

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, June 12, 2007
Metro Council Chamber

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

Councilors Absent: Brian Newman (excused)

Council President Bragdon convened the Metro Council Work Session Meeting at 2:01 p.m.

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, JUNE 14, 2007//ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS

Council President Bragdon reviewed the June 14, 2007 Metro Council agenda. Councilor Burkholder felt it would be appropriate to move Resolution 07-3818 (Unified Planning Work Program) from the consent agenda.

2. DISCUSSION OF BUDGET AMENDMENTS AND OTHER RELATED ISSUES

Margo Norton, Deputy Chief Financial Officer, commented that this Thursday's Zoo budget amendment was for the current fiscal year. Craig Stroud, Zoo Finance Manager, said the Zoo has had phenomenal attendance, much higher than the forecast. Thursday's amendment was an administrative action to keep from violating state budget law.

Kathy Rutkowski, Budget Coordinator, started the discussion on the 2007-08 budget, using the packet of amendments (a copy is included in meeting record). This was the final opportunity to make amendments. There were a few technical, a few substantive, and a few Councilor amendments. They would all be voted on this Thursday; the budget would be officially adopted on June 21. Regarding the department technical amendments: as these were not remotely controversial, Council President Bragdon suggested that they be moved as a block.

The department substantive amendments were almost as tame. Michael Jordan, Chief Operating Officer, reported on the amendment for reconstruction of the Parks department space. The estimated project cost had gone down considerably, from over \$500,000 to \$367,000. He also briefly referred to the grant award amendment, to budget for the cable access upgrades in the Council chambers, to enhance public access. Andy Cotugno, Planning Director, presented his two substantive amendments—the contractual carryover for the New Look contract, and the fair growth and farmlands addition to the New Look work program. They were both carryover contracts but had not been signed yet, that was why they were substantive rather than technical. Contracts that were already signed and in process and were carryovers would be considered technical. The four department substantive amendments having all been discussed previously, Council President Bragdon asked that these also be moved as a block on Thursday.

They then discussed the Councilor amendments. Staff distributed a red-line version of the Council staff restructuring amendment (a copy is included in the meeting record). Council President Bragdon wanted to add a budget note to the amendment, stating that the restructuring and reclassification were endorsed, but that it was not to be interpreted as creating a Deputy Chief Operating Officer position. That position may yet be created, but by another action at another

time. The amendment sponsor, Councilor Hosticka, had no objection. Staff agreed to prepare the budget note before Thursday.

Councilor Hosticka had some questions about the contingency funds, particularly the one setting aside money for urban and rural reserve planning. He understood that the fund could not be created in a year in which we would not be spending the money; thus, the money needed to be carried over into contingency for the fund to be created when needed. They examined the other items on the deferred list. Mr. Jordan stated that the dialogue on the reserve discussion would begin at the July 26 retreat. We had two departments (Planning and Zoo) currently undergoing significant strategic planning analyses. He was working on integrating the performance measures. We needed a serious discussion about Metro's role in order to put those performance measures into the next budget discussion. There probably wouldn't be an opportunity to make any decisions until September, when more information on the strategic planning was received.

Councilor Liberty asked if there was a deadline for placing budget markers before July 26. Mr. Jordan thought not. The broader discussion probably should come before the wish list. Councilor Liberty wanted to understand what the rules of engagement were; he didn't want any surprises about the process. They talked about the process and the retreat. They didn't want to put too many restraints on it before the brainstorming.

Returning to the Thursday votes, Ms. Norton confirmed that the department technical and substantive amendments would go as a block; the Council office restructuring amendment would have a budget note; and the reserves amendment would go on the deferred list.

3. COOPER MOUNTAIN OPTIONS REVIEW AND CAPITAL UPDATE

Mary Anne Cassin, Regional Parks and Greenspaces Department, distributed a summary of the projects and information on the options (a copy of each is included in the meeting record). Mt. Talbert has been successfully put out to bid; despite some of the changing access issues, the budget was still on track.

