



Request for Proposals for the Operation of the Metro South and/or Metro Central Transfer Stations

RFP #04-1091 SWR

March 2004

Prepared by:
METRO

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**REQUEST FOR PROPOSALS FOR THE
OPERATION OF THE
METRO SOUTH AND/OR METRO CENTRAL TRANSFER STATIONS**

1. INTRODUCTION

The Solid Waste & Recycling (SW&R) Department of Metro is requesting proposals for the Operation of the Metro South and/or Metro Central Transfer Stations (RFP #04-1091-SW&R). The work involves the transfer of approximately 280,000 tons of solid waste received annually at each facility, into transfer vehicles for disposal, after removing materials for recovery, for a five-year period.

Metro is a regional government serving the Portland metropolitan area, organized under the laws of the State of Oregon and the Metro Charter. Proposals will be received at the reception desk of SW&R, attention Chuck Geyer, 600 NE Grand Avenue, Portland, Oregon 97232, until 4:00 p.m., April 15, 2004. Details concerning the project are contained in the request for proposals (RFP) and background documents. Copies of the RFP and background materials may be obtained by contacting Solid Waste & Recycling at (503) 797-1650.

2. BACKGROUND

General

Metro is responsible for the disposal of solid waste generated within its jurisdictional boundaries. A system of public and private transfer stations currently receive mixed solid waste prior to transport and disposal at general-purpose landfills. The two public transfer stations (Metro South and Metro Central) are owned by Metro and are the subject of the work described herein.

All of the waste received at the Metro South Station (MSS) and Metro Central Station (MCS) that is destined for a general purpose landfill is disposed at the Columbia Ridge Landfill in conformance with the Waste Disposal Services Contract between Metro and Oregon Waste Systems. The landfill is located in Gilliam County, Oregon, approximately 150 miles east of Portland. CSU Transport, Inc. in conformance with the Waste Transport Services Contract with Metro transports the waste via long-haul tractor-trailers to this landfill.

Waste is delivered to each Metro facility by both the general public and commercial haulers. Upon arrival at the facility, the waste is weighed by Metro at scalehouses as described more fully herein. Metro collects payments from customers, at disposal prices established by Metro.

The transfer station operator then directs the unloading of the waste, removes recoverable materials for market, and then compacts and loads the residual into transfer trailers for disposal. Compactors are available at MCS and MSS to compact the waste into average payloads in excess of 30 tons. Volumes of waste projected to be received at each facility are contained in the Appendix. Traffic patterns as well as site drawings are also contained in the Appendix.

The transfer station operator is responsible for material recovery. Historical volumes of material recovered by facility are contained in the Appendix. At both stations, Metro provides discounts to the general public if source separated recyclable materials are available from their load. There is a reduced tip fee for loads of source separated wood/yard debris, and Metro has the ability to post a reduced rate for source-separated organic waste (food waste and soiled paper), as well as other materials in the event local

markets for these materials develop. This RFP anticipates markets developing for several additional materials and is soliciting prices for handling drywall and roofing material during this procurement. These prices may be used by Metro to develop tip fees for these materials, or other materials proposed as part of this procurement. It is anticipated that a tip fee for source-separated organics will be in place by the start of this contract.

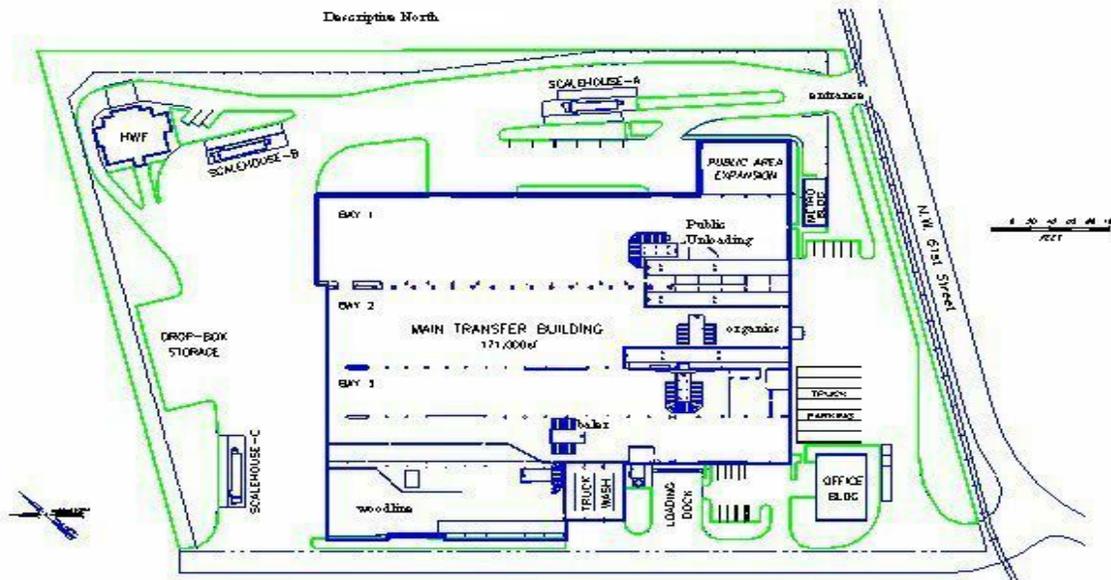
A description of operations at each station follows. The descriptions are provided as background only and are in no way intended to replace the requirements of the specifications contained in this document or the operating plans submitted by proposers. Operations and maintenance plans for the current transfer station operators are available for review.

Metro Central Station Operations

Metro Central Station (MCS) is located at 6161 NW 61st in Portland, Oregon, and can be reached by taking St. Helens Rd (HWY 30) to Kittridge Ave., left on Front, left on 61st. A location map is contained in the Appendix.

As shown in the figure below, there are three bays available for use. Each bay is equipped with a compactor. Historically, Bays #1 and #3 have been used primarily for handling commercial waste and Bay #2 for materials recovery from dry loads and organics reloading. Commercial traffic enters the building from the west. Loads on which no material recovery is to be attempted are unloaded as close as possible to the compactors and front-end loaders push the waste onto the compactor's conveyor. A compactor operator loads the compactor, builds the load and extrudes the load into the transport contractor's trailers.

Public customers have been unloaded and material recovered in the *Public Unloading Area*. Bins have been stationed in the Public Area Expansion to receive source-separated recyclables brought in by the public. Public traffic is generally routed in and out of the doors located on the north wall. Source separated organics is received and reloaded at the east end of bay #2.



