

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, December 13, 2005
Metro Council Chamber

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

Councilors Absent:

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

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, DECEMBER 15, 2005/ ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS

Council President Bragdon reviewed the agenda for the last meeting of the year. Councilor Burkholder agreed to carry item 7.1 instead of Councilor McLain.

2. PARKS BOND MEASURE DISCUSSION

Jim Desmond, Parks Director, presented Council with a list of policy questions and decisions (a copy is included in the meeting record). Council had asked staff to prepare some additional work about the proposed regional target areas. Mr. Desmond also discussed the per capita local share, referencing a document showing a potential allocation model (a copy is included in the meeting record). The allocations within each county should be as close to per capita as possible. Each county provided Metro with a consensus on the allocation between cities. Most chose the straight per capita model, following the 1995 guidelines but updated to reflect population changes.

Clackamas Count used a slightly different formula. Multnomah County wanted to give the smaller cities a base allocation, then add the per capita on top; however, Gresham has not agreed. They wanted a smaller base allocation for the smaller cities was too much. Washington County has not fully responded yet.

Councilor McLain said she and Councilor Hosticka had been at a meeting with Sherwood officials, and they seemed more willing to accept that things could be done the same way as in 1995. Councilor McLain thought local jurisdictions would be motivated to figure it out in order to get their share.

Mr. Desmond said that Washington County seemed mostly on board. Councilor Hosticka commented that a portion of Wilsonville was in Washington County; Mr. Desmond will follow up and include this in the next version of the allocation model. He counseled Council that the more information we could provide to jurisdictions, and the sooner, the easier it would be to get them on board. Councilor Newman asked if the \$220 million figure was absolute; Council President Bragdon said he thought they should start with the overall amount and then use that to figure out the local share. Councilor Newman asked what research had gone into choosing the \$220 million. Mr. Desmond thought the difference between \$200 million and \$220 million was pretty small, in terms of trying to sell the package to voters. He explained that the overall consensus of the Blue Ribbon Committee was \$220 million, and it was a unanimous decision.

Council President Bragdon asked Council if anybody was uncomfortable with the \$220 million figure, did anybody feel strongly about going above or below? Was Council comfortable closing on the \$220 million today? Councilor Park said he would like to explore going lower than \$220 million. He was concerned that the local jurisdictions might not all be on board. Mr. Desmond said there had been a meeting with regional park providers last Friday. After lots of discussion, he asked if \$44 million for the local share was an acceptable figure, and no one objected.

Councilor McLain observed that the timeline for getting this measure passed was bearing down upon us. If you wanted more information on the \$220 million, go to the public, not the people we've already talked to. Councilor Newman said he was comfortable with the \$220 million. Councilor Hosticka said he understood Councilor Park's point but it seemed too late to address it.

Council President Bragdon asked if Council wanted to do a formal statement about the figure. Councilor Burkholder said that he was relying on the work of the Blue Ribbon Committee in accepting the figure. He thought their work could be trusted. Councilor Liberty put it in terms of per household; \$220 million was about \$32 per household. He asked if our measure had any exemption for part of the value. Mr. Desmond said no. Daniel Cooper, Metro Attorney, said this would be another tax just like all the others, consistent with exemptions that already existed (such as for churches).

Council President Bragdon again asked Council for their firm gut response on the \$220 million figure. There was not a lot of vocal objection to this. Mr. Desmond then asked if 20% was a good percentage for the local share. Councilor McLain thought it was. Councilor Park asked how local electeds felt about the amount. Councilor McLain and Council President Bragdon said people would always like more money, but as an overall package it seemed to be a pretty comfortable level for most. Councilor Newman said he had heard some objections earlier on, but as the package was discussed, people were coming more on board. It's still a lot of money! Councilor McLain said people were also making the connection with the restoration grants. Councilor Burkholder was more concerned with the grant portion; he was fine with the local share.

Councilor Liberty said he was okay with the 20% but he would be pushing for more in the Nature in Neighborhoods grants. Councilor Hosticka said let it ride. He would prefer to let the local jurisdictions work it out amongst themselves instead of bringing it to Metro. Councilor Newman still had concerns about the grants and the target areas. Mr. Desmond agreed that the total amount and the local share were less controversial than the grants and the target areas.

Council President Bragdon affirmed that Council informally concurred that \$220 million was the total number and 20% was the local share percentage. Council President Bragdon and Mr. Desmond agreed that closure on the local share issue today would be helpful.

Councilor Burkholder questioned the inclusion of "roads" under capital improvement projects. Mr. Desmond said it was intended to refer to more of an entryway or access point. He agreed the word "road" was a bit broad and offered to come up with better wording. Council thought "access point" was better.

