

W.7.C.

Memorandum Date: February 4, 2009

Board Order Date: February 18, 2009

TO: Board of County Commissioners

DEPARTMENT: CAO/Community & Economic Development

PRESENTED BY: Mike McKenzie-Bahr, Community and Economic Development Coordinator

AGENDA ITEM TITLE: ORDER/IN THE MATTER OF AWARDING CONTRACTS FOR STRATEGIC INVESTMENT PROJECTS SELECTED THROUGH THE 2008-09 ECONOMIC DEVELOPMENT RFP OPEN PROPOSAL CYCLE AND AUTHORIZING THE COUNTY ADMINSTRATOR TO SIGN PROJECT CONTRACTS

I. MOTION

Move that we find the EDSC scored all projects fairly and in an unbiased manner, that we award contracts to the following projects:

Oakridge UPBEAT: \$24,110

Port of Siuslaw: \$71,157

Quality Child Care of Florence: \$100,000

Western Pneumatics: \$25,000

Glory Bee Foods: \$73,422

Next Step Recycling: \$71,122

And authorize the county administrator to sign project contracts.

II. AGENDA ITEM SUMMARY

The Lane County Economic Development Standing Committee (EDSC) has completed reviewing and ranking proposals received in the 2008-09 Economic Development Request for Proposal Initial Proposal Cycle.

The EDSC voted to make the following recommendations to the BCC regarding the spending of video lottery funds:

- 1) Allocate \$24,110 to Oakridge UPBEAT.
- 2) Allocate \$71,157 to Port of Siuslaw.
- 3) Allocate \$100,000 to Quality Child Care of Florence.
- 4) Allocate \$25,000 to Western Pneumatics .
- 5) Allocate \$73,422 to Glory Bee Foods.
- 6) Allocate \$71,122 to Next Step Recycling.

The total amount of video lottery funds recommended for award is \$364,811.

The total amount of video lottery funding currently available is \$1,334,000, comprised of \$42,000 in the original allocated budget (materials and services) and \$1,292,000 in the strategic opportunity reserve fund (operational contingency).

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Each year, the Board of Commissioners makes video lottery funds available through the Strategic Investment fund for job creation and work force development projects.

On July 6, 2008, the Economic Development Standing Committee (EDSC) to the Board of Commissioners released a request for proposals (RFP) to implement the Economic Development Strategic Investment Program, as described in Lane Manual Chapter 4.110(2).

The RFP includes instructions on how the money is to be used, how to prepare a project application, how project applications will be scored and how to file a protest to the RFP procedures.

Video Lottery funding occurs in two cycles, the Initial Cycle and the Open Cycle. Under the Initial Proposal Cycle RFP rules, the strategic investment funds are initially allocated in the following categories of development in these amounts: Business Development, \$100,000; Workforce Development, \$100,000.

On November 5, 2008, the BCC awarded \$158,572 of the \$200,000 available. In addition, two projects were referred back to the EDSC by the BCC: Oakridge UPBEAT and Arma.

At the November 24, 2008 EDSC meeting, both projects were reviewed again. Oakridge UPBEAT made changes in the project based on feedback from the EDSC first review and BCC review. The EDSC voted 3-2 recommending the BCC fund Oakridge UPBEAT for a one year with a \$24,110 award.

Any funds not awarded in the Initial Cycle are rolled over into the Open Cycle. In addition, under video lottery guidelines as described in Lane Manual the strategic opportunity reserve account funds may be awarded at anytime the BCC chooses to do so.

The Open Cycle began on December 12, 2008. At that time, outreach was undertaken to notify local businesses and organizations about the available funding. Outreach included direct contact to more than 50 local organizations, press releases that generated at least two newspaper stories, information on the county web site and notices in the Register Guard. There was an information session held by C&ED staff on January 5, 2009 at the County Public Service Building.

In the Open Cycle, the county received 11 project proposals requesting a total of \$ 778,941.

