

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, September 11, 2007
Metro Council Chamber

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

Councilors Absent: Carl Hosticka (excused)

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

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, SEPTEMBER 13, 2007/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS

Council President Bragdon reviewed the September 13, 2007 Metro Council agenda. Council discussed the possibility of using the time after the regular meeting, if any.

Councilor Harrington said she found the bond measure target area reports very useful. She was concerned about some errors in the documents, about some of the language, and about the possibility that the 25% rule would not be well understood. Michael Jordan, Chief Operating Officer (COO), agreed to work with staff to enact the changes. They would not be considered substantive and would not delay adopting the legislation.

2. BUDGET AMENDMENT DISCUSSION

Mr. Jordan said they were here to continue to sift and prioritize. Margo Norton, Deputy Chief Financial Officer (CFO), was present to assist in approaching the decision-making process. They distributed two handouts (a copy of each is included in the meeting record).

Councilor Burkholder talked about the global picture, the financial health of the agency, and how much the proposals made sense. If we spent every dollar that we currently planned in budgeting, there would be some financial issues on the reserves. The assumption that we didn't need to worry, because we didn't ever spend up to what we had budgeted, bothered him. It would be more prudent to save some of the reserves. He'd like the chance to go through each proposal with the group.

Councilor Liberty said they had had a partial discussion about resources and the outlook and the current status. He was comfortable working from a \$5 million total. Also, there had been some discussion about the strategic work plan and the large volume of requests, and the package, and one-time vs. continuing funds.

Councilor Park said that the explanation about ending fund balances in the out years made him nervous. It assumed a reduction in service levels, but without any details. Who would be on the lifeboat, in terms of programs? Mr. Jordan agreed that it was a legitimate concern, but he cautioned that the charts and the trendline assumed no budget management. He was confident in staff's ability to manage the budget to not get out of control. Additionally, the chart assumed no management of the revenue side. There was certainly the potential to manage the revenues to make the budget come out right. The fact that base expenses were increasing faster than base revenues would be an ongoing issue.

Councilor Burkholder thought the discussion should start with a total expenditure to work with. Council agreed that \$5 million was a good starting place. Councilor Newman said he was happy to consider totals up to but not exceeding that amount. Mr. Jordan reminded Council that some of the proposals were over multiple years; the entire \$5 million was not going to be spent overnight. There would be numerous checkpoints along the way.

Councilor Harrington wanted to make sure they talked about each item. She did not feel that spending the \$5 million was the goal. She wanted to discuss the projects and say yes or no and see what they added up to. She did not assume that the money needed to be spent at all.

Councilor Park said he understood the commitments to this coming year, but he didn't understand the commitments to the out years, because we weren't there yet. He recognized that there were off-ramps as we went along. Mr. Jordan thought that, in situations such as the strategic work plan figures, and items involving materials and services, it was appropriate to look at the first year expenditures, and state that we would not carry over any funds not committed by contract. Those that had been committed by contract, would be treated as a technical carryover. We didn't have to be as concerned about committing the out years' money. Council agreed they wanted to go through each item.

Council 1 – Sponsorship Account

Original proposal: \$10,000

Staff recommendation: \$10,000

Council decision: \$0

Councilor Newman said this was proposed in last year's budget process. He was comfortable dropping the proposal. Councilor Harrington wondered what we might be giving up as a result. Councilor Burkholder stated that the Council occasionally received requests to sponsor certain events and activities. It wasn't the key mission of the organization, and the Council Policy Coordinators were working to develop a policy around sponsorships. There were also other sponsorships throughout the agency, so the policy had been broadened up to include other funds. Councilors Newman and Burkholder agreed to take it off the list.