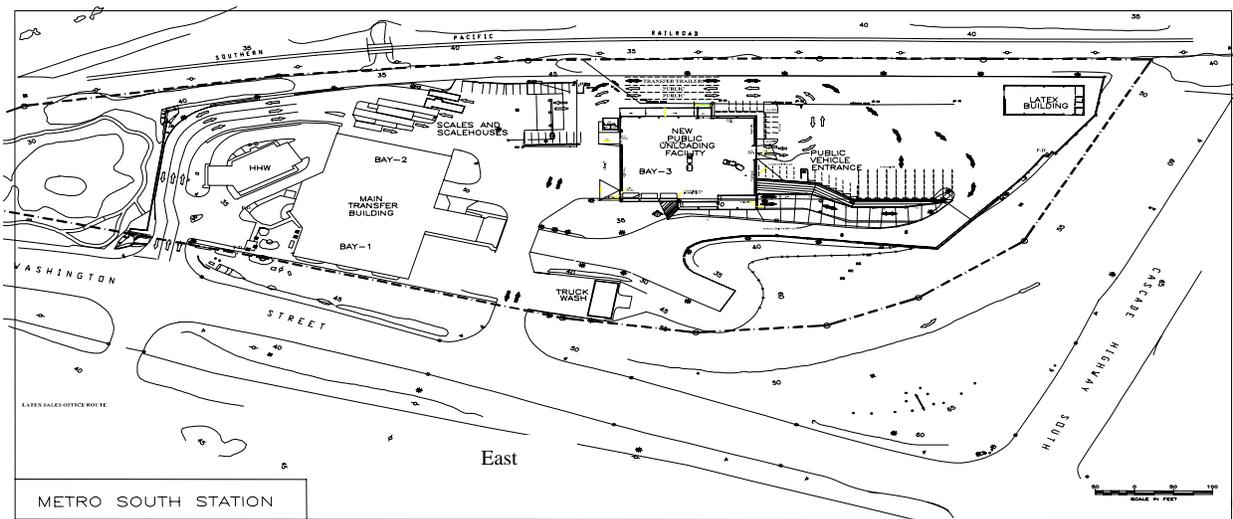
Material recovery is currently accomplished through hand sorting dry material that is stockpiled during the day. Waste is spread out and placed in a variety of containers for further processing, if necessary, prior to going to market. Processing includes baling at an onsite baler or the use of the onsite woodline.

The woodline (located south of Bay #3) is the main material recovery system as shown in the volumes of hog fuel produced. A system to top load trailers is part of the line. See the drawings and manuals for a complete description.

Metro South Station Operations

Metro South Station (MSS) is located at 2001 Washington Street, in Oregon City, Oregon, and can be reached by taking the Molalla/Park Place Exit (Exit 10) off I-205. A location map is contained in the Appendix.

As shown in the figure below, three Bays are available for handling waste at MSS. Historically, Bay #1



has been used to unload commercial customers directly into the pit located between this Bay #1 and Bay #2. Two compactors are located at the north end of the pit with openings into which the track loader operator pushes waste. The operator builds the loads with a remote control device. A compactor operator extrudes loads into the transport contractor's trailers. In addition, approximately 2 to 3 thousand tons of waste annually from MSS is shipped to the Marion County Waste to Energy Facility. This is done on an "on-call" basis, utilizing a transport contractor with payloads of approximately 24 tons.

Bay #2 is used to recover materials from loads of dry waste and is also used to unload public customers on weekends. Bay #2 has recently been expanded by approximately 7,000 square feet to increase material recovery space. The addition is expected to be completed by March 2004.

In August 2001, a 26,200 square foot building (referred to as Bay #3) was opened to serve public customers. It is a flat floor design that facilitates material recovery and has significantly increased recovery from public loads. Residual from this bay is trucked to the pit in the main transfer building.

The current site of the latex building should be available to the contractor for vehicle maintenance upon the start of operations.

Other On-Site Activities

Transfer trailers are shuttled to and from the compactors by Metro's Waste Transport Services Contractor. At MSS, the contractor has 10 spaces in which full and empty trailers are staged. At MCS, the contractor utilizes a nearby parking lot. This contractor is responsible for providing a trailer in a timely fashion for loading.

Metro personnel operate the on-site scalehouses. There are four scalehouses at MSS and four at MCS. The scalehouses are used to determine the weights of materials for the basis of payment.

Each site has a hazardous waste facility (HWF) operated by Metro that receives household hazardous waste from the general public. Conditionally exempt generator waste is also received at the facilities. These facilities are also used to appropriately manage and process the unacceptable waste found by the station operator for disposal.

Future Activities

Metro anticipates improving its facilities in accordance with its Capital Improvement Plan. This plan lists both capital improvements and renewal and replacement projects over \$50,000 during a five year planning horizon. A list from the most recent plan is contained in the Appendix. These projects are a result of two separate planning processes – the Master Facility Plan and the Renewal and Replacement Plan. Both of those plans are updated on a three-year cycle. The successful proposer will be expected to participate in these efforts.

3. PROJECT SUMMARY

(The following applies to both stations unless specifically noted)

The purpose of this RFP is to solicit proposals to operate either or both of Metro's transfer stations. Details concerning the services to be provided by the successful proposer are described in the Specifications for each facility, as well as the General Conditions, that are contained in the Appendix of this RFP. Proposers should familiarize themselves thoroughly with these parts of the RFP prior to preparation of a proposal. The Contract, and the details concerning the work resulting from this RFP process, will be finalized as part of the negotiation process.

Three service options are being requested in this RFP. First Metro is requesting a proposal for operation of MSS only. The second service option is for the operation of MCS only. The third is for the operation of both transfer stations.

Generally, the work consists of the receipt, management, and recovery of materials and reloading of waste received at the facility into transfer vehicles. Payment for these services will be made on the basis of incoming weights as established at Metro scalehouses at the transfer stations. Payment will consist of a fixed monthly lump sum as well as a variable payment based on the amount of waste received and recovered.

Project Emphasis

The emphasis of this RFP is to maximize the recovery of materials, while operating the stations safely and efficiently and protecting Metro's investment in them. This emphasis is reflected in the Contract documents contained herein, as well as in the application of the evaluation criteria. Historical service levels for both equipment and personnel are contained in the Appendix.

Material Recovery

Proposers should note that the material recovery portion of the work encompasses three parts. The first is referred to as the **Annual Base Recovery Level**. This is the amount that is to be recovered from the incoming mixed waste stream annually and for which the contractor will receive a lump sum recovery payment. The amount of waste to be recovered and the payment are separately specified for each station in the General Conditions and Price Schedule of this RFP. Twelve equal monthly payments will be made for this item.

In addition, the successful proposer must recover a percentage of all incoming dry waste as specified in the **Contractor's Recovery Guarantee**. The Guarantee is that material recovery level to which the successful proposer will be contractually bound. Payments for this recovery will be the Recovery Credit amount per ton (provided the base recovery level has been met). This amount is roughly equal to Metro's avoided cost of transport and disposal of the material in a landfill. Failure to meet the Guarantee will result in a payment from the Contractor to Metro equal to the Recovery Credit for each ton not recovered but guaranteed. Proposals that do not provide a guarantee above the Base Recovery Level will be deemed non-responsive and will be rejected, as will proposals that contain recovery approaches that Metro, in its sole opinion, believes infeasible to obtain the guaranteed recovery rate.

The Specifications of this RFP require the recovery of materials from loads originating at construction and demolition sites. It is possible that the Metro Council will adopt similar recovery policies for facilities other than MSS or MCS in the future. Such policies may act to increase or decrease the number and/or composition of construction and demolition loads coming to Metro facilities. Such actions shall not relieve the successful contractor from its responsibility to achieve the Contractor's Recovery Guarantee.