Councilor Burkholder wanted to make sure anything that would be added would be reasonable based on the amount of traffic we would be adding; we didn't want to pay for everybody's wish list. They wanted to match the improvements with the real need. The transportation agencies wanted to get as much as possible out of other projects. Ms. Cassin said we were treated like any other developer; transportation departments always asked for the moon and we bargained them down from there. Councilor Harrington asked which was the fourth in the Four Parks in Four Years. Ms. Cassin said it was to have been Willamette Cove. Jim Desmond said the green ribbon committee had tried to find one in each part of the region; Willamette Cove is on hold because of some other projects in the area.

Ms. Cassin indicated that Wilsonville had been a good partner at Graham Oaks. They benefited from a nearby nature center and a shared parking lot. She talked about the Cooper Mountain proposals. The biggest decision was about the architecture of the environmental education center. The architect has been asked to show a range of options, keeping as close as possible to the budget. Mr. Desmond spoke about the budget parameters and estimates.

Councilor Park asked about the funding stream. There had been past criticism over changes to the budget. Mr. Desmond explained the bond funding structure. To some extent it was tradeoffs with our partners. He said it would be consistent and that all projects were fully funded.

Ms. Cassin introduced Lora Price, Parks Senior Planner, and the consulting architect, Aron Faegre. She presented PowerPoint slides showing the preliminary concepts (a copy is included in the meeting record). The simplest and cheapest structure, Option A, could be a pole barn with portable toilets. It would be an open structure, without heat, but it could be made to look good. Option B, priced in the mid-range, was a kind of schoolhouse theme, relating to a previous structure in the area. This could have indoor bathrooms, and could be a straightforward gathering place out of the wind and rain. Solar panels could be added. That was the mid-range in the budget. The third and priciest, Option C, would try to educate about more than the immediate landscape, to make the connection to greater environmental issues. Councilor Harrington noted that the budget for the Option B did not provide a grand total. She also had a question about the layout of the schoolhouse; would this facility be available to rent for community meetings? This was an under-served area. Mr. Desmond said that was definitely a possibility. That was a decision for Council—how multipurpose did we want the facility to be? Ms. Cassin gave some examples of other education centers, such as one in Ohio that demonstrated wind and solar power. Mr. Desmond said the three questions were cost, flexibility of use, and whether or not to have an energy education component.

Councilor Burkholder thought the construction figure for Option C, approaching \$500 per square foot, was comparable to buildings in the Pearl District. Mr. Faegre explicated some of the figures. Inflation was running about 10-15% per year. He had included a large contingency factor. Metro was also paying the infamous government premium, including prevailing wages. He acknowledged that the rate of increase in construction costs was untenable.

Councilor Park asked if the structure would include a concrete floor, and what type of insulation would be used? A rainy day would be very noisy on a metal roof, with no insulation. Mr. Faegre said an open structure would include at least some plywood in the roof; an enclosed structure would have even better insulation. Council President Bragdon said he was a minimalist; he leaned towards the first two schemes. Councilor Liberty wondered how much an open structure would be used in bad weather. Mr. Desmond responded that the difference between the first two schemes was largely aesthetic, not functional, but the aesthetics might affect how much other groups wanted to use it, or how attached the community became to it. The schoolhouse scheme might be more appealing. Ms. Cassin added that, with 29 schools within four miles, they anticipated a lot of use. With the schoolhouse structure, they could store materials for year-round, seasonal programming.

Councilor Burkholder asked if they envisioned having staff on site. Mr. Desmond said only during programs, not housed permanently. They would need at least a small office. Councilor Burkholder was concerned that it might be a target for vandalism. The minimalist approach might be less attractive to vandals. Ms. Cassin thought that what would deter vandals was a structure that people spent time in, adding that the second two schemes could be used year-round.