Council 2 – Transportation Speaker's Series

Original proposal: \$18,000

Staff recommendation: \$18,000

Council decision: \$18,000

Councilor Liberty said the goal was to bring renowned speakers to our region to give their perspectives on transportation issues, and to expose people to new ideas about investments and decision-making. Last year's economic development speaker series had been budgeted at \$15,000. Councilor Park felt it was a valuable contribution. He was comfortable with the amount. Councilor Burkholder observed that the turnout for some of the previous events had been fairly small; maybe the outreach had not been extensive enough. Councilor Liberty thought this year had had some better turnout, a few hundred at each event. This year's partnerships had helped. Councilor Harrington wondered how to reach people who were more focused on the day to day, and help expose them to something different. So far this year, she has been challenged to get the target audience to participate, such as in the New Look workshops. Were we using the right approach? Were we hitting too hard and high? Could we reach minds who weren't even aware of the issues? She heard feedback that it was a little too much; were we just adding to the noise? Councilor Liberty agreed that people had differing levels of knowledge about transportation

issues. He thought the series could attract a mixture of people. He didn't expect it to be transformational, but it was a piece toward getting the issues discussed. Councilor Harrington said it was a very nice "nice to have" as opposed to a "must have." Councilor Newman wondered how much change was actually created by bringing outside speakers in, as opposed to other outreach or projects. Overall, Council approved this proposal.

Council 3 – Establish Sustainability Advisory Committee

Original proposal: \$50,000

Staff recommendation: \$0

Council decision: \$0

Councilor Burkholder stated that the \$50,000 was a more or less random figure. He was encouraged that sustainability was becoming integrated into a lot of our current work. Mr. Jordan agreed and said he was seeking Council support to consider this for next year's budget. If Council supported it, staff would prepare more information. Councilor Burkholder said it was intended to focus on region-wide projects such as recycling education and peer networking. Policy and program recommendations could come out of it. These types of discussions could help us identify holes in the system. Council President Bragdon wondered what the need was. Everything we did ought to have this in mind with every decision. This seemed like an additional layer, a bit open-ended. Councilor Burkholder said there had been a lot of interest from other agencies and elected officials, saying it would be a useful forum for sharing information, they were very interested and were looking for some peer learning opportunities, especially smaller jurisdictions who didn't have a lot of staff. Also, our own staff could be more efficient, rather than thinking just in terms of recycling or carpools, to think in terms of sustainability overall. Councilor Newman observed the difference between standing advisory committees and those that were focused on specific projects. He supported task forces or workgroups that were focused. He was nervous about creating any more standing committees. Councilor Harrington would like to see staff get its act together, operationally, and see what came out of that. Smaller governments might not have the staff, but Metro was not just a limitless resource for them to share our expertise with. She liked the idea but wasn't ready to commit at this point. Councilor Liberty said it should relate to Metro's core missions. That appealed to him more than the committee. We should do some work and identify the issues. Maybe we should use existing programs. Councilor Burkholder said it related to the regional energy use mapping. Part of the idea was to bring the departments together, and to bring the region together. Did Council want him and staff to do some more work, identify some budget pieces, and see what kind of outcomes they might get? Council okayed future budget discussions on this item.

Parks 1 – Nature Friendly Design Competition

Original proposal: \$36,500

Staff recommendation: \$30,865

Council decision: \$30,865

Councilor Newman talked about the other financing that had been arranged for the design competition. This funding was related to things like travel, printing and advertising. These funds would leverage an additional \$100,000. Council supported it.

Parks 2 – Earth Advantage Sponsorship

Original proposal: \$50,000

Staff recommendation: \$0

Council decision: \$50,000

Councilor Newman referred to the Metro staff who were working directly with home builders. They had done the Green from the Ground Up seminar series and helped with the Street of Dreams. One of the partnerships that came out of that outreach was Earth Advantage. They promoted sustainable building practices and partnerships. Portland was the first in the country to identify and certify green homes. The funds would be for a three-year partnership; Earth Advantage would come up with a new certification for homebuilding in regards to habitat protection. It would open up new partnerships with the realtors and development industry and would continue our nature-friendly development practices. Councilor Harrington recalled that this had been included in the opportunity fund allocation. Ms. Norton responded that it was included in the \$5 million. Councilor Burkholder thought it was a big sponsorship number; what did other agencies give? Councilor Newman wasn't sure. Earth Advantage was committed to making it part of their regular process. He could try to find out if the \$50,000 could be broken down into smaller parts. Councilor Burkholder would be supportive, but wanted to make sure that every three years they didn't expect another \$50,000. Councilor Newman said the partnership would be limited and could be renegotiated. Council expressed overall support.