For recovery in excess of the Guarantee, the successful proposer can receive a **Bonus Recovery Credit** in addition to its normal payment for recovery. The bonus payment is specified in proposals and its payment is contingent on the availability of budgeted funds.

This RFP solicits prices for four source-separated materials: yard debris/wood, asphalt roofing material, clean drywall and commercially generated organics (organics is required at MCS only); as well as any additional material for which the proposer may wish to propose a separate processing fee. For both purposes of establishing a tip fee and evaluating the cost of a proposal, only the prices for yard debris and organics (at MCS only) will be used. Metro reserves the right to utilize other prices proposed in this section of the proposal in setting future tip fees for those source-separated materials.

Operation/Maintenance

Another goal of this RFP is the maximization of payloads for disposal. Metro will provide an incentive for exceeding a minimum payload level (29 tons) and a disincentive for payloads below the minimum.

Minimum personnel requirements are specified for both stations. Metro desires that sufficient and well-trained personnel be provided for this contract to achieve a superior service level for both our customers, and for the efficient and safe operation of the stations. It is therefore important to Metro that personnel currently employed at the facilities be retained by the successful proposer(s). Proposals will be evaluated in accordance with these standards for both staffing levels proposed as well as for how operations are conducted.

Metro believes that to achieve an acceptable performance level and to protect its investment, an adequate and regular maintenance program is required for both Metro's facilities as well as the equipment Metro provides (particularly the compactors). The successful proposer will also have to demonstrate that it will

minimize the possibility of equipment downtime. The quality of the maintenance program proposed, as well as the maintenance personnel, will be evaluated as part of the RFP process.

Metro desires that its stations be operated in an environmentally sustainable manner. The RFP solicits sustainable practices the successful proposer would be willing to include in a contract. Proposed practices will be evaluated as part of the Operations & Maintenance criterion. In addition, certain practices such as using a portion of wind energy and environmentally preferable cleaning products are required as part of a final contract.

Proposers are also asked to submit plans to minimize emissions from their equipment used in the project. This element (the Clean Exhaust Program) of the final contract will be negotiated with the successful proposer in finalizing a contract. Additional information concerning Metro's intent regarding the Clean Exhaust Program is contained in the Appendix.

Cost

Metro wishes to have the services requested herein provided in a cost-effective manner. Prices being solicited on the Price Schedule are structured to provide incentives for desired outcomes and disincentives for undesirable outcomes. One of the financial restrictions of this procurement, due to IRS rules for public facilities financed with tax-exempt bonds, is that lump sum payments must make up at least half the total annual payments under the resulting contract. As a result, fixed and variable price distinctions are made in the price schedule. Proposals that do not satisfy this restriction in any of the first three contract years, or on average over the entire contract term, will be deemed non-responsive and will be rejected. The price schedule provided to prospective proposers in electronic format will indicate how various price combinations affect this split.

Contract Length

The length of the negotiated contract with the successful proposer will be for a period of five years. Due to the type of financing used to construct the facilities, Metro must retain the unconditional right to terminate the contract at the end of three years. If Metro does not terminate the contract at this point, the two remaining years of the contract will be exercised.

4. PROPOSAL INSTRUCTIONS/CONTENT

Six copies of each proposal should be submitted. Proposals should be double-sided, and printed on recycled paper with a minimum of 30% post-consumer content. Any non-recycled or non-reusable bindings, section dividers or covers should be omitted. All proposals must be submitted no later than the time prescribed, at the place, and in the manner set forth in the INTRODUCTION to this RFP. The information submitted in the proposal should describe how the work, described more fully in the Appendix to this RFP, will be accomplished.

There are three service options for which proposals can be submitted. Option #1 is for operation of Metro South Station (MSS). Option #2 is for operation of Metro Central Station (MCS). Option #3 is for operation of both transfer stations. Proposers can submit a proposal for Option #1, #2 or #3, however, if the proposer wishes to submit proposals for more than one option, each should be submitted as a separate proposal, in a separate binder, except for supporting documents which may be submitted only once and referenced. Proposers may not submit multiple proposals for the same option.

The proposal should contain the items and be in the order as described below.

- A. Transmittal Letter: As part of the proposal, submit a transmittal letter. The letter should provide an overview of the approach that will be used to accomplish the work, including which option the proposal is for.

Include in the overview the person that is to be the contact for the project and who in the firm has authority to sign the agreement with Metro if a contract is awarded to the firm. State that the proposal will be valid for a minimum of 120 days. Also detail which other firms will be involved in the project and their roles.

- B. Proposal Forms: The “Price Schedule” and “Proposer’s Questionnaire” are to be filled out and submitted for each option as part of the proposal. Failure to complete the forms fully may result in the rejection of a proposal. Instructions for completing the forms follow.

1. **Price Schedule**: Prices submitted should include all costs necessary to perform the work.

Option #1 - Operation of Metro South Station – Consists of the following items:

Item #1 calls for a single annual lump sum price to be paid (in twelve equal monthly installments) regardless of the amount of waste received or recovered.

Item #2 calls for a price per ton for each ton of waste received in excess of 17,000 tons.

Item #3 calls for a price per ton for each ton of source separated yard debris and wood received.

Item #4 calls for a price per ton for each ton of source separated clean drywall received.

Item #5 calls for a price per ton for each ton of source separated asphalt roofing material received.

Item #6 calls for a percentage of incoming Recoverable Waste the proposer guarantees it will recover monthly (*Contractor’s Recovery Guarantee*).

Item #7 calls for the bonus amount proposer will receive in addition to its normal payment for recovery, for each ton of material recovered in excess of the guarantee (*Bonus Recovery Credit*).

Item #8 calls for the percent of the change in the consumer price index (limited to no more than 75%) the proposer will accept as the annual adjustment to prices. The first adjustment to prices will occur effective July 1, 2006.

Item #9 lists the amounts of *Other Payments* that will be made and which are set by Metro. They are the *Lump Sum Recovery Payment, Per Ton Compaction Bonus, Per Ton Compaction Deduction, Per Load Overload Adjustment, Per Ton Recovery Credit and Disposal Cost Reimbursement*.

Option #2 – Operation of Metro Central Station. Consists of all nine of the items required for Option #1 with the addition of a price for handling and reloading source-separated organics.

Option #3 – Operation of both Metro South and Metro Central Stations. Consists of the items contained under Options #1 and #2, with a single price applicable to both stations for the *Bonus Recovery Payment* and a single *CPI* percentage.

2. **Proposer's Questionnaire:** The questionnaire is to be filled out to address the option being proposed. Attachments may be included as part of the questionnaire.

The information included in the questionnaire will be used to evaluate proposals and determine whether the proposal is responsive. Information submitted should demonstrate the ability of the proposer to accomplish the work requested in this RFP. Please be thorough and complete.

