

A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1542 | FAX 503 797 1793



METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: August 12, 1999
DAY: Thursday
TIME: 2:00 PM
PLACE: Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. EXECUTIVE OFFICER COMMUNICATIONS

4. AUDITOR COMMUNICATIONS
A) Status of Audit Recommendations

5. MPAC COMMUNICATIONS

6. CONSENT AGENDA

6.1 Consideration of Minutes for the July 29, 1999 and August 5, 1999 Metro Council Regular Meetings.

7. RESOLUTIONS

7.1 **Resolution No. 99-2817**, For the Purpose of Re-appointing Steve Sechrist to MCCI in a New Councilor District. Atherton

7.2 **Resolution No. 99-2819**, For the Purpose of Amending the Cooper Mountain Target Area Refinement Plan. Kvistad

7.3 **Resolution No. 99-2824**, For the Purpose of Approving an Intergovernmental Agreement with the City of Troutdale for Management of Properties in the Beaver Creek Canyon Greenway Target Area and Approving an Agricultural Lease to One Property in Such Target Area. Park

8. CONTRACT REVIEW BOARD

8.1 **Resolution No. 99-2822**, For the Purpose of Amending Contract No. 904021 with Parametrix, Inc. for the North Corridor (Interstate Max) Final Environmental Impact Statement (FEIS). Kvistad

8.2 **Resolution No. 99-2828**, For the Purpose of Authorizing an Extension to the Agreement with PacWest for Lobbying Services. McLain

9. EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(1)(e). DELIBERATIONS WITH PERSONS DESIGNATED TO NEGOTIATE REAL PROPERTY TRANSACTIONS.

9.1 **Resolution No. 99-2825**, For the Purpose of Amending the Fanno Creek Greenway Target Area Refinement Plan. Bragdon

10. COUNCILOR COMMUNICATION

ADJOURN

Cable Schedule for August 12, 1999 Metro Council Meeting

	Sunday (8/15)	Monday (8/16)	Tuesday (8/17)	Wednesday (8/18)	Thursday (8/12)	Friday (8/13)	Saturday (8/14)
CHANNEL 11 (Community Access Network) (most of Portland area)		4:00 P.M.					
CHANNEL 21 (TVCA) (Washington Co., Lake Oswego, Wilsonville)							
CHANNEL 30 (TVCA) (NE Washington Co. - people in Wash. Co. who get Portland TCI)							
CHANNEL 30 (CityNet 30) (most of City of Portland)	8:30 P.M.						
CHANNEL 30 (West Linn Cable Access) (West Linn, Rivergrove, Lake Oswego)	9:00 P.M. (8/5 meeting)	12:00 P.M. (8/5 meeting)	7:00 P.M. (8/5 meeting)	12:00 P.M. (8/5 or 8/12 meeting)	6:00 P.M. (8/5 meeting)	7:00 P.M. (8/5 meeting)	7:00 A.M. (8/5 meeting)
CHANNEL 19 (Milwaukie TCI) (Milwaukie)	4:00 P.M. (8/5 meeting)					10:00 P.M. (8/5 meeting)	9:00 A.M. (8/5 meeting)

PLEASE NOTE THAT ALL SHOWING TIMES ARE TENTATIVE BASED ON THE INDIVIDUAL CABLE COMPANIES' SCHEDULES.

PUBLIC HEARINGS: Public Hearings are held on all Ordinances second read and on Resolutions upon request of the public. Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

**COUNCIL WILL BE IN RECESS UNTIL THE WEEK OF
SEPTEMBER 7, 1999**

Agenda Item Number 4.0

STATUS OF AUDIT RECOMMENDATIONS

Auditor Communications

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

Metro

***Status of Audit
Recommendations***

July 1999

A Status Report by the Office of the Auditor



METRO
1999-10421-AUD

Alexis Dow, CPA
Metro Auditor



METRO
OFFICE OF THE AUDITOR

July 7, 1999

To the Metro Council and Executive Officer

The accompanying report provides you with an overview of the recommendations made by the Office of the Auditor since its inception in 1995, together with a description of their status.

I am pleased to report that forty-seven percent of recommendations issued more than six months ago have been fully implemented. Thirty-six percent are partially implemented or are in process of being implemented. Ten percent pertain to future projects or activities and cannot be addressed at this time. The remaining seven percent, those which have seen no action, are of greatest concern. I encourage management to actively pursue full implementation of all recommendations.

The Executive Officer's response to the report is presented in the last section of this report.

My staff and I appreciate the cooperation and assistance provided by Metro departments and MERC in providing information upon which this summary report is based.

Please contact me if you have any questions or desire additional information.

Yours very truly,

A handwritten signature in black ink, appearing to read "Alexis Dow". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Alexis Dow, CPA
Metro Auditor

AD:css

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Response to the Report

Executive Officer Mike Burton

Chapter 1: Introduction

Introduction

Report Objective

This report is intended to provide the Metro Council, Executive Officer and the public with an overview of recommendations made and their status.

Audit recommendations target improving the efficiency and effectiveness of Metro operations, ensuring compliance with Metro's policies and ensuring program goals and objectives are achieved. For audit work to be effective, these recommendations must be implemented. Accordingly, the Metro Auditor formally surveys departments annually to determine the implementation status of recommendations and to encourage their completion. The Metro Auditor reports the results of this follow-up work to the Metro Council, Executive Officer and public as part of our mission:

To assist and advise Metro in achieving:

⇒ honest and efficient management

⇒ full accountability to the public

This is the fourth report on the implementation status of audit recommendations. The previous report was released in July 1998 and included 108 total recommendations, 42 of which had not been fully implemented. This report covers all of those remaining recommendations as well as those from subsequent reports issued through June 1999. Implementation status is as of June 1999.

Background

Since the first Metro Auditor took office in early 1995, we have conducted audit work in all of Metro's departments and the Metropolitan Exhibition-Recreation Commission (MERC). We have issued reports on all of these organizations except the Oregon Zoo, where an audit is under way.

We are pleased to report that the Executive Officer's staff has implemented or is in the process of implementing most of our audit recommendations. Of 172 total audit suggestions:

- 74 have been implemented
- 56 are in the process of implementation
- 15 apply to future projects or activities
- 7 are no longer applicable
- 20 have seen no action to date.

This status report is presented in two sections. Chapter 2 lists recommendations yet to be implemented together with background information from the related audit and details of action being taken to implement the outstanding recommendation. Chapter 3 lists all recommendations issued since the inception of the Metro Auditor's office in 1995 and their status as: fully implemented, clearly in process, cannot be implemented until a future project is undertaken, not done or withdrawn.

A form for use in ordering individual audit reports is provided at the back of this report, as is a comment sheet to provide feedback to the Metro Auditor.

Methods

We asked each Metro organization that had recommendations in process as of our last status report to provide current information on those recommendations. We requested the same information from those who received recommendations in reports issued since then. All were asked to provide a written description of actions taken implementing each recommendation. We also asked them to provide records and other documentation providing evidence that actions had actually been carried out. We then reviewed the information they furnished and continued to make inquiries until we gained a clear understanding of the actions taken.

Our work conformed to generally accepted auditing principles.

**Chapter 2: Summary of Recommendations Requiring
Further Action: Background and Status**

Household Hazardous Waste Program

May 1999

In fiscal 1998, Metro processed about 2.3 million pounds of household hazardous waste at a cost of approximately \$2.8 million; annual revenue was \$108,000.

Paint is a major component of the household hazardous waste that Metro collects. Currently, Metro recycles useable latex paint, then makes it available to governments and non-profit organizations at no cost. In early fiscal 2000, Metro expects to complete construction of a new latex paint facility. Using this facility, Metro plans to recycle and sell more than 86,000 gallons of paint a year to governments and non-profits for \$2 per gallon and to the general public for \$3 per gallon.

We recommend that Metro price this paint at market as a means of recovering more household hazardous waste program costs and that Metro aggressively market its recycled latex paint products to other governments.



Remaining Recommendations (of 2 total):

1. Price recycled paint at market. As a minimum, charge all customers about \$1 more to gallon to absorb the cost of depreciating the latex paint facility.
2. Aggressively market recycled latex paint to other governments.

Not done: We issued this report less than two months ago. The Executive Officer concurred with our recommendations. His proposed actions require additional time to effect implementation.

Purchasing Benchmarks and Opportunities

May 1999

We reviewed how Metro's purchasing functions compare or "benchmark" against the purchasing functions of more than 100 private and public organizations. We identified top performers and looked at the activities that contributed to their standing.

Overall, Metro's purchasing functions compare unfavorably to average and best-of-class organizations benchmarked. However, Metro's high rate of purchasing card use is exemplary. In our report, we identify several areas for improvement and made specific recommendations for improving Metro's purchasing processes.

These include updating purchasing requirement thresholds, streamlining purchase processing, increasing computer systems use for purchase processing, increasing centralization of some purchasing activities, instituting a vendor performance measurement system, and establishing internal teams to study purchasing activities to improve cost effectiveness.



Remaining Recommendations (of 6 total):

1. Revise the Metro Code to increase contracting requirement thresholds and the significant impact standard.
2. Explore ways to simplify and streamline processes associated with purchasing card use.
3. Evaluate potential for purchasing efficiencies through expanded use of existing PeopleSoft system capabilities and through use of upgrades that can be cost justified.
4. Determine if there are ways to benefit from increased centralization of purchasing processes.
5. Institute formalized vendor performance standards and include reference to monitoring and performance measures in master contracts.
6. Establish internal teams to identify opportunities to streamline purchasing practices.

Not done: We issued this report less than two months ago. The Executive Officer concurred with our recommendations. His proposed actions require additional time to effect implementation.

Financial Statement Audit - Management Recommendations

March 1999

As part of their audit of Metro's financial statements, Deloitte & Touche LLP studied Metro's internal controls in order to determine appropriate auditing procedures and not to provide assurance on Metro's internal controls. While noting no matters considered to be a material weakness, they did note other matters that they reported with recommendations for improvements.

The specific recommendations include:

- Increase use of on-line purchase orders
- Consult Metro's Accounting Services and Financial Planning Division prior to combining budgetary funds or changing their purpose.
- Use accounts receivable aging analysis and provide an allowance for doubtful accounts for those receivables that are potentially uncollectable.
- Perform a complete physical inventory of fixed assets biannually
- Track retainage on all construction contracts throughout the year.



Remaining Recommendations (of 6 total):

1. Consult with Accounting Services when changes are proposed in Metro's accounting and financial reporting.
2. Prepare an aging analysis of all accounts receivable and maintain an allowance for doubtful accounts receivable.
3. Give Accounting Services the authority to record the allowance for doubtful accounts for financial reporting purposes.
4. Perform a complete inventory of all fixed assets at least biannually and tag all assets with identification numbers.

Most are in progress: The first three recommendations should be implemented by fall 1999. Additionally, the inventory of fixed assets is done for Metro Regional Center, but the inventory of fixed assets at other Metro locations will be delayed until June 2000.

InfoLink Project Review

December 1998

Pacific Consulting Group, Inc. was commissioned by the Metro Auditor to evaluate three aspects of the InfoLink project—the replacement of Metro’s 10-year-old mainframe-based computer system that ran on obsolete software and was not expected to process data correctly after December 31, 1999. This report addresses three areas of review—project planning and management, the procurement process and project implementation.

Although Metro staff have done an exceptional job to date, much work remains to be done:

- Only five of eleven planned PeopleSoft applications are installed. The others are significantly behind schedule.
- Delays in training many end users limits the ability of these employees to obtain information from InfoLink that would help them to do their jobs. This lack of training contributed to low satisfaction ratings in recent focus groups.
- Processes need to be reengineered to eliminate duplicate data entry and records.
- PeopleSoft upgrades each application approximately once a year. These upgrades require an adequate number of staff with appropriate skills.

Specific recommendations developed by the consultants are listed below.



Remaining Recommendations (of 28 total):

1. Identify critical staff resources in both IMS and user departments to assist on the various tasks. Dedicate resources full time to specific tasks where possible and hire temporary staff to fill positions usually filled by staff members assigned to the InfoLink project team.
2. Implement new reports for user departments in the first quarter of 1999.
3. Conduct comprehensive training for user departments in new reports and on-line entry of requisitions (including budget checking). Complete in the first quarter of 1999.
4. Develop a formal work plan for the implementation of the PeopleSoft 6.0 upgrade for the General Ledger, Purchasing and Accounts Payable modules.
5. Upgrade the three financial modules to PeopleSoft Version 6.0.

6. Implement the Accounts Receivable and Billing modules following the upgrade to PeopleSoft Version 6.0.
7. Reevaluate the requirements for the four other PeopleSoft modules (i.e., Budget, Project Costing, etc.) to determine if there is a current need for the applications and if they substantially meet Metro's requirements.
8. Implement upgrades to the PeopleSoft Human Resource and Payroll modules once the new releases are stabilized (usually 6 to 9 months after release).
9. Proceed with a phased implementation in 2000 if there is a need for any of the Budget, Project Costing, Time and Labor, or Asset Management PeopleSoft modules.
10. Negotiate with PeopleSoft for a credit for licensed, but unused software modules. A portion of the license fee may be converted to implementation assistance, including use of PeopleSoft experienced consultants for specific deliverables associated with module implementation.
11. Clearly define, document and communicate project team member roles to both the project team and user departments.
12. Develop a detailed work plan for the implementation of the Accounts Receivable and Billing modules coordinated with the PeopleSoft Version 6.0 financial module upgrade.
13. Conduct a staffing review of both the Accounting and Information Management Systems divisions in light of the implementation of the PeopleSoft system.
14. Assess the staffing requirements to support the PeopleSoft applications within IMS to determine if Metro could support the applications in the future.
15. Include funds to support future upgrades to the PeopleSoft modules in both the annual budget and the long-range IT plan.
16. Implement a policy to provide employees an incentive to stay after receiving specialized training.
17. Improve the Administrative Services Department customer service to the user departments of InfoLink by improving data entry error and problem resolution.
18. Prepare user manuals covering the workflow process required with the InfoLink system. Manuals should have a common "look and feel."
19. Develop operating procedures in IMS to document software modifications and vendor supplied software corrections.

20. Follow these nine recommendations on future IT projects:

- Develop and maintain detailed project plans, including resource assignments, for all major IT projects including InfoLink.
- Include the cost of internal Metro staff in cost estimates to more accurately portray the "total cost of ownership" of IT projects.
- Adopt a formal system development and implementation methodology, with specified project deliverables, for all major IT projects.
- Prepare written reports summarizing the software evaluation and selection phase for review and approval by the IT Steering Committee and senior management.
- Prepare a feasibility study, including detailed cost-benefit analyses, for all major proposed changes in the IT infrastructure of Metro, such as the implementation of new computing architectures or software projects.
- Conduct formal certification tests prior to software license payments. Make final software license payments after final acceptance of the system by Metro.
- Require consulting contracts for software implementation services to be deliverable-based.
- Review all major IT projects at least annually to determine if they continue to meet Metro's overall objectives.
- Review projected benefits of IT projects on an ongoing basis to evaluate the overall need to continue the project or make necessary modifications.

Most are in progress: The Information Management Services division recently hired three new employees to help run the InfoLink system and to address these recommendations. The Auditor's office plans to conduct a detailed review of the status of information system recommendations in late 1999. This timing recognizes the sequential, rather than concurrent, nature of many of the recommendations and allows management sufficient time to realize progress.

Internal Controls Review of PeopleSoft Purchasing and Human Resources Applications

December 1998

Pacific Consulting Group, Inc. was commissioned by the Metro Auditor to review the internal controls over the PeopleSoft Purchasing and Human Resources applications, as well as general controls over the InfoLink system. The review focused on:

- Manual and automated controls restricting access to data on client workstations (for desktops) and the servers.
- Manual and automated controls related to changes in the PeopleSoft application program code.
- Manual and automated controls related to protecting system software, data and network security.
- Application processing controls and segregation of duties within each of the two PeopleSoft applications.

The consultants recommended a number of changes in internal controls.



Remaining Recommendations (of 15 total):

1. Implement separate computing environments for production, test, and development for use with the PeopleSoft modules.
2. Evaluate the purchase of commercial "librarian" software to manage the movement of programs from development, test and production.
3. Reduce the number of staff with "superuser" access to the PeopleSoft modules to the administrators for Hewlett-Packard and LAN security, the database, and the PeopleSoft system.
4. Develop and implement written policies and procedures for system access.
5. Update user identification and password codes in conjunction with the implementation of the PeopleSoft 6.0 upgrade.
6. Reduce the number of security classes for the financial and human resource applications in conjunction with the PeopleSoft 6.0 upgrade.
7. Define organizational responsibilities for use of PeopleSoft applications and train users in the various roles and responsibilities associated with the system.

8. Develop written procedures for reviewing and verifying system reports, correcting errors, and operating the PeopleSoft applications.
9. Develop formal procedures to ensure that employee network and application access is revoked before or at employee separation.
10. Review access rights to the Purchasing application to ensure that the rights granted to individuals remain appropriate.
11. Develop procedures for authorizing and documenting access to PeopleSoft applications.
12. Require employees to create more complex passwords for access to PeopleSoft applications.
13. Develop formal policies and procedures for UNIX root password access.

Most are in progress: The Information Management Services division recently hired three new employees to help run the InfoLink system and to address these recommendations. The Auditor's office plans to conduct a detailed review of the status of information system recommendations in late 1999. This timing recognizes the sequential, rather than concurrent, nature of many of the recommendations and allows management sufficient time to realize progress.

Survey of Controls Over Cash Receipts at Remote Locations

October 1998

Metro collected about \$28 million at various sites outside of its Accounting Division in fiscal 1997. We identified 14 sites at which these outside collections are made. A few of these sites are located in the Metro Regional Center building, but most of the sites are remote. Cash is collected at more than one location on each site – we estimate a total of 85 to 100 such locations.

An adequate system of internal controls over cash is necessary to reasonably assure that all cash received is safeguarded from loss or theft, is accurately recorded in the accounting system, and is deposited in the bank in a timely manner. We reviewed and documented Metro departments' internal controls, but no detailed testing of the controls to determine their adequacy or if they were properly and consistently implemented. We also reviewed the policies and procedures of the Accounting Division regarding their handling of cash collected at remote locations.

During the course of this survey, we noted some actions that we believe Metro managers should consider to improve cash handling procedures.



Remaining Recommendations (of 9 total):

1. Provide written guidelines to department managers to use in preparing or updating cash handling policies and procedures.
2. Ensure that department managers provide each cash-handling area in their department with current detailed written cash handling policies and procedures which conform to the guidelines issued by the Accounting Division.
3. Ensure that managers at each cash handling area evaluate whether safe combinations, security alarm codes and keys to locked cabinets or areas that contain cash should be changed when employees with access leave Metro or transfer to another job.
4. Review the physical security of cash at locations that do not have safes or other secure areas to store cash and provide increased security, if needed.
5. Review the volume of cash transactions at cash handling areas to determine if cash registers should be used to provide better recording control of cash received.

6. Place signs at cash registers advising the public that staff are required to give customers a receipt
7. Ensure that all revenue contract payments, such as rents and lease payments that are received in regular, predetermined amounts are set up as receivables with payments monitored by and coming directly to the Accounting Division.
8. Follow established procedures for sending invoices to customers, including having the Accounting Division perform this function.

Most are in progress: Six of these recommendations are in progress and in some departments they are implemented. Two recommendations – those relating to preparing or updating written cash-handling policies and procedures and ensuring that cash-handling areas have them – have not been implemented. The Administrative Services Department reported that they lack the time and resources to develop such guidelines at this time. We believe these remaining recommendations are not burdensome and should be actively pursued.

Review of General Information System Controls

September 1998

As part of the audit of Metro's general purpose financial statements for the year ended June 30, 1998, Metro's contract auditor, Deloitte & Touche, reviewed the Administrative Services Department's general information system internal controls over certain administrative functions. Their review resulted in several recommendations for improvement over:

- Staffing
- Information systems security policies and procedures
- Disaster planning for Metro's computer system
- Computer help desk system



Remaining Recommendations (of 8 total):

1. Provide adequate resources to satisfy user demands while minimizing internal control risks.
2. Develop information systems security policy and procedure document to be distributed to and acknowledged by all computer users.
3. Develop and document a comprehensive disaster recovery plan.
4. Review existing service level agreements (hardware and software) for length of coverage and replacement terms.
5. Consider purchasing automated help desk tracking software. In the interim, routinely review the help desk generated reports and perform problem analysis. Publish monthly statistics listing common user/branch problems and solutions.
6. Establish help desk procedures to allocate and prioritize help desk calls, cross train others within the IMS group, and thoroughly document procedures.

Most are in progress: The Information Management Services division recently hired three new employees to help run the InfoLink system and to address these recommendations. The Auditor's office plans to conduct a detailed review of the status of information system recommendations in late 1999. This timing allows management sufficient time to realize progress.

Expo Center Expansion: Construction Cost Management

March 1998

The Expo Center is managed by MERC. Four buildings provide the Expo Center with approximately 330,000 square feet of exhibit space. The fourth and most recent building was constructed to fill a need for additional, higher-quality exhibit space. It has a large lobby, meeting rooms and 108,000 square feet of column-free space. The total budget for the expansion was \$13.5 million.

We evaluated the effectiveness of measures taken by MERC staff to control the costs of building the new Expo Center hall. Most of our work focused on construction contract management because construction costs accounted for more than 85 percent of project costs. The construction contract was cost-plus, with a guaranteed maximum price.

Although overall construction cost management practices were satisfactory, we found some areas requiring improvement. Specifically, MERC staff could improve procedures for documenting construction decisions and for ensuring that prices for indirect construction services are competitive. We also noted the general contractor did not always provide adequate support for expenditures and recommend obtaining better documentation before reimbursement. Lastly, MERC should establish guidelines to help staff decide which costs to charge to construction projects, and re-evaluate policies regarding sealed bidding and contract retainages.



Remaining Recommendations (of 7 total):

When managing future construction projects using the CM/GC contracting approach, MERC should:

1. Document approval of all changes and decisions resulting in subcontract amendments.
2. Compare prices and rates charged for general services to those available from others and document results of comparisons.
3. Obtain adequate support for expenditures before reimbursing the general contractor.
4. Thoroughly review indirect services to ensure they are necessary and prudent.
5. Consider raising the threshold for sealed bidding, then ensure the required sealed bidding procedure is followed.

6. Retain funds in accordance with contract; consider reducing the contract retention requirement if it is too aggressive.
7. Develop criteria for staff to use to decide which costs to record for projects.

Not done: MERC advised us that none of the first six recommendations could be implemented because it has had no CM/GC construction projects since the Expo Center project. MERC plans to implement them on future CM/GC contracts. MERC indicated it will implement the seventh recommendations, but has not done so yet.

Urban Growth Boundary Planning Processes and Decisions Can Be More Credible

September 1997

One of the tools Metro uses to manage growth is the urban growth boundary (UGB), a line around the metropolitan region that separates urban development from rural areas. We reviewed Metro's UGB planning process and found that Metro has accomplished much over the past five years to establish an urban growth planning concept and manage the UGB. However, it needs to take more steps to ensure local credibility of its planning process. We found that Metro could improve in three main areas:

- More fully recognizing uncertainty in projections
- Discussing and presenting the different potential outcomes in detailed form
- Developing ways to bring about a stronger degree of stakeholder consensus.

We made five recommendations to achieve these objectives.



Remaining Recommendations (of 5 total):

1. Establish independent peer review groups to verify evidence and analytical procedures that support the growth planning process and related performance measures. Publish peer review results to stakeholders and the general public.
2. Clearly and fully discuss range of accepted uncertainty in the evidence or in projections based on the evidence. Disseminate related analyses, conclusions and recommendations to stakeholders and the public.
3. Discuss projections, forecasts and assumptions that contain a range of possible outcomes in terms of potential outcomes for UGB decisions and disseminate the record of these discussions.
4. Use results of peer review, analyses and feedback to facilitate consensus on individual variables and the need, if any, for a change in the UGB and for consideration of Functional Plan performance measures.
5. Identify all potential UGB stakeholders and work to keep them fully informed about data produced and outcomes associated with planning activities.

In progress: The Growth Management Services Department is making substantial progress on all recommendations. For example, during the past year, the department assembled a peer review panel comprised of planning experts to analyze and comment on important UGB-related documents. Twice during the year the peer review panel evaluated such documents such as the Urban Growth Report and Land Productivity Analysis report. Additionally, the department made specific efforts to disclose some of the inherent uncertainties in UGB planning processes and forecasted outcomes.

To complete action on our recommendations, we suggest Metro:

- Institutionalize the peer review process and regularly convene the peer review panel to review processes and assumptions in UGB-related records, such as the Urban Growth Report and Performance Measurements documents. An institutionalized peer review mechanism is a widely accepted method of enhancing the integrity of planning processes.
- Institutionalize processes used to analyze, discuss and disclose uncertainties in forecasts. This is important because wide ranges of outcomes are inherent in 20-year forecasts of UGB capacity. The department has disclosed a range of potential outcomes on some planning variables. For example, planners included some sensitivity analyses on planning variables that highlight ranges of forecasted UGB size. Metro can enhance this effort by analyzing uncertainties raised by the peer reviewers and disseminating this information to stakeholders and the public. Metro's website could be used to communicate this information.
- Continuously identify stakeholders and work with them to ensure their meaningful participation in planning processes. The department made notable strides in this area. For example, it has established a mailing list of 65,000 households; worked closely with property owners, local governments and interest groups; and worked with the Metro Committee for Citizen Involvement to enhance its outreach.

Waste Reduction Grant Programs

August 1997

For the past several years, Metro's Regional Environmental Management Department (REM) has granted more than \$1 million annually for waste reduction programs. We reviewed the 3 largest programs and found each program somewhat successful but needing some improvements. Programs reviewed are:

- Recycling Business Development Program
- Thrift Recycling Credit Program
- Annual Waste Reduction Grants



Remaining Recommendations (of 7 total):

1. Develop and document clear procedures for administering the Recycling Business Development Grant Program.
2. Evaluate the Recycling Business Development Grant Program's effectiveness by assessing accomplishments of first two grants.
3. Perform detailed audits of the thrifts including materials disposed in the receiving and sorting process, materials found in drop boxes prior to dumping, and materials dumped at the transfer stations, as well as scrutiny of office recycling practices.
4. Consider revising Metro Code for thrift credit allocations to provide greater incentives to increase recycling rates
5. Request Metro Council review of the Annual Waste Reduction Program to decide whether its funding should be through grants requiring specific performance measures or continued as a modified form of revenue sharing.

