

MINUTES OF THE METRO COUNCIL MEETING

October 25, 2001

Metro Council Chamber

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

Councilors Absent: Carl Hosticka (excused)

Presiding Officer Bragdon convened the Regular Council Meeting at 2:04 p.m.

1. INTRODUCTIONS

Presiding Officer Bragdon introduced Mayor Charlotte Lehan, Mayor of Wilsonville.

2. CITIZEN COMMUNICATIONS

There were none.

3. EXECUTIVE OFFICER COMMUNICATIONS

There were none.

4. AUDITOR COMMUNICATIONS

There were none.

5. MPAC COMMUNICATIONS

Presiding Officer Bragdon said MPAC discussed the criteria on Goal 5 and alternative analysis for generalized need of Urban Growth Boundary expansion.

6. CONSENT AGENDA

6.1 Consideration of minutes of the October 18, 2001 Regular Council Meeting.

Motion: Councilor Atherton moved to adopt the meeting minutes of the October 18, 2001, Regular Council meeting.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

7. ORDINANCES - FIRST READING

7.1 **Ordinance No. 01-923**, For the Purpose of Amending the Fiscal Year 2001-02 Budget and Appropriations Schedule of the Rehabilitation and Enhancement Fund for the Purpose of Funding a Grant to the Peninsula Children's Center.

Presiding Officer Bragdon assigned Ordinance No. 01-923 to the Solid Waste and Recycling Committee

- 7.2 **Ordinance No. 01-924**, For the Purpose of Annexing Lands Containing the Wilsonville Prison Site to the Metro Jurisdictional Boundary.

Presiding Officer Bragdon assigned Ordinance No. 01-924 to Council.

8. ORDINANCES - SECOND READING

- 8.1 **Ordinance No. 01-916B**, For The Purpose of Amending Metro Code Chapter 5.01 Related to Local Transfer Stations, and Revising Local Transfer Stations Franchises To be Consistent with the Code Amendments.

Motion: **Councilor McLain** moved to adopt Ordinance No. 01-916B

Seconded: **Councilor Atherton** seconded the motion.

Councilor McLain spoke to the package of ordinances, they were both housekeeping and movement toward achieving Metro's goals. The ordinances had been considered at SWAC and the Rate Review Committee. They made the Metro Code, RSWAMP and the REM Strategic Plan consistent. She addressed Ordinance No. 01-916B. They had a number of facilities in the system, these ordinances would make sure we were serving the public and that the waste stream matter go to the appropriate facility. This ordinance defined the local transfer station and set up waste sheds criteria. It spoke to caps and wet waste which could be delivered to transfer stations. The cap was increased to 65,000 tons. The reasons for changing the cap had to do with tonnage, the economy, and the transfer station locations. They were trying to balance goals, the goal to make sure our system gave the best price to ratepayer, to make sure they kept the system whole. It balanced the needs of the public and private needs. They wanted to do the best waste recovery they could do. The ordinance also paid attention to the goals in the REM Strategic Plan and RSWAMP. In the ordinance, they had set up an opportunity for an administrative shift of less than 5%. They had also told SWAC that if there was other waste to consider they must come back to council to express the need.

Councilor Atherton said this ordinance defined service areas, increased recycling and removed dry waste caps. In general, this was an integrated package, each ordinance effected the others. The goals were to simplify what was a very complex system. This was a very fluid system. the changing economic situation effected tonnage. What was built into these ordinances addressed these changing and complex factors.

Presiding Officer Bragdon opened a public hearing on Ordinance No. 01-916B. No one came forward. Presiding Officer Bragdon closed the public hearing.

Motion to

Amend: **Councilor Park** moved to amend Ordinance No. 01-916B with Park Amendment #2 (as attached in the record).

Seconded

Amendment: **Councilor McLain** seconded the amendment.

Presiding Officer Bragdon advised that this was a technical amendment, the final vote could be considered today.

Councilor Park explained the amendment.

Councilor McLain said she would be supporting this amendment.

Presiding Officer Bragdon acknowledged his support of the amendment as well.

Vote to

Amend: The vote was 6 aye/ 0 nay/ 0 abstain. The amendment passed.

Councilor Park spoke to Ordinance No. 01-916B as amended. He spoke to the solid waste package before the council today.

