

# MINUTES OF THE METRO COUNCIL MEETING

Thursday, July 28, 2005  
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Rex Burkholder, Rod Park, Brian Newman

Councilors Absent: Robert Liberty (excused), Carl Hosticka (excused)

Council President Bragdon convened the Regular Council Meeting at 2:05 p.m.

## 1. INTRODUCTIONS

There were none.

## 2. CITIZEN COMMUNICATIONS

There were none.

## 3. CONSENT AGENDA

### 3.1 Consideration of minutes of the July 21, 2005 Regular Council Meetings.

Motion:

Councilor Burkholder moved to adopt the meeting minutes of the July 21, 2005 Regular Metro Council.
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Vote:

Councilors Burkholder, Park, Newman, and Council President Bragdon voted in support of the motion. The vote was 4 aye, the motion passed with Councilor McLain absent from the vote.
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## 4. ORDINANCES – FIRST READING

### 4.1 **Ordinance No. 05-1086**, For the Purpose of Amending the Regional Framework Plan in Order to bring it up to Date and Make it more usable by Citizens of The Region.

Council President Bragdon assigned Ordinance No. 05-1086 to Council.

## 5. RESOLUTIONS

### 5.1 **Resolution No. 05-3602**, For the Purpose of Entering into an Employment Agreement with Metro Department Directors.

Motion:	Councilor Burkholder moved to adopt Resolution No. 05-3602.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder explained that this was an employment agreement for the Metro Directors. He noted the components of the at will agreement. Their goals were tied to Metro Council goals and objectives and their achievement of those goals would be tied to pay. He spoke to other

components of the agreement including severance, leave and termination. He urged support. Michael Jordan, Chief Operating Officer (COO), noted that this was an important step in the performance review process and having staff support the goals and objectives of the Council. Councilor Park felt this helped to bring clarity. Council President Bragdon also noted his support. He acknowledged Ruth Scott's and Dan Cooper's contribution to this effort. He thought they had a great senior management team. He was supportive of the overall direction of the agency in terms of the high performance. Councilor Burkholder said there was no financial change.

Vote:

Councilors Park, Burkholder, Newman, McLain and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

5.2 **Resolution No. 05-3605**, For the Purpose of Expressing Support for the Comprehensive Economic Development Strategy (CEDS) and taking action to Help Achieve the CEDS' Object to improve economic opportunity for Citizens of the Portland Metropolitan Region.

Motion:	Councilor Newman moved to adopt Resolution No. 05-3605.
Seconded:	Councilor Park seconded the motion

Councilor Newman said this resolution would express support of CEDS to improve economic prosperity of the region. He talked about the economic regional perspective and the need to create a strong and prosperous region. He also spoke to the CEDS report acknowledging the kind of work that Metro did. Both public and private sectors were involved in this effort. This resolution committed Metro to following through on five specific activities. He summarized those activities. Lydia Neill, Planning Department, echoed Councilor Newman's comments. She spoke to the collaborative process with regional partners. She felt this was a good step for the region. She talked about the action items that were outlined in the resolution and that Metro could add value to these regional efforts. Councilor Park wondered about the new urban areas and the efforts of cities and counties to provide urban services with limited resources. Council President Bragdon noted Metro efforts to convene a tax study group. Councilor Burkholder talked about the need to have a long term look at the economics of the region. He spoke to the need to maintain the quality of life in the region. He said there was a need for an economic strategy. He felt the report got us a long way to meeting the long term needs of the region. Council President Bragdon said this was part of the process of developing a strategy. He summarized the attributes of this approach; it was regional, it was multi-disciplinary, and it had been a very inclusive effort. He acknowledged the efforts of the Portland Business Alliance. The region had a long way to go in breaking down some of the past barriers. He felt our involvement was important in this effort. Councilor Newman acknowledged Council President Bragdon's efforts in keeping this process going.

