



**METRO**

**Agenda**

MEETING: METRO COUNCIL  
DATE: June 26, 2008  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

**1. INTRODUCTIONS**

**2. CITIZEN COMMUNICATIONS**

**3. INTEGRATING HABITAT PEOPLE'S CHOICE AWARD VIDEO** Collette

**4. NORTH PORTLAND ENHANCEMENT COMMITTEE SLATE OF GRANT AWARDS 2008-09 PRESENTATION** Blauer

**5. CONSENT AGENDA**

5.1 Consideration of Minutes for the June 12, 2008 Metro Council Regular Meeting.

5.2 **Resolution No. 08-3951**, Authorizing the Chief Operating Officer to Renew a Non-System License to Newberg Garbage Service, Inc. for Delivery of Putrescible Waste to the Newberg Transfer and Recycling Center for the Purpose of Transfer to the Riverbend Landfill for Disposal.

5.3 **Resolution No. 08-3955**, For the Purpose of Accepting the May 20, 2008 Primary Election Abstract of Votes for Metro.

5.4 **Resolution No. 08-3952**, For the Purpose of Approving the Allocation of 2008-11 Metropolitan Transportation Improvement Program to the Portal Archived Data User Services project and amending the 2008-09 Unified Planning Work Program.

5.5 **Resolution No. 08-3953**, Confirming the Reappointment of Members To the Natural Areas Program Performance Oversight Committee.

## **6. ORDINANCES - SECOND READING**

- 6.1 **ORDINANCE NO. 08-1181B**, Adopting the Annual Budget For Fiscal Year 2008-09 Making Appropriations, Levying Ad Valorem Taxes, and Declaring an Emergency Bragdon
- 6.2 **Ordinance No. 08-1188**, Amending the FY 2007-08 Budget and Appropriations Schedule for the Oregon Zoo by Transferring Appropriations from Contingency and Recognizing a Donation From Ikea and Declaring an Emergency. Liberty
- 6.3 **Ordinance No. 08-1189**, Amending the FY 2007-08 Budget and Appropriations, Transferring Appropriations in the MERC Fund for Oregon Convention Center Operations and Declaring an Emergency. Park
- 6.4 **Ordinance No. 08-1190**, For the Purpose of Amending and Re-adopting Metro Code 7.03 (Investment Policy) for Fiscal-Year 2008-2009 and Declaring an Emergency Burkholder

## **7. RESOLUTIONS**

- 7.1 **Resolution No. 08-3940**, For the Purpose of Affirming a Definition of A “Successful Region” and Committing Metro to Work with Regional Partners to Identify Performance Indicators and Targets and to Develop A Decision-Making Process to Create Successful Communities. Collette
- 7.2 **Resolution No. 08-3941A**, For the Purpose of Adopting the Capital Budget for Fiscal-Year 2008-09 through 2012-13; Raising the Individual Project Reporting Limit; and the Amendment and Re-adoption of Metro’s Financial Policies. Bragdon
- 7.3 **Resolution No. 08-3956**, For the Purpose of Endorsing Regional Priorities for State Transportation Funding Legislation. Burkholder
- 7.4 **Resolution No. 08-3961**, Authorizing the Chief Operating Officer to Enter into an Intergovernmental Agreement with the City of Happy Valley Regarding the Purchase and Management of Property Acquired Pursuant to the 2006 Natural Areas Bond Measure. Park

## **8. CHIEF OPERATING OFFICER COMMUNICATION**

## **9. COUNCILOR COMMUNICATION**

## **ADJOURN**

**Television schedule for June 26, 2008 Metro Council meeting**

<b>Clackamas, Multnomah and Washington counties, and Vancouver, Wash.</b> Channel 11 -- Community Access Network <a href="http://www.tvctv.org">www.tvctv.org</a> -- (503) 629-8534 2 p.m. Thursday, June 26 (Live)	<b>Portland</b> Channel 30 (CityNet 30) -- Portland Community Media <a href="http://www.pcmv.org">www.pcmv.org</a> -- (503) 288-1515 8:30 p.m. Sunday, June 29 2 p.m. Monday, June 30
<b>Gresham</b> Channel 30 -- MCTV <a href="http://www.mctv.org">www.mctv.org</a> -- (503) 491-7636 2 p.m. Monday, June 30	<b>Washington County</b> Channel 30 -- TVC-TV <a href="http://www.tvctv.org">www.tvctv.org</a> -- (503) 629-8534 11 p.m. Saturday, June 28 11 p.m. Sunday, June 29 6 a.m. Tuesday, July 1 4 p.m. Wednesday, July 2
<b>Oregon City, Gladstone</b> Channel 28 -- Willamette Falls Television <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275 Call or visit website for program times.	<b>West Linn</b> Channel 30 -- Willamette Falls Television <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275 Call or visit website for program times.

**PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.**

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, (503) 797-1542. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website [www.oregonmetro.gov](http://www.oregonmetro.gov) and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Agenda Item Number 5.1

Consideration of Minutes for the June 12, 2008 Metro Council Regular  
Meeting

*Consent Agenda*

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

## MINUTES OF THE METRO COUNCIL MEETING

Thursday, June 12, 2008  
Metro Council Chamber

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

Councilors Absent: Kathryn Harrington (excused)

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 Portland said he spoke at Joint Policy Advisory Committee on Transportation (JPACT) and made some comparisons to other states that have freeway crossings across bodies of water. Portland was behind the curve. He was not in favor of auto commuting. He was in favor of bus transit and commuter transit. He felt there was a need for another route. He was concerned about the Columbia River Crossing (CRC) Task Force proposals. They should examine the western arterial route.

Sharon Nasset, 1113 N Baldwin Portland OR 97217 noted materials she has shared with the Council. She thanked the Council for recommending an oversight committee for the CRC. There were jurisdictions that supported this recommendation. She kept coming back to Metro Council every week because it stated in the federal registry that Metro would prepared a Draft Environmental Impact Statement (DEIS). She spoke of the need for a better public process. She spoke of the National Environmental Policy Act (NEPA) process and provided information on the West Arterial. She noted how you met the NEPA requirements, which was required for funding. Metro was responsible for meeting these requirements. She ending by saying that a thorough study had not been done before Metro could proceed.

### 3. CONSENT AGENDA

#### 3.1 Consideration of minutes of the June 5, 2008 Regular Council Meeting.

Motion:

Councilor Burkholder moved to adopt the meeting minutes of the June 5, 2008 Regular Metro Council and amended the minutes by striking the last paragraph from page 2 of the minutes and on page 13 XXXX seconder.
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Vote:

Councilors Burkholder, Liberty, Park, Collette, Hosticka and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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### 4. ORDINANCES – FIRST READING

- 4.1 **Ordinance No. 08-1188**, Amending the FY 2007-08 Budget and Appropriations Schedule For the Oregon Zoo By Transferring Appropriations From Contingency and Recognizing a Donation From Ikea and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 08-1188 to Council.

- 4.2 **Ordinance No. 08-1189**, Amending the FY 2007-08 Budget and Appropriations, Transferring Appropriations in the MERC Fund For Oregon Convention Center Operations and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 08-1189 to Council.

- 4.3 **Ordinance No. 08-1190**, For the Purpose of Amending and Re-adopting Metro Code 7.03 (Investment Policy) for Fiscal-Year 2008-2009 and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 08-1190 to Council.

## 5. ORDINANCES – SECOND READING

- 5.1 **Ordinance No. 08-1181A**, Adopting the Annual Budget For Fiscal Year 2008-09 Making Appropriations, Levying Ad Valorem Taxes, and Declaring an Emergency.

Motion to amend:	Councilor Hosticka moved to amend Ordinance No. 08-1181A with the proposed technical amendments to the FY 2008-09 Approved Budget
Seconded:	Councilor Collette seconded the motion.

Margo Norton, Deputy Chief Financial Officer, said there were no changes except the planning amendment that was recommended changed on Tuesday had occurred and so that budget was reduced.

Vote to amend:	Councilors Park, Burkholder, Collette, Liberty, Hosticka and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Motion to amend:	Councilor Liberty moved to amend Ordinance No. 08-1181A with General 8, which created the Deputy Chief Operating Officer (COO) position in the Council/COO office transferring resources from IT and Contingency.
Seconded:	Councilor Collette seconded the motion.

Vote to amend:	Councilors Park, Burkholder, Collette, Liberty, Hosticka and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Motion to amend:	Councilor Liberty moved to amend Ordinance No. 08-1181A with General 9, Integrating Habitats
Seconded:	Councilor Collette seconded the motion.

Councilor Liberty explained the changes in the Integrating Habitats amendment. Council President Bragdon supported the amendment and the changes to that amendment.

Vote to amend:

Councilors Park, Burkholder, Collette, Liberty, Hosticka and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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## 6. RESOLUTIONS

- 6.1 **Resolution No. 08-3950**, For the Purpose of Designating Council Projects and Confirming Lead Councilor and Council Liaison For Employment and Economic Trends Work.

Motion:	Councilor Park moved to adopt Resolution No. 08-3950.
Seconded:	Councilor Liberty seconded the motion

Councilor Park said they had several discussions about this project at work sessions. This project was part of the Greatest Place initiative. Having jobs was a component of creating the Greatest Place. This was an attempt to work on policy questions that had risen about employment and economic trends. He provided further details on some of the specifics of the project. He also noted outcomes they were trying to achieve. The budgeting was \$75,000. They might have to find some additional funding once they knew the scope of the project. There was a fairly short timeline.

Councilor Hosticka said he was also interested in our attempt to segregate what was knowable and unknowable in the future. There was another element, which was a different way of dealing with the employment land by using reserves.

Councilor Liberty suggested adding different components to the project. He said population forecasting had been accurate in the past but the land consumption had not been. He also talked about planning for uncertainty. The level of uncertainty around employment needed to be addressed. Finally, the information given to Council on infrastructure had a component about how employment was changing. He felt this was important to integrate into the project.

Councilor Burkholder posed a question. Availability of land had been the big consideration, now the cost of transportation was of greater consideration. We should be looking at this differently.

Council President Bragdon echoed Councilors Liberty and Hosticka comments. He spoke of the past and the consideration of this issue. This proposal recognized the importance of employment in the economy. He talked about job clusters that would grow and others that would diminish. The factors that were making job clusters grow were many that this agency worked on. He thanked Councilor Park for his leadership.

