

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING ORDINANCE)
NO. 93-487A REVISING THE FY 1993-94)
BUDGET AND APPROPRIATIONS)
SCHEDULE TO CONTINUE WORK ON THE)
MERC BUSINESS PLAN; AND DECLARING)
AN EMERGENCY)

ORDINANCE NO. 93-524A

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

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

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

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$19,139 from the Support Service Fund Contingency to personal services in the Program Development division of the Regional Facilities Department to fund 0.25 FTE to continue work on the MERC business plan.

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

ADOPTED by the Metro Council this 23rd day of December, 1993.



Judy Wyers, Presiding Officer

ATTEST:



Clerk of the Council

**Exhibit A
Ordinance No. 93-524A**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICE FUND:Regional Facilities Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.80	57,448		0	0.80	57,448
	Managers	1.90	113,180	0.25	14,543	2.15	127,723
	Associate Program Supervisor	0.45	22,090		0	0.45	22,090
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Sr. Management Analyst	1.00	47,541		0	1.00	47,541
	Assoc. Management Analyst	1.00	37,768		0	1.00	37,768
	Asst. Management Analyst	0.50	16,446		0	0.50	16,446
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.50	14,090		0	0.50	14,090
	Accounting Clerk 1	1.00	22,800		0	1.00	22,800
	Building Operations Worker	0.50	13,250		0	0.50	13,250
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	1.50	39,166		0	1.50	39,166
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.50	9,000		0	0.50	9,000
	Temporary Administrative Support	0.25	4,000		0	0.25	4,000
511400	OVERTIME		3,168		0		3,168
512000	FRINGE		160,571		4,596		165,167
Total Personal Services		10.40	587,328	0.25	19,139	10.65	606,467
Total Materials & Services			362,436		0		362,436
Total Capital Outlay			5,000		0		5,000
TOTAL EXPENDITURES		10.40	954,764	0.25	19,139	10.65	973,903

SUPPORT SERVICE FUND:General Expenses

<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		507,283		0		507,283
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen1		30,791		0		30,791
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		41,597		0		41,597
Total Interfund Transfers			579,671		0		579,671
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	* General		181,294		(19,139)		162,155
	* Builders License		23,165		0		23,165
599990	Unappropriated Fund Balance-Contractors License		151,566		0		151,566
Total Contingency and Unappropriated Balance			356,025		(19,139)		336,886
TOTAL EXPENDITURES		85.12	6,827,525	0.25	0	85.37	6,827,525

Exhibit A
Ordinance No. 93-524A

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
FOR INFORMATION ONLY							
Regional Facilities (Program Development)							
<i>Personal Services</i>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Managers	0.50	31,999	0.25	14,543	0.75	46,542
512000	FRINGE		12,159		4,596		16,755
Total Personal Services		0.50	44,158	0.25	19,139	0.75	63,297
Total Materials & Services			11,842		0		11,842
TOTAL EXPENDITURES		0.50	56,000	0.25	19,139	0.75	75,139

Exhibit B
Schedule of Appropriations
Ordinance No. 93-524A

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,238,932	0	2,238,932
Materials & Services	794,941	0	794,941
Capital Outlay	77,891	0	77,891
Subtotal	3,111,764	0	3,111,764
Regional Facilities			
Personal Services	587,328	19,139	606,467
Materials & Services	362,436	0	362,436
Capital Outlay	5,000	0	5,000
Subtotal	954,764	19,139	973,903
Personnel			
Personal Services	534,856	0	534,856
Materials & Services	59,646	0	59,646
Capital Outlay	6,675	0	6,675
Subtotal	601,177	0	601,177
Office of General Counsel			
Personal Services	434,876	0	434,876
Materials & Services	23,715	0	23,715
Capital Outlay	1,500	0	1,500
Subtotal	460,091	0	460,091
Public Affairs			
Personal Services	669,686	0	669,686
Materials & Services	91,247	0	91,247
Capital Outlay	3,100	0	3,100
Subtotal	764,033	0	764,033
General Expenses			
Interfund Transfers	579,671	0	579,671
Contingency	204,459	(19,139)	185,320
Subtotal	784,130	(19,139)	764,991
Unappropriated Balance	151,566	0	151,566
Total Fund Requirements	6,827,525	0	6,827,525

All Other Appropriations Remain As Previously Adopted

FINANCE COMMITTEE REPORT

ORDINANCE NO. 93-524A, REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE TO CONTINUE WORK ON THE MERC BUSINESS PLAN; AND DECLARING AN EMERGENCY

Date: December 23, 1993

Presented by: Councilor Buchanan

COMMITTEE RECOMMENDATION: At its December 23, 1993 meeting the Finance Committee voted 5-0 to recommend Council adoption of Ordinance No. 93-524A. All committee members were present and voted in favor.