Councilor Liberty asked about the finality of the draft guidelines. Mr. Desmond said this is what would be given to the jurisdictions; they would have to bring it back to us. Councilor Liberty wanted to make sure the guidelines did not leave any loopholes. Councilor Newman thought the local jurisdictions could be trusted to make good choices based on broad guidelines.

Mr. Desmond, Councilor Newman, and Councilor McLain thought that the projects last time had mostly been very good, without a lot of detail in the guidelines. Councilor Hosticka said he had seen some questionable projects. Council President Bragdon asked if Council had a problem with the wording. No one strongly objected, but Councilor Newman said the qualification about children's play equipment was troubling; Mr. Desmond said he would fix it. Chris Carlson, Parks Manager, said she would delete the phrase "compatible with environmental education or interpretive activities." Council acquiesced.

Now on to the good stuff. Jim Morgan, Parks Manager, showed some maps of the last bond measure targets. He summarized the history of the previous acquisitions. For purposes of the 2006 bond, the distinction between old and new target areas will be dropped. Just because something was on the target list last time does not give it any more importance this time around. Mr. Morgan provided a map of preliminary target areas (a copy is included in the meeting record). Councilor Liberty asked about the total of the old and new target areas. Mr. Morgan said it was maybe 10,000 acres. They were trying to get an east-west balance in targets on acreage.

Councilor Liberty asked about the orange areas on the 1996 map, this was the original preliminary target areas, about 99,000 acres. Councilor Liberty wanted to confirm that we were going to try to acquire about 5,000 acres. Mr. Desmond responded to a question from Council in a previous meeting about what areas had been scientifically selected. The Council wanted a focus on water quality.

Mr. Morgan passed around a list of Target Areas Not Included in November 2005 Preliminary List (a copy is included in the meeting record). Councilor Newman relayed comments that people in his district have made. He thought a focus on closer-in areas would be an easier sell, since they are currently and visibly threatened by development. Mr. Morgan passed out a Google Earth view (a copy is included in the meeting record). Council debated the merits of closer-in and farther-out targets, their relative proximity to development, and whether to buy larger or smaller parcels. Councilor Newman said we know where the development pressure is going to be, and we ought to prioritize those areas. Councilor Park asked why the target area south of the Willamette River had been rejected. Why not start buying something there? Mr. Morgan said many people had supported this area, and he agreed that the river was somewhat of an artificial boundary.

Council President Bragdon said this issue would be revisited January 3, 2006. He asked Mr. Desmond to bring back the outline. He also asked Parks staff to continue to educate Council on these issues outside of formal meetings.

Mr. Desmond asked if Council wanted additional information to aid their deliberations. Councilor Hosticka asked if there was a minimal purchase in each target area before we would do anything; if it passed, was there a minimum parcel size? Mr. Desmond said we had not signed any options, but when we go to purchase, we gamble that when we buy one, others will follow. Usually if we can find one willing seller, others in the neighborhood will follow.

Councilor Liberty said information that would be helpful to him was to combine the two maps (1996 and 2005), showing some overlap, then take the layer and show it with forecasted Urban Growth Boundary (UGB) expansions and/or household growth. Councilor McLain said there would be an opportunity later on to focus in on the target areas.

3. BREAK

4. BUDGET DISCUSSION

Alexis Dow, Metro Auditor, briefed Council on the Auditor's operations. Although the Auditor's office had been omitted from the written presentation, she felt it was an important and in fact a citizen-mandated function of the agency. She said the Auditor's office played a maintenance role; they did not create anything but kept the whole operation running. She compared Metro to an airline; the Councilors to pilots; and the Auditor to the mechanic.

Ms. Dow said that the Auditor's office needed to be at a certain level to function. They look for problems, look for efficiencies, how to be more effective, and they are very pro-active and objective. Auditors try not to let personal goals cloud their judgment. She felt her current staffing and resources needed to be maintained, with some addition for the potential to do outside contracting when necessary. She would prefer that this contracting be a more official line item – what she's been doing to date is using money left over from other areas in the budget. Ms. Dow offered her office as a resource to Council and departments to be used to improve performance across the board. Her budget request will be comparable to past years.

Council President Bragdon reiterated that this was Council's turn to provide their comments on the overall process.

Councilor Newman said his priorities were the New Look and Regional Transportation Plan, the open spaces bond, disposal system planning, and the Zoo master plan. He would like to see the budget in March reflect these priorities. Regarding the Zoo master plan, there will be a project proposal coming in a month or so that will lay out the project description and the budget. Tony Vecchio, Zoo Director, estimated a cost of \$200-\$250,000 for the master plan. This would be more than a site plan; it would include a look at the Zoo's mission and operations, a business model for the Zoo in an era of increased cost and static resources. He has talked with Chief Operating Office (COO) Michael Jordan about what resources will be needed to help Zoo staff get through this process. Zoo staff may appreciate support from Metro Planning staff.

