific exemptions from the foregoing conditions in accordance with AR 10.140.

10.070 Investment Contracts

- (1) The County may, without competitive bidding, contract for the purchase of the investment of public funds or the borrowing of funds by the County when such investment or borrowing is contracted pursuant to duly enacted statute, ordinance, charter, or constitution.

10.071 Rating Agency Contracts

- (1) The County may purchase and direct pay for the services of Moody's Investors Service, Standard and Poor's or similar rating agencies without competitive bidding.

10.072 Revenue Contracts and Revenue Intergovernmental Agreements

- (1) The Board of County Commissioners authorizes Department Managers to enter into revenue contracts or revenue intergovernmental agreements if the annual amount of the contract or agreement is \$1,500 or less.

10.079 Employee Benefit Insurance

- (1) The County may purchase employee benefit insurance, regardless of dollar amount, without competitive bidding.

10.080 Hist: PCRB Eff. 4-8-76 and Repealed by PCRB 1994

10.081 Ballots, Ballot Pages and Ballot Cards

- (1) The County is exempt, regardless of dollar amount, from competitive bidding requirements for the printing of ballots, including ballot pages, labeling and mailing of ballot cards.

10.083 Hist: PCRB Eff. 5-1-82, repealed 1994.

10.085 Request for Proposals

- (1) The County may use request for proposal competitive procurement methods (refer to Administrative Procedure PUR-1) subject to the following conditions:
 - (a) The procurement is publicly advertised and a written document is issued that invites the submission of sealed, written offers to be opened publicly at a designated time and place; and
 - (b) Contractual requirements are stated clearly in the solicitation document; and
 - (c) Evaluation criteria to be applied in awarding the contract and the role of an evaluation committee are stated clearly in the solicitation document. Criteria used to identify the proposal that best meets the County's needs may include but are not limited to cost, quality, service, compatibility, product reliability, operating efficiency and expansion potential; and
 - (d) The solicitation document clearly states all complaint processes and remedies available.
 - (e) The solicitation document states the provisions made for proposers to comment on any specifications which they feel limit competition.
 - (f) The selection process shall not inhibit competition or encourage favoritism and will result in cost savings to the County. The above shall be documented as findings in the contract administration record.

10.086 Construction Manager/General Contractor

- (1) County agencies may seek individual or class exemptions from the Public Contract Review Board to use the request-for-proposal process in accordance with the requirements Public Contract Review Board Administrative rule 10.085, for the selection of construction manager/general contractor firms (CM/GC) who will be required to establish guaranteed maximum prices for constructing public improvements, subject to the following conditions:
 - (a) Contractual requirements are stated clearly in the solicitation document. The contract shall describe the methods by which the CM/GC shall competitively select other contractors and subcontractors to perform the work of the improvement; and shall describe the methods by which the CM/GC may compete to perform the work of the improvement.
 - (b) Evaluation criteria to be applied in selecting the GM/GC firm are stated clearly in the solicitation document. Criteria used to identify the CM/GC firm which best meets the County's needs must include but are not limited to cost, quality, experience relative to the improvement to be constructed, and time required to commence and complete the improvement.
 - (c) The County shall prepare written findings to support the use of this rule. The findings must show compliance with paragraphs (a) and (b) of ORS 279.015 (2). The County shall retain the findings and make them available upon request.

10.089 Office Copier Purchase

- (1) The County may enter into multiple price agreements for either -the purchase or lease of office copying equipment subject to the following conditions:
 - (a) The contract must be let by competitive bidding.
 - (b) The term of the agreements including renewals do not exceed three (3) years.
- (2) In exercising this exemption, the County shall fully consider the operating capabilities, limitations and cost of each brand or model and select that brand or model which will produce the best combination of performance and cost per copy for each application.

10.090 Data and Word Processing Contracts

- (1) Contracts for acquisition of data and word processing hardware and systems software may be let without competitive bidding using the Request for Proposal process subject to the following conditions:
 - (a) If the contract amount is equal to or less than \$25,000, the County shall follow informal competitive procurement methods. Prior to selection of a vendor, reasonable efforts will be made to solicit proposals from three or more vendors. Justification of award shall be documented and become a public record of the County.
 - (b) If the contract amount exceeds \$25,000, the County shall use the request for proposals process and must solicit written proposals. The County shall publish an advertisement in a publication of general circulation in the state and shall document the evaluation and award process, which will be part of the public record justifying the award.
 - (c) If the amount of the contract exceeds \$500,000, in addition to the requirements of subsection (b) of this rule, the County shall:
 - 1) Provide an opportunity for vendors to review requirements and, prior to submitting proposals, comment on any specifications which they feel limit competition;
 - 2) Provide that residual values be considered only if they are clearly ascertainable;
 - 3) Provide that cost of conversion will be minimized by the County. Vendors competing in this category of procurement shall be given the opportunity to review the evaluation of their proposal before final management review and selection. If there is less than a 1% difference between the performance/cost ratio of the highest ranked proposals, appropriate consideration must be given to the procurement of equipment which will encourage competition.

10.091 Telecommunication Systems Contracts

- (1) Contracts for acquiring telecommunications system hardware and software may be made by the County subject to the following conditions:
 - (a) If the contract is equal to or less than \$25,000, the County shall as a minimum obtain competitive quotes. Prior to selection of a contractor, reasonable efforts will be made to solicit proposals from three or more vendors. Justification of award shall be documented and become a public record of the County.
 - (b) If the contract amount exceeds \$25,000, the County shall determine and use the best procurement method, pursuant to ORS 279.005 through ORS 279.111 and shall solicit written

proposals in accordance with the requirements of Public Contract Review Board Administrative Rule 10.085.

- (2) The telecommunications solicitation authorized in subsection (1)(b) of this rule shall:
 - (a) State the contractual requirements in the solicitations document:
 - (b) State the evaluation criteria to be applied in awarding the contract and the roles of any evaluation committee. Criteria that would be used to identify the proposal that best meets the County's needs may include, but are not limited to, cost, quality, service and support, and compatibility with the County's existing telecommunications systems, product or system reliability, vendor viability and financial stability, operating efficiency, and expansion potential:
 - (c) State the provisions made for bidders or proposers to comment on any specifications which they feel limit competition: and
 - (d) Be advertised in accordance with ORS 279.025.

10.092 Professional Services Contracts

- (1) The County may enter into professional services contracts using the request for proposal process based upon the following criteria (refer to Administrative Procedure PUR-1):
 - (a) The following are professional services contracts:
 - (1) Contracts for services performed as an independent contractor in a professional capacity including, but not limited to, the services of an accountant, attorney, architect, architectural or land use planning consultant, physician or dentist, registered professional engineer, appraiser or surveyor, passenger aircraft pilot, aerial photographer, timber cruiser, data processing consultant, or broadcaster.
 - (2) Contracts for services as an artist in the performing of fine arts including, but not limited to, photographer, film-maker, painter, weaver, sculptor.
 - (3) Contracts for services of a specialized creative or research-oriented noncommercial nature.
 - (4) Contracts for services as a consultant.
 - (5) Contracts for educational, human custodial care services and other human services.
 - (b) The following are NOT professional services contracts:
 - (1) Contracts, even though in a professional capacity, if predominately for a product, e.g., a contract with a landscape architect to design a garden is for professional services, but a contract to design a garden and supply all the shrubs and trees is predominately for a tangible product.
 - (2) A contract to supply labor which is of a type that can generally be done by any competent worker, e.g., janitorial, security guard, crop spraying, laundry, and landscape maintenance service contracts.
 - (3) Contracts for trade-related activities considered to be labor and material contracts.

- (4) Contracts for services of a trade-related activity, even though a specific license is required to engage in the activity. Examples are repair and/or maintenance of all types of equipment or structures.

10.100 Single Seller of Product Required

- (1) Subject to all requirements of AR 20.030, the County may purchase without competitive bidding if there is only one seller of a product of the quality required or if the efficient utilization of existing equipment or supplies requires specification of a compatible product for which there is only one seller.

10.110 Emergency Contracts

- (1) The County may, at its discretion, let public contracts exceeding \$25,000 without formal competitive bidding, if an emergency exists and the emergency consists of circumstances creating a substantial risk of loss, damage, interruption of services or threat to public health or safety that could not have been reasonably foreseen and requires prompt execution of a contract to remedy the condition.
- (2) The County Board delegates to the Chair of the Board the authority to, by official action, declare the existence of the emergency stating with specificity in its declaration, the emergency condition necessitating the prompt execution of the contract. Written findings describing the emergency conditions necessitating prompt execution of the contract must be prepared and sent to the Board.
- (4) Any contract awarded under this exemption shall be awarded within 60 days following declaration of the emergency unless an extension is granted pursuant to ORS 279.015(4).

10.120 Exemption of Contracts Under Certain Dollar Amounts (Includes Professional Service Contracts)

- (1) The County may let public contracts equal to or less than \$25,000 for the purchase of goods, materials, supplies, and services without formal competitive bidding if it has been determined that the awarding of the contract without competitive bidding will result in cost savings and the following conditions are complied with:
 - (a) The contract is for a single project and is not a component of or related to any other project in any one fiscal year.
 - (b) When the amount of the contract is equal to or less than \$2,500, the County should, where feasible, obtain competitive quotes.
 - (c) When the amount of the contract is more than \$2,500 but equal to or less than \$25,000, the County must obtain a minimum of three competitive quotes. A written record of the source and amount of the quotes received must be kept. If three quotes are not available, a lesser number will suffice provided a written record is made of the effort to obtain the quotes.
 - (d) Is a non-repetitive acquisition that will not be repeated in six months.
 - (e) One of every three quotes must be from a M/WBE contractor if applicable.
- (2) The County may let public contracts equal to or less than \$25,000 for trade-related projects, i.e., construction, maintenance, repair, or similar labor and materials contracts without formal competitive bidding if the agency has determined that the awarding of the contract without formal competitive bidding will result in cost savings and the following are complied with:
 - (a) The contract is for a single project and is not a component of or related to any other project in any one fiscal year.

- (b) When the amount of the contract is equal to or less than \$2,500, the County should, where feasible, obtain competitive quotes.
 - (c) When the amount of the contract is more than \$2,500 but equal to or less than \$25,000, the County must obtain a minimum of three competitive quotes. A written record of the source and amount of the quotes received must be kept. If three quotes are not available, a lesser number will suffice provided a written record is made of the effort to obtain the quotes.
 - (d) Is a non-repetitive acquisition that will not be repeated in six months.
 - (e) One of every three quotes must be from a M/WBE contractor if applicable.
- (3) Public contracts for "public improvements" as defined in ORS 279.011 (7) and/or for "public works" as defined in ORS 279.348 (3) and the contract exceeds \$10,000 but is less than or equal to \$25,000 the County must comply with:
- (a) The prevailing Wage Rate provisions in ORS 279.348 to 279.365.
 - (b) The performance bond requirements of ORS 279.029.
 - (c) The contractor registration requirements of ORS 701.
 - (d) Any other law applicable to such a contract.

10.125 Life Cycle Cost Analysis

- (1) The County may, as a part of its competitive bidding requirements, use life cycle cost evaluation subject to the following requirements:
- (a) The bid specifications must include an explanation of the factors and evaluation formula to be used and;
 - (b) The bidder whose bid results in the lowest ownership cost, taking into account the life cycle costing adjustments, shall be considered the lowest responsible bidder.

10.130 Contract Amendments (Including Change Orders and Extra Work)

- (1) Any contract amendment for additional work including change orders, extra work, field orders or other changes in the original specifications which increases the original contract price, may be made with the contractor without competitive bidding subject to the following conditions:
- (a) The original contract was let by competitive bidding, unit prices or bid alternatives were provided that established the cost for additional work and a binding obligation exists on the parties covering the terms and conditions of the additional work; or
 - (b) The amount of the aggregate cost increase resulting from all amendments shall not exceed 20% of the initial contract. Contracts for the renovation or remodeling of buildings may have aggregate amendments not exceeding 33% of the initial contract. Amendments made pursuant to section (1) of this rule are not included in computing the aggregate amount under this section.

10.135 Hist: PCRB Eff. 4-8-76 and Repealed by PCRB 1994

10.136 Preference to Recycled Materials

- (1) It is the policy of Multnomah County to purchase materials and product that are environmentally sound in their manufacture, use and disposal. The County shall give preference to the purchase of materials and supplies manufactured from recycled materials if:
 - (a) The recycled product is available;
 - (b) The recycled product meets applicable standards;
 - (c) The recycled product can be substituted for a comparable non-recycled product; and
 - (d) The cost of the recycled product do not exceed the cost of the non-recycled product by more than five percent.
- (2) Departments shall review and work with Purchasing to develop procurement specifications that encourage the use of recycled products whenever quality of a recycled product is functionally equal to the same product manufactured from virgin resources. Except for specifications that have been established to preserve the public health and safety, all procurement and purchasing specifications shall be established in a manner that encourages procurement and purchase of recycled products.
- (3) At its discretion, the County may give preference to the purchase of materials and supplies manufactured from recycled materials, even if the cost differential exceeds the five percent preference set forth in subsection (1) of this rule.
- (4) Any invitation to bid or request for proposal under ORS 279 shall include the following language: "Vendors shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this document."
- (5) In any bid which the County has reserved the right to make multiple awards, the recycled product or recycled paper preference shall be applied to the extent possible to maximize the dollar participation of firms offering recycled products or recycled paper in the contract award.
- (6) The County shall require the bidder to specify the minimum, if not the exact, percentage of recycled paper in the paper products or recycled product in products offered, and both the post-consumer and secondary waste content regardless of whether the product meets the percentage of recycled material specified for recycled paper or recycled products in ORS 279.731. For paper products, the County also shall require that the bidder specify the fiber type. The contractor may certify a zero percent recycled paper or product. All contract provisions impeding the consideration of products with recycled paper or recycled products shall be deleted in favor of performance standards.
- (7) The County shall require that purchases of lubricating oil and industrial oil be made from the seller whose oil products contain the greater percentage of recycled oil, unless a specific oil product containing recycled oil is:
 - (a) Not available within a reasonable period of time or in the quantities necessary to meet an agency's needs;
 - (b) Not able to meet the performance requirements or standards recommended by the equipment or vehicle manufacturer, including any warranty requirements; or
 - (c) Available only at a cost of the comparable virgin oil products or other percent preference established by the County under ORS 279.739(3).

10.140 Specific Exemptions

- (1) The Purchasing Section may apply to the Board for a ruling under AR 30.010 through 30.040 exempting a particular contract or contracts from competitive bidding requirements of ORS 279.015 which are not otherwise exempted under these rules. The application shall contain the following information:
 - (a) The nature of the project;
 - (b) Estimated cost of the project;
 - (c) A narrative description of the cost savings anticipated by the exemption from competitive bidding and the reasons competitive bidding would be inappropriate;
 - (d) Proposed alternative contracting and purchasing practices to be employed; and
 - (e) The estimated date by which it would be necessary to let the contract.
- (2) The Board may require such additional information as it deems necessary to determine whether a specific contract is to be exempt from competitive bidding.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
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DIVISION 15

15.000 Authority and Duties of Purchasing Director

- (1) The authority and duties of the Purchasing Director are as follows:
- (a) Purchase or contract for supplies, materials, equipment and services when authorized by ordinance or administrative rule.
 - (b) Ensure compliance with all applicable federal and state laws, Multnomah County ordinances, rules, policies and procedures governing public contracts.
 - (c) Establish and enforce specifications to procure supplies, materials equipment and services.
 - (d) Execute County contracts on behalf of the County Chair when authorized by the Chair, using the signature of the County Chair and the initials or the name of the Purchasing Director.
 - (e) Operate a Central Stores warehouse of supplies commonly used by County agencies and approved outside agencies.
 - (f) Receive and distribute surplus County property to County agencies or provide for the sale or disposal of property no longer needed or obsolete.
 - (g) Recommend to the Board of Commissioners and the County Chair new ordinances and amendments to the Public Contract Review Board Rules and County Administrative Procedures, as well as adopt new internal procedures to comply with applicable statutes, ordinances and administrative procedures.
 - (h) Review and recommend approval of exemptions from applicable public contract requirements.
 - (i) Manage and Monitor printing Services required by County agencies for greater efficiency and economy.
 - (j) Maintain a central file of all original executed copies of contracts.
 - (k) Maintain a County-Wide contracts information system.
 - (l) Manage the County contract approval process.

15.010 Definitions as used in this section

- (1) "Actual conflict of interest", means any action, decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or the person's relative or any business with which the person or a relative of the person is associated.
- (2) "Business" means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain.
- (3) "Business with which the person is associated" means any business of which the person or the person's relative is a director, officer, owner or employee, or agent or any corporation in which the

person or the person's relative owns or has stock worth \$1,000 or more at any time in the preceding calendar year.

- (4) "Potential conflict of interest" means any action or decision or recommendation by a person acting in a capacity as a public official, the effect of which could be to the private pecuniary benefit or detriment of the person or the person's relative, or a business with which the person or the person's relative is associated, unless the pecuniary benefit or detriment arises out of the following:
 - (a) An interest of membership in a particular business, industry, occupation or other class required by law as a prerequisite to the holding by the person of the office or position.
 - (1) Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person, or the person's relative is associated, is a member or is engaged. The Board of Commissioners may by resolution limit the minimum size of or otherwise establish criteria for or identify the smaller classes that qualify under this exception.
 - (2) Membership in a nonprofit corporation that is tax-exempt under section 501(c) of the Internal Revenue Code.
- (5) "Public official" means any person who, when an alleged violation of this chapter occurs, is serving Multnomah County as an elected official, officer, employee, or appointee on any commission, committee or similar advisory body, irrespective of whether the person is compensated for such services.
- (6) "Relative" means the spouse of the public official, any children of the public official or of the public official's spouse, and brothers, sisters or parents of the public official or of the public official's spouse.
- (7) "Contract official" means any public official responsible for processing, awarding, funding or monitoring a county contract.
- (8) "Appointing authority" means the elected official having administrative authority over the affected public official, or such elected official's designee.

