

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, November 15, 2005
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Rex Burkholder, Carl Hosticka, Robert Liberty, Brian Newman, Rod Park

Councilors Absent: Susan McLain (excused)

Council President Bragdon convened the Metro Council Work Session Meeting at 2:04 p.m.

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, NOVEMBER 17, 2005/ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS

Council President Bragdon reviewed the November 17, 2005 Metro Council agenda.

Chief Operating Officer (COO) Michael Jordan said that next Tuesday he would like to have an executive session regarding a zoning case in Beaverton.

2. PROGRAMMATIC BUDGET DISCUSSION

Council President Bragdon advised Council that the programmatic budget discussion related to the budget document that Bill Stringer, Chief Financial Officer, had previously presented. Upcoming meetings will focus on Metro goals. The discussion would return to the programmatic level on December 6. On December 13, Council would have the opportunity to provide direction. The ultimate goal was to be able to deliver a budget in March rather than April of next year.

Mike Hoglund, Director Solid Waste and Recycling, described the overall financial outlook for his area as fairly stable. However, there was a projected gap of about \$600 thousand which would require a 1% increase in the tip fee to balance.

Councilor Burkholder had some questions about fuel costs. Mr. Hoglund said he thought fuel costs would come in within budget. There was a discussion of cost allocation models and how self-haul costs should be treated. Mr. Hoglund noted that Councilor Park was chairing a committee to look at these issues; a report was expected in the spring. Mr. Hoglund said that the future of Metro's role in disposal was somewhat uncertain, but that this would not affect the current budget. His group also has other proposals under development, such as a dry waste recovery initiative and better management of the growth in self-haul.

Councilor Newman wanted to know what percentage of people use self-haul and where they are located geographically. Mr. Hoglund said probably 90% were from within the Metro area. There were roughly 326,000 transactions last year. A small percent of those were commercial haulers; the majority were self-haulers – about half of these were people cleaning out garages and basements, and about half were small businesses, construction firms, etc. Councilor Newman asked what percentage of self-haul were people who were not signing up for curbside collections; and what about people who did not have access to curbside or other options. Mr. Hoglund confirmed for Councilor Park that most of the waste was dry, with a very low percentage of wet waste. Council and staff discussed the different types of self-haulers using the disposal. Councilor Park said the issue was where the costs for self-haul should be assigned.

Councilor Liberty asked if there had been a policy discussion about subsidizing this activity. Mr. Hoglund said it was for simplicity. Commercial haulers pay more relative to self-haulers. They have been examining a variety of scenarios and ways of looking at distributing the costs. Councilor Burkholder asked about dry waste recovery initiatives. He asked what the timing would be for a potential budget amendment, and how that related to the rate-setting process. Mr. Hoglund said that two years ago we moved our implementation of rates to the first Monday after Labor Day. This gave two more months for budgeting and rate-setting. Some other local jurisdictions are doing the same thing. Mr. Hoglund then spoke about another area under development, which would have more impact on the revenue side, that would be the latex paint. They are looking at options for procuring paint from other jurisdictions, charging them our costs to do that, gleaning out the better colors that sell, bulking and disposing of the other colors, then taking the colors that sell and increasing our markets and revenue.

Councilor Burkholder asked about the St. Johns landfill, whether there was some way to combine the dike repair with preparation for bridge crossing of the slough. Mr. Hoglund said the St. Johns landfill was tied up in federal funding and loss of funding from grants. He predicted the need for Council to think about the transition of St. Johns from solid waste to Parks, as the landfill transitions to an open space.

Mr. Hoglund talked about areas where he would be looking for direction from Council. The first was support for Nature in Neighborhoods (NIN) and the second was for growth and regulatory needs. Support for NIN would focus on habitat areas, as well as cleaning, restoration, and potentially putting in fencing to keep people from going to the sites. Surveillance equipment to identify perpetrators may be necessary.

The solid waste bonds are scheduled to be paid off in July 2009. We have paid down a bit more this year as a result of the rate review committee recommending a gentle slide into the reduction in the tip fee as a result of paying off the bonds. Mr. Hoglund indicated that the bonds could be retired early if desired; there were pros and cons to doing this, so he would be looking for Council direction on this issue.