Most are in progress: Complete implementation of four of the recommendations is now expected in early fiscal year 2000. The evaluation of Business Development grants will be addressed later as part of the development of criteria and procedures for the newly expanded Recycling Business Assistance program.

Oregon Convention Center Purchasing Practices

March 1997

We reviewed Oregon Convention Center purchasing practices to evaluate the effectiveness of management controls, determine whether policies and procedures ensure supplies and services are obtained at competitive prices and identify opportunities to streamline Convention Center purchasing processes.

We found that:

- MERC's purchasing policies and procedures need updating
- Internal controls should be strengthened to ensure materials and services are obtained at competitive prices and MERC policies are followed
- The Convention Center may be able to save money through buying in larger volumes
- Purchasing and payment approval processes can be simplified.

A number of recommendations were made to address the report's findings.



Remaining Recommendations (of 15 total):

1. Identify strategies to obtain equipment, supplies and services at the lowest cost, consistent with objective of fostering opportunities for Target Area, MBE and WBE vendors.
2. Streamline MERC purchasing and invoice review procedures and practices.
3. Identify opportunities to purchase more services and supplies on a MERC-wide basis. Explore the feasibility and benefits of negotiating price agreements and contracts jointly with Metro and other government agencies.
4. Take advantage of opportunities to process transactions electronically when Metro installs a new management information system later in 1997.
5. Instruct vendors to send invoices directly to Metro's Accounts Payable section.

Most are in progress: The MERC Commission approved a revised MERC Purchasing Policy in July 1997, and staff distributed a new purchasing and contracting manual in June 1998. Purchasing cards are now being used on small dollar purchases to increase efficiency and reduce paperwork. A Purchasing Analyst has been hired to monitor

compliance with purchasing policies and identify opportunities to acquire services at lower cost through volume buying. Remaining recommendations will be addressed later in 1999 after Metro has successfully upgraded the PeopleSoft purchasing and accounts payable applications.

Investment Management Program

August 1996

Metro's cash investments increased dramatically with the passage of the open spaces, parks and stream bond measure and they are expected to remain at the current level until the acquisition process nears completion, currently projected for 2001.

We found management of the portfolio conforms with policy guidelines. There is a diligent effort to maximize yield while maintaining safety and liquidity of funds; fund performance usually exceeds return standards. Control practices in place appear adequate to safeguard funds.

As Metro continues to grow, the investment program will evolve. We made eight recommendations for future changes to the program.



Remaining Recommendations (of 8 total):

1. Independently verify yield calculations regularly.

Not done: The Administrative Services Department reports that it lacks resources to carry out this recommendation. As an alternative, we believe management should adopt procedures designed to mitigate the risk associated with failing to take the recommended action.

Metro's Open Spaces Program

June 1996

This limited review focused on whether adequate controls have been established to ensure Metro will achieve the goals of the open spaces, parks and stream bond measure passed in May 1995. Ballot measure goals were to:

- Purchase 5,982 acres in 14 regionally significant natural areas.
- Acquire land to complete five regional trails.
- Provide funds to finance approximately 90 land acquisition and capital improvement projects sponsored by local governments.

The review found adequate controls have been established to provide reasonable assurance the program will achieve its goals. We developed nine recommendations to enhance the likelihood the program's goals will be met.



Remaining Recommendations (of 9 total):

1. Periodically evaluate program goals and progress, and provide the results to the Metro Council.

In progress: Staff provided an overview of the program's status at the May 20, 1999 Metro Council meeting. However, this overview lacked the level of detail recommended. The Council requested staff prepare, by the end of 1999, an estimate of when land acquisition efforts will wind down and present ideas addressing land-banked properties and how the program might be continued.

Review of Metro's Solid Waste Enforcement Unit

February 1996

Metro's enforcement unit was established to stop the loss of as much as \$2 million a year from the solid waste revenue stream. Although its main purpose is recovering Metro fees and charges on solid waste, the Unit also is responsible for cleaning up illegal dumpsites. Unit actions have recovered user fees, fines and other revenue for Metro, and over 1200 illegal dumpsites have been cleaned up.

Additional measures of the Unit's effectiveness are needed. This process needs to begin with clear statements of the Unit's objectives and role in Metro's overall solid waste management effort. Flow control enforcement objectives should also directly address the risk of revenue loss and allow measurement of the Unit's progress.

In addition to the general need for integration of the Unit's activities into solid waste management, two specific problems need attention. The first problem is the definition of "beneficial material" and its exclusion from Metro fees. The second problem is the continued misidentification of Metro-area solid waste at several landfills.



Remaining Recommendations (of 7 total):

1. Develop a clearer definition of "beneficial material" and address misidentification of Metro waste at area landfills.

In progress: The Regional Environmental Management Department adopted this recommendation and included it in Chapter 5.01 of the Metro Code. The Department expects to add it to the revision of Chapter 5.05 of the Code in the fall of 1999.

Chapter 3: Status Summary of All Recommendations

Status of Recommendations

The following list includes a summary of all recommendations from reports issued since the office was established in 1995 in reverse chronological order.

Most audit suggestions have either been implemented or their implementation is under way. A "✓" indicates the recommendation was implemented. The notation "In progress" indicates the relevant organization has begun implementing or has partially implemented the suggestion.

For further information on audits with outstanding recommendations, refer to Chapter 2, where those reports are summarized and more detail is provided on remaining recommendations and steps taken toward implementation.



Household Hazardous Waste Program – May 1999

- | | |
|---|----------|
| 1. Price recycled paint at market. As a minimum, charge all customers about \$1 more to gallon to absorb the cost of depreciating the latex paint facility. | Not done |
| 2. Aggressively market recycled latex paint to other governments. | Not done |

Purchasing Benchmarks and Opportunities – May 1999

- | | |
|---|----------|
| 1. Revise the Metro Code to increase contracting requirement thresholds and the significant impact standard. | Not done |
| 2. Explore ways to simplify and streamline processes associated with purchasing card use. | Not done |
| 3. Evaluate potential for purchasing efficiencies through expanded use of existing PeopleSoft system capabilities and through use of upgrades that can be cost justified. | Not done |
| 4. Determine if there are ways to benefit from increased centralization of purchasing processes. | Not done |
| 5. Institute formalized vendor performance standards and include reference to monitoring and performance measures in master contracts. | Not done |
| 6. Establish internal teams to identify opportunities to make purchasing practices more streamlined. | Not done |

**Financial Statement Audit – Management
Recommendations – March 1999**

- | | |
|---|-------------|
| 1. Mandate use of on-line purchase orders. | ✓ |
| 2. Consult with Accounting Services when changes are proposed in Metro's accounting and financial reporting. | In progress |
| 3. Prepare an aging analysis of all accounts receivable and maintain an allowance for doubtful accounts receivable. | In progress |
| 4. Give Accounting Services the authority to record the allowance for bad debts for financial reporting purposes. | In progress |
| 4. Perform a complete inventory of all fixed assets at least biannually and tag all assets with identification numbers. | In progress |
| 5. Track retainage on all construction contracts during the year. | ✓ |

InfoLink Project Review – December 1998

- | | |
|---|-------------|
| 1. Identify critical staff resources in both IMS and user departments to assist on the various tasks. Dedicate resources full time to specific tasks where possible and hire temporary staff to fill positions usually filled by staff members assigned to the InfoLink project team. | Not done |
| 2. Implement new reports for user departments in the first quarter of 1999. | In progress |
| 3. Conduct comprehensive training for user departments in new reports and on-line entry of requisitions (including budget checking). Complete in the first quarter of 1999. | In progress |
| 4. Develop a formal work plan for the implementation of the PeopleSoft 6.0 upgrade for the General Ledger, Purchasing and Accounts Payable modules. | In progress |
| 5. Upgrade the three financial modules to PeopleSoft Version 6.0. | In progress |
| 6. Implement the Accounts Receivable and Billing modules following the upgrade to PeopleSoft Version 6.0. | In progress |
| 7. Reevaluate the requirements for the four other PeopleSoft modules (i.e., Budget, Project Costing, etc.) to determine if there is a current need for the applications and if they substantially meet Metro's requirements. | Not done |

InfoLink Project Review (continued)

- | | |
|--|-------------|
| 8. Implement upgrades to the PeopleSoft Human Resource and Payroll modules once the new releases are stabilized (usually 6 to 9 months after release). | Not done |
| 9. Proceed with a phased implementation in 2000 if there is a need for any of the Budget, Project Costing, Time and Labor, or Asset Management PeopleSoft modules. | Not done |
| 10. Negotiate with PeopleSoft for a credit for licensed, but unused software modules. A portion of the license fee may be converted to implementation assistance, including use of PeopleSoft experienced consultants for specific deliverables associated with module implementation. | In progress |
| 11. Clearly define, document and communicate project team member roles to both the project team and user departments. | In progress |
| 12. Develop a detailed work plan for the implementation of the Accounts Receivable and Billing modules coordinated with the PeopleSoft Version 6.0 financial module upgrade. | In progress |
| 13. Conduct a staffing review of both the Accounting and Information Management Systems divisions in light of the implementation of the PeopleSoft system. | Not done |
| 14. Assess the staffing requirements to support the PeopleSoft applications within IMS to determine if Metro could support the applications in the future. | Not done |
| 15. Include funds to support future upgrades to the PeopleSoft modules in both the annual budget and the long-range IT plan. | ✓ |
| 16. Implement a policy to provide employees an incentive to stay after receiving specialized training. | In progress |
| 17. Improve the Administrative Services Department customer service to the user departments of InfoLink by improving data entry error and problem resolution. | In progress |
| 18. Prepare user manuals covering the workflow process required with the InfoLink system. Manuals should have a common "look and feel." | In progress |
| 19. Develop operating procedures in IMS to document software modifications and vendor supplied software corrections. | In progress |

InfoLink Project Review (continued)

20. Follow these nine recommendations on future IT projects:

- Develop and maintain detailed project plans, including resource assignments, for all major IT projects including InfoLink.
- Include internal Metro staff in cost estimates to more accurately portray "total cost of ownership" of IT projects.
- Adopt a formal system development and implementation methodology, with specified project deliverables, for all major IT projects.
- Prepare written reports summarizing the software evaluation and selection phase for review and approval by the IT Steering Committee and senior management.
- Prepare a feasibility study, including detailed cost-benefit analyses, for all major proposed changes in the IT infrastructure of Metro, such as the implementation of new computing architectures or software projects.
- Conduct formal certification tests prior to software license payments. Make final software license payments after final acceptance of the system by Metro.
- Require consulting contracts for software implementation services to be deliverable-based.
- Review all major IT projects at least annually to determine if they continue to meet Metro's overall objectives.
- Review projected benefits of IT projects on an ongoing basis to evaluate the overall need to continue the project or make necessary modifications.

These nine recommendations cannot be implemented until ASD undertakes another IT project.

**Internal Controls Review of PeopleSoft
Purchasing and Human Resources Applications –
December 1998**

1. Limit access to production computer programs of the PeopleSoft modules to the UNIX and local-area-network (LAN) security administrators.

✓

Internal Controls Review of PeopleSoft Purchasing and Human Resources Applications (continued)

- | | |
|--|-------------|
| 2. Implement separate computing environments for production, test, and development for use with the PeopleSoft modules. | In progress |
| 3. Develop and implement formal policies and procedures for managing program changes. | ✓ |
| 4. Evaluate the purchase of commercial "librarian" software to manage the movement of programs from development, test and production. | In progress |
| 5. Reduce the number of staff with "superuser" access to the PeopleSoft modules to the administrators for Hewlett-Packard and LAN security, the database, and the PeopleSoft system. | In progress |
| 6. Develop and implement written policies and procedures for system access. | In progress |
| 7. Update user identification and password codes in conjunction with the implementation of the PeopleSoft 6.0 upgrade. | In progress |
| 8. Reduce the number of security classes for the financial and human resource applications in conjunction with the PeopleSoft 6.0 upgrade. | In progress |
| 9. Define organizational responsibilities for use of PeopleSoft applications and train users in the various roles and responsibilities associated with the system. | In progress |
| 10. Develop written procedures for reviewing and verifying system reports, correcting errors, and operating the PeopleSoft applications. | In progress |
| 11. Develop formal procedures to ensure that employee network and application access is revoked before or at employee separation. | In progress |
| 12. Review access rights to the Purchasing application to ensure that the rights granted to individuals remain appropriate. | In progress |
| 13. Develop procedures for authorizing and documenting access to PeopleSoft applications. | In progress |
| 14. Require employees to create more complex passwords for access to PeopleSoft applications. | In progress |
| 15. Develop formal policies and procedures for UNIX root password access. | In progress |

Survey of Controls Over Cash Receipts at Remote Locations – October 1998

- | | |
|---|-------------|
| 1. Provide written guidelines to department managers to use in preparing or updating cash handling policies and procedures. | Not done |
| 2. Ensure that department managers provide each cash-handling area in their department with current detailed written cash handling policies and procedures which conform to the guidelines issued by the Accounting Division. | Not done |
| 3. Ensure that managers at each cash handling area evaluate whether safe combinations, security alarm codes and keys to locked cabinets or areas that contain cash should be changed when employees with access leave Metro or transfer to another job. | In progress |
| 4. Review the physical security of cash at locations that do not have safes or other secure areas to store cash and provide increased security, if needed. | In progress |
| 5. Review the volume of cash transactions at cash handling areas to determine if cash registers should be used to provide better recording control of cash received. | In progress |
| 6. Place signs at cash registers advising the public that staff are required to give customers a receipt | In progress |
| 7. Ensure that all revenue contract payments, such as rents and lease payments that are received in regular, predetermined amounts are set up as receivables with payments monitored by and coming directly to the Accounting Division. | In progress |
| 8. Follow established procedures for sending invoices to customers, including having the Accounting Division to perform this function. | In progress |
| 9. Develop and apply procedures to reasonably assure that Metro is receiving the correct amount of cash from contractors who handle large amounts of cash receipts generated at Metro facilities. | ✓ |

Review of General Information System Controls – September 1998

- | | |
|--|-------------|
| 1. Provide adequate resources to satisfy user demands while minimizing internal control risks. | In progress |
|--|-------------|

**Review of General Information System Controls
(continued)**

- | | |
|--|-------------|
| 2. Develop information systems security policy and procedure document to be distributed to and acknowledged by all computer users. | In progress |
| 3. Monitor information systems security policies and procedures for compliance. | ✓ |
| 4. Develop and document a comprehensive disaster recovery plan. | In progress |
| 5. Review existing service level agreements (hardware and software) for length of coverage and replacement terms. | Not done |
| 6. Continue to pursue technologies such as duplicate drives, drive mirror capabilities and writing data to secured remote locations. | ✓ |
| 7. Consider purchasing automated help desk tracking software. In the interim, routinely review the help desk generated reports and perform problem analysis. Publish monthly statistics listing common user/branch problems and solutions. | In progress |
| 8. Establish help desk procedures to allocate and prioritize help desk calls, cross train others within the IMS group, and thoroughly document procedures. | In progress |

**Expo Center Expansion: Construction Cost
Management - March 1998**

When managing future construction projects using the CM/GC contracting approach, MERC should:

- | | |
|--|---|
| 1. Document approval of all changes and decisions resulting in subcontract amendments. | <i>The first six recommendations could not be implemented as MERC has not yet entered into any new CM/GC contracts (see page 14).</i> |
| 2. Compare prices and rates charged for general services to those available from others and document results of comparisons. | |
| 3. Obtain adequate support for expenditures before reimbursing the general contractor. | |
| 4. Thoroughly review indirect services to ensure they are necessary and prudent. | |

Expo Center Expansion: Construction Cost Management (continued)

- | | |
|--|--------------------------------|
| 5. Consider raising the threshold for sealed bidding, then ensure the required sealed bidding procedure is followed. | <i>(see preceding comment)</i> |
| 6. Retain funds in accordance with contract; consider reducing the contract retention requirement if it is too aggressive. | |
| 7. Develop criteria for staff to use to decide which costs to record for projects. | Not done |

Urban Growth Boundary Planning Processes and Decisions Can Be More Credible – September 1997

- | | |
|---|-------------|
| 1. Establish independent peer review groups to verify evidence and analytical procedures that support the growth planning process and related performance measures. Publish peer review results to stakeholders and the general public. | In progress |
| 2. Clearly and fully discuss range of accepted uncertainty in the evidence or in projections based on the evidence. Disseminate related analyses, conclusions and recommendations to stakeholders and the public. | In progress |
| 3. Discuss projections, forecasts and assumptions that contain a range of possible outcomes in terms of potential outcomes for UGB decisions and disseminate the record of these discussions. | In progress |
| 4. Use results of peer review, analyses and feedback to facilitate consensus on individual variables and the need, if any, for a change in the UGB and for consideration of Functional Plan performance measures. | In progress |
| 5. Identify all potential UGB stakeholders and work to keep them fully informed about data produced and outcomes associated with planning activities. | In progress |

**RLIS Data: Customer Survey and Implications –
September 1997**

1. Develop a plan to improve accuracy, level of detail and timeliness of RLIS data including operational changes or additional resources needed to improve data, and define what cannot be accomplished and reasons why. ✓
2. Increase efforts to explain limitations of RLIS products to potential customers. ✓
3. Ensure customers know whom to contact to resolve problems and develop a formal system to track problems until resolved. ✓
4. Give clear, detailed explanations of the items invoiced. ✓
5. Meet with the business community DRC customers to discuss their needs for RLIS data and the cost of such data. ✓
6. Consider establishing a subscriber newsletter. ✓
7. Continue to explore the use of value-added resellers. ✓
8. Develop new strategic relationships with Metro's local government partners. ✓
9. Establish high-speed connections between DRC and jurisdictions that create and maintain data. ✓

Waste Reduction Grant Programs – August 1997

1. Develop and document clear procedures for administering the Recycling Business Development Grant Program. In progress
2. Evaluate the Recycling Business Development Grant Program's effectiveness by assessing accomplishments of first two grants. Not done
3. Revise Metro Code to require thrifts to report annual disposal tonnage by May 15th to coincide with reporting year and allow time to calculate credit allocations. Withdrawn
4. Determine proper budget title and classification of the Thrift Recycling Credit Program to achieve full budgetary disclosure. ✓

Waste Reduction Grant Programs (continued)

- | | |
|--|-------------|
| 5. Perform detailed audits of the thrifts including materials disposed in the receiving and sorting process, materials found in drop boxes prior to dumping and materials dumped at the transfer stations. | In progress |
| 6. Consider revising Metro Code for thrift credit allocations to provide greater incentives to increase recycling rates. | In progress |
| 7. Request Metro Council review of the Annual Waste Reduction Program to decide whether its funding should be through grants requiring specific performance measures or continued as a modified form of revenue sharing. | In progress |

**Oregon Convention Center Purchasing Practices -
March 1997**

- | | |
|---|-------------|
| 1. Ensure compliance with MERC purchasing and contracting policies and procedures. | ✓ |
| 2. Ensure MERC purchases comply with Oregon statutes. | ✓ |
| 3. Identify strategies to obtain equipment, supplies and services at the lowest cost, consistent with objective of fostering opportunities for Target Area, MBE and WBE vendors. | In progress |
| 4. Streamline MERC purchasing and invoice review procedures and practices. | In progress |
| 5. Revise MERC purchasing policies and procedures for completeness and consistency with Metro Code. | ✓ |
| 6. Identify opportunities to purchase more services and supplies on a MERC-wide basis. Explore the feasibility and benefits of negotiating price agreements and contracts jointly with Metro and other government agencies. | In progress |
| 7. Develop a program to increase awareness of the equipment, supplies and services available on price agreements negotiated by the State of Oregon and other purchasing groups. | ✓ |
| 8. Take advantage of opportunities to process transactions electronically when Metro installs a new management information system later in 1997. | In progress |

**Oregon Convention Center Purchasing Practices
(continued)**

- | | |
|---|-------------|
| 9. Consider changing purchasing policy to: | ✓ |
| <ul style="list-style-type: none"> • Reduce required number of competitive quotes for certain purchases costing between \$2,500 and \$10,000 • Require purchasers to document attempts to obtain quotes from Target Area vendors when making small purchases of services. | |
| 10. Consider joining Metro's purchasing card program. | ✓ |
| 11. Develop internal control processes for the Oregon Convention Center to ensure: | ✓ |
| <ul style="list-style-type: none"> • Purchases are authorized prior to ordering • Purchases comply with quote requirements • Sole-sourced purchases are documented | |
| 12. Out-of-state purchases comply with statutes.
Identify opportunities to use more open purchase orders. | Withdrawn |
| 13. Allow department managers to authorize small purchases. | ✓ |
| 14. Instruct vendors to send invoices directly to Metro's Accounts Payable section. | In progress |
| 15. Develop proposed changes that would make current purchasing and contracting policy and procedures clearer, more complete and more consistent with referenced Metro Code provisions; then forward these to the MERC commissioners for consideration and approval. | ✓ |

**Comments on Solid Waste Rate Reform Project -
October 1996**

Undertake a study:

- | | |
|--|--|
| 1. Of rate-making practices in the utility industry. | <i>These
recommendations
were withdrawn
because
circumstances
changed.</i> |
| 2. Of rate structures funding solid waste programs in other governments. | |
| 3. To identify a more effective rate structure for Metro. | |
| 4. To develop potential rate structures tailored to Metro's needs. | |
| 5. To request stakeholder input focused on replacing the current rate structure. | |

Franchise Management – August 1996

- 1. Overhaul the Metro Code franchise provisions. ✓
- 2. Ask the Metro Council to clarify the policy restricting relationships between franchised processors and collection and hauling companies. ✓
- 3. Determine whether franchisee ownership changes should be treated as transfers that are subject to Metro Council review and approval. ✓
- 4. Develop an oversight system covering all regulation issues. ✓

Investment Management Program – August 1996

- 1. Clarify responsibilities of staff managing investments. ✓
- 2. Reconcile Metro Code priorities and investment criteria. ✓
- 3. Independently verify yield calculations regularly. Not done
- 4. Finish updating the Metro Code investment policy. ✓
- 5. Evaluate the effectiveness of cash forecasting in meeting Metro's investment objectives. ✓
- 6. Evaluate use of Investment Advisory Board meetings. ✓
- 7. Evaluate the use of investment information sources. ✓
- 8. Consider changing the investment report format. ✓

Grant Management – July 1996

- 1. Speed invoicing and improve cash flow by:
 - a. Changing fund allocations independently of invoicing. ✓
 - b. Investigating downloading expense data to the grant management system sooner. ✓
 - c. Obtaining management approvals concurrent with invoice processing. ✓
 - d. Establishing a goal for mailing invoices and monitoring performance. ✓

Grant Management (continued)

- 2. Ensure all grants are identified for compliance monitoring by:
 - a. Setting criteria to classify contracts and grants. ✓
 - b. Designating staff to make contract vs. grant decisions. ✓
 - c. Documenting the basis of contract vs. grant decisions. ✓
- 3. Ensure grant subrecipients comply with grant regulations by:
 - a. Identifying subrecipients when subcontracts are initiated. ✓
 - b. Improving management of sub-grants. ✓
- 4. Improve procedures for adjusting grant allocations by:
 - a. Establishing written procedures for allocation changes. ✓
 - b. Communicating major allocation changes as appropriate. ✓
- 5. Ensure consistent grant management across departments by:
 - a. Recording key information when initiating a grant agreement. ✓
 - b. Requiring departments to maintain and exchange grant information on a timely basis. ✓
 - c. Establishing a forum of staff with grant management responsibilities. ✓
 - d. Developing specific procedures for revenue-generating contracts. ✓
 - e. Submitting all grant contracts to the Risk and Contract Management Division for review and monitoring. ✓

Metro's Open Spaces Program - June 1996

- 1. Avoid disclosing Metro's offer prices to independent appraisers. ✓
- 2. Periodically evaluate program goals and progress, and provide the results to the Metro Council. In progress
- 3. Ensure accurate identification of properties approved by the Metro Council for acquisition. ✓
- 4. Provide better security for refinement area maps. ✓
- 5. Discourage staff from disclosing appraisal and purchase information before Metro has acquired properties. ✓
- 6. Ensure all due diligence procedures have been completed. ✓
- 7. Clarify "unusual circumstances" for property purchase. ✓
- 8. Document the steps staff should follow to develop acquisition strategies and communicate with Metro real estate negotiators. ✓

Metro's Open Spaces Program (continued)

- 8. Develop a procedure for local governments to change those authorized to request local share payments. ✓

Review of Metro's Solid Waste Enforcement Unit - February 1996

- 1. Determine whether enforcement has prevented loss of solid waste revenue. ✓
- 2. Better integrate enforcement with the Regional Solid Waste Management Plan. ✓
- 3. Establish measurable objectives for enforcement efforts. ✓
- 4. Delegate enforcement authority to facilitate prosecution and make penalties consistent within Metro's boundary. ✓
- 5. Assess whether Metro's cleanup efforts are too concentrated in Multnomah County. ✓
- 6. Coordinate with local jurisdictions to ensure equitable handling of illegal dumping within Metro boundary. ✓
- 7. Develop a clearer definition of "beneficial material" and address misidentification of Metro waste at area landfills. In progress

Administration of Existing Contract for Waste Disposal Services - January 1996

- 1. Request a reduction in the disposal rate to correct a previous rounding error. ✓
- 2. Develop a method to verify billing credits for waste delivered to Columbia Ridge Landfill by others. ✓
- 3. Implement additional security measures to protect computers and waste load data at transfer stations. ✓
- 4. Develop measures to prevent the transport of un-weighed waste into Metro transfer stations. ✓
- 5. Assign responsibility for monitoring Metro's guarantee to deliver 90% of "acceptable" waste to OWS. ✓

**Administration of Existing Contract for
Waste Disposal Services (continued)**

5. Continue closely monitoring waste tonnage hauled in and out of transfer stations. ✓
6. Ensure outbound waste load data are accurate. ✓
7. Require documentation and review of hand-written load data. ✓
8. Annually verify that OWS has met insurance requirements. ✓

Glendoveer Cellular Site Lease - October 1995

1. Ensure revenue is competitive when negotiating future leases. ✓
2. Obtain independent bids when negotiating leases that require payment for services to ensure competitive rates. ✓
3. Evaluate the effects of changes affecting the Glisan Street Recreation contract and enforce the provisions accordingly. ✓
4. Route quotes and invoices for services rendered under the Cellular Site Lease to the Parks Department Director. ✓

**Observations Relating to Loaned Employees and
Metro's Code of Ethics - September 1995**

1. Establish a comprehensive code of ethics for Metro. ✓

**Observations Relating to the Outreach and
Educational Program's Salmon Festival -
September 1995**

1. Ensure employees preparing financial reports have the necessary skills to prepare reliable and meaningful reports. ✓
2. Use available project codes to record revenues and expenses of events like the Salmon Festival. ✓
3. Consider reevaluating the costs and benefits of the Salmon Festival once reliable financial reports are available. ✓

Response to the Report



METRO

July 6, 1999

Alexis Dow, CPA
Metro Auditor
600 NE Grand Avenue
Portland, OR 97232

Dear Alexis:

I appreciate your review of the status of recommendations from the Auditor's Office regarding various Metro/MERC activities.