The projects proposals were reviewed by the EDSC, leading to five projects receiving funding recommendations: Port of Siuslaw: \$71,157, Quality Child Care of Florence: \$100,000, Western Pneumatics: \$25,000, Glory Bee Foods: \$73,422, Next Step Recycling: \$71,122.

Under the Video Lottery RFP rules, there is a protest procedure that is available to applicants that did not get funded.

One applicant has filed a protest.

B. Policy Issues

The Board has the following policy issues to consider:

- 1) Where all of the projects scored fairly and in an unbiased manner? And if not, or should all projects, be reconsidered?
- 2) Should any or all of the projects be funded as recommended by the EDSC?

C. Board Goals

The awarding of video lottery funds for job creation and training meet the Board's goal to "Develop Lane County's economic engine."

D. Financial and/or Resource Considerations

The total amount of video lottery funding currently available is \$1,334,000, comprised of \$42,000 in the original allocated budget (materials and services) and \$1,292,000 in the strategic opportunity reserve fund (operational contingency).

The total amount of video lottery funds recommended for award is \$364,811.

If the Board of Commissioners chooses to fund the projects in this agenda item, as recommended by the EDSC, it would leave \$969,819 in the strategic opportunity reserve fund.

In addition, the County will continue to receive quarterly video lottery payments from the state. For the two payments we are received this fiscal year, we are averaging \$185,000 per quarter, which is the same average as last fiscal year.

For each of the above projects, the EDSC's motion to recommend funding included that staff ensures that County funds are the last funds into the project. So if the BCC chooses to fund projects, County staff will ensure that the projects secure all other funding before the County money is sent to project applicants.

E. Analysis

The County received a lot of good project applications. Some clearly met the goals of the funds better as evidenced by the scorers' recommendations.

The EDSC scored the projects in nine different categories:

- 1) Addresses Lane County Strategic Plan economic development goals (30points)
- 2) Increases work readiness (15 points)
- 3) Readiness to proceed (15 points)
- 4) Opportunities for future development (15 points)
- 5) Leverage of other funds (15 points)
- 6) Partnerships (10 points)
- 7) Budget presentation (10 points)
- 8) Audit and accounting adequacy (10 points)
- 9) Promotes sustainable use of resources and energy (10 points)

A project had to receive at least 104 points (80% of the 130 points possible) to be considered for a funding recommendation. Each of the projects that met the funding threshold were recommend for funding. A summary of each project follows.

Oakridge UPBEAT

The Oakridge UPBEAT program provides free confidential business coaching to new and existing businesses. The City of Oakridge reports that with new and existing businesses utilizing resources that Oakridge UPBEAT provides, Oakridge and Westfir area business licenses have quadrupled and have created more jobs for our rural communities. This grant represents the opportunity for our rural communities to continue to see more growth with business opportunities.

The project projections are the addition of approximately five to seven new business, five to fifteen new jobs each year and retention of family wage jobs in rural Oakridge and Westfir.

Oakridge UPBEATs' total grant amount request is \$24,110. The match from the City of Oakridge is \$36,166.

The Port of Siuslaw

Proposal Title / Organization	Amount Recommended for funding	POINTS	Job Impact
Port of Siuslaw	\$71,157	113	12+

The Port of Siuslaw, in partnership with Siuslaw Fisherman's Association, is planning an infrastructure improvement project that will support economic development and create at least twelve new family wage jobs in Lane County in 2009. The Port plans to upgrade electrical service infrastructure to the Old Town Wharf in downtown Florence to support new business, including, initially, a commercial ice plant operated by the Siuslaw Fisherman's Association. The goal of project applicants is that with a functional ice plant in the Port of Siuslaw, fishing boats will return to the Port and Lane County will benefit from jobs created both directly and indirectly.

The Siuslaw Fisherman's Association reports it has a commitment from approximately 60 vessel operators to purchase ice from this plant and anticipates gross sales of \$52,800 in the first year; these sales will also have a direct financial impact to the greater Florence area and Lane County. Based on the number of long term commercial moorages at the Port prior to the closure of the former ice plant, the Port of Siuslaw expects at least 12 new jobs will be created because of this project. These new jobs will be due to commercial fishing businesses returning to Florence and to related increases in local sales.