Parks 3 – Priorities and Implementation Plan

Original proposal: \$150,000

Staff recommendation: \$150,000

Council decision: \$150,000

Council President Bragdon said this related to the whole of the parks system plus roles and responsibilities. He raised the possibility that Metro stop operating parks, that we could spin off the properties to another agency. Jeff Tucker, Finance Manager, said the proposal was for a consultant and some materials, to do some public outreach and address those issues. The planning work would be done in house. Councilor Liberty asked what Council President Bragdon's personal vision of the system was. Council President Bragdon said it was a movement toward a multi-ownership system, with some unity of identity and information such as signage. This would be an attempt to lay some groundwork for research, understanding what our role would be. Councilor Liberty said the role could go either way – we might end up doing no management or more management. Council President Bragdon thought there was some fuzziness and rivalry in regional parks management. He'd prefer for Metro to be the purchaser of property, to negotiate the acquisitions, and to set the standards for the facilities whether or not we owned them. We would educate and provide technical advice and be a conduit for funds, but not be the operator. We should focus on things that couldn't be done locally and that we were good at. He felt there was a lot of interest and recognition of the importance of the issue. Councilor Liberty asked if there were local parks that could be considered of regional significance. Council President Bragdon thought there were, Forest Park being the most obvious. He liked the template of Mount Talbert. Cooper Mountain should go in the same direction, but there was no template for doing it. Councilor Burkholder said he could see us aiming for this, such as at the Green Summit, having a shared brand where people said, this is what it was all about, no matter who owned it. Also, our own parks department was doing way too many things, such as cemeteries, maybe we needed to spin some things off. He could see a couple of outcomes that were clear that didn't require a major change from other governments. Council President Bragdon said he'd like to see the Parks Department do something similar to the recent work that the Planning

Department had done, in discussing their role and future. Councilor Harrington said this was the kind of outcome she was looking for. Council expressed overall support.

Parks 4 – Conservation Education Ballot Measure

Original proposal: \$500,000

Staff recommendation: \$500,000

Council decision: \$440,000 (reserving \$290,00 for election costs)

Councilor Burkholder said the purpose was to find new funding for work we did here and contribute to the broader regional perspective on maintenance and operations, regardless of ownership. A key component of that was reaching out to kids through outdoor school and programs such as the Zoo's. About \$130,000 would be for the research. The biggest chunk was money to be put in reserve for the election. Councilor Newman he supported the funding for the research, but he wondered what the advantage to allocating the elections expenses now was, when they could always do it later during the amendment process. Mr. Jordan said, an action would need to be taken to place the item on the ballot anyway. There were certainly options. Ms. Norton suggested that, if the intent was to make sure that they had the opportunity to make the matter on an election, they would earmark it. They were hoping that for multi-year proposals, or proposals with more than one component, they stay on the list, so the total would be kept in mind. Council discussed the options for sequestering some of the funds. Overall they supported it.