Councilor Park acknowledged all of the good thoughts that he had heard from fellow councilors at work sessions. He noted Councilor Hosticka's comments about the knowns and unknowns. He also thought this was important to our local partners. This would provide an opportunity across the region to have the debate. He also acknowledged staff's efforts in developing this project and urged support.

Vote:

Councilors Park, Burkholder, Collette, Liberty, Hosticka and Council
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President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

**7. CHIEF OPERATING OFFICER COMMUNICATION**

Michael Jordan, COO, mentioned the financial audit, the external auditors had recommended a tracking system for fixed asset so we could be compliant with the fiscal audit. He also planned to arrange a presentation on efforts around sponsorship for different events that go on around the region. Staff had been working on this issue and he would be arranging for the presentation to Council. He would be gone next week so would be missing next week's work session.

**8. COUNCILOR COMMUNICATION**

Councilor Collette reported on the Metro Policy Advisory Committee (MPAC) meeting. The group approved the Regional Solid Waste Management Plan (RSWMP) and the companion regulatory ordinance. Council President Bragdon and Judie Hammerstad had provided a presentation on the Big Look. They also discussed the Regional Transportation Plan (RTP) performance work. There was a report on the forecast.

Council President Bragdon said on June 14<sup>th</sup> there would be a celebration of Zooliner train's 50<sup>th</sup> year of service at the Oregon Zoo.

June 26<sup>th</sup> Metro was hosting an event at the Governor Hotel on Regional Transportation Finance Experts panel.

Council would not meet on June 19<sup>th</sup>.

Councilor Burkholder summarized action at JPACT on the RTP performance measures. Councilor Collette said two of the more interesting question were 1) information on if Vehicle Miles Traveled could be provided by our transportation models and 2) are there ways that we can measure impacts on existing characters of the communities and how transportation projects will effect them.

**9. ADJOURN**

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 2:45 p.m.

Prepared by



Chris Billington  
Clerk of the Council



**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF  
JUNE 12, 2008**

<b>Item</b>	<b>Topic</b>	<b>Doc. Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
3.0	Minutes	6/5/08	Metro Council Meeting Minutes of June 5, 2008	061208c-01
5.1	Amendment Packet	6/5/08	To: Metro Council From: Margo Norton, Deputy CFO Re: Technical and Substantive Amendments to the FY 08-09 Budget	061208c-02
2.0	Packet of Information	6/12/08	To: Metro Council From: Sharon Nasset Re: Columbia River Crossing information packet	061208c-03

Agenda Item Number 5.2

**Resolution No. 08-3951**, Authorizing the Chief Operating Officer to Renew a Non-System License to Newberg Garbage Service, Inc. for Delivery of Putrescible Waste to the Newberg Transfer and Recycling Center for the Purpose of Transfer to the Riverbend Landfill for Disposal.

*Consent Agenda*

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER TO ) RESOLUTION NO. 08-3951  
RENEW A NON-SYSTEM LICENSE TO NEWBERG )  
GARBAGE SERVICE, INC. FOR DELIVERY OF ) Introduced by Michael Jordan,  
PUTRESCIBLE WASTE TO THE NEWBERG ) Chief Operating Officer, with the  
TRANSFER AND RECYCLING CENTER FOR THE ) concurrence of David Bragdon,  
PURPOSE OF TRANSFER TO THE RIVERBEND ) Council President  
LANDFILL FOR DISPOSAL )

WHEREAS, the Metro Code requires a non-system license of any person that delivers solid waste generated from within the Metro boundary to a non-system disposal facility; and

WHEREAS, Newberg Garbage Service, Inc., has applied for the renewal of its non-system license to deliver putrescible waste to the Newberg Transfer and Recycling Center for the purpose of transfer to the Riverbend Landfill for disposal under the provisions of Metro Code Chapter 5.05, "Solid Waste Flow Control"; and

WHEREAS, the moratorium on mixed putrescible waste non-system licenses adopted by the Council on February 2, 2006, in Ordinance No. 06-1098B (amending Metro Code Chapters 5.01 and 5.05 and the Regional Solid Waste Management Plan to impose a temporary moratorium until December 31, 2007 on certain new non-putrescible, mixed solid waste material recovery or reload facilities, and certain non-system licenses; and declaring an emergency) and extended by the Council on February 22, 2007, in Ordinance No. 07-1139 (for the purpose of amending Metro Code Chapters 5.01 and 5.05 and the Regional Solid Waste Management Plan to lift a temporary moratorium on certain new non-putrescible mixed waste material recovery or reload facilities and certain non-system licenses) and November 1, 2007, in Ordinance No. 07-1161 (for the purpose of amending Metro Code Chapters 5.01 and 5.05 to extend moratoria on applications for new solid waste transfer stations and putrescible waste non-system licenses until December 31, 2008; and declaring an emergency) does not apply to this application; and

WHEREAS, the non-system license application conforms with the requirements of Chapter 5.05 of the Code; and

WHEREAS, the Chief Operating Officer has analyzed the application and recommended approval of the applicant's request for a non-system license with the conditions and in the form attached to this resolution as Exhibit A; now therefore,

BE IT RESOLVED that the Metro Council authorizes the Chief Operating Officer to issue a non-system license to Newberg Garbage Service, Inc., in a form substantially similar to the license attached as Exhibit A.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736  
TEL 503 797 1650 | FAX 503 813 7544



**METRO**

**METRO SOLID WASTE FACILITY  
NON-SYSTEM LICENSE**

**No. N-113-08**

<b>LICENSEE:</b>
Newberg Garbage Service, Inc. 2904 Wynooski Road Newberg, OR 97132
<b>CONTACT PERSON:</b>
Merlin LaJoie Phone: (503) 538-1388 Fax: (503) 538-1383 E-mail: <a href="mailto:newberggarbage@hotmail.com">newberggarbage@hotmail.com</a>
<b>MAILING ADDRESS:</b>
Newberg Garbage Service, Inc. P.O. Box 1000 Newberg, OR 97132

ISSUED BY METRO

\_\_\_\_\_  
Michael Jordan, Chief Operating Officer

\_\_\_\_\_  
Date



<b>1</b>	<b>NATURE OF WASTE COVERED BY LICENSE</b>
	Putrescible solid waste that is generated by residential and commercial customers within the Metro region and collected by Newberg Garbage Service, Inc.
<b>2</b>	<b>FISCAL YEAR TONNAGE LIMITATION</b>
	Licensee is authorized to deliver to the non-system facility listed in Section 3 of this license up to 160 tons per fiscal year of the waste described in Section 1 of this license. A fiscal year shall run from July 1 through June 30 of the following year
<b>3</b>	<b>NON-SYSTEM FACILITY</b>
	<p>The Licensee hereunder may deliver the waste described in Section 1, above, only to the following non-system facility for the purpose of transfer to the Riverbend Landfill for disposal:</p> <p style="text-align: center;">Newberg Transfer &amp; Recycling Center 2904 Wynooski Road Newberg, OR 97132</p> <p>This license is issued on condition that the non-system facility named in this section is authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that this non-system facility is not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7 of this license.</p>
<b>4</b>	<b>TERM OF LICENSE</b>
	The term of this license will commence on July 1, 2008 and expire at midnight on June 30, 2010, unless terminated sooner under Section 7 of this license.
<b>5</b>	<b>REPORTING OF ACCIDENTS AND CITATIONS</b>
	Licensee shall report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.



<b>6</b>	<b>RECORD KEEPING AND REPORTING</b>
	<ul style="list-style-type: none"><li>(a) The Licensee shall keep and maintain accurate records of the amount of waste, described above in Section 1, that it delivers to the non-system facility described in Section 3 of this license. The Licensee shall keep and report such records in a manner that is approved by Metro.</li><li>(b) No later than the fifteenth (15th) day of each month, beginning with the first month following the commencement date of this license, Licensee shall:<ul style="list-style-type: none"><li>i. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month;</li><li>ii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes; and</li><li>iii. Report, by e-mail, the tonnage for the preceding month to both Metro (submitted to Janet Tolopka at e-mail address <a href="mailto:janet.tolopka@oregonmetro.gov">janet.tolopka@oregonmetro.gov</a>) and the Riverbend Landfill (Licensee shall contact the Landfill for the correct name and e-mail address), so that the amount of such tonnage can be incorporated into the formula for proper calculation of Metro's disposal rate under its contract with Oregon Waste Systems, Inc. Failure to provide this information accurately, consistently, and in a timely manner may result in the termination of this license.</li></ul></li><li>(c) Licensee shall make all records from which Sections 6(a) and 6(b) above are derived available to Metro (or Metro's designated agent) for its inspection or copying, as long as Metro provides no less than three (3) calendar days written notice of an intent to inspect or copy documents. Licensee shall, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facility named in Section 3, above.</li></ul>
<b>7</b>	<b>ADDITIONAL LICENSE CONDITIONS</b>
	<p>This license shall be subject to the following conditions:</p> <ul style="list-style-type: none"><li>(a) The permissive transfer of solid waste to the non-system facility, listed in Section 3, authorized by this license shall be subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</li><li>(b) This license shall be subject to amendment, modification or termination by Metro's Chief Operating Officer (the "COO") in the event that the COO determines that:<ul style="list-style-type: none"><li>i. There has been sufficient change in any circumstances under which</li></ul></li></ul>



	<p>Metro issued this license;</p> <ul style="list-style-type: none"><li>ii. The provisions of this license are actually or potentially in conflict with any provision in Metro's disposal contract with Oregon Waste Systems; or</li><li>iii. Metro's solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 of this license be transferred to, and disposed of at, a facility other than the facility described in Section 3.</li></ul> <p>(c) This license shall, in addition to subsections (b)(i) through (iii), above, be subject to amendment, modification, termination, or suspension pursuant to the Metro Code.</p> <p>(d) Licensee shall not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license shall terminate upon the execution of a designated facility agreement with the facility listed in Section 3 that authorizes the facility to accept the waste described in Section 1 of this license.</p> <p>(f) This license authorizes delivery of solid waste to the facility listed in Section 3. Transfer of waste generated from within the Metro boundary to any non-system facility other than that specified in this license is prohibited unless authorized in writing by Metro.</p>
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<b>8</b>	<b>COMPLIANCE WITH LAW</b>
	<p>Licensee shall fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative procedures adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the Licensee's solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the Licensee shall be deemed part of this license as if specifically set forth herein.</p>

<b>9</b>	<b>INDEMNIFICATION</b>
	<p>Licensee shall defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys' fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 08-3951 AUTHORIZING THE CHIEF OPERATING OFFICER TO RENEW A NON-SYSTEM LICENSE TO NEWBERG GARBAGE SERVICE, INC. FOR DELIVERY OF PUTRESCIBLE WASTE TO THE NEWBERG TRANSFER AND RECYCLING CENTER FOR THE PURPOSE OF TRANSFER TO THE RIVERBEND LANDFILL FOR DISPOSAL

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June 26, 2008

Prepared by: Warren Johnson

## BACKGROUND

### Description of the Resolution

In June 2006, Newberg Garbage Service, Inc. (NGS) was granted a non-system license (NSL) to deliver a maximum of 160 tons per fiscal year of residential and commercial solid waste, including putrescible waste, collected from routes located inside the Metro region to the Newberg Transfer and Recycling Center (NTRC), an affiliated facility co-located with NGS. The license commenced on July 1, 2006 and will expire on June 30, 2008. On April 30, 2008, NGS submitted to Metro an application to renew this NSL.