This electrical upgrade will enable future development of other commercial properties on the Old Town Wharf, increase production and sale of local seafood products, increase the local tax base by creating new jobs and business, thereby improving the economy of Lane County.

The project has raised more than \$200,000 to date. This is the final funding needed to complete the project.

Quality Child Care of Florence

Proposal Title / Organization	Amount Recommended for funding	POINTS	Job Impact
Quality Child Care of Florence	\$100,000	104	5+

Florence has no child care center offering infant/toddler care and only a small church center providing preschool child care. Two centers closed in recent years. Since the year 2000, several large employers have made Florence their home, increasing employment opportunities and the need for child care. Employers cite lack of a child care center as a major negative issue in staff recruitment and retention. Quality Child Care of Florence (QCCF) is developing a child care center in Florence. We are requesting funding to help purchase and install a custom modular day care facility.

The child care center will create new jobs for a Child Care Center Director and 4-8 teachers/aides to meet the required teacher-child ratio. The availability of the Center will help the hospital recruit and retain much-needed skilled health care professionals. The Center will improve the ability of other major employers as well as start-up and emerging businesses to recruit and retain employees to continue health and growth in the tourism and other industries.

The Center will use the County's \$100,000 to match \$140,000 they are currently seeking in order to purchase a custom modular day care center.

Western Pneumatics

Proposal Title / Organization	Amount Recommended for funding	POINTS	Job Impact
Western Pneumatics	\$25,000	114	20

Western Pneumatics is seeking funding to purchase a laser burn table to aid in the manufacture of a wet electrostatic precipitator which takes CO2 generated by coal-fired electrical boiler and turns it into a form ready for geological storage.

Over the years Western Pneumatics has employed approximately 150 employees, varying by the work load, time of year, etc. In taking on the manufacture of the wet electrostatic precipitator for Powerspan, Western Pneumatics projects creating 20 new full-time positions in their fabrication shop and potentially as many as 40 new employees. Average employee salary is

\$50,000/year plus full benefits including health insurance and 401 (K). Employees are given the opportunity to transition from production to design and custom fabrication. Western Pneumatics pays for AutoCAD software training for employees to retain their institutional knowledge of the manufacturing process. In addition, Western Pneumatics works with Lane Community College by providing steel other materials to help ensure future workforce is trained to use the same materials they will be using in their facilities.

The request for \$25,000 in County funds is being matched by \$25,000 in state funds and \$550,000 in company funds.

GloryBee Foods

Proposal Title / Organization	Amount Recommended for funding	POINTS	Job Impact
Glory Bee Foods	\$73,422	105	8+

GloryBee Foods is currently revising its manufacturing process and management structure to accommodate growth. The company is seeking funds to assist with renovation of its outdated honey heating room and to install a bucket conveyor in the processing plant.

The bucket conveyor will allow for more efficient and safer transfer of product blends from manufacturing, to the packaging process, increasing total annual capacity by 75%. The heat room renovation will aid in the production of higher quality honey and will reduce honey processing time by 50%. GloryBee has projected the addition of 5 managerial positions and 9 hourly positions as a result of the new structure and training.

GloryBee Food will be matching the County funds with company funds dedicated to capital investment. This year, the company has budgeted \$400,000 in capital expenditures.

NextStep Recycling

Proposal Title / Organization	Amount Recommended for funding	POINTS	Job Impact
Next Step Recycling	\$71,122	104	2+

NextStep Recycling is seeking funds for its Springfield Electronics Collection Depot and ReUse Store. NextStep recovers waste that would otherwise go into

waste streams, protecting residents from toxic materials in electronic waste (e-waste). Funding of the project helps grow NextStep, converts e-waste into usable materials, focuses on and enhances sustainability, recycling, and reuse.