The recommendations made by the various audits have offered the departments opportunities for improvement of operational and managerial functions. The departments, as noted in your review, are at various stages in implementing the audit recommendations.

I am committed to continue to improve the management practices of this government and I appreciate the role that audits play in helping with that. I look forward to continuing to work with you in implementing your recommendations.

Best regards,

A handwritten signature in black ink, appearing to read "Mike Burton". The signature is written in a cursive, flowing style.

Mike Burton
Executive Officer



Metro Auditor Report Order Form

600 NE Grand Avenue, Portland, OR 97232-2736

I would like to receive the following report(s):

- Household Hazardous Waste Program (May 1999)
- Purchasing Benchmarks and Opportunities (May 1999)
- InfoLink Project Review (December 1998)
- Internal Controls Review (December 1998)
- Survey of Controls Over Cash Receipts at Remote Locations (October 1998)
- Metro's Financial Trends 1993 - 1997 (September 1998)
- Review of General Information Systems Controls (September 1998)
- Expo Center Expansion: Construction Cost Management (March 1998)
- UGB Planning Processes and Decisions Can Be More Credible (September 1997)
- RLIS Data: Customer Survey and Implications (September 1997)
- Oregon Convention Center Purchasing Practices (March 1997)
- Comments on Solid Waste Rate Reform Project (October 1996)
- Franchise Management (August 1996)
- Investment Management Program (August 1996)
- Grant Management (July 1996)
- Metro's Open Spaces Program (June 1996)
- Review of Metro's Solid Waste Enforcement Unit (February 1996)
- Administration of Existing Contract for Waste Disposal Services (January 1996)
- Glendoveer Cellular Site Lease (October 1995)
- Loaned Employees and Metro's Code of Ethics (September 1995)
- Outreach and Educational Program's Salmon Festival (September 1995)

Please send the report(s) to:

Name: _____
Address: _____
City: _____
State: _____ Zip+4: _____

Your report(s) should be mailed to you within two days of your request.
We do not charge for copies of audit reports.

If you have any questions, please contact Metro Auditor Alexis Dow:

Phone: (503) 797-1891

Fax: (503) 797-1831

Email: dowa@metro.dst.or.us



Metro Auditor Report Evaluation Form

**Fax... Write... Call...
Help Us Serve Metro Better**

Our mission at the Office of the Metro Auditor is to assist and advise Metro in achieving honest, efficient management and full accountability to the public. We strive to provide Metro with accurate information, unbiased analysis and objective recommendations on how best to use public resources in support of the region's well-being.

Your feedback helps us do a better job. If you would please take a few minutes to fill out the following information for us, it will help us assess and improve our work.



Name of Audit Report: _____

Please rate the following elements of this report by checking the appropriate box.

	Too Little	Just Right	Too Much
Background Information	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Details	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Length of Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clarity of Writing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential Impact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Suggestions for our report format: _____

Suggestions for future studies: _____

Other comments, ideas, thoughts: _____

Name (optional): _____

Thanks for taking the time to help us.

Fax: 797-1831
Mail: Metro Auditor, 600 NE Grand Avenue, Portland, OR 97232-2736
Call: Alexis Dow, CPA, Metro Auditor, 797-1891
Email: dowa@metro.dst.or.us

Consideration of the July 29, 1999 and August 5, 1999 Metro Council Meeting minutes.

Metro Council Meeting
Thursday, August 12, 1999
Council Chamber

Agenda Item Number 7.1

Resolution No. 99-2817, For the Purpose of Re-appointing Steve Sechrist to MCCI in a New Councilor District.

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RE-APPOINTING STEVE)
SECHRIST TO THE METRO COMMITTEE FOR) RESOLUTION No. 99-2817
CITIZEN INVOLVEMENT (MCCI) IN A NEW) INTRODUCED BY COUNCILOR KVISTAD
COUNCILOR DISTRICT)

WHEREAS, the Metro Council adopted the Regional Urban Growth Goals & Objectives (RUGGO's) on September 26, 1991 by Ordinance 91-418B; and

WHEREAS, Citizen Participation is included in the RUGGO's as Goal 1, Objective 1; and

WHEREAS, Objective 1.1 states that Metro shall establish a Regional Citizen Involvement Coordinating Committee to assist with development, implementation and evaluation of its citizen involvement program; and

WHEREAS, bylaws have been adopted by the Metro Council by Resolution No. 92-1580A (5-14-92); and subsequently revised four times, most recently by Resolution No. 98-2645 (5-14-98) which identify the committee as the Metro Committee for Citizen Involvement (MCCI); and

WHEREAS, the Metro Charter also called for the creation of an Office of Citizen Involvement, and the establishment of a citizens committee therein; and

WHEREAS, the Metro Council created said Office and established MCCI as the citizen committee within that Office, by adopted Ordinance No. 93-0479A; and

WHEREAS, the Metro Council accepted the initial membership of the MCCI by Resolution No. 92-1666 on August 27, 1992 and approved subsequent applicants by Resolution No. 92-1702 (10-20-92); Resolution No. 93-1763A (2-25-93); Resolution No. 93-1859 (10-15-93); Resolution No. 93-1882 (12-23-93); Resolution No. 94-1899 (2-24-94); Resolution No. 94-1945 (4-28-94); Resolution No. 94-2048 (11-10-94); Resolution No. 95-2071A (1-12-95); Resolution No. 95-2080A (1-26-95); Resolution No. 95-2181 (7-27-95); Resolution No. 96-2264 (1-18-96); Resolution No. 96-2363 (7-25-96); Resolution No. 96-2432 (1-23-97); Resolution No. 97-2489 (5-1-97); Resolution No. 97-2520 (7-17-97); Resolution No. 97-2581A (12-11-97); Resolution No. 98-2597 (1-22-98), Resolution No. 98-2616 (3-12-98); Resolution No. 98-2631 (5-14-98); Resolution No. 98-2667 (7-2-98); Resolution 98-2700 (9-17-98); Resolution 2751A (2-4-99); and

WHEREAS, a recruitment and selection process has been initiated, resulting in the nomination of the following citizens to MCCI:

Steve Sechrist	1805 NE 49th, Portland, OR 97xxx	District 6, Position 16
----------------	----------------------------------	-------------------------

BE IT RESOLVED, that the Metro Council re-appoints Steve Sechrist as a member of the Metro Committee for Citizen Involvement (MCCI).

ADOPTED BY THE METRO COUNCIL THIS _____ DAY OF _____, 1999.

Rod Monroe, Presiding Officer

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 99-2817 FOR THE PURPOSE OF RE-APPOINTING STEVE SECHRIST TO THE METRO COMMITTEE FOR CITIZEN INVOLVEMENT (MCCI) IN A NEW COUNCILOR DISTRICT.

JULY 1, 1999

KAREN WITHROW (X1539)

BACKGROUND

Steve Sechrist has been a member of MCCI since July of 1998 while residing in Forest Grove, OR. He has recently moved to NE 49th Avenue in Portland.

Due to the above change we are requesting a re-appointment of Steve to a position in District 6, Position 16. We are fortunate to have had an opening in the District, which Steve moved into. Unfortunately, though, this leaves us with all three positions vacant in District 4 again.

We want to thank Councilor McLain for her recommendation to contact Pacific University for possible interested citizens. It was through this call that we came into contact with Steve as he is in the public affairs office there. We will continue to seek applicants from District 4 and are about to make some new contacts there based on another MCCI member's recommendation.

MCCI thanks you for your consideration and asks that you process this housekeeping measure for passage to the full Council for approval.

Agenda Item Number 7.2

**Resolution No. 99-2819, For the Purpose of Amending the Cooper Mountain Target Area Refinement
Plan.**

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING)
THE COOPER MOUNTAIN TARGET)
AREA REFINEMENT PLAN)

RESOLUTION NO. 99-2819

Introduced by Mike Burton
Executive Officer, and Jon Kvistad
Metro Councilor

WHEREAS, in July 1992, Metro completed the Metropolitan Greenspaces Master Plan which identified a desired system of natural areas interconnected with greenways and trails; and

WHEREAS, at the election held on May 16, 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure (Measure 26-26) which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements pursuant to Metro's Open Spaces Program; and

WHEREAS, the Cooper Mountain target area was designated as a greenspace of regional significance in the Greenspaces Master Plan and identified as a regional target area in the Open Space, Parks and Streams Bond Measure; and

WHEREAS, on February 15, 1996, the Metro Council adopted a refinement plan for the Cooper Mountain target area ("Refinement Plan"). Resolution No. 96-2275, which authorized the purchases of sites in the target area, illustrated in a confidential tax-lot-specific map identifying priority properties for acquisition; and

WHEREAS, a Tier I objective of the Refinement Plan calls for the establishment of a regionally significant natural area with a core component of 700 acres that will support a diversity of plant and animal wildlife; and

WHEREAS, it is in the best interest of the public to incorporate a greater number of properties in the refinement plan in order to meet this goal; now therefore,

BE IT RESOLVED,

That the Metro Council amends the Cooper Mountain target area refinement plan to include the Properties, as identified in Exhibit A.

ADOPTED by Metro Council this _____ day of _____, 1999.

Rod Monroe, Presiding Officer
Approved as to Form:

Daniel B. Cooper, General Counsel

Exhibit A
Resolution No. 99-2819

Properties to be added to the Cooper Mountain target area refinement plan:

Washington County

<u>Tax Account Number</u>	<u>Acreage</u>
Township 2 South, Range 2 West, Section 01, Willamette Meridian	
Tax Lot 00200	17.08
Tax Lot 00201	10.70
Tax Lot 00400	1.5
Tax Lot 00500	1.00
Tax Lot 00800	17.64
Township 1 South, Range 2 West, Section 36, Willamette Meridian	
Tax Lot 00200	9.78
Tax Lot 00400	7.1
Tax Lot 00401	1.5
Township 2 South, Range 1 West, Section 06, Willamette Meridian	
Tax Lot 00301	14.12
Tax Lot 00302	22.42
Tax Lot 00400	10.26
Tax Lot 00403	11.90
Tax Lot 00404	10.26
Tax Lot 00500	15.95
Tax Lot 00600	12.00
Tax Lot 00700	9.8
Tax Lot 00800	30.84

Staff Report

CONSIDERATION OF RESOLUTION NO. 99-2819 FOR THE PURPOSE OF AMENDING THE COOPER MOUNTAIN TARGET AREA REFINEMENT PLAN

Date: July 8, 1999

**Presented by:
Charles Ciecko
Jim Desmond**

PROPOSED ACTION

Resolution No. 99-2819 requests amendment of the Cooper Mountain target area refinement plan.

BACKGROUND AND ANALYSIS

In May of 1995, voters in the region passed the Open Spaces, Parks and Streams bond measure enabling Metro to purchase open space properties with \$135.6 million worth of bond funds. The bond measure identified fourteen regional target areas and six regional trails and greenways for property acquisition, including Cooper Mountain in Washington County. On February 15, 1996 the Metro Council approved a refinement plan for the Cooper Mountain target area, setting forth-specific acquisition goals, including a tax-lot specific acquisition map.

The Tier I objectives of that refinement plan include the establishment of "a regionally significant natural area with a core component of 700 acres that will support a diversity of plant and animal life and sustain key biological features.... ." The initial acquisition goal was set at 428 acres.

To date a total of 219 acres have been acquired with an additional two properties (30 acres) under contract. As land for the future regional park is acquired, it has become evident that the refinement plan needs to be adjusted to allow for suitable access points for the public. Under the guidelines set out in the Open Spaces Implementation Work Plan, Metro Council approval is needed to amend the refinement map. Three additional land areas are proposed as additions to the refinement plan. These areas, totaling 213 acres, border SW Scholls Ferry Road, SW Tile Flat Road and SW Grabhorn Road, all of which would afford superior access opportunities for future public use.

FINDINGS

Amendment of the Cooper Mountain target area refinement plan is recommended based upon these findings:

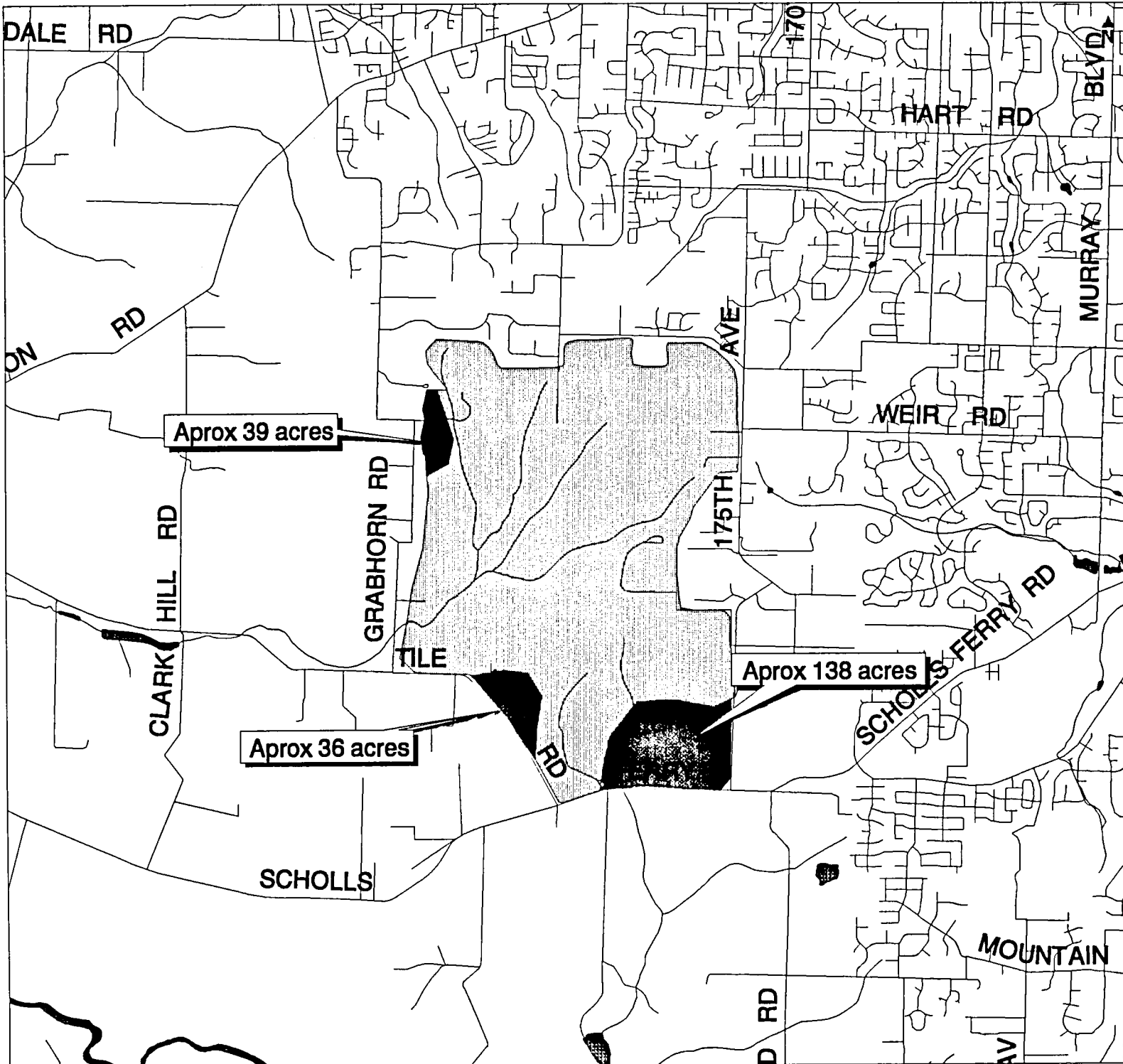
- The Tier I objectives of the refinement plan for the Cooper Mountain target area set a goal of establishing a regionally significant natural area, with a minimum size of 428 acres.
- Research completed since the adoption of the refinement plan has verified that this amount of acreage is necessary to provide a regional-scale facility and protect the natural resources found at Cooper Mountain. In addition, there is a need to acquire land that will allow sufficient access to a regional-scale facility.
- In order to meet the goals of the target area, an additional 213 acres bordering three different streets need to be added to the refinement plan.
- The proposed amendment will expand the pool of properties for acquisition consideration.

BUDGET IMPACT

Bond funds will supply acquisition money. Additional land banking costs are expected to be minimal and consistent with what was anticipated at the time of adoption of the refinement plan.

Executive Officer's Recommendation

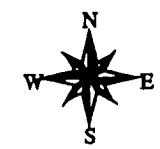
The Executive Officer recommends passage of Resolution No. 99-2819.



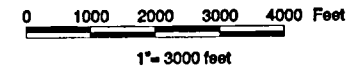
Open Spaces, Parks & Streams
Bond Measure: Cooper Mountain

ATTACHMENT A

-  Original Target Area Boundary
-  Potential Additions to Target Area



The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.



METRO

600 NE Grand Ave.
Portland, OR 97232-2735
503 797-1742 FAX 503 797-1809
Email: drc@metro.dst.or.us

Agenda Item Number 7.3

Resolution No. 99-2824, For the Purpose of Approving an Intergovernmental Agreement with the City of Troutdale for Management of Properties in the Beaver Creek Canyon Greenway Target Area and Approving an Agricultural Lease to one property in such target area.

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 99-2824
AN INTERGOVERNMENTAL AGREEMENT)
WITH THE CITY OF TROUTDALE FOR) Introduced by Mike Burton,
MANAGEMENT OF PROPERTY IN THE) Executive Officer
BEAVER CREEK CANYON GREENWAY)
TARGET AREA AND APPROVING AN)
AGRICULTURAL LEASE TO ONE PROPERTY)
IN SUCH TARGET AREA)

WHEREAS, in July 1992, Metro completed the Metropolitan Greenspaces Master Plan which identified a desired system of natural areas interconnected with greenways and trails; and

WHEREAS, at the election held on May 16, 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure (Ballot Measure 26-26) which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements; and

WHEREAS, Measure 26-26 provided that lands acquired by Metro with the regional share of the bond funds would be "land banked" with minimal maintenance, and no bond funds can be legally used for any operating expenses on these lands; and

WHEREAS, Measure 26-26 stated that Metro Regional Parks and Greenspaces Department may operate and maintain these lands, or other cooperative arrangements may be made with other jurisdictions or park providers to operate and maintain these lands consistent with the Greenspaces Master Plan; and

WHEREAS, on July 11, 1996, the Metro Council adopted a refinement plan for the Beaver Creek Canyon Greenway regional target area, which included a confidential tax-lot specific map identifying priority properties for acquisition, and which encouraged partnerships involving Metro and the City of Troutdale in the acquisition of land along Beaver Creek; and

WHEREAS, on July 13, 1999, Metro entered into a purchase and sale agreement to acquire approximately 15.6 acres on Beaver Creek in the City of Troutdale (The Property) owned by the Vera M. Strebin Charitable Remainder Trust; and

WHEREAS, a condition of the purchase and sale agreement is the execution of an Agricultural Lease attached to the IGA, with Robert Strebin, Jr. which will encumber the Property for a term of ten years, with a renewal option for an additional five years; and

WHEREAS, the City of Troutdale will contribute 14% of the purchase price to the acquisition of the Property, taking ownership as a tenant in common with Metro, proportionate to its contribution; and

WHEREAS, the City of Troutdale and Metro desire that the City of Troutdale should operate, manage, and maintain the Property, as well as properties in the same Beaver Creek Canyon Greenway Target Area that Metro may acquire in the future; and

WHEREAS, an intergovernmental agreement (IGA) between Metro and the City of Troutdale would benefit the Property, and future acquisitions in this vicinity, as well as the public in general by providing increased care for the properties and by encouraging public use; and

WHEREAS, the IGA attached to this resolution as Exhibit A sets forth the management, maintenance, and operation guidelines to be followed by the City of Troutdale as steward of the Property, requiring that the Property be managed consistently with the Agricultural Lease encumbering the Property, and for passive recreation, pedestrian/bicycle use, and habitat restoration, with the primary goals being the protection of the properties' natural resources, the enhancement and protection of wildlife habitat, and public recreation consistent with these goals; now therefore,

BE IT RESOLVED,

That the Metro Council approves and authorizes the Metro Executive Officer to

- 1) execute the Intergovernmental Agreement with the City of Troutdale, in substantially the form attached hereto as Exhibit A, wherein the City of Troutdale will manage the Property and potentially other properties within the Beaver Creek Canyon Greenway Target Area; and
- 2) execute the agricultural lease with Robert Strebin, Jr. in substantially the form attached to the IGA, for a term of ten years with a five-year extension.

ADOPTED by the Metro Council this _____ day of _____, 1999.

Rod Monroe, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

INTERGOVERNMENTAL AGREEMENT**Strebin Property**

This Intergovernmental Agreement ("Agreement") dated this ___ day of _____, 1999, is by and between Metro, a metropolitan service district organized under the laws of the state of Oregon and the 1992 Metro Charter, located at 600 Northeast Grand Avenue, Portland, Oregon, 97232-2736 ("Metro"), and the City of Troutdale, located at 104 SE Kibling, Troutdale, Oregon 97060-2099 ("the City").

RECITALS:

WHEREAS, pursuant to the Metro Open Spaces, Parks and Streams 1995 Ballot Measure 26-26 ("Metro Open Spaces Bond Measure"), on July 13, 1999, Metro entered an Agreement of Purchase and Sale to purchase approximately 15.6 acres of real property, including approximately ___ feet of frontage on Beaver Creek, known as the Strebin Property ("the Property"), located in Troutdale, Oregon and more particularly described in Exhibit A attached hereto and incorporated herein;

WHEREAS, the Property is within the Beaver Creek Canyon Greenway Target Area identified pursuant to the Metro Open Spaces Bond Measure, and is also identified as a regionally significant open space and natural area in the Metro Greenspaces Master Plan;

WHEREAS, the Property has been identified as a locally significant site in the City's Parks, Recreation, and Greenways Plan;

WHEREAS, Metro and the City wish to preserve the Property as open space in accordance with the Metro Open Spaces Bond Measure and the Metro Greenspaces Master Plan;

WHEREAS, the Agreement of Purchase and Sale includes an Agricultural Lease, attached as Exhibit C, which will encumber the Property for ten years, with an optional extension of five years;

WHEREAS, on _____, 1999, the City Council authorized the City to enter into this Agreement and to purchase, manage, operate and maintain the Property in accordance with the Agricultural Lease and with the terms set forth in this Agreement;

WHEREAS, on _____, 1999, the Metro Council authorized Metro to enter into this Agreement to provide funding for the transfer of such management responsibility for the Property in accordance with the terms set forth in this Agreement, and

WHEREAS, Metro and the City wish to enter into this Agreement to provide for the responsibilities and obligations of the parties with respect to the acquisition, allowable uses, management, maintenance, and operation of the Property;

Now, therefore, the parties agree as follows:

A. Acquisition

1. Metro is hereby authorized to enter into a Purchase and Sale Agreement, which includes Metro's execution of the Agricultural Lease as a condition of sale, to purchase the Property for SEVEN HUNDRED THIRTY-ONE THOUSAND, SIX HUNDRED TWENTY-EIGHT DOLLARS AND TWENTY-FIVE CENTS (\$731,628.25). At Closing Metro shall contribute 86% of the purchase price (\$629,301.25), and the City shall contribute 14% of the purchase price (\$102,327.00).
2. Metro and the City shall take title to the Property as tenants in common, with Metro having an undivided 43/50 interest and the City having an undivided 7/50 interest, and with deed restrictions requiring that the property remain in its natural condition in perpetuity. Metro shall execute the Agricultural Lease at Closing.
3. Metro shall be responsible for conducting the normal due diligence investigations pursuant to Metro Open Spaces Bond Measure requirements and pursuant to the terms of the Purchase and Sale Agreement. If the City requires any due diligence investigations not normally performed by Metro, the City shall be solely responsible for those items. Metro shall also be responsible for drafting and coordinating escrow instructions and closing details, and shall pay the Buyer's closing costs.

B. Management, Maintenance, and Operation

1. As required by the Metropolitan Greenspaces Master Plan, the long-term management guidelines for the Property must be set forth in a Resource Management Plan ("Management Plan") for the Property. This Agreement shall set forth the interim protection guidelines for the Property which shall govern prior to adoption of the Management Plan, and shall also set forth the use limitations for the Property which must be carried forth and reflected in the Management Plan.
2. Metro and the City agree that the City shall be responsible for the ongoing management, maintenance, and operation of the Property, both during the interim period and after adoption of the Management Plan.
3. If Metro executes an agreement to purchase additional property within the Beaver Creek Canyon Target Area which Metro would like the City to manage under the terms of this Agreement, Metro shall notify the City in writing in the form attached hereto as Exhibit B ("Notice of Acquisition"). The City shall notify Metro if the City does not wish to accept management responsibilities for that property in accordance with this Agreement, using the City's best efforts to make this notification prior to the closing date for the acquisition. If the City has not so notified Metro within thirty (30) days of receiving Metro's Notice of Acquisition, then the City shall be deemed to have accepted the new Property for management, maintenance and operation responsibilities in accordance with the terms and conditions of this Agreement.