Approval of Resolution No. 08-3951 will authorize the Chief Operating Officer to issue a renewed NSL to NGS to deliver a maximum of 160 tons per fiscal year of putrescible waste to the NTRC for the purpose of transfer to the Riverbend Landfill for disposal. The Riverbend Landfill is a Waste Management facility and thus granting the proposed NSL does not implicate Metro's obligations under its disposal contract. On April 30, 2008, NGS submitted an application to renew the NSL, which is scheduled to expire on June 30, 2008.

The proposed NSL is a renewal of an existing license. The NSL moratorium set forth in Metro Code Section 5.05.035(h) does not apply.

## ANALYSIS/INFORMATION

### 1. Known Opposition

There is no known opposition to issuance of the proposed non-system license.

### 2. Legal Antecedents

Section 5.05.035(c) of the Metro Code provides that, when determining whether or not to approve an NSL application, the Council shall consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The proposed disposal site is a transfer station rather than a landfill and thus does not pose the same potential environmental risk from wastes delivered from prior users. NTRC began operations in 1985.



The site was previously a filbert orchard. Staff is not aware of any wastes accepted at NTRC that could pose a risk of environmental contamination.

Ultimate disposal will be at the Riverbend Landfill. The Riverbend Landfill first came into use during the mid-eighties. When Riverbend became a Subtitle D landfill in 1993, the original unlined cells were capped. Since 1993, the landfill has been filling only lined cells and operating with the environmental controls required by the Oregon Department of Environmental Quality (DEQ). To staff's knowledge, the landfill has no known history of landfilling wastes that pose a future risk of environmental contamination.

- (2) *The record of regulatory compliance of the non-system facility's owner and operator with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

NTRC is regulated by both the DEQ and Yamhill County and NGS is regulated by the City of Sherwood. To staff's knowledge, NGS and NTRC have good compliance records with all applicable requirements and there are no pending enforcement actions associated with either operation.

The Riverbend Landfill is permitted by the DEQ. The DEQ considers the landfill to be a well-run facility that is in compliance with federal, state and local requirements. To staff's knowledge, the facility has a good compliance record with public health, safety and environmental rules and regulations.

- (3) *The adequacy of operational practices and management controls at the non-system facility;*

Metro and DEQ staff considers the operational practices and management controls in place at NTRC to be adequate and consistent with other similar facilities. The Riverbend Landfill uses operational practices and management controls that are typical of Subtitle D landfills and considered by the DEQ to be adequate for the protection of health, safety, and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The applicant has applied to deliver 160 tons annually of putrescible waste from its residential and commercial collection routes within the City of Sherwood to NTRC. The proposed license covers only putrescible waste, which has little recovery or recycling potential.

- (5) *The consistency of the designation with Metro's existing contractual arrangements;*

The waste subject to the proposed license will be delivered to NTRC for the purpose of transfer to the Riverbend Landfill. The Riverbend Landfill is a Waste Management facility. Thus, under Metro's existing disposal agreement that has been in force since 1999, waste delivered under the proposed license is included as waste delivered to Metro's contract operator for purposes of Metro's disposal contract. Approval of the requested license will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The record of the applicant regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

The applicant operates both a waste hauling company, which has previously operated entirely outside the Metro boundary, and an out-of-region transfer station. The applicant has a good record regarding compliance with Metro regulations.

The applicant is regulated by both the DEQ and Yamhill County (for the transfer station) and by the City of Sherwood (for the hauling company). To staff's knowledge, the applicant has a good compliance record with all applicable federal, state, and local requirements.

- (7) *Such other factors as the Chief Operating Officer deems appropriate for purposes of making such determination.*

The majority of the applicant's hauling accounts lie outside the Metro region. In order to route its trucks efficiently, its trucks must cross the Metro jurisdictional boundary and co-mingle in-Metro waste with out-of-Metro waste. In order to determine the appropriate fees and taxes owed to Metro, NGS and Metro have mutually agreed to an estimation method whereby the NGS multiplies the number of in-Metro cans and carts by the average weight of the same size containers as determined by quarterly weight studies used to allocate disposal costs between other jurisdictions where NGS operates. Staff finds this to be a reasonable and verifiable procedure.

### **3. Anticipated Effects**

The effect of Resolution No. 08-3951 will be to issue an NSL to NGS to deliver up to 160 tons per fiscal year of putrescible waste to the NTRC for the purpose of transfer to the Riverbend Landfill for disposal.

### **4. Budget Impacts**

The regional system fee and excise tax will continue to be collected on in-Metro waste delivered to NTRC under authority of the proposed NSL. This is a renewal for the same amount of tonnage as presently authorized. Thus no budget impact is anticipated.

As stipulated in the existing NSL, the proposed license requires the licensee to send a monthly e-mail to both Metro and Riverbend Landfill to report the amount of in-Metro tonnage delivered to the landfill during the previous month. This monthly report is required so that the amount of such tonnage can be incorporated into the formula for proper calculation of Metro's disposal rate under its contract with Oregon Waste Systems, Inc. This license requirement is intended to assist the landfill distinguish the difference between the in-Metro tonnage it receives from the licensee (via the NTRC) from that of the out-of-Metro waste it receives from the same facility.

## **RECOMMENDED ACTION**

The Chief Operating Officer recommends approval of Resolution No. 08-3951, finding that the proposed license satisfies the requirements of Metro Code Section 5.05.035, and renewal of an NSL substantially similar to the proposed NSL attached to the resolution as Exhibit A.

M:\rem\od\projects\Legislation\2008\083951 Newberg stf rpt.doc

Agenda Item Number 5.3

**Resolution No. 08-3955**, For the Purpose of Accepting the May 20,  
2008 Primary Election Abstract of Votes for Metro.

*Consent Agenda*

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ACCEPTING THE ) RESOLUTION NO. 08-3955  
MAY 20, 2008 PRIMARY ELECTION )  
ABSTRACT OF VOTES FOR METRO ) Introduced by Council President David Bragdon

WHEREAS, a Primary Election was held in the State of Oregon on May 20, 2008 (Primary Election);

WHEREAS, pursuant to ORS 268, the following nominees for Metro appeared on the Primary Election in accordance with ORS Chapter 249:

1. Metro Councilor, Subdistrict 2;
2. Metro Councilor, Subdistrict 3;
3. Metro Councilor, Subdistrict 5; and
4. Metro Councilor, Subdistrict 6;

WHEREAS, ORS 255.295 requires that the Director of Elections of the Multnomah County Elections Division, determines the results of the Primary Election for the Multnomah, Clackamas and Washington Counties (Metro Area) and notify Metro of an official abstract of votes of the Primary Election (Abstract of Votes) for the Metro Area;

WHEREAS, Metro Code Title IX Elections, Chapter 9.01, requires Metro to accept the results of the Abstract of Votes of the Primary Election; and

WHEREAS, the Abstract of Votes and regional results of the Primary Election for the Metro Area were received by the Metro Council, attached hereto and made a part hereof as Exhibit A; now therefore

BE IT RESOLVED:

1. That the Metro Council hereby accepts the results of the Abstract of Votes for the May 20, 2008 Primary Election;
2. That the voters of the Metro Area, Subdistrict 2, have elected Carlotta Collette for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 3, 2011;
3. That the voters of the Metro Area, Subdistrict 3, have elected Carl Hosticka for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013;
4. That the voters of the Metro Area, Subdistrict 5, have elected Rex Burkholder for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013; and

5. That the voters of the Metro Area, Subdistrict 6, have elected Robert Liberty for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013.

ADOPTED by the Metro Council this \_\_\_\_\_ day of June 2008.

---

David Bragdon, Council President

Approved as to Form:

---

Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Resolution No. 08-3955**  
**Regional Results and Certified Copies of**  
**Abstract of Votes for the Metro Area**  
**May 20, 2008 Primary Election**

Metro Councilor, 2nd District DISTRICT 2

Vote For 1

01 = Everett Hall

02 = Carlotta Collette

03 = WRITE-IN

VOTES PERCENT

VOTES PERCENT

984 20.18  
3,837 78.71  
54 1.11

04 = OVER VOTES  
05 = UNDER VOTES

4  
4,147

	01	02	03	04	05
0156 156	8	18	0	0	26
1183	1	8	1	0	8
1211	106	531	11	0	509
1213	194	965	14	0	1068
1222	324	1330	19	2	1307
1238	104	236	5	1	317
1400	141	475	2	1	582
1546	106	274	2	0	330

Certificate

I certify that the votes recorded on this  
abstract correctly summarize the tally of  
votes cast at the election indicated.

*Tim Scott*

Tim Scott, Director of Elections  
Multnomah County, Oregon

RUN DATE:06/09/08 12:29 PM

REPORT-EL52 PAGE 0165

VOTES PERCENT

VOTES PERCENT

Metro Councilor, 5th District DISTRICT 5

Vote For 1

01 = Rex Burkholder

02 = WRITE-IN

41,768 98.17  
780 1.8303 = OVER VOTES  
04 = UNDER VOTES8  
50,556

	01	02	03	04
0158 158	27	0	0	35
1002	257	8	0	338
1013	1464	20	0	1813
1025	1006	24	0	1411
1045	88	0	0	115
1053	1220	24	1	1598
1103	1040	24	0	1255
1156	519	8	0	607
1240	79	2	0	116
1315	1203	15	0	1291
1321	775	7	0	1074
1500	165	4	0	197
1504	12	3	0	34
1507	89	1	0	135
1515	26	0	0	17
2002	1142	22	0	1200
2026	1324	32	0	1401
2029	1127	19	1	1328
2077	1186	25	0	1390
2086	1187	22	0	1487
2099	1001	25	0	1310
2100	1356	31	0	1567
2114	1108	18	1	1501
2143	745	12	0	887
3000	680	13	0	843
3002	1135	13	0	1410
3004	905	29	0	1182
3008	1427	22	0	1712
3058	1205	22	1	1667
3097	1285	36	0	1685
3113	1360	13	0	1498
3128	1423	21	0	1617
3144	1145	15	0	1263
3151	1116	26	0	1400
3177	1263	21	0	1525
3185	658	13	1	909
3193	1316	23	1	1596
3253	1432	32	0	1467
3259	1401	26	0	1396
3274	1017	18	0	1370
3290	1248	13	0	1446
3297	630	12	1	789
4022	965	31	0	1277
4027	1046	16	0	1314
4049	1	0	0	0
4106	964	19	1	1083

## Certificate

I certify that the votes recorded on this  
abstract correctly summarize the tally of  
votes cast at the election indicated.