- C. **Exceptions and Comments:** A firm wishing to take exception to, or comment on, any specified requirements within this RFP is encouraged to document its concerns in this part of its proposal. Exceptions or comments should be succinct, thorough and organized. Please include any exceptions you wish to take with the proposed Contract Documents contained in this RFP. If exceptions are included, indicate whether the firm would be willing to comply with the requirements of the RFP should Metro wish to reject the exception (see Item 6.B). Please describe if, and how, the exception would benefit Metro.
- D. **Confidentiality:** This paragraph shall apply to information that the Proposer is submitting to Metro which Proposer considers to be confidential and proprietary and which Proposer does not want Metro to disclose to third parties. Proposer shall submit such confidential information in a separate, sealed envelope, clearly and prominently marked "confidential information," and bearing the title and number of this RFP, and the sealed envelope shall be attached to the rest of the Proposer's RFP application. Provided that, in Metro's sole discretion, such information should reasonably be considered confidential and to the extent otherwise permitted by law, Metro obliges itself in good faith not to disclose such properly identified confidential information to any person outside of Metro. However, Proposers should be aware that Oregon Law (ORS chapter 192) requires public disclosure of most records deemed to be "public records." Metro cannot, therefore, guarantee to protect the confidentiality of any records submitted to Metro, even if the Proposer believes them to be exempt from disclosure. If properly identified confidential information is requested, and if Metro determines that such information should reasonably be considered confidential, Metro will not disclose it unless ordered to do so by the Multnomah County District Attorney, and, if Metro receives such an order, Metro will provide Proposer with the opportunity to appeal the District Attorney's decision to the State courts.

5. EVALUATION OF PROPOSALS

- A. **Evaluation Process:** An evaluation team will conduct the evaluation process. Metro will only evaluate proposals that, in the evaluation team's sole opinion, conform to the proposal instructions.

Proposals received for Option #1 will be paired with proposals received for Option #2 (and vice versa) in the evaluation process. Only combinations of Options #1 and #2 will be evaluated. For example, if proposals are received for Option #1 and no firm submits a proposal for Option #2 (or vice versa) the proposals for Option #1 would not be evaluated.

The team will rank proposals based on the evaluation criteria and points described below. Interviews with the top ranked firm or firms may be conducted.

Based on the evaluation of proposals, Metro will enter into negotiations with the highest ranked firm(s) to finalize a contract. The scoring by the evaluation team, and the consequent ranking of firms, will not be permitted as grounds for an appeal of the award of a contract, per Metro Code 2.04.070(b).

If Metro is unsuccessful in negotiating a contract, Metro will select the next highest ranked firm and attempt to negotiate a contract. This process will continue until a contract is recommended to the Metro Council for award or Metro terminates the procurement.

- B. **Evaluation Criteria:** This section provides a description of the criteria that will be used in the evaluation of proposals submitted to accomplish the work defined in this RFP.
1. **Cost (50 points):** The cost of a proposal will be evaluated utilizing the spreadsheet contained in the Appendix (an electronic version is available to aid Proposers in preparing their prices). Prices submitted for an option will be used to compute a total cost (prices for Option #1 will be paired with those for Option #2 to determine total cost). Proposals must include prices for all items on the price schedule for the option proposed, or the proposal will be rejected.

The lowest total cost proposal (a combination of Option #1 & #2, or an Option #3 proposal) will receive all 50 points for this criterion. Proposals that are not the lowest cost will be allocated points based on a percentage of the lowest cost proposal. The formula to allocate points to proposals other than the lowest cost is as follows:

“Other”total cost \$___ minus “Lowest” total cost \$___ = Difference

Percentage = 1 – (Difference divided by “Lowest” total cost)

Percentage times 50 points = points for other than lowest cost proposal.

2. **Material Recovery (25 points):** Twenty-five points are available for this criterion. Twenty points will be allocated based on the **Contractor’s Recovery Guarantee** for operation of each station. Five points will be allocated based on the feasibility of exceeding the guarantee and other factors as described below.
 - a. **Contractor’s Recovery Guarantee.** Ten of the twenty points are available for the Recovery Guarantee proposed for MSS and ten for MCS.

The highest guarantee for each facility will receive all ten points. The “Other” guarantees will be allocated points per the formula below:

“Highest” guarantee ___% minus “Other” ___% guarantee = Difference

Percentage = 1 – (Difference divided by “Highest” guarantee)

Percentage times 10 points for each station.

b. Feasibility. Five points will be available per each combination evaluated based on that combination’s ability, in the opinion of the evaluation team, to accomplish the following material recovery goals:

- Ability to exceed the Recovery Guarantee
- The cost of obtaining this additional recovery
- Accommodating reuse strategies
- Approaches, methods and technologies used overall and for recovering targeted materials from commercial waste including those with low feasibilities (such as those with limited or unstable markets)
- Extent to which proposed markets conform with the hierarchy of reuse, recycling, composting (yard trimmings and food) and, finally, energy recovery and other beneficial use
- Contractor’s experience with material recovery and demonstration that this approach is being used successfully elsewhere.

An assessment of the feasibility of obtaining the proposed results will be made considering such factors as standard industry practices, the probable success of the proposed approach, technology used at other facilities and utilize existing and past material recovery approaches used at Metro’s facilities. Consideration will also be given to the cost effectiveness of the proposed approach by weighing Metro payments, the market value of recovered materials and the cost of recovery. Points will be allocated based on how well the proposed approaches satisfy Metro’s goal of maximizing cost effective materials recovery at the transfer stations.

Proposals that contain recovery approaches that are judged incapable of achieving the proposed Contractor’s Recovery Guarantee, in the sole opinion of the evaluation team, will be deemed non-responsive and will be rejected.

3. Operation and Maintenance Approach (25 points) – This criterion examines how well the operation and maintenance approaches proposed satisfy RFP requirements and achieve Metro’s goals. Metro goals for operation include a healthy and safe work environment at the stations for customers and employees, as well as efficient operation and customer satisfaction. Metro’s goals for maintenance consist of ensuring continuous operation and the longevity of Metro-owned equipment and facilities.

Points will be allocated based on how well the proposed approaches will accomplish Metro’s goals and satisfy the requirements of the RFP. Ten of the twenty-five points available will be available for each facility, and five will be allocated based on the combination of options evaluated.

Specific aspects of each proposal that will be used to allocate points will include:

- a. Personnel**
 - Meeting or exceeding the minimum requirements
 - The experience and quality of key personnel in key areas of the operations
 - Whether current non-management employees are proposed to be retained
- b. Equipment**
 - The type and amount of equipment proposed
 - Whether the equipment matches the proposed use
 - The quality of the equipment
 - Availability of backup equipment
- c. Operations Plan**
 - Efficiency of proposed approach to move waste through the facility
 - Effectiveness of material recovery plan and impact on efficiency of operations
 - Maximizing of the production and weights of payloads for transfer
 - Safety of operations
- d. Maintenance Plan**
 - Maintenance schedule for equipment and facilities
 - Tracking system proposed including chain of documentation
 - Amount of resources proposed for maintenance
- e. Safety and Training Program**
 - Compliance with Metro's Transfer Station Contractor's Procedures Manual
 - Proposed safety training program requirements
 - Experience of designated safety personnel
 - Proposed onsite safety procedures and safeguards
 - Workers Compensation Experience Modification Factor
- f. Sustainable Practices**
 - The number and type of sustainable practices to which the proposer commits.