Parks 5 – Nature in Neighborhoods Grants

Original proposal: \$500,000 over two years

Staff recommendation: \$500,000 over two years

Council decision: \$500,000 over two years

Councilor Park said this proposal would help smooth out the budgeting for this program. Based upon past success, he felt good about putting it into smaller pieces, leaving the capital grant program for the bigger pieces. He struggled with the definition of "capital." He did not see the program going beyond the next two years, as the capital grant program would become more prominent. Councilor Newman appreciated the additional information. It seemed it had been costing a lot, in the first year, in the second year it seemed to go down. We were just now kicking off the capital grants program, which might be as much as \$2 million a year. He was concerned about our internal capacity for managing grant programs. He didn't want the money going to the same group of well-informed insiders. He wondered about the capacity of the community as well. He also saw great value in the grant program. Councilor Park said there had been a reduction in the amount of the requests for the second year, but an increase in quality. Councilor Burkholder thought the program had been great. The funding was from the regional rate stabilization; this request would be a new source of funds. We had two years that averaged \$500,000 per year; it was a key piece of our non-regulatory approach to meeting Goal 5. Was there more needed, in terms of capacity building, to get this money on the ground? He knew the need was out there. If it was successful and it was being absorbed, why reduce it? Councilor Park said, that was the amount that staff could handle, with the capital grant program coming online. Council President Bragdon said it had been a real success; one didn't substitute for the other. He supported the staff suggestion. Mr. Jordan said he felt Council's direction was clear, the appropriation schedule might slip, due to the cash flow issues; staff would work to match it up. Councilor Harrington wanted to confirm the recovery rate stabilization fund. She was not comfortable in general with an amount that large, with all the New Look things. She felt uneasy about any big bucket dollars, but given that it was out of this fund, and how successful it had been, how good for the region, she was comfortable at this point. Council expressed overall approval.

Zoo 1 – Predators of the Serengeti Campaign

Original proposal: \$500,000

Staff recommendation: \$500,000

Council decision: \$500,000

Councilor Newman said the public wanted the lions back; this was always the top of their list. This would be the biggest capital campaign in the Zoo Foundation's history. Other predators would be included as well. At our request, the campaign was raised from \$4 million to \$5 million, to include an endowment for operating expenses, as a model for future campaigns. The campaign was already at about \$3 million; they were breaking ground next month, but they were having a hard time getting people to donate for operations. The question had come up, was the Council going to be supporting it? They requested that Council contribute \$500,000, to use as a challenge and leverage to raise the other \$500,000. Councilor Liberty said the question was one of zoo priorities. Councilor Newman said the zoo was so big and complex, there were other big issues, such as parking and the quarantine facility. Those issues did not need to be considered as part of this proposal; they were being considered in the Zoo Master Plan. Councilor Liberty described it as a one-time cost to an ongoing operating expense. Councilor Park was supportive; he asked about the nature of the challenge grant. Councilor Newman said the potential was there for a challenge grant, but it should be as flexible as possible to get to the \$5 million. Mr. Jordan said he had not been involved in discussions on how to structure it. Councilor Park wanted to see more structure. They talked about the best way to structure the contribution. Councilor Burkholder was concerned about the highest zoo priority; for him it was the hospital and maintaining accreditation. Councilor Harrington liked the precedent-setting in terms of funding the operating endowment. She wanted to make sure that, as we moved forward, it didn't get muddied by the other needs, to be clear we were committing to the predators' operating fund. Council expressed overall approval.

3. BREAK

4. 2035 REGIONAL TRANSPORTATION PLAN UPDATE

Councilor Burkholder said the purpose was to say where we were in the Regional Transportation Plan (RTP) process; the original presentation was based on a system analysis with local and regional projects, but it was not ready yet. Today was more of a status report, talking about assumptions in the modeling, the hoped-for outcomes, and issues to be presented to the Metro Policy Advisory Committee (MPAC) and the Joint Policy Advisory Committee on Transportation (JPACT) within the next several weeks. They also wanted to talk about whether the models were looking successful. This was an opportunity for Council to ask questions and to say what issues they wanted to take to MPAC and JPACT. Councilor Harrington stated that tomorrow's MPAC meeting had been cancelled. Councilor Burkholder said MPAC would have to be brought up to speed in another way.

Kim Ellis, Principal Transportation Planner, distributed two handouts on the update (a copy of each is included in the meeting record). Things were taking a bit longer than expected; she had hoped to have more detail today. She reviewed the project timeline. We were in the system development and analysis phase. She reiterated that the region was growing much faster in terms of population and employment than previously believed, resulting in an increasing in transportation needs and costs. There were increases across the board, especially in transit.