Councilor McLain closed by saying that the recycling floor had been increased to 30%. We were concerned about recycling and wanted to do a better job.

Vote on

Main Motion

As Amended: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

8.2 **Ordinance No. 01-917**, For the Purpose of Amending Metro Code Chapter 5.05 Concerning Solid Waste Flow Control.

Motion: **Councilor Atherton** moved to adopt Ordinance No. 01-917.

Seconded: **Councilor Monroe** seconded the motion.

Councilor Atherton said this was a technical change effecting flow control. He reviewed the details of the ordinance.

Presiding Officer Bragdon opened a public hearing on Ordinance No. 01-917. No one came forward. Presiding Officer Bragdon closed the public hearing.

Councilor Atherton urged an aye vote.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

8.3 **Ordinance No. 01-918A**, For the Purpose of Amending Metro Code Chapter 5.02 to Revise the Tonnage Charge for Disposal at Metro Transfer Stations and to Make Other Related Changes.

Motion: **Councilor McLain** moved to adopt Ordinance No. 01-918A.

Seconded: **Councilor Atherton** seconded the motion.

Councilor McLain reviewed the ordinance that revised the tonnage charges for disposal. She said that this particular ordinance was not dealing with excise tax. She itemized the rates set out in the ordinance.

Councilor Atherton added that the council clearly felt that we move to a fee that reflected the true costs accounting.

Presiding Officer Bragdon opened a public hearing on Ordinance No. 01-918A. No one came forward. Presiding Officer Bragdon closed the public hearing.

Motion to

Amend: **Councilor Park** moved to amend Ordinance No. 01-918A with Park Amendment #1 (a copy of which may be found in the record).

Seconded

Amendment: **Councilor Burkholder** seconded the amendment.

Councilor Park spoke to the different rates and asked that Mr. Terry Peterson explain further.

Mr. Terry Peterson, REM Director, explained that when they made rate projections, there were a number of assumptions that had to be made. The two main items were – how much tonnage would Metro facilities and non-facilities receive, and what was the level of our reserve accounts? When these projections were made, they assessed those two items. If the caps were higher, i.e. around 130, 000 tons, that meant that there would be less tonnage at the Metro facilities. Our fixed costs were spread across fewer tons, and our contract price for operating the transfer stations should go higher as the Metro tonnage was lower. Those two things had the effect of driving up the rate as Metro tonnage declined.

Councilor Park said there was an undesignated fund balance, he asked where that left us. Where do we have to be at in order to allow that tonnage to flow away from Metro transfer stations.

Mr. Peterson responded that some years we over collect and some years we under collect. When we over collect that money goes into an undesignated fund balance. The rate projects presented had all assumed that the objective was to get that undesignated fund balance down to zero. So the money currently in the undesignated fund balance was being used to off-set the rate for this fiscal year. We also had a rate stabilization fund. The rule for that account was to hold that at \$2.5 million, which was 5% of the operating budget. That money could not be touched.

Councilor Park said that the east side was under-served by approximately 65, 000 tons. If we used the proposed tip fee, how much would we dip into the undesignated fund balance so as not to affect the rate stabilization fund. Also, what affect would that generate for fiscal year 2003?

Mr. Peterson responded that we would under collect on our revenue a \$1.25 a ton. Roughly that would be about \$750,000 that would be under-collected. At that point he would either go to the Council to request they dip into other reserve accounts, or with proposals to cut the costs.

Councilor Park asked Mr. Peterson about timing. If we did not go to the higher rate in 2002, at what time would local governments make their decision?

Mr. Peterson said usually they made their review in the spring, and Metro's decision would be made on July 1st. They had asked Metro to give them about 6 months lead time so they could go through their rate review process for the collection rates.

Councilor Park asked if this was subject to the 90-day referral clause.

Mr. Marv Fjordbeck, Senior Assistant Counsel, said yes it was.

Councilor Park asked if they wanted 6 months in terms of giving them certainty? If it was done in January, for example, then 90 days would be enough time for it to become real.

Councilor McLain lauded Councilor Park about his concern to make Metro whole. She reviewed Mr. Peterson's basic assumptions. She went into detail on Mr. Petersen's summary of rate projections. She did not support this amendment because it did not go to the Rate Review Committee or to SWAC. She noted that the local's made their decisions in March. She encouraged a yes vote on original package.