4. The term of the City's management, maintenance, and operation responsibilities for the Property shall be determined by the Management Plan, but in no event shall the term be less than ten (10) years from the effective date of this Agreement, renewable by mutual written agreement for additional ten (10) year periods.
5. Metro grants to the City, its agents and contractors, the right to enter the Property for the purpose of performing all activities reasonably necessary for the management, maintenance and operation of the Property and for the fulfillment of its duties under this Agreement and pursuant to the Management Plan.

C. Interim Protection Guidelines

1. Prior to the adoption of a Management Plan for the Property, in the interim the Property shall be managed, maintained and operated by the City in accordance and in a manner consistent with this Agreement, the Agricultural Lease, the Metro Greenspaces Master Plan, the City's Comprehensive Plan, and the City's Parks Recreation and Greenway Plan (this Agreement and these plans collectively referred to herein as "the Plans"). In case of conflict among Plans, the Plan affording the highest level of resource protection shall govern.
2. Subject to the terms of the attached Agricultural Lease, in the interim period and thereafter, the Property shall be managed, maintained, operated, and protected in accordance with its intended use as a natural area open space, with the primary goals being protection of the Property's natural resources, enhancement and protection of wildlife habitat, and public recreation consistent with the foregoing.
3. During the term of the Agricultural Lease, the City will manage the Property in a manner which does not interfere with the agricultural operations allowed under the Agricultural Lease, and is consistent with all Agricultural Lease provisions.
4. Subject to the terms of the attached Agricultural Lease, in accordance with the Metro Greenspaces Master Plan, formal public use of the Property and site development on the Property shall not begin until a Management Plan for the Property has been adopted.
5. Prior to the adoption of a Management Plan for the Property, and subject to the terms of the Agricultural Lease, in the interim period the Property may be used informally by the public for passive recreation, habitat enhancement, pedestrian activity, and/or nonmotorized bicycle use, at the City's discretion, subject to and upon the express permission of the Agricultural Lease lessee, Robert Strebin, Jr.. All uses of the Property in the interim period shall be consistent with this Agreement and with the Plans, and shall not preclude any uses that could later be allowed in the Management Plan.
6. Subject to the terms of the attached Agricultural Lease, prior to the adoption of the Management Plan for the Property, in the interim period the City shall not allow or permit any alteration of any water, timber, mineral, or other resource on the Property, except for the control of exotic or pest plant species or as necessary to prevent Property degradation or for

security or public safety concerns. If the City believes that an improvement, trail, or alteration of any water or timber resource on the Property is necessary prior to adoption of a Management Plan for the Property, Metro shall have the right to approve of such action, and the City shall provide Metro 90 days advance written notice of its intent to construct any improvements, trails, or alteration of water or timber resource on the Property. In any event, no improvements or trails shall be constructed on the Property and no alteration of water or timber resource shall occur that are inconsistent with this Agreement or the Agricultural Lease, and shall not preclude any uses that could later be allowed in the Management Plan.

7. Prior to adoption of the Management Plan and thereafter, the City shall maintain security of the Property, and shall provide additional fencing, gates, signage, and other measures as the City may deem necessary to increase safety on the Property, and to deter improper public use of the Property prior to adoption of the Management Plan. During the interim period the City shall control access to the Property, and shall respond to neighborhood or citizen complaints regarding improper use or noise on the Property.

D. Resource Management Plan for the Property

1. The City shall develop a Resource Management Plan (“Management Plan”) for the Property. The Management Plan shall set forth the acceptable management, operation, maintenance, types and levels of programmed and public use, and trail and improvement standards for the Property. The City shall manage the Property in accordance with the standards and guidelines developed in the Management Plan, subject to the terms of the Agricultural Lease.
2. The Management Plan shall ensure that the Property is managed, maintained and operated in accordance with the Metro Greenspaces Master Plan and with this Agreement, and that all trails and improvements on the Property comply with the Greenspaces Master Plan and with this Agreement. The Management Plan shall also ensure that the Property is maintained as a natural area open space, with the primary goals being protection of the Property’s natural resources, enhancement and protection of wildlife habitat, and public recreation consistent with the foregoing. As part of the process of developing the Management Plan, the City shall take an inventory of the resources on the Property.
3. The Management Plan shall be consistent with the terms of the Agricultural Lease attached as Exhibit C, which encumbers the Property.
4. Metro shall designate at least one staff member to participate in the Management Plan process for the Property. In addition to any other approvals required by the City, the Management Plan shall be subject to approval by the Metro Council prior to its implementation, which approval shall not be unreasonably withheld and shall be based on consistency with this Agreement and with the Greenspaces Master Plan.

E. Permits, Easements, Assessments, Coordination with Other Public Agencies

1. As stated in the Greenspaces Master Plan, by accepting management responsibility for the Property the City agrees to be responsible for funding the operation and maintenance of the

Property with the City's own resources. The City's management responsibility shall include responsibility for all taxes or assessments for the Property.

2. Prior to adoption of the Management Plan and thereafter, the City shall be responsible for obtaining any permits necessary for management, maintenance or operation of the Property.
3. Any permits granted by the City to users of the Property shall comply with the terms and limitations set forth in this Agreement and in the Management Plan for the Property.
4. The City shall be responsible for contacting and coordinating with other local or state agencies regarding any and all management, maintenance or operation issues that may arise with respect to the Property.
5. All requests for easements, rights of way, and leases on or affecting the Property shall be submitted to Metro in accordance with the Metro Easement Policy, Resolution No. 97-2539B, passed by the Metro Council on November 6, 1997, attached hereto as Exhibit D.

F. General Provisions

1. **Indemnification.** The City, to the maximum extent permitted by law and subject to the Oregon Tort Claims Act, ORS Chapter 30, shall defend, indemnify and save harmless Metro, its officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, fines, suits, and actions, whether arising in tort, contract, or by operation of any statute, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from the management, maintenance or operation of the Property, including but not limited to construction of trails or in relation to any other improvement on the Property.
2. **Oregon Constitution and Tax Exempt Bond Covenants.** The source of funds for the acquisition of this Property is from the sale of voter-approved general obligation bonds that are to be paid from ad valorem property taxes exempt from the limitations of Article XI, section 11(b), 11(c), 11(d) and 11(e) of the Oregon Constitution, and the interest paid by Metro to bond holders is currently exempt from federal and Oregon income taxes. The City covenants that it will take no actions that would cause Metro to be unable to maintain the current status of the real property taxes as exempt from Oregon's constitutional limitations or the income tax exempt status of the bond interest. In the event the City breaches this covenant, Metro shall be entitled to whatever remedies are available to either cure the default or to compensate Metro for any loss it may suffer as a result thereof.
3. **Signage.** The City may provide on-site signage informing the public that the City is managing the site. Metro will provide on-site signage which shall be installed by the City, stating that funding for the acquisition came from Metro Open Spaces Measure bond proceeds. The City shall also document in any publication, media presentation or other presentations, that funding for the acquisition came from Metro Open Spaces Measure bond proceeds. All signage will be consistent with Metro guidelines for Open Spaces Projects.

4. Joint Termination for Convenience. Metro and the City may jointly terminate all or part of this Agreement based upon a determination that such action is in the public interest. Termination under this provision shall be effective upon ten (10) days written notice of termination issued by Metro, subject to the mutual written agreement of the parties.
5. Termination for Cause. Either party may terminate this Agreement in full, or in part, at any time before the date of completion, whenever that party determines, in its sole discretion, that the party has failed to comply with the conditions of this Agreement and is therefore in default. The terminating party shall promptly notify the other party in writing of that determination and document such default as outlined herein. The other party shall have thirty (30) days to cure the problem. Notwithstanding any termination for cause, both parties shall be entitled to receive payments for any work completed or for which that party is contractually obligated for, which completion or contractual obligation occurred prior to the effective date of the termination, provided that no party shall be obligated to make any payment except for work specifically provided for in this Agreement.
6. Laws of Oregon. This Agreement shall be governed by the laws of the state of Oregon, and the parties agree to submit to the jurisdiction of the courts of the state of Oregon. All applicable provisions of ORS chapters 187 and 279, and all other terms and conditions necessary to be inserted into public contracts in the state of Oregon, are hereby incorporated as if such provisions were a part of this Agreement including but not limited to ORS 279.015 to 279.320.
7. Assignment. The parties may not assign any of its rights or responsibilities under this Agreement without prior written consent from the other party, except the parties may delegate or subcontract for performance of any of its responsibilities under this Agreement.
8. Notices. All notices or other communications required or permitted under this Agreement shall be in writing, and shall be personally delivered (including by means of professional messenger service) or sent by fax and regular mail.

To Metro: Metro
 Charles Ciecko
 Director, Metro Regional Parks and Greenspaces
 600 N.E. Grand Avenue
 Portland, OR 97232-2736

To City: City of Troutdale
 Valerie Lantz
 Parks and Facilities Superintendent
 104 SE Kibling Road
 Troutdale, OR 97060-2099

9. Severability. If any covenant or provision in this Agreement shall be adjudged void, such adjudication shall not affect the validity, obligation, or performance of any other covenant or

provision which in itself is valid, if such remainder would then continue to conform with the terms and requirements of applicable law and the intent of this Agreement.

10. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior oral or written agreements or representations relating to this Property. No waiver, consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties.

IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year set forth above.

CITY OF TROUTDALE

METRO

By: _____
Title: _____

By: _____
Title: _____

Exhibits:

Exhibit A - Legal Description

Exhibit B - Form of Notice of Acquisition

Exhibit C - Agricultural Lease

Exhibit D - Metro Easement Policy and Metro Resolution No. 97-2539B

EXHIBIT A

[legal description]

To be provided following survey

EXHIBIT BNotice of Acquisition

_____, 199__

City of Troutdale
 Parks and Facilities Department
 104 SE Kibling
 Troutdale, OR 97060-1137

Re: Acquisition of Property along Beaver Creek

Dear _____:

Pursuant to the Metro Open Spaces Bond Measure 26-26, and the Intergovernmental Agreement between Metro and _____ dated _____, 1999, attached hereto ("Intergovernmental Agreement"), this shall serve as notice of acquisition of the following property along the [target area]:

[Property Address], in the City of Troutdale, County of Multnomah and State of Oregon, being more particularly described in Exhibit I attached hereto ("the Property").

Pursuant to the Intergovernmental Agreement, Metro requests that the City manage this Property pursuant to the terms of the Intergovernmental Agreement. Please notify Metro in writing if the City does not wish to accept management responsibility for this Property. As set forth in the Intergovernmental Agreement, if the City does not so notify Metro within thirty (30) days of receipt of this letter, the City shall be deemed to have accepted the new Property for management, maintenance, and operation in accordance with the terms and conditions of the Intergovernmental Agreement.

If you have any questions, please do not hesitate to contact me at 797-1914.

Sincerely,

Jim Desmond, Manager
 Metro Open Spaces Acquisition Division

cc: Charles Cieccko, Director, Metro Regional Parks and Greenspaces

Exhibit C
AGRICULTURAL LEASE

By this lease made this _____ day of _____, 1999, between Metro, a municipal corporation and political subdivision of the State of Oregon, located at 600 NE Grand Avenue, Portland, OR, 97232 ("Lessor") and David Ripma and Sharon Nesbit, Trustees of the Vera M. Strebin Charitable Remainder Trust, under Will dated April 3, 1996 ("Lessee"), the Lessor, for and in consideration of the covenants and agreements hereinafter set forth, has leased to Lessee the premises known and described in Attachment 1, consisting of approximately 15.6 acres ("Leased Premises" or "Property").

To have and to hold the same unto the Lessee from the ___ day of _____, 1999, until the 31st day of October, 2009 (the "Initial Term"), unless sooner terminated or extended as provided herein.

1. **RENT**: During the Initial Term of the Lease, Lessee shall pay rent annually at the end of each lease year, in an amount equal to the fair market rental value of the Leased Premises for agricultural purposes, as determined at the beginning of each lease year on the first day of November, not to exceed THREE HUNDRED DOLLARS (\$300.00) per tillable acre per year based on _____ tillable acres. The lease year shall run from November 1 through October 31. The first rental payment under this Lease shall be due on October 31, 2000. If Lessee elects to extend the Initial Term of the Lease for an additional five (5) years, as provided in Section 14 below (the "Extended Term"), the rental rate for the Extended Term shall be equal to the fair market rental value of the Leased Premises for agricultural purposes as determined on the first day of the Extended Term. The annual rent for the Extended Term shall be due at the end of each lease year, on the thirty-first (31st) day of October. If the parties cannot agree on a fair market rental value of the Leased Premises for the Initial and Extended Terms, it shall be determined by arbitration as provided in Section 19, set forth below.
2. **TILLABLE ACRES**. Lessee and Metro agree that the tillable acreage will be reduced following the first growing season under this lease, to provide the drainage mitigation area as set forth in Section 9 herein, at which time, the number of tillable acres and rent due shall be recalculated.
3. **MANNER OF FARMING AND CONSERVATION LAWS**. Lessee shall farm, cultivate, maintain and operate the Property consistent with the standard agricultural practices employed by the farming industry in the area where the Property is located. Lessee shall use and occupy the leased premises for cropland. Lessee shall refrain from practices that will cause unusual and excessive (a) erosion and water runoff from the Property or (b) pollution to the water resources of the surrounding area from the Property. Lessee shall maintain the Property in compliance with all federal, state and other governmental laws, regulations and directives, and in accordance with Sections 8 and 9 set forth herein (Buffer/Riparian and Drainage Irrigation Areas).

4. COMPLIANCE WITH LAW AND HAZARDOUS MATERIALS/INDEMNIFICATION.

- (a) During the Initial Term and Extended Terms of the Lease, Lessee, at Lessee's expense, shall comply with all laws, rules, order, ordinances, directions, regulations, and requirements of federal, state, county and municipal authorities pertaining to Lessee's use of the Property, and with all recorded covenants, conditions, and restrictions, regardless of when they become effective. These include, without limitation, any required alteration of the Property because of Lessee's specific use, and all applicable federal, state, local laws, regulations or ordinances pertaining to air and water quality, Hazardous Materials as defined in Section (d) below, waste disposal, air emissions and other environmental matters, and all zoning and other land use matters.
- (b) Lessee shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Property by Lessee, Lessee's agents, employees, contractors, or invitees without the prior written consent of Lessor, which shall not be unreasonably withheld as long as Lessee demonstrates to Lessor's reasonable satisfaction that such Hazardous Material is necessary to Lessee's business and will be used, kept, and stored in a manner that complies with all laws regulating any such Hazardous Materials brought upon or used or kept in or about the Property. Prior written consent of Lessor for use of petroleum products normally used in farming operations, such as gasoline or diesel fuels, is not required.
- (c) Lessee shall indemnify, defend, and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including without limitation, diminution in value of the Property, damages for the loss or restriction on use or rent of the Property, damages arising from any adverse impact on marketing of the Property, and sums paid in settlement of claims, attorney fees, consultant fees, and expert fees) that arise during or after the lease term due to contamination by Hazardous Materials as a result of Lessee's and Lessee's Sublessee's use, or activities of Lessee's or Lessee's Sublessee's agents or contractors. This indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Materials present in the soil or groundwater or under the Property.

Without limiting the foregoing, if the presence of any Hazardous Material on the Property caused or permitted by Lessee and Lessee's Sublessee's or Lessee's or Lessee's Sublessee's agents or contractors results in any contamination of the Property, Lessee shall promptly take all actions at Lessee's sole expense as are necessary to return the Property to the condition existing prior to the release of any such Hazardous Material onto the Property, provided the Lessor's approval of such action shall first be obtained, and approval shall not be unreasonably withheld, as long as such actions would not potentially have any material adverse long- or short-term effect on the Property. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.

- (d) As used in this Lease, the term "Hazardous Material" means any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR §172.101), or by the United States Environmental Protection Agency as hazardous substances (40 CFR pt 302) and amendments thereto, petroleum products or other such substances, materials and wastes that are or become regulated under any applicable local, state or federal law.
5. CHEMICALS AND FERTILIZERS. It is understood that chemicals, fertilizers, insecticides and herbicides may be necessary to produce the highest financial returns from the Property. Subject to the limitations in Section 3 above, chemicals, fertilizers, insecticides and herbicides shall be used by Lessee, if necessary, so long as their use does not cause significant environmental degradation to the land leased hereunder and the waters of the surrounding area. Lessee shall provide Lessor with a list of all chemicals, fertilizers, insecticides and herbicides Lessee anticipates using during the term of the Lease. Change in farming practices and use of chemicals, fertilizers, insecticides and herbicides outside of the tillable area shall be made only with the approval of the Lessor, such approval not to be unreasonably withheld.
6. IRRIGATION. Lessee shall be responsible for all irrigation water use and the costs of all irrigation water used by the Lessee. Lessor assumes no responsibility to Lessee for any water shortage, nor does Lessor warrant the presence or absence of well water or surface water rights available to the Leased Premises, or the quality and quantity of the water available for irrigation. Lessee shall be responsible for maintenance, repair and replacement of the Lessee's or Lessee's sub-tenant's irrigation equipment on the Leased Premises.
7. OREGON STATE WATER RESOURCES DEPARTMENT. Lessee agrees to promptly comply, and to guarantee that Lessee's sub-tenant complies, with all directives and administrative orders of the Oregon State District 1 Water Master. Lessee hereby agrees to promptly pay and fully satisfy, or cause to be paid and fully satisfied, any civil penalties levied upon Lessee or Lessee's sub-tenant by the Oregon State Department of Water Resources, before the penalties become a lien upon the leased Premises. Lessee hereby indemnifies Lessor against, and agrees to defend and hold Metro harmless from, any and all claims, obligations, liabilities, losses, damages, penalties, actions, suits, costs and expenses (including attorneys' fees) of whatever kind or nature, whether or not well founded, meritorious or unmeritorious, demanded, asserted or claimed against Lessor in any way relating to, or arising out of or in connection with Lessee's or Lessee's sub-tenant's use of any water for irrigation or frost protection on the Leased Premises. If it becomes necessary to implement this indemnification, Lessee shall defend Metro with counsel of that is reasonably satisfactory to Metro, and neither party shall have the right to enter into any settlement without the prior approval of the other party, which approval shall not be unreasonably withheld or delayed.
8. BUFFER/RIPARIAN AREA. Lessor reserves the right to enter the Buffer/Riparian Area depicted in Attachment 2, to perform management and maintenance activities within the Buffer/Riparian Area for open space, conservation, and wildlife habitat purposes. No public

access to the Buffer/Riparian Area shall be granted by Lessor without express permission of Lessee. Lessee shall not alter or disturb the Buffer/Riparian area in any way beyond brush, tree and grass control, and shall coordinate Lessee's activities in the Buffer/Riparian Area with Lessor whenever possible. Lessee shall not expand the tilled portion of the Leased premises into the Buffer/Riparian Area.

9. **DRAINAGE MITIGATION AREA.** The Drainage Mitigation Area is depicted in Attachment 3. Lessee agrees that, at the end of the first growing season and annual harvest under this Lease, the Drainage Mitigation Area will become subject to all provisions applying to the Buffer/Riparian Area. Lessee also agrees that, at the end of the first growing season and annual harvest under this Lease, Lessee shall promptly remove, cause to be removed, or allow Lessor to remove, all crop vegetation and support structures from the Drainage Mitigation Area. Upon removal of crop vegetation as set forth above, Lessor may relocate, within the Drainage Mitigation Area, the farm road that currently traverses the Drainage Mitigation Area. The relocated road shall be of a width and all-weather surface at least as passable as that portion of the road that is relocated.
10. **LIENS.** Lessee shall pay when due all claims for work done on the Property, and for services rendered or material furnished to Lessee to grow Lessee's crops on the Property or incurred for Lessee's repair responsibilities for the Property and improvements; and Lessee shall keep the Property free of any liens.
11. **MAINTENANCE OF THE PROPERTY.** Lessee shall not make any additions or alterations to the premises without Lessor's written consent obtained in each instance except that Lessee can erect fencing as necessary to protect the cropland and pasturage hereby leased. Any additions or improvements made by Lessee at his expense and fencing must be removed by Lessee at or prior to termination of this lease.
12. **ASSIGNMENT:** Lessee will not sublet the premises nor any part thereof, nor transfer or assign this lease without obtaining advance written consent of Lessor in each case. Rights to sublet the premises will not be unreasonably withheld. Any use of the leased premises by an assignee or sub-lessee shall be for cropland only. Lessee shall not permit any transfer, by operation of law, of the interest in said premises acquired through this lease. Lessor retains the right to transfer the premises leased hereunder and shall have the option to assign this lease to the transferee. Provided, however, that Lessee is hereby authorized to sublease the Leased Premises to JIM FUJII, dba FUJII FARMS, INC., or any successor business operated by JIM FUJII or any member of his family.
13. **ACCESS:** Lessee will allow Lessor access to the Leased Premises as necessary to insure compliance with the lease agreement and where it does not interfere with normal farming operations. Lessor is liable for any damages to the Property or the Lessee's crops that result from the Lessor's entry into the Property. Reasonable and legal access will be provided to the Lessee by the Lessor.

14. **EXTENSION.** Lessee shall have the option to extend the term of this Lease for one (1) additional five (5) year period (the "Extended Term"), by means of a written notice to Lessor given not less than ninety (90) days prior to the end of the Initial Term of the Lease.

15. **TERMINATION AND DEFAULT:** This lease may be terminated by mutual consent. Where termination of the lease is by mutual consent and not due to violation of covenants and agreements set forth herein, Lessee shall have the right to harvest any crops planted at the time of agreement of termination.

Where Lessee has violated the covenants and agreements set forth herein, Lessor shall have the right to terminate this lease at any time during the lease term by giving the Lessee thirty (30) days written notice of Lessee's responsibility to cure the default or vacate the premises. If such default remains uncorrected after thirty (30) days written notice thereof from Lessor, Lessor may re-enter the premises or any part thereof and remove Lessee or anyone claiming under Lessee in addition to any other remedies Lessor may have. Provided however, with respect to any alleged default which cannot reasonably be cured within thirty (30) days of Lessor's Notice, Lessee shall be deemed to have cured the default if Lessee commences to cure within thirty (30) days and thereafter pursues said cure to completion with reasonable diligence.

16. **CONDITION OF THE PREMISES:** The Lessee is fully familiar with the physical condition of the leased property. The Lessor has made no representations of any nature in connection with the condition of the leased property or its suitability for cultivation.

17. **INDEMNIFICATION:** In addition to the environmental indemnification set forth above, Lessee shall also indemnify and defend Lessor from any claim, loss, or liability arising out of or relating to any activity of Lessee on the Property. Before going into possession of the Property, Lessee shall procure, and during the term of this Lease shall continue to carry, public liability and property damage insurance, naming Lessor as an additional insured, with liability limits of not less than \$500,000 for injury to persons or property in one occurrence. Such insurance should be provided by an insurance carrier reasonably acceptable to Lessor. Lessee shall deliver to Lessor certificates evidencing such insurance with an endorsement requiring 10 days' notice to Lessor prior to the cancellation of such insurance coverage. Lessor shall indemnify, defend, and hold Lessee harmless from any claim, loss, or liability arising out of or relating to any activity of Lessor on the Property.

18. **GENERAL COOPERATION:** Lessor will cooperate with Lessee in providing information to the appropriate agencies managing cost-share and other farm management programs that may benefit the Lessee in conducting farming operations on the Property.

19. **ARBITRATION.**

A. **Disputes To Be Arbitrated.** If any dispute arises between the parties as to rental rates herein, either party may request arbitration and appoint as an arbitrator an independent real estate appraiser having knowledge of valuation of rental properties comparable to the Leased Premises. The other party shall also choose an arbitrator with such qualifications,

and the two arbitrators shall choose a third. If the choice of second or third arbitrator is not made within ten (10) days of the choosing of the prior arbitrator, then either party may apply to the presiding judge of the judicial district where the Leased Premises are located to appoint the required arbitrator.

- B. Procedure for Arbitration. The arbitration shall proceed according to the Oregon statutes governing arbitration, and the award of the arbitrators shall have the effect therein provided. The arbitration shall take place in the county where the Leased Premises are located. Costs of the arbitration shall be shared equally by the parties, but each party shall pay its own attorney fees incurred in connection with the arbitration.
20. NOTICES: Notice from one party to the other shall be deemed to have been properly given if mailed by first class or certified mail, postage prepaid, to the other party at the respective addresses which appear in this lease.
21. SEVERABILITY: If any provision of this lease or portion of such provision or the application thereof to any person or circumstance is held invalid, the remainder of the lease (or the remainder of such provision) and the application thereof to other persons or circumstances shall not be affected thereby.
22. WAIVER: The waiver of one breach of any term, condition, covenant, obligation or agreement of this lease shall not be considered to be a waiver of that or any other term, condition, covenant, obligation or agreement or of any subsequent breach thereof.

IN WITNESS WHEREOF, the parties hereto have executed this instrument the day and year first above mentioned.

METRO,
a Municipal corporation

LESSEE:
VERA M. STREBIN CHARITABLE
REMAINDER TRUST, Under Will Dated
April 3, 1996

Mike Burton, Executive Officer

By: _____
David Ripma, Trustee

By: _____
Sharon Nesbit, Trustee

Attachment 1 - Property Description
Attachment 2 - Map of Buffer Riparian Area
Attachment 3 - Map of Drainage Mitigation Area

EXHIBIT D
Metro Easement Policy and
Metro Resolution No. 97-2539B

I HEREBY CERTIFY THAT THE FOREGOING
IS A COMPLETE AND EXACT COPY OF THE
ORIGINAL THEREOF.

Rebecca V. Shoemaker, Archivist
Clerk of the Metro Council

RESOLUTION NO. 97-2539B

FOR THE PURPOSE OF APPROVING GENERAL)
POLICIES RELATED TO THE REVIEW OF)
EASEMENTS, RIGHT OF WAYS, AND LEASES)
FOR NON-PARK USES THROUGH PROPERTIES)
MANAGED BY THE REGIONAL PARKS AND)
GREENSPACES DEPARTMENT.)