Councilor Harrington wanted to make sure she understood the difference between the derivation of the preferred system and the 200%. Thematically, were all things equal? Ms. Ellis said, the 2004 plan was the preferred one; there had also been the financially constrained and the strategic systems. For the 2035 “illustrative” system, we had been setting up with the finance strategy planning; that was what we felt we needed as a region to accomplish the 2040 growth concept and have a funding strategy to get there. Councilor Liberty said, so far all we had was a list of projects, not necessarily what he thought of as “needs.” Councilor Burkholder said we’d go from the pool of projects to the model, which was a much more modest list. He agreed with the changes in the terminology. Councilor Park wanted to make sure we were consistent.

Ms. Ellis showed how the pool of projects was broken down into program areas by cost. It was generally based on location. A lot of the mobility corridors were high capacity transit, capital improvements as well as highway throughway investments but also improvements to parallel and arterial. Councilor Liberty said the big question mark was the mobility corridors. Also, he was not ready to have it labeled as a draft project list. Ms. Ellis agreed they could call it something else. Councilor Burkholder wanted to know what the purpose of the projects was. Ms. Ellis said they had asked for that information but it had not been given in all cases. The budget figures were all in 2007 dollars. She showed information on project cost by mode. Transit has become almost 50% of the pie. Not all of the transit capital projects were assumed in the first round of modeling; it was a pool to reflect different ideas and comments. She talked about some of the projects that were included, some of them were pretty large. The total was \$10.6 billion. Councilor Liberty asked about bus service assumptions. Ms. Ellis reported on the TriMet data that had been gathered.

She showed the breakdown of the number of projects by mode. It was similar to 2004. She clarified that all the charts showed the pool of projects, not what was modeled. She showed the components that went into the model, such as connectivity and parking. Councilor Burkholder said this was important, since they were not modelers, there were pieces much beyond the list. Ms. Ellis talked about the way they had approached the transportation analysis zones (TAZs). Councilor Burkholder said the 2040 concept would probably have to be changed as a result. That would mean changing some of the inputs into the model. Money had always been the answer in the past, but the money was no longer there. We needed to start looking at different techniques to make the changes. Councilor Park asked if reliability was factored in, and if so how? Ms. Ellis said, as an input, they did what they called “calibrating the model,” using existing traffic counts, to show how it was evaluating the existing system. Reliability was more of an output than an input. Councilor Park said reliability was a factor that people used to make their transit choice. Andy Cotugno, Planning Director, said the transit took into account the congested roads. What was not accounted for was accident-related congestion. We did model recurring congestion. Ms. Ellis said that non-recurring congestion made up a significant portion. It wasn’t something that could be predicted with the model, it came in under using professional knowledge. Councilor Liberty said we were still building our assessment out of a list of projects submitted by local governments. That made it hard to evaluate the tradeoffs in talking about regional investments. He felt the current approach reinforced the project list mentality. Councilor Burkholder felt that the lack of transportation funds would bring up those bigger issues. The money was not going to be there, no matter what projects were on the list. Councilor Liberty said he’d like to see a slide showing the model outputs, to match the inputs. Mr. Cotugno said we were trying model a bigger system than we knew we had resources for, and how to extract information from that model, to use on the smaller level of projects. It would help rank the projects against the goals of the system, when shrinking down from the 200%. It was also related to the financing packages that were going to be obtained. He felt this was a starting place, to learn things about how to narrow it down. It was purely an analysis tool at this time.

Ms. Ellis showed the key Round 1 elements. These were divided into highway, transit, multi-modal and bike and pedestrian trails. Councilor Liberty asked about the use of the word “gaps.” Ms. Ellis said they were an effort to evaluate the actual transportation system, not just connecting dots on a map. She talked about some of the traffic, including freight movement, that was analyzed based on actual patterns. They were going through town centers and regional centers. Tom Kloster, Planning Manager, talked about some of the data that had gone into it. He said the driver right now was freight, but it was an effort to protect the integrity of the state system. Councilor Burkholder said we didn’t want to have artifacts from previous plans that we no longer needed. The gaps needed to be clearly defined as performing a purpose. Mr. Kloster added that the state highway system had specific designations that we had to account for. Council President Bragdon wanted to make clear that none of the listed projects would be privileged or assumed to be built.

