

MINUTES OF THE METRO COUNCIL MEETING

January 13, 2000

Metro Council Chamber

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

Councilors Absent: Jon Kvistad, Rod Monroe

Presiding Officer Bragdon convened the Regular Council Meeting at 2:04 pm. He announced that Councilors Kvistad and Monroe were away on Metro business.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS

None.

3. GROWTH AND ENVIRONMENTAL IMPACT

Councilor Washington introduced Mr. Bob Doppelt, Portland State University, who would be speaking on the environmental impact of growth. He called the Council's attention to a booklet Mr. Doppelt had distributed that gives more details on this topic. (The booklet, titled "Crisis or Opportunity? Oregon's Environmental Programs at the Crossroads," has been attached to the meeting record.)

Bob Doppelt, Director of the Center for Watershed and Community Health, an institute in the School of Government at Portland State University, said he would be summarizing a framework his group had laid out to address the issues of economic and population growth and environmental impacts. He said Governor Kitzhaber had announced that he would sign an executive order establishing sustainability as a state policy. The elements of the order are still being developed. [Ed. Note: The electronic taping malfunctioned at this point. Several minutes of Mr. Doppelt's remarks are inaudible. The essential details of the presentation, however, can be found in the publication attached to the meeting record.]

Mr. Doppelt said the goal in Oregon is to develop a system that "decouples" growth from its environmental impacts. It has been done in other countries—Holland, for example—and it can be done here. The governor's executive order will be aimed at achieving what has been termed "sustainable development."

Mr. Doppelt said political leadership puts this decoupling at the top of the political agenda. It also initiates the creation of a specific framework to mobilize, guide, and integrate public sector activities and private efforts to achieve that goal. At the community level, that means developing a complete environmental management system (EMS). An EMS is one in which policies are linked with strategies and attached to departmental accountability. This type of system has been implemented by some private businesses in the northwest. He said Metro had a good start toward developing such a system, but that it would involve addressing several components of the system.

One component would be to develop action plans that involve key sectors in all areas of the economic “value chain,” from natural resource extraction through production of goods and services to waste disposal.

Mr. Doppelt said that the leadership on these efforts must come from governments. He noted that in other countries where these principles have been implemented, it has stimulated innovation and economic activity. He said this strategy demands that people understand how the economy works, what the basic needs are, and what the basic environmental impacts are. He said that is not easy; it hasn't been done very well in this country or in Oregon, where problems have traditionally been addressed at the end of the cause-and-effect chain. He emphasized the importance of the government's role in providing a regulatory framework for decoupling.

Councilor Atherton asked about the Dutch experience, specifically, whether the Dutch population was growing, stable, or declining.

Mr. Doppelt said it was growing, primarily because of immigration.

Councilor Atherton asked what role pricing mechanisms might play in this scheme.

Mr. Doppelt said they are important when they can be used. He said a government decree to change the pricing structure might not work in this country. He said most of the efforts in other countries where pricing had become a factor had been market-driven. In one small community in Sweden, for example, waste had been reduced by 95% in five years through a three-part strategy. [Ed. Note: Problems with the electronic taping system rendered Mr. Doppelt's remarks inaudible for a few minutes.] He said the role of pricing had evolved through a disagreement between government and the waste disposal industry on the real cost of waste. The government took itself out of the debate, leaving the industry to determine the cost.

Councilor Washington said he feared the term “decoupling” would become as fuzzy as the term “sustainability” has, making its principles hard to implement. He asked for Mr. Doppelt's advice on making this new language more concrete and meaningful and, therefore, more easily translated into action.

Mr. Doppelt said he thought the most important step would be to quantify things—the environmental impacts of various sectors in the Metro area and the economic outputs of those sectors. Then compare the two. That would help to establish goals and monitor progress. The next step would be to stimulate the private sector to innovate. Government can set the goal, but the innovation must come from the private sector.

Councilor McLain asked Mr. Doppelt about Natural Step program.

Mr. Doppelt said he was a Natural Step Trainer. It was a good tool.

Councilor McLain said Bruce Warner, Metro's Chief Operating Officer, had looked into the Natural Step process and decided to go beyond that, to investigate what systems could be changed.

Mr. Doppelt said he saw three elements for Metro to investigate: the internal operations, such as procurement and fleet management; external policies and programs; and partnerships with the private sector.

Presiding Officer Bragdon asked about the experience in The Netherlands. He said it sounded as though the strategy depended on voluntary contributions from private parties. He asked to what extent changes in behavior in the Netherlands had been based on geography, tax policy, pricing of energy by government taxation, and to what extent they have been based on regulation.