Metro will also utilize current and past operation and maintenance approaches used at its facilities in evaluating proposals.

6. GENERAL PROPOSAL/CONTRACT CONDITIONS

- A. Limitation and Award: This RFP does not commit Metro to the award of a contract, nor to pay any costs incurred in the preparation and submission of proposals in anticipation of a contract. Metro reserves the right to waive minor irregularities, accept or reject any or all proposals received as the result of this request, negotiate with all qualified sources, or cancel all or part of this RFP.
- B. General Conditions/Contract: The attached general conditions, bond forms, specifications and agreement are included for your review prior to submitting a proposal. Any changes in these contract provisions should be requested and documented as an "exception" in the appropriate portion of the proposal. Consider the requested exceptions carefully, as they will be considered in the evaluation of proposals. Requested exceptions that cannot be resolved will result in rejection of the proposal.

- C. RFP as Basis for Proposals: This Request for Proposals represents the most definitive statement Metro will make concerning the information upon which Proposals are to be based. Any additional verbal information that is not presented in this RFP will not be considered by Metro in evaluating the Proposal. All questions relating to this RFP should be submitted in writing to Chuck Geyer. Responses to any questions which, in the opinion of Metro, warrant a written interpretation or RFP amendment will be furnished to all parties receiving this RFP. Metro will not respond to questions received after 10 working days prior to the date established for the receipt of proposals.
- D. Information Release: All proposers are hereby advised that Metro may solicit and secure background information based upon the proposal information, including references provided in response to this RFP. By submission of a proposal all proposers agree to such activity and release Metro from all claims arising from such activity.
- E. Minority and Women-Owned Business Program: Metro and its contractors will not discriminate against any person or firm based on race, color, national origin, sex, sexual orientation, age, religion, physical handicap, political affiliation or marital status.

Metro extends equal opportunity to all persons and specifically encourages disadvantaged, minority and women-owned businesses to access and participate in this and all Metro projects, programs and services.

If any subcontracting is intended, Proposers are directed to Metro Code 2.04.100 through 2.04.380 governing utilization of disadvantaged, minority and women-owned businesses.

Metro's Minority and Women-Owned Business Program is administered by the Risk and Contract Management Division. That division may be reached at (503) 797-1814 during regular business hours should you have questions about the program.

- F. Use of Recycled Products: When purchasing products or procuring services, Metro gives preference to materials and supplies manufactured from recycled materials, as described in Metro Code section 2.04.520(b). Vendors shall use recycled and recyclable materials and products to the maximum extent economically feasible in the performance of contract work set forth in this RFP.

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PROPOSAL/CONTRACT FORMS

Request for Proposals for the Operation of the Metro South and/or Metro Central Transfer Stations

RFP #04-1091 SWR

Consisting of:

Schedule of Proposal Prices

Proposer's Questionnaire

Agreement

General Conditions

Specifications

Performance and Labor and Materials Bond Forms

*(The Agreement, General Conditions, Specifications and
Bond Forms are provided for your information
and are not to be submitted with Proposal)*

PRICE SCHEDULES

**Price Schedule
for
Option #1 - Metro South Station Operation**

METRO SOUTH ONLY ITEMS

1. Fixed Annual Payment for Waste Transfer	\$ _____.
2. Per Ton Price for each ton in excess of 17,000 tons per Month	\$ _____.
3. Per Ton Price for each ton of source separated yard debris/wood	\$ _____.
4. Per Ton Price for each ton of source separated clean drywall	\$ _____.
5. Per Ton Price for each ton of source separated asphalt roofing material	\$ _____.
6. Contractor's Recovery Guarantee	_____ %
7. Per Ton Bonus Recovery Credit	\$ _____.
8. Percentage of CPI proposed (cannot exceed 75%)	_____ %
9. Other Payments Established by Metro	
A. Fixed Annual Payment for Waste Recovery	\$344,556
B. Per Ton Compaction Bonus	\$8.01
C. Per Ton Compaction Deduction	\$16.02
D. Per Load Overload Deduction	\$19.58
E. Per Ton Recovery Credit\ (Disposal Cost Reimbursement)	\$33.78

**Price Schedule
for
Option #2 - Metro Central Station Operation**

METRO CENTRAL ONLY ITEMS

1. Fixed Annual Payment for Waste Transfer	\$ _____.
2. Per Ton Price for each ton in excess of 18,000 tons per Month	\$ _____.
3. Per Ton Price for each ton of source separated yard debris/wood	\$ _____.
4. Per Ton Price for each ton of source separated clean drywall	\$ _____.
5. Per Ton Price for each ton of source separated asphalt roofing material	\$ _____.
6. Per Ton Price for each ton of source separated organics	\$ _____.
7. Contractor's Recovery Guarantee	_____ %
8. Per Ton Bonus Recovery Credit	\$ _____.
9. Percentage of CPI proposed (cannot exceed 75%)	_____ %
10. Other Payments Established by Metro	
A. Fixed Annual Payment for Waste Recovery	\$344,556
B. Per Ton Compaction Bonus	\$8.01
C. Per Ton Compaction Deduction	\$16.02
D. Per Load Overload Deduction	\$19.58
E. Per Ton Recovery Credit(Disposal Cost Reimbursement)	\$33.78

**Price Schedule
for
Option #3 - Metro South and Metro Central Station Operation**

METRO SOUTH ONLY ITEMS

- | | |
|--|-------------------------|
| 1. Fixed Annual Payment for Waste Transfer | \$ _____. |
| 2. Per Ton Price for each ton in excess of 17,000 tons per Month | \$ _____. |
| 3. Per Ton Price for each ton of source separated yard debris/wood | \$ _____. |
| 4. Per Ton Price for each ton of source separated clean drywall | \$ _____. |
| 5. Per Ton Price for each ton of source separated asphalt roofing material | \$ _____. |
| 6. Contractor's Recovery Guarantee | _____ % |
| 7. Fixed Annual Payment for Waste Recovery | <u>\$344,556</u> |

METRO CENTRAL ONLY ITEMS

- | | |
|--|-------------------------|
| 1. Fixed Annual Payment for Waste Transfer | \$ _____. |
| 2. Per Ton Price for each ton in excess of 18,000 tons per Month | \$ _____. |
| 3. Per Ton Price for each ton of source separated yard debris/wood | \$ _____. |
| 4. Per Ton Price for each ton of source separated clean dry wall | \$ _____. |
| 5. Per Ton Price for each ton of source separated asphalt roofing material | \$ _____. |
| 6. Per Ton Price for each ton of source separated organics | \$ _____. |
| 7. Contractor's Recovery Guarantee | _____ % |
| 8. Fixed Annual Payment for Waste Recovery | <u>\$344,556</u> |

Items for Both Stations

- | | |
|---|-----------|
| 1. Per Ton Bonus Recovery Credit | \$ _____. |
| 2. Percentage of CPI proposed (cannot exceed 75%) | _____ % |

Other Payments

- | | |
|--|---------|
| A. Per Ton Compaction Bonus | \$ 8.01 |
| B. Per Ton Compaction Deduction | \$16.02 |
| C. Per Load Overload Adjustment | \$19.58 |
| D. Per Ton Recovery Credit/(Disposal Cost Reimbursement) | \$33.78 |

PROPOSAL QUESTIONNAIRE

PROPOSAL QUESTIONNAIRE

The following Questionnaire asks for information concerning the Proposer's organization, material recovery approach and operations and maintenance plans. The Proposer should submit responses to the Questionnaire (not use the one below) in the exact order as listed below with the same headings and numbering system. Please list the question or information request contained in the Questionnaire prior to your response. If multiple proposals are being submitted, attachments may be included with only one Questionnaire response and referenced in the others.