15.015 Actual and Potential Conflicts of Interest

- (1) Prior to taking any action in connection with a County contract, every contract official shall in writing notify the contract official's appointing authority, the County Auditor and Purchasing Director of any potential or actual conflicts of interest of such contract official with respect to such proposed contract.
- (2) Upon receiving any information that a proposed contract involves a potential or actual conflict of interest of any contract official, the County Auditor or designated representative shall review the contract award procedures for compliance with applicable laws and regulations.
- (3) No contract shall be awarded or executed on behalf of the County without review and approval by the County Auditor if any contract official has a potential or actual conflict of interest in connection with the contract.

15.020 Competitive bidding and RFP restrictions

- (1) Contracts based upon formal competitive bidding or requests for proposals, if not awarded to the

lowest responsive bidder or proposer with highest evaluation, shall not take effect until approved by at least three members of the board of commissioners.

15.025 Semi-Annual Reports

- (1) The Purchasing director shall file a semi-annual report of contract activity by September 30 for the six month period ending June 30 and March 31 for the six month period ending December 31 with the Multnomah County Chair and Board of Commissioners. The report shall contain the following:
 - (a) An index of contracts, contract price and contractors.
 - (b) Information regarding contracts with minority and female-owned business enterprises as well as Qualified Rehabilitation Facilities.
 - (c) A summary of contract totals by department or function for the prior and current year.
 - (d) A summary of contract processing costs for the prior and current year; and
 - (e) A summary of contracting procedure changes implemented during the year.
 - (f) Listing of contracts awarded through the competitive bid process to a contractor(s) who did not score the highest evaluation or have the lowest responsive bid.
 - (g) Listing of contracts exceeding \$25,000, for which only one bid or proposal was received.

15.030 Unauthorized Purchases

- (1) Unauthorized Purchases shall mean any County contract or agreement other than Professional Service contracts for less than \$25,000, that is not binding solely because the County representative who made it lacked the authority to enter into the agreement on behalf of the County without compliance with all applicable public contracting requirements.
- (2) Claims for payment arising from unauthorized purchases or commitments shall require approval by the Board of County Commissioners upon recommendation of the Purchasing Director.
- (3) Prior to processing requests for approval of unauthorized purchases or commitments, the Purchasing Director shall require the following information:
 - (a) Description of the property or services furnished as a result of the unauthorized contract or commitment;
 - (b) A detailed statement of facts relating to the unauthorized commitment, including the name and position of the person who made the unauthorized purchase and an explanation of the reason normal purchasing procedures were not used;
 - (c) Documentation that the amount claimed by the supplier or contractor is fair and reasonable;
 - (d) Copies of all invoices and other documents pertinent to the transaction;
 - (e) Verification that the property or services have been received and accepted by the County;
 - (f) The fund, organization and object codes for the purchase;
 - (g) A statement of the steps taken or planned to prevent recurrence of such unauthorized purchases.

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DIVISION 20

20.000 BRAND NAMES OR MARKS

20.010 Specification of Particular Brand Names or Products

- (1) Specifications for public contracts shall not expressly or implicitly require any product of any particular manufacturer or seller except pursuant to an exemption under AR 20.020 (Copyrighted Materials), 20.030 (Single Manufacturer or Compatible Products), 20.040 (Product Prequalifications) or 20.050 (Brand Name or Mark Exemption Applications).
- (2) If there is no other practical method of specification, the County may designate a particular brand name, make or product, "or equal," but this practice should be avoided whenever possible.

20.020 Copyrighted Materials

- (1) The County may specify a copyrighted product. This exemption does not include patented or trade mark goods.

20.030 Single Manufacturer or Compatible Products

- (1) If there is only one manufacturer or seller of a product of the quality required or if the efficient utilization of the existing equipment or supplies requires compatible product of a particular manufacturer, the County may specify such particular product subject to the following conditions:
 - (a) The product is selected on the basis of the most competitive offer considering quality and cost. The term "cost" includes not only the product cost, but also other items of expense such as costs related to quality or conversion.
 - (b) Prior to awarding the contract, the County has made reasonable effort to notify known vendors of competing or comparable products of the intended specifications and invited such vendors to submit competing proposals. If the purchase does not exceed \$25,000, such notice and invitation may be informal. If the amount of the purchase exceeds \$25,000, such notice shall include advertisement in at least one newspaper of general circulation in the area where the contract is to be performed and shall be timely to allow competing vendors a reasonable opportunity to make proposals.
- (2) If the amount of the purchase exceeds \$25,000 and is not also pursuant to the data and word processing exemption AR 10.090, the Purchasing Section shall document its actions in the bid file. Such documentation shall include:
 - (a) A brief description of the proposed contract or contracts.
 - (b) A detailed description of the reasons why the product and/or seller was selected and any competing products and/or sellers that were rejected. The description shall also include the efforts taken by the Purchasing Section to notify and invite proposals from competing vendors.
- (3) If the County intends to make several purchases of the product of a particular manufacturer or seller for a period not to exceed three (3) years, it may so state in the documentation required by subsection (2)(b) and section (2) and such documentation shall be sufficient notice as to subsequent purchases.

20.040 Product Prequalification

- (1) When it is impractical to create specific design or performance specifications for a type of product to be purchased, the County may specify a list of approved products by reference to particular manufacturers or sellers in accordance with the following product pre-qualification procedure:
 - (a) The Purchasing Section has made reasonable efforts to notify known manufacturers or vendors of competitive products of its intention to accept applications for inclusion in its list of pre-qualified products. Notification shall include advertisement in a trade journal of statewide distribution when possible.
 - (b) The County permits application for pre-qualification of similar products up to 15 days prior to advertisement for bids on the product.
- (2) If an application for inclusion in a list of pre-qualified products is denied or an existing pre-qualification revoked, the Director of Purchasing shall notify the applicant in writing. The applicant may appeal to the Board for a review of the denial or revocation in the same manner as an appeal of disqualification or denial provided in AR 40.090.

20.050 Brand Name or Mark Exemption Applications

- (1) The Purchasing Section may apply for and receive a brand name or mark exemption ruling from the Board for current and contemplated future purchases. Applications shall contain the following information:
 - (a) A brief description of the contract or contracts to be covered. The description should include contemplated future purchases.
 - (b) The brand name, mark, or product to be specified.
 - (c) The reasons the Purchasing Section is seeking the exemption.

20.060 Conditions of Exemptions

- (1) The Board may grant exemptions if any of the following conditions are met:
 - (a) The exemption is not likely to encourage favoritism in public contracts or substantially diminish competition and result in cost savings.
 - (b) There is only one manufacturer or seller of the product of the quality required, efficient utilization of existing equipment, or supplies requires acquisition of compatible equipment or supplies.
 - (c) The exemption is requested for the purchase of a particular product to be used in an experimental project.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
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DIVISION 30

30.000 SPECIFIC EXEMPTION PROCEDURE

30.010 Notice of Application

- (1) Upon receipt of an application for an exemption ruling under AR 10.000 or AR 20.040, the County Chair shall cause a notice of intention to adopt an order to be posted in full public view in the Multnomah County Courthouse and may set the matter for public hearing to receive data, views, and arguments.

30.020 Board Hearing

- (1) The application will be placed on the Board's agenda for the next Board meeting, and, in the exercise of discretion, the County Chair may also set additional public meetings to receive data, views, and arguments.

30.030 Temporary Rules Exemptions

- (1) In appropriate cases, the County Chair may grant a temporary exemption from public bidding pending formal consideration of a specific exemption.

30.040 Unanimous Consent Calendar

- (1) The County Chair may, in the exercise of discretion, notify the members of the Board that an application for exemption has been made and that if no objections are received to the exemption from members of the Board within seven days of the County Chair's notice, the exemption will be considered granted by unanimous consent and the County Chair may, in the exercise of discretion, deem the exemption adopted as a temporary rule. Exemptions so adopted will be placed on the Board's agenda as a unanimous consent calendar for ratification or adoption as a permanent rule by the Board at the next meeting of the Board.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 40

40.000 COMPETITIVE BIDDING PROCEDURE

40.010 Statutory Requirements

- (1) The County is required to award contracts to the lowest responsible, responsive bidder except in the following circumstances:
 - (a) The bidder has failed to substantially comply with either the specifications or any statutory requirement relating to public contracting;
 - (b) The bidder is disqualified by the County pursuant to the applicable statutes and Rule 40.020.
 - (c) If in the judgement of the department head and the Purchasing Director it is in the public interest to reject all bids pursuant to ORS 279.035.

40.015 Receipt and Opening of Bids

- (1) In any contract which is subject to competitive bidding as defined in Rule AR 10.000, the advertisement must state the time and date when bids will be publicly opened. The bids should be sealed and shall not be examined or opened by anyone until the time of the public opening as specified in the advertisement. Such bids are not public records under ORS 192.500 et seq. until the public opening.

40.020 Bidder Disqualification

- (1) Bidders may be disqualified on any of the following grounds:
 - (a) Lack of financial ability. If a performance bond is required to insure performance of a contract, proof that the bidder can acquire a surety bond in the amount required shall be sufficient to establish financial ability. If no performance bond is required, the public contracting agency may require such information as it deems necessary to determine the bidder's financial ability. In determining whether a surety company is to be considered "good and sufficient", the public contracting agency may utilize the list maintained by the U.S. Department of Treasury of surety companies acceptable on federal bonds; Best's Rating, published by A.M. Best Company; or information maintained by the Oregon State Department of Transportation.
 - (b) The bidder lacks the available equipment or key personnel with sufficient experience to perform the contract.
 - (c) The bidder has repeatedly breached contractual obligations.

40.030 Mandatory Prequalification

- (1) Prequalification of contractors for public improvements in excess of \$50,000 is required. All persons desiring to bid for such contracts shall submit a completed pre-qualification statement. Such statements must be prepared during the period of one year prior to the bid date and must be actually received or postmarked to Multnomah County by no later than 10 days prior to bid opening. Prequalification granted pursuant to this rule shall be effective for a period of one year. Prequalification granted pursuant to this rule shall be for only those contracts not exceeding a certain monetary limit based upon the financial ability of the particular contractor. Such limits will be designated by Multnomah County.

40.040 Prequalification Application

- (1) Prequalification statements required by AR 40.030 adopted pursuant to ORS 279.039 and Prequalification requests submitted pursuant to ORS 279.041 shall be in the form of the State of Oregon Public Contract Review Board "Contractors" Prequalification Application, "Equipment and Experience Questionnaire."

40.045 Prequalification Prior To The Effective Date

- (1) In case of a Prequalification that has been granted prior to the effective date of these rules, the County may, in its discretion, deem that Prequalification to continue for its remaining term.

40.050 Qualification Statement

- (1) Upon establishment of Prequalification, the County shall issue a qualification statement in substantially the following form:

"This is to certify that _____
Name of Contractor

is qualified to perform the classes of work as requested in its Prequalification application dated _____, or contracts not to exceed \$ _____.

40.060 Proof Of Presumed Qualification

- (1) A copy of the qualification statement provided by AR 40.050 accompanied by a copy of the contractor's application for Prequalification will constitute proof of Prequalification for purposes of the presumption established by ORS 279.047.

40.070 Notice of Denial of Qualification

(1) If the County does not qualify the applicant, it shall notify the applicant in the following form:

"Multnomah County Qualification Denial

Name of Contract

Date

You are hereby notified that your application for Prequalification has been denied or your bid has not been qualified for the following reasons:

_____ Contractor does not have sufficient financial ability to perform the contract.

_____ Contractor does not have equipment available to perform the contract.

_____ Contractor does not have key personnel with sufficient experience to perform the contract.

_____ Contractor has repeatedly breached contractual obligations.

_____ Contractor has failed to supply promptly information requested by Multnomah County.

_____ Other (Agency must specify).

If you desire to appeal this disqualification or refusal of bid to the Multnomah County Public Contract Review Board, you must notify the Multnomah County Purchasing Director in writing within three business day after receipt of this notice. The Purchasing Director shall notify the Multnomah County Contract review Board of your appeal and they shall notify you of the time and place of the hearing.

Signature

40.080 Notice of Revocation Or Revision Of Prequalification

(1) Upon discovery that a person prequalified is no longer qualified, the County shall send a notification of proposed revocation or revision of qualification in the following form:

"Multnomah County Qualification Revocation or Revision

Name of Contract

Date

You are hereby notified that your notice of Prequalification issued on _____ shall be revoked or revised for the following reasons:

_____ Contractor does not have sufficient financial ability to perform the contract.

_____ Contractor does not have equipment available to perform the contract.

_____ Contractor does not have key personnel with sufficient experience to perform the contract.

_____ Contractor has repeatedly breached contractual obligations.

_____ Contractor has failed to supply promptly information requested by Multnomah County.

_____ Other(State Reasons for Revocation or Revision)

This revocation or revision shall be effective ten days from the date of this notice unless you provide the Multnomah County Director of Purchasing with evidence that the deficiency has been corrected or you file with the Multnomah County Director of Purchasing notice of appeal to the Multnomah County Public contract Review Board pursuant to AR 40.090. Failure to file a notice of appeal within ten days bars any appeal to the Board.

Signature

40.090 Appeals

- (1) A contractor or bidder may appeal to the Board any of the following:
 - (a) Notice of denial of qualification.
 - (b) Notice of conditions varying from application for prequalification.
 - (c) Notice of revocation of prequalification.
 - (d) Notice of product disqualification under Rule AR 20.040. Notice of appeal pursuant to (a) through (d), above need not be in any particular form so long as they are in writing addressed to the Multnomah County Director of Purchasing and received within 10 days after the bidder or contractor has received notice of subsection (a) through (d).

- (2) Upon receipt of the notice of appeal, the Director of Purchasing shall forward to the Board the contractor's prequalification application, the notice of refusal of bid or prequalification or revocation and the record of investigation by the Director of Purchasing upon which the agency based its refusal or revocation together with the notice of appeal. The burden of sustaining the refusal, disqualification or revocation is upon the County.
- (3) For purposes of appeals, three members of the Board shall constitute a quorum. Meetings for appeal purposes shall be held following the Multnomah County Board of Commissioners' meetings.
- (4) At any time prior to the meeting of the Board, the County may reconsider its revocation, revision or disqualification.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 50

50.000 WAIVER OF SECURITY BID AND PERFORMANCE BOND

50.010 Bid Security Requirements

- (1) The County may, in its discretion, waive the bid security requirements of ORS 279.027 for contracts other than those for public improvements. At its discretion of the Purchasing Director, the County may accept blanket bid bonds.

50.020 Contracts Equal to or Less Than \$25,000

- (1) The County may, at its discretion, waive the bid security requirements of ORS 279.027 and performance bond requirements of ORS 279.027 if the amount of the contract for the public improvement is equal to or less than \$25,000.

50.030 Deposits in Lieu of Retainage on Public Contracts

- (1) When a contractor elects to deposit securities with a bank or trust company in lieu of Retainage on public contracts, the securities will be held by the custodian in fully transferable form and under the control of the County.
- (2) Nonnegotiable securities so deposited shall have proper instruments attached to enable the County to effect transfer of title should the contractor be unable to fulfill the contract obligations.
- (3) The custodian bank or trust company will issue a safekeeping receipt for the securities to the County. The receipt will describe the securities, the par value, the name of the contractor, and project number or other project identification.
- (4) Unless otherwise mutually agreed, the value placed upon said securities shall be market value.
- (5) Securities deposited in the manner described above will be released by the bank or trust company only upon the written instructions and authorization of the County.
- (6) In lieu of the above, an escrow agreement mutually acceptable to the contractor and the County and the bank or trust company may be used.

50.040 Approved Securities Acceptable in Lieu of Retainage Fees

- (1) Bills, certificates, notes or bonds of the United States.
- (2) Other obligations of the United States or its agencies.
- (3) Obligations of any corporation wholly owned by the federal government.
- (4) Indebtedness of the Federal National Mortgage Association.
- (5) General Obligation Bonds of the State of Oregon or any political subdivision thereof.
- (6) Time certificates of deposit or savings account passbooks issued by a commercial bank, savings and loan association, or mutual savings bank, duly authorized to do business in Oregon.
- (7) Corporate bonds rated "A" or better by a recognized rating service.

(8) General obligation improvement warrants issued pursuant to ORS 287.502.

(9) Irrevocable letters of credit from a bank doing banking business in Oregon.

50.050 Retainage Deposited in Interest-Bearing Account

(1) When a contractor elects to have an interest-bearing account established for deposit of Retainage in a bank, savings bank, trust company, or savings association, the account will be established by the County for the benefit of and under the control of the County with interest accruing to the contractor.

(2) When the account is established, proper instruments shall be furnished to the bank, savings bank, trust company, or savings association to prohibit withdrawal or transfer of the funds in the account except upon written instructions and authorization of the County and to enable the County to close the account if in the judgement of the County the contractor has not fulfilled the contract obligations.

(3) The bank, savings bank, trust company, or savings association will issue to the County a receipt acknowledging the deposit and, on the initial receipt, describing the account, the provision for interest, the name of the contractor, and the full name under which the account is established.