NextStep estimates the new positions will be in place by April 15th. NextStep's Eugene store began in a small warehouse in 2002, with five volunteers. Seven years later it occupies 26,000+ square feet, has 30 employees and hundreds of volunteers. They expect the Springfield location will expand similarly.

NextStep has raised the additional project funds needed for this project.

Protest Analysis

On Friday, February 6, 2009, Mr. Jose Ortal of McKenzie River Insights sent a letter protesting the manner in which projects were ranked in the Open Cycle. The letter was received within the deadline set for protests to be filed.

In the protest, Mr. Ortal is requesting that "the funding recommendations be cancelled as specified in OAR 137-047-0660 (3)"

To consider a protest under Video Lottery guidelines, the protest must clearly state the grounds for protest and describe the conditions which, in the applicant's view, resulted in their proposal not being recommended for award.

Mr. Ortal is protesting under three of the protest grounds allowed in Lane Manual.

As per the protest procedure, the protest Comments will be reviewed by the department staff. If the comments are determined to be valid by the department, an addendum to the RFP will be issued to all applicants. Staff did not find the comments to be valid. In this section we have included each of grounds for protest, followed by Mr. Ortal's claim regarding the violation, and concludes with staff's response to the each claim. (The full protest letter is attached).

Grounds for Protest: The evaluation committee unfairly applied the evaluation criteria to a proposal.

Mr. Ortal states: "The November 30, 2008 notice states in part that: '...Letters of interest (LOI) describing the project will be accepted from potential applicants for a period of two weeks from the publication of this notice. If a LOI is received in the designated period, all interested parties who responded to the LOI will be sent notice that two additional weeks from the date of the letter will be allowed to submit their complete proposal(s) under the Open Proposal Cycle guidelines in the RFP...'

- "The following entities were invited to submit proposals: 1. Excalibure, 2. McKenzie River Insights, 3. Palo Alto, 4. LCOG, 5. CVALCO, 6. Next

Step Recycling, 7. Ideal Steel Inc., 8. Port of Siuslaw, 9. Glory Bee Foods, 10. Lane Metro Partnership, 11. Western Pneumatics, and 12. Century Tel.,

- “The record, to the best of our knowledge, does not show that a *Florence Ice Machine* group:
 1. Timely responded to the LOI as noticed in The Register Guard,
 2. Submitted a proposal and
 3. Any alleged proposal was submitted:
 - At the request of the Economic Development Standing Committee’s (EDSC) Chair, not scored,
 - When EDSC committee members asked for clarification, the Chair once again directed the EDSC to not score the proposal and
 - The Chair directed that the project be placed at the top of a funding priority list and fully funded.

Eco/Dev Response. What Mr. Ortal identifies as the “Florence Ice Machine group,” is the Port of Siuslaw. The Port’s project is to install an ice machine at the Port which is located in Florence.

- The Port of Siuslaw did turn in a timely response as noticed in the legal notice published in the Register Guard.
- The Port of Siuslaw turned in their proposals before deadline.
- The Port of Siuslaw’s proposal was scored at the meeting by all members, as were all the other applications.
- The Chair did request that the proposal be pulled and considered separately. Other committee members said no, they wanted to keep it part of the same scoring process. Chair acquiesced and it was scored as part of the same scoring process.
- The chair requested that the project be placed at the top of the funding priority list and fully funded. Picking a project to be ranked first, is part of the rating and ranking process.

Grounds for Protest: The criteria used to evaluate the proposals did not pertain to the services or products requested.

Mr. Ortal’s states: “Some of the proposals currently being recommended for funding did not meet the advertised 80% requirement. EDSC members, at the Chair’s direction, rescored them several times in order to have them meet the 80% requirement.”

Eco/Dev Response: All of proposals that were recommended for funding reached the funding requirements of receiving at least an 80% score. After EDSC members initially presented their scores, they then asked questions of project proponents to seek additional information and clarify items in the proposal.

During this process, several committee members changed their scores. This resulted in two projects that had scored in the high 70 percentile during the initial scores to reach 80%.