Another of Councilor Newman's priorities would be to support the new staff member coming to work with Stacey Triplett, Parks Manager, on December 15 as a liaison with the Homebuilders Association; he is hopeful this will be a promising partnership. The new staff person will need materials to use as education materials. Councilor Newman has been in discussion with other regional stakeholders to develop the concept of a design competition.

Council President Bragdon asked about the Zoo master plan; the budgeting is mostly materials and supplies – would this be over one fiscal year? Councilor Newman said it might be a bit longer. The last master plan was 15 years ago.

Councilor McLain presented a big picture review. She wanted to see better integration of departmental challenges and resources and how they fit into the organization. She felt there might be savings in such an examination. As far as overall maintenance for all parts of our organization, the code stated that we would try to do a better job with maintenance and replacement, and she intended to look for ways to do this. Another focus for her was education programs, how to integrate parks and solid waste education programs to get more bang for the buck, to show the combination of how sustainability is an across-the-agency goal for us. Councilor McLain's other general comment was that she has been told that Public Affairs did not have the resources to complete the communication plan. She couldn't see how the new structure was working. She

wanted a better communication plan, an overarching program that would help us do our work better.

Regarding programs, Councilor McLain was not interested in providing anything more to the Metropolitan Exposition-Recreation Commission (MERC). She wanted to finish it up and keep Council in the loop. She supported the Zoo master plan and maintenance. As far as Planning, the Big Look needed to look at urban areas; we needed to make sure they had the resources to do it right. She was very supportive of the bond measure. Council promised to open four of the central parks from the last bond measure; we needed to follow through on this. Finally, in solid waste, she wanted resources to complete the Regional Solid Waste Management Plan (RSWMP). Regarding potential cuts, she did not want to cut anything that was a generally appreciated public program. We have so few services that provide an identity to the average household, let's be sure to talk before anything popular with the citizens is cut. For example, she would like to see more public outreach using the Data Resource Center (DRC).

Council President Bragdon agreed that he had not been fully satisfied with the communications piece. Councilor McLain said she had been patiently waiting for the design team to finish their work.

Councilor Park said solid waste was a priority for him, to finish the planning in this area, so that Council could make decisions about it. Another priority was the Oregon Convention Center (OCC) and dealing with the upcoming shortfall; he has been working with staff on this. Coming to a decision about a headquarters hotel was very important. The New Look and RTP update were high priorities for him as well. He wanted to make sure we maximized our partnerships to the full extent and to see more strategic planning in how to decide which areas they were going to focus on at a given time.

Council President Bragdon asked what sort of resources would be appropriate for the Disposal System Planning (DSP) – mostly materials and supplies? Were they mostly internal resources? Councilor Park said it would depend to a large extent on the contract that came out of it. Council President Bragdon asked to tie it to resource requirements. Mike Hogle, Solid Waste Director, said he would be prepared to give Council a narrative and update on this.

Councilor Burkholder said the difficult piece was the excise tax. He felt it was a challenge to break ongoing, multi-year projects down into an annual budget; for example, New Look. Also, when doing program budgeting, duplications just jump out at you; for example, the relationship between MERC and Zoo customer service, is there a way to reduce costs here? The same was true in the area of conservation education – the Zoo, Planning, and Solid Waste; are they using the same performance measures? Along with the other Councilors, he was confused about how Public Affairs was progressing. New Look was very important. These all came out of program budgeting, which he supported.

Councilor Burkholder's specific recommendations were, first, to reconsider whether to actually reconstruct the four parks – do we want to go beyond Oxbow and Blue Lake? There are huge costs involved. Secondly, some of the New Look would take place in 2006-2007 and some in 2007-2008. Thirdly, we needed similar performance measures for conservation education. And lastly, he would like to see a focus on community outreach.

Regarding the potential Blue Lake golf center, he would like to look into bonding that instead of spending cash up front. He would also like to see comparables from the Central Service area; for each project, how much payroll is used? How do the projects compare?

Councilor Liberty said he appreciated the budgeting process; earlier discussion was much to be preferred. Second, we had effectively done a lot of the budgeting by talking about projects. This was setting priorities, which was good. In the case of RSWAMP, he was interested in the waste reduction plan and dry waste, where a lot of people think we can do better in terms of recovering materials. His overall list was basically the same as Councilor Newman's. He also noted that there was room for optimism on the revenue side; some of the items under consideration – the excise tax, the potential “windfall” tax, the fate of the Transportation Improvement Program (TIP) fee after the bonds are paid off, the Blue Lake golf center, increased budget picture for the Zoo and OCC, and there may be a pleasant surprise when the fate of the Public Employees Retirement System (PERS) court case is decided. Remember that we are getting near our cap for spending; we'd better have a plan for that.