Councilor Hosticka disliked the portable toilets, but an energy self-sufficient structure appealed to him, especially if we could obtain state funding for a photovoltaic display. Councilor Harrington shared the concern about vandalism. She also felt the design was being placed ahead of the purpose—what had been agreed about the structure's use? She wanted a more comprehensive look at Metro's educational goals for the site. Councilor Park was experiencing sticker shock. As far as energy independence, it would be nice, but he'd prefer to see the money elsewhere in the structure. He shared the concern about clarifying goals for the facility. So did Councilor Liberty; he felt an enclosed structure would be better used. He was not too keen on the photovoltaics

display; technology in this field was changing so rapidly, it might be out of date before long. He leaned towards Option B.

Council President Bragdon clarified what he was hearing from Council: that the photovoltaic project was not generating excitement, and that they wanted to hear more about the goals for programming at the site. Councilor Burkholder stated that the structure should be driven by the programming; if the main use was to be a picnic shelter, with an occasional program, a pole barn would be fine. More programming would justify a superior structure. Mr. Desmond promised to start the next discussion with the programming issues. He also received confirmation that enclosed bathrooms were preferred to portable toilets.

4. BREAK

5. 2035 REGIONAL TRANSPORTATION PLAN UPDATE

Kim Ellis, Principal Transportation Planner, said today's focus was to dive into some finance policy discussions raised at the combined Joint Policy Advisory Committee on Transportation (JPACT) and Metro Policy Advisory Committee (MPAC) meeting last month. She reviewed the timeline of mileposts. There was no specific decision that needed to be made today. Councilor Burkholder added that a separate work group was probably undoable at this point.

Councilor Liberty observed that neither the finance memo nor the schedule referred to the New Look or 2040. He felt we were missing a historic opportunity to change the nature of the debate; the discussion needed to take place in tandem with talking about limited money. What were we building, and for what purpose? Councilor Harrington thought Mr. Cotugno's June 5 memo started that thread but then dropped it. Councilor Burkholder said Ms. Ellis' June 5 memo did refer to it. There was a history of goals and objectives, voted upon by the Council, and this effort was an attempt to incorporate those goals and values, in Chapter 1. Councilor Liberty did not see the connections and the follow-through. Councilor Harrington said the modeling was done as a result of soliciting information and trying to apply the policy, but she did not see the effects of the policy choices in the results. Ms. Ellis responded that it would start in August; she gave the upcoming meeting points. They could schedule more if desired. Council and staff discussed Council goals and objectives and how those were being translated into performance measures and where there was a chance for Council to weigh in. Mr. Cotugno was concerned with being able to scale down, given the fiscal constraints. Councilor Burkholder observed that extra time and funds had been built into the process to accommodate the wish for more integration with the overall regional planning. In response to Councilor Liberty, Mr. Cotugno stated that the first round of modeling provided a good platform to talk about choices before we started building. There would be several opportunities to do this.

Councilor Park said that the projects were based upon the criteria that were adopted by this Council in Chapter 1, which had all the land use pieces in it. He thought the things that Councilor Liberty was asking for had been addressed and voted upon in Chapter 1. The modeling should show whether they were successful in incorporating the criteria.

Moving on to the finance issues, Mr. Cotugno hoped to have an open discussion about the possibilities for different approaches to financing the "desired" Regional Transportation Plan (RTP) as opposed to the fiscally constrained RTP. This was not on the September/October critical path deadline; it was on the state RTP. He had laid out some issues at the joint JPACT/MPAC meeting, describing different approaches to funding both road-related and transit-related projects.

He highlighted key components of the federal constraint. The most difficult part of the whole road funding discussion was identifying what was feasible to fund for roads throughout the region, through conventional funding sources such as user fees. All the needs exceeded the capacity of that funding. It would take a penny a year increase in the gas tax just to keep up with the status quo. For expansion purposes, it was assumed that such sources would be minimal. The vehicle registration fee might increase \$15 every 8 years. He talked about operating assumptions. Should we assume that we would seek increases from the legislature, to increase maintenance? It was more prudent to maintain what we had, but the reality was, the legislature has not pursued that. Local governments were relying on a resource that hadn't come through, and maintenance had degraded. A suggestion was to take care of maintenance locally rather than through state gas tax increases, which some local jurisdictions had pursued.