Tim Scott, Director of Elections  
Multnomah County, Oregon



RUN DATE:06/09/08 12:29 PM

REPORT-EL52 PAGE 0166

## Metro Councilor, 6th District DISTRICT 6

Vote For 1

01 = Cole Miller

02 = Robert Liberty

03 = WRITE-IN

VOTES PERCENT

11,666	25.54
33,500	73.34
510	1.12

04 = OVER VOTES  
05 = UNDER VOTES

VOTES PERCENT

43
37,180

	01	02	03	04	05
0548 548	1	8	0	0	5
0601 601	0	0	0	0	0
1156	109	524	7	0	568
1170	291	1292	9	3	1377
1183	208	812	8	2	866
1205	343	1102	16	2	1298
1211	23	159	5	0	148
1224	250	1108	10	1	1124
1226	188	679	5	0	774
1230	354	1140	10	0	1441
1238	136	362	3	1	433
1240	96	454	4	0	480
1245	438	1227	18	3	1660
1315	3	20	0	0	27
1515	104	314	2	0	328
3240	434	1088	18	2	1298
3248	247	775	9	0	986
3327	190	394	10	0	510
3329	93	170	3	0	246
4041	287	1506	25	2	1280
4049	308	1348	21	0	1228
4065	296	1284	16	0	1080
4106	3	8	0	0	20
4111	303	1154	13	0	1165
4125	361	604	16	1	793
4131	259	860	18	0	868
4155	311	943	11	3	1105
4167	323	1368	22	3	1230
4178	295	600	12	0	770
4185	249	592	16	2	706
4202	357	703	14	1	804
4216	132	214	13	1	254
4242	380	975	9	1	1042
4250	249	778	9	3	870
4254	302	889	16	1	929
4282	243	1123	16	1	1277
4295	282	1367	12	0	1231
4299	443	762	22	3	989
4320	207	474	7	0	561
4333	444	627	13	1	877
4339	372	619	9	0	737
4340	204	357	9	0	456
4344	245	346	4	0	544
4345	304	508	12	1	691
4360 4359	301	395	16	1	474
4362	306	407	8	2	551
4363	392	1061	14	2	1079

## Certificate

I certify that the votes recorded on this abstract correctly summarize the tally of votes cast at the election indicated.



Tim Scott, Director of Elections  
Multnomah County, Oregon

NUMBERED KEY CANVASS

Washington County  
Nominating Primary Election  
May 20, 2008  
NonPartisan

Official Final

RUN DATE:06/09/08 08:34 AM

REPORT-EL52

PAGE 0744

VOTES PERCENT

VOTES PERCENT

Metro Councilor Dist 3

Vote for 1

01 = Carl Hosticka

02 = WRITE-IN

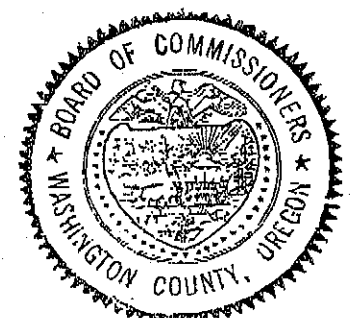
31,165 98.88  
352 1.12

03 = OVER VOTES  
04 = UNDER VOTES

1  
31,224

	01	02	03	04
0348 348 LAKE OSWEGO	23	0	0	29
0349 349 DIVISION STREET	564	6	0	512
0350 350 FIR GROVE	1102	6	0	1191
0352 352 BEAVERTON-CENTER	177	6	0	136
0353 353 WALKER ROAD-SOUTH	431	7	0	374
0354 354 CHEHALEM SCHOOL	1012	11	0	1094
0366 366 WEST TUALATIN VIEW	6	0	0	9
0379 379 HALL BLVD	955	8	0	965
0380 380 HIGHLAND PARK	690	6	0	683
0381 381 BEAVERTON/CENTER ST	614	9	0	547
0382 382 GREENWAY	811	11	0	757
0383 383 BEAVERTON-HILLSDALE	419	5	0	439
0384 384 GARDEN HOME	688	5	0	706
0385 385 PORTLAND GOLF CLUB	841	6	0	958
0386 386 RALEIGH PARK	973	12	0	1204
0388 388 WHITFORD	53	0	0	29
0389 389 SEXTON MOUNTAIN	884	6	0	981
0390 390 SOUTHRIDGE	1019	16	0	1014
0391 391 PORTLAND CITY	67	3	0	71
0392 392 PORTLAND CITY COM 2	69	1	0	54
0393 393 MONTCLAIR	190	3	0	182
0395 395 MURRAY HILL	601	3	0	640
0396 396 DURHAM	216	2	0	188
0397 397 BULL MOUNTAIN	633	9	0	682
0398 398 COOPER MOUNTAIN	157	2	0	235
0399 399 METZGER	535	8	0	532
0400 400 WASHINGTON SQUARE	612	9	0	680
0401 401 MAYO STREET	468	7	0	561
0402 402 TIGARD/WALNUT ST	255	4	0	231
0403 403 TIGARD/GARDE ST	962	9	0	988
0404 404 FOWLER SCHOOL	622	2	0	625
0405 405 TWALITY SCHOOL	1019	5	0	979
0406 406 TIGARD CITY HALL	798	9	0	706
0408 408 SUMMERFIELD	1423	9	0	1299
0409 409 SUMMERLAKE-WEST	606	6	0	514
0410 410 BEEF BEND RD	334	7	0	420
0411 411 SCHOLLS HEIGHTS	469	6	0	482
0412 412 COOPER MT SCHOOL	439	10	0	519
0413 413 FISCHER/PACIFIC HWY	118	1	0	118
0414 414 BARROWS RD	264	1	0	262
0415 415 BEEF BEND/131ST	160	3	0	164
0416 416 SUMMERLAKE-EAST	400	3	0	362
0417 417 ELDORADO	369	8	0	351
0418 418 HART ROAD	108	1	0	58
0419 419 KING CITY	727	1	1	591
0420 420 TUALATIN CITY	802	14	0	754
0421 421 TRI-CITIES	7	0	0	5
0423 423 TUALATIN-NORTH	616	10	0	606
0424 424 CENTRAL SHERWOOD CITY	927	7	0	821
0425 425 SHERWOOD-UNINCORP	17	0	0	24
0426 426 GRONER	23	0	0	28
0427 427 SCHOLLS	0	0	0	0
0428 428 TUALATIN-WEST	326	4	0	284
0429 429 MILLER HILL	393	11	0	473

Exhibit A-4 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election



NUMBERED KEY CANVASS

Washington County  
Nominating Primary Election  
May 20, 2008  
NonPartisan

Official Final

RUN DATE:06/09/08 08:34 AM

REPORT-EL52 PAGE 0745

VOTES PERCENT

VOTES PERCENT

Metro Councilor Dist 3

Vote for 1

01 = Carl Hosticka

02 = WRITE-IN

31,165 98.88  
352 1.12

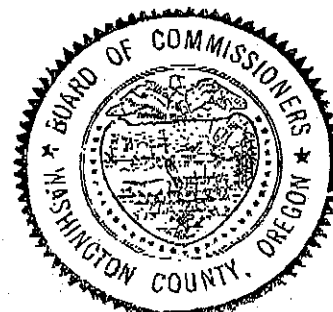
03 = OVER VOTES  
04 = UNDER VOTES

1  
31,224

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04
0432 432 WILSONVILLE	51	0	0	44
0433 433 ED BYRON SCHOOL	515	8	0	563
0434 434 ERROL HASSELL	793	10	0	857
0435 435 SE SHERWOOD CITY	799	8	0	768
0436 436 TUALATIN CITY	440	4	0	398
0437 437 HAZELBROOK	15	0	0	17
0438 438 SE COUNTY	132	3	0	116
0441 441 PORTLAND CITY SOUTH	14	1	0	14
0442 442 KEMMER RD	191	3	0	217
0443 443 MCEWAN RD	0	0	0	2
0445 445 SCHOLLS HTS N	139	2	0	140
0446 446 LOMBARD	384	4	0	288
0448 448 CEDAR HILLS	92	2	0	76
0449 449 CANYON/217	7	1	0	12
0451 451 GRABHORN	152	2	0	120
0454 454 BULL MT SPLIT	70	0	0	77
0455 455 S TIGARD/PACIFIC HWY	2	0	0	5
0457 457 NW SHERWOOD CITY	375	6	0	393

Exhibit A-5 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election



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FROM-WASHINGTON COUNTY ELECTIONS