Councilor Liberty commented that Metro was very good at doing analysis. He wanted to make sure that these analyses led to actual implementation. Also, remember that there are a lot of constraints with federal funding associated with the RTP. Finally, he has been pushing vigorously on the fairness component of the windfall tax. May 2006 turned out not to be a realistic target for a vote. He is now considering something for March 2007. Some of the work on the New Look was effectively doing the targeting for an easement program. There were opportunities to share research and studies amongst different programs.

Councilor Newman had a question about the windfall tax. He has been contacted by at least two non-profits that supported this approach; was there any help we could receive from such agencies to provide research, outreach, etc.?

Councilor Hosticka observed generally that the budget should be led by policy and not the other way around. When we look at New Look and RTP, these are the highest priorities, we need to decide what we need to do and then put the resources in the budget. He was not crazy about disposal system planning; he felt that previous efforts had been less than impressive. We spend a lot of time and money on number crunching without connection to the ultimate outcomes. He did not want to see any cuts in concept planning. Council President Bragdon asked him to clarify whether he meant concept planning that was funded by the fee. Councilor Hosticka said either way, it was important. He thought there should be better options for employees to cover their health care, rather than just passing the increasing costs along. He agreed with Councilor Liberty that our commitment to Nature in Neighborhoods needed to be carried through.

Councilor Newman add that he agreed the expansion area planning fund was very important. Regarding New Look and RTP, he would be open to a budget amendment for the current budget year, as well as additional resources, to get the New Look done right.

Councilor McLain thought maybe we should re-name disposal planning as sustainability planning. Our sustainability planning in solid waste has helped us finance everything else we do. It's not just about the plan for solid waste systems, but the connection Metro has to the solid waste system. Also, regarding timing, everyone wants policy to drive the budget, but there is timing associated with 2006-2007, and 2007-2008, there are timelines to getting this work done. We don't always have the luxury to decide the timeline, there are things that need to be done at certain times.

Council President Bragdon found that the process and the level of discussion had been very good; the information from Finance and Administrative Services (FAS) was excellent. His major issues were similar to the Councilors'. He agreed it was not clear how the communications function had been integrated, and we needed to finish the work on the business design team. Also, we haven't done enough to integrate Nature in Neighborhoods. Everyone agreed that New Look and RTP are very important. It has been a challenge to understand what the resources are for this year and next year. He wanted a greater emphasis on the sequencing of activities. Concept planning had made some progress lately. As far as our role in managing parks in the region, he has prompted GPAC to produce something. He also wanted to emphasize that the role of Council was not just to make decisions but to communicate them effectively.

Councilor Park wanted to make sure that we had the right people in on the discussion.

Council President Bragdon thanked staff for all their hard work and Council for their investment in the process. This has been the best budgeting process he has been involved in.

5. COUNCIL BRIEFINGS/COMMUNICATIONS

COO Jordan wanted to make sure all Council knew they were invited to the luncheon at Jake's Grill tomorrow. Bring a white elephant.

Councilor Newman reported on the expansion area planning fund. He was confident that the committee would recommend to Council a three-year 0.1% excise tax, to generate about \$6 million for planning in all the areas. The decision was postponed a bit to do some political legwork to build trust amongst the entities. Councilor Burkholder asked about the discussion to look at affordable housing, and what was the City of Portland's perspective? Councilor Newman said the City has been fairly supportive, but that the affordable housing issue had not been fully engaged as yet.

Council President Bragdon agreed that trust-building was important. But we also have policy interests in getting it done right. If we are the conduit for the funds, that gives us some leverage to request that our policies be followed.

Councilor Liberty referenced a letter from the homebuilders about the windfall proposal. Timing is an issue. The major issues have been outlined. Councilor McLain introduced REIN – www.rein.net. She would like to discuss it at a work session. Councilor Burkholder reported that the Metropolitan Transportation Improvement Program (MTIP) policy updates will start in January.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:43 p.m.

Prepared by,



Dove Hotz
Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
DECEMBER 13, 2005**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Agenda	12/15/05	Metro Council Agenda for December 15, 2005	121305c-01
2	Parks bond measure	12/13/05	TO: Metro Council FROM: Parks RE: Metro Natural Areas Bond November 2006	121305c-02
2	Parks bond measure	12/13/05	TO: Metro Council FROM: Parks RE: 2006 Natural Areas Bond Measure	121305c-03
2	Parks bond measure	12/13/05	TO: Metro Council FROM: Parks RE: Preliminary Target Areas and Other Target Areas Considered	121305c-04
2	Parks bond measure	12/13/05	TO: Metro Council FROM: Parks RE: Google Earth	121305c-05
2	Parks bond measure	12/13/05	TO: Metro Council FROM: Parks RE: Target Areas Not Included in November 2005 Preliminary List	121305c-06