Councilor Hosticka wondered if, once the bonds have been paid off, we should reduce the rate or if there were other options. Was there an assumption that rates would go down once the bonds were paid off? Council President Bragdon thought there was no such assumption. Mr. Hoglund talked about the aging of the transfer system; the facilities were getting older, if we stayed in this business we would need to revisit it. Basically this was a maintenance budget with few surprises.

Andy Cotugno, Planning Director, laid out some areas where he was suggesting increases in resources. First, his group was in the midst of the scoping process for the New Look. The current budget document assumed a need for at least two additional Full-Time Employees (FTE). Also, there was an unknown with the ultimate fate of Ballot Measure 37 and whether staff would need to be allocated for that. Second was Public Affairs (PA) support. He had budgeted staff in the grant-funded activities to pay PA out of the grants. He also included a recommendation for an increase in staffing here, relying upon PA staff for the New Look outreach. Mr. Cotugno then looked at an increase in staffing directly due to grants. These were FTE that worked for PA but were funded out of transportation grants. Lastly, he reviewed the Regional Travel Options (RTO) project. There will be budgeting issues associated with shifting travel options from TriMet to Metro; fuel savings would be a primary target.

Mr. Cotugno then reviewed a number of items. The first, related to the New Look, was an excise tax question. The second was the new construction excise tax, and the next several were grant-related questions. In the Regional Transportation Plan (RTP) area, we had some deficiencies that the feds cited us for – primarily, the congestion management system. The RTP system plan update needs to be shored up. The good news is that the funds will be there. He proposed an increase with those grant resources to meet federal certification obligations.

Councilor Newman had a question about meeting the federal requirements. Mr. Cotugno discussed the availability and rules of federal funding. It was time for a major household survey; the last one was 12 years ago. Councilor Burkholder asked about allocation on the state level; Mr. Cotugno said this was not settled yet. Councilor Burkholder asked who the deciding body would be; Mr. Cotugno said it was usually done by consensus.

Councilor Park asked how we could retain the talent pool that had been accessed through the current process. Mr. Cotugno said that the expertise was there; it was a question of the level of effort that would be able to be allocated. Councilor Park wondered whether there was a line item out of Public Affairs, or did it come out of the Planning budget that was then allocated through Public Affairs? Mr. Cotugno said it was in Public Affairs – for the grants, it was in his budget; for the PA staffing for non-grant programs, it was in Public Affairs.

Mr. Cotugno then talked about corridor planning. There were not adequate resources for us to be as engaged in the Columbia River crossing project, the toll road process, or in two other major Environmental Impact Studies (EIS) as we would like to be. He talked about being still in the midst of a discussion with Transit Oriented Development (TOD) and Centers. Finally, he looked at support for the Data Resource Center (DRC). This would be a small increase.

Councilor Newman asked if DRC funding came through enterprise, in the door revenue, or excise tax. Mr. Cotugno said it was excise tax. Councilor Liberty had some questions about Nature in Neighborhoods and New Look, how time would be spent in these areas. Mr. Cotugno said it showed a shift to RTP. They discussed the number of FTE for the different projects, which were absolutely necessary and which had solid funding behind them. Councilor Park indicated that he was interested in exploring other funding sources.

Council President Bragdon said the New Look had a lot to do with communications. He was concerned about the allocation of funding depending on whether it was grant-based or excise tax-based. He wondered how staff that had been working on previous projects would be assigned to new projects. Mr. Cotugno responded that some funds were more stable than others, but that his budget relied on fairly secure sources of funding.

Councilor Liberty had some questions about funding and budgeting for the Columbia River crossing. Mr. Cotugno said he had not heard any reliable figures, just shots in the dark. They talked about funding that had been put toward this subject.

Council President Bragdon asked Paul Couey, Finance, to review the multi-year calendar. Mr. Couey summarized the Council goals of great places, environmental health, smart government, and economic vitality. Under each of those categories, we've developed objectives. This year focused on the formatting of the programs. Next year would concentrate on revenues and expenditures projected for five fiscal years. In 2007-2008, we'll look at consistent definitions for programs and activities and costs and expenditures. All these activities would be occurring simultaneously, but the emphasis would change from year to year. In 2008-2009, the focus will

be on consistent definitions for performance measures and identification of cross-departmental initiatives. 2009-2010 would emphasize budget tracking and accounting systems, as well as allocation of all resources by program.