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F-965

NUMBERED KEY CANVASS

Washington County  
Nominating Primary Election  
May 20, 2008  
NonPartisan

Official Final

REPORT-EL52

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RUN DATE:06/09/08 08:34 AM

VOTES PERCENT

VOTES PERCENT

Metro Councilor Dist 5

Vote for 1

01 = Rex Burkholder

02 = WRITE-IN

52 100.00

0

03 = OVER VOTES

04 = UNDER VOTES

0

80

01 02 03 04

52 0 0 80

0375 375 PORTLAND CITY

Exhibit A-6 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election



## Councilor, District No. 2 METRO, DISTRICT 2

VOTES PERCENT

VOTES PERCENT

Vote For 1

01 = Everett Hall

11,829 29.60

02 = Carlotta Collette

27,993 70.04

03 = WRITE-IN

146 .37

04 = OVER VOTES

16

05 = UNDER VOTES

26,074

	01	02	03	04	05
0001 1	129	283	4	0	243
0002 2	141	313	1	0	252
0003 3	148	209	2	0	192
0005 5	115	222	1	0	188
0006 6	128	266	2	0	234
0007 7	280	497	1	0	503
0008 8	262	453	5	1	439
0009 9	170	264	1	0	292
0011 11	228	357	2	0	353
0012 12	267	465	4	0	504
0031 31	67	120	0	0	90
0032 32	72	103	2	0	89
0033 33	166	281	2	0	293
0034 34	181	294	1	0	340
0038 38	99	208	0	0	186
0039 39	179	321	6	0	251
0051 51	121	395	2	1	278
0053 53	84	294	1	0	171
0054 54	105	245	2	0	155
0056 56	94	263	2	0	136
0057 57	156	320	2	0	255
0058 58	100	248	4	0	164
0060 60	134	352	0	0	243
0062 62	144	325	2	0	229
0063 63	122	288	2	1	200
0064 64	117	289	2	0	213
0090 90	0	1	0	0	2
0091 91	16	38	0	0	58
0092 92	10	28	0	0	13
0093 93	16	39	0	0	28
0095 95	0	3	0	0	3
0098 98	0	0	0	0	0
0130 130	256	533	2	0	626
0131 131	227	536	1	1	601
0132 132	188	451	3	0	511
0134 134	147	470	2	0	506
0135 135	106	336	1	1	342
0136 136	118	355	1	0	335
0138 138	134	458	0	0	487
0139 139	164	419	0	0	440
0140 140	59	233	1	0	212
0151 151	96	409	1	0	457
0152 152	71	293	1	0	330
0153 153	128	426	1	0	451
0154 154	118	418	1	1	439
0155 155	134	563	2	0	604
0157 157	67	214	0	0	270
0158 158	98	361	1	0	372
0159 159	102	339	2	0	407
0160 160	98	348	3	1	404
0162 162	131	451	3	0	490
0163 163	125	474	2	0	484
0164 164	89	330	0	0	315
0165 165	109	369	0	1	405

	01	02	03	04	05
0001 1	129	283	4	0	243
0002 2	141	313	1	0	252
0003 3	148	209	2	0	192
0005 5	115	222	1	0	188
0006 6	128	266	2	0	234
0007 7	280	497	1	0	503
0008 8	262	453	5	1	439
0009 9	170	264	1	0	292
0011 11	228	357	2	0	353
0012 12	267	465	4	0	504
0031 31	67	120	0	0	90
0032 32	72	103	2	0	89
0033 33	166	281	2	0	293
0034 34	181	294	1	0	340
0038 38	99	208	0	0	186
0039 39	179	321	6	0	251
0051 51	121	395	2	1	278
0053 53	84	294	1	0	171
0054 54	105	245	2	0	155
0056 56	94	263	2	0	136
0057 57	156	320	2	0	255
0058 58	100	248	4	0	164
0060 60	134	352	0	0	243
0062 62	144	325	2	0	229
0063 63	122	288	2	1	200
0064 64	117	289	2	0	213
0090 90	0	1	0	0	2
0091 91	16	38	0	0	58
0092 92	10	28	0	0	13
0093 93	16	39	0	0	28
0095 95	0	3	0	0	3
0098 98	0	0	0	0	0
0130 130	256	533	2	0	626
0131 131	227	536	1	1	601
0132 132	188	451	3	0	511
0134 134	147	470	2	0	506
0135 135	106	336	1	1	342
0136 136	118	355	1	0	335
0138 138	134	458	0	0	487
0139 139	164	419	0	0	440
0140 140	59	233	1	0	212
0151 151	96	409	1	0	457
0152 152	71	293	1	0	330
0153 153	128	426	1	0	451
0154 154	118	418	1	1	439
0155 155	134	563	2	0	604
0157 157	67	214	0	0	270
0158 158	98	361	1	0	372
0159 159	102	339	2	0	407
0160 160	98	348	3	1	404
0162 162	131	451	3	0	490
0163 163	125	474	2	0	484
0164 164	89	330	0	0	315
0165 165	109	369	0	1	405

NUMBERED KEY CANVASS

RUN DATE:06/06/08 03:12 PM

Primary Election  
Clackamas County, Oregon  
May 20, 2008

REPORT-EL52 PAGE 0132

Councilor, District No. 2 METRO, DISTRICT 2

Vote For 1

01 = Everett Hall

02 = Carlotta Collette

03 = WRITE-IN

VOTES PERCENT

11,829 29.60

27,993 70.04

146 .37

04 = OVER VOTES

05 = UNDER VOTES

VOTES PERCENT

16

26,074

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04	05
0166 166	126	373	1	0	409
0167 167	115	397	0	0	361
0169 169	67	191	0	0	248
0170 170	0	5	0	0	7
0171 171	1	8	0	0	12
0251 251	0	0	0	0	0
0300 300	62	245	4	0	169
0301 301	83	202	2	0	177
0302 302	62	166	0	1	135
0303 303	33	114	1	0	97
0305 305	3	16	0	0	20
0306 306	13	39	1	0	33
0313 313	42	141	0	0	166
0326 326	71	232	2	0	215
0327 327	5	16	0	0	12
0328 328	7	12	0	0	23
0411 411	141	320	3	1	305
0412 412	186	305	2	0	376
0413 413	74	159	2	0	139
0414 414	151	296	1	0	279
0441 441	45	74	0	0	53
0442 442	167	245	0	0	254
0445 445	50	142	2	0	126
0451 451	82	164	0	1	146
0452 452	49	102	0	0	75
0453 453	181	316	2	1	250
0454 454	190	388	2	0	380
0475 475	191	334	2	0	342
0478 478	42	79	0	0	56
0480 480	110	210	1	0	186
0481 481	244	517	2	2	355
0491 491	52	96	1	0	68
0503 503	143	313	3	0	260
0505 505	129	297	2	0	258
0506 506	85	185	0	0	154
0507 507	100	257	3	0	212
0521 521	106	274	2	0	216
0522 522	41	178	0	0	123
0523 523	20	72	0	0	65
0525 525	159	257	7	1	249
0526 526	146	305	2	0	244
0530 530	143	296	1	0	290
0531 531	144	288	1	0	210
0532 532	93	189	1	0	165
0533 533	110	234	0	0	193
0538 538	97	210	0	0	166
0549 549	107	232	0	0	170
0550 550	203	354	2	0	296
0551 551	116	289	2	0	226
0552 552	134	264	3	0	243
0553 553	42	126	1	0	58
0555 555	173	433	3	0	353
0560 560	105	153	0	0	135
0561 561	15	16	0	0	16

Exhibit A-8 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election

NUMBERED KEY CANVASS

Primary Election  
Clackamas County, Oregon  
May 20, 2008

RUN DATE:06/06/08 03:12 PM

REPORT-EL52 PAGE 0133

Councilor, District No. 2 METRO, DISTRICT 2

VOTES PERCENT

VOTES PERCENT

Vote For 1

01 = Everett Hall

11,829 29.60

02 = Carlotta Collette

27,993 70.04

03 = WRITE-IN

146 .37

04 = OVER VOTES

16

05 = UNDER VOTES

26,074

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04	05
0562 562	0	0	0	0	2
0563 563	125	241	1	1	169
0565 565	2	0	0	0	0
0568 568	29	43	0	0	36
0587 587	1	13	0	0	6

Exhibit A-9 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election

CERTIFIED COPY OF THE ORIGINAL  
SHERRY HALL, COUNTY CLERK  
BY: *Sherry Hall*  
JUN 09 2008

NUMBERED KEY CANVASS

Primary Election  
Clackamas County, Oregon  
May 20, 2008

RUN DATE:06/06/08 03:12 PM

REPORT-EL52 PAGE 0134

VOTES PERCENT

VOTES PERCENT

Councilor, District No. 3 METRO, DISTRICT 3

Vote For 1

01 = Carl Hosticka

02 = WRITE-IN

3,580 99.31  
25 .69

03 = OVER VOTES

04 = UNDER VOTES

0

2,998

	01	02	03	04
0201 201	395	4	0	314
0202 202	457	2	0	378
0203 203	535	0	0	375
0204 204	396	4	0	241
0205 205	306	2	0	258
0206 206	548	7	0	466
0252 252	435	3	0	419
0303 303	131	1	0	106
0326 326	20	0	0	28
0327 327	356	2	0	408
0337 337	1	0	0	5

Exhibit A-10 of 10 - Reso. 08-3955  
Regional Results & Certified  
Copies of Abstract of Votes-Metro  
Area 5-20-08 Primary Election

CERTIFIED COPY OF THE ORIGINAL  
SHERRY HALL, COUNTY CLERK  
BY: *Sherry Hall*  
JUN 09 2008



## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 08-3955, FOR THE PURPOSE OF ACCEPTING THE MAY 20, 2008 PRIMARY ELECTION ABSTRACT OF VOTES FOR METRO

---

Date: June 11, 2008

Prepared by: Dan Cooper, Metro Attorney

## BACKGROUND

On May 20, 2008, a Primary Election was held in the State of Oregon. The following nonpartisan candidates appeared on the Primary Election ballot for the following positions for Metro:

1. Metro Councilor, Subdistrict 2;
2. Metro Councilor, Subdistrict 3;
3. Metro Councilor, Subdistrict 5; and
4. Metro Councilor, Subdistrict 6.

As required by the State of Oregon Law, ORS 268 and ORS 249, ORS 255.295 requires that the Multnomah County Elections Division notify Metro of the official Abstract of Votes. Metro Code Title IX Elections requires Metro to accept the results of the official Abstract of Votes for the Metro Area encompassing the Counties of Multnomah, Clackamas and Washington, State of Oregon.

## ANALYSIS/INFORMATION

1. **Known Opposition:** None.
2. **Legal Antecedents:** ORS 268, ORS 249; ORS 255.295; Metro Charter; and Metro Code Title IX.
3. **Anticipated Effects:**
  - A. That the Metro Council hereby accepts the results of the Abstract of Votes for the May 20, 2008 Primary Election;
  - B. That the voters of the Metro Area, Subdistrict 2, have elected Carlotta Collette for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 3, 2011;
  - C. That the voters of the Metro Area, Subdistrict 3, have elected Carl Hosticka for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013;
  - D. That the voters of the Metro Area, Subdistrict 5, have elected Rex Burkholder for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013; and

- E. That the voters of the Metro Area, Subdistrict 6, have elected Robert Liberty for the position of Metro Councilor for a term commencing on January 5, 2009 and ending on January 7, 2013.