(4) The amount deposited and accrued interest will be released by the bank, savings bank, trust company, or savings association only upon the written instructions by the county.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 60

60.000 AFFIRMATIVE ACTION IN PUBLIC CONTRACTS

60.010 Purpose

- (1) The purpose of this Chapter is to establish procedures to assure that Multnomah County contractors and vendors provide adequate opportunities for minority and women subcontractors to participate and compete for business opportunities provided through Multnomah County, State of Oregon.

60.015 Affirmative Action Contracts

- (1) Public contracts may be awarded pursuant to a specific Affirmative Action plan. Affirmative Action is a program designed to insure equal opportunity in employment and business for persons otherwise disadvantaged by reason of race, color, religion, sex, national origin, age or physical or mental handicap, including, but not limited to, personnel practices of contractors, and programs designed to promote competitive bids by minority and women business enterprises.

60.020 Definitions

- (1) "Affirmative Action" as used in this rule means efforts designed to insure equal opportunity in employment and business for persons otherwise disadvantaged by reason of race, color, religion, sex, national origin, age or physical or mental handicap.
- (2) "Minority or Women Business Enterprise" means a business concern which is at least 51% of the stock which is owned by one or more minorities or women, as the case may be, or in the case of a corporation, at least 51% of the stock which is owned by one or more minorities or women, and whose management and daily business operations are controlled by one or more of the minority or women stockholders.
- (3) "Minority individual" means a person who is a citizen or lawful permanent resident of the United States and who also is a:
- (a) Black American or person having origins in any of the Black racial groups of Africa.
 - (b) Hispanic American or person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
 - (c) Asian or Pacific American or person whose origin is from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the United States Trust Territories of the Pacific or the Northern Marianas.
 - (d) Native American or person whose origin is from India, Pakistan or Bangladesh.
- (4) "Good Faith Effort" means performing all of the actions described in Oregon Revised Statute 200.045 (a) through (j) to assure minority and women business enterprises an opportunity to participate and compete for subcontracts based upon Multnomah County contracts.
- (5) "Responsive Bidder" for purposes of this rule means a bidder who submits complete documentation of "good faith effort" for any and all bids which specify their documentation as a submittal requirement.
- (6) Hereinafter Minority Business Enterprises and Women Business Enterprises may be abbreviated to read MBE and WBE, respectively.

60.030 Policy

- (1) It is the intent of Multnomah County to provide opportunities for all segments of the business population to participate in the Multnomah County Purchasing Program. In order to assure opportunity, every County contract and/or subcontract for construction, maintenance, or services shall include provisions barring discrimination or differential treatment in contracting for business entities described in AR 60.020 (2) and 3 (a) through (d).
- (2) Such provisions for equitable contracting and subcontracting opportunities shall be reviewed and substantiated through a "good faith effort" program.

60.031 Good Faith Effort Program

- (1) The following described activities are standards for good faith efforts to provide equitable opportunities for MBEs and WBEs to participate in subcontract opportunities created through Multnomah County contracts:
 - (a) Performing all of the following actions by a bidder constitutes a rebuttable presumption that the bidder has made a good faith effort to obtain participation by MBE and WBE firms.
 - (1) The bidder attended any pre-solicitation meetings scheduled by agency to inform M/WBEs of subcontracting or material supply opportunities available on the project;
 - (2) The bidder identified and selected specific economically feasible units of projects to be performed by M/WBEs to increased likelihood of participation by such enterprises;
 - (3) The bidder advertised in general circulation, trade association, minority and trade oriented publications, if any, concerning the subcontracting opportunities;
 - (4) The bidder provided written notice to a reasonable number of specific M/WBEs, identified from the M/WBE Director maintained by the Oregon Executive Department for the selected subcontracting or material supply work, in sufficient time to allow the enterprises to participate effectively;
 - (5) The bidder followed up initial solicitations of interest by contacting the enterprises to determine with certainty whether the enterprises were interested;
 - (6) The bidder provided interested M/WBEs with adequate information about the plans, specifications and requirements for the selected subcontracting or material supply work;
 - (7) The bidder negotiated in good faith with the enterprises, and did not, without justifiable reason, reject as unsatisfactory bids prepared by any M/WBEs;
 - (8) Where applicable, the bidder advised and made efforts to assist interested M/WBEs in obtaining bonding, lines of credit or insurance required by the contracting agency or contractor;
 - (9) The bidder's efforts to obtain M/WBE participation were reasonably expected to produce a level of participation sufficient to meet the goals or requirement of the public contracting agency.
 - (10) The bidder used the services of M/WBE community organizations, minority contractor groups, local, state and federal MBE assistance offices and other organizations identified by the Advocate for M/WBE that provide assistance in recruitment and placement of M/WBEs.

60.032 Evaluation of Good Faith Effort

- (1) After bids requiring good faith are opened, the Purchasing Director or his/her designee shall review the bid documents to determine if there is MBE and/or WBE subcontract participation. This would be evidenced by a letter of intent to subcontract with a specific Minority and/or Women Business Enterprise, specifying the category of work to be performed, and the dollar amount of such work.
- (2) If there is no subcontract participation by MBEs and/or WBEs, the evidence of good faith effort shall be reviewed and verified consistent with Multnomah County Public Contract Review Board Administrative Rule 60.031, Subsections (a) through (j).
- (3) Failure of bidder to submit good faith effort documentation shall be determined "non-responsive" to the bid specifications. Non-responsive bids will be rejected by the Multnomah County Purchasing Section.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 70

70.000 POLICY FOR PURCHASE OF GOODS AND SERVICES FROM QUALIFIED REHABILITATION FACILITIES

70.010 PURPOSE

- (1) The purpose of this Chapter is to establish policies and procedures governing the acquisition of goods and services produced by Qualified Rehabilitation Facilities and to insure that Qualified Rehabilitation Facilities are provided opportunities to enter into contractual relationships with Multnomah County, State of Oregon.

70.020 Definitions

- (1) "Qualified Rehabilitation Facility" (QRF) means a non-profit sheltered workshop or non-profit work activity center whose purpose is to assist and encourage handicapped individuals and is:
 - (a) In the manufacture of products and in the provision of services, whether or not the products or services are procured under this rule, and during the fiscal year employs handicapped individuals for not less than 75 percent of the direct labor required for the manufacture or provision of the products or services.
 - (b) A QRF must be either a Sheltered Workshop or a Work Activity Center certified through the State of Oregon, Department of General Services.
- (2) "Direct Labor" includes all work required for preparation, production, processing, and packing, but does not include supervision, administration, inspection, and shipping.
- (3) "Disabled Individual" means a severely handicapped individual who, because of the nature of the disabilities, is not able to participate in competitive employment, and for whom specialized employment opportunities must be provided.

70.030 Policy

- (1) It is the policy of Multnomah County to encourage employment of the handicapped. An essential element of this policy is to support sheltered employment by contracting for needed goods and services available from QRF's. The County shall identify contracting opportunities within the organization and encourage awarding of contracts to QRF's. This policy shall be equally applicable to all County organizations and shall be administered by the Director of Purchasing.

70.040 Certification

- (1) It shall be the policy of Multnomah County to use the QRF Certification established by the State of Oregon, Department of General Services, when applicable.
- (2) All entities wishing to qualify for QRF status with the County must furnish proof of certification with the State of Oregon, Department of General Services.

70.050 Set Aside Program for QRF Firms

- (1) The designation of contracts to the set aside program will be made by the joint determination of the department manager and the Director of Purchasing or agents appointed by them. The procedure for bidding and awarding of contracts shall be consistent with AR 40.000, except for the restriction limiting competition to QRF firms. In situations where a set aside has been established, and there is only one certified QRF available on the State Certificate list, the County shall negotiate a contract with the QRF provided the product or service is in accordance with the price established by the

Purchasing Section and it meets all minimum specifications, and is available within the period required by the Purchasing Section.

- (2) The Purchasing Section will review on a regular basis the procurement list established and published by the State of Oregon, Department of General Services to determine sources and potential sources of products and services produced by QRF's. This procurement list will be distributed annually to all County departments.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 75

75.000 Alternate Selection Procedures: Architects, Engineers and Related Professional Consultants

75.005 Purpose

- (1) The purpose of these rules is to specify the policy and procedures of the County regarding selection of professional consultants to perform architectural, engineering, and related services required by the County for construction, improvement, planning and related activities. It is the policy of the County to select as expeditiously as possible the most qualified consultant based on the consultant's demonstrated competence and qualifications to perform the professional services required at a fair and reasonable price.

75.010 Definitions

- (1) "Architect, engineer, or related services" professional services related to the planning, design, engineering, or oversight of public improvement projects or components thereof, including but not limited to architects, landscape architects, engineers, space planners, surveyors, cost estimators, appraisers, material testers, mechanical system balances, and project managers.
- (2) "Compensation Requirements" a general indication of the cost of architectural, engineering, or related services based on factors which may include, but are not necessarily limited to, each consultant's: (i) costing procedures and/or pricing structure; (ii) hourly rates and fee schedules; (iii) overhead costs; and (iv) fee range, as a percentage of direct construction costs, on previous similar projects. Compensation requirements provide only a general indication of the cost of professional services and, particularly during a formal selection process, should not be used to calculate firm, fixed prices for each consultant, or as the sole basis for selecting a consultant.
- (3) "Proposal" a competitive written over submitted in response to a Request for Proposals.
- (4) "Request for Proposals:" a written document soliciting competitive written proposals and setting forth the criteria and method to be used to select the best proposal. The document: (i) provides a general description of a proposed project or projects, including a proposed statement of work; (ii) indicates the type of services needed; and (iii) requests prospective consultants to submit written proposals that address the proposed statement of work.
- (5) " Request for Qualifications:" a written document which: (i) provides a general description of a proposed project; (ii) indicates the type of services needed, including, if deemed necessary or appropriate, a description of particular services needed for part or all of a proposed project or projects; and (iii) requests each prospective consultant to provide a written response setting forth the consultant's specific experience and qualifications for performing the type of services required.
- (6) "Statement of Work:" a written statement that describes the: (i) phases of work, major tasks, or area of responsibility to be performed by the consultant; (ii) for an individual or series of projects, or within a particular locale during a stated period of time. Such statement may be altered or modified during contract negotiations, but only as reasonably necessary to accurately describe the project approach and exact scope of services agreed to by the County and the consultant.

75.015 Solicitation

- (1) Responses shall be solicited through public advertisement, which shall be made for each project, or at other designated times to develop a list of consultants interested in providing services to the Department by the following procedure:

- (a) All advertisements shall appear at least once in at least one newspaper of general circulation in the area where the project is to be located, and in as many additional issues and publications as may be necessary or desirable to achieve adequate competition. The advertisement(s) shall be published no fewer than fourteen (14) calendar days before close of the solicitation. The advertisement(s) shall briefly describe: (i) the project (ii) the professional services sought; (iii) where copies of the solicitation may be obtained; and (iv) the deadline for submitting a response.
- (b) At other designated times, the County may announce that it will accept from architectural, engineering, and other related professional consultant firms, a statement of qualifications, credentials, and other data expressing interest in providing services.
 - (1) The County may provide a standard form for this purpose. Materials received will be retained by the County for use in: (i) direct notice to consultants providing services similar to those required for the project; (ii) the Informal Selection Procedure; (iii) and, where possible, in the Direct Appointment Procedure.
 - (2) Materials on file with the County may be purged periodically, unless the County is notified otherwise by firms desiring to continue expressing interest in performing services.
- (c) The County may at any time during the solicitation or negotiation process reject all consultant proposals and cancel the solicitation without liability therefor, after making a written finding that there is good cause for rejecting all proposals and that it would be in the public interest to cancel the solicitation.
- (d) Unless consultant compensation is expressly provided for in the solicitation document, under no circumstances shall the County be responsible for any consultant costs and expenses incurred in submitting responses to the solicitation under any part of this rule. All prospective consultants who respond to solicitations do so solely at the consultant's cost and expense.
- (e) All solicitation documents shall include the following language: "Vendors shall use recyclable products to the maximum extent economically feasible in the performance of the contract work set forth in this documents".

75.020 Formal Selection Procedure

- (1) The formal selection procedure shall be used whenever the estimated cost of architectural, engineering, or related services exceeds \$25,000. (1) Responses shall be solicited through public advertisement, and may then include a Request for Qualifications (RFQ) to establish a short list, followed by an RFP. However, if a limited number of responses is anticipated, or if it is determined to be in the County's best interest, solicitation may proceed directly to an RFP process with or without an interview.
- (2) The Request for Qualifications shall, at a minimum, contain: (i) the solicitation; (ii) a statement of the particular consultant qualifications required or the project; (iii) the evaluation criteria (including the weights or points applicable to each criterion); and (iv) the screening or evaluation method to be used. The RFP may require any or all of the following:
 - (a) The consultant's particular capability to perform the architectural, engineering, or related services required for the project, and the consultant's recent, current, and projected workloads;
 - (b) The number of the consultant's experienced staff available to perform the professional services required by the project, including such personnel's specific qualifications and experience;

- (c) A list of similar projects completed by the consultant with references concerning past performance; and
 - (d) Any other information which is deemed reasonably necessary to evaluate consultant qualifications.
- (3) A pre-submission meeting may be held for all interested consultants to discuss the proposed project and the required services. Attendance at such a meeting, if held, may be mandatory.
- (4) A consultant screening and evaluation committee of no fewer than two, and recommended no more than five, individuals shall be established to review, score and rank the consultants according to the solicitation criteria. The committee may be composed of members who, collectively, have experience in areas such as architecture, engineering construction, and public contracting. Members may be appointed from qualified professional employees of the County or other agencies, and may include private practitioners of architecture, engineering, or related professions, and representatives of user groups. One member of the committee from the County shall be designated as the chairperson.
- (5) Following screening and evaluation, a short list of at least three qualified professional consultants shall be established. Unless the RFQ is canceled, every consultant placed on a short list shall receive a copy the RFP and have an opportunity to submit a proposal.
- (6) The Request for Proposals shall describe or contain the following information:
- (a) General background information, including a description of the project and the specific consultant services sought, and may include the estimated construction cost and the time period in which the project is to be completed;
 - (b) The evaluation process and the criteria which will be used to select the consultant; including the weight or points applicable to each criterion;
 - (c) The closing date and time of the solicitation and the delivery locations for consultant proposals;
 - (d) The date and time for interviews, if planned;
 - (e) Reservation of the right to seek clarifications of each consultant's proposal, and the right to negotiate a final contract which is in the best interests of the County, considering cost effectiveness and the level of consultant time and effort required for the project;
 - (f) Reservation of the right to reject, based on written findings, any or all proposals if there is good cause, and to cancel the solicitation, if doing so would be in the public interest;
 - (g) A sample of the contract the consultant will be expected to execute; and
 - (h) Any other information which is reasonably necessary to evaluate, rank and select consultants.
- (7) A pre-qualification or pre-proposal meeting may be held for all interested consultants to discuss the proposed project and the required services. Attendance at such a meeting, if held, may be mandatory.
- (8) An RFP consultant selection committee of no fewer than two, and recommended no more than seven, individuals shall be established to review, score and rank the consultant's responses to the RFP. The committee may be composed of members who, collectively, have experience in areas such as architecture, engineering, construction and public contracting. Members may be appointed from professional employees of the County or other agencies, and provide practitioners of architecture,

engineering, or related professions, and user groups. One member of the committee from the County shall be designated as the chairperson.

- (9) The RFP consultant selection committee shall review, score and rank all responsive proposals according to criteria which may include, but are not limited to, the following:
- (a) Availability and capability to perform the work;
 - (b) Experience of key staff on comparable project(s);
 - (c) Demonstrated ability to successfully complete similar projects on time within budget;
 - (d) References and recommendations from past clients, public and private;
 - (e) Consultant's performance history in (i) meeting deadlines; (ii) submitting accurate estimates; (iii) producing quality work; and (iv) meeting financial obligations;
 - (f) Status and quality of any required licensing or certification;
 - (g) Consultant's knowledge and understanding of the project as shown through the consultant's: (i) proposed approach to the project's staffing and scheduling needs and (ii) suggested alternatives to any perceived design and constructability problems;
 - (h) Consultant's compensation requirements as defined under AR 75.010(2), unless prohibited by Federal requirements, such as this in 40 USC **541-544 (Public Law 92-583, Brooks Architect-Engineers Act);
 - (i) Results from oral interviews, if conducted;
 - (j) Design philosophy and project approach;
 - (k) Availability of any special required resources or equipment;
 - (l) Identity of proposed subcontractors; and
 - (m) Any other criteria that are deemed to be relevant to the project, including where the nature and budget of the proposed project so warrant, a design competition between competing professional consultants
- (10) Contract negotiations with the highest ranked consultant shall be directed toward obtaining written agreement on:
- (a) The consultant's tasks, staffing, and a performance schedule; and
 - (b) A maximum, not-to-exceed contract price which is consistent with the consultant's proposal and fair and reasonable to the County, taking into account the estimated value, scope, complexity, and nature of the professional services.
- (11) Negotiations may be formally terminated if they fail to result in a contract within a reasonable amount of time. Negotiations will then ensue with the second ranked consultant, and if necessary, the third ranked consultant. If the second or third round of negotiations fails to result in a contract within a reasonable amount of time, the solicitation may be formally terminated. Services of a qualified consultant may then be obtained through the direct appointment procedure under AR 75.030.
- (12) If a project for which a consultant has been selected and awarded a contract becomes inactive, or

is materially altered or terminated, whether due to project phasing, insufficient appropriations, or other reasons, the County may, if the project is reactivated or continued after material alteration, retain the same consultant to complete the project if the County makes written findings that retaining the consultant will: (i) not encourage favoritism in the awarding of architectural, engineering, or related personal service contracts or substantially diminish competition for such contracts; and (ii) will result in substantial cost savings to the County.