Councilor Atherton said he would be voting against this amendment as well. He felt there was adequate time to respond to changes.

Councilor Monroe said the tip fee was a wholesale utility cost. To set that fee higher than staff recommended because we anticipated that there might be some change in the future would be inappropriate and would not bode well with the citizens we represented. The tip fee would cause higher cost to the citizen at the can. We should not make that cost any higher. So he would also oppose the amendment.

Councilor Burkholder said that we needed to be conservative in setting the fee increases and we needed to be conservative in ensuring that we didn't put the system at risk. He thought that it was good that we had the rate stabilization fund to cover us, but said that we didn't want to be so conservative as to bankrupt ourselves.

Councilor Park said the question before the council, if a need arose that Councilor McLain would be in favor of examining that capacity for that underserved area to actually be increased. He said that that issue was the crux of the discussion, that at the \$65 level without going into Metro rate stabilization funds, we had precluded the ability of anyone to serve that area. By going to the \$66.25 rate, we had left the door open for that area to be served. Typically he would not want to be raising rates, but staff had projected that in the 2003 fiscal year that Metro will have to raise rates to cover costs to between \$68-\$69 per ton. So, he felt that the difference that was under discussion was a difference in scale and how the curve was shaped. He said his concern was precluding those in East Multnomah County waste-shed from being able to participate in any type of rate reduction, based upon paying a higher transportation cost and in essence subsidizing the rest of the region. He said he would be willing to withdraw the amendment if there was agreement in the Council that they would go into rate stabilization funds/or other methods if someone does appear to be able to serve that area.

Presiding Officer Bragdon clarified the withdrawal of the amendment process.

Councilor Park closed.

Vote to

Amend: The vote was 1 aye/ 5 nay/ 0 abstain. The amendment failed with Councilor Park voting aye and Councilor Hosticka absent from the vote.

Presiding Officer Bragdon directed the Council back to general discussion on Ordinance 01-918A.

Councilor McLain said that there was no homeless waste out there. There was a place for each and every waste stream to go, and every hauler had a place to choose to go. There also was a flow control ordinance and the code/system was set up to make sure that flow ordinance issues were

not broken. Secondly, they were working on getting vehicle miles traveled down to the best possible level in the region. Cost reflects the service cost in this ordinance.

Councilor Atherton urged an aye vote.

Councilor Park said that he agreed that there was no homeless waste. He noted where he disagreed with Councilor McLain.

Councilor McLain closed by saying “no we are not telling where to go.” She felt that Metro had the system in place to accommodate that issue.

**Vote on the
Main Motion**

As Amended: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

8.4 **Ordinance No. 01-919A**, For the Purpose of Amending Metro Code Chapter 5.02 to Improve the Effectiveness of the Regional System Fee Credit Program and to Remove the Program Sunset Date.

Motion: **Councilor Atherton** moved to adopt Ordinance No. 01-919A.

Seconded: **Councilor Park** seconded the motion.

Councilor Atherton said this was the key principle of the package. He said they were moving the system toward taxing the bad and rewarding the good. This package taxed more highly those who wanted to put trash in the ground, and reward those who were recycling. Some changes had been made from the past system. The recycling rate was raised from 25% to 30% to participate in the system. If however, a participant was to go above and beyond that to recycle at 35%, on dry waste only, they would receive a credit.

Councilor Monroe said they decided on a compromise where the requirement was raised to 30% but gave no incentive until they recycled at 35%, then they got a graduated recycling fee credit. They got rewarded for good recycling habits.

Presiding Officer Bragdon opened a public hearing on Ordinance No. 01-919A.

Ray Phelps, representing Willamette Resources, commented on 01-916B and that the significant change was the removal of cap on the dry waste. With respect to 01-919A, he wanted to comment on the amount of the system credit. The system user fee was increasing to \$15, but the processor’s amount had not changed. He asked that they evaluate whether or not the processor should retain 93% of the \$15.

Councilor Monroe said he would pledge in the budget preparation cycle they would look at those fees more carefully, and perhaps make adjustments that would be effective in the next fiscal year.