COMMITTEE DISCUSSION/ISSUES: Executive Assistant Don Rocks presented the staff report. He said an amended version of the ordinance had been approved by the Regional Facilities Committee; the amendment reduces the term of the position being authorized, from six months to three months, and reduces the requested appropriation from \$40,237 to \$19,139. The reduction was made because the only firm project of those originally proposed is the MERC Business Plan. Mr. Rocks addressed an issue raised by Council staff regarding where the position should be budgeted. He said MERC General Manager Pat LaCrosse had consented to have the position continue in the Regional Facilities Department, rather than create a new position at MERC. He added that there is a possibility that work may be needed for the End of the Oregon Trail or the arts funding project, which would be more properly done through Regional Facilities.

Councilor McFarland referred to a letter from Mr. LaCrosse to Deputy Executive Officer Dick Engstrom, which outlines the work program for the staff person involved. She said this makes it clear that MERC will reimburse the Support Service Fund for the costs of the position. Mr. Short reported that both parties to the letter had agreed to sign it when they are available. He added that he was satisfied that the proposed arrangement was the best solution, because it would take additional time to create a position at MERC; that would cause a delay in the project and create a time during which the incumbent in the position would no longer have a position because its authorization runs out on December 31.

Chair Monroe held a public hearing and no one testified.

Councilor Van Bergen asked if the proposal constituted a problem with the personnel rules. Mr. Rocks said he thought it was cleaner to do it this way than to pursue any alternatives; it represents a straightforward loan of a staff person.

BEFORE THE METRO COUNCIL

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BUDGET AND APPROPRIATIONS)
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MERC BUSINESS PLAN; AND DECLARING)
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ORDINANCE NO. 93-524

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

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

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

THE METRO COUNCIL HEREBY ORDAINS:

1. That Ordinance No. 93-487A, Exhibit B, FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$40,237 from the Support Service Fund Contingency to personal services in the Program Development division of the Regional Facilities Department to fund 0.50 FTE to continue work on the MERC business plan.

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

ADOPTED by the Metro Council this _____ day of _____, 1993.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

kr:ord93-94:erickson:ORD.DOC
October 29, 1993

**Exhibit A
Ordinance No. 93-524**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
SUPPORT SERVICE FUND:Regional Facilities Department							
<u>Personal Services</u>							
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Directors	0.80	57,448		0	0.80	57,448
	Managers	1.90	113,180	0.50	30,056	2.40	143,236
	Associate Program Supervisor	0.45	22,090		0	0.45	22,090
	Principal Administrative Services Analyst	0.50	26,810		0	0.50	26,810
	Sr. Management Analyst	1.00	47,541		0	1.00	47,541
	Assoc. Management Analyst	1.00	37,768		0	1.00	37,768
	Asst. Management Analyst	0.50	16,446		0	0.50	16,446
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.50	14,090		0	0.50	14,090
	Accounting Clerk 1	1.00	22,800		0	1.00	22,800
	Building Operations Worker	0.50	13,250		0	0.50	13,250
511225	WAGES-REGULAR EMPLOYEES (part time)						
	Administrative Secretary	1.50	39,166		0	1.50	39,166
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Professional Support	0.50	9,000		0	0.50	9,000
	Temporary Administrative Support	0.25	4,000		0	0.25	4,000
511400	OVERTIME		3,168		0		3,168
512000	FRINGE		160,571		10,181		170,752
Total Personal Services		10.40	587,328	0.50	40,237	10.90	627,565
Total Materials & Services			362,436		0		362,436
Total Capital Outlay			5,000		0		5,000
TOTAL EXPENDITURES		10.40	954,764	0.50	40,237	10.90	995,001