- (13) Contracts entered into under the formal selection procedure set forth in AR 75.020 may be amended, provided the services to be provided under the amendment are included within, or directly related to, the scope of services that were described in the original solicitation document. Provided, further, that each such amendment must be in writing, signed by an authorized representative of the consultant and the County, and receive all necessary approvals before it becomes binding on Multnomah County.

75.025 Informal Selection Procedure

- (1) The informal selection procedure may be used to obtain architectural, engineering, or related services if the consultant's estimated fee is equal to or less than \$25,000.
- (a) A written solicitation inviting written proposals shall be sent to a minimum of three prospective consultants drawn from: (i) the County's current list of consultants; or (ii) among all consultants offering the necessary services that the agency reasonably can locate.
- (b) All proposals shall be reviewed and the three most qualified consultants selected and ranked.
- (c) The informal selection procedure shall be competitive to the maximum extent practicable and the selection and ranking may be based on criteria which include, but are not limited to each consultant's:
- (1) Particular capability to perform the architectural, engineering, or related services for the project being considered;
 - (2) Number of experienced staff available to perform the services required by the project, including each consultant's recent, current, and projected workloads;
 - (3) Performance history on past projects for public or private clients,
 - (4) Project approach and design philosophy;
 - (5) Consultant's compensation requirements as defined under AR 75.010(2), unless prohibited by Federal requirements, such as those in 40 USC **541-544 (Public Law 92-583, Brooks Architect-Engineers Act); and
 - (6) Geographic proximity to the project. The County may also consider the volume of work, if any, previously awarded to each consultant, with the object of effecting an equitable distribution of contracts among qualified consultants, provided such distribution does not violate the principle of selecting the most highly qualified consultant.
- (d) Contract negotiations with the highest ranked consultant shall be directed toward obtaining written agreement on:
- (1) The consultant's tasks, staffing, and a performance schedule; and
 - (2) A maximum, not-to-exceed contract price which is consistent with the consultant's proposal and fair and reasonable to the County, taking into account the estimated value, scope, complexity, and nature of the professional services.

- (e) Negotiations may be formally terminated if they fail to result in a contract within a reasonable amount of time. Negotiations will then ensue with the second ranked consultant, and if necessary, the third ranked consultant. If the second or third round of negotiations fails to result in a contract within a reasonable amount of time, the solicitation may be formally terminated. Services of a qualified consultant may then be obtained through the direct appointment procedure user AR 75.030.
- (f) If the scope of a project is revised during negotiations so that the estimated cost of the consultant's services exceeds \$25,000, then the informal process shall be terminated and the services of a qualified consultant solicited using the formal selection procedure set forth in AR 75.020. Provided however, that negotiations with the informally selected consultant may continue if the Count makes written findings that contracting with the consultant will: (i) not encourage favoritism in the awarding of architectural, engineering, or related personal service contracts; and (ii) will result in substantial cost savings to the County.

75.030 Direct Appointment Procedure

- (1) A qualified consultant may be appointed directly from: (i) the County's current list of consultants; (ii) another public jurisdiction's current list of consultants, pursuant to an interagency or intergovernmental agreement entered into in accordance with ORS chapter 190; or (iii) among all consultants offering the necessary services that the agency reasonably can locate, which may include public advertisement.
 - (a) The direct appointment procedure may be used when:
 - (1) Circumstances which could not reasonably have been foreseen create a substantial risk of loss, damage, interruption of services or threat to the public health or safety and require the prompt performance of architectural, engineering, or related services to remedy the situation; or
 - (2) The consultant's estimated fee does not exceed \$10,000; or
 - (3) The project: (i) consists of work which has been substantially described, planned or otherwise previously studied or rendered in an earlier contract, as in continuation of a project; (ii) the consultant's estimated fee for such project does not exceed \$25,000; and (iii) the selection procedure used for the original project was the formal selection procedure set forth in AR 75.020 (or a substantially equivalent procedure if the consultant services for the original project were procured prior to adoption of these rules); or
 - (4) The consultant will be assisting legal counsel, through expert analysis, testing, testimony or otherwise, on a project which is, or is reasonably anticipated to be, the subject of a claim, lawsuit or other form of action, whether legal, equitable, administrative or otherwise.
 - (b) A direct appointment pursuant to (1)(a) or (b), above, shall be competitive to the extent practicable and may be based on criteria which include but are not limited to: (i) the consultant's availability, capabilities, staffing, experience, and compensation requirements and (ii) the project's location.

75.035 Contract Provisions

- (1) Except as otherwise required by law, no consultant contract for architectural, engineering, or related services shall be awarded which contains fee provisions or fee schedules that are based on or limited to: (i) cost-plus-a-percentage-of-cost; or (ii) a percentage of construction or project costs.
- (2) Except in cases of emergency as defined in ORS 279.011(4), no building materials, supplies or

equipment for any building, structure or facility constructed by or for the County shall be sold by or purchased from any person or firm employed as a consultant by the County to provide architectural, engineering, or related services for such building, structure or facility, unless the consultant is providing: (i) construction manager/general contractor services, or (ii) design-build services, or where that portion of the contract relating to the acquisition of building materials, supplies or equipment was awarded pursuant to applicable law governing the award of such contracts.

75.040 Protest Procedures

- (1) All protests of solicitation or selection processes are limited to the following issues and filing times:
 - (a) Solicitation protest: Unless a different deadline is specified in the solicitation document, prospective consultants must submit a written protest, or request for change, or particular solicitation provisions, specifications or contract terms and conditions to Purchasing no later than five (5) working days prior to the close of the solicitation. Such protest or request for change shall include the reasons for the protest or request, and any proposed changes to the solicitation provisions, specifications, or contract terms and conditions. No protest against selection of a consultant or award of a consultant contract, because of the content of solicitation provisions, specifications, or contract terms and conditions, shall be considered after the deadline established for submitting such protest.
 - (b) Selection protest: Every consultant who submits a proposal in response to an RFP shall be mailed a copy of the selection notice sent to the highest ranked consultant. Unless a different deadline is specified in the RFP, a consultant who has submitted a proposal and claims to have been adversely affected or aggrieved by the selection of a competing consultant, shall have five (5) working days after receiving the notice of selection to submit a written protest of the selection to Purchasing. To be adversely affected or aggrieved, a protester must claim that the protester was the highest ranked consultant eligible for selection, i.e., the protester must claim that all higher ranked consultants were ineligible for selection because their proposals were non-responsive or the consultants non-responsive. The County shall not consider a selection protest submitted after the time period established in this section (2), unless a different deadline is provided in the RFP.
 - (c) The County Chair, or designee, shall have the authority to settle or resolve a written protest submitted in accordance with sections (1) or (2) or this rule. The County Chair, or designee, shall promptly issue a written decision on the protest.

**MULTNOMAH COUNTY PUBLIC CONTRACT REVIEW BOARD
ADMINISTRATIVE RULES**

DIVISION 90

90.000 NOTICES AND AGENDA

90.010 Notices

- (1) Notices of amendment, adoption or repeal of rules, including contract exemption rulings and of meetings of the Public Contract Review Board and the agenda of the meetings shall be sent to the following at least seven (7) days prior to the meeting:
 - (a) Press: The Oregonian, The Gresham Outlook, The Daily Journal of Commerce.
 - (b) Management and Labor: Association of Oregon Industries; Associated General Contractors; Oregon Construction Industry Council; Oregon AFL-CIO, and Oregon State Building Trades Council.
 - (c) Any persons requesting notice in writing who show themselves in a position to be affected by the Board's determination.

90.020 Agenda

- (1) The agenda of the meetings of the Board shall include the following:
 - (a) Unanimous consent calendar pursuant to AR 30.040 including a brief description of the contract exempted and the amount of the contract.
 - (b) Consideration without hearing of pending applications for exemption. The agenda will list all proposed pending exemptions with a brief description of proposed exemptions including the amount of the contract.
 - (c) Consideration with hearing of pending applications for exemption rulings.
 - (d) Contested case hearings of appeals of disqualification or revocation of pre-qualification, including the name of the contractor and the grounds of the proposed disqualification or revocation of pre-qualification.

Rev: 10/11/94: FORMAT

Meeting Date: OCT 18 1994
Agenda No.: B-3

(Above space for Clerk's Office Use)

AGENDA PLACEMENT FORM

SUBJECT: David M Griffith Cost Fee Analysis

BOARD BRIEFING Date Requested: October 18, 1994

Amount of Time Needed: 45 Minutes

REGULAR MEETING Date Requested: _____

Amount of Time Needed: _____

DEPARTMENT: MSS DIVISION: Finance

CONTACT: David Boyer TELEPHONE #: x3312

BLDG/ROOM #: 106/1430

PERSON(S) MAKING PRESENTATION: Dave Boyer

ACTION REQUESTED:

INFORMATIONAL ONLY POLICY DIRECTION APPROVAL OTHER

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

Brief Board on David M Griffith Report on cost , fees and revenue study. Fees reviewed were; Animal Control fees and licenses; Land Use Planning Fees and County Surveyor fees.

1994 OCT 13 PM 2:19
CLERK OF COUNTY CLERK
DEPT. OF CLERK & COUNTY CLERK
OREGON

SIGNATURES REQUIRED:

ELECTED OFFICIAL: _____
OR
DEPARTMENT MANAGER: David Boyer

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES



MULTNOMAH COUNTY OREGON

*Board Briefing
10-18-94
B-3
Handout #1*

BEVERLY STEIN
COUNTY CHAIR

EMPLOYEE SERVICES (503) 248-5015
FINANCE (503) 248-3312
LABOR RELATIONS (503) 248-5135
PLANNING & BUDGET (503) 248-3883
RISK MANAGEMENT (503) 248-3797

(503) 248-5170 TDD

PORTLAND BUILDING
1120 S.W. FIFTH, 14TH FLOOR
P.O. BOX 14700
PORTLAND, OREGON 97214

PURCHASING, CONTRACTS (503) 248-5111
& CENTRAL STORES

2505 S.E. 11TH, 1ST FLOOR
PORTLAND, OREGON 97202

MEMORANDUM

To: Beverly Stein, Chair
Tanya Collier, Commissioner
Gary Hansen, Commissioner
Sharron Kelley, Commissioner
Dan Saltzman, Commissioner

From: Dave Boyer, Finance Director *DB*
Barry Crook, Budget and Quality Manager *BC KH*

Date: October 18, 1994

Subject: Costs, Fee and Revenue study performed by David M Griffith & Associates

The Briefing today is to provide you with a summary of the Cost , Fee and Revenue analysis performed by David M. Griffith and Associates (DMG) on Land Use Planning, Animal Control and County Surveyor services. Due to scheduling conflicts, representatives from DMG are not able to attend this briefing. If you have any questions or would like to meet with them we will be happy to arrange a meeting.

Background:

The Financial and Budget Policy adopted by the Board, includes a User Fee policy which states in part: It is the policy of the Board that user fee and service charges will be established at a level to recover the costs to provide services depending on the benefit to the user of the service, ability of the user to pay for the services, benefit to County citizens and the type of service provided.

As part of budget deliberations, Departments will be responsible for informing the Chair of a fully loaded cost analysis presenting the fee structure necessary to recover 100% of the costs of providing the service. Departments will also recommend whether

fees in each area should be set to recover 100% of the costs or be set at a lower rate such as sliding scale fees. The recommendation to the Chair will consider the benefits to an individual or agency, benefits to the citizens of Multnomah County, and the financial capacity of the users to pay for the service.

The policy also informed you that we would be presenting the first fee review and proposals to you in October 1994.

The above policy statement was formulated prior to Ballot Measure #5 (Son of 5) being placed on the November ballot. The potential impact that Measure#5, if passed, may have on the County has prompted us to act on reviewing the costs of several County services and the fees charged to provide the services.

Summary of DMG Report:

The prime objective of this study is to provide you with information to assist you in setting land use planning, animal control and surveyor fees for the individuals benefiting from the services. The recommended fee level to be charged for the services has been developed by DMG using their experience in working with other governmental organizations and input from County personnel.

The attached Report on Costs, Fees and Revenues includes a summary of the findings, discussion on the findings and detailed charts on the costs and fees related to providing Land Use Planning, Animal Control and Surveyor services. The report also lists the various fee levels that need to be charged to recover 60% to 100% of the full cost of the services.

The following is a brief description of the recommended fee increases and the rationale supporting the fee increases. A more detailed analysis of each area is contained in the report. The following relates only to user fee services and does not include services for non-fee generating activity.

In developing the recommended fee levels, economic incentives, competition, elasticity, individual benefit and public benefit of providing the services were considered. County staff has worked with DMG in preparing this report and generally concurs with the recommendations. We are recommending that some of the fees be adjusted each year by the Consumer Price Index increase or until 100% of the costs are recovered. For fees that are being set at between 60% to 80% cost recovery but should be set at 100% cost recovery, we recommend that we phase in cost increases over the next two years to reach full cost recovery. The recommendations to establish phased in or CPI increases will depend on the outcome of Measure #5. The additional revenues generated are estimates based on past history and the 1994-95 fee structure.

Land Use Planning Division: (Scott Pemble will answer any program related questions) Current user fees fee revenue totals \$100,800, while the cost of the services are \$273,800. The General Fund subsidizes these services by \$173,000. DMG usually recommends recovering 100% of land use planning costs. Because there is a significant difference between some of the current fees and full costs the fees being recommended range from 60% to 100% of full costs. In general, the fees should recover 100% of land development activities except for single family residence. Single family residence activity fees should recover between 60% to 80% of full cost. Implementation of the recommended fee increases will generate an additional \$113,400 annually for the General Fund and reduce the annual subsidy from 63% to 22%.

The following is a comparison of other jurisdictions fees:

	Proposed <u>County</u>	City of <u>Milwaukee</u>	Clackamas <u>County</u>	City of <u>Portland</u>
Subdivision	\$ 850	\$2,125	\$4,485	\$1,683
Variance	596	2,083	1,555	1,000
Conditional Use Permit	1,830	1,842	1,575	2,445

Animal Control:(Dave Flagler will answer any program related questions)

Animal Control user fee revenues total \$142,700 annually, while the costs of the service are \$479,200. This does not include license revenues. Revenues generated from licenses are meant to pay for costs associated with issuing licenses and to subsidize other animal control activity for which there are no reimbursements available.

DMG recommends that fees be established at 100% of costs. The County is currently at a 30% recovery level. Similar animal control operations recover 40% to 50% of their total user fee costs. Because of the economic and competition considerations, the recommended fee increases would recover 60% to 100% of the user fee costs. If enacted the user fee revenues would generate \$86,500 annually and recover 67% of the overall user fee costs.

In addition DMG is recommending a \$1.00 per year increase in licenses. This action will generate an additional \$92,500 annually. With the exception of increasing the license fee for a replacement tag from \$3 to \$5 we are not in agreement on recommending a license increase and would like to limit these discussions to user fees only.

We did not include a comparison of Washington or Clackamas Counties because they

do not provide the same level of animal control services as Multnomah County does.

County Surveyor: (Bob Pearson will answer any program related questions)

The Transportation Division had just recently analyzed its fees and DMG only reviewed the surveyors calculations and agrees that the fees being recommended are reasonable.

The County Surveyor would prefer to charge for their services based on actual time and materials cost. However, under Measure 5 language we believe this would not be allowed. Therefore, in instances where we are charging for time and materials, Transportation has determined a rate of \$42.50 per hour. For all other surveyor fees, we recommend a fee schedule to match Washington and Clackamas Counties. The expected annual revenue increase is \$60,000. Attached is a copy of the proposed fees. If Measure 5 does not pass, Transportation will be back to recommend that the County charge our services based on actual time and materials. DMG is also in support of this recommendation.

If the recommended fee changes are acceptable to the Board, the ordinances for these fee increases will be presented to the Board on October 27, 1994 for the first reading and on November 4, 1994 for second reading. The ordinance will require an emergency clause to make the rates effective immediately.

cc: Bill Farver
Meganne Steele
Betsy Williams

5.10.265 Eliminate and move to 5.10.275.

5.10.275 County surveyor fees

Amend to read:

Fees are based on the following procedures and requirements on subdivision and condominium plats. Any costs incurred by the county for submission not in conformance will be billed at the rate of \$42.50 per hour of staff time.

- (A) Submit a boundary survey to the County Surveyor a minimum of thirty (30) days prior to the submission of the final subdivision or condominium plat. If warranted, the County Surveyor may waive this requirement.
- (B) In addition to the requirements of ORS 209.250, the survey shall show all obvious encroachments or hiatus created by deeds, buildings, fences, cultivation, previous surveys and plats, or similar means and any other conditions that may indicate that the ownership lines as surveyed may be different than those shown on the survey.
- (C) The County Surveyor may refuse to approve a plat if the Surveyor finds an encroachment or hiatus. Evidence that the hiatus or encroachment has been eliminated may be required, or the County Surveyor may require that it be shown on the plat if it cannot be eliminated.
- (D) All partition, condominium, and subdivision final plats, including those inside city limits, shall be checked and approved by the County Surveyor prior to recording. No plat shall be recorded without such approval. This approval by the County Surveyor shall be valid for thirty (30) days only.
- (E) All subdivision, partition, and condominium final plats submitted for approval shall be accompanied by a report, issued by a title insurance company, or authorized agent to perform such services in Oregon, setting forth ownership and all easements of record, together with a copy of the current deed and easements for the platted property, and copies of the deeds for all abutting properties and other documentation as required by the County Surveyor. The report shall have been issued no more than 15 days prior to plat submittal to the County Surveyor. A supplemental report may be required by the County Surveyor.