He talked about system development charges, and how much growth paid for itself. Right now, these were all over the map. Councilor Harrington noted that the finance choices listed out some good choices and considerations. She wasn't clear on next steps; would Council be discussing the choices? Mr. Cotugno advised that it was intended to start the discussion; the end point would be next June when the final RTP was approved. This would have to include a financing strategy; this could consist of the region's collective intent. The final RTP would be a balancing act—it had to be sufficient to meet the land uses as well as including the finance strategy. If we couldn't agree on a finance strategy, we couldn't produce the RTP.

Councilor Harrington asked about the desired outcome of today's meeting. Mr. Cotugno said it was to have the discussion with Council so they could share the feedback with our other partners. Right now he wanted to focus on the range of possibilities so they could start attaching the revenue sources with the projects. Councilor Liberty said people would crystallize around finance once they knew what we were building. He'd like to see that before the financing. Also, there was a set of relationships between capital and operations/maintenance that made them tradeoffs instead of different categories. Bus was heavy on operations; light rail more on capital. They served a similar function but were funded separately. Maintenance and preservation should be linked when we made a commitment to a new capital project. He wanted us to capitalize on the opportunity to make policy statements about stewardship, to examine system management choices, and have some transparency about who was paying and what we were getting out of it.

Mr. Cotugno acknowledged the difficulty in talking about financing something that wasn't yet well defined. He thought they ought to be talked about in parallel. We could frame the discussion about the state-required RTP in terms of telling people we needed a plan for funding their projects. Councilor Hosticka was having trouble understanding the nature of this discussion. What revenue decisions could actually be made at this level? He wasn't sure what was meant by a funding strategy. Mr. Cotugno thought of it as a pact. It was as much about striking the agreement among the JPACT members as anything else. A lot of it had to do with what local governments would do. Some of them were willing to fund local maintenance. Right now, everybody had a mishmash of strategies. We didn't have any way to go to the state from a regional strategy and say this is what we need. Council and staff discussed policy choices as related to the funding of the projects, such as the Columbia River Crossing or tolling. Mr. Cotugno said part of the strategy should be, "Here's our funding strategy. If we can't get the funding for that, then that part of the plan can't be done."

Referring to the financing strategies, Councilor Harrington understood the state requirements but wondered if we were missing a chance to be more explicit about land use choices. Councilor Park agreed that we needed to have that discussion about funding sources. It would help identify where

the real problems were. Most of the local systems were in halfway decent shape. The glaring part was the shortfalls of the state system. Councilor Hosticka said the state constitution limited discussion to automobile issues. Councilor Burkholder said the Council and JPACT needed to think about how to use funds as strategically as possible, and to think programmatically, such as with Transit-Oriented Development (TOD). Councilor Liberty wanted to expand the view of what was regional and what was local. Remember that the timeline ended in June 2008.

Council President Bragdon asked where we were in terms of outcomes for today. Councilor Burkholder suggested that Councilors submit written responses to the finance strategy considerations and choices. Mr. Cotugno said we should figure out how we wanted to tackle this over the course of six to nine months. He was trying to set the stage for a longer deliberate discussion. JPACT would provide different input, since the jurisdictions were all in different positions of funding and responsibility.

Councilor Harrington thought it had already been laid out how to tackle it over time. However, it was frustrating that the schedule did not show any evolution of what had been accomplished from date to date. She wondered if these were the right choices. Mr. Cotugno agreed that the question about choices was important. Were there other choices that Council wanted to see regarding financing? Something that should be on the table but wasn't there? Councilor Liberty would like to see a range of options with different philosophical bases. Councilor Burkholder asked Mr. Cotugno to resubmit the finance strategy choices with more room for responses.