SUPPORT SERVICE FUND:General Expenses

<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		507,283		0		507,283
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		30,791		0		30,791
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		41,597		0		41,597
Total Interfund Transfers			579,671		0		579,671
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency						
	* General		181,294		(40,237)		141,057
	* Builders License		23,165		0		23,165
599990	Unappropriated Fund Balance-Contractors License		151,566		0		151,566
Total Contingency and Unappropriated Balance			356,025		(40,237)		315,788
TOTAL EXPENDITURES		85.12	6,827,525	0.50	0	85.62	6,827,525

**Exhibit A
Ordinance No. 93-524**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
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511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Managers	0.50	31,999	0.50	30,056	1.00	62,055
512000	FRINGE		12,159		10,181		22,340
Total Personal Services		0.50	44,158	0.50	40,237	1.00	84,395
Total Materials & Services			11,842		0		11,842
TOTAL EXPENDITURES		0.50	56,000	0.50	40,237	1.00	96,237

**Exhibit B
Schedule of Appropriations
Ordinance No. 93-524**

	Current Appropriation	Revision	Proposed Appropriation
SUPPORT SERVICES FUND			
Finance and Management Information			
Personal Services	2,238,932	0	2,238,932
Materials & Services	794,941	0	794,941
Capital Outlay	77,891	0	77,891
Subtotal	3,111,764	0	3,111,764
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Subtotal	954,764	40,237	995,001
Personnel			
Personal Services	534,856	0	534,856
Materials & Services	59,646	0	59,646
Capital Outlay	6,675	0	6,675
Subtotal	601,177	0	601,177
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Personal Services	669,686	0	669,686
Materials & Services	91,247	0	91,247
Capital Outlay	3,100	0	3,100
Subtotal	764,033	0	764,033
General Expenses			
Interfund Transfers	579,671	0	579,671
Contingency	204,459	(40,237)	164,222
Subtotal	784,130	(40,237)	743,893
Unappropriated Balance	151,566	0	151,566
Total Fund Requirements	6,827,525	0	6,827,525

All Other Appropriations Remain As Previously Adopted



METROPOLITAN EXPOSITION-RECREATION COMMISSION

MEMO

December 22, 1993

TO: Richard Engstrom, Deputy Executive Officer

FROM: Pat LaCrosse, General Manager

SUBJECT: Use of Pam Erickson's Time For Completion of The Business Plan

The following represents my understanding with respect to Pam's time as of January 1, 1994:

1. Pam will be located a majority of the time at the MERC Headquarters in the Oregon Convention Center.
2. She will continue to work on the MERC Business Plan on a full time basis. (It is understood that there may be some other regional facility work that may need winding down but that the majority of her time will be spent on MERC business).
3. Pam will be under the direct supervision of myself as General Manager of the MERC and will work in close collaboration with the Facility Directors and other staff.
4. *The work to be performed in general includes the following:*
 - A. Write the narrative for the business plan for the various segments.
 - B. Help to organize the framework for the report itself.
 - C. Assist in putting together a distribution/approval strategy for the plan including those public and private agencies involved.
 - D. Outline and finalize the capital improvement matrix needed for the facilities as part of the plan.
 - E. Help finalize the work plan for each of the facilities and begin implementation of some selected items.
 - F. Other business plan duties as assigned.

Post-It[™] brand fax transmittal memo 7671 # of pages 1 of 2

To	Richard Engstrom	From	Pat LaCrosse
Co.		Co.	
Dept.		Phone #	
Fax #		Fax #	

Memo Agreement
Pam Erickson
Page 2

- 5. It is understood that this agreement covers a 3 month period from 1/1/94 through 3/31/94 and that absent any extension, it will end on 3/31/94.
- 6. It is understood that the method of payment will be through the support payment method in which an additional \$19,197 of cost for staff direct will be charged to MERC at the end of the year in the same fashion as other direct support services are charged.
- 7. It is understood that terms of this agreement can be altered by agreement of the parties.