Before calling for a motion on final recommendations, the Chair asked if any of the committee members wanted to discuss any more of the applications. They said they did not. At that time a motion was made to recommend that the BCC fund all of the projects that scored 80% or higher. The motion passed unanimously.

At the opening of the ranking and scoring meetings all applicants were told that the EDSC members reserve the right to discuss applications with other EDSC members and change their individual scores until they feel they have made a good faith judgment with the information they have before them. They also vote on their final recommendations to ensure that everyone is comfortable with their individual scoring. That is the process that occurred.

Grounds for Protest: A member or members of the evaluation committee demonstrated bias toward a proposal or a proposer.

Mr. Ortal states: "On two occasions the EDSC Chair stated that he and Commissioners Fleenor, Stewart and Sorenson: 1. "...Had contacted the Florence fishermen to ask them to submit a proposal..." and 2. "...It is important that 3...4 commissioners want to fund this proposal..."

Eco/Dev Response: The Chair did make a statement that is similar to the above statement. The statement was made after the committee members had submitted their initial scores. All of the committee members submitted scores that immediately placed the project above the 80%, immediately qualifying it to be considered for funding.

The Port of Siuslaw application was put through the same process as all the other applicants. The chair's statement clearly had no impact on the scores of the other committee members.

In addition, there is no rule prohibiting the EDSC chair or anyone on the EDSC or the BCC to recommend that a group or entity apply for video lottery funds.

Mr. Ortal states: "This ranking process materially violates OAR 137-047-0660 (http://arcweb.sos.state.or.us/rules/OARS_100/OAR_137/137_047.html), the ORS and *Lane Manual's* (<http://www.co.lane.or.us/LaneManual/default.htm>). McKenzie River Insights hereby requests that this funding recommendation be canceled as specified in OAR 137-047-0660 (3)."

ORS 137-047-0660 reads as follows:

Cancellation of Procurement or Solicitation

(1) Cancellation in the Public Interest. A Contracting Agency may cancel a Procurement or solicitation as set forth in ORS 279B.100.

(2) Notice of Cancellation Before Opening. If the Contracting Agency cancels a Procurement or solicitation prior to Opening, the Contracting Agency shall provide Written notice of cancellation in the same manner that the Contracting Agency initially provided notice of the solicitation. Such notice of cancellation shall:

(a) Identify the Solicitation Document;

(b) Briefly explain the reason for cancellation; and

(c) If appropriate, explain that an opportunity will be given to compete on any resolicitation.

(3) Notice of Cancellation After Opening. If the Contracting Agency cancels a Procurement or solicitation after Opening, the Contracting Agency shall provide Written notice of cancellation to all Offerors who submitted Offers.

Eco/Dev Response: We believe there was no violation of video lottery policy or ORS 137-047-0660 in the EDSC scoring and ranking process.

F. Alternatives/Options

The Board may:

- 1) Approve ORDER awarding grants as recommended by the EDSC, or
- 2) Determine to award only some grants, at either reduced or full funding levels
or
- 3) Decide not to award strategic economic development funds at this time.

IV. TIMING/IMPLEMENTATION

Upon Board approval of funding for projects, staff will work with project applicants to get contracts in place. Once prepared, contracts will be sent through County Counsel review process and prepared for signing by the County Administrator.

V. RECOMMENDATION

The EDSC recommends awarding funding to six projects.

Additionally, Community & Economic Development Staff recommends that the BCC finds that the EDSC scored all projects fairly and in an unbiased manner and that the protest by Mr. Ortal of McKenzie River Insights should be dismissed.

VI. FOLLOW-UP

Staff will keep the EDSC updated on all project elements. Any issues needing Board attention will be brought to the Board in a timely manner.

VII. ATTACHMENTS

A: Board Order

B: EDSC RFP Scores

C: Protest Letter from Mr. Jose Ortal of McKenzie River Insights

Note: The full RFP, announcement publication notice, and the 11 applications received in the Open Proposal Cycle are in a binder available from the Board Secretary.