Councilor Atherton said the ordinance was also establishing a working group within the agency that would make a report to the Council by March 1st.

Mr. Phelps said he wanted this noted in the record.

Presiding Officer Bragdon closed the public hearing.

Motion to

Amend: Councilor McLain moved to amend Ordinance No. 01-919A with McLain #1 Amendment. She explained the technical amendment.

Seconded

Amendment: Councilor Atherton seconded the amendment.

Vote to

Amend: The vote was 6 aye/ 0 nay/ 0 abstain. The amendment passed.

Presiding Officer Bragdon directed the Council back to general discussion on Ordinance 01-919A as it had been amended.

Councilor Atherton had nothing more to close, and he urged an aye vote.

Councilor Park asked for a review of the program.

Councilor Atherton said the program had evolved, they decided to eliminate the sunset date. They wanted to set up a process where the bad was taxed and the good was rewarded. This was considered in great detail at the Rate Review Committee. He felt that this ordinance did that.

Councilor McLain added that at the beginning this was seen as a transition tool. The point was to give the boost to recycling. Now the program was trying to focus on specific waste streams, specific recycling.

Councilor Monroe said historically in 1997, another council decided to cut the tip fee dramatically, to below actual costs. They had hoped to protect the recycling rate by instituting the recycling credit to make up for the fact that a lower tip fee seemed to be a disincentive to recycle. This ate substantially into the reserves, and forced them to make an increase. The citizens needed to understand that the previous tip fee did not reflect the accurate cost but was below cost.

Councilor Atherton thanked the council. He also thanked the citizens for listening. This was a key part of this agency. The product was crafted in such a way to support the citizens and the agency. Metro had just about the lowest rates. Private sector participants had done a good job in providing citizens to reduce their waste disposal costs if they recycle. He was proud of the work of the committee, and again thanked all the members of Council.

Vote on the

Main Motion

As Amended: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

9. RESOLUTIONS

9.1 **Resolution No. 01-3115**, For the Purpose of Confirming the Re-Appointment of Gary Conkling to the Metropolitan Exposition-Recreation Commission.

Motion: **Councilor Burkholder** moved to adopt Resolution No. 01-3115.

Seconded: **Councilor McLain** seconded the motion.

Councilor Burkholder said this resolution re-appointed Gary Conkling. He noted Metro Code requirements and changes last year. This would be his second consecutive term. He noted Mr. Conkling's biography.

Vote: The vote was 6 aye/ 0 nay/ 0 abstain, and the motion passed.

10. COUNCILOR COMMUNICATION

Councilor Burkholder spoke to information regarding the Council's recommendation concerning HB 2142. He noted the memo, which summarized this information. He said the projects that were put forward by ODOT, as their highest priorities, used up most of the \$70M slated for them, and therefore they don't have a lot of flexibility or extra money. The projects that were recommended were critical projects. He spoke to those projects. What was left was a secondary list, ranked highly by ODOT, and which was in our RTP. He asked council's guidance on the secondary list. He noted that the Nyberg Interchange high priority under the MTIP program. He spoke to the third bullet on the Metro and state policies, which they wanted to remind ODOT about. He said that the council could make any recommendation, but that there were high priorities that have been put forward by Region 1, and others that the Council should look at as high priorities. He said the amount of money for this was limited, however.

Councilor Monroe said if you look at priority projects that were very likely to be funded, they represented about \$60 of the \$70 million available. He noted the imbalance of projects, especially indicating Clackamas County's lack of funds. He spoke to the Beckman Road connector. He believed Clackamas County also had Sunnyside Road high on its priority list. The third project in South Multnomah County, which serves Clackamas County, was the 162nd and Foster project. He felt there needed to be better regional balance. He urged JPACT and the Council to look seriously at those three projects to use up the \$10 million.

Presiding Officer Bragdon invited Mayor Lehan to come to the dais.

Councilor Park thanked Councilor Burkholder and then asked about the secondary list and if they were in a priority ranking and what filter was used.

Mr. Andy Cotugno, Planning Director, said this was ODOT's ranking. Community support was the land use connection part for 40 points. Freight was also emphasized for 30 points, along with safety for 15 points, and so on. The Governor's Community Solutions Team felt that three projects of interest to Metro should be considered higher ranking (from a land-use point of view) than what the ODOT document suggested – Sunnyside Road, Beckman Road and the Cornelius Pass Interchange.