_____	_____	_____	_____
Richard Engstrom	Date	Patrick LaCrosse	Date

cc: Paula Paris
Jennifer Sims
Pam Erickson

REGIONAL FACILITIES COMMITTEE REPORT

ORDINANCE NO. 93-524A, REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE TO CONTINUE WORK ON THE MERC BUSINESS PLAN; AND DECLARING AN EMERGENCY.

Date: December 20, 1993

Presented by: Councilor Washington

COMMITTEE RECOMMENDATION: At its December 15, 1993 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Ordinance No. 93-524A. Voting were Councilors McFarland, Gardner, Hansen, and Washington. Councilor McLain was absent.

COMMITTEE DISCUSSION/ISSUES: Executive Assistant Don Rocks presented the staff report. He explained that a revised version of the ordinance was before the committee. The revision would change the proposal to staff a Manager position in Regional Facilities to work on the MERC Business Plan, reducing the tenure of the position from 6 months to 3 months (through March), and reducing the cost from \$40,237 to \$19,139. He said the reasoning behind the recommended reduction was that the work plan was not firm enough to warrant the full six months' funding. Mr. Rocks referred to a December 15 memo from Don Carlson and Casey Short, which raised the issue of the source of funds and lines of accountability for the position. That memo suggested the position be budgeted directly in the MERC Administration Fund. Mr. Rocks said there would be other work besides the MERC Business Plan work, which argues against the position being a MERC position, and he said that additional administrative procedures to create the position at MERC would not be beneficial.

Councilor McFarland supported doing the work on the Business Plan, but she thought this position should be directly accountable to MERC. MERC General Manager Pat LaCrosse said there were several ways to address the issues of funding and accountability, including: a reimbursement from MERC to Support Services (as outlined in the ordinance); establishment of a contract for the services required; or creation of a position at MERC.

Mr. Rocks said he thought the costs to process a transfer of the position from Regional Facilities to MERC might equal the costs of the position for its three month term. He said the situation would be different if the work were expected to last longer, but given the limited duration of the work it is reasonable to continue the position where it is and provide for reimbursement.

Councilor Hansen said she didn't want the incumbent to not work for a few days because a deadline wasn't met, and asked for clarification of the ordinance's provisions for payment. Council Analyst Casey Short said the money to support the position would

be drawn from the Support Service Fund contingency, but that Fund would be reimbursed by MERC at the end of the fiscal year. Councilor Hansen asked what would be the administrative costs for that. Mr. LaCrosse said he did not think there would be any additional costs; the work needed to process the payments and reimbursement should already be covered through MERC's indirect transfer to Support Services. Chair McFarland asked if this payment method was the most inexpensive. Mr. Short and Mr. LaCrosse said that couldn't be answered without analyzing the different alternatives. Mr. LaCrosse said his preference is to have the staff person move to the MERC offices, and be paid from the Support Service Fund, with reimbursement made at year end. He added that since MERC has a separate personnel system, the MERC Commission would have to establish the position if it were to be a MERC position, and taking that step would take extra time. Since the position currently ends at the end of December, any delay would complicate matters.

Councilor Gardner identified two issues. First is the budget issue of where the money comes from, which he said didn't make much difference if the costs are ultimately borne by MERC. The second issue was one of accountability, and he said having the position established at MERC would clarify the accountability. He thought this was especially the case now, because there is no permanent Regional Facilities Director. Mr. Rocks said that Deputy Executive Officer Dick Engstrom would be assuming the duties of Regional Facilities Director for the short term.

Councilor Washington said he supports the ordinance as proposed in the amended version. Mr. LaCrosse said if the Council wanted more clarity on the accountability issue, he would work with Mr. Engstrom to craft a "letter agreement" stipulating the work plan and supervisory responsibilities. Councilor McFarland said that approach was acceptable to her.

Councilor Hansen asked why this ordinance was delayed and therefore required an emergency clause. Mr. LaCrosse said the Business Plan process was originally proposed to be concluded by the end of December, but it has become more complicated in the past few weeks and requires more time to finish.

Councilor Gardner clarified that the vote was on the ordinance as amended in Neil Saling's December 14 memo to Councilor McFarland.



