

MINUTES OF THE METRO COUNCIL MEETING

September 6, 2001

Metro Council Chamber

Councilors Present: David Bragdon (Presiding Officer), Susan McLain, Rod Park, Bill Atherton, Rod Monroe, Rex Burkholder, Carl Hosticka

Councilors Absent:

Presiding Officer Bragdon convened the Regular Council Meeting at 2:02 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

There were none.

3. EXECUTIVE OFFICER COMMUNICATIONS

There were none.

4. AUDITOR COMMUNICATIONS

Alexis Dow, Metro Auditor and **Doug U'ren**, Senior Auditor, gave a power point presentation on The Oregon Zoo: Construction Management (a copy of which may be found in the meeting record). Ms. Dow said the audit focused on the 1996 Zoo bond measure. She spoke to the bond measure goals and the Great Northwest Project. She overviewed the purposes of the audit. **Mr. U'ren** spoke to the details of the audit: its current status, expenditures, outcomes and audit findings. He noted the audit recommendations for completion of the project.

Ms. Dow said that she had spoken with the Executive Officer about the recommendations and he concurred with their recommendations.

Councilor McLain said the auditor's comments were made concerning the 1996 bond measure, which was the first funding mechanism for a 20 years Zoo master plan. She clarified the audit only critiqued phase one and suggested that the audit should recognize that fact. It was only the first step in that 20-year master plan. She said, historically, Metro had gone from centralized project management to decentralized project management. She noted that there needed to be an understanding that decentralization was a purposeful action. She was most interested in the general practices of contract management.

Ms. Dow thanked the council and clarified Councilor McLain's comments. The audit did focus on the bond measure and what still needed to be completed in reference to the bond measure. She responded to the decentralized versus centralized project management issue. The Executive Officer was working on broad guidelines whether it was a decentralized or centralized managed project. She indicated that originally construction management of the project was out-of-house and was now in-house.

Councilor Park said the auditor's report sounded very similar in to the report made about Expo several years ago. He asked if there wasn't a similar theme.

Ms. Dow said the audit of Expo focused primarily on finances. She said there were some common themes, which was why they had suggested a general project management system be put in place.

Councilor Park said Metro was supposed to be one organization implementing in a broad sense rather than project by project.

Ms. Dow noted a list of recommendations in the audit specific to the Zoo and a second set of recommendations, which would apply to Metro in general.

Councilor Monroe spoke to the management of the Zoo. He noted that attendance had increased and the tunnel shaft was built to develop Max. He asked about paying for the tunnel through Zoo parking revenues. There had been ongoing questions about paying for Max. He asked if Ms. Dow might have some ideas about this.

Ms. Dow said the issue of parking at Zoo had been an ongoing discussion. Her office had looked into whether it would be prudent to get into this issue.

Councilor Monroe said he hoped that any political decision would be based on sound business practices and felt that was where the audit could help.

Councilor McLain said another area where it would be helpful was to examine if a bond measure was on task, make recommendation for finishing the Zoo project and do some work on figuring out what the costs for such a system would be. Many times such projects were limited by budget, she suggested that Ms. Dow review old audits and come up with costs for creating such a system.

Ms. Dow said one of her reports this month will be the status of the past audit recommendations. She noted that 70% to 80% of recommendations had already been implemented. She would be addressing what hadn't been done and why.

Councilor McLain said that the 80% that had been done might not be as costly as the 20% that hadn't been done.

Ms. Dow said when they make recommendations they try to consider the cost benefit of those recommendations. Their recommendations were worth carrying out.

5. MPAC COMMUNICATIONS

There were none.

6. CONSENT AGENDA

6.1 Consideration of minutes of the August 16, 2001 Regular Council Meeting.

Motion: **Councilor Park** moved to adopt the meeting minutes of the August 16, 2001, Regular Council meeting.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain, and the motion passed.

7.1 ORDINANCES - FIRST READING

7.1 **Ordinance No. 01-915**, For the Purpose of Amending the Metro Code Section 4.01.050, and Revising Admissions Fees at the Oregon Zoo Effective January 1, 2002.

Presiding Officer Bragdon assigned Ordinance No. 01-915 to the Regional Facilities and Metro Operations Committee.

8. MERC'S STRATEGIC PLANNING PROCESS

Councilor Burkholder invited **Mark Williams**, MERC General Manager, **Elaine Cogan** from Cogan and Cogan Associates and **Julie Reed**, MERC Marketing and Communications Manager to the testimony tables. Metro was currently redesigning its leadership at Metro. Cogan and Cogan Associates had been reviewing MERC's structure and assisting in developing a strategic plan, particularly the public input process.

Mark Williams, MERC General Manger, gave an overview of the project. He said the more public input you built into the plan, the longer it would take. MERC wanted a clear plan of where they were heading in the next five years and agreement for the process of how to go about doing this. They began by identifying issues, establishing an internal business planning team, and then hired an outside firm, Cogan and Cogan Associates. They had found it extremely valuable to have a neutral group involved. They felt a critical issue was maintaining control of the process. They wanted major input but also wanted to maintain control of the process. He felt the strategic plan was a process and expected conflict to emerge. He noted the importance of involving employees in the process. He said what was most surprising was the degree of agreement and how well facilities were being managed. There was a high level of approval from the stakeholders. He added that it was a long internal process but worthy of doing. Mr. Williams then overviewed the Internal Business Planning Process (a copy of which may be found in this meeting record) and Cogan's MERC Strategic Business Plan (a copy of which is included in the meeting record).

Presiding Officer Bragdon spoke to the interested parties, was there a way to assess audience users?