Introduced by
Mike Burton, Executive Officer

WHEREAS, Metro currently owns and manages more than 6,000 acres of regional parks, open spaces, natural areas, and recreational facilities; and

WHEREAS, additional lands are being acquired through the Open Space, Parks, and Streams Bond Measure, approved by voters in May of 1995; and

WHEREAS, the primary management objectives for these properties are to provide opportunities for natural resource dependent recreation, protection of fish, wildlife, and native plant habitat and maintenance and/or enhancement of water quality; and

WHEREAS, Metro will be approached with proposals to utilize regional parks, open spaces, natural areas, and recreational facilities property for utility, transportation, and other non-park purposes; and

WHEREAS, Metro seeks to insure that these uses have no negative impact upon the primary management objectives of Metro Regional Parks and Greenspaces properties; and

WHEREAS, it would be in Metro's best interest to provide for the orderly evaluation and consideration of proposals to utilize portions of Metro Regional Parks and Greenspaces properties for utility, transportation and other non-park uses; NOW THEREFORE,

BE IT RESOLVED, that the Metro Council hereby adopts the policy attached as Exhibit "A" for any and all requests related to formal proposals for the use of Metro Regional Parks and Greenspaces properties for the purposes noted therein.

ADOPTED by the Metro Council this 6th day of November, 1997.

Jon Kvistad
Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

Cheryl
Recording Secretary

Daniel B. Cooper
Daniel B. Cooper, General Counsel

Exhibit "A"

METRO POLICY RELATED TO THE REVIEW OF EASEMENTS, RIGHT OF WAYS, AND LEASES FOR NON-PARK USES

Metro owns and manages, either on its own or in partnership with other government and private entities, several thousand acres of regional parks, open spaces, natural areas and recreational facilities. These facilities are maintained to promote and preserve natural resources and recreational opportunities for the public consistent with the Greenspaces Master Plan adopted by the Metro Council in 1992, the Open Spaces Bond Measure approved by the voters in 1995 and other restrictions limiting the uses of specific properties in existence at the time of its acquisition by the public. Nothing in this policy shall be construed to allow these facilities to be used in any manner which detracts from this primary purpose. This policy is written from the perspective of Metro as the property owner, however, in those cases in which Metro co-owns a property with other entities, all decisions concerning the use of the property in question will be fully coordinated with the other owners. In addition, all new development and all proposed work within Water Quality Resource Areas or other environmentally sensitive work will be conducted in accordance with Metro or local government policies, to include where appropriate, application for permits and completion of environmental reviews. In event that local government policies are less restrictive than the Metro Model ordinances, Metro will apply the more restrictive Metro policies.

Regarding requests for easements, right of ways, and leases for non-park uses in Metro owned or managed regional parks, natural areas or recreational facilities, it is Metro's policy to:

- 1) Provide for formal review of all proposed easements, right of ways, and leases for non-park, uses by the Regional Parks and Greenspaces Advisory Committee, the Regional Facilities Committee and the full Council. Notwithstanding satisfaction of the criteria set forth herein, the final determination of whether to approve a proposed easement, right of way, or lease is still subject to the review and approval by the full Metro Council.
- 2) Prohibit the development of utilities, transportation projects and other non-park uses within corridors or on sites which are located inside of Metro owned or managed regional parks, natural areas, and recreational facilities except as provided herein.
- 3) Reject proposals for utility easements, transportation right of ways and leases for non-park uses which would result in significant, unavoidable impacts to natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management.
- 4) Accommodate utility easements, transportation right of ways or other non-park uses when the Regional Parks and Greenspaces Department (the Department) determines that a proposed easement, right of way or non-park use can be accommodated without significant impact to

natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management; and that the impacts can be minimized and mitigated.

5) Require full mitigation and related maintenance, as determined by the Department, of all unavoidable impacts to natural resources, recreational facilities, recreational opportunities or their operation and management associated with the granting of easements, right of ways, or leases to use Metro owned or managed regional parks, natural areas or recreational facilities for non-park uses.

6) Limit rights conveyed by easements, right of ways, and leases for non-park uses to the minimum necessary to reasonably accomplish the purpose of any proposal.

7) Limit the term of easements, right of ways and leases to the minimum necessary to accomplish the objectives of any proposal.

8) Require "reversion", "non-transferable" and "removal and restoration" clauses in all easements, right of ways and leases.

9) Fully recover all direct costs (including staff time) associated with processing, reviewing, analyzing, negotiating, approving, conveying or assuring compliance with the terms of any easement, right of way, or lease for a non-park use.

10) Receive no less than fair market value compensation for all easements, right of ways, or leases for non-park uses. Compensation may include, at the discretion of the Department, periodic fees or considerations other than monetary.

11) Require full indemnification from the easement, right of way or lease holder for all costs, damages, expenses, fines or losses related to the use of the easement, right of way or lease. Metro may also require appropriate insurance coverage and/or environmental assurances if deemed necessary by the Office of General Counsel.

12) Limit the exceptions to this policy to: grave sales, utilities or transportation projects which are included in approved master/management plans for Metro regional parks, natural areas and recreational facilities; projects designed specifically for the benefit of a Metro regional park, natural area, or recreational facility; or interim use leases as noted in the Open Spaces Implementation Work Plan.

13) Provide for the timely review and analysis of proposals for non-park uses by adhering to the following process:

a) The applicant shall submit a detailed proposal to the Department which includes all relevant information including but not limited to: purpose, size, components, location, existing conditions, proposed project schedule and phasing, and an analysis of other alternatives which avoid the Metro owned or managed regional park, natural area or recreational facility which are considered infeasible by the applicant. Cost alone shall not constitute infeasibility.

REGIONAL PARKS AND GREENSPACES STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 97-2539A FOR THE PURPOSE OF APPROVING GENERAL POLICIES RELATED TO GRANTING OF EASEMENTS, RIGHT OF WAYS, LEASES AND LICENSES FOR NON-PARK USES THROUGH PROPERTIES MANAGED BY THE REGIONAL PARKS AND GREENSPACES DEPARTMENT.

Date: July 29, 1997

Presented by:
Charles Ciecko, Director
Regional Parks and Greenspaces

FACTUAL BACKGROUND AND ANALYSIS:

Metro through its Regional Parks and Greenspaces Department, currently owns and manages over 6,000 acres of regional parks, open spaces, natural areas, and recreational facilities. The primary management objectives for these lands is the provision of natural resource dependent recreation opportunities; protection of fish, wildlife and native plant habitat and the maintenance and/or enhancement of water quality.

From time to time, the Regional Parks and Greenspaces Department is approached with proposals to utilize portions of properties for non-park purposes, such as utilities, transportation components, cell phone towers etc. Currently, there is no policy to guide the review, analysis or authorization of uses which are unrelated to the primary management objectives.

The purpose of the proposed resolution is to create policy which will guide staff in responding to proposals for non-park uses.

Highlights of the proposed policy include:

- Formal review and approval of proposals by the Regional Parks and Greenspaces Advisory Committee, Regional Facilities Committee and full Council.
- Requires development of non-park uses outside of Regional Parks and Greenspace properties whenever feasible except when determined that the proposal use can be accommodated without significant impact.
- Requires full mitigation of all unavoidable impacts.
- Requires reimbursement of all costs associated with review, analyses and authorization for use.
- Requires receipt of not less than fair market value for all non-park uses.
- Requires full indemnification for Metro and insurance, if appropriate.
- Establishes limitations on exceptions.
- Establishes process for timely review, analysis and resolution of all proposals.

The Regional Parks and Greenspaces Advisory Committee considered this issue at their July 1, 1997 meeting and recommends its adoption.

BUDGET IMPACT:

The proposed policy requires receipt of not less than fair market value for non-park uses and reimbursement of all costs incurred by Metro thereby eliminating the potential of subsidizing uses which are inconsistent with the primary management objectives of Regional Parks and Greenspaces properties.

A Regional Parks and Greenspaces staff member will be present to answer any questions by Council regarding this policy.

EXECUTIVE OFFICER'S RECOMMENDATION:

The Executive Officer recommends adoption of Ordinance No. 97-2539A.

b) Upon receipt of the detailed proposal, the Department shall determine if additional information or a Master Plan is required prior to further review and analysis of the proposal. For those facilities which have master plans, require that all proposed uses are consistent with the master plan. Where no master plan exists all proposed uses shall be consistent with the Greenspaces Master Plan. Deficiencies shall be conveyed to the applicant for correction.

c) Upon determination that the necessary information is complete, the Department shall review and analyze all available and relevant material and determine if alternative alignments or sites located outside of the Metro owned or managed regional park, natural area, or recreational facility are feasible.

d) If outside alternatives are not feasible, the Department shall determine if the proposal can be accommodated without significant impact to park resources, facilities or their operation and management. Proposals which cannot be accommodated without significant impacts shall be rejected. If the Department determines that a proposal could be accommodated without significant impacts, staff shall initiate negotiations with the applicant to resolve all issues related to exact location, legal requirements, terms of the agreement, mitigation requirements, fair market value, site restoration, cultural resources, and any other issue relevant to a specific proposal or park, natural area or recreational facility. The Department shall endeavor to complete negotiations in a timely and business-like fashion.

e) Upon completion of negotiations, the proposed agreement, in the appropriate format, shall be forwarded for review and approval as noted in item "1" above. In no event shall construction of a project commence prior to formal approval of a proposal.

f) Upon completion of all Metro tasks and responsibilities or at intervals determined by the Department, and regardless of Metro Council action related to a proposed easement, right of way or lease for a non-park use, the applicant shall be invoiced for all expenses or the outstanding balance on expenses incurred by Metro.

g.) Permission from Metro for an easement or right-of-way shall not preclude review under applicable federal, state or local jurisdiction requirements.

Staff Report

CONSIDERATION OF RESOLUTION NO. 99-2824 FOR THE PURPOSE OF APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF TROUTDALE FOR MANAGEMENT OF PROPERTIES IN THE BEAVER CREEK CANYON GREENWAY TARGET AREA AND APPROVING AN AGRICULTURAL LEASE TO ONE PROPERTY IN SUCH TARGET AREA

Date: July 21, 1999

Presented By:

**Charles Ciecko
Jim Desmond**

Proposed Action

Resolution No. 99-2824, requests authorization for the Executive Officer to execute an intergovernmental agreement (IGA) with the City of Troutdale (the City) for management of properties in the Beaver Creek Canyon Greenway Target Area.

Background and Analysis

Metro executed a purchase and sale agreement on July 13, 1999, to acquire approximately 15.6 acres from the Vera M. Strebin Charitable Remainder Trust (the Property). The Property is a Tier I acquisition under the Beaver Creek Canyon Target Area Refinement Plan adopted on July 11, 1996, under resolution 96-2359. The Property contains a stretch of Beaver Creek, and includes the steep slopes of Beaver Creek Canyon. In addition, the Property is a component in the Beaver Creek Greenway Trail, as envisioned in the City's Parks, Recreation and Greenways Plan.

The City is committed to providing 14% of the purchase price for the Property and assuming management responsibilities for the Property and for future acquisitions of land in the Beaver Creek Canyon Greenway Target Area. The Strebin IGA enumerates these responsibilities.

The Seller of the Property has conditioned the sale on Metro's agreement to lease the Property to Robert Strebin, Jr. for agricultural purposes. This Agricultural Lease would be for a term of ten years, with an option to renew for an additional five-year term. The current use of the Property, and the use that has existed there for fifty years, is berry production. The City is willing to manage the Property subject to the Agricultural Lease.

In order to effectively transfer management responsibilities arising from the Property and from future acquisitions in the same area, and to approve the ten-year lease of real property owned by Metro, the Metro Council would need to authorize the Executive Officer to execute the Strebin IGA and agricultural lease to Robert Strebin, Jr.

Findings

Authorization of the Executive Officer's execution of the Strebin IGA and agricultural lease to Robert Strebin, Jr. is recommended based upon the following:

- The Beaver Creek Canyon Greenway Target Area Refinement Plan includes the following among its objectives:

“...acquire property interests on key parcels as outlined in the Troutdale Parks, Recreation and Greenways Plan, November 1995, for completion of the greenway from the Sandy River to Mt. Hood Community College.”

“Leverage funds by coordinating acquisitions with the City of Troutdale and applying local share moneys to appropriate projects.”

Execution of the Strebin IGA, which structures the cooperative acquisition and management of a key parcel in the Beaver Creek Canyon Greenway, as well as the role of Metro and the City of Troutdale in future acquisitions, serves these objectives.

- The City of Troutdale’s existing Parks, Recreation and Greenways Plan anticipates the City’s management of the Property, and the City currently owns and manages property nearby. The City is the appropriate land manager.
- The Agricultural Lease is an acceptable encumbrance upon the Property because it continues the current and historical use of the Property; the managing agency, the City of Troutdale, believes that it is consistent with future site management; the lease does not prevent or impair riparian land management and restoration; and by accepting the lease as a term of the purchase, Metro facilitates the purchase of this Tier I property.
- The Strebin IGA will relieve Metro of management costs arising from the Properties, while fulfilling the acquisition objectives for the Beaver Creek Canyon Greenway Target Area, as described above.

Budget Impact

The City of Troutdale would become responsible for the management, maintenance and operation of certain Metro-owned Open Spaces property purchased with the regional share of the Open Spaces, Parks and Streams bond (Measure 26-26) funds. This would reduce Metro’s land banking costs and future operation and maintenance expenses.

Executive Officer’s Recommendation

The Executive Officer recommends passage of Resolution No. 99-2824.

Agenda Item Number 8.1

Resolution No. 99-2822, For the Purpose of Amending Contract No. 904021 with Parametrix, Inc. for the North Corridor (Interstate Max) Final Environmental Impact Statement (FEIS).

Contract Review Board

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF AMENDING)	RESOLUTION NO. 99-2822
CONTRACT NO. 904021 WITH)	
PARAMETRIX, INC. FOR THE NORTH)	Introduced by:
CORRIDOR (INTERSTATE MAX) FINAL)	Mike Burton,
ENVIRONMENTAL IMPACT STATEMENT)	Executive Officer
(FEIS))	

WHEREAS, In March 1995 the Metro Council authorized the release of a Request for Proposals for consultant services to prepare environmental analysis and documentation for the South/North Transit Corridor Study, with the provision that the contract could be extended at Metro's option to include additional work related to the Final Environmental Impact Statement (FEIS); and

WHEREAS, A consultant team led by Parametrix, Inc. was selected through a competitive bidding process to prepare environmental analysis and documentation for the South/North Transit Corridor Study; and

WHEREAS, The Metro Executive Officer executed consultant Contract No. 904021 in January 1996 with Parametrix, Inc. for the provision of environmental consultant services for the South/North Draft Environmental Impact Statement with the provision that the contract be extended to include environmental analysis services related to the FEIS; and

WHEREAS, Analysis related to cost-cutting was not included in the original scope of work or budget and therefore, in June 1997, the Metro Council approved Resolution No. 97-2527

authorizing the Executive Officer to execute Amendment No.1 to Contract No. 904021 with Parametrix, Inc. to incorporate a revision to the contract's scope of work and budget relating to the analysis of the cost-cutting measures, for the amount of \$310,000, resulting in a not-to-exceed budget of \$1,810,000; and

WHEREAS, In February 1998, the Federal Transit Administration authorized the publication of the South/North Draft Environmental Impact Statement (DEIS), completing the technical work for the DEIS phase of the South/North Environmental Impact Statement study; and

WHEREAS, In July 1998, the Metro Council adopted the Locally Preferred Strategy (LPS) that would be further analyzed and documented in the project's FEIS; and

WHEREAS, In November 1998, the voters of the region rejected the \$475 million General Obligation bond measure that would have provided a significant portion of the local funding for the adopted LPS; and

WHEREAS, Following significant public input and the publication of a Supplemental Draft Environmental Impact Statement (SDEIS), the Metro Council amended the LPS defining the North Corridor as the first construction segment and selecting the Full Interstate Alignment (referred to as Interstate MAX); and

WHEREAS, Completing technical work on the North Corridor Final Environmental Impact Statement in a timely manner will enhance the region's ability to secure federal matching funds for the project; and

WHEREAS, Parametrix, Inc. is uniquely qualified to perform

the consultant services required for the South/North Light Rail Project Final Environmental Impact Statement; and

WHEREAS, Current funding for the South/North Transit Corridor Study Environmental Impact Statement and Preliminary Engineering has adequate funds available for an amendment to the consultant services contract to evaluate and document the impacts associated with the amended LPS; now, therefore,

BE IT RESOLVED:

That Metro's Executive Officer is authorized to execute an amendment for \$100,000 to Contract No. 904021 with Parametrix, Inc. in a form substantially similar to Exhibit A, resulting in an amendment not to exceed budget of \$2,379,323.

ADOPTED by the Metro Council on this ____ day of _____, 1999.

Rod Monroe, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

EXHIBIT A

**Change Order No. 4
Metro Contract No. 904021**

**MODIFICATION TO A PERSONAL SERVICES AGREEMENT FOR
SOUTH/NORTH ENVIRONMENTAL ANALYSIS**

RECEIVED
JUL 22 1999
TIME: _____
METRO SERVICE DISTRICT
OFFICE GENERAL COUNSEL

This agreement hereby amends the above titled contract (the "Original Agreement") between Metro, a metropolitan service district organized under the laws of the State of Oregon and the 1992 Metro Charter ("Metro") and Parametrix, Inc. ("Contractor").

- A. Purpose. The purpose of this Change Order is to replace certain terms and conditions contained in the Original Agreement, as set forth herein.
- B. Terms of Change Order.
1. Section 2, Scope of Work, of the Original Agreement is hereby amended to read as follows:

Contractor shall provide all services and materials specified in the additional scope of work, attached hereto as "North FEIS Work Scope" and incorporated by this reference as if set forth in full.
 2. Section 3, Payment, is hereby amended to read as follows:

Metro shall pay contractor for services performed and materials delivered in the amount(s), manner and time(s) specified in the scope of work for a maximum sum not to exceed TWO MILLION THREE HUNDRED SEVENTY NINE THOUSAND THREE HUNDRED TWENTY THREE AND 00/100THS DOLLARS (\$2,379,323).

Contractor shall invoice Metro for reimbursement of expenditures for authorized work performed under the Scopes of Work on a monthly basis. The invoice(s) shall include a brief description of the work performed during the invoice period and shall include an itemization of costs at a task level.

The expenditure budget is included in Exhibit A, attached hereto, and incorporated by this reference as if set forth in full, which states the amounts for each task that the Contractor shall be reimbursed under the revised scope of work.

C. Effect of Amendments. Except as modified or superseded herein, all other terms and conditions of the Original Agreement and all previous change orders shall remain in full force and effect.

METRO:

PARAMETRIX, INC.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

**Proposed Parametrix Budget
Contract #904021**

Task	Current Contract Budget	Proposed Budget Revision	Amended Contract Budget
Traffic	798,115	33,528	831,643
Energy	26,414	1,219	27,633
Air Quality	62,161	3,131	65,292
Noise & Vibration	192,814	6,701	199,515
Water Quality/Hydrology	69,429		69,429
Historic	127,483		127,483
Parks/Section 4(f)	71,859		71,859
Displacement	5,668		5,668
Social/Neighborhoods	51,524		51,524
Ecosystems	214,703	6,227	220,930
Visual Assessment	234,128		234,128
Visual Simulations	38,957	3,347	42,304
Land Use/Economics	61,715		61,715
Methods Reports	7,003		7,003
Project Management	186,927	1,457	188,384
DEIS Comments	128,970		128,970
FEIS Review	1,453		1,453
Contingency	0	44,390	44,390
Total	2,279,323	100,000	2,379,323

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 99-2822 FOR THE PURPOSE OF AMENDING CONTRACT NO. 904021 WITH PARAMETRIX, INC. FOR THE NORTH CORRIDOR (INTERSTATE MAX) FINAL ENVIRONMENTAL IMPACT STATEMENT (FEIS)

Date: July 22, 1999

Presented by: Richard Brandman

PROPOSED ACTION

This resolution would authorize Metro's Executive Officer to execute an amendment to Contract No. 904021 with Parametrix, Inc. to incorporate a revision to the contract's scope of work substantially similar to Exhibit A, and amendment of the budget to add \$100,000. This amendment is required to evaluate and document the environmental impacts associated with the Amended Locally Preferred Strategy for the Interstate MAX project including the environmental documentation for the Final Environmental Impact Statement.

FACTUAL BACKGROUND AND ANALYSIS

1. Purpose

Through careful budget management of the Parametrix contract by Metro, work on the South Corridor FEIS was completed with a budget surplus of approximately \$180,000. Approximately \$40,000 was used for work associated with preparation of the SDEIS for the Interstate MAX project. The remaining \$150,000 is not sufficient to complete the Interstate MAX FEIS. This amendment will provide an additional \$100,000 in the Parametrix, Inc. contract budget. The money for this amendment is already included in the Metro budget.

2. Background

Following the November 1998 defeat of the ballot measure that would have provided local funding for the South/North light rail project, a group of business leaders and citizens requested that Tri-Met and Metro examine a new light rail alternative in North Portland. The new light rail alternative, known as Interstate MAX, would result in significantly fewer impacts and lower cost. A Supplemental Draft Environmental Impact Statement (SDEIS) was published in April 1999 and the Metro Council amended the LPS in June 1999. The amended LPS selected the Interstate MAX alignment and defined the North Corridor as the first

construction segment.

Completion of the federal environmental process for the Interstate MAX Project requires publication of a Final Environmental Impact Statement (FEIS) and issuance of a Record of Decision (ROD) by the Federal Transit Administration (FTA). The project schedule anticipates publication of the FEIS in late October 1999 and FTA's issuance of a ROD by the end of November 1999. This contract modification will allow timely completion of the federal environmental process and ensure that the project's funding request moves forward in the spring of 2000.

3. Contract History

In March 1995, the Metro Council approved Resolution No. 95-2101 which authorized the release of a Request for Proposals (RFP) and the Metro Executive Officer to execute a contract for consultant services for the environmental analysis and documentation for the South/North Transit Corridor Study. Following a competitive bidding process, Parametrix, Inc. was selected to negotiate a scope of work and budget. In January 1996, the Metro Executive Officer executed Contract No. 904021 with Parametrix, Inc. for the provision of consultant services for the environmental analysis. The original RFP for this consultant procurement included a provision that the scope and budget could be amended, following Council approval, to include tasks associated with preparation of the FEIS.

After the November 1996 election, which eliminated State of Oregon funds for the project, the South/North Steering Committee evaluated the election results and proposed next steps for the South/North Transit Corridor Study. In response to the election results and analysis, the Steering Committee and the Metro Council called upon project staff to develop a range of options and design changes to significantly reduce the cost of the proposed light rail project. Analysis of the cost-cutting alternatives was not included in the original scope of work and budget for Contract No. 904021. Therefore, in June 1997, the Metro Council approved Resolution No. 97-2527 for the purpose of approving Amendment No. 1 to Contract No. 904021, revising the scope of work and budget to incorporate environmental analysis of the alternatives adopted as part of the cost-cutting process.

In the summer of 1998, following initial adoption of the LPS, Metro project staff prepared a scope of work and budget for completion of the environmental analysis required for the FEIS for the then defined first construction segment, the South Corridor. The Metro Council approved Resolution No. 98-2678 authorizing Amendment No. 2 to the EIS consultant contract. Significant consultant and staff progress toward completion of

the South Corridor FEIS had been accomplished when in November 1998 the voters rejected the local funding measure. Work on the South Corridor FEIS was stopped pending decisions regarding further direction of the study.

The region re-evaluated the status of the project. Following a series of Listening Posts, public requests to evaluate a new alternative in the North Corridor and publication of the Supplemental DEIS, the Metro Council amended the LPS. The amendment of the LPS reflected the change in regional policy to move forward with light rail in the North Corridor next. Completion of the North Corridor FEIS is the next step in moving toward completion of the federal environmental process for the Interstate MAX project.

Summary Table, Parametrix, Inc. Contract					
Date	Amendment	Resolution No.	Purpose	Modification Amount	Total Contract Amount
1/96	Base Contract	95-2101	S/N DEIS	\$0.	\$1,500,000.
6/97	Amendment #1	95-2527	Cost-Cutting	\$310,000.	\$1,810,000.
7/98	Amendment #2	98-2678	S. Corridor FEIS	\$469,323.	\$2,279,323.
8/99	Amendment #3	N.A.	Time Extension	\$0.	\$2,279,323.
8/99	Amendment #4	99-2822	N. Corridor FEIS	\$100,000.	\$2,379,323.

4. Proposed Amendment

Metro staff has negotiated a proposed not-to-exceed budget with Parametrix, Inc. staff for the North Corridor Final Environmental Impact Statement which would increase consultant services Contract No. 904021 by \$100,000, resulting in a not-to-exceed budget for the overall contract of approximately \$2,379,323. Resolution No. 99-2822 would therefore authorize the Metro Executive Officer to execute an amendment to Contract No. 904021, resulting in a budget not to exceed \$2,379,323.

5. Budget Impact

The current budget for preparation of the EIS and PE is adequate to fund the proposed \$100,000 amendment to Contract No. 904021. The current total project budget has been incorporated into the proposed Fiscal Year 1999/2000 Metro budget.

Agenda Item Number 8.2

**Resolution No. 99-2828, For the Purpose of Authorizing an Extension to the Agreement with PacWest
for Lobbying Services.**

***A COPY OF THIS RESOLUTION WILL BE AVAILABLE FOR REVIEW ON AUGUST 9, 1999 AT THE
METRO COUNCIL OFFICE***

Contract Review Board

**Metro Council Meeting
Thursday, August 12, 1999
Council Chamber**

Agenda Item Number 9.1

Resolution No. 99-2825, For the Purpose of Amending the Fanno Creek Greenway Target Area Refinement Plan.

Executive Session Held Pursuant to ORS 192.660(1)(e). Deliberations with persons designated to negotiate Real Property Transactions.