METRO

Date: December 15, 1993

To: Regional Facilities Committee
Finance Committee

From: Donald E. Carlson, ^{DE} Council Administrator
Casey Short, ^{CS} Council Analyst

Re: Ordinance No. 93-524 Amending the FY 1993-94 Budget and Appropriations Schedule to Continue Work on the MERC Business Plan

This memo is in response to Neil Saling's memo dated December 14, 1993 to Regional Facilities Chair McFarland. Council Staff is supportive of the recommendation to reduce the request to the .25 FTE level which amounts to an additional expenditure authorization of \$19,139. This reduced request is more in line with the proposed work plan for completion of the MERC Business Plan.

There is a more direct way to amend the Budget and Appropriation Schedule to budget and account for this expenditure. The Metro ERC Administration Fund is the appropriate place for budgeting the central administrative costs of the MERC system. Certainly, costs to carry out a Business Plan for the facilities in the system are most appropriate for this Fund. The Metro ERC Administration Fund has \$80,000 in Contingency which appears to be able to handle a transfer of \$19,139 for the requested personal services expenditure. Having the expenditure placed directly in the Metro ERC Fund also makes it clear that the person filling the position will work directly for the General Manager of the MERC on the Business Plan project. The General Manager will not have to negotiate with the Regional Facilities Department for services.

Council Staff has asked the General Manager his reaction to this approach but has not received a response at this time.

The above approach appears to be consistent with prior Council direction that the MERC directly do the planning for the system. The Council approved a Budget Note in the FY 1992-93 Budget regarding the Business Plan which reads as follows:

"MERC shall work to develop business plans for each of its facilities and for the Commission as a whole, as recommended by the Public Policy Advisory Committee on Regional Facilities. These plans shall address all the issues listed in Recommendations #1 of the Advisory Committee's report. MERC shall keep the Council apprised of progress in developing

these plans by reporting on their progress to the Regional Facilities Committee each quarter."

In addition the Council approved a Budget Note in the FY 1993-94 Budget regarding administration of the Convention Center Capital Fund. The Budget Note dealt with the planning issue as follows:

"Administration of the expenditures and programs in this Fund shall be provided by the Metropolitan E-R Commission....The Convention Center Site Master Plan project shall be conducted in a manner which involves members of the Regional Facilities Committee and the Executive Officer during the plan preparation phase. Prior to adoption, the Master Plan shall be presented to the Metro Council by the Metro E-R Commission for review and approval."

The above approach is consistent with how planning for Solid Waste and Zoo facilities and programs is handled. That is, the operating unit is also responsible for long range planning with appropriate review by the Council and Executive Officer.

cc: Dick Engstrom
Don Rocks
Pat LaCrosse
Neil Saling
Jennifer Sims

93-524.mem

**METRO**

Date: December 14, 1993

To: Ruth McFarland, Chair, Regional Facilities Committee

From: Neil Salinger, Director of Regional Facilities

Re: Ordinance No. 93-524A

Ordinance No. 93-524 requesting a budget amendment to permit retention of exposition/recreation facility planning staff through the end of the fiscal year was submitted for Council consideration on or about October 29, 1993. The Ordinance will be heard before the Regional Facilities Committee on December 15, 1993.

The specific staff addressed by the Ordinance is Pam Erickson who is Metro's only planner dedicated to ER facilities and functions. The FY 1993-94 Adopted Budget provided for this position at 0.50 FTE which permitted ER planning activity to take place through December 1993. The primary elements of this planning included the Arts Funding Task Force, End of the Oregon Trail and the MERC Business Plan.

A workplan for the period January 1994 through June 1994 was attached to the original Staff Report. Although all the listed work items have a potential for significant effort, MERC believes it can only absorb costs of \$20,000 during the January-June time frame. (See Enclosure 1.) This MERC funding is intended to permit completion of the MERC Business Plan. As all other work items are also in support of MERC related functions, Mr. LaCrosse's letter effectively limits the level of support achievable from the ER Planner and forecasts her termination on March 31, 1994.

As you are aware, the ER Planner has been funded in the past from the General Fund as are other planners within the agency. However, the paucity of General Fund resources suggest that continued planning in support of Metro's ER facilities and functions be funded by MERC who is the direct beneficiary of such planning effort. Discussion during the FY 1993-94 Budget approval process indicated that the Council did not wish to continue to support ER planning as a general governance function.

