

MINUTES OF THE METRO COUNCIL MEETING

Thursday, May 29, 2008
Metro Council Chamber

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

Councilors Absent:

Council President Bragdon convened the Regular Council Meeting at 2:03 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

Ron Swaren, 1543 SE Umatilla St., Portland, Oregon talked about tolls as a creative source of revenue. He said he was in favor of a route tying into I-405 coming from Clark County. He described an idea for different routes and said tolls could be used to discourage overuse of the I-5 bridge. He discussed through traffic and various lane extensions.

Sharon Nasset, 1113 N. Baldwin St., Portland, Oregon discussed different groups she had talked with regarding the Columbia River Crossing. She talked about her experiences with different groups and whether different processes had been followed. She talked about discrepancies in information and lack of information provided. She said thorough studies should be conducted. She closed by saying if the law were to be followed, lawsuits must follow.

3. RECOGNITION OF METRO'S GENEROUS PARTICIPATION AND SUPPORT IN THE DEDICATION OF THE NEW WILDLIFE REFUGE CENTER

Norman Penner, Tualatin River National Wildlife Refuge, thanked the Council for their support and generosity of financial assistance. He provided the Council with an engraving and carved wooden duck (carved by an Argentinean indigenous tribe) for their support. He talked about the refuge's logo and discussed various products sold at the refuge.

Councilor Harrington thanked Mr. Penner for his hard work. She supported stewardship of conservation education.

4. FINANCIAL CONDITIONS OF METRO 1998 TO 2007

Suzanne Flynn, Metro Auditor, presented her Financial Condition's report. She introduced the presentation and discussed revenue in relation to inflation. She provided numbers in relation to excise tax. She talked about per capita expenditures. She said the number of employees had stayed stable, but employees per capita had decreased. Ms. Flynn said unreserved fund balances had increased since 2005, and the ratio of cash to short-term liabilities were above the industry standard. She said there was cash to cover short-term obligations. Her first recommendation was that Metro report wages and benefits as a comparison tool. She said Metro should also be more conservative in recording and reporting revenues. Bill Stringer, CFO, said he was very

supportive of working with Ms. Flynn as she conducted an Audit of Metro's financial system. Mr. Stringer said the grants reflected in the budget should be included in the unified work plan. He talked about the grant application process and said he would apply Ms. Flynn's recommendations in future years. Mr. Stringer also addressed Ms. Flynn's recommendations regarding benefits and wage reporting. He said in the future, wages and benefits would be reported and compared. Councilor Park asked about expenditures. He was concerned about serving more people with fewer dollars in the future. Councilor Liberty asked about income-per-capita numbers being comparable.

She provided a power point presentation of her audit results (a copy of which is included in the meeting record).

5. HAZARDOUS WASTE DISPOSAL CONTRACT (AUDIT RESULTS)

Ms. Flynn presented her audit on the Hazardous Waste Disposal Contract. She said the Regional Finance Plan (RFP) was strong. She said the only weakness was that cost was at 50% of the total. She said it might be more preferable to weigh costs a little lower. She said there was not much time spent on contract monitoring. She said the primary weakness was low monitoring plans of the contract and there were no guidelines for action or monitoring. Ms. Flynn's recommendations included developing a system for monitoring, and that the procurement manager role should be strengthened.

Mike Hoglund, Solid Waste and Recycling Director, said he agreed with the audit's recommendations. He said he was implementing all recommendations. He talked about the point system in the RFP. He talked about different strategies for increasing and enhancing performance (see attachment). He talked about higher risk contracts meeting certain criteria. Councilor Burkholder asked about the regulatory environment of safe disposal of hazardous waste. He said it seemed there was a lack of oversight from others. He asked who should bear the cost of ensuring the quality of disposal. Ms. Flynn talked about different jurisdictional regulations. She said different programs should be monitoring as well. Mr. Hoglund talked about timelines for holding various waste. He said tracking disposal was complicated and would require a monthly status report of waste disposal. Councilor Burkholder had concerns about different hazardous waste disposal practices not performing to standard. Councilor Harrington asked about the management response regarding contract administration. She discussed the 270-day requirement, and by association, asked what part of the management response addressed changes. Mr. Hoglund talked about a proposal for a monthly reporting system and said there would be further planning in the process. Councilor Park talked about responsibilities of different jurisdictions in solid waste and hazardous waste disposal. He said it was important that several layers of government did not regulate several layers of the same activity. Mr. Hoglund said there were a number of companies who could dispose of the material, and he would look at balancing the cost in comparison to what they could promise. Ms. Flynn talked about disposal objectives. She talked about jurisdictional objectives. Councilor Park talked about poor coordination. Councilor Liberty asked about outcome projections when restructuring the system and utilizing audit recommendations.

6. CONSENT AGENDA

6.1 Consideration of minutes of the May 15, 2008 Regular Council Meeting.

A line in the third paragraph reading "...She also talked about [federal] funding for the City of North Plains, which was not part of the Metro Jurisdictional Boundary..." required a revision. The word "federal" needed changed to "transportation." Revisions was noted and changed.