If a partnership, firm, joint venture, corporation or other entity owns a controlling interest in the Proposer, responses to each question in the Questionnaire must be submitted for both the Proposer and the parent entity. For purposes of this project, "controlling interest" shall mean ownership of ten percent (10%) or more of the beneficial ownership of Proposer. Information submitted in response to this Questionnaire will be considered binding on the successful Proposer, and any substitutions or deviations shall be allowed only if approved by Metro.

Generally, the Proposer shall include information for the specific single business organization or entity, which is submitting a Proposal for the work described in the RFP and which would be the signatory on the Contract. If the information being submitted is not for the specific proposing entity, please note such in the response. If a major portion of the work, including but not limited to materials recovery is being subcontracted, information for that subcontractor should be submitted and specifically referenced.

All answers shall be specific and complete in detail. Metro reserves the right to make independent inquiries concerning the information submitted herein, to conduct any additional investigation necessary to determine the Proposer's qualifications, and to require the Proposer to supply additional information.

Use of Attachments

Schedules, resumes, reports, diagrams, and other forms of information may be used as attachments, provided that the information provided by the Proposer in response to this Questionnaire clearly references the attachments. The purpose of this Questionnaire and any attachments is to supply information about the Proposer to Metro so that Metro may evaluate each proposal¹.

Please list the option for which the proposal is being submitted: _____

¹ Confidentiality- See Section 4(D) of the RFP for any materials proposers' desire to remain confidential.

ORGANIZATIONAL INFORMATION

1. Name of firm that will enter into an agreement: _____

Type of Firm: ()Corporation ()Partnership ()Individual
 ()Other - Describe

Address:

Project Manager:

Phone:

1. How many years has your firm used its present name?
2. What were your firm's previous names?
3. Please list the parent organizations and their address and ownership percentages.
4. Please submit an organizational chart showing the relationship between the parent, the firm that would enter into an agreement, any relevant subsidiaries or associated firms including subcontractors.
5. Please submit the last three annual reports of the proposing firm and its parent if applicable (or parent if proposing firm produce no annual report) and most recent SEC 10K filing. If a proposing firm (or any parent organization) produce no annual report, the firm shall submit audited financial statements for the last three years².
6. Please list and explain the status of any lawsuit(s) material to your ability to carry out the functions outlined in this RFP for operation of Metro's transfer stations, and in which you or a company affiliated with you (i.e. a parent corporation, a corporation in which you own an interest, or a corporation in which your parent corporation owns an interest, as applicable) are a party.

²"Please provide written information regarding any material significant events subsequent to the date of the audit report on your financial statements, or date of SEC filing submitted - up through the date of your submission of your proposal to Metro.

MATERIAL RECOVERY QUESTIONS

1. Describe in detail your approach to materials recovery at both transfer stations to achieve the required base recovery rate. Include operational procedures, staffing (number and type), equipment, targeted loads for recovery and materials flow diagrams (maximum 8 pages).
2. Please provide specific information about the skills and qualifications your company requires of the staff positions engaged in materials recovery operations.
3. How will your approach to materials recovery respond to a changing waste stream?
4. Provide a list of other locations where this approach to material recovery been used or is currently being used. List a contact person and phone number for each location referenced.
5. What is your Recovery Guarantee for each transfer station?
6. List which materials you plan to recover, the markets for the materials and how much of each you will recover annually to meet:
 - a. Base Recovery Requirement
 - b. Contractor's Recovery Guarantee
7. How will your materials handling approach change to allow you to reach your stated Recovery Guarantee?
8. How often and by how much in excess of the Recovery Guarantee do you expect to achieve the Bonus Recovery level at each station?
9. Under what circumstances, or by altering what operational approaches (if any), do you expect Bonus Recovery to occur?
10. Metro's Regional Solid Waste Management Plan as well as the state recycling hierarchy [ORS 459.015(a)] places a priority on reuse³ and recycling⁴ over energy recovery⁵ or disposal.

Please describe:

- a. what reusables you will target for recovery,
- b. how you will remove items from the waste stream for reuse by a third party, and
- c. what percent of the delivered waste stream do you propose to recover for reuse purposes?

³ Reuse is defined as "the return of a commodity into the economic stream for use in the same kind of application as before without change in its identity." ORS 459.005(23)

⁴ Recycling is defined as "any process by which solid waste materials are transformed into new products in a manner that the original products may lose their identity." ORS 459.005(20)

⁵ Energy recovery is defined as "recovery in which all or a part of the solid waste materials are processed to use the heat content, or other forms of energy, of or from the material." ORS 459.005(9)

OPERATIONS AND MAINTENANCE PLAN

1. Please list the projects you have undertaken similar to operation of the Metro station(s) for which a proposal is being submitted. Include contacts and phone numbers, a description of your role (i.e. prime or subcontractor or owner) and how the project was similar to the operation of Metro stations.. If you have not had similar experience, include experience from affiliated entities and indicate how the proposer would access the expertise.
2. Please prepare an operations and maintenance plan that describes the following elements. Provide enough detailed information of personnel, practices/procedures and equipment for Metro to determine how you will accomplish the work for which a proposal is being submitted. Divide the operations plan being submitted into the sections as presented below.

Mobilization Plan

- Provide a time line with critical path items described, beginning with contract award
- Provide the name and title of the contact for the contract during mobilization and the key personnel and their roles
- Describe when and how you propose to inspect the facility and assess its condition as part of the transition

Waste Acceptance

- Show/describe your proposed flow of traffic to and from tipping areas
- Show/describe the intended use of each area within and around the facility and which customer types will utilize a particular area for a particular activity
- What are your proposed waste screening routines to prevent unacceptable waste from being received, include the number and type of personnel proposed
- How will the spotting of loads/traffic control be conducted, include the number of personnel, training and procedures
- How will the tipping of waste be conducted/monitored
- Show/describe the flow of material through the facility by type of material (i.e. public/commercial, dry/wet, recoverable/nonrecoverable or however you plan to designate material to operate the facility)

Material Recovery Plan

- Describe how, and what type of loads designated for recovery will be spotted
- Tipping of what types of loads where
- Movement of loads by type after tipping
- Recycling activities by type of loads/material
- Reload activity of both recovered materials and residual waste
- Staging of recovered material and preparation for market
- Material transport on site and to market
- Markets by type of material recovered

Reload Plan for Waste

- Staging of material for reload (for both the residual from recovery and waste directly unloaded for disposal)
- Conveyor or hopper loading procedures, including personnel roles and responsibilities
- Compaction procedures, including personnel roles and responsibilities
- Trailer inspection procedures and forms
- Trailer loading procedures including load extrusion, monitoring, cleanup, seal installation and log procedures