**4. Budget Impacts:** None.

**RECOMMENDED ACTION**

Council President David Bragdon and the Metro Council recommend the adoption of Resolution No. 08-3955.

Agenda Item Number 5.4

**Resolution No. 08-3952**, For the Purpose of Approving the Allocation of 2008-11 Metropolitan Transportation Improvement Program to the Portal Archived Data User Services project and amending the 2008-09 Unified Planning Work Program.

*Consent Agenda*

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING	)	RESOLUTION NO. 08-3952
THE ALLOCATION OF 2008-11	)	
METROPOLITAN TRANSPORTATION	)	Introduced by Rex Burkholder
IMPROVEMENT PROGRAM TO THE		
PORTAL ARCHIVED DATA USER		
SERVICES PROJECT AND AMENDING		
THE 2008-09 UNIFIED PLANNING		
WORK PROGRAM		

WHEREAS, the Metropolitan Transportation Improvement Program (MTIP) prioritizes projects to receive transportation-related funding and the Unified Planning Work Program (UPWP) includes transportation planning activities of Metro and other area governments involved in transportation planning activities; and

WHEREAS, the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council must approve the MTIP and the UPWP and any subsequent amendments to allocate funding to projects; and

WHEREAS, the JPACT and Metro Council approved the 2008-11 MTIP on August 16, 2007 and the 2008-09 UPWP on April 17, 2008; and

WHEREAS, the 2008-11 MTIP established a \$3,000,000 program fund for Intelligent Transportation System (ITS) projects and conditioned the allocation on project recommendations by TransPort Subcommittee to the Transportation Policy Alternatives Committee (TPAC); and

WHEREAS, TPAC supports the recommendation of the TransPort Subcommittee to the TPAC to allocate \$203,000 to the PORTAL Archived User Data Service project to fund database management and enhancements; and

WHEREAS, JPACT approved Resolution No. 08-3952 at the June 12, 2008 meeting; and

WHEREAS, this allocation of \$203,000 is not included in the 2008-11 MTIP and the 2008-09 UPWP Regional Mobility Program budget summary; and

WHEREAS, this change to programming for this project is exempt by federal rule from the need for conformity determination with the State Implementation Plan for air quality; now therefore

BE IT RESOLVED that the Metro Council hereby adopts the recommendation of JPACT to approved the to allocation of \$203,000 from the ITS program, adopted in the 2008-11 Metropolitan Transportation Improvement Program, for the PORTAL Archived Data User Service project and amend the 2008-09 Unified Planning Work Program.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

---

David Bragdon, Council President

Approved as to Form:

---

Daniel B. Cooper, Metro Attorney

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 08-3952, FOR THE PURPOSE OF APPROVING THE ALLOCATION OF 2008-11 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM TO THE PORTAL ARCHIVED DATA USER SERVICES PROJECT AND AMENDING THE 2008-09 UNIFIED PLANNING WORK PROGRAM

---

Date: June 12, 2008

Prepared by: Deena Platman

#### BACKGROUND

In the 2010-2011 MTIP, JPACT and Metro Council identified \$3 million in new programmatic funding for Intelligent Transportation System (ITS) projects. The program funds were conditioned on the TransPort Subcommittee of TPAC making a recommendation on the allocation of these funds to TPAC, JPACT, and Metro Council. Further, TransPort recommendation was required to consider the following items:

- Consistency with National ITS architecture and Standards;
- First consideration to a project of similar scope to the Tualatin-Sherwood Road ATMS: I-5 to 99W;
- Consideration to projects defined in the Clackamas County ITS application
- Developed through a Regional Concept of Transportation Operations process or as part of an opportunity fund for supportive infrastructure or spot improvements
- Evaluated in the context of a regional strategy for use of programmatic ITS funding.

To meet the conditions for allocation of ITS programmatic funds, Metro sought and received a 2007-09 Transportation and Growth Management (TGM) grant to develop the Regional Transportation System Management and Operations (TSMO) Refinement Plan, which will result in the allocation of 2010-11 MTIP funds programmed for ITS and establish priorities for future funding. A comprehensive recommendation is expected by fall of 2009.

In advance of the a 2009 Regional TSMO Refinement Plan, TransPort is recommending allocation of \$203,000 from the ITS program fund to respond to the immediate need to support the PORTAL Archived Data User Service, hosted and managed by the Oregon Transportation Research and Education Consortium (OTREC) at Portland State University.

The memo in Attachment 1 provides a more detailed description of PORTAL, its services, and value to the region. It also describes how MTIP funding would be used. In summary, the regional partners and OTREC have made a significant investment in the development of a regional data archive. To date, the on-going management of PORTAL has been supported by a grant from the National Science Foundation (NSF). With the NSF funding now depleted, PORTAL no longer has a funding source and is not being supported or maintained. This allocation would support .5 FTE for an OTREC professional data manager and two graduate students, who will manage and enhance PORTAL.

The \$203,000 MTIP allocation would provide bridge funding for two years until the Regional TSMO Refinement Plan has been completed and a long-term strategy to support PORTAL has been determined. The requested allocation is consistent with the program considerations listed above.

The 2008-09 Unified Planning Work Program (UPWP) includes two objectives for improvements to the regional data archive under the Regional Mobility Program. This amendment provides additional funding consistent with the UPWP

## **ANALYSIS/INFORMATION**

1. **Known Opposition** There is no known opposition to the proposal.
2. **Legal Antecedents** Amends the 2008-11 Metropolitan Transportation Improvement Program adopted by Metro Council Resolution 07-3825 on August 16, 2007 (For the Purpose of Approving the 2008-11 Metropolitan Transportation Improvement Program for the Portland Metropolitan Area). Amends the 2008-09 Unified Planning Work Program adopted by Metro Council Resolution 08-3929 on April 17, 2008 (For the Purpose of Approving the 2008-09 Unified Planning Work Program for the Transportation Planning in the Portland/Vancouver Metropolitan Area).
3. **Anticipated Effects** Adoption of this resolution will allocate federal transportation funding for the maintenance and enhancement of PORTAL, the regional data archive service.
4. **Budget Impacts** None

## **RECOMMENDED ACTION**

Metro Staff recommends the approval of Resolution No. 08-3952.

# M E M O R A N D U M

600 NORTHEAST GRAND AVENUE PORTLAND, OREGON 97232 2736  
TEL 503 797 1700 FAX 503 797 1794



DATE: June 12, 2008  
TO: Metro Council and Interested Parties  
FROM: Deena Platman, Metro  
TransPort Subcommittee of TPAC  
SUBJECT: MTIP Allocation for PORTAL Archived Data User Service

\*\*\*\*\*

## Action

Approve Resolution 08-3952, for the purpose of amending the 2008-11 Metropolitan Transportation Improvement Program (MTIP) and the 2008-09 Unified Planning Work Program to allocate Intelligent Transportation System program funds to the PORTAL Archived Data User Service project.

## Background

PORTAL is the official Archived Data User Service (ADUS) for the Portland Metropolitan region as specified in the Regional ITS Architecture. Located at Portland State University (PSU), PORTAL provides a centralized, electronic database that facilitates the collection, archiving, and sharing of information/data for public agencies within the region. The data stored in PORTAL includes loop detector data from freeways in the Portland metropolitan region, weather data, incident data, VMS message data, truck volumes, and a large sample of bus Automatic Vehicle Location (AVL) data. PORTAL receives 20-second volume, occupancy and count data for Portland-area freeways from ODOT in real-time. This data has been archived since July 2004 and the retrieval and archiving process is fully automated. Weather data is retrieved from HYDRA and METAR as available and is archived automatically. The incident and VMS data archival process is semi-automated; incident information from July 1999 through December 2007 is archived as well as VMS messages from 2006 and 2007.

The creation of the PORTAL data archive was supported by a \$500,000 CAREER grant to Dr. Robert Bertini from the National Science Foundation (NSF). This investment has created a data archive and web interface to the archive. In addition, FHWA (through ODOT) has supported the purchase of hard disc storage, the region has invested in the development of the communications network to support the electronic transfer of data, and TransPort has previously helped select some particular enhancements (e.g. incident data and bottleneck analysis) to be funded through a 2005 ITS Integration earmark.

The PORTAL data archive is a valuable resource for both researchers and practitioners. The availability of the PORTAL archive has made research projects such as the System-Wide Adaptive Ramp Metering (SWARM) evaluation, development of arterial performance measures, and freeway travel time evaluations and improvements possible. Most recently, PORTAL provided data to support development of the Columbia River Crossing DEIS, 2035 Regional Transportation Plan, and the Regional Freight and Goods Movement Plan. Finally, PORTAL, and related research projects at PSU, increase the visibility of the Portland region and provide good "marketing" for local agencies. Looking ahead, PORTAL will be a necessary tool for implementing the region's Congestion Management Process and provide valuable



information to the development of transportation system plans, corridor planning, and system management and operations.

### **Current Status**

The NSF funding that has supported the development and maintenance of PORTAL recently concluded. While ODOT data continues to be automatically retrieved and archived, PSU can no longer provide the oversight to ensure the quality of the data nor will there be any enhancements to PORTAL. It simply withers.

PORTAL needs a sustainable source of funding to both survive and flourish as the region's data archive. The upcoming Regional Transportation System Management and Operations (TSMO) Refinement Plan process will work towards a long-term strategy for PORTAL and the region's data archive needs. The plan will be completed by Fall 2009. In the interim, a source of funding is necessary to sustain PORTAL until the TSMO Refinement Plan is completed.

### **Funding Recommendation**

TransPort, recognizing both the importance of a regional data archive service and the substantial investment to date in software development and communications infrastructure to support PORTAL, advocates for the regional financial support for on-going maintenance and enhancements.

In partnership with PSU, TransPort has developed a program and funding recommendation for PORTAL. The recommendation requests that Metro obligate \$203,000 of the \$3,000,000 in regional flexible funds allocated for the TSMO program in the 2010-11 MTIP for PORTAL. At their May 14, 2008 TransPort meeting, members approved the recommendation. TPAC unanimously approved the recommendation at their May 30, 2008 meeting.

The request would support one 0.5 FTE PSU professional staff and two graduate research assistants for a two-year period. The services provided to the region include:

- PORTAL System Maintenance - Handling of all software, hardware, and system upgrades that impact PORTAL.
- PORTAL Training and Support - Two group training sessions per year for regional agency partners. These sessions will also be used to obtain feedback on PORTAL.
- PORTAL Sustainability - In the first year, work will be required to improve the professionalism and maintainability of the PORTAL system including code maintenance, documentation, and testing.
- PORTAL Enhancements - To support its function as an active data archive, PORTAL will be enhanced with additional functionality. Possibilities include customized performance reports, incorporation of new data types. Enhancements to be determined by an advisory committee.