Metro Council Meeting
Thursday, August 12, 1999
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) RESOLUTION NO. 99-2825
THE FANNO CREEK GREENWAY)
TARGET AREA REFINEMENT PLAN) Introduced by Mike Burton
) Executive Officer

WHEREAS, in July 1992, Metro completed the Metropolitan Greenspaces Master Plan which identified a desired system of natural areas interconnected with greenways and trails; and

WHEREAS, at the election held on May 16, 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure (Measure 26-26) which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements pursuant to Metro's Open Spaces Program; and

WHEREAS, the Fanno Creek Greenway regional target area was designated as a greenspace of regional significance in the Greenspaces Master Plan and identified as a regional target area in the Open Spaces, Parks and Streams Bond Measure; and

WHEREAS, Fanno Creek Greenway target area refinement planning focused primarily upon the protection of the main stem of Fanno Creek; and

WHEREAS, citizens' groups advocated for inclusion of Fanno Creek tributaries in target area protection planning; and

WHEREAS, on May 16, 1996, the Metro Council adopted a refinement plan for the Fanno Creek Greenway regional target area which authorized the purchases of sites on both the main stem of Fanno Creek and along its tributaries, specifically Pendleton Creek, Woods Creek, Sylvan Creek, and Ash Creek, illustrated in a confidential tax-lot-specific map identifying priority properties for acquisition; and

WHEREAS, the Fanno Creek Greenway Target Area refinement plan establishes a challenge grant program for Fanno Creek tributary acquisitions through which Metro partners with local jurisdictions to purchase and manage properties for the enhancement of water quality and water quantity; and

WHEREAS, the City of Portland, Tualatin Hills Parks and Recreation District, and citizens have urged Metro to participate in the acquisition of additional properties which front on Woods Creek and its tributaries, and on Sylvan Creek, but which are not currently highlighted as Tier I acquisition priorities on the tax-lot specific refinement plan map; and

WHEREAS, acquisition of these sites would serve the refinement plan objectives of creating partnerships to enhance water quality and water quantity in Fanno Creek tributaries such as Sylvan Creek and Woods Creek; and

WHEREAS, these sites were not highlighted as Tier I acquisition priorities in the original tax-lot specific refinement plan map because the site owners planned to develop the sites and because local partners and citizens did not consider the sites to be available for acquisition; and

WHEREAS, amendment of the refinement plan map illustrating acquisition targets on Fanno Creek tributaries to include the sites on Woods Creek, its tributaries, and Sylvan Creek would allow Metro and local partners to take advantage of these new acquisition opportunities and serve the target area objective of developing partnerships in the protection of water quality and in controlling stormwater in Fanno Creek and its tributaries; now therefore,

BE IT RESOLVED,

That the Metro Council amends the Fanno Creek Greenway regional target area refinement plan map to include the tax-lot specific sites on Woods Creek, its tributaries, and Sylvan Creek, as listed in the attached Exhibit A.

ADOPTED by Metro Council this _____ day of _____, 1999.

Rod Monroe, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

Exhibit A
Resolution No. 99-2825

Fanno Creek target area map with identified properties to be provided to the Metro Council in executive session.

Staff Report

CONSIDERATION OF RESOLUTION NO. 99-2825 FOR THE PURPOSE OF AMENDING THE FANNO CREEK GREENWAY TARGET AREA REFINEMENT PLAN

Date: July 21, 1999

**Presented by: Jim Desmond
Nancy Chase**

PROPOSED ACTION

Resolution No. 99-2825, requests amendment of the Fanno Creek Greenway target area refinement plan map.

BACKGROUND AND ANALYSIS

In May of 1995, voters in the region passed a bond measure enabling Metro to purchase open space properties with \$135.6 million worth of bond funds. The bond measure identified fourteen regional target areas and six regional trails and greenways for property acquisition, including the Fanno Creek Greenway.

Initial planning for the Fanno Creek regional target area focused primarily on land protection along the main stem of Fanno Creek, with the objective of developing a streamside trail network. During the refinement process, citizens' groups advocated for an additional objective: the protection of Fanno Creek water quality through land acquisition along Fanno Creek tributaries. The adopted refinement plan for the Fanno Creek Greenway target area (resolution 96-2331) includes this objective, establishing a challenge grant program through which Metro and local jurisdictions may partner in the acquisition and management of sites on four Fanno Creek tributaries: Pendleton Creek, Woods Creek, Sylvan Creek, and Ash Creek. Sites along these tributaries received Tier I designation in the refinement plan, as adopted on May 16, 1996.

Unlike the refinement plans for the other regional target areas and trails, the Fanno Creek Greenway Target Area refinement plan includes a tax-lot specific map that identifies only a very few specific parcels on Fanno Creek tributaries, rather than geographic areas or watersheds, as priority acquisition targets. These parcels were chosen for their potential to enhance water quality and water quantity, according to the protection priorities of local jurisdictions, citizens groups and Metro. Since the Fanno Creek tributaries are located in highly developed areas, acquisition targets were also chosen or not chosen based upon the existing development plans of landowners.

In the three years following the adoption of the Fanno Creek Greenway refinement plan, the protection priorities of Metro's local partners have remained focused on the tributaries identified in the refinement plan, but have shifted to other parcels once deemed lost to development but now owned by a willing seller. THPRD and the City of Portland, as well as local neighborhood groups, have advocated for the acquisition of additional sites which front on Woods Creek, its tributaries, and on Sylvan Creek, but which are not identified in the refinement plan map. Acquisition of these sites would serve target area objectives of enhancing water quality and water quantity. However, while the local partners are committed to providing 25% of the purchase price and long-term management of the sites, Metro currently lacks authorization to participate in these acquisitions because the sites are not identified as specific acquisition priorities in the refinement plan map.

In order to take advantage of these acquisition opportunities, and to more effectively achieve refinement plan objectives of enhancing Fanno Creek tributary water quality and quantity, Metro should amend the

Fanno Creek Greenway target area refinement plan map to include the Woods Creek and Sylvan Creek sites identified as new protection priorities by Metro, its local partners, and citizen groups.

FINDINGS

Amendment of the Fanno Creek Greenway target area refinement plan map is recommended based upon these findings:

- The Refinement Plan for the Fanno Creek Greenway target area states the following as a Tier I acquisition objective:

Encourage participation of other governments and non-profit organizations in the protection/enhancement of water quality and water quantity by establishing a challenge grant account for land acquisition along the following Fanno Creek tributaries:

- Pendleton Creek
- Woods Creek
- Sylvan Creek
- Ash Creek

Amendment of the Fanno Creek Greenway Refinement Plan map to allow for Metro participation in acquisitions of additional sites with frontage on Woods Creek, its tributaries, and Sylvan Creek would allow Metro to take advantage of partnership opportunities currently offered by the City of Portland and THPRD.

- Amendment of the target area refinement plan map would complement Metro's past acquisitions by allowing Metro to partner in the acquisition of adjacent properties which are currently not identified on the refinement plan map.
- The City of Portland and THPRD have pledged 25% of the purchase price for Fanno Creek tributary properties within their jurisdictions.
- Strong support for this amendment exists from neighboring landowners, and other citizens, who have petitioned for Metro's acquisition of additional properties on Woods Creek and Sylvan Creek. Amendment of this target area refinement plan map will allow Metro to participate in these acquisitions.

BUDGET IMPACT

Bond funds would supply acquisition money, with local share funds providing 25% of acquisition costs. Land banking costs are expected to be minimal. Portland Parks and Recreation and THPRD have indicated an interest in assuming long-term management responsibilities for properties acquired within their jurisdictions. An intergovernmental agreement, to be negotiated and approved by Metro Council in the future, shall govern this arrangement.

Executive Officer's Recommendation

The Executive Officer recommends passage of Resolution No. 99-2825.

1999 Status of Audit Recommendations

Metro Auditor
Alexis Dow, CPA



METRO
Regional Services
Creating livable communities

July 1999

Purpose of Recommendations

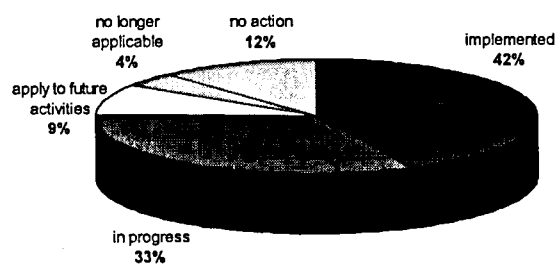
- Audit recommendations focus on:
 - improving Metro's efficiency and effectiveness
 - ensuring compliance with Metro's policies
 - ensuring program goals and objectives are achieved.
- For audit work to be effective, these recommendations must be implemented.

History

- Fourth annual report on implementation status of recommendations
- Previous report - July 1998

Overview of Status

Of 172 total audit recommendations:



Significant Recommendations Implemented

- ❑ Establish a comprehensive code of ethics
- ❑ Overhaul Metro Code governing solid waste franchises.
- ❑ Add security at transfer stations to protect computers and work load data
- ❑ Provide additional funds to ASD for completing most critical parts of InfoLink
- ❑ Improve accuracy, level of detail and timeliness of RLIS data; explain limitations to customers

Total this year - 16

Significant Recommendations In Process

- ❑ Institutionalize UGB peer review process; regularly convene panel to review processes and assumptions; disseminate information to stakeholders and public
- ❑ Improve controls over access to InfoLink and PeopleSoft
- ❑ Increase staffing to address numerous PeopleSoft recommendations
- ❑ Enhance physical security over cash at collection sites

Total this year - 56 (an increase of 28)

Recommendations With No Action

Total - 12 recommendations

- ▣ Only 3 continuing from last year
- ▣ Of 9 new ones:
 - 7 relate to information systems
 - 2 to cash collections at remote sites

Recommendations With No Action - Continuing

- ▣ Investment Management Program
 - Independently verify yield calculations regularly.
- ▣ Waste Reduction Grant Programs
 - Evaluate program by studying accomplishments of first two grants
- ▣ Expo Construction Cost Management
 - Develop criteria for staff to use to decide which costs to charge to projects.

New Recommendations With No Action - Cash Collections

- ❑ Accounting Division should provide departments with written guidelines for cash handling policies and procedures.
- ❑ Each cash handling area should have current detailed written cash handling polices and procedures.

New Recommendations with No Action - InfoLink, etc.

- ❑ Review adequacy of service agreement coverage for hardware and software
- ❑ Conduct staffing review in light of implementation efforts:
 - IMS
 - Accounting Department
 - User Departments
- ❑ Assess staffing needs for ongoing support for InfoLink
- ❑ Others related to implementing upgrades and additional planned modules

Summary

- ❑ Much progress has been made
- ❑ Some, like InfoLink, require ongoing attention - we plan to update our study before year end
- ❑ MERC needs to establish criteria for costs - new OCC and Expo projects
- ❑ Cash collection guidelines and policies need to be developed and given to those collecting cash

MINUTES OF THE METRO COUNCIL MEETING

July 29, 1999

Council Chamber

Councilors Present: Rod Monroe (Presiding Officer), Susan McLain, Ed Washington, Rod Park, Bill Atherton, David Bragdon, Jon Kvistad

Councilors Absent:

Presiding Officer Monroe convened the Regular Council Meeting at 2:02 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATION

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

None.

4. AUDITOR COMMUNICATIONS

None.

5. MPAC COMMUNICATION

Councilor McLain said MPAC had reviewed issues such as the Metro Code amendments dealing with some of the UGB decisions. She said Mr. Cooper had been working with local staff to transition the amendments into the present code. She noted a resolution on the MPAC agenda, ESA and water issues. She said they had a thorough discussion about that and were looking at having a schedule which would bring any amendments to the resolution, which were to be to the Council or to Mayor Rob Drake by this Friday to get into the MPAC agenda for August 11. She said the last item was the discussion by MPAC on how Metro should use the solid waste contract savings.

Councilor Bragdon said he had supported Councilor McLain's resolution at MPAC and felt the outcome was positive. He asked if it was the chair's intent to bring the resolution back to the Growth Management Committee.

Councilor McLain said it was. She would ask the committee to vote on the amendments.

6. METRO LEGISLATIVE UPDATE

Paul Phillips, PacWest, representing Metro for the legislative session, said he was submitting for the record action of the 1999 legislature (See copy in permanent record of this meeting). He said the tracking included 241 measures, 87 of which went through, and the Governor signed 38 of those. He said there were 40 measures awaiting action by the Governor and four (4) measures had been vetoed. He noted that not all of the measures were positive in Metro's perspective. The effective date for the legislation was generally October 23, 1999, although some of the pieces of legislation would not go into affect until January 1, 2000.

Of the measures PacWest tracked for Metro, 123 were land use related issues. He felt the next session would also include a big proportion of land use issues. He said that was a proactive opportunity for Metro. He said this was an almost total defensive session, trying to reestablish Metro as a place for good objective data. That was a very successful effort. He noted that 4 of the 5 bills they had asked for had passed and signed by the Governor. The fifth was not passed because the issue related to other concepts that were going on and it was decided to withdraw the measure (the pool chlorine issue).

The big issue at the end of the session was transportation funding. He commented that it passed out of the House relatively early, then it passed back out of the Senate late after great discussion. He said the measure was heavily lobbied by a combination of business interests, AFSCME, the building trades, and local and regional governments, including Metro. He said there was quite a bit of controversy but it did pass after the third vote. He said they were now sitting on the Governor's desk. He pointed out that the spending authority on the package had to go back through the Emergency Board as \$750 million so there were some things that the Council needed to be proactive in and work directly with the Emergency Board. He said the Emergency Board appointees were, from the Senate: Brady Adams, Gene Derfler, Ted Ferrioli, Lenn Hannon, Eileen Qutub, Gene Timms, Cliff Trow, Mae Yih, and Rick Metsger, and from the House, Lynn Snodgrass, Steve Harper, Leslie Lewis, Ben Westlund, Karen Minnis, Bob Montgomery, Jackie Winters, Barbara Ross, Kurt Schrader, and Gary Hansen. He noted that the substantive committees would be appointed by late August or early September.

He commented that the Joint Task Force on Water Quality, Senate Bill 133 (Salmon Stream Enhancement), prison siting, HB 2082 (the ODOT package), the Watershed Enhancement Program, and the pesticides issue (sales and tracking) which the Governor was going to sign, were all significant upcoming issues.

He suggested other areas the Council should focus on during the interim. He said the policy issues of transportation were anything but over: the cost responsibility and the weight/mile tax were two major issues that the Council would be watching. The land use issues would continue to be of focus. He said water environment issues, with the potential ESA listings and the activities in the Port and in the Willamette River, would also be big policy issues. He suggested direct interaction with the Emergency Board and being a resource for others who needed information would be a positive approach to take. He felt Metro was the repository for the best information on a variety of major issues. He noted that he and Ray Phelps had worked particularly hard during the later part of last year, before the session started, to educate people as to how Metro came into existence and what it actually did. He said he was shocked at the lack of knowledge about Metro's function. He felt opportunities for a greater financial commitment from the legislative standpoint for the Zoo were worthy of examining. He said growth planning and land use and transportation would still be major issues at the next session.

He said the session was adjourned but many things that were passed would not go into effect until October so there was a whole series of things that Metro must be engaged in on behalf of their constituencies to make sure their voices were heard.

Councilor Atherton noted that Mr. Phillips had given a good complete report. He asked if it would be valuable to have a round table session with the legislators.

Mr. Phillips strongly recommended such a discussion. Or a joint planning session of some kind, or hosting discussion items with different interest groups were all excellent ideas, especially during the interim.

Councilor Kvistad asked about the high speed rail funding. He wondered if the funding was for just the disabled funding portion or was it actually for the full funding.

Mr. Phillips said it was both.

Councilor Kvistad asked Mr. Phillips to give a brief overview of the transportation package.

Mr. Phillips referenced the last tab of the handout (found with permanent record of this meeting) which was Dick Yeats, Legislative Counsel's analysis of the tax plan. He indicated that he had the talking points they had used to lobby the measure through if Councilors wished to use them. He commented that Tom Bryan did a lot of work as did Charlie Hales so the measure could pass. It was a joint effort of everyone.

Councilor Kvistad thanked Mr. Phillips and his staff for doing a great job.

Councilor Washington echoed Councilor Kvistad's sentiments and said he appreciated the timeliness of the reports to the council. He also thanked Mr. Stone and Mr. Cooper for their work. He felt the advice regarding the interim session was good.

Presiding Officer Monroe said he, too, felt there was a lot of misunderstanding and misconceptions about Metro in Salem. He felt there had been great strides made but there was still a need to continue trying to change that.

Ray Phelps said Councilor McLain's participation had been very significant and he would love to have her with him more often in Salem. He said she had impressed the legislative bodies before which she had testified.

7. CONSENT AGENDA

7.1 Consideration meeting minutes of the July 22, 1999 Regular Council Meeting.

Motion: **Councilor McLain** moved to adopt the meeting minutes of July 22, 1999 Regular Council Meeting.

Seconded: **Councilor Park** seconded the motion.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed unanimously.

8. PUBLIC HEARING CONCERNING ALLOCATION OF PROJECTED SAVINGS FROM METRO'S SOLID WASTE DISPOSAL SYSTEM.

Presiding Officer Monroe opened a public hearing on the process for allocating any additional savings from the Waste Management Contract renegotiation that would take affect next January as well as contract re-negotiation with STS. He said Councilor Washington had committee jurisdiction as Chair of the REM Committee and there would be additional public hearing before his committee as well as the full council before anything was finalized. He indicated that these public hearings were to listen to the public.

Tyrone Poole, Oregon Zoo, 4001 SW Canyon Rd., Portland OR 97221 said he was a Jefferson High School student and lived in northeast Portland. He said he and Ms. Jakien worked at the Oregon Zoo with the ZAP (Zoo Animal Presenters) team educating people about animals. He said Metro took 7.5% from all bonds and money made at the Zoo, which amounted to about \$670,000. He was worried that meant the smallest parts of the Zoo organization, like ZAP, would be erased from the budget. He asked Council to stop taking the 7.5% from the ZAP team because it was a great job that was not only educational for the people they took the animals to, but also for themselves.

Kasey Jakien, Oregon Zoo, 4001 SE Canyon Rd., Portland OR 97221, said she attended Cleveland High School and lived in southeast Portland. She said the ZAP program took animals to people who couldn't afford to go, or were otherwise unable to go to the Zoo, like children in area children's hospitals. She said this was the first year of the program and they could go for many years if they had more money to do it.

Councilor McLain complimented the students on their speaking skills and their information. She suggested asking their English teachers for some credit for the speech element of the state standards because of the great job they were doing.

Mr. Poole said they got biology credits for working with the ZAP team.

Nina Stables, 44901 SE Marmot Rd, Sandy, OR 97055 said she represented 21 granges in Clackamas County with over 3,000 members who had always been interested in environmental issues. She presented a resolution to the council (see copy in permanent record of this meeting) and introduced their legislative chairman. Mr. Luttrell, to explain the resolution.

Ed Luttrell, 44901 SE Marmot Rd, Sandy, OR 97005, said the granges felt that rural Clackamas and Washington Counties had an illegal dumping problem. Therefore, they resolved at their July 24 meeting that the Clackamas County Pomona Grange No. 1 urged the Metro Councilors to make grants to the Clackamas County Sheriff's Department for enforcement of illegal dumping of garbage, and further resolved that dumping fees be reduced with the balance of the projected cost savings. He said they felt illegal dumping was a major problem that created eyesores, health hazards and serious wildlife concerns that Metro could do serious positive actions on. They felt the sheriff's department was a good choice for some funding because they had local knowledge and were relied upon by all of unincorporated Clackamas County. He said solid waste disposal generated the dollars and their position was that the dollars should be used for these purposes.

Councilor Park asked Mr. Cooper if material collected outside Metro's jurisdictional boundary was subject to the excise tax.

Mr. Cooper said if it was brought to a facility inside the boundary it was subject to the tax.

Councilor Kvistad suggested that the grange people talk to Metro's enforcement people to figure out where the sites were.

Jack Kiley, Oregon Zoo, 2734 NE Bryce Street, Portland, 97212 said he lived and worked in the Portland area and was a volunteer of the Oregon Zoo for a year and a half. He was impressed and astounded by the commitment and the number of volunteers at the zoo. He said there were 1,500 active volunteers, including over 300 teens. He explained some of the duties of the volunteers, for instance, assisting in animal care, groundskeeping, and visitor information. He urged the council to accept Mr. Vecchio's request to eliminate the excise tax on the Zoo and the volunteer program.

John Inskeep, Oregon Zoo Foundation, 9021 SW Palantine Hill Rd, Portland, OR 97219 explained that the purpose of the foundation was to raise community support for the zoo through financial, voter support, and enlisting the support from politicians. He stated that he was there to urge the consideration to eliminate the 7.5 excise tax that Metro imposed on the Zoo's gross earnings. He said that the reasons to support this were laid out by other board members and written comments. He asked if it was right for Metro to impose a tax on the gross earnings and at the same time ask for donations to support the Zoo's operations. He stated that Metro created a \$600,000 plus annual expense and then asked the community to make up for it at the Zoo. He added that the appeal was masked in the feel good issues of animal care and conservation and went on to say that the first \$670,000 raised in the name of the Zoo went to non-funded Metro departments such as planning. He noted that programs could have been funded from operations without the excise tax. He explained that this hurt their fund raising efforts in the past and would continue to do so in the future. He stated that those who donated both time and money to the Zoo had been supportive of the current situation, but now the opportunity existed to eliminate the issue and repeal the excise tax.

Ralph Gilbert, Oregon Zoo, P.O. Box 20096, Portland, OR 97294 amplified Mr. Inskeep's testimony. He suggested that if the 7.5% excise was eliminated, it would save about \$240,000 of the \$670,000 that was collected on admissions. He thought that the excise tax could still be collected from the food and sales items. He said a large amount of the dollars that supported the Zoo came from the tax, and a second tax would overload them. He suggested taking the 7.5% off the admissions.

Councilor Bragdon asked if they were advocating for a repeal of the excise tax or talking about continuing to collect the excise tax but directing it toward the Zoo.

Mr. Inskeep said he would advocate for elimination of the excise take without a reduction in the admission fees. He added as long as they were asking people to donate funds it was a problem to ask them for more. He noted that he did not think the Zoo's budget was too large.

Mr. Kiley said he concurred with Mr. Inskeep, but he thought the excise tax should be eliminated and any revenues should be kept in the operational funds of the Zoo.

Councilor McLain said she had a question for the speakers. She said by talking about eliminating the excise tax from the Zoo, there would then be the opportunity to work in new

programs and take care of their own administration. She asked that if there was not going to be an excise tax, was the Zoo planning on taking care of all their own central functions.

Mr. Inskeep said he would direct the councilor to the Director of the Zoo to respond. He thought that those items were charged to the Zoo already and the Zoo paid a fee to Metro for those services. He noted that the excise was over and above those charges.

Councilor McLain said that was correct in a sense but the Zoo was paying for its own services.

Mr. Inskeep said the Zoo wrote a check for the services it received in addition to the excise tax. He said there was a bill from Metro and then an additional 7.5% taken off the top that he understood was to help with Metro overall budget. He added since the Zoo was a natural profit organization the money would be used for programs at the Zoo or could be used to reduce the admission.

Councilor McLain said she thought that they had said the same thing.

Mr. Inskeep said he did not think they did, he understood that the Zoo would have to then contract out for services that it currently received from Metro. He noted that the services were paid for by the Zoo, not out of the 7.5%, but out of other funds.

Councilor McLain said she understood what he was saying, but she stated that if the Zoo was part of the 7.5% base then the support groups were spread over a larger percent of people. That meant the costs were lower, if the Zoo was taken out of that configuration those same services were going to cost more.

Mr. Inskeep said he thought the Zoo would find its share less than the excise tax.

Councilor Kvistad said this had been a bug of his for a long time. He noted that taking money out of the facilities for general functions of this agency was not healthy. He added that Metro needed to become more efficient within the agency and the loss of that revenue could be to a degree offset by our becoming more efficient. He stated that the Zoo was part of the Metro team and paid a share into the system. He stated that he agreed with those testifying that we needed a tax structure that did not tax our own facilities. He said if they could not come to agreement to return the dollars directly to the tax payer, then he said the next best thing would be to back fill this money.

Presiding Officer Monroe said this was a listening post hearing. The purpose of the hearing was to listen to what the public had to say.

George Bing Sheldon, Business Committee for Arts and Culture, 123 NW 2nd Portland OR 97209 said they were here to talk about Arts and Cultural facilities and the excise tax. He reminded the council that when the facilities were built they required on-going maintenance. He noted that what he would like to suggest was that the tax be returned directly to the facility or maintained by Metro and reinvested in the facility. He added that the arts facilities suffered for years because of inadequate maintenance. He suggested that a system be built up for continuing maintenance.

Lee Stephenson-Kuhn, Northwest Business Committee for Culture and Arts, 520 SW Yamhill Portland, OR seconded Mr. Sheldon's message to the Council and urged the reinvestment of the excise tax to a capital investment fund. As a downtown businessman he said that he took pride in the public theaters, convention facilities, Art Museum, Zoo and more. He stated that Portland had become a destination for people all over the world and we needed to make sure the facilities were up to that. He urged them to provide the funding for the maintenance of these facilities.

Presiding Officer Monroe said he understood that under the contract with the City of Portland that the arts facilities were not subjected to the excise tax.

Mr. Cooper said the current excise tax code provision exempted PCPA and the stadium from paying the excise tax. The contract stated that if you did receive tax from them then the proceeds would have to be dedicated to MERC purposes.

A.G. Budland-Lindstrand, Business Committee for Culture and Arts, 7286 SW Ascot Ct. Portland, OR said he had lived in this community for 40 years. He said they came as a group to not urge the council to reduce some funds to them, he said he saw funds at hand and people looked for that. They were here today to request money be set aside for the maintenance of the facilities. He noted the embarrassment in taking visitors to the city auditorium and seeing thread barren seats. He noted the same issues with the roads and highways. He said he was taught through business that if you didn't prepare for business it only got worse. He urged the council, if there was extra money then dedicate it to the facilities.

Kathleen Stephenson-Kuhn, Northwest Business Committee for Culture and Arts, 221 NW 2nd Portland OR 97209 explained that Northwest Business for Culture and Arts was a advocate of over 150 companies to encourage investment for arts, heritage, and humanity. She said there mission broadened and they were advocating for the Zoo and facilities that had these programs. She said she was there to encourage reinvesting excise tax back into all of the facilities. She then read a letter into the record, a copy of which may be found in the permanent record of this meeting.

Wayne Rifer, Recycling Advocates, 1975 NW 113th Portland, OR 97229 said they urged not to decrease the tipping fee. They looked at recycling as a private sector activity which was very interactive. He explained that when a certain fee level was set for the tip fee, investments were made on the recycling side. He added that when the fees changed, there was a debilitation of the recycling side which could put them out of business. He asked to allocate the savings back into the solid waste system. Possibly there could be some difficult policy issues caused by a service fee. He then asked the Council to take a look at the use of these funds so that they may be used for key projects such as the division of waste from landfill and the conservation of nature resources. The final statement was to look at new program opportunities.