Accordingly, Ordinance No. 93-524A with appropriate exhibits is forwarded to you to replace similar documents originally submitted with Ordinance No. 93-524. These replacement documents provide for an added 0.25 FTE for the ER Planner at a cost of \$19,139 for the purpose of continuing work on the MERC Business Plan.

Enclosures (2)

cc: Dick Engstrom
Don Carlson
Don Rocks
Jennifer Sims
Pam Erickson



METROPOLITAN EXPOSITION-RECREATION COMMISSION

December 7, 1993

TO: Neil Saling
FROM: Pat LaCrosse *Pat*
SUBJECT: METRO Ordinance No. 93-524 "MERC Business Plan"

DEC 08 1993

We greatly appreciate your cooperation in making Pam Erickson available to us to help put together the Business Plan, and also to work with us on the Expo center transition. She has been invaluable to us and has become an important part of our business plan team.

As part of the conclusion to the Stadium and PCPA business plans, we have had to dramatically cut costs and design a very austere budget for next year. We are also likely to be laying off staff yet this year, and most certainly for next year. We are also cutting back on the MERC and OCC budgets at the same time.

It is in this context that we have struggled with how to pay for Pam's services after January 1st. I have reached consensus with the MERC Commissioners that we can absorb up to \$20,000 for the 6 months from January thru June of 1994.

Your memo states that it is the intention to charge MERC the total cost for Pam's services to an amount of \$40,237 for January to June. We cannot at this time agree to absorb all of this cost for the reasons stated above. At the same time, it is clear that we need and want Pam's help at least for the first couple of months of the year.

At this point, I would expect to give you notice in January or February that we would need to cease Pam's services as of March 31st, so as not to incur any more financial liability than the \$20,000 total that I had previously agreed to. Should the situation change, we would always have the option to change our plans prior to the end of February.

I thought you should be aware of our financial limitations before the ordinance is considered.

cc: Dick Engstrom
Jennifer Sims
Pam Erickson
Sam Brooks

Recycled Paper

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 93-524 AMENDING ORDINANCE NO. 93-487A REVISING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE TO CONTINUE WORK ON THE MERC BUSINESS PLAN; AND DECLARING AN EMERGENCY

Date: October 29, 1993

Presented by: Neil Saling

BACKGROUND AND ANALYSIS

Planning for regional convention, trade, spectator and performing arts facilities has been a function of Metro since the development of the Convention, Trade and Spectator Facilities Masterplan completed in 1986. Subsequent to this Plan, it was agreed among the local governments of the region, that Metro would be the lead agency for convention, trade and spectator facilities. That agreement led to the Consolidation Agreement with the City of Portland and the formation of MERC. The CTS Masterplan also recommended the transfer of Expo to Metro--now anticipated in January 1 of next year. Since the designation of Metro as the lead agency for these regional facilities, planning projects have been housed within Metro itself rather than within MERC. Currently, planning is done by the Regional Facilities Department. However, during the 93-94 budget deliberations, a question was raised as to whether such planning might be more properly done at MERC. This question is presently under consideration in conjunction with the MERC Business Plan development.

Current planning projects underway in the Regional Facilities Department are: completion of the Regional Funding Task Force Report, End of the Oregon Trail and the MERC Business Plan. The status of these projects is as follows:

Regional Funding Task Force--This Task Force was authorized to continue through December to complete its charge. Work is on schedule and a report will be complete in December. There will be some work needed to implement recommendations, but it is not expected to require full-time staff. Most of the recommendations will be carried out by groups outside of Metro until such time as a measure is placed on a future ballot at which time a considerable staff work will be needed.

End of the Oregon Trail--This project is not likely to require significant planning staff work in the next several months. The project will move into a building phase to complete the Preview Center. Questions of long range finance are presently being debated within Clackamas County and no resolution has yet been communicated to Metro despite an earlier request that Metro finance the project via a general obligation bond measure.