Vote:

Councilors Park, Burkholder, Newman, McLain and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

**6. CHIEF OPERATING OFFICER COMMUNICATION**

Michael Jordan, COO, said today they would be discussing the disposition of Public Employee Retirement System (PERS) reserve. They had been setting aside monies the last two years. They were here today to talk about those monies. Bill Stringer, Chief Financial Officer (CFO), presented the options of what might be done with the PERS reserve. Kathy Rutkowski, Budget Coordinator, briefed the Council on the three options available to the Council (a copy of those

options were included in the meeting record). She said this option would be included in the supplemental budget. She noted the short timeframe and that PERS would not accept a contribution that would put us into a surplus situation.

Councilor Burkholder asked about the rules for doing a supplemental budget. Ms. Rutkowski responded to his question. They must have a supplemental budget by September 29, 2005 by the time the bonds were sold. Councilor Newman asked for clarification about the surplus situation. Ms. Rutkowski responded to his question. Councilor Newman felt that Option 3 was the best. Ms. Rutkowski concurred with his comments. Councilor McLain commented on the need to be flexible. Ms. Rutkowski explained her recommendation, including it in the supplemental budget at this time would allow the most flexibility. Mr. Stringer talked about bonding and the interest rates. He said they were seeing the rates moving up and bonding may not be an option when they received their next actuarial report. Councilor Park supported maximum flexibility. He suggested preparing the supplemental budget with those funds included, Option 1. Council President Bragdon summarized what Councilor Park was suggesting. Mr. Jordan spoke to the decision and that there were a number of pieces to the process. His recommendation was to include the maximum bonding and the reserve as well, approximately \$28 million. Mr. Jordan explained the decision that the Council needed to make today. Council still had flexibility if they authorized the supplemental budget up to a certain amount. Mr. Stringer said the resolution passed last week gave authority for the staff to prepare and issue a bond up to \$23 million. There was no need to come back to the Council on that issue. If we were to add the \$5 million in cash and \$18 million in bond proceeds it was less advantageous than doing the full bonding issue of \$23 million. Dan Cooper, Metro Attorney, explained the resolution that was passed last week. Council needed to work closely with the COO and the CFO so that they didn't authorize more money than Council wanted them to spend. He provided options for what Council needed to do today.

Motion:	Councilor Park moved to prepare the supplemental budget for the full amount.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder further explained the decision. Mr. Jordan explained that he agreed with the CFO about borrowing the maximum. Councilor McLain acknowledged that we were doing the right thing and that they should bond as high as possible. Mr. Jordan said the \$5 million discussion could be delayed. Council President Bragdon said it sounded as if there was consensus among the Council.

Vote:

Councilors Park, Burkholder, Newman, McLain and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

**7. COUNCILOR COMMUNICATION**

Council President Bragdon talked about a Saturday night event where there would be a reenactment at Lone Fir Cemetery.

Councilor McLain said the Washington County Fair started today and Metro was represented at the Fair. She talked about the questions they had already received from the fair participants.

Councilor Park said there was camping at Oxbow Park. He said he was with a delegation from Korea today.

Metro Council Meeting

07/28/05

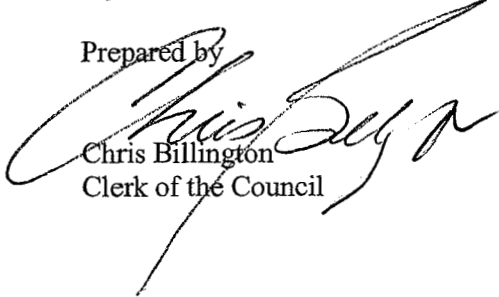
Page 4

Councilor Newman said there would be a joint meeting with the Zoo Foundation next Monday.

**9 ADJOURN**

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 3:15 p.m.

Prepared by



Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JULY 28, 2005**

<b>Item</b>	<b>Topic</b>	<b>Doc Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
3.1	Minutes	7/21/05	Metro Council Minutes of July 21, 2005	072805c-01
6	PERS Reserve Timeline	7/28/05	To: Metro Council From: Kathy Rutkowski, Budget Coordinator Re: PERS Reserve Options	072805c-02