Jeanne Roy, Recycling Advocates, 2420 SW Boundary St., Portland, OR 97201 said they thought if Metro was willing to invest \$3 million a year for the next six years that Metro may be able to meet the recycling goal for the year 2005 which was 50%. She noted that the current recycling rate was 36%. REM staff did a report that said business recycling was 56% of what it should be and in construction demolition they were at 34% in 1997. She noted that those two areas contributed to 68% of the total waste. Recycling Advocates have seven areas where Metro could get the best use of this money: 1) a grant to local governments for new recycling programs.

2) media campaign, 3) waste evaluations, 4) being market development, 5) an organics such as commercial organics incentive fund, for a period of five years Metro would subsidize the collection of food waste. She asked for investment money for two food composting sites for the region.

Alice Norris, MERC, 141 Ogden Drive, Oregon City, OR 97045 Clackamas County representative to the MERC Commission, said they were Metro's partners in the public facilities and she said the concern was the maintenance of those facilities. She said the ongoing concern was capital improvement, deferred maintenance, and long range capital projects. She stated that she was there to advocate for creating a pooled capital fund from the excise tax that was already collected for capital projects. She noted that it would be regionally supported.

Larry Harvey, 22830 SW 93rd, Tualatin, OR 97062 read into the record a letter (a copy of which may be found in the permanent record of this meeting). He added that it was important to understand that the folks who had been testifying concerning the facilities were not advocating that waste funds be used to override the cost of the facilities. He noted alternatives would be nice.

Presiding Officer Monroe closed the public hearing.

9. COUNCILOR COMMUNICATION

Councilor McLain said Metro was out in the public at the Washington County Fair, she then encouraged the councilors to visit the fair. She noted that Councilor Kvistad had a friend come and have a fish picture taken at the fair and this was to be hand delivered to the Council.

Councilor Kvistad said that this person was a friend of 30 years and the father of the executive director of Oregon Department of Transportation.

Councilor Park said he had traveled and seen different newspapers concerning Smart Growth, problems with development, and the homebuilders were not able to develop at a high enough density. He noted that across country, there was a different scale of density.

Councilor Washington referred to a letter he had given to the Councilors (a copy of which may be found in the permanent record of this meeting). He had been thinking about decisions that would need to be made for percentage or per ton excise tax. He noted that these decisions would impact the workers, and that there should be discussions with them.

Councilor McLain appreciated Councilor Washington's letter. She noted that with the conversation at MPAC last night and from the audience today they had to deal with not only the regional facilities but parks and greenspaces. There were a lot of issues that folks believed were Metro's responsibility. She stated that they had to be creative with all responsibilities that the charter indicated were Metro's legal mandates.

10. ADJOURN

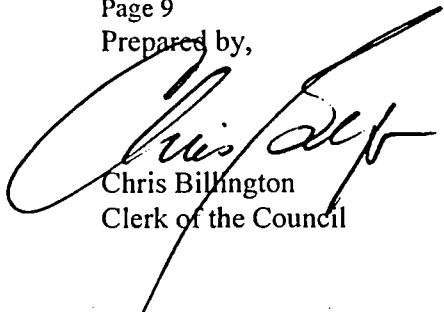
There being no further business to come before the Metro Council, Presiding Officer Monroe adjourned the meeting at 3:31 p.m.

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Prepared by,



Chris Billington
Clerk of the Council

Document Number	Document Date	Document Title	TO/FROM	RES/ORD
072999c-01	1999 Legislative Session	Metro Legislative Report	TO: Metro Council FROM: Pac/West	
072999c-02	1999 Legislative Session	1999 General and Solid Waste Legislation	TO: Metro Council FROM: Pac/West	
072999c-03	1999 Legislative Session	1999 Lan Use Legislation - Senate	TO: Metro Council FROM: Pac/West	
072999c-04	1999 Legislative Session	1999 Land Use Legislation - House	TO: Metro Council FROM: Pac/West	
072999c-05	1999 Legislative Session	1999 Transportation Legislation	TO: Metro Council FROM: Pac/West	
072999c-06	7/29/99	Contract Savings Decisionmaking Timeline	TO: Metro Council FROM: Ed Washington, REM Chair	
072999c-07	7/28/99	RACC Request for \$75,000 from Solid Waste Contract Savings to Complete Metro's 1999-2000 Investment in RACC programs	TO: Metro Council FROM: Pam Baker, Chair Regional Arts and Culture Council	
072999c-08	7/28/99	Recycling Advocates testimony to Metro Council on Projected Savings from Contact Change Order	TO: Metro Council FROM: Recycling Advocates	
072999c-09	7/29/99	Solid Waste Savings	TO: Metro Council FROM: Karen Siefle	

072999c-10	7/29/99	Email concerning Allocation of Metro Solid Waste Disposal System Funds	President/Owner M&M Productions TO: Metro Council FROM: Bernie Foster
072999c-11	7/24/99	Metro Savings Resolution	TO: Metro Council FROM: Clackamas County Ponomo Grange
072999c-12	7/21/99	Key Messages on Excise Tax Levied on Facilities	TO: Metro Council FROM: Larry Harvey Public Relations
072999c-13	7/29/99	Solid Waste Savings	TO: Metro Council FROM: Elizabeth Kaufman
072999c-14	7/29/99	Solid Waste Savings	TO: Metro Council FROM: J. Clayton Hering Northwest Business for Culture & Arts
072999c-15	7/27/99	Solid Waste Savings	TO: Rod Monroe and Ed Washington FROM: Dan Saltzman Portland City Commissioner
072999c-16	7/26/99	Solid Waste Savings	TO: Metro Council FROM: Stephanie Oliver Public Affairs Director The Oregonian
072999c-17	7/29/99	Solid Waste Savings	TO: Metro Council FROM: Bernie Foster, The Skanner Foundation Training Center
072999c-18	7/28/99	Solid Waste Savings	TO: Metro Council FROM: Julie Mancini

and Carrie
Hoops Literary
Arts

MINUTES OF THE METRO COUNCIL MEETING

August 5, 1999

Council Chamber

Councilors Present: Rod Monroe (Presiding Officer), Susan McLain, Ed Washington, Rod Park, Bill Atherton, David Bragdon, Jon Kvistad

Councilors Absent:

Presiding Officer Monroe convened the Regular Council Meeting at 2:02 p.m.

1. INTRODUCTIONS

Councilor Bragdon introduced his uncle, Mr. Baird T. Horton, who was visiting from Rochester, Minnesota, and Satellite Beach, Florida.

2. PORTLAND ART MUSEUM EXHIBITION PRESENTATION

John Buchanan, Director of the Portland Art Museum, thanked Councilor Washington for extending to him the opportunity to make this presentation. He said the project he would be showing them ranked as the most fascinating he had work on in his 30 years in the art business. This project involved organizing with the State Hermitage Museum in St. Petersburg, Russia, an exhibit brought from Russia, to open in February of 2000. It would go from there to Dallas, Paris, and then on the St. Petersburg.

Mr. Buchanan recapped the improvements that had been done to the museum in the past five years, spurred by the anticipated exhibit at the museum of the Great Tombs of China. He noted that detailed records had been kept of the economic activity generated by visitors to the museum for that exhibit. In all, \$92 million dollars in economic activity were contributed as a result of that one exhibition. This sparked an inventory of the museum's contributions and resources, to form a \$20 million capital project. Further, the museum has initiated an attempt to raise \$1 of endowment for every \$1 of capital raised. He said \$39 million, all from private sources, had been raised toward that project. Mr. Buchanan summarized the expansion (a brochure of which has been attached to the meeting record), which would add 60,000 square feet of space to the museum, two new special exhibition halls, 47,000 square feet of space for the Native American collections; for a center to exhibit northwest art; and a new education center and 400-seat state-of-the-art auditorium, new visitor service, a shop, and cafe, capped by an outdoor, and a 15,000-square-foot sculpture mall open and free to the public.

He said opening on November 17 would be the Sara Lee Corporation's extensive collection of late 19th and early 20th century paintings. He said this collection was slated to be dispersed soon after the showing.

Mr. Buchanan summarized the Russian exhibit, which he said would be a first in many areas. He said he had been traveling between the United States and Russia for the past three years with the last surviving member of the Stroganoff family of Russia. The Stroganoffs had been great patrons of the arts for four centuries. During the revolution of 1917, the entire Stroganoff

collection had been confiscated and nationalized. This was the largest and finest art collection outside of those of the Czars. This will be the first time since 1917 that all the pieces will be shown together as they were when they were owned by the Stroganoffs. The museum has been working with nearly every cultural organization in Portland--the ballet, the symphony, the opera, the History Center, and many more--to present a "Winter Fest."

Mr. Buchanan said this would cost about \$3 million, \$1 million of which has been raised already.

Councilor Washington thanked Mr. Buchanan for the presentation. He assured the Council that Mr. Buchanan was not there to ask for money, but to share with the Council the exciting happenings at the art museum and to emphasize how happenings there positively affect facilities Metro owns and manages. He praised Mr. Buchanan and his wife, Lucy, for their accomplishments on behalf of the museum.

Councilor Kvistad said the arts were important to him and appreciated what Mr. Buchanan had done with the museum.

Councilor McLain praised not only Mr. Buchanan's content, but also his presentation.

Mr. Buchanan said considerable education materials would be made available, including audio tapes.

Councilor McLain said the elementary students who had

Presiding Officer Monroe said was personally excited about this exhibit, as he had done graduate work in Russian history and planned to make a trip to Russia some day.

Mr. Buchanan said he would be extending an open invitation to anyone in Portland to attend the opening of the exhibit at the Hermitage in Russia in the spring of 2001.

3. CITIZEN COMMUNICATION

None.

4. EXECUTIVE OFFICER COMMUNICATIONS

None.

5. AUDITOR COMMUNICATIONS

Alexis Dow, Metro Auditor, introduced Joseph Gibbons, the auditor from her staff who was responsible for the Human Resources Benchmarks and Opportunities report issued last month, and presented the results of that report.

She explained "benchmarking" as diagnostic tool wherein an organization's operations are compared with those of other organizations of similar size. Differences can help pinpoint areas in which operations might be improved. The Hackett Group, which is expert in benchmarking, was hired as a consultant.

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The results indicate that Metro's human resource (HR) function has been lean and efficient. The total HR cost per employee was only about one-third of average, with overhead and hiring costs lower than average and top-ranked organizations. Under areas for improvement, she said Metro's HR Department has had a high turnover for several years. She also said the number of job grades/titles was much higher than that other organizations. The Executive Officer has said that area would be looked at.

Ms. Dow also said the HR staff could be used more efficiently by using them to do agency-wide staff training, employee motivation, and management skills development. To do this, however, the HR department would need more money.

The report concluded by recommending that Metro 1) work with the unions to better manage the number of job titles/grade; 2) to create an interim team for self-evaluation of performance efficiencies; 3) mechanize or put on the Web as appropriate work currently being done by personnel; and 4) use the HR Department as a strategic partner in recruiting and developing the management team. (See handout, attached to the permanent record of this meeting.)

Presiding Officer Monroe referred to the figure that Metro's cost was about one-third that of other organizations per HR employee. He asked if the test group used for comparison was public or private.

Ms. Dow said it was both, but primarily private.

Presiding Officer Monroe asked how Metro compared with other public agencies.

Ms. Dow did not have that data. She said the benchmarking data was not able to break that out data for other public agencies.

Councilor Park referred to the number of job titles and grades. He asked if Metro's numbers were compared with organizations that had the same scope of responsibilities.

Ms. Dow said yes.

Councilor Park noted that Metro has several different organizations within the umbrella organization--the Zoo, the regional parks, and REM, for example. Each would have separate job classifications and titles. He wondered if the other organizations covered so many different types of operations.

Ms. Dow said companies in the private sector, which made up the bulk of the organizations to which Metro was compared, own a variety of operations. PepsiCo, for example, owns bottling operations, Kentucky Fried Chicken, and a bunch of other companies. She thought Metro showed a large number of grades given its relatively small size.

Councilor Washington asked why people were leaving HR.

Ms. Dow said did not know, but finding that out would be one of the tasks of the interim management team.

Councilor Washington asked whether it would have been appropriate to find out the reasons for the high turnover.

Ms. Dow said that would have been outside the scope of the audit but should be investigated. She said the high productivity of the department raised the possibility of overwork. Also, the department has provided mostly administrative services rather than advanced HR skills. This raises the question of whether people have become frustrated at not being able to use their training.

Councilor Washington commented that all too often, the first response in Metro has been to put together a team to study problems when the problem might be addressed more simply and directly. He said he had talked briefly with Ms. Gregory about the department, and it was apparent that if it was to provide more services, it would cost more. He asked how much more and where the funding would come from.

Ms. Dow said it must be kept in mind that this was a benchmarking study, designed to pinpoint problem areas rather than solve them. She noted that although having the HR department provide more in-depth services to the agency as a whole might cost money, management inefficiencies and undeveloped talent also cost money.

Councilor Washington asked how an audit determines whether a management team is operating at peak efficiency.

Ms. Dow said different managers have different strengths and weaknesses. To offer a basic, core training program would ensure that everyone has the opportunity to develop important strengths.

Councilor Washington asked what the next step would be.

Ms. Dow said Executive Officers had responded to each of the recommendations, indicating the action that would be taken. Those responses can be found at the end of the report. She said the Council would receive a yearly progress report.

Councilor McLain thanked Ms. Dow for the report. She asked about the Benchmarking indicators themselves. She said she was familiar with and supported the general concept benchmarking. However, she noted that if the assumptions that underlie the process are ambiguous or poorly defined, occasionally a red flag appear to be raised that are not truly a red flags. She wondered if the assumptions used in this case had included seasonal events and part time or seasonal workers.

Ms. Dow said those items had been considered in a number of benchmarks. The ones that raised the red flag did not have those extenuating circumstances.

Councilor Atherton asked Ms. Dow about item 45, percent of workdays lost to absence. He noted that Metro employees were about 2% lower than average. He asked whether that could be due to the large number of part-time workers.

Mr. Joe Gibbons, Senior Auditor, responded. He said the reason was an agency-wide feeling of dedication and concern about the work. Metro has had a relatively good work ethic, so sick leave tends not to be abused.

6. MPAC COMMUNICATION

Councilor McLain said there had been no MPAC meeting that week; it would be August 11th. She thanked Lou Ogden for coming today to participate in Metro Matters. The Metro Matters show included her, Councilor Bragdon, MCCI President Kay Durtchi, and Mayor Ogden. They discussed how people can become involved in the Urban Growth Boundary decisions that will be made in September and October. Public hearings will begin on September 23, 1999, in Hillsboro at 5 PM.

7. CONSENT AGENDA

7.1 Consideration meeting minutes of the July 29, 1999 Regular Council Meeting was postponed until the August 12, 1999 Regular Council Meeting.

8. RESOLUTIONS

8.1 **Resolution No. 99-2808A**, For the Purpose of Amending the Metropolitan Transportation Improvement Program (MTIP) to Program the Job Access and Reverse Commute Grant Program between Canby and Wilsonville.

Motion: Councilor Kvistad moved to adopt Resolution No. 99-2808A.

Seconded: Councilor Bragdon seconded the motion.

Councilor Kvistad explained that this program had been funded through the state legislature and approved by the Joint Policy Advisory Committee on Transportation (JPACT). The program would aim to provide access to jobs by connecting people who are driving to or from work with those who need a ride. This would be a "pre-jitney" experiment. Councilor Kvistad noted some issues with safety had been raised concerning who might be riding or driving with whom. Both JPACT and the Transportation Planning Committee had put in the resolution their concerns with safety and said they would monitor that closely.

Councilor Bragdon spoke in support of the resolution and highlighted the two amendments--one concerning an audit of cost-effectiveness and the other addressing safety concerns--that allowed him to support the resolution. He said he approved of experimenting with innovative solutions to transportation problems in the suburban areas where conventional transit has not worked. He had been concerned about what appeared to be excessively high administrative and overhead costs, which prompted an amendment requiring an audit for efficiency of cost/per rider. He had also been concerned about safety, which prompted an amendment that requires some sort of screening or security process to be put in place.

Councilor Washington asked Mr. Cotugno to explain to the public what is meant by the term "jitney."

Andrew Cotugno, Transportation Planning Director, said jitney has been used generically to refer to a range of alternatives to large, conventional buses with paid drivers. Some examples in other countries include taxis that have the authority to pick up multiple passengers along the way or a privately operated mini-van that has a regular route on a busy street, but can divert from that

street to drop someone off. These are sometimes operated by individuals, some by hotels, and some by companies.

Councilor Washington asked about the origin of the word jitney.

Councilor Bragdon speculated it was a corruption of the term "jeepneys," from the Philippines.

Councilor Atherton asked about the status of regulation of jitneys for safety.

Councilor Bragdon said inter-city van transportation in Oregon is unregulated in terms of who is served or what is charged. It is subject to ordinary regulations that cover the operation of motor vehicles. Intra-city commercial transportation is regulated by the Public Utilities Commission and by the cities themselves.

Councilor Kvistad said this would be an innovative program, it had not been tried before. He thought the safety issue should be monitored, but he urged an aye vote.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed unanimously.

8.2 **Resolution No. 99-2809**, For the Purpose of Amending the Metropolitan Transportation Improvement Program (MTIP) to Program Section 5309 Funds for Rehabilitation and Expansion of the Powell Bus Garage.

Motion: **Councilor Bragdon** moved to adopt Resolution No. 99-2809.

Seconded: **Councilor Kvistad** seconded the motion.

Councilor Bragdon said this resolution would create eligibility for reimbursement of federal funds expended on a bus garage project over the next three years. Tri-Met was in the process of seeking federal funds. This resolution would allow Tri-Met to incur expenses now with the potential of being reimbursed under the MTIP when and if the federal money comes through. The application came from Tri-Met and has been approved by the Transportation Policy Alternatives Committee and JPACT. Earlier this year the Council identified this as a priority for the region to the Oregon delegation in Washington DC.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed.

8.3 **Resolution No. 99-2810**, For the Purpose of Authorizing Release of the 1999 Update to the Regional Transportation Plan for Jurisdictional and Public Comment.

Motion: **Councilor Kvistad** moved to adopt Resolution No. 99-2810.

Seconded: **Councilor Washington** seconded the motion.

Councilor Kvistad quoted the federal regulation that requires Metro to update its regional transportation plan every three years. He said approval of this resolution would direct the Metro transportation staff to complete the final draft of the regional transportation plan (RTP) for review and public comment; it would not approve the plan. Following that review and comment period, there would be public hearings, further review by the Transportation Planning Committee

and by Tri-Met. The RTP ties transportation policies with the Regional Framework Plan and with cities, neighborhoods, and determine priorities. Approval of this resolution would initiate the public comment period.

Councilor Atherton said the issue of finance had been raised in the Transportation Planning Committee--how the projects would be funded. He said no convenient place for that discussion had been made in this resolution. He said he had suggested in committee that the issue of financing be highlighted by putting it as a topic in Chapter 1, the policy chapter. Councilor Atherton said Mr. Cotugno suggested the finance part should be in the implementation section. Councilor Atherton said in his view, the issue should be highlighted and the word "finance" should appear in the table of contents. After thinking about this issue in the past two weeks, he said he would like to know why this needed immediate action in light of all of the sections that have not been completed.

Mr. Cotugno said the purpose of this resolution was to get closure on the major project, the system maps, and the policy framework--the main components of the RTP. The staff had gathered information from jurisdictions and workshops and had come up with a set of projects that would meet Metro's 2040 goals and concepts. The purpose of this resolution is to put an end to the process and produce a document for comment. He said in his view the finance question remained the major question to be debated before the RTP was adopted. There are fundamental questions on whether this RTP could be funded or whether Metro should set its sights lower. Further, the question not only of whether Metro could achieve these goals but how remains crucial. Should the bills be paid by taxes or fees or users or tolls or by some mix? Mr. Cotugno said Councilor Atherton's question was the big one, but he thought the question of what should be the goal needed to be discussed first.

Councilor Atherton asked about the sections labeled as "not complete."

Mr. Cotugno said the sections that say "not complete" contain preliminary newsletter intended to provide the content of potential projects. They have not been converted to a form that would be included in a final RTP. The question would be whether this list of projects were the right ones. This would stop the process so the document could be written, knowing full well that every word would be scrutinized changes would be made.

Councilor Atherton asked how the amendment process would proceed.

Mr. Cotugno said in the past in the past, comments have been made in any form people chose to present them. Some comments have concerned individual words and some have addressed major issues. The comments have been compiled into two packages--consent and discussion. Those in the consent pile have been those that do not need to be discussed in a committee setting. Those in the discussion package need detailed discussion. Occasionally topics in the consent package have been moved to the discussion package.

Councilor Atherton said he was concerned about how a citizen might react to the document.

Mr. Cotugno said the intent would be to finish writing the document before sending it out for review.

Councilor Atherton asked what the federal deadline was.

Mr. Cotugno said they did not have a federal deadline. The working deadline to begin the public comment was October 1.

Councilor Kvistad said the hope was to have the document completed by the first of next year.

Councilor Atherton said he had misunderstood. He had thought the document was to go out as it was.

Councilor McLain said it took a great deal of time to reach consensus on complicated projects about which philosophies differ. She said people have expressed impatience to her about having to wait so long to have a document to review. She said the staff had done a good job to date on keeping to a schedule for decision points. She urged the Council to take the action needed to allow staff to complete the draft for public review. She added with regard to funding, that no one was leaving the subject until last. However, it was difficult to study a moving target. People needed to have a single set of projects with which to work.

Councilor Kvistad said the one thing certain about regional transportation planning and the RTP is that it will never be done. There won't be enough money to do all the projects which will necessitate a lot of trade-offs and balancing. Policy decisions will determine how those trade-offs will be made. He recommended Council support the resolution.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain, and the motion passed unanimously.

8.4 **Resolution No. 99-2811A**, For the Purpose of Approving the South Willamette River Crossing Study Recommendations.

Motion: **Councilor Bragdon** moved to adopt Resolution No. 99-2811A.

Seconded: **Councilor Atherton** seconded the motion.

Councilor Bragdon said this represents the culmination of many years of work on the part of many jurisdictions and the public to address the problem of east-west river crossing between the Ross Island Bridge and I-205. The Sellwood Bridge provides the only crossing in that span. It is a 75-year-old bridge and is overwhelmed by the traffic it must handle. Also, the bridge does not meet current seismic codes. The bridge is maintained by Multnomah County, although it serves traffic primarily from two other counties. The study of how to address the South Willamette River crossing, headed by Chris Deffebach of Metro's Transportation Department, considered several scenarios from both land use and transportation contexts. Those scenarios included expansion of the Sellwood Bridge and construction of new bridges to the south. The recommendations that would be ratified by approval of this resolution were approved by JPACT in July. The major recommendations include 1) keeping the Sellwood Bridge as a two-lane bridge; and 2) changing the designation of Tacoma Street and its accompanying design standard to be consistent with that. The resolution goes beyond not changing the Sellwood Bridge in that it also recommends studying alternatives such as increasing transit service, putting passenger service on what is currently used only for sporadic freight service. It recommends looking at north/south routes that affect the east-west corridor. The resolution also addresses 2040 issues

such as the nature of job growth in the eastern part of Clackamas County to balance the housing growth there. He urged an aye vote.

Councilor Atherton emphasized that this resolution recommends seeking alternatives, which is a different approach from many of those in the past. He praised the study group for listening to the wishes of the communities involved and for listening to those concerned about the environment.

Councilor Kvistad said in his view, in the long-term replacing the Sellwood Bridge with only two lanes would be detrimental to the transportation health of the region. He agreed with the process this study used. He said the bridge should be improved and widened regardless of how land use is changed, as it is only one of three ways to cross the river now and most likely in the future as well. He said he would support this resolution, but he wanted to express his concerns.

Councilor Park said his review of citizen's comments revealed strong sentiment for leaving the bridge as two lanes while seeking alternatives. He said, however, that written comments don't reveal mood. He asked Councilor Bragdon, who had been present at the public hearings, what the mood of the participants had been.

Councilor Bragdon said the written comments reflected the mood of those who attended the hearings. He noted that people who oppose an action--who don't want something to happen--tend to attend meetings.

Councilor Park said the comments did not include suggestions for adding a crossing somewhere else.

Councilor Bragdon said no one wanted a crossing there or in their community, although they seemed to want to cross the river.

Mr. Cotugno said the study involved looking at other locations. Early in the study, 20 possible bridge crossings that emerged from a public workshop were evaluated. That number was narrowed to eight. These recommendations are what emerged from a study of those eight, those eight being options for the Ross Island and Sellwood Bridges, a new crossing at Milwaukie or north or south of downtown Lake Oswego. The study included cost, impact, and travel effect. The cost information is what scared people.

Councilor Park noted that too often people opposed things without offering other solutions. He wondered if those who had opposed new or expanded crossings in their areas had offered alternatives.

Councilor Atherton said he had attended the hearings as a neighborhood association president. He recalled that opposition had come not so much from a NIMBY attitude, but from enthusiasm for investigating other alternatives--the North Willamette Trolley alignment, bike path opportunities, the existing rail bridge crossing. This presented an exciting opportunity to do things differently.

Councilor Kvistad said in his experience, with few exceptions the attitude was NIMBY. This resolution represents the best compromise. He suggested that in the future, reason will prevail and the bridge will be expanded for autos, bikes, and pedestrians.

Councilor Bragdon said he thought this resolution reflected the desires and land-use aspirations of the communities involved. He urged an aye vote.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed unanimously.

Mr. Cotugno thanked those who were key in bringing this study to a close: Commissioner Diane Linn, Councilor Washington, Councilor Bragdon, and Chris Deffebach.

8.5 **Resolution No. 99-2818**, For the Purpose of Appointing Dean A Kampfer to the Solid Waste Rate Review Committee.

Motion: **Councilor McLain** moved to adopt Resolution No. 99-2818.

Seconded: **Councilor Park** seconded the motion.

Councilor McLain thanked Mr. Kampfer for attending. The Rate Review Committee designates two seats for industry representatives, and Mr. Kampfer brings a wide range of experience in the industry to the committee.