6. COUNCIL BRIEFINGS/COMMUNICATIONS

Councilor Burkholder briefed Council on the idea of a May 2008 ballot measure funding the outdoor school, natural areas conservation, and education work. He distributed draft proposals (a copy is included in the meeting record). How much money should be requested? How would it be distributed? The goal for today was to ask whether Council wanted to proceed with the project. He thought it was a good opportunity. There had been some polling with encouraging results for ballot measure support. Council President Bragdon preferred to think of the question not as a "go/no go" decision, but as a discussion of general principles. If this project proceeded, the Council would need to make an intensive effort to get it passed. We didn't want something on the ballot that we weren't fully dedicated to working on and winning. He wanted a decision on how to structure the discussion. Councilor Burkholder said one question would be whether to raise it via the initiative process. Councilor Harrington appreciated bringing the issue up today. She thought we needed to put the brakes on; it was moving faster than she was comfortable with. Council had as yet done nothing more than approve some polling. We needed more information and to clarify our objectives, before other stakeholders took it into a life of its own. She was still interested. Councilor Burkholder asked what information Councilor Harrington wanted included; he would make that part of the Councilor project. Did she have specific questions she wanted answered? Councilor Harrington agreed to provide it to him. Councilor Park emphasized the need for clarity around the solid waste funding. Council President Bragdon wanted to schedule some time for this discussion. He wanted to have the due diligence on what it would take to do a ballot measure. Mr. Jordan said they had looked what we had just learned from the natural areas bond measure, how much work was involved in it; it was a significant effort. Councilor Hosticka said he hoped the discussion would not be in the headlines, i.e., "taxing garbage for environment," with the media presuming we'd already made a decision.

Councilor Harrington reported that she had been working with staff on MPAC planning and topic planning, so Council items were going in as well as New Look and RTP items. They were

gaining momentum. She asked Council to give input about what they wanted to hear from MPAC. Councilor Park asked what the process was for getting something to MPAC. He thought he had understood the process but it seemed to be changing. Council President Bragdon said there was a coordinating committee that met once a month. Councilor Harrington said the floor seemed to be constantly moving under Chair Fuller, she wanted to adjust the current process, which seemed backwards to her, with staff making presentations before the decisions had been made. Councilor Burkholder wanted to clarify that MPAC was to advise Council on items Council was currently discussing, not to hold their own brainstorming sessions. Council discussed the changes that were being made in MPAC to make sure they were addressing the right topics. Deputy Council President Park wanted to be clear when individual Councilors (as opposed to the full Council) were taking items to MPAC.

There being no further business to come before the Metro Council, Deputy Council President Park adjourned the meeting at 4:50 p.m.

Prepared by,



Dove Hotz

Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
 JUNE 12, 2007**

Item	Topic	Doc. Date	Document Description	Doc. Number
1	Agenda	6/14/07	Agenda: Metro Council regular meeting, June 14, 2007	061207c-01
2	Budget	6/7/07	To: Metro Council From: Margo Norton Re: Councilor Amendments to the FY 2007-08 Approved Budget	061207c-02
2	Budget	6/4/07	To: Metro Council From: Karen Feher Re: Redline version of Councilor budget amendment	061207c-03
3	Cooper Mountain	undated	To: Metro Council From: Mary Anne Cassin Re: Table showing project budgets	061207c-04
3	Cooper Mountain	6/11/07	To: Metro Council From: Mary Anne Cassin Re: Packet of options with drawings and budgets	061207c-05
3	Cooper Mountain	6/12/07	To: Metro Council From: Mary Anne Cassin Re: PowerPoint, Cooper Mt. Building Project	061207c-06
6	Council Communications	undated	To: Metro Council From: Rex Burkholder Re: Draft proposals for fund allocation	061207c-07