MERC Business Plan--Because MERC has no planning staff at the present time, Regional Facilities Staff have been used for the Business Plan. Originally, it was expected that the Plan would be complete in January. However, it is now likely that completion will be delayed until March or April. Staff resources have had to be diverted to work on analysis and

preparation for acquisition of the Expo Center and to do the work to collect sufficient data not previously available. Additionally, a component of the Business Plan for Expo will need to be prepared after the effective date of transfer.

This proposed action would allow planning staff resources to be retained for the remainder of the fiscal year primarily to complete the MERC Business Plan and follow-up work. The attached work plan specifies the staff work required to complete and implement the MERC Business Plan including the incorporation of Expo. It represents the most cost-effective method of accomplishing these tasks by retaining staff with considerable expertise and knowledge of these projects. It also would permit the same staff to handle any follow-up work for the End of the Oregon Trail or the Regional Funding Task Force provided such work is minimal and incidental. Completion of the MERC Business Plan and the tasks to provide immediate follow-up will require virtual full-time work. One of the implementation projects anticipated is the work on Phase II Consolidation with the city of Portland. The Business Plan is crucial to Phase II because the City will need to be assured that an adequate financial plan is in place prior to proceeding with Phase II.

The staff work will require financing for personnel costs only as materials and supplies for the MERC Business Plan will be borne by MERC. The personnel costs for the six month period are estimated at \$40,237. The additional appropriation will be funded with a transfer from the Support Services Fund Contingency, however, at year end the cost for the additional six months of salary and benefits will be direct charged to MERC as part of the final cost allocation plan.

This ordinance recognizes the importance of completing the Business Plan for MERC. The goal of the Business Plan is to achieve financial stability which is crucial to Metro's performance as the lead agency for Convention, Trade, Spectator and Performing Arts Facilities. It is also the critical step to Phase II Consolidation with the City of Portland.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 93-524.

WORKPLAN--JANUARY THROUGH JUNE

Merc Business Plan Tasks

1. Complete the Business Plan

- *Continue staff work as needed to complete plan
- *Develop MERC Management Pool/Overhead portion of plan (analyze costs, propose alternatives, solicit creative ideas to cut costs)
- *Write the report including Executive Summary and news release
- *Design and assemble for publication
- *Print and distribute
- *Design Basic Speech/Business Plan Presentation; plan speaking engagements for MERC Chair and General Manager

2. Business Plan Amendment for Expo

- *Develop and conduct at least one public meeting
- *Hold a MERC work session
- *Write Amendment Section

3. Integrate Business Plan into the Budget Process

- *Develop integration plan
- *Once Business Plan is complete, identify decisions which require budget amendment/adjustment
- *Develop staff report to Metro Council for budget amendments
- *After adoption of the Budget by Metro Council, review for Business Plan implications and prepare report to MERC

4. Business Plan Implementation Projects

- *Capital plan for PCPA and/or Stadium
 - Design campaign/strategy--develop goals
 - Determine fund raising strategies/fund raising mechanisms/ administrative mechanisms

Hire staff/contractor, develop materials

Build potential donor list

Develop strategies for approaching donors

Do follow-up

***Phase II Consolidation--City of Portland**

***Review documents and determine optimum terms and conditions**

***Work with legal staff to draft documents**

***Prepare and/or assemble supporting materials such as 5 year financial plans**

***Identify issues to be resolved and do staff work needed for resolution**

***Participate, as necessary, and track political process**

Other Tasks as Assigned

1. Follow-up or implementation tasks needed pursuant to the Regional Funding Task Force's final report.

2. Planning activities for the End of the Oregon Trail project.

**METRO**

DATE: December 29, 1993
TO: Rena Cusma, Executive Officer
FROM: Paulette Allen, Clerk of the Council
RE: TRANSMITTAL OF ORDINANCE NOS. 93-524A and 93-525

Attached for your consideration are true copies of the ordinances referenced above adopted by the Council on December 23, 1993.

If you wish to veto any of the ordinances referenced above, I must receive a signed and dated written veto message from you no later than 5:00 p.m., Thursday, December 30, 1993. The veto message, if submitted, will become part of the permanent record. If no veto message is received by the time and date stated above, these ordinances will be considered finally adopted.

I, Walter Morley, received this memo and true copies of Ordinance Nos. 93-524A and 93-525 from the Clerk of the Council on Dec 29, 1993.