Ms. Ellis reviewed preliminary findings. There were a lot of outputs, too many to show on one slide. It was difficult to tell if we were maintaining reliability. Councilor Liberty thought one of the findings would be information on jobs and housing, as a result of these models. Ms. Ellis said that would be more of a MetroScope project. She listed upcoming Council discussions.

Councilor Newman said it was important to make clear that the project list was for analysis purposes only. Also, to talk about the modeling, that there would be additional rounds, especially in regards to the illustrative list. He had had a conversation with some JPACT members; he felt there was a thirst to finally get to the discussion about priorities among the mobility corridors. There was confidence we’d get there on the transit side, but there was cynicism about getting there on the other side. He encouraged the Council, in the spring, to not be shy about having a blunt conversation about our priorities. Councilor Liberty wanted to make sure the connection to the New Look was clear in people’s minds. He was worried that the RTP not cut loose from the New Look. It needed to be constantly reinforced. Talking about outputs might help with that. On the constraints, being realistic about money was very important. There was going to have to be a very significant sorting process. Otherwise we were stuck with the wish list.

Councilor Harrington had a question on the preliminary findings, she realized more time was needed, but she was not in a situation to answer the worksheet question, based upon the preliminary findings. One observation she was having more and more frequently, she wished there was a way for the modeling to address the constraints. For example, connectivity was a model input, Washington County lacked good connectivity, but when talking about the different projects, retrofitting and disruption were mentioned. How could the modeling help deal with the political problems, no matter what we did, there would be disruptions, could we set them aside? If we could do that, the data might offer some solutions.

Councilor Burkholder said there needed to be something in between now and the scenario development, a process of asking the professional problem solvers, the advisory committees, to get them to assume there would never be any more funding, so what could we do differently? He strongly emphasized that the old model was finished, but we didn’t have a new model yet. Let’s use this time to brainstorm and open up people’s minds to the big picture, to get in a room and make some big changes. Maybe the 2040 plan would need to be changed. Council discussed strategies and choices for getting the best possible engagement and results from the process.

5. COUNCIL BRIEFINGS/COMMUNICATIONS

Councilor Harrington warned us that her family might be at Thursday's meeting. She reiterated the MPAC topic process, per request from many different parties, she hoped they had a lightweight process where topics went to the coordinating committee for discussion and decisions. There had been some snafus, but she was trying to shore up the process. Council President Bragdon felt it was Mayor Fuller's prerogative to set the agenda.

Councilor Newman had some comments about succession planning. He had seven discrete assignments, some more formal than others; Council needed to discuss what would happen. Some of the information he would hand off directly, such as the nature-friendly development practices. He would come back after the person was appointed, to talk about district-specific items. Council discussed dates for the vote in bringing the new person on board.

Councilor Liberty asked if there had been any discussion about the Sunday Oregonian's North Bethany article. Council President Bragdon said he had heard very little. Council discussed many of the issues of bringing in the land, planning it, changing aspirations and requirements, the attitudes of the local elected officials, and windfall profits.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:57 p.m.

Prepared by,



Dove Hotz

Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
SEPTEMBER 11, 2007**

Item	Topic	Doc. Date	Document Description	Doc. Number
1	Agenda	9/13/07	Agenda: Metro Council regular meeting, September 13, 2007	091107c-01
2	Budget	undated	To: Metro Council From: Michael Jordan Re: Recap of Issues List	091107c-02
2	Budget	undated	To: Metro Council From: Michael Jordan Re: Worksheet for Use of Undesignated General Fund Balance – Staff Recommendation	091107c-03
4	RTP	undated	To: Metro Council From: Kim Ellis Re: PowerPoint presentation, “A New Look at Transportation”	091107c-04
4	RTP	9/11/07	To: Metro Council From: Kim Ellis Re: Regional Transportation Plan Message Platform	091107c-05