A PORTAL advisory committee will be established with input from TPAC and TransPort. The advisory committee will determine what features will be added to PORTAL each year. Advances in PORTAL will be communicated to the transportation community through presentations and publications. The advisory committee will also look into establishing a sustainable funding approach for the long-term management of the database.

As a condition of the TSMO program funding, TransPort's recommendation to TPAC, JPACT, and Metro Council on the allocation of these funds should consider a number of elements including:

- Consistency with National ITS architecture and Standards;
- First consideration to a project of similar scope to the Tualatin-Sherwood Road ATMS: I-5 to 99W;
- Consideration to projects defined in the Clackamas County ITS application

- Developed through a Regional Concept of Transportation Operations process or as part of an opportunity fund for supportive infrastructure or spot improvements
- Evaluated in the context of a regional strategy for use of programmatic ITS funding.

The recommendation to obligate MTIP funds for PORTAL is consistent with and/or supportive of the elements listed above. The National ITS Architecture as well as the Portland Regional ITS Architecture identified data archiving as a core user service. In addition, the Clackamas County ITS plan includes regional archived data management in its architecture. With enhancements, PORTAL will also be a valuable tool for archiving data and evaluating performance for ATMS corridors such as Tualatin-Sherwood Road. Although the recommendation to obligate funds comes in advance of the completion of Regional TSMO Refinement Plan, the Portland Regional ITS Architecture acknowledges the key role of PORTAL to provide “a centralized, electronic database that facilitates the collection, archiving, and sharing of information/data for public agencies within the region.” The data is used by many agencies for planning, design, safety, operations, and research; and with sustained investment can be made more robust into the future.

Agenda Item Number 5.5

**Resolution No. 08-3953**, Confirming the Reappointment of Members  
To the Natural Areas Program Performance Oversight Committee.

*Consent Agenda*

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

CONFIRMING THE REAPPOINTMENT OF	)	RESOLUTION NO. 08-3953
MEMBERS TO THE NATURAL AREAS PROGRAM	)	
PERFORMANCE OVERSIGHT COMMITTEE	)	Introduced by Council President Bragdon

WHEREAS, the Metro Code Chapter 2.19 establishes the Natural Areas Program Performance Oversight Committee (the "Committee"); and

WHEREAS, the initial one-year terms of seven of the Committee members expire June 30, 2008; and

WHEREAS, the Council President has reappointed these members for full two-year terms, as set forth in Exhibit "A" attached hereto; and

WHEREAS, the Council desires to confirm these reappointments; now, therefore,

BE IT RESOLVED, that the Metro Council confirms the reappointments to the Natural Areas Program Performance Oversight Committee as set forth in Exhibit "A" attached hereto.

ADOPTED by the Metro Council this \_\_\_\_\_ day of June 2008.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**Exhibit A to Resolution No. 08-3953**

**Natural Areas Program  
Performance Oversight Committee**

**Member Reappointments**

The following persons each are reappointed to serve a two-year term from July 1, 2008 until June 30, 2010, and shall be eligible thereafter to serve one additional two-year term:

David Pollock  
Helena Huang  
Anil Raj Krishnamurthy  
Segeni Mungai

Michelle Frank  
Don Jones  
Jacquenetie McIntire

## **STAFF REPORT**

### **RESOLUTION NO. 08-3953, CONFIRMING THE REAPPOINTMENT OF MEMBERS TO THE NATURAL AREAS PROGRAM PERFORMANCE OVERSIGHT COMMITTEE**

---

Date: June 26, 2008

Prepared by: Kathleen Brennan-Hunter

## **BACKGROUND**

The 2006 Natural Areas Bond Measure included a provision for the establishment of a citizen oversight committee in order to review and suggest improvements to the administration and implementation of the Natural Areas Program. This resolution confirms the reappointment of seven members who served on the Committee during the 2007-2008 fiscal year.

The purpose of the Committee is to provide the Metro Council and the citizens of the region outside third party review that will help Metro achieve the best results for clean water, fish and wildlife, and future generations. Specifically, the Committee will review program performance and report to the Metro Council regarding the program's progress in implementing the strategies, goals and objectives approved by the Metro Council for property acquisition and protection in each of the 27 target areas, as described in Council-approved refinement plans; local share projects; and Nature in Neighborhoods Capital Grants Program. In addition, the Committee may make recommendations regarding the Natural Areas Program Work Plan to improve program efficiency, administration and performance.

Members of the committee are drawn from all areas of the region and from a variety of technical and professional disciplines, including finance, auditing, accounting, real estate, banking, and law. Committee members share their technical and professional expertise to ensure that expenditure of the bond measure satisfies the requirements of the program.

Metro staff assist the committee as necessary. Staff perform such duties as making technical presentations and preparing reports to the committee; coordinating and staffing meetings; and preparing the committee's annual report.

The Natural Areas Program Performance Oversight Committee has met several times over the past year. They have divided the program into elements so that members may immerse in specific program areas to develop meaningful recommendations. Thus far they have led staff in development of a new regional acquisition performance measurement system and advised on the Capital Grants Program. They will be presenting a report in early Fall 2008.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

None.

2. **Legal Antecedents**

Metro Resolution No. 06-3672B, For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection, approved March 9, 2006

Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees.

Ordinance 07-1155 amending Metro code chapter 2.19 to establish the Natural Areas Program Performance Oversight Committee, and declaring an emergency, approved May 31, 2007

Resolution 07-3817 Confirming the Appointment of Members to the Natural Areas Program Performance Oversight Committee, approved May 31, 2007

3. **Anticipated Effects**

By approving Resolution No. 08-3953, the Metro Council will reappoint a committee as directed by the region's voters in November 2006. The expertise of the Committee will help ensure that the funds voters have authorized provide the greatest possible benefit to the region.

4. **Budget Impacts**

Staff time to staff the committee meetings and prepare reports.

**RECOMMENDED ACTION**

Michael J. Jordan, Chief Operating Officer, with the concurrence of David Bragdon, Council President, recommends adoption of Resolution 08-3953

Agenda Item Number 6.1

**Ordinance No. 08-1181B**, Adopting the Annual Budget For Fiscal Year  
2008-09 Making Appropriations, Levying Ad Valorem Taxes, and  
Declaring and Emergency

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber



BEFORE THE METRO COUNCIL

ADOPTING THE ANNUAL BUDGET FOR ) ORDINANCE NO. 08-1181B  
FISCAL YEAR 2008-09, MAKING )  
APPROPRIATIONS, LEVYING AD VALOREM ) Introduced by Michael Jordan, Chief  
TAXES, AND DECLARING AN EMERGENCY ) Operating Officer, with the concurrence of  
 ) Council President David Bragdon

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2008, and ending June 30, 2009; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Ordinance) and considered; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The "Fiscal Year 2008-09 Metro Budget," in the total amount of FOUR HUNDRED FIFTY EIGHT MILLION ONE HUNDRED EIGHTY SIX THOUSAND EIGHT HUNDRED FOURTY DOLLARS (\$458,186,840), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Ordinance, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operations and in the amount of THIRTY FIVE MILLION FOUR HUNDRED SIXTY FOUR THOUSAND ONE HUNDRED FIFTY ONE DOLLARS (\$35,464,151) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2008-09. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

	Subject to the General Government <u>Limitation</u>	Excluded from the <u>Limitation</u>
Operating Tax Rate Levy	\$0.0966/\$1,000	
General Obligation Bond Levy		\$35,464,151

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2008, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The General Renewal & Replacement Fund is hereby created for the purpose of accounting for renewal and replacement projects and reserves for Metro facilities. Major revenue sources for the fund include but are not limited to grants, donations, contributions from the General Fund, and other revenues or contributions identified for renewal and replacement purpose. In the event of the elimination of this fund, the fund balance shall revert to any fund(s) designated for similar purpose.

5. The Chief Financial Officer shall make the filings as required by ORS 294.555 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

6. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins July 1, 2008, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council on this 26<sup>th</sup> day of June 2008.

---

David Bragdon, Council President

ATTEST:

Approved as to Form:

---

Chris Billington, Recording Secretary

---

Daniel B. Cooper, Metro Attorney

BEFORE THE METRO COUNCIL

ADOPTING THE ANNUAL BUDGET FOR ) ORDINANCE NO. 08-1181~~AB~~  
FISCAL YEAR 2008-09, MAKING )  
APPROPRIATIONS, LEVYING AD VALOREM ) Introduced by Michael Jordan, Chief  
TAXES, AND DECLARING AN EMERGENCY ) Operating Officer, with the concurrence of  
 ) Council President David Bragdon

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2008, and ending June 30, 2009; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Ordinance) and considered; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The "Fiscal Year 2008-09 Metro Budget," in the total amount of FOUR HUNDRED FIFTY ~~SEVEN-EIGHT~~ MILLION ~~TWO-ONE~~ HUNDRED ~~THIRTY-FOUR~~~~EIGHTY SIX~~ THOUSAND ~~TWO-EIGHT~~ HUNDRED ~~TWENTY-EIGHT-FOURTY~~ DOLLARS (~~\$457,234,228~~~~458,186,840~~), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Ordinance, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operations and in the amount of THIRTY FIVE MILLION FOUR HUNDRED SIXTY FOUR THOUSAND ONE HUNDRED FIFTY ONE DOLLARS (\$35,464,151) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2008-09. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

	Subject to the General Government <u>Limitation</u>	Excluded from <u>the Limitation</u>
Operating Tax Rate Levy	\$0.0966/\$1,000	
General Obligation Bond Levy		\$35,464,151

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2008, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The General Renewal & Replacement Fund is hereby created for the purpose of accounting for renewal and replacement projects and reserves for Metro facilities. Major revenue sources for the fund include but are not limited to grants, donations, contributions from the General Fund, and other revenues or contributions identified for renewal and replacement purpose. In the event of the elimination of this fund, the fund balance shall revert to any fund(s) designated for similar purpose.

5. The Chief Financial Officer shall make the filings as required by ORS 294.555 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

6. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins July 1, 2008, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council on this 26<sup>th</sup> day of June 2008.