Management of Hazardous and Unacceptable Wastes

- Load check program
- Rejection notification to haulers and Metro
- Waste isolation or holding plan
- Cleanup activities

Permit Compliance Program

- Inventory of permits you will be responsible for and will have to obtain
- Testing procedures for permit compliance
- Maintenance activities to ensure compliance
- Communications/reporting between regulators, Metro and onsite personnel

Facility Cleaning Activities

- Describe building interior cleaning procedures and their schedule
- Building exterior procedures and schedule
- Wash rack procedures and schedules
- Driveways, pavement
- Landscape areas maintenance and schedule

Hazard or Nuisance Mitigation- describe how you plan to minimize the following nuisances and achieve compliance with regulatory requirements

- Dust
- Odor
- Pests
- Noise
- Litter

Staffing Plan- provide a staffing plan that shows the following elements and contains the following information

- Staffing plan showing what and how many positions will be where and at what time of day/week
- Management resumes
- Hierarchy/organizational chart
- Describe how fluctuations in activity/waste flow will be accommodated
- Schedules by position
- FTE's
 - Position descriptions
 - Training specifications for each position
 - Express discussion concerning dedicated positions vs. dual role positions
 - Location of support activities and supporting documentation
 - Replacements for vacations/illness
 - Indicate which positions will be shared between facilities if proposed for option #3

Equipment and Equipment Maintenance

Describe in detail your approach to maintenance on the equipment, buildings, and grounds during the life of the contract. Please distinguish between Contractor-supplied and Metro-supplied items as appropriate. Also address the following detailed items:

Maintenance Staffing

- Number of FTE's by job title
- Schedules
- Experience of key personnel
- Skill sets required by job title
- Indicate which positions will be shared between facilities if proposed for option #3

Maintenance Plan- General

- Forms
- Reporting
- Documentation
- Coordination with Metro

Preventative maintenance plan (equipment, facility, grounds)

- Schedule
- Testing

Miscellaneous- Describe how the following elements will accomplished and what resources will be subcontracted and when:

- Major Repairs
- Emergency Repairs
- Use of Subcontractors
- Spare Parts Utilization

Equipment

Rolling stock

- Proposed equipment and its' intended use, include year, make/model and whether new or used
- Replacement or backup equipment plan and onsite time lags

Process equipment- List any material recovery processing equipment being proposed, its condition and intended use

General Contingency Plans- describe how your plan to deal with the following:

- Site communications
- External communications
- Work stoppages
- Inclement weather
- Equipment failure
- Power failure
- Earthquake
- Onsite security

Emergency Action Plan/Safety- describe how you will comply with the requirements of Specification Sections 12 and 13:

- Load Check Program
- Management of Unacceptable Waste (including Medical Waste Acceptance Procedures)
- Role of the contractor during an emergency
- Evacuation plan
- Initial assessment
- Spill response/control procedures
- Training
- Emergency call list/reporting
- Accident/Incident prevention
- Safety committee
- Accident/Incident investigation
- Reporting

3. What performance measures would you implement to ensure efficient operations, quality customer service, an effective maintenance program, and optimal recovery levels?

- What and how would you measure?
- How would you establish baselines?
- How would you use this information to improve?
- How often would you calculate of measure the activity

4. Describe how you will advance Metro's efforts at making transfer station operations more sustainable and how you will make your own business operations more sustainable. List the specific number and type of sustainable practices that you will commit to use if awarded a contract. Please describe the sustainable practices that are already incorporated into your existing business operations.

Tonnage Declines

It is possible that tonnage received at MCS and MSS may decline from forecasted tonnage by approximately 100,000 tons annually during the life of the contract due to a new transfer station opening in the region. Please describe how the proposer would change its operational plans described above to remain cost-effective while still complying with the Contract Specifications. For purposes of responding to this item, proposers should assume that MCS would experience a 75,000 ton/yr decline and that MSS would experience a 25,000 ton/yr decline.

CLEAN EXHAUST PROGRAM

Metro wishes to minimize the emissions from the use of equipment in conducting the work described in this RFP⁶. Please describe the program you propose to meet this objective.

Include in your description the following at a minimum:

1. The emission systems proposed for equipment.
2. Fuels to be used in the equipment.
3. Expected emissions as compared to low sulfur diesel fuels in conventional engines in terms of carbon monoxide, diesel particulates and hydrocarbons.
4. List the cost of this program, including unit price premiums for alternative fuels.

⁶ A White Paper describing this program in more detail is contained in the Appendix.
PROPOSAL/CONTRACT FORMS
RFP #04-1091 SWR

AGREEMENT

AGREEMENT

This Agreement is made by and between _____, hereinafter called Contractor, and Metro, a regional government organized under the laws of the State of Oregon and the Metro Charter.

Contractor and Metro agree as follows:

1. Contract

The Contract consists of this Agreement, the Performance and the Labor and Materials Payment Bonds (and/or Letter(s) of Credit), the General Conditions, the Specifications, any and all Appendices, amendments, change orders, or extensions of the foregoing documents which the parties have agreed to or which Metro has approved in the manner prescribed in the Contract, and Contractor's proposal. No amendment of, or change order made to, this Contract shall be construed to release either party from any obligation contained in the Contract except as specifically provided in any such amendment or change order.

2. Contractor's Performance of Work

In consideration of Metro's payments described in Section 3 of this Agreement, Contractor agrees to perform the Work described in the Contract and to provide all labor, tools, equipment, machinery, supervision, transportation, disposal, permits, and every other item and service necessary to perform the Work described in the Contract. Contractor further agrees to fully comply with each and every term, condition, and provision of the Contract.

3. Metro's Payment of Contract Amount

In consideration of Contractor's performance of the Work described in the Contract, Metro agrees to pay contractor the amount provided, and in the manner described, in the Contract.

4. Additional or Deleted Work

Contractor shall, when so instructed by Metro under the procedures of the Contract, perform additional Work or delete Work in accordance with the Contract. The amount of any increase or decrease in payments by Metro to the Contractor as a result of additional or deleted Work shall be determined pursuant to the applicable provisions of the Contract.

5. Term

The Contract shall take effect on December 1, 2004, and remain in full force and effect through and including November 30, 2009, as more fully described in the Contract. The initial term of the Contract may be extended only by a written change order signed by Metro and Contractor.

6. Remedies for Default

If Contractor fails to perform as specified in the Contract, Metro shall be entitled to all the rights and remedies which this Contract provides, as well as all remedies provided by law. This Contract shall not be construed as limiting or reducing the legal remedies that Metro would have in the absence of any provision of the Contract.

7. Laws of Oregon Apply

The law of Oregon shall govern the interpretation and construction of this Agreement and of the Contract.

8. Entire Agreement

The Contract constitutes the final written expression of all of the terms of this Agreement and is a complete and exclusive statement of those terms. Any and all representations, promises, warranties, or statements by either party that differ in any way from the terms of the written Contract shall be given no force and effect. This Contract shall be changed, amended, or modified only by written instrument signed by both Metro and Contractor. This Contract shall not be modified or altered by any course of performance by either party.

