

MINUTES OF THE METRO OPERATIONS COMMITTEE MEETING

May 3, 2000

Metro Council Chamber

Councilors Present: Rod Monroe, (Chair), Bill Atherton (Vice Chair), Ed Washington

Councilors Absent: None

Also Present: John Houser

Chair Monroe called the meeting to order at 3:35 p.m.

1. CONSIDERATION OF THE MINUTES

Motion: **Councilor Atherton** moved to adopt the minutes of the April 19, 2000, Metro Operations Committee meeting.

Vote: The motion passed unanimously. The minutes were adopted with out revision.

2. Resolution No. 00-2921, For the Purpose of Amending the Contract Between Metro and the Hallock-Modey Agency (Contract No. 920104) for Advertising Services at the Oregon Zoo

Motion: **Councilor Atherton** moved to approve Resolution No. 00-2921.

Kathy Kiaunis, Deputy Director, Oregon Zoo, said the Zoo was requesting an amendment of \$419,270 to the current three year contract with the Hallock-Modey Agency who designs and places various kinds of Zoo advertising, increasing the total contract to \$976,570. Due to the disruption on Zoo attendance caused by light rail construction and Zoo construction it was decided to increase Zoo advertising. This change reflects ads now being purchased through the Hallock-Modey Agency because they are getting the placements, they are buying and grouping them. The Zoo has recently received an AT&T \$100,000 sponsorship for the opening of Stellar Cove, and the bulk of that sponsorship will be used to supplement the advertising budget.

Councilor Washington asked if the Hallock-Modey Agency had ever made a Council presentation. **Ms. Kiaunis** said she did not think so, and **Chair Monroe** asked if arrangements could be made for them to make a brief presentation. **Ms. Kiaunis** said she would arrange it.

Councilor Atherton if a reduction in FTE was the cause for the advertising agency to buy and place Zoo ads. **Ms. Kiaunis** said that over the years the responsibility had shifted back and forth from zoo staff to advertising agency. Currently, the agency is doing the ads. There has been no reduction in staff.

Vote: The Committee voted 3/0, unanimously passing Resolution No. 00-2921. Councilor Washington will carry the resolution to the full Council.

Kathy Rutkowski gave an update with regard to the different types of supplemental budget actions before the committee. There are two types of actions to amend the budget. The first, a transfer of appropriation, the transfer of existing appropriation from one category to another or from contingency to a specific line item, thereby not increasing a total value of an appropriation. The second type, a supplemental budget, usually increases a fund's total appropriation value. An exception to the rule, as has been asked in an agenda item today, is to recognize certain types of grants through Council action without supplemental budget. There are two types of supplemental budgets. One, under ten percent of expenditures, and one that is over ten percent of expenditures. The prepared ordinance under ten percent of expenditures is processed in the ordinary manner of appropriation transfer, however, a special public notice of the meeting at which it will be adopted, over and above the public meeting notice with specific requirements, and a copy of the supplemental budget must be filed with the TSCC, although a TSCC public hearing is not necessary.

The second type of supplemental budget, over ten percent of expenditures, does require TSCC public hearing. The Council cannot adopt the ordinance until the TSCC has certified the supplemental budget. There are special public notice requirements that need to be followed.

3. Ordinance No. 00-861, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Adopting a Supplemental Budget for the Zoo Operating Fund for the Fiscal Year Beginning July 1, 1999 and Ending June 30, 2000

Motion: **Councilor Atherton** moved to approve Ordinance No. 00-861.

Kathy Kiaunis, Deputy Director, Oregon Zoo said this is the best fiscal year ever with regard to attendance at the Zoo. The higher attendance has necessitated an increase in appropriations. Total new budget resources were \$1,650,335. The total additional revenue needed was \$1,650,335.

Councilor Atherton asked about reserves for maintenance costs. Ms. Kiaunis said that part of the fund balance had been designated for capital replacement-type projects. **Councilor Atherton** said previous discussions had been held with regard to creating separate line items for repair and replacement reserves. It is a reserve that accrues. **Ms. Kiaunis** said a 25-year plan identifying repairs and replacements, which included some of the old buildings which have since been replaced, had been done. In a sense, part of the planning for planned replacement was the bond measure. The Zoo did have a repair/replacement reserve plan. **Chair Monroe** closed by saying Councilor Atherton's point was well taken. That it was a good business practice to set aside a fund for repair/replacement. He urged it be worked into the Zoo's budget practices, even at a modest level.

Vote: The Committee voted 3/0, unanimously passing Ordinance No. 00-861. Councilor Washington to carry to full Council.

4. Ordinance No. 00-862, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Recognizing Grant Funding for the Replacement of Dock Floats at the M. James Gleason Boat Ramp; and Declaring an Emergency

Motion: **Councilor Atherton** moved to approve Ordinance No. 00-862.

Charlie Ciecko, Regional Parks and Greenspaces Director, said this ordinance recognized a \$35,000 grant from the State Marine Board, proposed to transfer \$3,500 from contingency and increase capital outlay by \$38,500. The \$3,500 is Metro's match for the State Marine Board grant. This money will be used to replace about 240 feet of boarding floats at the M. James Gleason Boat ramp. It was originally planned to be done with the upgrade of the entire facility, however, the upgrade had been delayed until approximately 2003-2004. The new floats will be utilized in the new design. Immediate implementation has been requested by way of the emergency clause.