Councilor Park and **Councilor Washington** appreciated and affirmed Councilor McLain's comments about the candidate. Councilor Washington looked forward to working with Mr. Kampfer.

Councilor Park said Mr. Kampfer had been attending the Rate Review Committee already.

Councilor McLain asked the council for an aye vote.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed unanimously.

8.6 **Resolution No. 99-2820**, For the Purpose of Reaffirming Policies to Protect Environmentally Sensitive Lands and the Impact of these Policies on the Need to Expand the Urban Growth Boundary.

Motion: **Councilor Bragdon** moved to adopt Resolution No. 99-2820.

Seconded: **Councilor McLain** seconded the motion.

Presiding Officer Monroe announced that there would be a public hearing on this resolution as there were citizens who wished to testify.

Councilor Bragdon said the purpose of the resolution was to acknowledge but not to resolve some of the inadequacies in terms of how lands were being classified currently as they were going through the Urban Growth Report. The resolution also illustrated some of the limitations of state law in terms of those categories. Under the state law, HB 2709, Metro was required to go through and classify what lands were buildable, what lands were not buildable as well various other categories. Currently there was a lot of uncertainty and regulatory flux in that area particularly as it related to fish and wildlife habitat, stream corridor, steep slopes and other areas. The Growth Management Committee had been wrestling with this a lot and how you classify

some of those lands, how you do so fairly, how you do so in the right manner. Currently the staff had put lands into a buildable category for purposes of that law, which illustrated one of the limitations of that law. There had been various misinterpretations of what that meant. This resolution was a placeholder as the Council went through and resolved some of these issues.

There were two concerns that had been raised with that categorization of what land was buildable and what was not. In some of the environmentally sensitive lands going into the buildable category, they had people from the development industry say how could you classify these lands as buildable, when in fact, regulations were in the works or partly in place already which made them, if not unbuildable, less than buildable to the productivity that might prevail on other lands. People in the environmental community were saying how could you call these lands buildable when they shouldn't be buildable. He thought this resolution was an attempt to tell both groups that in fact they were right and the council was working in good faith to try and come up with the proper answer and that the figures would be adjusted accordingly. This resolution also affirmed a similar resolution that this council passed in 1997 unanimously with regards to those same types of tradeoffs. The situation was different now in light of the Endangered Species Act but it was a similar type of tradeoff.

The four things that he was trying to accomplish with this resolution were 1) when, for purposes of state law, we classify lands as buildable that did not necessarily mean that they should be buildable and didn't mean that once these various regulations that were in the works were put into place, that those lands would be buildable but for purposes of the calculation they were classified as such. 2) the work was going on in good faith to try to classify what those lands were and where those lands actually were and that when work was actually completed they would deal in good faith and with all fairness in terms of if acreage was taken off the table, for purpose of an urban growth boundary decision, for environmentally constrained lands and that they should be, then that would be dealt with fairly in terms of additional acreage that may come out through the calculation as needed elsewhere. 3) within the limits of their authority they were trying to say that, in the meantime local jurisdictions ought to be cautious that having lands in a buildable category was not necessarily a green light to have a land rush and build on these lands today, 4) they were also inviting the public's and industry's involvement in resolving those issues through the hearings that were being scheduled for this fall with regard to the urban growth report itself as well as the consequential decisions that would be made about the urban growth boundary. They would deal with those issues of acreage in an intellectually honest fashion. He appreciated the council's support.

Presiding Officer Monroe opened a public hearing on Resolution No. 99-2820.

Marty Sevier, Metro Technical Advisory Committee representing the Westside Economic Alliance said he had been heavily involved in what was going on concerning development on the west side of the Portland metropolitan area. He urged the council to vote no on this resolution. First, he said the resolution was very confusing, MTAC was in the process of trying to figure out how many housing units they were going to bring in this next go around. Discussion at the table said they needed somewhere in the neighborhood of 17,000 units but within this 400 foot corridor there were probably 15,000 units. They could gain other units through infill and other ways of reaching the 17,000 units needed. By passing this resolution, it seemed to him, they were saying that they had the 15,000 units within the 400 foot corridor but they really didn't want to touch that area right at this moment. He felt it was a "I want my cake and eat it too" approach.

The second reason he suggested the council vote no on this resolution was that he did not think it was necessary even with the Endangered Species Act in its current situation. They did not know if the salmon were being hurt by humans, it could be many different things such as ocean conditions. To pass a resolution protecting a 400 foot corridor when you didn't know what the reason was did not sound reasonable to him.

He had worked with a family who had planned their land in 1973 and again in 1981 when all of the conditions of the planning were met and they actually gave a transit station to Tri-Met in the process. Once they had met all of their conditions in the process, then someone decided they needed to change the planning again and that was when Washington County took on the first project of implementing Metro's 2040 program. Now that the program had been implemented and it was on their property they were looking at implementing interim rules again or what Councilor Bragdon called 'placeholders' but what he called moratoriums. These things were never going to stop. They kept moving forward. Third, the business community needed to be sure that they could work in an environment where the laws allowed them to move forward and where such resolutions that said, wait, we know what was going on here so we were going to stop all activity until that happens did not occur. He urged the council to vote no on this resolution.

Kelly Ross, representing the Home Builders Association, said he had met with Councilor Bragdon and discussed the resolution. He appreciated the objectives that Councilor Bragdon wanted to achieve. He had strong reservations about the message this resolution sent to the public. He noted statements one and two under the resolve section of the resolution. It gave a strong impression that there were some how vast areas in the region of environmentally sensitive nature that were currently unprotected and that local jurisdiction were currently not actively protecting environmentally sensitive areas. He knew that was simply not true. All jurisdictions in the region had gone through the Goal 5 process, had spent hundreds of thousands of dollars and many hours of public hearings and deliberations on this issue. He noted that the Metro Council had adopted Title III last year after hearing evidence that that was the best science available in protecting environmentally sensitive areas. There was also protection levied by various state and federal agencies for environmentally sensitive areas. He felt this resolution asked the local governments to go beyond what they were currently doing and give no regard to the cost to those local governments to do this. Doing so would trigger the public notice requirements of Ballot Measure 56 passed last year, threaten possible liability for takings, put them in possible violation of Goal 5 limitations on interim measures for protection. He suggested that this resolution sent the wrong message. What was currently being done was adequate. The Association heard from their members every day about excessive regulation and hanging up projects that were allowed in given areas. The Home Builders Association urged reconsideration of this resolution.

Ty Wyman, 1211 SW 5th Suite 1500 Portland OR, 97204 representing the Retail Task Force, wished this resolution could have been discussed in a different forum. He felt Metro's role concerning buildable land was to count the buildable land rather than to dictate development there on. There were expectations in the comprehensive plans of developability and compliance with the statewide goals. There should be no assumption that they don't comply with the goals or that resources such as those in question were not being adequately protected. The local planning process was long, complicated and arduous. Goal 5, part of that process, called for a very detailed analysis and was not amenable to interim protections. He thought even the courts had discussed this in many prior instances particularly with the City of Portland because there had been prior efforts to lay out an interim Goal 5, stop everything, hold it right there. You couldn't

do that when you were effecting specific sites when maybe it was showing up on a map one way but if you went out on the ground the reality was something different. He asked if sites that they were looking to protect had been inventoried on a site specific Goal 5 basis? If not, then this resolution was somewhat presumptive for the regional body to come in and to dictate to the local governments that they must engage in this protection which raised a question which should go through MTAC and MPAC. He certainly wanted to know what MTAC thought about this resolution. He did understand that the resolution merely encouraged their governing bodies to engage in some immediate protections. But those were the people who knew what was going on on the ground on that site, specifically on a day in and day out basis. He said this was part of a broader discussion about the regional body's role. He understood that the council was not in an easy position and he hoped the council understood they were not either. As the development community, they were attempting to respond to the market at the same time that they respond to the shifting dirt of development.

Councilor Atherton said he had listened carefully to what Mr. Wyman had to say. He asked if in resolved section, number 1 and 2 were removed, would that take care of his concerns. This whole effort was really addressed to deal with the state mandate to move the Urban Growth Boundary and complete the Urban Growth Report.

Mr. Wyman said that was a question which he was sure Mr. Cooper would be happy to respond to. He had written many of these resolutions. It was difficult to take one element out because theoretically each matter which was resolved, each of the 6 resolutions, were based upon one of those whereas clauses. He said there were 18 whereas clauses. He suggested that the whereas clauses should be reviewed by MTAC. He had highlighted the first two "be it resolved" sections as areas of concern but was unsure if you could just strike those two. He felt the resolution needed to go through the process.

Councilor Atherton asked about going through the process, how would Mr. Wyman suggest that the council deal with these uncertainty of the environmentally constrained lands. Did he think the existing process was sufficient and that we based the number of housing units that could be built in those environmentally constrained lands on existing rules and just follow that to the letter of the law?

Mr. Wyman said first and foremost everyone of the comprehensive plans were acknowledged and that included resource protection. Understanding that none of those comprehensive plans were acknowledged in an environment in which ESA lurked, no one here knew what ESA was planning. Planning with a theory of whereas clauses which said 'might, perhaps, and maybe' would be difficult for property owners and development. It was very frustrating. Commitments of significant resources were riding on that.

Councilor Atherton said he was trying to figure out how they dealt with this conundrum of uncertainty of the environmental protections which were necessary in those areas because they were trying to meet what was arguably a very confusing and "goofball" state law of the 20 year mandate. He thought now people were coming to appreciate how extraordinarily difficult that process was and how very unworkable. If we were get rid of that law we would not have to be going through this. He said that he thought what Mr. Wyman was suggesting was following the build out zoning that was provided in each of the jurisdictions.

Mr. Wyman said it was difficult to give the Council direction on where they go with counting buildable land. When he commented that this was the council's job he did not imply that it was an easy one. It seemed to him that the impacts of encouraging local governments to prohibit development on certain lands which had been zoned for years for development had been zoned in that manner with some resource protections struck him as very frustrating from the stand point of the property owners to see that happening. They may have resources riding on those lands. He was not sure how you went about the counting processes.

Councilor Atherton said his sense was that Mr. Wyman wanted Metro to move the Urban Growth Boundary. If the council followed the existing zoning patterns and level of protections it showed a very large capacity for development in those areas which would mean that the Urban Growth Boundary would not be moved.

Mr. Wyman said if the purpose was to discuss the variables of the Urban Growth Report, they should be discussed separately and discussed with an economist. The development community had a substantial concern about the status of the Urban Growth Report, the status of the numbers, the variables, and the tweaking of a percent here and there. He was not suggesting that the answer was that the Urban Growth Boundary needed to be moved. He simply was speaking from the experience of having gone through many local application processes. He suggested that Mr. Ross was in a better position to tell the council that the easy lands were done. He would be surprised to have anyone think that development had gotten easier. The development community was constrained. There was a finite amount of land within the Urban Growth Boundary. There seemed to be little question that the development community was increasingly constrained within that by transportation and environmental.

Councilor Washington asked Mr. Wyman why he would like to be a member of MTAC.

Mr. Wyman responded that he thought the food was pretty good.

Councilor Park asked for clarification concerning Resolution No. 97-2562B, in one of the whereas it discussed classifying 16,000 acres of land inside the UGB as unbuildable, steep slopes, flood plains and otherwise environmentally sensitive. What was the response or position of the Home Builders at that particular time. He understood that the resolution had passed 7-0.

Mr. Ross said he did not recall that resolution.

Mr. Sevier said he thought that the community at large had become much more educated on what was going on in Metro. He thought there were more out there that were understanding what all of this meant. Whether they liked it or didn't, it got him involved. This was why he was testifying today. Had he been here when Resolution No. 97-2562A was being considered he would have been speaking too.

Councilor Park said when the 200 foot set backs were put in place last year he had not heard protection from the home building community. When it was used as part of the calculation for buildable and unbuildable lands, he had not heard any objection. Was there a change in position at this time?

Mr. Ross responded that he did not think so. He thought that the Home Builders Association recognized that within the 200 foot set backs, that development would be very limited. Once

Council got to public hearings on the Urban Growth Report they would hear from the Home Builders Association regarding the capacity analysis figures that had come out on that. This was probably why they had not commented stronger on the two hundred foot buffer at the time. They simply believed that there would be very little development occurring in those areas.

Councilor Park summarized that the Home Builders Association did not protest last year when the 200 foot buffers were placed in because they did not believe much development would be occurring in that area.

Mr. Ross said when you talked about the 200 foot buffers, he was interpreting Councilor Park's comment about the assumption of 200 feet on both sides of unbuildable lands. To be honest when that assumption was made as they were seeing here today, it did not carry any requirements with it. They had commented very strongly on the Title III proposals when they were talking about binding 200 foot set backs. They were glad when that got reduced down generally to fifty feet, 200 feet in some cases. In the initial 200 foot discussion, there was just an assumption that there would be very little building in those zones.

Councilor Park said he guessed if there was an assumption that there would be very little building in those zones, then, he was not sure he was understanding the concern. As to the level of concern if this resolution was somehow interpreted as being a moratorium, which obviously it was not because Metro did not have that ability, there seemed to be an inconsistency here that he was trying to resolve.

Mr. Ross said he thought that they all agreed that the resolution was a symbolic act. It didn't carry with it any mandates or restrictions. His concern was the message it sent to the public and unnecessarily stirred up fears and concerns that there were environmentally sensitive areas that were not being adequately protected and that local government had not done its job.

Presiding Officer Monroe closed the public hearing.

Councilor McLain pointed out that she truly agreed with Mr. Ross' comment that this resolution was symbolic and had no legal consequences. She said it was not a land use decision or a charter mandated review item and they were not trying to confuse or alarm the public. She said they wanted to say, at least symbolically, that they did not believe all of the areas that could or should be protected were, in fact, being protected, and there was still work to be done. She wanted to clear up one comment from the public testimony: the required element of this discussion was the law requiring the buildable land inventory. She said this resolution signaled that Metro was serious about the Functional Plan requirements in place, and signaled that the plan could be adopted and amended in the future as well so they needed to let the public know exactly what was out there to get their reaction. She noted public hearings coming up in September and October. She reiterated that this resolution was a reaffirmation of a philosophy, that this council believed that Metro 2040 plan was not one of density everywhere, but density in the right places.

Councilor Park asked if the comment that the Goal 5 work had already been done during the comprehensive plans. He was curious if that was so why so much staff time was being used now.

Rosemary Furfey, Planner in the Growth Management Services Department, answered that all jurisdictions in the Metro region had not acknowledged the Goal 5 plan as part of their

comprehensive plan. Earlier this year Metro staff met with planners in each of the cities and counties and compiled a table for a status report of Goal 5 in the region. She said it varied significantly.

Councilor Park clarified that she was saying that everyone was in compliance.

Ms. Furfey said they were in compliance with their requirements with the Department of Land Conservation and Development (DLCD) in their comprehensive plans to carry out Goal 5. She said their Goal 5 plans were all acknowledged currently.

Councilor Park asked about the level of protection across the region, whether some were over protected and some under because of the variances.

Ms. Furfey said there was a provision in Goal 5 that said if you had not carried out an adequate inventory, you did not have to continue. You must have an adequate inventory to carry that out but the Goal 5 rule allowed you to stop. That was one example of how it varied around the region.

Councilor McLain said the Metro piece of that was the fact of the different levels of protection, Metro had identified some areas around the region that had insufficient protection or there were some ugly transitions between jurisdictions that would be of regional significance for Goal 5 efforts.

Ms. Furfey agreed and said they were in the middle of their program of determining the criteria for regional resources. They were focusing their efforts in developing areas not currently protected.

Councilor Atherton was concerned about the utility of doing symbolic measures like this. He felt they should send a very clear signal and said his preference would be to table the measure unless a number of the "Resolves" were deleted, i.e. numbers 1, 2 and 4, which he felt would provide a clearer signal that basically this was in regulatory flux and they were doing the best they could and encouraged protection of the areas without suggesting any kind of new legal impedimenta. He asked Mr. Cooper about the part seeking a time extension. He wondered if the same conditions for seeking a time extension today were in existence last year.

Mr. Dan Cooper, General Counsel, said the law for seeking time extensions had not changed. He said when the council made the determination last December to move the UGB, an uncertainty existed about the 200' setback because Title 3 had been adopted. However, there were no other data known at that time to suggest the difference between the 3,200 unit number the council had determined the year before combined with the uncertainty over the 200' lowered the need to below what the council had legally added, or stated their intent to add, to the UGB. Now that additional work had been done on the UGB, there was a question whether or not there was a need for further amendments to the UGB. Those unknown facts were referred to in "Resolved 3".

Councilor Atherton paraphrased that the uncertainty that existed in 1998 was more substantial than the uncertainty that existed today.

Mr. Cooper said the uncertainty that they knew about in 1998 was not enough uncertainty to change the conclusion the council reached that the UGB amendment actions that they were taking would exceed the need for additional units. He said further work left uncertainty about the overall need.

Motion to

Amend: Councilor Atherton made a friendly amendment to remove "BE IT RESOLVED Numbers 1, 2, and 4, and to strike in number 5 "either or seeking a time extension".

Seconded: Councilor Kvistad seconded the amendment.

Councilor Bragdon said he could not support the amendment because it took the whole purpose of it away.

Councilor McLain said the 1997 resolution they were remaining in support of showed numbers 1 and 2 were identical to this resolution. She said that was the support the council had wanted to give to protection of significant greenspaces in this region. She said numbers 1 and 2 were presently council positions, and she pointed out that number 4 was the partnering piece where all local governments were encouraged to participate in a coordinated approach to figure out the ESA listing. She said if more detail was needed of what should or could be protected, it needed to be related to the upcoming work on the UGB in September and October. She said that connection was made on number 5. She could not support the amendment but would support the original resolution.

Councilor Kvistad completely agreed with the changes, specifically the part seeking the time extension. He said he would support the amendment.

Councilor Atherton said the problem was they were combining too many messages in one resolution. He said he had always been informed this was a placeholder resolution and that they would go forward with hearings. He said his suggested amendment carried that forward. He felt time extension should be talked about in a very specific resolution outlining the reasons why and the parameters for clear communication to the public. He urged an aye vote.

Vote to

Amend: The vote was 2 aye/ 5 nay/ 0 abstain. The amendment failed with Councilors Bragdon, Park, McLain, Washington, and Presiding Officer Monroe voting nay.

Motion to

Table: Councilor Kvistad moved to table the resolution.

Seconded: Councilor Atherton seconded the motion.

Vote: The vote was 2 aye/ 5 nay/ 0 abstain. The motion failed with Councilors Park, McLain, Washington, Bragdon, and Presiding Officer Monroe voting nay.

Councilor Kvistad felt that if he voted in favor of this it would acknowledge that the 1999 numbers for the urban growth report would have greater precision than the current numbers. He fundamentally disagreed with that. He said putting restrictions on the setbacks basically said they were not going to count this land so they could have a smaller adjustment on the UGB, but they

would protect it so nobody could do anything with it. He felt the potential for number faking was high. He believed the numbers were being adjusted downward to be politically correct. He felt that would do a great deal of damage to the community. He said he would vote against a lot of future things using those numbers. As to the "Be it Resolved", he felt seeking a time extension was what this was all about. He felt they would be setting themselves up to go for a time extension so they would again not have to make a decision, and maybe the numbers or the political climate would change. He said they should not be doing symbolic decisions, their job was to do the real work and not keep putting it off. He said if they were truly being intellectually honest, they would say people were getting priced out of their homes, taxes were going up too high and land prices were out of whack. He said a bucket full of symbolism bought nothing in the way of quality public policy. He said while this was well intended, he felt it was dangerous and he wished they were not going in that direction. He asked for a no vote.

Councilor Park said when the 200' setbacks were put in place last year, and then they somehow were not buildable yet the building continued, and then the boundary is moved based on those 200' setbacks, maybe that was "counting things a little funny". He continued that the original resolution that this one was based on was almost identical in context, though maybe not in verbiage. He was unsure of why Councilor Kvistad changed his position on this and felt he should go back and reread the original which was identical in terms of purpose.

Councilor Atherton said for the same reason in 1997 and earlier he had urged holding off making decisions on the UGB change and had asked for a time extension. He said those same reasons were applicable today, in fact they were even greater. He said it had been brought to Metro's attention by many jurisdictions in the region. He said he was conflicted over asking for a time extension now and felt it could work against the interests of people in district. He said to Councilor Kvistad that they both had reservations about this but for very different reasons. His main concern with the resolution was whether they were increasing uncertainty with the many and mixed messages of the resolution. He was undecided as to how he would vote.

Councilor Washington called for the question

Councilor Kvistad called for a point a personal privilege since the document in question was signed by him as Presiding Officer. He asked Councilor Park if the document stated at any point "seeking a time extension" in terms of "Metro will comply".

Councilor Park responded that it did not. He said the 1997 document was essentially the same, not in verbiage, but in meaning.

Councilor Kvistad thanked the Chair for the personal privilege extension and said they were not the same

Presiding Officer Monroe asked the council for a vote of those in favor of stopping debate and moving to a close. Ayes were unanimous.

Councilor Bragdon closed by saying he thought this illustrated on all sides the hazards of when land use planning was reduced to legalistic bean counting. This resolution was a response in part to that happening. The question raised about Metro's role was highly debatable as was the question of a time extension being warranted. He said one thing that was clear was Metro's mandate to come up with a buildable lands inventory. How those lands got treated was what this

resolution was dealing with. It said there was uncertainty. Witnesses and others had also referred to uncertainty. He said the resolution's intent was to acknowledge that uncertainty and say Metro would move to resolve it. His only pledge to everyone regarding UGB issues was that nobody could have it both ways, environmentalists or developers, or anyone else. If someone wanted to say lands ought to be protected and taken off the buildable inventory, the intellectually honest thing was to put that into the equation and if there was a need for land elsewhere, then that translated into an urban growth boundary expansion. He urged support of the resolution.

Vote on the

Main Motion: The vote was 6 aye/ 1 nay/ 0 abstain. The motion passed with Councilor Kvistad voting no.

9. COUNCILOR COMMUNICATION

Presiding Officer Monroe announced upcoming public hearing dates and places: September 23, a regular council meeting, held at 5 PM at the Washington County Chamber in Hillsboro; October 4 a public hearing at 5 PM in the Gresham City Hall Council Chamber; October 7, a regular metro council meeting at Metro at 2 PM; October 12, a public hearing in the Milwaukie City Council Chamber at 5 PM; and October 14 at a regular 2 PM council meeting at Metro.

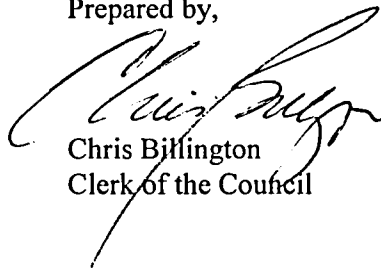
Councilor Bragdon thanked Mr. Stone. He added thanks to Miriam Webster they now knew the origin of the word "jitney" was completely unknown.

Councilor Kvistad said he had some brief transportation things to informally relate to the councilors after the meeting.

10. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Monroe adjourned the meeting at p.m.

Prepared by,



Chris Billington
Clerk of the Council

Oregon is Estimated to Lose \$6 to \$10 Million From 1999 HUD Funding, and \$21-25 Million from the President's Proposed 2000 Budget

HOUSE Congressional District	Loss of Resources From Actual 1999	Loss of Resources From Administration's HUD Proposed FY 2000 Budget	Fy 1999	FY2000 HUD Proposal	FY 2000 House HUD Reduced Budget
Total Oregon	(6,267,000)	(20,929,000)	\$ 78,338,000	\$ 93,000,000	\$ 72,071,000
Wu	(1,039,000)	(3,543,000)	\$ 12,998,000	\$ 15,502,000	\$ 11,959,000
Blumenhauer	(1,178,000)	(4,130,000)	\$ 14,726,000	\$ 17,678,000	\$ 13,548,000
Walden	(1,732,000)	(5,284,000)	\$ 21,653,000	\$ 25,205,000	\$ 19,921,000
DeFazio	(1,251,000)	(4,231,000)	\$ 15,624,000	\$ 18,604,000	\$ 14,373,000
Hooley	(1,067,000)	(3,741,000)	\$ 13,337,000	\$ 16,011,000	\$ 12,270,000
SENATE (TOTAL OREGON)	(10,149,000)	(24,804,000)	\$ 78,069,000	\$ 92,724,000	\$ 67,920,000

Source: National Coalition for
the Homeless, July 1999

081299c-04

The METRO area is estimated to lose nearly \$5 million from 1999 HUD funding levels, and \$10 million from the President's proposed 2000 budget.

This represents more than 40% of the loss projected for Oregon.

Among the proposed cuts, is the total elimination of a "smarter growth" initiative, **Regional Connections**, which is estimated to bring to the METRO area more than \$600,000*

	Loss of Resources from Actual 1999	Loss of Resources from Administration's HUD Proposed FY 2000 Budget	FY 99	Fy 2000 HUD Proposal	FY 2000 House HUD Reduced Budget (13%)
STATE TOTAL	\$ (10,149,000)	\$ (24,804,000)	\$ 78,069,000	\$ 92,724,000	\$ 67,920,000
METRO TOTAL	\$ (4,881,000)	\$ (10,416,000)	\$ 37,542,000	\$ 43,077,000	\$ 32,661,000
Clackamas County	\$ (635,000)	\$ (1,434,000)	\$ 4,885,000	\$ 5,684,000	\$ 4,250,000
Multnomah County	\$ (54,000)	\$ (67,000)	\$ 417,000	\$ 430,000	\$ 363,000
Gresham	\$ (96,000)	\$ (119,000)	\$ 735,000	\$ 758,000	\$ 639,000
Portland	\$ (3,408,000)	\$ (7,163,000)	\$ 26,213,000	\$ 29,968,000	\$ 22,805,000
Washington County	\$ (618,000)	\$ (1,546,000)	\$ 4,755,000	\$ 5,683,000	\$ 4,137,000
Beaverton	\$ (70,000)	\$ (87,000)	\$ 537,000	\$ 554,000	\$ 467,000

Source: National Coalition for the Homeless
July 1999

***Regional Connections** is proposed to be a competitive grant program to develop and implement new, locally driven "smarter growth" strategies that create more livable communities by addressing economic and community development needs across jurisdiction lines.