Councilor Burkholder noticed some overlapping definitions of programs in different departments; he was uncomfortable about waiting two years to obtain consistent definitions. Also, he wanted to see if we could track the cost of actually doing the budgeting. Council President Bragdon wanted to track information on how much it cost to do it the old way. Councilor Burkholder said that there were costs involved in performance evaluations and which managers were able to do that effectively and efficiently and how we could track those costs.

Councilor Park was curious about breaking out the scoping parts versus the actual functions. Mr. Couey said that in the next meeting he would facilitate a high-level discussion of outcomes related to each goal, looking at something between last year's big picture look and this year's focus on goals with the directors.

3. BREAK

4. FANNO CREEK ORDINANCE REVIEW

Paul Ketcham, Planning, said this was an amendment to the Nature in Neighborhoods ordinance. It does three things. The primary original purpose was to incorporate streams inventoried by the City of Portland by the Fanno and Rock Creek watersheds and to incorporate them. In December 2004 we had used a different data source. The City of Portland wanted us to use their information. Councilor Liberty asked about the inventories that had been done. Mr. Ketcham said the December 2004 inventory had habitat inventories based on them. Councilor Liberty asked if people would have received notices based on a different inventory. Mr. Ketcham said this ordinance added 7.6 miles of streams. It was intended to ensure that there was a consistent application of Title 13 within the city of Portland boundaries. It also added a net amount of 176 acres of riparian areas.

Councilor Burkholder asked about the nature of the area and which jurisdictions had control. Mr. Ketcham said the City of Portland had jurisdiction. Councilor Liberty offered to carry the ordinance since the bulk of it was in his district. Councilor Burkholder asked about the other parts of the ordinance. Mr. Ketcham said it also contained some map revisions and new wildlife and habitat maps. He referred to Exhibit G changes and stated that we would not be adding any new habitat areas, although some of the map revisions would add wetlands that were not previously inventoried. They would show up as regionally significant areas, but since the property owners had not been notified, it would not be habitat-protected.

Councilor Liberty wondered if we should anticipate that we might have to do this once a year. Mr. Ketcham agreed. This was essentially the first update of the inventory from September 2005. They discussed how maps would be updated in order to stay in compliance with various laws.

Councilor Park asked how the map changes were all integrated. Mr. Ketcham discussed some of the elements involved in keeping track of all these changes. He discussed the timing and various options for how to approach this. Chris Deffebach, Planning, added that part of it depended on how many requests came in. One-at-a-time property owner requests were more time-consuming than big changes happening all at once, such as from a local municipality.

Councilor Liberty asked for clarification about which maps were legally binding and which were not. Ms. Deffebach said they would like time for staff to prepare a proposal. Mr. Ketcham said that the third item that had changed was the boundaries in Clackamas Community College (CCC) that had changed; he was going to use this opportunity to propose that the Council amend its map of the CCC facility to show the correct tax lots.

Councilor Burkholder asked if the ordinance included a mechanism for responding to someone trying to use this as a strategy to evade responsibilities under the ordinance. Mr. Ketcham said we had made a legislative decision to designate these areas. Any changes would require Council approval. The process required that the institution would have to request a change to its designation. There are also criteria in the ordinance to consider the findings against this criteria to add a new facility. All these changes would come back before the Council.

Councilor Hosticka observed that there was probably no foolproof way of preventing any legal challenges. Mr. Ketcham reiterated that property owners would have to come to Metro to have any exceptions made. This ordinance would be part of the final submission to the Land Conservation and Development Commission (LCDC). If adopted, it would be part of the emergency clause effective immediately.

5. EPA GRANT PROPOSAL

Lydia Neill, Planning, kicked off the brownfields program outlined in the Council resolution passed in support of Community Economic Development (CED) Strategy. Her objectives were to be able to understand the magnitude of the issue. How many brownfields were there? Where were they? What role were they playing? What impact were they having? What are the issues involved? She proposed to try to develop some in-house expertise dealing with brownfields issues and relating to other partners that were looking at the same topic.

Ms. Neill talked about the strategy for implementing the proposal. An assessment would be the first step. Phase I would be a fairly cursory, inexpensive analysis of the site. Phase II would be more intensive. Councilor Newman wondered what the definition of brownfields was. Ms. Neill said it was basically an underutilized site. This is not the same as what is often referred to as a “grayfield” which could be boiled down to a “dead mall.”