Chair Monroe asked if it would not be prudent to have a repair/replacement fund set aside for this type of work. **Mr. Ciecko** agreed, but there were budget problems and needs within the department precluding the initiation of such a fund. **Councilor Atherton** said it was obvious that gate receipts could not be expected to create the type of revenue needed. He asked how close the revenue generated was to the maintenance costs of the facility. **Mr. Ciecko** said we were very close because of the good user fees generated. The State Marine Board's maintenance assistance program brings in several thousand dollars a year. A portion of the recreational boating gas tax from Multnomah County also supports the marine facility. **Councilor Atherton** asked just how close were we, if we considered an increase in fees. **Mr. Ciecko** said he would have to research it, however, increasing fees could cost us the loss of a portion or all of the maintenance assistance funds received from the State. The fee structure is tied to the maintenance assistance program.

Chair Monroe opened a public hearing at 4:11 p.m. for Ordinance Nos. 00-861 and 00-862 simultaneously. With no one coming forward to testify, the public hearing was closed at 4:11 p.m.

Vote: The Committee voted 3/0 unanimously approving Ordinance No. 00-862. Councilor Atherton to carry it to Council.

5. Ordinance No. 00-863, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Adjusting the Expenditures in the Contractor's Business License Program; and Declaring an Emergency

Motion: Councilor Atherton moved to approve Ordinance No. 00-863.

Don Cox, Accounting Manager, said this was strictly a housekeeping issue. There were no changes in the amount nor timing of the payment to the cities, but rather the accrual of the expenditure to the proper period as to when the revenues of the Contractor's Business License fees were collected. Simultaneously, the expenditure budget will be increased by approximately \$280,000 and the ending fund balance will be decreased accordingly, leaving no carry over into the next year. **Councilor Atherton** asked why this was never done before. **Mr. Cox** responded that in preparation for the Governmental Accounting Standards Board, this will be a requirement to be implemented effective 2002. He felt that although it should have been accounted for in this manner in the past, it was now time to prepare and report it as it should be.

Chair Monroe opened a public hearing at 4:14 p.m. No one came forward to speak. He closed the public hearing at 4:14 p.m.

Vote: The Committee voted 3/0, unanimously approving Ordinance No. 00-863. Councilor Atherton will carry the resolution to Council.

6. Ordinance No. 00-854, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Reflecting Cost of Living Adjustments and Health and Welfare Increases; and Declaring an Emergency

Motion: Councilor Atherton moved to approve Ordinance No. 00-854.

Kathy Rutkowski, Analyst, Financial Planning Department, said this ordinance sought to adjust personal services estimates in the current year budget to reflect all cost of living and fringe benefit expense. At the time the budget was prepared, union negotiations were underway, as well as involvement with negotiations with Metro's health and welfare providers for the benefit costs. As a result, the ultimate costs of personal services were not reflected in the personal services line item of the budget. An estimate was made and placed in contingencies. Upon completion of the negotiations, the budget needed to be adjusted. **Chair Monroe** asked about the accuracy of the estimates. **Ms. Rutkowski** said the overall dollar amount was sufficient to cover expenses.

Chair Monroe opened a public hearing on Ordinance No. 00-854 at 4:15 p.m. With no one coming forward to speak, the public hearing was closed at 4:15 p.m.

Vote: The Committee voted 3/0. Chair Monroe to carry Ordinance No. 00-854 to Council..

7. Ordinance No. 00-855, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Reflecting an Authorized Interfund Loan from the Solid Waste Revenue Fund to the Convention Center Project Capital Fund; and Declaring an Emergency

Motion: Councilor Atherton moved to approve Ordinance No. 00-855.

Kathy Rutkowski, Analyst, Financial Planning Department, said this ordinance was proposed to complete an action begun last December when the Council adopted Ordinance No. 99-832, authorizing the interfund loan and modified the Convention Center Capital Fund. It was uncertain at that time if the Solid Waste Revenue Fund needed to be modified. This action modifies the Solid Waste Fund to reflect the loan that had been authorized.

Chair Monroe opened a public hearing at 4:18 p.m. No one came forward to speak. The public hearing was closed at 4:18 p.m.

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Vote: The Committee voted 3/0, unanimously approving Ordinance No. 00-863. Chair Monroe will carry the resolution to Council.

Scott Moss, Assistant Director, Administrative Services Department, gave the Risk Management Report. The report is attached as a permanent part of this record. A presentation is being prepared regarding the health and welfare program. It will be presented in about a month. **Councilor Atherton** asked about page 7, projections vs. actuarial payments and asked why our risk management costs are so much lower than the average of others. **Mr. Moss** responded that a major part of it was police and fire protection. Metro does not have high risk exposure that other governments provide. He said as part of the public risk management program, we do actively share information with other agencies. **Councilor Washington** asked about the cause of injuries under "assault" on page 6. **Mr. Moss** responded that there were two assault claims this year. One was an OCC incident with a security person, the other was an alleged employee assault at the Zoo. **Councilor Washington** asked what "pinched" meant on page 6. **Mr. Moss** responded that it related to being pinched by a door, or some other object. **Councilor Washington** asked where "chemicals" claims and "burns" were reported from. **Mr. Moss** said mostly in Solid Waste.

COUNCILOR COMMUNICATIONS

Councilor Atherton asked about the quality of the paper which appeared to be of such a high quality. The outdated stock was being depleted by various agency uses.

The meeting was adjourned at 4:35 p.m.

Respectfully submitted,

Patricia Mannhalter
Council Assistant

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ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MAY 3, 2000

Document Number	Date	Document Description	RES/ORD
050300.01	4/25/2000	1999 Year End Report on Risk Management, Benefits and Contracts	