6.2 **Resolution No. 08-3947**, For the Purpose of Proclaiming the Week of May 28 through June 8, 2008 as Great Blue Heron Week.

Jim Labbe, Portland Audubon Society, talked about various events of Great Blue Heron Week, including restoration events, paddle events, and wetland viewing. Councilor Collette recommended the Three Creeks Wildlife Tour. She said it was once an industrial wasteland and has since become a wonderful wildlife refuge. Councilor Harrington talked about the special uniqueness of proclaiming Great Blue Heron Week. She said it was a part of Metro's mission and stewardship practices.

Motion:	Councilor Hosticka moved to adopt the meeting minutes of the May 15, 2008 Regular Metro Council and Resolution No. 08-3947.
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Vote:	Councilors Burkholder, Harrington, Liberty, Park, Collette, Hosticka and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.
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7. **ORDINANCES – SECOND READING**

7.1 **Ordinance No. 08-1186A**, For the Purpose of Amending Metro Code Chapter 5.02 to Establish Metro's Solid Waste Disposal Charges and System Fees for Fiscal Year 2008-09.

Motion:	Councilor Burkholder moved to adopt Ordinance No. 08-1186A.
Seconded:	Councilor Park seconded the motion.

Councilor Burkholder explained the resolution as a fee-setting process and discussed specifics of the resolution.

Council President Bragdon opened a public hearing on Ordinance No. 08-1186A.

Ray Phelps, Metro Rate Review Committee, talked about various costs involved in the new transportation contract, and the approval by the Rate Review Committee of Resolution No. 08-1186A. He talked about his concern with crowding out of local government programs. Councilor Liberty asked about mechanisms used in crowding out local programs. Mr. Phelps said hard costs and costs of services might directly affect collection services and other various related programs. He said it comes down to how much a community is willing to spend.

Sha Spady, 17855 Alden Street, Oregon City, talked about her family's connection to the solid waste industry. She said her small family business was still operating in Clackamas County. She talked about preservation work accomplished and was really concerned about the process of adding programs onto garbage disposal fees. She talked about what could happen or go wrong with the process.

Kristan Mitchill, P.O. Box 2186, Salem, asked about a plan to allocate funds throughout the region. She further asked whether the primary plan was for specific parts of the region.

Brian Heiberg, 2300 SE Hanna Harvester Drive, Milwaukie, discussed his opposition to using garbage disposal costs to add and fund programs. He said adding additional costs to customers would not help businesses stay competitive. He urged Councilors to not pass the ordinance.

Michael Borg, 16791 SE 120th, Clackamas, talked about his role in his family's disposal business. He talked about the competitiveness of small business operations and how it would be difficult to operate if rates were to rise. He gave concrete examples of rising fuel costs and other increased costs that have made operation difficult. He said rate increases created business complications. He said he hated to think Metro would compete against his business.

Council President Bragdon closed the public hearing.

Councilor Burkholder said the key issue was reaching out to children by educating them about waste reduction. He said outdoor schools currently have a resource education component. He said this ordinance was a part of Metro's mission, and that numbers were only an estimate instead of a concrete number. He said the education program was a different delivery mechanism. He said he also wanted to challenge other utilities that were interested in conservation to support the program as well. He said he felt it was a fair number to assume so that children could learn about conservation education. He gave successful examples from the community. He said the ordinance was authorizing funds, and not automatically spending until a program was implemented. Councilor Park said he felt the ordinance was setting a trend for programmatic budgeting. He talked about changing regional behavior. He said if generational change could occur early, it was more cost effective in the long run. He talked about recovery numbers per capita and subsequent success rates related to resource conservation education. He talked about the difficulty in implementing new policy. Councilor Liberty talked about investing money into already existing programs. He said it might have been a great investment. Councilor Collette asked about tipping fee specifics. Councilor Burkholder said Councilors would be voting on a new tipping fee.

Doug Anderson, Solid Waste and Recycling Department, explained specifics of the tipping fee. Councilor Collette said there were a number of great environmental protection programs in the region, and she did not think educational programs should be funded by tipping fee rates. She also said she did want to affect small family disposal businesses; therefore she would not support the ordinance. Councilor Harrington asked about percentages involved in tipping fees. She talked about the process of outdoor school attendance. She said she believed the proposal does match well with Metro's mission and the work Metro does with the environment and conservation education. She did not want to lose the opportunity to foster the next generation of conservationists. She wanted to ensure that program clarity would develop into the future and she wanted to guarantee access existed for children to attend outdoor school education. President Bragdon said outdoor school was a great thing, but should not be funded by garbage ratepayers. He said it was the wrong approach in terms of government accountability. He said fiscal discipline had become successful and this did not adhere to strides in fiscal discipline.

Councilor Hosticka asked about budget specifics related to allocations for outdoor school, if the ordinance did not pass. Mr. Anderson explained the process. Councilors asked procedural questions about amending and passing the ordinance and motion. Councilor Park asked about fee collection. Dan Cooper, Metro Attorney, said waste reduction education could be found as a waste reduction expenditure, so it became a matter of the most efficient way to fund waste reduction missions.

