

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, March 7, 2006
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 2:03 p.m.

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, MARCH 9, 2006/ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS

Council President Bragdon reviewed the March 9, 2006 Metro Council agenda. The only substantive item was the bond measure. Daniel Cooper, Metro Attorney, said that all the amendments had been compiled and distributed as the "A" version. The technical amendments had been reviewed. These primarily involved slight changes to wording in the description of the target areas, to make it more inclusive. Council debated some of the changes. Mr. Cooper said that none of this wording would preclude any future re-wording.

Another change was the deletion of examples of projects in the grants program. Also, a paragraph would be added to the applicant eligibility section. If Council approves these technical amendments at the March 9 meeting, the final official version would be the "B" version.

Michael Jordan, Chief Operating Officer, mentioned that he was expecting an imminent order from the Oregon Supreme Court regarding Measure 37. Metro had a number of claims that needed to be addressed during the next few months. These would be coming to Council. Councilor Park mentioned one of his constituents who had been contacting him regarding a Measure 37 claim; he asked for direction on how to process these contacts. Mr. Cooper advised to refer such calls to the legal staff.

2. 2035 REGIONAL TRANSPORTATION PLAN UPDATE

Councilor Burkholder described the Regional Transportation Plan (RTP) as part of the New Look. This was the first significant update in six years. He felt a different approach was needed. We have engaged outside help to design the process. We were facing increasing demands in the face of fewer resources and needed better outreach and education around the issues. We needed to focus on a set of shared outcomes. The key issue was that we needed to be working with other regional partners. The Joint Policy Advisory Committee on Transportation (JPACT) would be going through a similar process.

Becky Steckler, ECONorthwest, introduced the team, including Brian Scott from MIG. She seconded Councilor Burkholder's approach of focusing on the process and the outcomes. They were looking for an outcomes-based approach. This process needed to be integrated with the New Look as well as the regional freight plan. Public engagement would be crucial.

Mr. Scott said that Metro had been very clear in starting the project that they wanted an approach that was very different from last time. He passed around a draft starting point for discussion (a

copy is included in the meeting record). This document outlined some of the problems, principles, and parameters involved in the RTP. He asked Council if they were going in the right direction.

Councilor Burkholder said that the purpose of today's meeting was to step back a bit and engage the other Councilors. He was focused on designing a process where people would feel we did a good job. Councilor McLain said the last time, the problem was that the expectation was that there would be more money. The focus was on getting the money, rather than prioritizing the projects. She also wanted to be sure that previous commitments were not ignored, for example, the Sunrise Corridor.

Councilor Newman felt that there was a difference between stakeholders and the public; they were not always consistent. He said we needed to get beyond our current process, which was overwhelmingly focused on jurisdictional interests.

Councilor Liberty pointed out that the Council had previously stated that the New Look was going to be the foundation of the other pieces, including the RTP. We were facing a lack of money, but we had better analytic tools than before. The time was ripe to really come up with something new. He wondered if we were even looking at the right alternatives.

Councilor Hosticka felt we needed to focus on the relationship between people's real lives and transportation plans. Were we focusing too much on cars? By 2035 or 2050, things could be very different. Council President Bragdon noted the existing fragmentation in the fiscal structure and the non-congruence of objectives between agencies with different pots of money. Agencies tended to focus on their own agendas. A challenge would be to coordinate jurisdictional funds into a regional plan.

Councilor Park said we needed something that was going to be put on the ground. He thought it should be tied into some kind of voter feedback. We needed a group dynamic that committed to the process and the resulting outcomes and wouldn't go back to square one. He agreed with Councilor McLain that existing promises needed to be kept.

Councilor McLain observed that these were big infrastructures – even the best possible process might result in projects that ended up being different when they were actually implemented, due to constraints on the ground. These were dynamic processes.

Councilor Liberty observed that the RTP was not the ends, it was the means, to achieving our goals. He wanted to stay outcome-focused. Councilor Park said the conversation needed to be accessible to the public. Councilor Burkholder stated that one of the challenges was going to be to keep the New Look going fast enough to receive the input in a valuable time for the RTP. We needed to ask people how they wanted their lives and neighborhoods to function, and then design the transportation outcomes around those choices. Mr. Scott commented it was going to take a lot of convincing our partners what was going to be needed.

Councilor McLain was the first to state that our regional partners had a lot invested in the current structure. If we wanted it to be different, we would have to convince them of how and why. Our partners didn't always share our objectives. We needed to factor this in from the get-go.

Councilor Park mentioned priorities. Right now there is no distinction between funding partners – we have a lot of people moving here, and where they want to move will be a priority. We needed to engage them. Counties and cities had different goals.

Council President Bragdon said that this was part of an overall discussion of the costs of growth generally and the spatial implications of different choices and public fiscal policies. There has been a gathering recognition that certain types of development have been subsidized. Maybe now there was an opportunity to make these costs more visible. Also, the other impacts, such as storm-water runoff, or dependence on foreign oil, needed to be accounted for.

Councilor Hosticka saw one of the problems with the process as some people equating success with spending a lot of money in their districts. Councilor Liberty commented that we made it harder by keeping the same group of people and identifying them as stakeholders. Voters and taxpayers should be offered different packages. The Metro Policy Advisory Committee (MPAC) and local mayors felt like JPACT wasn't necessarily representing their views. Also, we needed to show how different outcomes from the same amount of money were possible. He wanted us to think about the politics of how the money is distributed. He supported making the choices more clear to the public.

Councilor Newman thought the politics was crucial. He supported taking the big picture and being ambitious, but we needed to look behind us and make sure people were moving forward with us. Also, we needed to be open-minded. The public might want projects that we didn't necessarily like. We needed to be open to that outcome, in order to build broad-based support.