(F) For subdivision plat reviews, the fees shall be:

Pre-monumented

Base Fee	\$700.00 plus,
Survey Filing Fee	\$100.00 plus,
Per lot, tract, or parcel	\$ 35.00 each, plus,
Per gross acre of the sub- division if the average lot size exceeds 15,000 sq. ft.	\$ 31.00 per acre

Post-monumented

Base Fee	\$795.00 plus,
Survey Filing Fee	\$100.00 plus,
Per lot, tract, or parcel	\$ 45.00 each, plus,
Per gross acre of the sub- division if the average lot size exceeds 15,000 sq. ft.	\$ 31.00 per acre

(G) Partition Plat Review Fee \$480.00 plus
Survey Filing Fee \$100.00

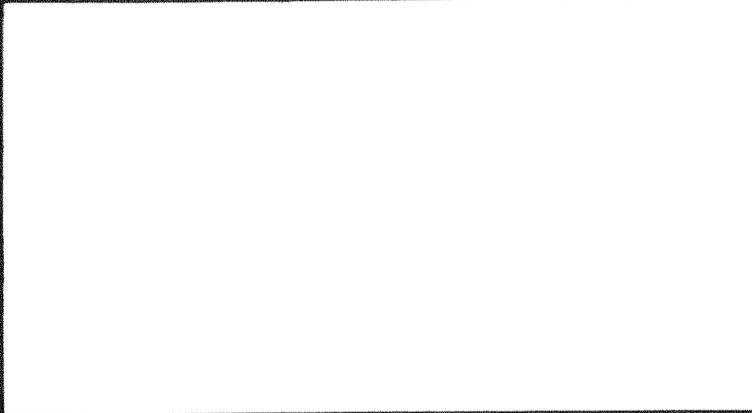
(H) For Condominium Plat Review, the fees shall be:

Base Fee	\$770.00 plus
Each Building	\$105.00 each, plus
Survey Filing Fee	\$100.00

(I) Review, Approval, and Marking of
Addidavits of Correction \$ 45.00 plus
County Clerk's Recording Fee

(J) Plat/Survey Filing Fee \$100.00 each

(K) Posting of Street Vacations in
accordance with ORS 271.230(2) \$ 65.00 collected by Recording
Section



dmg
DAVID M. GRIFFITH AND ASSOCIATES, LTD.

**MULTNOMAH COUNTY,
OREGON**

COSTS, FEES AND REVENUE

OCTOBER 10, 1994

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SECTION I

David M. Griffith and Associates, Ltd. (DMG) is a nationwide consulting firm specializing in cost accounting and revenue enhancement studies for state and local government. The Western Region office, headquartered in Carmichael (Sacramento), California, has provided services to over 70 Western counties and over 200 Western cities.

PROJECT SCOPE AND OBJECTIVES

DMG was engaged by Multnomah County to conduct a detailed study of user fee service costs and revenues for three divisions. Some services provided by Multnomah County primarily benefit specific individuals who apply for the service. For example, an applicant for a conditional use permit expects to conduct a business based on the permit, and receives a direct personal benefit from the permit. Parties who benefit in this direct manner from public services generally pay a fee to offset the cost of this service; these payments are referred to as user fees. This project's primary goal is to provide a comprehensive user fee analysis for the following divisions in the Environmental Services department: Land Use Planning, Animal Control, and County Surveyor.

The objectives were to: (1) calculate the full cost (both direct and indirect) of providing user fee services, (2) compare costs with revenues currently received for these services, and (3) recommend realistic, achievable fee recovery levels based on the costs of services.

This report summarizes our recommendations for Multnomah County's user fees. Detailed discussions cover Land Use Planning, Animal Control, and County Surveyor.

SUMMARY OF FINDINGS

The first task in this study was separating fee-for-service activities from non-fee activities within the departments surveyed. Not all activities within a department are recoverable from user fees, e.g. planning's economic development activities, or animal control's dog bite investigations. Non-fee activities and their corresponding costs are identified during our review of division operations, but are not included in revenue recommendations.

The study's primary objective is providing County decision makers with basic data needed for setting fees for services benefitting individuals. In co-operation with County staff, DMG

developed detailed cost and revenue estimates for these services based on fiscal 1994/1995 budgets for user fee services. This report details the full cost of services and presents recovery options based on what DMG has found, through its experience, to be acceptable to elected officials and the public.

Based on our experience with other local governments and our understanding of existing Multnomah County policies, we have recommended changes to several fees. DMG recognizes the fact that not all fees can be raised to cover total costs. However, barring compelling public policy, our recommendations assume that individuals and business benefiting from special services should bear the cost of that benefit. For these services, DMG generally recommends that fees be set at 100% of costs.

Our recommendations also consider the proposed limitation on user fees included on the November ballot. The measure if enacted would require majority approval by the voters for any changes to fees in the future. Given this measure, Multnomah County fees should be set at a level that is as close to cost as possible due to the likely future difficulty in setting fees in the future. Costs that are not recovered through fees are covered by the expenditure of general tax dollars. This means that subsidies enacted now represent a steady, recurring future drain on resources, making them unavailable for other uses.

Following is a brief description of the recommended fee increases and the rationale supporting them. (Note: the activities described below relate only to user fee services)

1. **Land Use Planning Division** - Current user fee revenue totals \$100,786, while the costs of services related to these fees are \$273,847. The general fund therefore subsidizes these services by \$173,061. DMG recommends that most planning user fees be set at 100% of cost. However, given the disparity between current charges and full cost, certain fees are recommended at less than 100% recovery, e.g. appeals and services to single family residence owners.

Implementing DMG's recommendations will increase Multnomah County's planning user fee revenues by \$113,379 annually reducing the subsidy from 63% to 22%.

2. **Animal Control Division** - Animal Control user fee related costs are \$479,164 annually. Current revenues are \$142,670, or 30% of costs. This does not include license revenues or costs as these are not typically considered user fees. Revenues generated from license services are meant to pay for all licensing costs and to subsidize other activities for which no reimbursement is available, e.g. animal abuse investigation. A detailed discussion of license activities can be found in section III of this report.

DMG generally recommends that animal control fees be raised as close to 100% of cost, up to the point where compliance is still maintained. In most cases, 100% cost recovery is not feasible in fee-for-service activities, leaving license revenues and the general fund to subsidize most of the animal control services.

Implementing DMG's fee-for-service recommendations will increase revenues by \$86,449 annually. Implementing DMG's recommended increases in licenses will generate \$92,557 with a total increase of \$179,006 annually.

3. County Surveyor - The County Surveyor has proposed charging for its primary user fee services based on actual time and materials costs. Environmental Services maintains an internal cost accounting system tracking labor costs by project used by all staff in the Surveyor's group. DMG recommends that Multnomah County adopt this policy.

The County Surveyor has proposed using a single average labor rate of \$42.50 per hour, rather than actual cost data provided by their records. Using an average rate will avoid the ballot measure restrictions on changing fees based on changes in County employee compensation.

Fees for subdivision and condominium plat reviews were included in the Surveyor's proposed fee changes. The fees as proposed are consistent with those charged by Washington and Clackamas counties and with current labor costs.

Currently surveyor costs including allocated overhead are \$1,538,880, resulting in a subsidy of \$166,860 from the road fund and general fund. An additional \$92,500 for surveyor costs is reimbursed from the general fund to support activities as prescribed by state statute. After implementation of actual cost recovery for surveyor fees, the subsidy will be reduced to approximately \$100,000, with approximately \$60,000 in additional revenue.

ECONOMIC AND POLICY CONSIDERATIONS

A service for which a user fee may be charged can be thought of as an effort performed by a governmental agency on behalf of a private citizen or group. The underlying assumption is that for services benefiting individuals, and not society as a whole, the individual should pay for the cost of the service. Setting user fees, therefore, is essentially equivalent to establishing prices for services. Making a profit is not an objective of a county in providing services. It is commonly felt (and often a point of law) that fees should be established at a level which will recover the cost of providing each service, no more or less.

There are circumstances, however, in which it would be reasonable policy to set fees at more or less than the cost of providing services. The following are key points to consider:

1. **Subsidy and Benefit.** Subsidies arise when the price charged to service users (a user fee) is less than the full cost of service. For example, Multnomah County spends \$2,204 on large subdivision plans processed by planning staff. Currently the fee for that service averages \$1,000, so the County pays the difference (a \$1,204 subsidy) from general tax revenues.

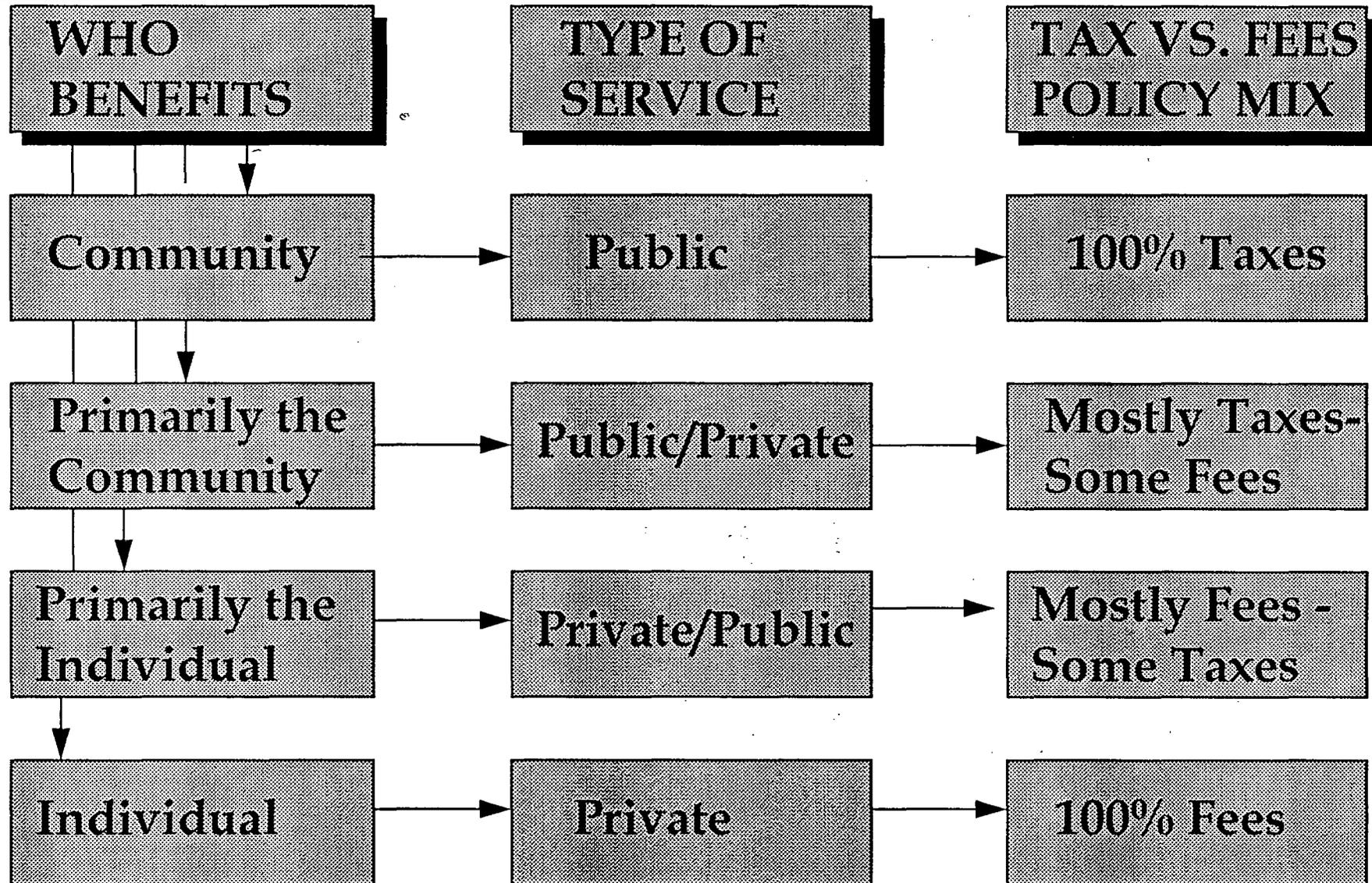
In reality, most governments are unaware of the subsidies they pay to support user fee services. Before setting levels of subsidy can be implemented as a conscious policy, elected officials require a detailed analysis of costs and of revenues collected for each user fee service. Using our above example, if Multnomah County's policy for large subdivision plan fees is that users pay 80% of costs (20% subsidy), then we now know the fee should be set at \$1,763.

The decision to subsidize a service from general tax revenues begins with perceived benefits. Many county activities by their nature provide benefits beyond the immediate recipient. Therefore, it may be appropriate to spread the cost of these services over the large base of potential beneficiaries, rather than only direct recipients.

Typically, government services yield a mix of benefits. For example, planning's subdivision review services are required by ordinance. Developers benefit from the service by obtaining permission to subdivide and sell lots, generating profits. Final owners of the lots benefit from living in a well-designed community, adding to their property value. The community at large benefits by ensuring that the new development has minimal adverse impact on surrounding areas.

DMG's approach to recommending cost recovery and subsidy levels begins with assessing private versus public benefit. The decision matrix on the following page helps illustrate our perspective in determining user benefit versus what is appropriate for the taxpayer to subsidize. The four rows identify different activities which have varying levels of individual and public benefit. Row one lists the characteristics of an activity

DECISION-MAKING FLOW CHART



that is appropriately funded by taxpayers. Row four lists the characteristics of a user fee for which the individual benefiting from the service should pay. The two rows in the middle show varying levels of cost and benefit between the two extremes.

The matrix does not provide absolute answers - there may be many activities that fall in that "gray" area. The chart is merely to give DMG's basic perspective on fee setting. Multnomah County's Board of County Commissioners and staff may perceive these benefits differently, and may need to adjust our recommended fees accordingly.

2. **Economic Incentives.** In some cases it may be desirable to use fees as a means of encouraging or discouraging certain activities. Higher fees for increased water usage, for example, may result in promoting better water conservation. Similarly, fees for senior citizens and recreation services may be subsidized heavily to encourage participation.
3. **Elasticity of Demand.** The price charged for a service can affect the quantity demanded by potential users. In many instances, raising the price of a service results in fewer units of the service being purchased. Whether total revenue goes up, down, or stays the same results from the magnitude of the fee increase and potential volume decrease.
4. **Competitive Restraints.** Although a county may have a monopoly on providing certain services within its boundaries, citizens and industries may choose to relocate to other communities with lower fees. There are often alternatives in the private sector which compete with the County. The private market has a relatively minor impact on the user fees analyzed in the three divisions analyzed in this report.

Knowing the true cost of services, county management can consider economic as well as political factors when deciding how high to set its user fees.

SUBSIDY EXAMPLES

Public Safety Patrol services performed by sheriff's deputies benefit the community as a whole through crime deterrence, rather than a specific individual through call responses. Accordingly, costs of service are 100% supported by taxes.

Youth athletic programs benefit participating young people and their families directly. Most communities feel that offering children a safe, educational outlet for their energies also benefits the community as a whole. Typically youth sports costs are 30% fee supported and 70% general tax revenue supported.

Planning fees for processing planned development (subdivision) applications are of direct benefit to developers who will profit from selling lots and to homeowners who will be ensured sound development practices. The benefit to the community as a whole is much less direct. Normally planned development application costs are supported 100% from user fees.

COST OF SERVICES METHODOLOGY

The user fee activity costs developed in this study were generated through a DMG computer model designated the FASTR System (Fee And Service Technical Review). In addition to producing the costs of user fee type activities, FASTR provides significant management information relative to the operational efficiency of the departments.

The costing methodology followed by DMG is complete and rigorous. In the first step, centrally budgeted costs such as county administration, finance department, personnel, etc., are allocated to the users of the services provided. These users include the departments in which fee for service activities are carried out as well as all other departments in the County.

Next, DMG along with county personnel develop time estimates within departments where fee-based services are provided. Based upon these estimates, DMG's software generates a model of departmental activities. The model calculates costs for each fee area, which are then reviewed with department staff. Costs include direct labor, benefits, services and supplies, and the appropriate allocation of county-wide and departmental overhead.

The results are thorough, fully supported costs for providing user fee related services. Cost is then compared to revenue, and fee increases, if appropriate, are recommended. It should be noted that revenue and expense assumptions used in this report are based on the 1994/1995 budget.

USER FEE REPORT

Following are report sections II through IV presenting analysis and recommendations for specific divisions. Included are discussions of economic and policy considerations related to each.

The sections contain a summary showing per-unit current fees and total costs, total program cost, revenue, and subsidy data for each division activity. Fee-for-service programs are identified, and additional revenues based on DMG's recommendations are calculated. In some cases, our recommendation may take the form of rate of recovery for a total activity, rather than a specific fee.

ADDITIONAL REPORTS

A copy of all DMG computerized FASTR workpapers are included. These worksheets provide detailed calculations used to determine "total costs" of user fee activities.