Councilor Burkholder closed by providing background of the ordinance and funding strategies.

Vote:

Councilors Park, Burkholder, Harrington, and Hosticka voted in support of the motion. Councilors Collette and Liberty, and Council President Bragdon voted nay on the motion. The vote was 4 aye, 3 nay, the motion passed.

7.2 **Ordinance No. 08-1187A**, For the Purpose of Amending Metro Code Chapter 7.01 Relating to Excise Tax, Regarding Exemptions and Calculations.

Motion:	Councilor Burkholder moved to adopt Ordinance No. 08-1187A.
Seconded:	Councilor Harrington seconded the motion.

Council President Bragdon opened a public hearing on Ordinance No. 08-1187A.

Council President Bragdon closed the public hearing.

There was no Council discussion.

Vote:

Councilors Park, Burkholder, Collette, Harrington, Liberty, Hosticka and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

8. CHIEF OPERATING OFFICER COMMUNICATION

Michael Jordan, COO, reminded the Council about their Tax Supervising and Conservation Commission (TSCC) hearing. He introduced new questions from the TSCC. He also discussed the zoo bond measure and facts related to the measure. Councilors discussed different regional events. Councilor Harrington asked about the TSCC hearing and attendance required. A quorum was required.

9. COUNCILOR COMMUNICATION

Councilor Harrington introduced reserves updates, regarding reserves draft study area map and upcoming open houses. John Williams, Reserves Program Manager, discussed the study area map and subsequent processes involved. He said it was essentially the same map that the Council discussed. He said a majority of the boundaries were used using a watershed boundary approach. President Bragdon wondered how many times the Council would take formal action. Mr. Williams said more formal action would occur towards the end of Summer 2008. Councilor Park asked about different areas included in the map. Mr. Williams said a technical memo would be available shortly. Councilor Liberty talked about discrepancies in the previous 2040 Growth Concept map and the proposed Urban and Rural Reserves map. He expressed a concern that the study area was so large that it would allow rural reserves to be identified so far from the existing urban growth boundary (UGB), in places where there was no risk of urbanization. If the rural reserves were, in fact, located five miles from the UGB they would not represent any added protection. He stated that he feared the map was creating a very large playing field for politics, that could make Metro's job harder.

Marcia Sinclair, Urban and Rural Reserves Public Involvement Manager, discussed the role of open houses. She said the open houses were intended to provide an understanding of the reserves steering process. She discussed various open houses around the region and subsequent timelines.

Councilor Burkholder talked about different audiences attracted to different open houses, and that meeting location could contribute to participant turnout. Councilor Hosticka asked how people would find out about open houses. Ms. Sinclair said press releases would be the primary tool. She said mailing lists and e-mails would also be used, as well as website postings. Councilor Liberty said he would like to see one open house in the middle of the region, or centrally located in the region. She said she wanted to work further in identifying stakeholder groups.

Councilor Harrington said regional groups were also sending out reserves outreach material through their regional lists. They would also be using postcards and other handouts.

Councilor Collette updated Councilors on the Placemaking Summit, the zoo bond measure, and Clackamas County business. Councilor Liberty talked about identifying trends during the Placemaking Summit. He hoped to have a discussion about implementation and public engagement. President Bragdon hoped to have urban growth as well. Councilor Liberty talked about participating in the Nature in Neighborhood grant application process, and stated recommendations would be made soon. Councilor Harrington asked about a forum for discussion on the grant process and selection. Councilor Liberty said a work session item might work adequately. Councilor Burkholder asked about coordinating and communicating the many different events that Councilors attend and asked whether President Bragdon could act as the lead. President Bragdon discussed primary vote results and congratulated the four Councilors who won their respective elections (Councilors Hosticka, Liberty, Collette, and Burkholder).

10. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:35 p.m.

Prepared by

A handwritten signature in black ink, appearing to read 'Tony Andersen', written over a white background.

Tony Andersen
Deputy Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
MAY 29, 2008**

Item	Topic	Doc. Date	Document Description	Doc. Number
4	Presentation	5/29/08	To: Metro Council From: Suzanne Flynn, Metro Auditor Re: Financial Condition of Metro, FY98-FY07 May 29, 2008	052908c-1
4	Memo	4/30/08	To: Metro Council From: Michael Hoglund, Solid Waste and Recycling Director Re: Recommendations of the Rate Review Committee on rate management April 30, 2008	052908c-2
4	Memo	4/28/08	To: Metro Council From: Suzanne Flynn, Metro Auditor Re: Hazardous Waste Disposal Contract April 28, 2008	052908c-3
8	Talking Points, Draft	5/29/08	To: Metro Council Prepared by: Karen Kane, Public Affairs Re: Talking Points Regarding Resolution 08-3945, 2008 Oregon Zoo Bond Measure May 29, 2008	052908c-4