Councilor Burkholder said we needed to keep in mind larger issues such as global warming and the price of oil. Was an automobile-based transportation system something we really wanted to keep investing in? The key thing was to put these issues out there and make sure the data was available. Councilor Newman stated that Metro was sometimes publicly perceived as an obstacle to solutions. We needed to try to counter this. Councilor Park said that there were policies being developed in some jurisdictions that would be in conflict with our approach. How would we deal with this?

Councilor Hosticka mentioned that there was a lack of agreement on the facts, between say, Metro Council and some people out in the suburbs. If people thought Metro was an obstacle to "progress," how could we get concurrence on the definition of progress? Councilor McLain agreed that this was an opportunity for an educational process, to focus on components rather than projects.

Councilor Liberty said that polling showed a lot of support for a balanced approach. Was there a way for us to let other people describe what kind of reality checks they want? Let them frame the questions and look to Metro as a problem-solver. Councilor Newman liked the thought of bringing global themes in and educating the public. Councilor Burkholder agreed that we needed to present the choices.

Council President Bragdon summarized that the political peril and the educational opportunities were urgent. This was a communications challenge that required strategic thinking about how it was being framed and discussed. Councilor Park commented that it would be interesting to present some alternative scenarios, in the event that some really basic factor (like percentage of household income spent on groceries) were to change.

Councilor Burkholder asked what the best approach to JPACT would be. Council suggested that JPACT be presented with a blank page, the same as was done today. Ms. Steckler said she would take the information from Council and JPACT to a workshop, getting together with a larger group

that would include Council, JPACT, and some others, to address the issues and work it into the Phase II scope. Then they would come back to Council and JPACT for approval of the Phase II scope, hopefully in June. Councilor Burkholder said that the outcome of the current discussion was to get consensus from JPACT and Council on the format and the process.

3. BREAK

4. 2nd QUARTERLY FINANCIAL REPORT

Bill Stringer, Chief Financial Officer (CFO), said there was an error in some of the tables, showing total requirements as less than total resources. This would be fixed in future reports. Generally speaking, one of the common elements is that interest earnings are up throughout. We had assumed 2.5%; it is more like 3.65%. That was good news for earnings, but bad news for the refunding of the Expo bond. If rates went up too much, there wouldn't be any point in doing it. The plug would be pulled if that should happen. Per capita spending at all venues has been considerably up; at the Zoo, for example, they have been at record high levels. We were running slightly ahead in excise tax collections. Metropolitan Exposition Recreation Commission (MERC) revenues were a bit lower than average. For the first time, the report showed the consolidated general fund. In future reports, even though some of the information was aggregated, the sub-accounts would still be tracked. The goal of the general fund was to allow Council greater flexibility in allocating funds. Regarding the Portland Center for the Performing Arts (PCPA), funds were very sensitive to the caliber of the show. "Lion King" and "Mama Mia" were very popular. There was only one blockbuster ("Wicked") scheduled so far for the coming season. Council and staff discussed some of the particulars of bond revenues and expenditures. Overall, things were looking pretty good.

Councilor Liberty asked for an end-of-year forecast. Mr. Stringer said that, at this point, there was no reason, to worry about any element, with one exception. In the risk fund, we appeared to be right on budget. But there were payments that would be made in the third quarter that would reduce the risk fund to a less than acceptable level. He made a proposal to restore the risk fund to a prudent level.

Councilor Liberty said he was surprised at how much self-insurance was occurring. How did we decide what to self-insure? Mr. Stringer said that we had asked for bids on several items, but in many cases it has proven more affordable to self-insure. We do carry external catastrophic insurance, such as workers' compensation.

Solid waste tonnage is about 3% over budget. That coupled with the rate increase made greater solid waste excise tax revenue. The 3% would go to the solid waste rate stabilization fund. There has been some discussion about re-allocating this, but Councilor Park said that, given the analysis that is taking place regarding the future of solid waste disposal, now might not be the best time to change anything. Councilor Newman asked whether the money couldn't be released and kept in another fund. Councilor Park said that there had been certain understandings that made that difficult. Councilor McLain said the rate stabilization fund was very important and not to be tinkered with without substantive conversations with the other parties.

5. COUNCIL BRIEFINGS/COMMUNICATIONS

Councilor Liberty said that Council President Bragdon kicked butt at a recent event. Council President Bragdon returned the praise. Although some of the cultural references were lost on

Councilor Liberty. Also, Councilor Liberty was in Vancouver, B.C. this weekend to give a talk. In 1998, Vancouver invested in a regional transportation system. They took the old provincial highways (like our 99 and 30) and transferred them to the regional authority. The upshot was that the bus, skytrain, etc., were shared. He discussed growth and planning issues with his colleagues there. Condo prices in Vancouver are now approaching New York City prices, about triple Portland's. One cause is that there is so much construction happening, there isn't enough labor available to finish the projects. But that doesn't explain the entire discrepancy.

Councilor Newman said that yesterday there was a streetcar steering committee meeting; he had some concerns based on the information shared there. He felt they were being rushed to make decisions. He has asked Council President Bragdon to schedule a work session. He didn't like to be put in the position of other jurisdictions and agencies getting out ahead of Metro.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:00 p.m.

Prepared by,



Dove Hotz

Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
MARCH 7, 2006**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Agenda	3/9/06	Agenda: Metro Council Regular Meeting	030706c-01
2	RTP	3/7/06	To: Metro Council From: Brian Scott, MIG Draft: A Starting Point for Discussion	030706c-02
4	Financial Report	Undated	To: Metro Council From: Bill Stringer Re: Quarterly Report Second Quarter	030706c-03