SECTION II

LAND USE PLANNING

The Department of Environmental Services Land Use Planning Division is responsible for guiding real estate development within the unincorporated areas of Multnomah County. The divisions primary functions are to promote conservation of natural resources and to enforce and regulate all rules related to development for the unincorporated areas within the County. Our review of the Land Use Planning division focused on the following major activities:

- Long Range Planning - State mandated land use planning through the development of land use plans and programs.
- Current Planning - Review of land use, design review applications, building permits and zone changes.
- Columbia River Gorge National Scenic Area - Controls all development and improvements within this scenic area so that it meets Federal requirements.
- Zoning Code Enforcement - This activity responds to citizens complaints regarding zoning violations in the unincorporated area of the County.

Our review covered other sections within planning, including general customer service activities and special projects. Generally services provided within these sections are not supported by user fees.

The study identified and assigned costs to 27 user fee services, plus three non-fee areas (long range planning/special projects, code enforcement, and customer service). Total fee-for-service costs, including all indirect (support) costs, are \$274,268. Current revenue, based on normal volume and existing fees, is \$100,286. The general fund subsidy for user fee services is \$173,982, or 63%.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - There are three major subsidy areas in the planning process. The first is long range planning/special projects, which are community-based activities, and impact all local residents. Preparing and maintaining the County's general plan serves to protect and enhance the community. DMG's experience suggests that the County should not implement fees for this activity. Most communities subsidize these activity from the general fund rather than spreading these costs over current planning activities. In addition, various grants and contracts support a portion of long range planning.

A second major subsidy area involves code enforcement. This involves dealing with citizen complaints regarding zoning code violations as well as proactive enforcement. This service benefits the whole community by ensuring compliance with land use and zoning standards, and generally is supported by tax revenues.

The third subsidized activity is customer service (public information). This is the time spent answering questions on the telephone and at the counter which does not generate applications. Governments have a general obligation to inform citizens about land use and other requirements. This activity typically receives support from general revenues. However, the County may wish at a later date to establish fees for services that go beyond general information and seek detailed assistance in preparing applications. For example, many communities assess a fee if a citizen requests written interpretations of regulations as they apply to a particular case. In the future, Multnomah may wish to institute fees for requests that exceed the basic obligation to inform County residents of requirements.

2. **Economic Incentives** - One possibility is setting planning fees substantially lower than full costs to encourage growth. Conversely, fees may be raised above full cost to discourage growth. However, our experience has been that the impact of fees on land use activity is not as dramatic as in areas such as recreation. For most real estate development projects, planning fees are too small a portion of total project costs to have any effect.

3. **Elasticity** - Planning fees tend to be relatively inelastic and thus can be raised with the anticipation that revenue will increase. Typically, planning applications are submitted by individuals seeking special consideration for their real property, expecting a personal benefit or profit. As an example, a developer proposes to subdivide a property. Without appropriate planning approvals, the project cannot go forward and the land remains unused. The developer's objectives generally will require paying the fees required for approval. The fee will be absorbed in the eventual price of the project, or result in lower profits, or a combination of both.

The above observation does not preclude the possibility that extremely high fees may cause a decline in unit volume, as smaller projects become less feasible economically. In practice, however, net revenue generated through fee increases significantly offsets potential unit reduction.

4. **Competition** - As an exercise of local authority to regulate land use, there is no direct competition that would inhibit setting fees at any desired level. There may be some competitive restraint vis-a-vis fees from neighboring communities. Inasmuch as planning fees are generally low in comparison to the final costs of development projects, however, the impact of higher fees on limiting development is not significant.

ANALYSIS AND RECOMMENDATIONS

The Transportation division (Right of Way section) has a staff member who provides support to planning's review of some types of current planning applications. Input includes detailed review of applications to analyze traffic and road impacts, e.g. commercial site plans and subdivisions. Related costs are included in the total costs of these services, so that 100% cost recovery will include reimbursing the County for both planning and transportation staff time.

DMG has worked closely with the division's manager and staff to develop an analysis which accurately assesses the current level of service, current costs, and current subsidies. DMG suggests an aggressive approach to setting fees for planning activities because this is an area where services clearly benefit individuals. DMG typically recommends full cost recovery for all planning services relating to land development activities and other current planning activities. The primary exceptions are:

- appeals, to ensure the public right to a hearing is not impaired by economic circumstances, and for administrative cases set by state law at \$100,
- interpretations, since governments are responsible for informing the general public about laws and regulations, which in the area of land use are difficult and complex,
- conflict resolutions, where charging 100% of costs would result in fees so high that administrative mediation would be very costly and seldom chosen by citizens, and
- historic landmark activities, where subsidies are generally used to ensure higher rates of compliance.

However, due to the significant difference between current fees and full cost, full cost recovery will be difficult to implement. Fees currently are a small fraction of actual costs of services. Therefore, DMG has based its recommendations on the following policy (used in other communities with the same cost and current fee discrepancies):

- Implement 100% recovery levels for land development activities excluding those covering an existing single family residence. These activities benefit individual applicants through generating economic gain once the project is complete, with costs being passed along to the buyer of the final product. In this case, the new owner is assured of a well developed area with the potential for increased property value in the future. (fees 4, 5, 7, 9, 10, 14-18, 20, & 23)
- Subsidies are recommended for county residents who wish to make improvements to their homes, and for other small residential applications. Recommendations were made at a level of 60-80% recovery of full costs. An 80% recovery level was chosen if the recommended fee was not more than triple the current fee, or if the jump was relatively small in total dollars. A 60% recovery level was recommended if a higher increase would more than triple (approximately) the current fee for this service. The primary

exception was property line adjustments, where a recovery level of 100% was recommended as the total fee only increased about \$150. (fees 1, 2, 3, 6, 19, 24-27, & 29)

- DMG recommends small increases for appeals, with current fees increasing by \$200. We note that if an appeal takes place and the individual or business bringing forward the appeal prevails, a good portion of the fee is reimbursed. Appeal fees have to be set at an amount which offers individuals the financial capability to exercise their right to challenge a ruling. However, they must also be set high enough to ensure that appeals are not filed frivolously. DMG's analysis shows that appeals are expensive activities, averaging about \$1,200 each. (fees 7, 11, 12, & 21)

Appeals of administrative actions are limited by State of Oregon statute to \$100, irrespective of costs. This type of appeal can occur in each category, so that despite our recommendation the fee will be \$100 (fees 7, 11, 12, & 21).

- Recent statutory changes require that lots of exception applications (fee 18) be reviewed under the same criteria as a Type 1 land division (fee 7). DMG's analysis and recommendation per the following summary sheets was based on the former procedures, and we now recommend that the fee for lots of exception be set at \$1,615, as per fee 7.

The implementation of DMG's recommendations will generate additional revenues of \$113,379 and bring the divisions fee-for-service recovery level from 37% up to 78%. This would reduce the overall user fee subsidy paid for with general fund dollars from \$173,061 to \$59,682.

Based on DMG's perception of who benefits from these services, we feel our recommendations are appropriate. However, there are several options available to the Board of County Commissioners. Some of these are listed below:

- Adopt DMG's specific fees recommendations.
- Choose an overall level, such as 60%, which will still increase revenues, but not require such large increases on a fee-by-fee basis. Given DMG's current recommendations, this policy would primarily benefit developers and other commercial applicants.
- Implement a phased approach to DMG's recommendations over a 2-4 year period, e.g. doubling fees the first year and increasing them a percentage each year thereafter. However, the November ballot initiative may require an annual election on each fee.
- Maintain current levels of general fund subsidy. However, we note that current fees are far below costs and below fees of neighboring jurisdictions, such as Clackamas County.

The summary charts that follow display all relevant financial data for each fee (and non-fee) activity within the Land Use Planning division. The first chart summarizes total revenues at current, full cost, and recommended levels. The second chart displays per-unit service costs, current fees, and our recommendations.

User Fee Study Summary Sheet

multnomah county, oregon

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Planning	Per Unit Information							
	UNIT VOLUME	CURRENT FEE	60% OF FULL COST	80% OF FULL COST	100% OF FULL COST	CURRENT SUBSIDY	RECOMM FEE	SUBSIDY @ RECOM FEE
1 WILL RIVER GREENWAY	8.0	\$125.00	\$407.78	\$543.70	\$679.63	\$554.63	\$410.00	\$269.63
2 SIGNIF ENV CONCERN	8.0	\$125.00	\$407.60	\$543.46	\$679.33	\$554.33	\$410.00	\$269.33
3 COND USE - SGL FAMILY	20.0	\$800.00	\$1,098.24	\$1,464.32	\$1,830.40	\$1,030.40	\$1,100.00	\$730.40
4 COND USE - ALL OTHERS	20.0	\$800.00	\$1,098.24	\$1,464.32	\$1,830.40	\$1,030.40	\$1,830.00	\$0.40
5 ZONE CHANGE	3.0	\$500.00	\$1,098.00	\$1,464.00	\$1,830.00	\$1,330.00	\$1,830.00	\$0.00
6 PRE-APP & PRE-INIT	90.0	\$50.00	\$206.28	\$275.04	\$343.80	\$293.80	\$210.00	\$133.80
7 TYPE 1 LAND DIV	8.0	\$800.00	\$967.80	\$1,290.40	\$1,613.00	\$813.00	\$1,615.00	(\$2.00)
8 TYPE 1 APPEAL BCC	1.0	\$300.00	\$1,012.80	\$1,350.40	\$1,688.00	\$1,388.00	\$500.00	\$1,188.00
9 TYPE 2 LAND DIV	11.0	\$450.00	\$510.00	\$680.00	\$850.00	\$400.00	\$850.00	\$0.00
10 TYPE 3 LAND DIV	15.0	\$250.00	\$510.00	\$680.00	\$850.00	\$600.00	\$850.00	\$0.00
11 TYPE 2&3 APPEAL HO	1.0	\$100.00	\$831.00	\$1,108.00	\$1,385.00	\$1,285.00	\$300.00	\$1,085.00
12 TYPE 2&3 APPEAL BCC	1.0	\$300.00	\$465.60	\$620.80	\$776.00	\$476.00	\$500.00	\$276.00
13 TYPE 2&3 APPEAL BCC	1.0	\$500.00	\$294.00	\$392.00	\$490.00	(\$10.00)	\$500.00	(\$10.00)
14 TYPE 4 LAND DIV	8.0	\$125.00	\$146.25	\$195.00	\$243.75	\$118.75	\$250.00	(\$6.25)
15 PROP LINE ADJUSTMENT	21.0	\$75.00	\$118.46	\$157.94	\$197.43	\$122.43	\$250.00	(\$52.57)
16 PROP LINE ADJ CFU	1.0	\$75.00	\$157.80	\$210.40	\$263.00	\$188.00	\$250.00	\$13.00
17 PROP LINE ADJ EFU	1.0	\$75.00	\$142.80	\$190.40	\$238.00	\$163.00	\$250.00	(\$12.00)
18 LOT OF EXCEPTION	14.0	\$100.00	\$104.40	\$139.20	\$174.00	\$74.00	\$175.00	(\$1.00)
19 C.R.N.S.A. DES REV	30.0	\$100.00	\$228.00	\$304.00	\$380.00	\$280.00	\$300.00	\$80.00
20 GEN PLAN AMENDMENT	1.0	\$1,000.00	\$1,493.40	\$1,991.20	\$2,489.00	\$1,489.00	\$2,490.00	(\$1.00)
21 NOTICE OF REVIEW	6.0	\$300.00	\$465.00	\$620.00	\$775.00	\$475.00	\$500.00	\$275.00
22 NOT OF REV (TRANSCR)	6.0	\$500.00	\$293.90	\$391.86	\$489.83	(\$10.17)	\$500.00	(\$10.17)
23 PLANNED DEVELOPMNT	1.0	\$1,000.00	\$1,322.40	\$1,763.20	\$2,204.00	\$1,204.00	\$2,200.00	\$4.00
24 DESIGN REVIEW	12.0	\$678.00	\$1,179.95	\$1,573.26	\$1,966.58	\$1,288.58	\$1,575.00	\$391.58
25 USE UNDER PRESCR CON	25.0	\$100.00	\$162.62	\$216.83	\$271.04	\$171.04	\$215.00	\$56.04
26 TEMPORARY PERMIT	8.0	\$100.00	\$115.43	\$153.90	\$192.38	\$92.38	\$150.00	\$42.38
27 HILLS DEV/ EROS CONT	60.0	\$150.00	\$352.40	\$469.86	\$587.33	\$437.33	\$350.00	\$237.33
28 HEALTH HARDSHIP	3.0	\$125.00	\$115.60	\$154.14	\$192.67	\$67.67	\$125.00	\$67.67
29 VARIANCE	25.0	\$400.00	\$357.50	\$476.67	\$595.84	\$195.84	\$475.00	\$120.84
30 LR PLAN / SPEC PROJ	1.0	\$70,000.00	\$244,831.80	\$326,442.40	\$408,053.00	\$338,053.00		\$408,053.00
31 CODE ENFORCEMNT	1.0	\$0.00	\$52,600.80	\$70,134.40	\$87,668.00	\$87,668.00		\$87,668.00
32 CUSTOMER SERVICE	1.0	\$0.00	\$100,549.80	\$134,068.40	\$167,583.00	\$167,583.00		\$167,583.00

User Fee Study Summary Sheet

multnomah county, oregon

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Total Program Information

Planning	REVENUE @	REVENUE @	REVENUE @	REVENUE @	CURRENT	REVENUE @	REMAINING	INCREASED
	CURRENT FEE	60% FEE	80% FEE	100% FEE	SUBSIDY	RECOM FEE	SUBSIDY @ RECOM FEE	REVENUE @ RECOM FEE

1	WILL RIVER GREENWAY	\$1,000	\$3,262	\$4,350	\$5,437	\$4,437	\$3,280	\$2,157	\$2,280
2	SIGNIF ENV CONCERN	\$750	\$2,446	\$3,261	\$4,076	\$3,328	\$2,460	\$1,616	\$1,710
3	COND USE - SGL FAMILY	\$16,000	\$21,965	\$29,286	\$36,608	\$20,608	\$22,000	\$14,608	\$8,000
4	COND USE - ALL OTHERS	\$16,000	\$21,965	\$29,286	\$36,608	\$20,608	\$36,600	\$8	\$20,600
5	ZONE CHANGE	\$1,500	\$3,294	\$4,392	\$5,490	\$3,990	\$5,490	\$0	\$3,990
6	PRE-APP & PRE-INIT	\$4,500	\$18,565	\$24,754	\$30,942	\$26,442	\$18,900	\$12,042	\$14,400
7	TYPE 1 LAND DIV	\$6,400	\$7,742	\$10,323	\$12,904	\$6,504	\$12,920	(\$16)	\$6,520
8	TYPE 1 APPEAL BCC	\$300	\$1,013	\$1,350	\$1,688	\$1,388	\$500	\$1,188	\$200
9	TYPE 2 LAND DIV	\$4,950	\$5,610	\$7,480	\$9,350	\$4,400	\$9,350	\$0	\$4,400
10	TYPE 3 LAND DIV	\$3,750	\$7,650	\$10,200	\$12,750	\$9,000	\$12,750	\$0	\$9,000
11	TYPE 2&3 APPEAL HO	\$100	\$831	\$1,108	\$1,385	\$1,285	\$300	\$1,085	\$200
12	TYPE 2&3 APPEAL BCC	\$300	\$466	\$621	\$776	\$476	\$500	\$276	\$200
13	TYPE 2&3 APPEAL BCC	\$500	\$294	\$392	\$490	(\$10)	\$500	(\$10)	\$0
14	TYPE 4 LAND DIV	\$1,000	\$1,170	\$1,560	\$1,950	\$950	\$2,000	(\$50)	\$1,000
15	PROP LINE ADJUSTMENT	\$1,575	\$2,488	\$3,317	\$4,146	\$2,571	\$5,250	(\$1,104)	\$3,675
16	PROP LINE ADJ CFU	\$75	\$158	\$210	\$263	\$188	\$250	\$13	\$175
17	PROP LINE ADJ EFU	\$75	\$143	\$190	\$238	\$163	\$250	(\$12)	\$175
18	LOT OF EXCEPTION	\$1,400	\$1,462	\$1,949	\$2,436	\$1,036	\$2,450	(\$14)	\$1,050
19	C.R.N.S.A. DES REV	\$3,000	\$6,840	\$9,120	\$11,400	\$8,400	\$9,000	\$2,400	\$6,000
20	GEN PLAN AMENDMENT	\$1,000	\$1,493	\$1,991	\$2,489	\$1,489	\$2,490	(\$1)	\$1,490
21	NOTICE OF REVIEW	\$1,800	\$2,790	\$3,720	\$4,650	\$2,850	\$3,000	\$1,650	\$1,200
22	NOT OF REV (TRANSCR)	\$3,000	\$1,763	\$2,351	\$2,939	(\$61)	\$3,000	(\$61)	\$0
23	PLANNED DEVELOPMNT	\$1,000	\$1,322	\$1,763	\$2,204	\$1,204	\$2,200	\$4	\$1,200
24	DESIGN REVIEW	\$8,136	\$14,159	\$18,879	\$23,599	\$15,463	\$18,900	\$4,699	\$10,764
25	USE UNDER PRESCR CON	\$2,500	\$4,066	\$5,421	\$6,776	\$4,276	\$5,375	\$1,401	\$2,875
26	TEMPORARY PERMIT	\$800	\$923	\$1,231	\$1,539	\$739	\$1,200	\$339	\$400
27	HILLS DEV/ EROS CONT	\$9,000	\$21,144	\$28,192	\$35,240	\$26,240	\$21,000	\$14,240	\$12,000
28	HEALTH HARDSHIP	\$375	\$347	\$462	\$578	\$203	\$375	\$203	\$0
29	VARIANCE	\$10,000	\$8,938	\$11,917	\$14,896	\$4,896	\$11,875	\$3,021	\$1,875
* 30	LR PLAN / SPEC PROJ	\$70,000	\$244,832	\$326,442	\$408,053	\$338,053	\$0	\$408,053	(\$70,000)
* 31	CODE ENFORCEMNT	\$0	\$52,601	\$70,134	\$87,668	\$87,668	\$0	\$87,668	\$0
* 32	CUSTOMER SERVICE	\$0	\$100,550	\$134,066	\$167,583	\$167,583	\$0	\$167,583	\$0

Department Totals	\$170,786	\$562,291	\$749,721	\$937,151	\$766,365	\$214,165	\$722,986	\$43,379
% of Full Cost	18.22%	60.00%	80.00%	100.00%	81.78%	22.85%	77.15%	4.63%
Excluding Noted Items	\$100,786	\$164,308	\$219,077	\$273,847	\$173,061	\$214,165	\$59,682	\$113,379
	36.80%	60.00%	80.00%	100.00%	63.20%	78.21%	21.79%	41.40%

* - Items marked with an asterisk have been excluded from the fee for service totals.