Mr. Williams said they did customer service surveys but that these did not rise to level of a questionnaire.

Presiding Officer Bragdon asked if they tracked customer service complaints.

Mr. Williams said they did keep track of them and addressed issues as they arose. They tended to view customers as those who rented their halls rather than those who attended the events. They tracked and responded to the customer service surveys.

Ms. Cogan said one would have to ask what was the purpose of a customer service survey. She said it was not that kind of a survey and would have to expect the user to have a good basis for information. They felt the qualitative answers were more instructive than the quantitative.

Councilor Park said he also felt that it depended on which facility was being utilized. How would one survey those that were coming from out of state attending a convention at the Oregon Convention Center? He thought that the renters of the facilities were key.

Mr. Williams said they identified separate stakeholders for each facility. Then, there were some individuals, such as the Metro Council, who were asked about all of the facilities.

Councilor Burkholder asked how neighborhood associations versus users of facilities were surveyed. What kind of information did they receive?

Ms. Reed said in terms of community involvement they focused on neighborhood and business associations that were close to the facilities. The other way they invited the community to be involved was through the advisory committees that they had for each facility. They had made a concerted effort to get input.

Ms. Cogan said she was surprised to see how parochial community groups were. Most groups were concerned about the facilities they were close to rather than all of the facilities they used. She noted that the elected officials were able to look at the broader MERC/Metro issues.

Councilor McLain thought what was important was balancing the specialist and the general populace. It was important to balance the review of each group. She suggested that they might be heavy on the specialist versus generalist. She suggested being careful about over defining the stakeholders. She said the vision of this council was that they wanted facilities that they could be proud of and were well attended. She wanted to make sure that they continued to explore financing issues. It was beneficial to have a continuing dialogue.

Councilor Atherton asked Mr. Williams if the business plan discussed looking at other facilities, for example, Lewis and Clark Bi-Centennial, which would pull together extensive facilities.

Mr. Williams said MERC's business plan would actively explore additional facilities whenever it was in the public's interest. They had been sought out by other jurisdiction such as Washington County. They would like to be considered as the 'go to' organization for sound objective advice on facility management, development and what ought to be done. MERC had not been directly involved in the Lewis and Clark Bi-Centennial activities but would probably work with the visitor association on this event.

Councilor Burkholder suggested staying tune to what the results would be of the business plan. He asked what the cost of staff and dollars had been in developing the plan.

Mr. Williams said they had budgeted \$35,000 for consultant services and used countless hours of internal staff. No new staff had been hired to accomplish this task.

Councilor Park asked how marketing was addressed.

Mr. Williams said when you talked about marketing you were getting into the strategic part of the plan. The Convention Center had always been the leader in this area. In Expo's plan they had to start marketing new business. PCPA was a different issue because they were full. Marketing was facility specific.

Councilor Park asked how they could create an extra bridge for supporting marketing in other areas of Metro.

Mr. Williams suggested that the Zoo and MERC currently had different soft drink contracts. If the two were combined they could probably get a better deal.

Councilor Monroe asked about the third phase of Expo?

Mr. Williams said Phase 3 of Expo was a classic strategic plan issue. He suggested that taking the step to develop the type of revenue to begin construction on Phase 3 of Expo as soon as possible was feasible. One would have to generate \$1.7 million annually in debt service and anticipated \$25 million in cost. The business plan looked at taking this type of action to get that finished. The goal at end of the 5-year plan would be to have resources to begin construction.

Ms. Cogan added that they needed to have process and it would take longer if you were doing the proper work with the public but it would pay off.

9. COUNCILOR COMMUNICATION

Councilor Hosticka said there was a special meeting of the Natural Resources Committee scheduled for next week on Thursday at 12:30 p.m.

Councilor Atherton shared that the Solid Waste & Recycling Committee met yesterday and would be bring forward a complete package of materials for action by council in October.

Presiding Officer Bragdon added that they would be discussing the package at the Informal next week.

Councilor McLain asked about the Council's Retreat time change.

Presiding Officer Bragdon said it would start at 11:00 a.m. at the Portland Airport.

Councilor McLain asked about UGB and Periodic Review issues and cancellation of the meeting with Washington County jurisdiction.

Councilor Park said all jurisdictions would be included as part of coordination requirement.

Presiding Officer Bragdon announced that next week's Council meeting was cancelled.

Councilor Park asked about JPACT and MPAC.

Presiding Officer Bragdon responded that the MPAC agenda had been distributed and included a Functional Plan compliance item, the meeting was scheduled for the 12th of September.

Councilor Monroe said that JPACT would be discussing MTIP. There may be amendments presented at JPACT next Thursday and offered assistance to any councilor who might wish to make an amendment. He was hopeful that they would end up with a package that the Council could support.

10. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Bragdon adjourned the meeting at 3:22 p.m.

Metro Council Meeting
09/06/01
Page 6

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER 6, 2001

TOPIC	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NUMBER
OREGON ZOO AUDITOR REPORT	SEPTEMBER 2001	THE OREGON ZOO: CONSTRUCTION MANAGEMENT	090601c-01
POWER POINT PRESENTATION	SEPTEMBER 2001	THE OREGON ZOO: CONSTRUCTION MANAGEMENT	090601c-02
MERC BUSINESS PLANNING PROCESS	FEBRUARY 2001	MERC BUSINESS PLANNING PROCESS AGREEMENT	090601c-03
MERC STRATEGIC BUSINESS PLAN	UNDATED	MERC STRATEGIC BUSINESS PLAN OVERVIEW	090601c-04