CONTRACTOR

METRO

By: _____

By: _____

Print Name _____

Michael Jordan
Chief Operating Officer

Title: _____

Date: _____

Date: _____

BONDS

(Provided for informational purposes only. Bonds are only required of successful proposer(s).)

PERFORMANCE BOND

(NOTE: CONTRACTORS MUST USE THIS FORM, NOT A SURETY COMPANY FORM)

KNOW BY ALL MEN BY THESE PRESENTS:

We the undersigned _____ as PRINCIPAL (hereinafter called CONTRACTOR), and _____, a corporation organized and existing under and by virtue of the laws of the state of _____, duly authorized to do surety business in the state of Oregon and named on the current list of approved surety companies acceptable on federal bonds and conforming with the underwriting limitations as published in the Federal Register by the audit staff of the Bureau of Accounts and the U.S. Treasury Department and is of the appropriate class for the bond amount as determined by Best's Rating System, as SURETY, hereby hold and firmly bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, to pay to the Metro as OBLIGEE, the amount of _____ (\$ _____), in lawful money of the United States of America.

WHEREAS, the CONTRACTOR entered into a contract with Metro dated _____, _____, which contract is hereunto annexed and made a part hereof, for accomplishment of the Work described as follows: Operation of _____.

NOW, THEREFORE, the condition of this obligation is such that if the CONTRACTOR shall promptly, truly and faithfully perform all the undertakings, covenants, terms, conditions, and agreements of the Work, Metro having performed its obligations thereunder, then this obligation shall be null and void; otherwise it shall remain in full force and effect.

Whenever CONTRACTOR shall be declared by Metro to be in default under the Contract Documents for the project described herein, the SURETY may promptly remedy the default, or shall promptly complete the Work in accordance with the Contract Documents and the project Specifications. SURETY, for value received, further stipulates and agrees that all changes, extensions of time, alterations, or additions to the terms of the Contract or Specifications for the Work are within the scope of the SURETY's undertaking on this bond, and SURETY hereby waives notice of any such change, extension of time, alteration or addition to the terms of the Work or to the Specifications. Any such change, extension of time, alteration or addition to the terms of the Work or to the Specifications shall automatically increase the obligation of the SURETY hereunder in a like amount, provided that such increase shall not exceed twenty-five percent (25%) of the original amount of the obligation without the consent of the SURETY.

This initial bond shall be in effect for the period beginning _____, _____, through and including _____, _____, and shall be subject to and governed by each and every term and condition of the contract, as defined herein. Thereafter, CONTRACTOR shall obtain and provide to Metro a renewal or replacement of this bond, in like form and in an amount as specified by the Contract, with a qualified SURETY acceptable to Metro, no later than sixty (60) days prior to the expiration of the term of the preceding bond, for the next contract year, in order that a performance bond shall be continuously in effect. This obligation shall continue to bind the PRINCIPAL and SURETY, notwithstanding successive payments made hereunder, until the full amount of the obligation is exhausted.

No right of action shall accrue on this bond to or for the use of any person or corporation other than Metro or its heirs, executors, administrators, successors or assigns.

If more than one SURETY is on this bond, each SURETY hereby agrees that it is jointly and severally liable for obligations on this bond.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, _____.

SURETY

By: _____

Title: _____

CONTRACTOR

By: _____

Title: _____

LABOR AND MATERIALS PAYMENT BOND

(NOTE: CONTRACTOR MUST USE THIS FORM, NOT A SURETY COMPANY FORM)

KNOW ALL MEN BY THESE PRESENTS:

We the Undersigned _____ as PRINCIPAL and _____, a corporation organized and existing under and by virtue of the laws of the state of _____, and duly authorized to do surety business in the state of Oregon and named on the current list of approved surety companies acceptable on federal bonds and conforming with the underwriting limitations as published in the Federal Register by the audit staff of the Bureau of Accounts and the U.S. Treasury Department and which carries an "A" rating and is of the appropriate class for the bond amount as determined by Best's Rating System, as SURETY, hereby hold and firmly bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, unto Metro, as OBLIGEE, in the sum of _____ Dollars (\$ _____) in lawful money of the United States of America, for the payment of that sum for the use and benefit of claimants as defined below.

The condition of this obligation is such that whereas the PRINCIPAL entered into a contract with Metro dated _____, _____, which contract is hereunto annexed and made a part hereof, for accomplishment of the project described as follows: _____.

NOW THEREFORE, if the PRINCIPAL shall promptly make payments to all persons, firms, subcontractors, corporations and/or others furnishing materials for or performing labor in the prosecution of the Work provided for in the aforesaid project, and any authorized extension or modification thereof, including all amounts due for materials, equipment, mechanical repairs, transportation, tools and services consumed or used in connection with the performance of such Work, and for all labor performed in connection with such Work whether by subcontractor or otherwise, and all other requirements imposed by law, then this obligation shall become null and void; otherwise this obligation shall remain in full force and effect, subject, however, to the following conditions:

1. A claimant is as specified in ORS 279.526.
2. The above-named PRINCIPAL and SURETY hereby jointly and severally agree with the OBLIGEE and its assigns that every claimant as above-specified, who has not been paid in full, may sue on this bond for the use of such claimant, prosecute the suit to final judgment in accordance with ORS 279.536 for such sum or sums as may be justly due claimant, and have execution thereon. The OBLIGEE shall not be liable for the payment of any judgment, costs, expenses or attorneys' fees of any such suit.

PROVIDED, FURTHER, that SURETY for the value received, hereby stipulates and agrees that all changes, extensions of time, alterations to the terms of the project or to Work to be performed thereunder or the Contract and Request for Proposals accompanying the same shall be within the scope of the SURETY's undertaking on this bond, and SURETY does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the project or to the Work or to the Contract and Request for Proposals. Any such change, extension of time, alteration or addition to the terms of the contract or to the Work shall automatically increase the obligation of the SURETY hereunder in a like amount, provided that the total of such increases shall not exceed twenty-five percent (25%) of the original amount of the obligation without the consent of the SURETY.

This initial bond shall be in effect for the period beginning _____, _____, through and including _____, _____, and shall be subject to and governed by each and every term and condition of the contract, as defined herein. Thereafter, CONTRACTOR shall obtain and provide to Metro a renewal or replacement of this bond, in like form and in an amount specified by the Contract, with a qualified SURETY acceptable to Metro, no later than sixty (60) days prior to the expiration of the term of the preceding bond, for the next contract year, in order that a performance bond shall be continuously in effect.

This obligation shall continue to bind the PRINCIPAL and SURETY, notwithstanding successive payments made hereunder, until the full amount of the obligation is exhausted, or if the full amount of the obligation is not exhausted and no claim is pending resolution, until such time as no further claims can be made pursuant to law with regard to the above-described project, by any claimant specified in ORS 279.526.

If more than one SURETY is on this bond, each SURETY hereby agrees that it is jointly and severally liable for all obligations of this bond.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this _____ day of _____, _____.

SURETY

CONTRACTOR

By: _____

By: _____

Title: _____

Title: _____

CG:sm
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