SECTION IV

ANIMAL CONTROL

The Animal Control division is responsible for the enforcement of all local and state laws relating to the care, treatment, impounding, and disposal of animals. The division responds to citizen calls for service regarding animals, issues animal licenses per law, and continues to aggressively controls lost or stray animal populations. Its primary goal is to protect both animals and residents of the county through the promotion and enforcement of responsible ownership. The division is operated under the supervision of the Environmental Services department.

The division operates an extensive animal licensing program for dogs and cats and provides most of its licensing through an automated computer system. The division has a license compliance group which attempts to increase licensing through a massive canvassing program. Much of this canvassing is provided with temporary employees. The licensing function (fees 1-12, & 15) costs the County \$515,965 annually (This does not include the cost of facility licensing which requires annual inspections, license replacement, and puppy/kitty tags). Total revenues are \$1,077,317.

In DMG's analysis of this division, licensing activities were treated as non-fee-for-service activities. License revenues typically are used to cover more than the cost of issuing the licenses. The excess revenues are used to support other valuable services that are not recovered through fees, including collection of stray and wild animals. However, since there is potential for substantial revenue increases, the licensing function will be discussed along with the user fee services activities in the analysis section below.

Total costs of fee-for-service activities are \$479,164, with \$142,670 in corresponding revenues. This leaves a subsidy of \$336,494 which is currently being funded by either license revenues or general fund dollars.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - In most animal control agencies, services have deliberately been subsidized to promote compliance. Subsidization of animal services is usually the result of a desire by a county to encourage use of the service either by 1) groups of people who may not be able to afford them, and 2) the citizens as a whole to keep the county free of animal related problems. It is common for local governments to have a sliding scale of fees for animal control based on the ability to pay.

In Multnomah County Animal Control, there are several non-fee-for service subsidy areas which are listed by fee number in the analysis and recommendations

section below. Most of these are common to all animal control operations, but three areas deserve special discussion:

- Nuisance, fee 50, includes time mostly associated with complaints regarding barking dogs, cruelty, and loose animals.
- Animal care program, fee 51, includes costs for janitorial services at the animal control facility, for minor maintenance by staff, and for staff time showing animals to people for potential adoptions.
- Animal rescue costs, fee 52, include protective custody costs and emergency animal rescue for animals in distress, abandoned, or neglected.

These three areas cost the general fund \$855,148 annually.

2. **Economic Incentives** - Many fees in an animal control division are established as a disincentive to participate in a particular activity. An example would be high dangerous dog fees. Other fees can be established as an incentive to promote compliance or to generate a response that will possibly save the county money in the future, such as lower licensing fees for animals that have been spayed.
3. **Elasticity** - Demand for animal control fees tend to be relatively elastic. That is, if fees are raised past a certain point, the public generally resists paying for those services and will not bother to license their dog or cat, spay or neuter their pet, or redeem their animals from impoundment at the shelter. While many citizens are responsible owners, some prefer to risk a later citation (or losing their pet) rather than pay for a license.
4. **Competition** - Veterinary hospitals will usually provide alteration, euthanasia, and perhaps adoption services. However, they do not provide all the services that an animal control division provides. In addition, they make it a practice not to subsidize their services. Therefore, competition is not really a factor in establishing animal control fees. The only competition would be not using animal services at all.

ANALYSIS AND RECOMMENDATIONS

The Animal Control division currently collects less revenue than it expends on animal services, which is not uncommon. Total user fee services (#13, 14, 16-21, 26-28, 30-35, 37-42, 44-48) cost \$479,164 annually with offsetting revenues of \$142,670. Licensing services (#1-12, and 15) cost \$515,965 per year with revenues of \$1,077,317. Dead animal pick-up on the roadways costs \$117,858 and is reimbursed in full by the Roads Fund (fee 49). The non fee for service activities cost \$1,438,352 and include the impoundment of non-returned animals, boarding of non-returned animals, back-up adoptions, destruction of dangerous dogs, animal nuisance, animal care program, and animal rescue (fees 22-25, 29, 36, 43, and 49-52). Total Animal Control division costs are \$2,591,338 with total revenues of \$1,344,984, generated primarily from licensing. This leaves the division with a total general fund subsidy of \$1,246,353 (48%).

DMG would typically recommend recovery levels as close to full cost as possible, or to the point at which compliance will not be lost. Unfortunately, it is rare for an animal regulation agency to attain this level. Typically, excluding license services, an animal control division seems to peak when they are recovering 40-50% of their total user fee costs. Currently, your division is at a 30% recovery level.

Following is a summary of DMG's recommendations for Multnomah County Animal Control services. In addition to these recommendations, we have given some analysis in the licensing area which would provide other revenue options should the Commission want to reduce the current subsidy further.

- Facility Inspections - DMG recommends charging a fee that represents full cost. This activity requires anyone owning 4 or more animals to have a facility license and an annual inspection. The current fee also includes annual licenses for the animals which is less than what they would pay for licensing each animal individually. Because of the type of service received, there appears to be no reason for subsidization. (fees 16-18)
- Impounds - There was no recommended fee increase for this service although costs are higher than current fees. The reasoning behind the recommendation is that if impound fees are raised too high, it acts as a disincentive for owners to retrieve their pets. When pets are not returned, the expense on the overall division is increased due to future maintenance of the animal. (fees 19-21)
- Boards - The current rates are very similar to local kennel daily rents in the surrounding areas. Current fees are a bit higher than cost because the division wants to stay non-competitive with private companies. In addition, a portion of the fee is intended to recover the rental of the space provided to the animal which is not part of the total cost. (fees 26-28)
- Owner Released - DMG has recommended a fee decrease for animals released by owners for euthanization and disposal. Currently, the fee is \$25 with a cost of

\$17. A fee equal to cost has been recommended. The staff was concerned that this was less than the private sector for the same service, but it is DMG's opinion that only full cost recovery is appropriate in this instance.

The costs associated with the release of healthy animals by owners is currently greater than the current fees of \$15 or \$25. However, DMG has recommended not lowering these fees because the division incurs the subsequent costs in either maintenance, adoption services, or euthanization and disposal of these animals. DMG is concerned that raising the fees higher could have the result that the animals would be merely dumped instead of being brought to the facility. (fees 31-33)

- Adoption - Current adoption fees only recover about 40% of total costs, not including the costs of back-up adoptions. DMG has made recommendations which reflect a 60% recovery level resulting in a \$10 increase each. No fee recommendation was made for back-up adoptions as they help insure an animal will be processed out of the facility. (fees 34-36)
- Notice of Infraction - A minor increase was recommended for first time notice of infractions which will recover full cost. No increases were made for second and third offenses as these are currently recovering more than cost. This is appropriate because these are typically seen as disincentives for failure to comply. Overall, the division has a relatively low recovery level for collection of all notice of infractions because current policy dismisses the fine if compliance occurs within 30 days. The division feels this is a useful policy because they have relatively little power to collect these fees and achieving compliance is the ultimate goal. (fees 37-39)
- Appeals/Hearings - DMG recommends increases for these services to approximately 80% recovery of full costs. The division refunds the fee if the appeal is won, so that full costs can never be 100% recovered. These recommendations should not financially prevent anyone from appealing the process. (fees 40 & 45)
- Dangerous Dog Program - Animals included in this program have behaved in a manner that warrants annual monitoring by division staff. It is DMG's opinion that this activity should not be subsidized, since owners are responsible for the behavior of their pets. However, full cost was not recommended due to the large difference between full cost and the current fee. Our recommendations are based on an average recovery level of at least 60% immediately. DMG also recommends implementing full cost recovery in the near future. (fees 41-44)

Note that the recommended fee shown on the following User Fee Study Summary Sheet is an average of \$115 for all dangerous dogs (levels 1-4), reflecting an average recovery of 60% of costs. Based on discussions with County staff, the fee covers the annual monitoring and renewal processes, and not incident

responses. In their opinion, the fee should increase with the increasing severity level of the dog's behavior. DMG recommends that the fees be set at \$100 (50% of full cost) for level 1, \$115 (60%) for level 2, \$135 (70%) for level 3, and \$155 (80%) for level 4. This will yield an average fee of \$115 and an average cost recovery of 60%.

- Livestock Pickup & Return - Full cost has been recommended as DMG sees this as a service that directly benefits the owners of the livestock. (fee 46)
- Dead Animal Disposal - No fee changes were recommended at this time as full cost is being recovered. Costs for non-veterinarian disposal slightly exceeds cost, but volume is insignificant and the charge is competitive with private agencies.

Total revenues for veterinary disposal reflects a low rate of cost recovery. Although this is a current fee, charges have not been collected. This situation has been remedied after DMG's analysis and revenues are projected at about \$10,000. (fees 47 & 48)

- Licenses - DMG recommends increases to current 1 year licenses by \$1 each, 2 year licenses by \$2 each, and 3 year licenses by \$3 each. In general, these are relatively small increases that will generate additional revenues of \$92,557 increasing current revenues from \$1,077,317 to \$1,169,874 or an increase of about 9%. The increase was recommended because there has not been a fee increase in 3-4 years.

The issue of licenses is very important to DMG's overall analysis of Multnomah County Animal Control because, other than the general fund, it is the primary source of revenue for operations. The above increases seem very reasonable to DMG. However, should the Commission determine that it is inappropriate for the general fund to subsidize animal control services at the current level, there are a variety of options that could be implemented to reduce the subsidy.

DMG's experience has been that most animal control agencies that operate anywhere close to recovering their costs of services do so through their licensing revenues. This practice assumes that license revenue is an appropriate source of funding these services. DMG notes that the general public benefits from animal control services through reduced risk of disease and injury, and that animal owners are not the only beneficiary of animal control services.

Following, are some example options for license revenue increases.

- If the County Commission wanted to recover the balance of the costs associated with fee-for-service activities (\$157,488) total license revenues would need to be increased by \$250,045 instead of the \$92,557 recommended increase. In this instance, an overall increase of 23% straight across the board or more than doubling DMG's current recommended fee increases for each license category would be necessary (i.e. \$2 for one

year, \$4 for two years).

- If the Commission wanted to cut the current subsidy in half, after the implementation of DMG recommendations for fee services, a total of \$579,953 would need to be generated from license increases. This would result in a 54% increase of current fees, or multiplying each current fee by 1.5.
- If the Commission wanted to recover all subsidy costs, after the implementation of DMG's recommended fee increases, excluding license increases, additional revenues of \$1,159,905 would need to be generated from licenses. This would require approximately doubling current fees. DMG notes that this could reduce actual revenues received, since many owners would elect not to license their animals.

When increasing license fees, there comes a point at which owners will elect not to license their animals. If large increases in license fees are ever implemented, the County would need to insure compliance by 1) eliminating the waiver for notice of infractions (30 day grace period) and 2) implementing a mechanism that will enable the division to collect unpaid fees, licenses and fines. Determining the mix of support for animal control services between general fund dollars and license revenues is a fundamental policy decision which issues of cost cannot resolve.

Should all of DMG's recommendations be implemented, the division will realize \$179,006 in revenues annually. License increases makes up \$92,557 with the balance (\$86,449) coming from user fee recommended increases.

Following is a summary schedule which present specific fee recommendations and resulting changes in revenues for animal control services.

User Fee Study Summary Sheet

Multnomah County, Oregon

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		Per Unit Information								
Animal Control		UNIT VOLUME	CURRENT FEE	60% OF FULL COST	80% OF FULL COST	100% OF FULL COST	CURRENT SUBSIDY	RECOMMENDED FEE	SUBSIDY @ RECOM FEE	
1	1 YR. LICENSE-DOG	15042.0	\$10.00	\$4.83	\$6.44	\$8.05	(\$1.95)	\$11.00	(\$2.95)	
2	1 YR. LICENSE-DOG (FERTILE)	8594.0	\$25.00	\$4.83	\$6.44	\$8.05	(\$16.95)	\$26.00	(\$17.95)	
3	2 YR. LICENSE-DOG	3029.0	\$17.00	\$4.82	\$6.43	\$8.04	(\$8.98)	\$19.00	(\$10.98)	
4	2 YR. LICENSE-DOG (FERTILE)	1731.0	\$46.00	\$4.83	\$6.44	\$8.05	(\$37.95)	\$48.00	(\$39.95)	
5	3 YR. LICENSE-DOG	4727.0	\$24.00	\$4.83	\$6.44	\$8.05	(\$15.95)	\$27.00	(\$18.95)	
6	3 YR. LICENSE-DOG (FERTILE)	2700.0	\$60.00	\$4.83	\$6.44	\$8.05	(\$51.95)	\$63.00	(\$54.95)	
7	1 YR. LICENSE-CAT	15255.0	\$8.00	\$4.83	\$6.44	\$8.05	\$0.05	\$9.00	(\$0.95)	
8	1 YR. LICENSE-CAT (FERTILE)	2722.0	\$15.00	\$4.83	\$6.44	\$8.05	(\$6.95)	\$16.00	(\$7.95)	
9	2 YR. LICENSE-CAT	3268.0	\$14.00	\$4.83	\$6.44	\$8.05	(\$5.95)	\$16.00	(\$7.95)	
10	2 YR. LICENSE-CAT (FERTILE)	583.0	\$25.00	\$4.84	\$6.45	\$8.06	(\$16.94)	\$27.00	(\$18.94)	
11	3 YR. LICENSE-CAT	3237.0	\$19.00	\$4.83	\$6.44	\$8.05	(\$10.95)	\$22.00	(\$13.95)	
12	3 YR. LICENSE-CAT (FERTILE)	578.0	\$36.00	\$4.82	\$6.43	\$8.04	(\$27.98)	\$39.00	(\$30.98)	
13	LICENSE-REPLACEMENT	2639.0	\$3.00	\$4.31	\$5.75	\$7.19	\$4.19	\$3.00	\$4.19	
14	PUPPY/KITTEN TAGS	125.0	\$0.00	\$10.73	\$14.31	\$17.89	\$17.89	\$0.00	\$17.89	
15	LICENSE COMPLIANCE	1.0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
16	FACILITY INSPECTION-DOG	73.0	\$100.00	\$85.04	\$113.38	\$141.73	\$41.73	\$142.00	(\$0.27)	
17	FACILITY INSPECTION-EXOTIC	6.0	\$100.00	\$84.80	\$113.06	\$141.33	\$41.33	\$142.00	(\$0.67)	
18	FACILITY INSPECTION-CAT	19.0	\$50.00	\$85.13	\$113.51	\$141.89	\$91.89	\$142.00	(\$0.11)	
19	IMPOUND-DOG	2168.0	\$25.00	\$19.37	\$25.82	\$32.28	\$7.28	\$25.00	\$7.28	
20	IMPOUND-CAT	10.0	\$15.00	\$14.52	\$19.36	\$24.20	\$9.20	\$15.00	\$9.20	
21	IMPOUND-OTHER	10.0	\$15.00	\$14.52	\$19.36	\$24.20	\$9.20	\$15.00	\$9.20	
22	IMPOUND-DOG (NON RETURNED)	8435.0	\$0.00	\$20.87	\$27.82	\$34.78	\$34.78	\$0.00	\$34.78	
23	IMPOUND-CAT (NON RETURNED)	802.0	\$0.00	\$14.77	\$19.69	\$24.61	\$24.61	\$0.00	\$24.61	
24	IMPOUND-OTHER (NON-RETURNED)	211.0	\$0.00	\$20.87	\$27.82	\$34.78	\$34.78	\$0.00	\$34.78	
25	IMPOUND-EUTHANIZE/DISPOSE	5794.0	\$0.00	\$11.48	\$15.30	\$19.13	\$19.13	\$0.00	\$19.13	
26	BOARD-CAT OR OTHER PER DAY	6.0	\$5.00	\$2.70	\$3.60	\$4.50	(\$0.50)	\$5.00	(\$0.50)	
27	BOARD-DOG PER DAY	20.0	\$8.00	\$3.03	\$4.04	\$5.05	(\$2.95)	\$8.00	(\$2.95)	
28	BOARD-LIVESTOCK PER DAY	5.0	\$8.00	\$2.88	\$3.84	\$4.80	(\$3.20)	\$8.00	(\$3.20)	
29	BOARDS-NON RECOVER. (3 DAYS)	10544.0	\$0.00	\$9.53	\$12.70	\$15.88	\$15.88	\$0.00	\$15.88	
30	VETERINARY FEE	10.0	\$20.00	\$13.26	\$17.68	\$22.10	\$2.10	\$22.00	\$0.10	
31	EUTHANIZE/DISP-OWNER RELEASED	193.0	\$25.00	\$10.30	\$13.73	\$17.16	(\$7.84)	\$17.00	\$0.16	
32	RELEASE OF OWNED-1	100.0	\$15.00	\$6.55	\$8.74	\$10.92	(\$4.08)	\$15.00	(\$4.08)	
33	RELEASE OF OWNED-2 OR MORE	1.0	\$25.00	\$12.00	\$16.00	\$20.00	(\$5.00)	\$25.00	(\$5.00)	
34	ADOPTION-DOGS	1783.0	\$20.00	\$30.66	\$40.88	\$51.10	\$31.10	\$30.00	\$21.10	
35	ADOPTION-CATS	563.0	\$20.00	\$30.95	\$41.26	\$51.58	\$31.58	\$30.00	\$21.58	
36	BACK-UP ADOPTIONS	1000.0	\$0.00	\$12.83	\$17.10	\$21.38	\$21.38	\$0.00	\$21.38	
37	NOTICE OF INFRACTION	3075.0	\$25.00	\$17.45	\$23.26	\$29.08	\$4.08	\$29.00	\$0.08	
38	NOTICE OF INFRACTION (2ND)	878.0	\$50.00	\$17.44	\$23.26	\$29.07	(\$20.93)	\$50.00	(\$20.93)	
39	NOTICE OF INFRACTION (3RD)	439.0	\$75.00	\$17.45	\$23.26	\$29.08	(\$45.92)	\$75.00	(\$45.92)	
40	APPEALS	180.0	\$25.00	\$40.31	\$53.74	\$67.18	\$42.18	\$50.00	\$17.18	