Mr. Doppelt said the culture and society of The Netherlands and Northern Europe was different from that in the United States, but many of the principles could still be adapted to the problems here. He said the behavior in The Netherlands had been driven by necessity—it had become the most polluted country on earth. The tax policies and so forth came out of that. He said he did not think a voluntary system would succeed. He did not think the private sector would change without the government's first setting the goals and regulating the solutions. The private sector's role would be to devise the solutions through innovation.

4. EXECUTIVE OFFICER COMMUNICATIONS

None.

5. AUDITOR COMMUNICATIONS

Alexis Dow, Metro Auditor, introduced Don Riggs of Deloitte and Touche, who had completed an independent audit of Metro's financial statement for FY 1999. She also introduced Don Cox and Karla Lenox of Metro's Accounting Services Division, who would present highlights of Metro's Comprehensive Annual Financial Report (CAFR). (These documents have been attached to the permanent record of this meeting.)

Don Riggs, Deloitte and Touche, listed the reports his firm had issued (all of which are either included in the CAFR or attached separately to the meeting record.)

Councilor Atherton asked Mr. Riggs what it cost Metro to administer Federal Financial Awards.

Mr. Riggs said he hesitated to make a guess.

Councilor Atherton said he understood that some transportation awards incurred administrative costs of 25%.

Mr. Riggs said the Federal Department of Transportation had selected Metro at random to investigate and had found its administrative costs in compliance, but he had no idea beyond that what those costs were.

Don Cox, Accounting Manager for Metro, introduced Karla Lenox, Financial Reporting and Control Supervisor. He praised the accounting staff for its efforts in issuing the required CAFR. He said Ms. Lenox had primary responsibility for managing the report, which has been recognized several years in a row for being clean and efficient. Mr. Cox thanked Mr. Riggs and the audit staff for its efficient audit this year.

Mr. Cox explained why the Y2K disclosure had been included twice in the CAFR. He said it was in response to two different federal requirements—the SEC required it be disclosed in the transmittal, and the Governmental Accounting Standards Board required it be disclosed in the CARF (cf. p 100).

6. MPAC COMMUNICATIONS

Councilor Park said MPAC had held its first meeting of the year the previous night. At that meeting Mr. Rob Jones of the National Marine Fisheries Services had given a briefing on the 4-D rule on what it will take to comply with the Endangered Species Act in the Metro region. Also, MPAC had announced a retreat to take place on January 26 at the Zoo, to address how to improve its effectiveness in working with the Metro Council. MPAC had distributed a draft timeline for the work plan the Growth Management Committee will be doing this year, asking for the Committee's feedback, with the shared goal of meeting the Urban Growth Boundary Expansion deadline of October of 2000.

Councilor McLain commented on the relationship between MPAC and Metro's urban reserve decision. She said MPAC had devoted a considerable part of its meeting to discussing that relationship. She said MPAC had done what the Council had done informally, and that is to suggest to the Land Conservation and Development Commission (LCDC) that it wait until February to work on the urban reserve amendments that relate to the state's recent decision. MPAC unanimously decided to encourage Richard Benner of the LCDC to wait until February to act on the those amendments.

7. CONSENT AGENDA

7.1 Consideration of minutes of the December 16, 1999, Regular Council Meeting.

Motion: **Councilor Park** moved to adopt the meeting minutes of December 16, 1999, Regular Council meeting.

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

Vote: The vote was 5 aye/ 0 nay/ 0 abstain, and the motion passed. Councilors Monroe and Kvistad were absent for the vote.

8. ORDINANCES – FIRST READING

8.1 **Ordinance No. 00-838**, For the Purpose of Establishing a Metro Code Governing Elections.

Presiding Officer Bragdon assigned Ordinance No. 00-838 to Metro Operations Committee.

8.2 **Ordinance No. 00-839**, For the Purpose of Amending Metro Ordinance No. 98-730C, Title 3 and Title 8 of the Urban Growth Management Functional Plan and the Regional Framework Plan.

Presiding Officer Bragdon assigned Ordinance No. 00-839 to the Metro Council.

8.3 Removed from the agenda.

Presiding Officer Bragdon recessed the Metro Council Meeting and convened the Contract Review Board.

9. CONTRACT REVIEW BOARD

9.1 **Resolution No. 00-2879**, For the Purpose of Authorizing a Personal Services Contract for the Provision of Legal Services.

Motion: **Councilor Washington** moved to adopt Resolution No. 00-2879.

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

Dan Cooper, Metro General Counsel, explained that approval of this resolution would authorize an agreement with attorney Jake Tanzer of Ball Janik LLP, to defend Metro's interest in the Federal Court Case filed by Waste Connection entities against Metro, challenging Metro's flow control ordinance. He said an update on the case would be presented in executive session at the Council meeting on January 27.