IN THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON

ORDER NO.

ORDER/IN THE MATTER OF AWARDING
CONTRACTS FOR STRATEGIC INVESTMENT
PROJECTS SELECTED THROUGH THE 2008
ECONOMIC DEVELOPMENT RFP OPEN PROPOSAL
CYCLE AND AUTHORIZING THE COUNTY
ADMINSTRATOR TO SIGN PROJECT CONTRACTS
AND DENYING PROTEST TO THE AWARDS.

WHEREAS, the Lane County Board of Commissioners established a policy for distributing video lottery economic development funds that is adopted in Lane Manual Chapter 4, and

WHEREAS, the Lane County Board of Commissioners authorized release of a request for proposals (RFP) for the Economic Development Strategic Investment Program, and

WHEREAS, the Economic Development Standing Committee has completed rating and ranking of proposals received in accordance with the RFP, and

WHEREAS, Jose Ortal of McKenzie River Insights has protested, and raised the following three grounds:

- 1) The evaluation committee unfairly applied the evaluation criteria to a proposal
- 2) The criteria used to evaluate the proposals did not pertain to the services or products requested
- 3) A member or members of the evaluation committee demonstrated bias towards a proposal or a proposer.

WHEREAS, the Lane County Board of Commissioners does find that:

- 1) Ground 1 is invalid for the reason that what Mr. Ortal identifies as the "Florence Ice Machine group," is the Port of Siuslaw. The Port's project is to install an ice machine at the Port which is located in Florence.
 - The Port of Siuslaw did turn in a timely response as noticed in the legal notice published in the Register Guard.
 - The Port of Siuslaw turned in their proposals before deadline.
 - The Port of Siuslaw's proposal was scored at the meeting by all members, as were all the other applications.
 - The Chair did request that the proposal be pulled and considered separately. Other committee members said no, they wanted to keep it part of the same scoring process. Chair acquiesced and it was scored as part of the same scoring process.
 - The Chair requested that the project be placed at the top of the funding priority list and fully funded. Picking a project to be ranked first is part of the rating and ranking process.
- 2) Ground 2, is invalid for the reason that all the proposals that were recommended for funding reached the funding requirements of receiving at least an 80% score.
- 3) Ground 3, is invalid for the reason that the statement was made after the committee members had submitted their initial scores. All the committee members submitted scores that immediately place the project above the 80%, immediately qualifying it to be considered for funding. The Port of Siuslaw application was put through the same process as all the other applicants. The Chair's statement clearly had no impact on the scores of the other committee members.

In addition, there is no rule prohibiting the EDSC Chair or anyone on the EDSC or the BCC to recommend that a group or entity apply for video lottery funds.

WHEREAS, the Lane County Board of Commissioners has reviewed the ranked list of projects and determined those that are in the public interest to fund, now, therefore,

IT IS HEREBY ORDERED that the following Lane County Strategic Investment Projects are awarded in the amounts indicated:

Oakridge UPBEAT: \$24,110
Port of Siuslaw: \$71,157
Quality Child Care of Florence! \$100,000
Western Pneumatics: \$25,000
Glory Bee Foods: \$73,422
Next Step Recycling: \$71,122

IN ADDITION, the BCC finds that the EDSC scored all projects fairly and in an unbiased manner and that the protest by Mr. Ortal of McKenzie River Insights is denied.

FURTHER ORDERED that the County Administrator is authorized to sign the contracts authorized under this Order.

Signed this 18th day of February, 2009.

APPROVED AS TO FORM
Date 2-12-09 Lane

County


OFFICE OF LEGAL COUNSEL

Pete Sorenson, Chair
Lane County Board of Commissioners

[illegible]

[illegible]



February 6, 2009

Mike McKenzie-Bahr
Coordinator
Community and Economic Development Program
Lane County Administration
125 E. 8th Ave.
Eugene, OR 97401

SUBJECT: PROTEST—Lane County 2008-09 Economic Development Strategic Investment Program Initial Proposal Cycle Request For Proposal Award Recommendation

Dear Mr. McKenzie-Bahr:

McKenzie River Insights' protest of the referenced scoring process is hereby submitted. The remainder of this letter:

1. Provides applicable RFP data,
2. Recites the County stipulated statutory authority under which it is submitted,
3. Details specific Bill of Damages allegations and corroboratory evidence, and
4. Summarizes the document and a cure.