User Fee Study Summary Sheet

multnomah county, oregon

Per Unit Information

Animal Control	UNIT VOLUME	CURRENT FEE	60% OF FULL COST	80% OF FULL COST	100% OF FULL COST	CURRENT SUBSIDY	RECOMMENDED FEE	SUBSIDY @ RECOM FEE
41 DANGEROUS DOG-LVL 1 & 2	310.0	\$25.00	\$117.47	\$156.62	\$195.78	\$170.78	\$115.00	\$80.78
42 DANGEROUS DOG-LVL 3 & 4	100.0	\$50.00	\$117.45	\$156.60	\$195.75	\$145.75	\$115.00	\$80.75
43 DESTRUCTION OF DOG-LVL 5	1.0	\$0.00	\$14,585.40	\$19,447.20	\$24,309.00	\$24,309.00	\$0.00	\$24,309.00
44 DANGEROUS DOG DECLASSIFY	50.0	\$25.00	\$32.54	\$43.39	\$54.24	\$29.24	\$40.00	\$14.24
45 HEARINGS-DANGEROUS DOGS	138.0	\$25.00	\$87.10	\$89.46	\$111.83	\$86.83	\$80.00	\$31.83
46 LIVESTOCK PICKUP & RETURN	20.0	\$10.00	\$22.08	\$29.44	\$36.80	\$26.80	\$37.00	(\$0.20)
47 DEAD ANIMAL DISPOSAL	10.0	\$15.00	\$7.28	\$9.88	\$12.10	(\$2.90)	\$15.00	(\$2.90)
48 DEAD DISPOSAL FOR VETS	1041.0	\$10.00	\$5.52	\$7.36	\$9.20	(\$0.80)	\$10.00	(\$0.80)
49 DEAD ANIMAL PICKUP	2596.0	\$48.15	\$27.24	\$36.32	\$45.40	(\$2.75)	\$48.15	(\$2.75)
50 ANIMAL NUISANCE	1.0	\$0.00	\$335,105.40	\$446,807.20	\$558,509.00	\$558,509.00	\$0.00	\$558,509.00
51 ANIMAL CARE PROGRAM	1.0	\$0.00	\$122,868.00	\$163,824.00	\$204,780.00	\$204,780.00	\$0.00	\$204,780.00
52 ANIMAL RESCUE	1.0	\$0.00	\$55,115.40	\$73,487.20	\$91,859.00	\$91,859.00	\$0.00	\$91,859.00

User Fee Study Summary Sheet

multnomah county, oregon

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		Total Program Information								
Animal Control		REVENUE @ CURRENT FEE	REVENUE @ 60% FEE	REVENUE @ 80% FEE	REVENUE @ 100% FEE	CURRENT SUBSIDY	REVENUE @ RECOM FEE	REMAINING SUBSIDY @ RECOM FEE	INCREASED REVENUE @ RECOM FEE	
* 1	1 YR. LICENSE-DOG	\$150,420	\$72,853	\$96,870	\$121,088	(\$29,332)	\$165,462	(\$44,374)	\$15,042	
* 2	1 YR. LICENSE-DOG (FERTILE)	\$214,850	\$41,509	\$55,345	\$69,182	(\$145,668)	\$223,444	(\$154,262)	\$8,594	
* 3	2 YR. LICENSE-DOG	\$51,493	\$14,812	\$19,483	\$24,353	(\$27,140)	\$57,551	(\$33,198)	\$8,058	
* 4	2 YR. LICENSE-DOG (FERTILE)	\$79,626	\$8,361	\$11,148	\$13,935	(\$65,691)	\$83,088	(\$69,153)	\$3,462	
* 5	3 YR. LICENSE-DOG	\$113,448	\$22,831	\$30,442	\$38,052	(\$75,396)	\$127,629	(\$89,577)	\$14,181	
* 6	3 YR. LICENSE-DOG (FERTILE)	\$162,000	\$13,041	\$17,388	\$21,735	(\$140,265)	\$170,100	(\$148,365)	\$8,100	
* 7	1 YR. LICENSE-CAT	\$122,040	\$73,882	\$98,242	\$122,803	\$763	\$137,295	(\$14,492)	\$15,255	
* 8	1 YR. LICENSE-CAT (FERTILE)	\$40,830	\$13,147	\$17,530	\$21,912	(\$18,918)	\$43,552	(\$21,640)	\$2,722	
* 9	2 YR. LICENSE-CAT	\$45,724	\$15,775	\$21,033	\$26,291	(\$19,433)	\$52,256	(\$25,965)	\$6,532	
* 10	2 YR. LICENSE-CAT (FERTILE)	\$14,575	\$2,819	\$3,759	\$4,699	(\$9,876)	\$15,741	(\$11,042)	\$1,166	
* 11	3 YR. LICENSE-CAT	\$61,503	\$15,835	\$20,846	\$26,058	(\$35,445)	\$71,214	(\$45,156)	\$9,711	
* 12	3 YR. LICENSE-CAT (FERTILE)	\$20,808	\$2,788	\$3,718	\$4,647	(\$16,161)	\$22,542	(\$17,895)	\$1,734	
** 13	LICENSE-REPLACEMENT	\$2,610	\$11,385	\$15,180	\$18,974	\$16,364	\$2,610	\$16,364	\$0	
* 14	PUPPY/KITTEN TAGS	\$0	\$1,342	\$1,789	\$2,236	\$2,236	\$0	\$2,236	\$0	
* 15	LICENSE COMPLIANCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
* 16	FACILITY INSPECTION-DOG	\$7,300	\$6,208	\$8,277	\$10,346	\$3,046	\$10,366	(\$20)	\$3,066	
* 17	FACILITY INSPECTION-EXOTIC	\$600	\$509	\$678	\$848	\$248	\$852	(\$4)	\$252	
* 18	FACILITY INSPECTION-CAT	\$950	\$1,618	\$2,157	\$2,696	\$1,746	\$2,698	(\$2)	\$1,748	
** 19	IMPOUND-DOG	\$34,950	\$41,990	\$55,986	\$69,983	\$35,033	\$34,950	\$35,033	\$0	
* 20	IMPOUND-CAT	\$150	\$145	\$194	\$242	\$92	\$150	\$92	\$0	
* 21	IMPOUND-OTHER	\$150	\$145	\$194	\$242	\$92	\$150	\$92	\$0	
* 22	IMPOUND-DOG (NON RETURNED)	\$0	\$176,022	\$234,695	\$293,369	\$293,369	\$0	\$293,369	\$0	
* 23	IMPOUND-CAT (NON RETURNED)	\$0	\$11,842	\$15,790	\$19,737	\$19,737	\$0	\$19,737	\$0	
* 24	IMPOUND-OTHER (NON-RETURNED)	\$0	\$4,403	\$5,871	\$7,339	\$7,339	\$0	\$7,339	\$0	
* 25	IMPOUND-EUTHANIZE/DISPOSE	\$0	\$66,504	\$88,671	\$110,839	\$110,839	\$0	\$110,839	\$0	
* 26	BOARD-CAT OR OTHER PER DAY	\$30	\$16	\$22	\$27	(\$3)	\$30	(\$3)	\$0	
* 27	BOARD-DOG PER DAY	\$160	\$81	\$81	\$101	(\$59)	\$160	(\$59)	\$0	
* 28	BOARD-LIVESTOCK PER DAY	\$40	\$14	\$19	\$24	(\$16)	\$40	(\$16)	\$0	
* 29	BOARDS-NON RECOVER. (3 DAYS)	\$0	\$100,463	\$133,951	\$167,439	\$167,439	\$0	\$167,439	\$0	
* 30	VETERINARY FEE	\$200	\$133	\$177	\$221	\$21	\$220	\$1	\$20	
* 31	EUTHANIZE/DISP-OWNER RELEASED	\$4,825	\$1,987	\$2,650	\$3,312	(\$1,513)	\$3,281	\$31	(\$1,544)	
* 32	RELEASE OF OWNED-1	\$1,500	\$655	\$874	\$1,092	(\$408)	\$1,500	(\$408)	\$0	
* 33	RELEASE OF OWNED-2 OR MORE	\$25	\$12	\$16	\$20	(\$5)	\$25	(\$5)	\$0	
* 34	ADOPTION-DOGS	\$35,660	\$54,867	\$72,889	\$91,111	\$55,451	\$53,490	\$37,621	\$17,830	
* 35	ADOPTION-CATS	\$11,260	\$17,424	\$23,232	\$29,040	\$17,780	\$16,890	\$12,150	\$5,630	
* 36	BACK-UP ADOPTIONS	\$0	\$12,828	\$17,104	\$21,380	\$21,380	\$0	\$21,380	\$0	
** 37	NOTICE OF INFRACTION	\$10,075	\$53,653	\$71,537	\$89,421	\$79,346	\$11,687	\$77,734	\$1,612	
** 38	NOTICE OF INFRACTION (2ND)	\$5,750	\$15,314	\$20,419	\$25,523	\$19,773	\$5,750	\$19,773	\$0	
** 39	NOTICE OF INFRACTION (3RD)	\$4,350	\$7,660	\$10,213	\$12,768	\$8,416	\$4,350	\$8,416	\$0	
** 40	APPEALS	\$4,375	\$7,255	\$9,674	\$12,092	\$7,717	\$8,750	\$3,342	\$4,375	

User Fee Study Summary Sheet

multnomah county, oregon

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Total Program Information									
Animal Control	REVENUE @ CURRENT FEE	REVENUE @ 60% FEE	REVENUE @ 80% FEE	REVENUE @ 100% FEE	CURRENT SUBSIDY	REVENUE @ RECOM FEE	REMAINING SUBSIDY @ RECOM FEE	INCREASED REVENUE @ RECOM FEE	
41 DANGEROUS DOG-LVL 1 & 2	\$7,750	\$36,415	\$48,553	\$60,692	\$52,942	\$35,850	\$25,042	\$27,900	
42 DANGEROUS DOG-LVL 3 & 4	\$5,000	\$11,745	\$15,660	\$19,575	\$14,575	\$11,500	\$8,075	\$6,500	
* 43 DESTRUCTION OF DOG-LVL 5	\$0	\$14,585	\$19,447	\$24,309	\$24,309	\$0	\$24,309	\$0	
44 DANGEROUS DOG DECLASSIFY	\$1,250	\$1,627	\$2,170	\$2,712	\$1,462	\$2,000	\$712	\$750	
** 45 HEARINGS-DANGEROUS DOGS	\$3,350	\$9,260	\$12,346	\$15,433	\$12,083	\$10,720	\$4,713	\$7,370	
46 LIVESTOCK PICKUP & RETURN	\$200	\$442	\$589	\$736	\$536	\$740	(\$4)	\$540	
47 DEAD ANIMAL DISPOSAL	\$150	\$73	\$97	\$121	(\$29)	\$150	(\$29)	\$0	
** 48 DEAD DISPOSAL FOR VETS	\$10	\$5,746	\$7,862	\$9,577	\$9,567	\$10,410	(\$833)	\$10,400	
* 49 DEAD ANIMAL PICKUP	\$124,997	\$70,715	\$94,287	\$117,858	(\$7,139)	\$124,997	(\$7,139)	\$0	
* 50 ANIMAL NUISANCE	\$0	\$335,105	\$446,807	\$558,509	\$558,509	\$0	\$558,509	\$0	
* 51 ANIMAL CARE PROGRAM	\$0	\$122,868	\$163,824	\$204,780	\$204,780	\$0	\$204,780	\$0	
* 52 ANIMAL RESCUE	\$0	\$55,115	\$73,487	\$91,859	\$91,859	\$0	\$91,859	\$0	
Department Totals	\$1,344,984	\$1,554,803	\$2,073,070	\$2,591,338	\$1,246,353	\$1,523,990	\$1,087,347	\$179,008	
% of Full Cost	51.90%	60.00%	80.00%	100.00%	48.10%	58.81%	41.19%	6.91%	
Excluding Noted Items	\$142,670	\$287,498	\$383,331	\$479,164	\$336,494	\$321,676	\$157,488	\$179,008 ***	
	29.77%	60.00%	80.00%	100.00%	70.23%	67.13%	32.87%	37.36%	

* - Items marked with an asterisk have been excluded from the fee for service totals.

** - Revenue for this fee area is based on an estimated recoverable volume for fees 13, 19, 37-40, 45 & 48. (Rec. volumes are 870, 1398, 403, 115, 58, 175, 134, & 1041)

*** - This increased revenue includes additional revenues from the recommended increases in licenses.

Please Note: Activity 15 has an annual cost of \$374,231 of which was spread as support costs to fees 1-14 & 16-18.

The total increased revenue is made up of \$92,557 in animal license increases with the balance (\$86,449) in fee-for-service activities.

SECTION III

COUNTY SURVEYOR

The County Surveyor operates within the Transportation Division of the Environmental Services Department. The Surveyor provides services to other county offices including engineering design and construction offices. Staff provide survey services for county capital improvement projects, maintain the Public Land Corner program, respond to the general public's requests for information, and reviews subdivision and partition plans.

The Transportation Division recently proposed increasing existing fees for subdivision plat reviews, partition plat reviews, and condominium plat reviews that are consistent with fees established by other neighboring local governments. In addition, the Surveyor is responsible for administering several statutory fees established by the Oregon Revised Statutes. Examples include affidavits of correction of recorded survey maps or narratives, withdrawal of variable property from unit ownership or condominium plat, affidavits of correction of any recorded subdivision plat or partition plat, and posting of street vacations.

ECONOMIC AND POLICY CONSIDERATIONS

1. **Subsidy** - Inspection and plan check services such as the surveyor provides are usually intended to be self supporting. Frequently, indirect costs are not included in the rate structure, but this is generally due to a lack of knowledge of the costs, and not a conscious decision to subsidize the service.
2. **Economic Incentive** - Incentives to encourage or discourage growth generally do not play a role in setting fees for inspection services; most jurisdictions wish to recover full costs.
3. **Elasticity** - Demand for services provided by surveyor staff is generally inelastic. Costs of the service will have to be paid if related projects are to be completed and are economically viable for the developer/contractor. High fees, however, may discourage smaller projects.
4. **Competition** - There is no competition for these services from the private sector.

ANALYSIS AND RECOMMENDATIONS

The policy of billing all users of survey services based on actual time and expenses is practical only because the Transportation Division already operates a time accounting system with the capacity to capture and report staff time data. This is the most equitable method of billing users for costs, but usually is not practical because of the added administrative costs for generating user billings.

DMG recommends that developers and other users deposit funds with the County Surveyor prior to application approval and construction. The deposit can reasonably be based upon the existing construction value table used for miscellaneous public works fees, per County Code Chapter 5.10.235. Monthly, the Surveyor's office can accumulate costs and advise customers when their deposit has been used up and what their current balance is. Additional deposits can be required as needed. At the completion of each project, a final accounting of all deposits and all costs will be prepared. Excess of deposits over costs can then be refunded.

Since the November, 1994, ballot measure precludes changing fees to reflect changes in employee compensation, the Transportation Division has elected to establish a single average hourly rate for time and material charges for on-site survey work. The rate proposed, \$42.50 per hour, is an average for all classifications of employees who will charge time to specific development projects.

Fees for subdivision and condominium plat reviews were included in the Surveyor's proposed fee changes. The fees as proposed are consistent with those charged by neighboring counties (Washington and Clackamas) and with current labor costs. For example, the fee for a subdivision final plat map (before monumentation) increases from \$500 plus \$25 per lot to \$700 plus \$35 per lot, an increase of 40%. DMG concurs with the Surveyor's analysis of plat review fees.

It is difficult to forecast the actual change in revenues arising from this system of billing for Surveyor's services. However, DMG's recommendation in general is 100% cost recovery, and this system certainly accomplishes that goal. We estimate that the change in billing method will generate over \$60,000 in revenues annually.