Vote: The vote was 5 aye/ 0 nay/ 0 abstain, and the motion passed. Councilors Monroe and Kvistad were absent for the vote.

10. ADJOURN

Presiding Office Bragdon reconvened the Metro Council Meeting

Councilor McLain referred to an article on Metro's urban reserves, which had appeared in *The Oregonian* that morning on the front page of the paper above the fold. She said the reporters do not write the article headlines, and the headline writers often do not understand the text of the story. She said that had happened with this article. She said the Metro growth plan had not been rejected, as the headline had implied. The Metro growth plan includes the Future Vision and the Regional Urban Growth Goals and Objectives (RUGGOs), both of which are still very much in place. She said what had happened is that the state Land Use Board of Appeals (LUBA) and the Circuit Court of Appeals had indicated by its decision that they do not believe Metro gave a picture of urban reserves as they believe they wrote it. That rule stated that areas like Portland or Medford were to set aside land for *possible* (emphasis hers) future urbanization. That work was still valid, as it had enabled Metro to make urban growth decisions in 1998 and 1999, and would be essential in the decision that must be made by October of 2000.

Councilor McLain suggested paying close attention to possible amendments the LCDC's might make to the urban reserve rule. She said the Richard Benner had indicated that the LCDC was not satisfied with its own urban reserve rule. Councilor McLain said she thought the dissatisfaction was justified, in that no one in the state had been able to satisfactorily complete a decision based on it. Mr. Benner had suggested at MPAC that urban reserves might be voluntary. Councilor McLain said in her view that might be appropriate. She said that even though she thought the concept of urban reserves was good, Metro has a limited budget and has other work to do.

Presiding Officer Bragdon thanked Councilor McLain for her good summary of that decision. He said he had asked Mr. Cooper to have his staff to prepare memo as a privileged communication to the Councilors, summarizing the meaning of the decision. The issue would then be taken up in executive session at the Council meeting on January 27, after everyone had had time to digest the information.

Presiding Officer Bragdon said that due to the light legislative agenda, he was canceling next week's Metro Council Meeting, scheduled for January 20. He also announced that one of the

Council meetings in February would be held in Fairview in the new City Hall, accompanied by a tour of Fairview Village, a neo-traditional development.

Councilor Park asked if the Council needed to adopt a formal position on the change in the urban reserve rule prior to the LCDC's hearing.

Mr. Cooper said it was up to the Council whether the position should be informal or through a formal vote.

Councilor McLain said there were two different issues here. One was the document on the actual urban reserve decision. She thought Councilor Park's concern was for the possible amendments to the urban reserve rule. She thought it would be appropriate for the Growth Committee to decide whether voluntary urban reserves sounded good or not.

Mr. Cooper said Councilor McLain was correct in her assessment that there are two separate issues.

Presiding Officer Bragdon asked if his understanding was correct that MPAC had unanimously expressed its opinion on this.

Councilor McLain said that was correct. She said she, Councilor Park, and Mike Burton had asked Mr. Benner to postpone a formal decision until at least February.

Councilor Atherton said he interpreted the situation as confusion bordering on chaos. He thought that some central truths had been violated, creating conflicts that underlay this problem. He said the first conflict was the 20-year land law mandate, which was continuing to force growth in the urban region as one big city, which it is not. He said communities needed to be viewed as smaller units of 5,000 to 7,000 people. He suggested that if urban reserves were to become voluntary, they would not necessarily need to be connected to the existing urban area.

He said the second conflict lay in the role of counties in land use. He said counties are an anachronism in this field. He said one of the drivers behind establishing the urban reserves was to keep the counties from doing too much damage by allowing the wrong kind of development. He said he hoped the Council would take this as an opportunity to reassess the entire situation and the role of counties in land use decisions.

There being no further business to come before the Metro Council, Presiding Officer Bragdon adjourned the meeting at 3:10 pm.

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 13, 2000

TOPIC	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NUMBER
Minutes	December 16, 1999	Minutes of the Metro Council Meeting	011300c-01
Growth and Environmental Impact	October 1999	"Crisis or Opportunity? Oregon's Environmental Programs at the Crossroads"	011300c-02
Auditor's Report: CAFR Presentations	January 2000	Metro Financial Statement Audit: Management Recommendations	011300c-3
	November 19, 1999	Deloitte& Touche, "Independent Auditor's Report and Schedule of Expenditures of Federal Awards for the Year Ended June 30, 1999 in Accordance with Office of Management and Budget Circular A-133"	011300c-4
	June 30, 1999	"Comprehensive Financial Report" (Metro CAFR)	011300c-5