Ms. Neill said we needed to come up with definitions that could be used in the proposal. There were a number of different resources. Councilor Burkholder observed that many property owners would not be forthcoming or want to take part because of fear they would be held liable for contamination. He asked Ms. Neill if she had any strategies for dealing with this. She responded that there were a few strategies that could be used. She would prefer to focus on areas that had fewer resources to address these issues – areas with low incomes, etc. Council discussed how to get people to take part in the face of the fear of liability.

Ms. Neill stated that we do not have to provide a match to get the funds. There would need to be a well-developed public involvement process. She presented a draft resolution for Council to establish the Brownfields program and a Brownfields Task Force (BTF) (a copy is included in the meeting record). Councilor Newman had some questions about the need for the task force. Ms. Neill said this would be a way to reach out to other partners who had an interest in this subject and who might have useful experience. Councilor Burkholder asked if this project had been budgeted. Ms. Neill said more or less, as Council had directed Ms. Neill to work on economic development projects. Ms. Deffebach said that Ms. Neill’s time for next year was budgeted,

assuming we received the grant money. They discussed budgeting for the proposal. Ms. Neill said the grant application was due in December. Funds wouldn't be received until next September.

Council President Bragdon asked for a brownfields sponsor. Councilor Liberty expressed interest, as did Councilor Newman. Ms. Neill basked in the glow of Council President Bragdon's praise for her initiative in locating funds.

6. JOINT WATER COMMISSION PROPOSED PIPELINE

Jim Desmond and Jim Morgan, Parks, gave an early heads up on a proposal that they would be likely recommending against. Mr. Morgan said the applicant had not yet submitted a formal application; this was expected within two months.

The Joint Water Commission (JWC) wanted to build a 6-mile pipeline, 96" in diameter. The cost for the pipeline would be about \$45 million. The JWC's feasibility study focused on the least-cost option. The property in question is known as the Lovejoy property, somewhat south of Forest Grove. They presented a map of the property, a copy of which is included in the meeting record. The area is farmland and a floodplain; it floods every year. Mr. Morgan described the process of trying to maintain this area and preserve it for restoration. Some of the funding for this restoration comes with restrictions. Building a water pipeline across it probably would not be an acceptable use. Councilor Newman had a question about other routes the pipe could take. Mr. Morgan said there were other alternatives, but they would be more costly, and thought the JWC would probably submit only the least-cost model, cutting straight across the floodplain.

Councilor Liberty asked if the JWC could use any powers of condemnation. Mr. Cooper speculated that the fate of the Lovejoy floodplain would be an opportunity to protect a new Metro ordinance. He thought we would have a good case to protect the property. He clarified the position for Councilor Liberty. It would be a competing public use. He discussed various jurisdictional capacities for condemning various properties. Councilor Liberty wondered what the downside to rejecting the application would be. Mr. Morgan thought it would not be that bad. Mr. Desmond reminded Council that there had been a public outcry which led to the policy in the first place. People didn't want sewer lines running across open spaces.

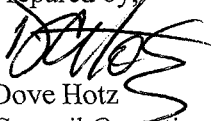
Councilor Hosticka wondered what the actual status of this project was. Did the JWC have the funding? Mr. Morgan replied that the project was a moving target. It had already been changed many times. Council consensus was that this project as identified would not be acceptable. Council and staff discussed the history of requests made for Metro easements.

7. COUNCIL BRIEFINGS/COMMUNICATIONS

There were none.

There being no further business to come before the Metro Council, Deputy President Burkholder adjourned the meeting at 4:39 p.m.

Prepared by,



Dove Hotz
Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
NOVEMBER 15, 2005**

| Item | Topic | Doc Date | Document Description | Doc. Number |
|-------------|------------------|-----------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 1 | Agenda | 11/17/05 | Metro Council Agenda for November 17, 2005 | 111505c-01 |
| 5 | Draft resolution | 11/15/05 | To: Metro Council From: Lydia Neill Re: For the purpose of establishing a brownfields program and a brownfields task force | 111505c-02 |
| 6 | Map | June 2005 | To: Metro Council From: Jim Morgan Joint Water Commission Raw Water Pipeline Phase 2 | 111505c-03 |