Presiding Officer Bragdon acknowledged the Governor's Community Solutions Team and their work. He said because they were an interdisciplinary unit of government, the Beckman road project made its way to the top of the list, when typically it would have been an orphan project. Due to where Wilsonville was geographically situated relative to the county lines, it was better to look at Beckman road on a regional basis as it would open opportunities for the community and the future.

Mayor Lehan, City of Wilsonville, spoke to Beckman Road and the Commuter Rail connectors.

Presiding Officer Bragdon clarified that this was not an action item, but just a discussion.

Councilor Park asked if the developer chosen for the Dammasch area was the Orenco developer. He also wanted to know how many dwelling units would be there.

Mayor Lehan said the Orenco developer had been chosen as the developer. The high priority for them was that the commuter rail be developed and connected to their area. Housing units required were 2300 housing units. **Councilor Park** pointed out that the legislature was demanding certain density, not Metro. **Mayor Lehan** felt the developer could meet that goal. Other goals were mixed housing types, from single family to high density residential, and mixed income levels, and 10 acres for housing for the mentally ill and disabled.

Councilor Burkholder summarized council's discussion. He said he would like to copy the statute and take on some of those things for Metro's Regional Framework Plan. He felt it would be great to set some of those requirements for the rest of the region. He said that with the money left there should be some regional balance with Clackamas County being a priority.

Presiding Officer Bragdon urged that JPACT look at Beckman Road.

Councilor Atherton appreciated the recognition that Clackamas County needed to be included. He asked if the Sunnyside and Beckman Road projects exceeded the limit. He wanted to know if there was a way to have an apportionment because he would have to argue that Sunnyside Road was a problem. He asked Mr. Cotugno how we could reapportion these dollars. What kind of staging was possible for Sunnyside Road?

Councilor Burkholder said – how this package was working assumed they would get about \$70 million for modernization. They asked for the right to recommend packages of preservation, and they wanted the opportunity to negotiate.

Mr. Cotugno said the Sunnyside Road was a big project. A project that Clackamas County had designed was about \$20 million. ODOT recommended \$10 million because it was scaleable. He doubted that they would go to construction on a \$2-3M component. On the other hand they would welcome \$2-3M and save it towards other funds for construction.

Councilor Atherton spoke to preservation. They had still not planned for funding the RTP. He would be bringing forward a recommendation to the council concerning a user pay system. He said that Metro had some \$50M shortfall on maintenance and preservation every year. He felt that should be taken into account. He wanted to pick up the pace on considering this so that Metro could bring to the region this supplement plus more projects to stay ahead of the preservation.

Councilor Burkholder thanked council and staff.

Mr. Cotugno commented on the bridge issue. He said that Councilor Burkholder's analysis was correct. He spoke to ODOT's process and the moneys allocated.

Councilor Monroe asked about interstate bridges with problems, particularly the I-84 bridges.

Mr. Cotugno said he was not familiar with those bridges.

Mr. Mike Hogle, Regional Planning Director, said that the bridge problems may not be on the list, just below the cutoff.

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Councilor Monroe said that perhaps the problem with I-84 was discovered after the list was made. He asked about the Kelly Creek bridge.

Mr. Cotugno said it would have to compete with the bridge ranking on the list. That bridge would not rank well on the bridge list. It does not have structural problems and the list is exclusive for structural problems.

Mayor Lehan added that any time you build new facilities you get yourself into a hole. The new units come with a road maintenance fee.

Councilor Monroe said he represented the Metro Council at a reception for Miss America at OCC.

11. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Bragdon adjourned the meeting at 3:46 p.m.

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF OCTOBER 25, 2001

TOPIC	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NUMBER
MINUTES	10/18/01	MINUTES OF THE METRO COUNCIL MEETING	102501c-01
AMENDMENTS TO SOLID WASTE ORDINANCE PACKAGE	10/24/01	PROPOSED AMENDMENTS FOR ORD. NOS. 916-919	102501c-02
HB 2142 PROJECT FUNDING	10/24/01	STATE TRANSPORTATION INVESTMENT ACT MODERNIZATION PROJECTS	102501c-03