On December 18, 2008 county staff sent out an E-Mail titled Video Lottery Funding 08-09 that:

1. Notified successful respondents that their Letter of Interest had been accepted and provided additional guidance regarding the process and
2. Attached the proposal cycle's controlling purchasing document (LaneCountyRFP0809.doc).

On or about January 6, 2009 Lane County staff completed receiving proposals for the *Lane County 2008-09 Economic Development Strategic Investment Program Initial Proposal Cycle Request For Proposal* advertised in The Register Guard on November 30, 2008. The *Lane County 2008-09 Economic Development Strategic Investment Program Initial Proposal Cycle Request For Proposal's* protest authority is in Attachment D: Protest Procedures, pages 24-25 inclusive.

Grounds for Protest and Bill of Damages:

- (i) Different criteria were used to evaluate different proposals and
- (ii) The evaluation committee unfairly applied the evaluation criteria to a proposal.
 - The November 30, 2008 notice states in part that: "...Letters of interest (LOI) describing the project will be accepted from potential applicants for a period of two weeks from the publication of this notice. If a LOI is received in the designated period, all interested parties who responded to the LOI will be sent notice that two additional weeks from the date of the letter will be allowed to submit their complete proposal(s)

under the Open Proposal Cycle guidelines in the RFP...”,

- The following entities were invited to submit proposals: 1. Excalibure, 2. McKenzie River Insights, 3. Palo Alto, 4. LCOG, 5. CVALCO, 6. Next Step Recycling, 7. Ideal Steel Inc., 8. Port of Siuslaw, 9. Glory Bee Foods, 10. Lane Metro Partnership, 11. Western Pneumatics, and 12. Century Tel.,
 - The record, to the best of our knowledge, does not show that a *Florence Ice Machine* group:
 1. Timely responded to the LOI as noticed in The Register Guard,
 2. Submitted a proposal and
 3. Any alleged proposal was submitted:
 - At the request of the Economic Development Standing Committee’s (EDSC) Chair, not scored,
 - When EDSC committee members asked for clarification, the Chair once again directed the EDSC to not score the proposal and
 - The Chair directed that the project be placed at the top of a funding priority list and fully funded.
- (iii) The criteria used to evaluate the proposals did not pertain to the services or products requested.
- Proposals receiving at least 80% of the 130 points available (80% = 104 points) will be considered for final rating and ranking by the committee...The committee will use its good faith judgment and discretion **based on the criteria described in this RFP** and
 - Some of the proposals currently being recommended for funding did not meet the advertised 80% requirement. EDSC members, at the Chair’s direction, rescored them several times in order to have them meet the 80% requirement.
- (iv) A member or members of the evaluation committee demonstrated bias toward a proposal or a proposer.
- On two occasions the EDSC Chair stated that he and Commissioners Fleenor, Stewart and Sorenson: 1. “...Had contacted the Florence fishermen to ask them to submit a proposal...” and 2. “...It is important that 3...4 commissioners want to fund this proposal...”

Conclusion and Requested Remedy

This ranking process materially violates OAR 137-047-0660 (http://arcweb.sos.state.or.us/rules/OARS_100/OAR_137/137_047.html), the ORS and *Lane Manual*’s (<http://www.co.lane.or.us/LaneManual/default.htm>). McKenzie River Insights hereby requests that this funding recommendation be canceled as specified in OAR 137-047-0660 (3).

Sincerely,

JOSE ORTAL

Jose Ortal

CC: Job Creation/Workforce Training Letter of Interest File

A Minority Owned Management Consultancy