---

David Bragdon, Council President

ATTEST:

Approved as to Form:

---

Chris Billington, Recording Secretary

---

Daniel B. Cooper, Metro Attorney

EXHIBIT A  
Ordinance 08-1181B



**Tax Supervising  
& Conservation  
Commission**

PO Box 8428  
Portland, Oregon  
97207-8428

Telephone (503) 988-3054

Fax: (503) 988-3053

E-Mail:  
TSCC@co.multnomah.or.us

Web Site:  
www.co.multnomah.or.us/orgs  
/tsccl

June 5, 2008

Metro Council  
600 NE Grand Avenue  
Portland, Oregon 97232

Dear Councilors:

The Tax Supervising and Conservation Commission met on June 5, 2008 to review, discuss and conduct a public hearing on the Metro's 2008-09 Approved Budget. This hearing was conducted pursuant to ORS 294.605-705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support efficient and economical administration of the district.


The budget was submitted timely on May 12, 2008. The Commission hereby certifies by a majority vote that it has no objections or recommendations to make with respect to the budget.

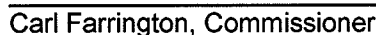
For 2008-09, estimates were judged to be reasonable for the purposes shown and the document was found to be in substantial compliance with Local Budget Law. The budget estimates and levy amounts, as shown in the approved budget, are shown on the attached page.

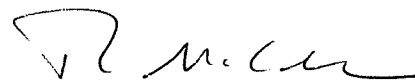
A request for an extension of time for filing the Adopted Budget with the Commission has previously been submitted and approved. Please file a complete copy of the adopted budget with the Commission no later than August 29, 2008.

We appreciate having the opportunity to discuss this budget with you.

Yours very truly,  
TAX SUPERVISING & CONSERVATION COMMISSION

  
Elizabeth Hengeveld, Chair

  
Carl Farrington, Commissioner

  
Terry McCall, Commissioner

  
Roslyn Elms Sutherland, Commissioner

  
Steven B. Nance Commissioner

**Commissioners**

Elizabeth Hengeveld, Chair  
Carl Farrington  
Terry McCall  
Steven B. Nance  
Dr. Roslyn Elms Sutherland

	<b>Budget Estimates</b>	<b>Unappropriated Portion</b>
General Fund	\$102,818,905	\$8,737,297
General Obligation Bond Debt Service Fund	47,580,374	12,304,416
General Renewal and Replacement Fund	9,049,863	6,543,375
General Revenue Bond Fund	3,308,163	8,300
Metro Capital Fund	17,283,166	357,704
MERC Fund	66,346,771	11,929,235
Natural Areas Fund	88,072,803	20,765,478
Open Spaces Fund	573,500	0
Pioneer Cemetery Perpetual Care Fund	281,407	281,407
Rehabilitation & Enhancement Fund	2,565,182	1,708,127
Risk Management Fund	10,943,446	816,141
Smith & Bybee Lakes Trust Fund	4,335,377	4,015,397
Solid Waste Revenue Fund	104,075,271	23,802,325
<b>Total Budget Estimates</b>	<b>\$457,234,228</b>	<b>\$91,269,202</b>

**Property Tax Levies:**

**Permanent Rate - Operating**                      \$     0.0966 / \$ 1,000 AV

**Debt Service - Not Subject to Limit**        \$ 35,464,151

**EXHIBIT B**  
**Ordinance 08-1181B**  
**Summary of FY 2008-09 Budget**

	<b>Audited FY 2005-06</b>	<b>Audited FY 2006-07</b>	<b>Adopted FY 2007-08</b>	<b>Amended FY 2007-08</b>	<b>Proposed FY 2008-09</b>	<b>Approved FY 2008-09</b>	<b>Adopted FY 2008-09</b>	<b>Change from FY 2007-08 Amended</b>
<b>Resources</b>								
<i>Beginning Fund Balance</i>	\$103,103,772	\$117,952,035	\$233,403,042	\$233,403,042	\$202,209,775	\$207,622,393	\$208,717,449	(10.58%)
<b>Current Revenues</b>								
Real Property Taxes	27,850,826	28,669,527	45,985,075	45,985,075	45,559,516	45,559,516	45,559,516	(0.93%)
Excise Tax	14,243,252	16,640,732	17,677,197	17,677,197	16,532,543	16,604,863	16,604,863	(6.07%)
Other Derived Tax Revenue	21,395	33,000	19,000	19,000	22,000	22,000	22,000	15.79%
Grants	10,876,624	8,089,034	21,423,548	21,867,948	17,648,063	19,299,363	19,363,127	(11.45%)
Local Government Shared Revenues	9,399,758	10,539,973	9,983,177	9,983,177	11,533,130	11,560,607	11,560,607	15.80%
Contributions from other Governments	917,181	1,031,622	781,532	1,006,532	807,606	1,037,763	1,037,763	3.10%
Enterprise Revenue	104,458,277	108,385,291	107,278,494	108,550,552	122,820,265	121,955,140	121,720,932	12.13%
Interest Earnings	4,383,644	8,072,765	9,126,882	9,126,882	8,109,546	8,109,546	8,109,546	(11.15%)
Donations	2,402,701	2,761,551	3,303,952	3,254,487	5,429,422	5,429,422	5,432,422	66.92%
Other Misc. Revenue	1,451,731	1,708,155	1,810,352	1,810,352	4,544,795	4,544,795	4,544,795	151.04%
Bond and Loan Proceeds	39,330,256	131,270,869	0	0	0	0	0	0.00%
Interfund Transfers:								
Interfund Reimbursements	6,143,872	6,505,455	7,626,574	7,626,574	8,031,933	8,031,933	8,031,933	5.32%
Internal Service Transfers	536,471	677,798	931,416	931,416	1,016,634	1,016,634	1,016,634	9.15%
Fund Equity Transfers	7,463,425	6,996,258	12,042,446	12,388,446	6,132,683	6,440,253	6,465,253	(47.81%)
<b>Subtotal Current Revenues</b>	<b>229,479,413</b>	<b>331,382,030</b>	<b>237,989,645</b>	<b>240,227,638</b>	<b>248,188,136</b>	<b>249,611,835</b>	<b>249,469,391</b>	<b>3.85%</b>
<b>Total Resources</b>	<b>\$332,583,185</b>	<b>\$449,334,065</b>	<b>\$471,392,687</b>	<b>\$473,630,680</b>	<b>\$450,397,911</b>	<b>\$457,234,228</b>	<b>\$458,186,840</b>	<b>(3.26%)</b>
<b>Requirements</b>								
<b>Current Expenditures</b>								
Personal Services	\$56,140,536	\$59,019,765	\$67,057,592	\$67,845,129	\$73,918,380	\$74,242,490	\$74,313,000	9.53%
Materials and Services	104,083,360	86,898,960	108,325,464	114,692,038	120,494,557	122,376,154	123,040,225	7.28%
Capital Outlay	7,631,992	15,256,264	52,942,175	53,459,210	55,523,089	60,113,189	60,588,648	13.34%
Debt Service	39,186,238	24,392,684	41,572,730	41,572,730	42,191,394	42,191,394	42,191,394	1.49%
Interfund Transfers:								
Interfund Reimbursements	6,143,872	6,505,456	7,626,574	7,626,574	8,031,932	8,031,932	8,031,932	5.32%
Internal Service Transfers	536,471	677,798	931,416	931,416	1,016,635	1,016,635	1,016,635	9.15%
Fund Equity Transfers	7,463,425	6,996,258	12,042,446	12,388,446	6,132,683	6,440,253	6,465,253	(47.81%)
Contingency	0	0	53,166,696	46,044,485	51,739,969	51,552,979	51,504,759	11.86%
<b>Subtotal Current Expenditures</b>	<b>221,185,894</b>	<b>199,747,185</b>	<b>343,665,093</b>	<b>344,560,028</b>	<b>359,048,639</b>	<b>365,965,026</b>	<b>367,151,846</b>	<b>6.56%</b>
<i>Ending Fund Balance</i>	111,397,291	249,586,880	127,727,594	129,070,652	91,349,272	91,269,202	91,034,994	(29.47%)
<b>Total Requirements</b>	<b>\$332,583,185</b>	<b>\$449,334,065</b>	<b>\$471,392,687</b>	<b>\$473,630,680</b>	<b>\$450,397,911</b>	<b>\$457,234,228</b>	<b>\$458,186,840</b>	<b>(3.26%)</b>
<b>Full-Time Equivalent (FTE)</b>	660.58	680.69	719.31	725.40	749.13	751.48	751.98	3.66%

**EXHIBIT C**  
**Ordinance 08-1181B**  
**FY 2008-09 SCHEDULE OF APPROPRIATIONS**

	<b>Adopted Budget</b>
<b>GENERAL FUND</b>	
Council Office	2,254,278
Finance & Administrative Services	5,489,506
Human Resources	1,737,211
Information Technology	2,808,244
Metro Auditor	651,286
Office of Metro Attorney	1,981,157
Oregon Zoo	26,677,562
Planning	24,768,035
Public Affairs & Government Relations	1,988,582
Regional Parks & Greenspaces	8,521,362
Special Appropriations	3,538,480
Former ORS 197.352 Claims & Judgments	100
Non-Departmental	
Debt Service	1,450,486
Interfund Transfers	5,050,928
Contingency	7,692,952
Unappropriated Balance	8,737,297
<b>Total Fund Requirements</b>	<b>\$103,347,466</b>
<b>GENERAL OBLIGATION BOND DEBT SERVICE FUND</b>	
Debt Service	35,275,958
Unappropriated Balance	12,304,416
<b>Total Fund Requirements</b>	<b>47,580,374</b>
<b>GENERAL RENEWAL AND REPLACEMENT FUND</b>	
Renewal & Replacement Program	1,993,788
Non-Departmental	
Interfund Transfers	375,000
Contingency	290,000
Unappropriated Balance	6,543,375
<b>Total Fund Requirements</b>	<b>\$9,202,163</b>
<b>GENERAL REVENUE BOND FUND</b>	
Project Account	
Capital Outlay - Washington Park Parking Lot	201,200
Subtotal	201,200
Debt Service Account	
Debt Service - Metro Regional Center	1,504,342
Debt Service - Expo Center Hall D	1,192,232
Debt Service - Washington Park Parking Lot	402,089
Subtotal	3,098,663
Unappropriated Balance	8,300
<b>Total Fund Requirements</b>	<b>\$3,308,163</b>



**EXHIBIT C**  
**Ordinance 08-1181B**  
**FY 2008-09 SCHEDULE OF APPROPRIATIONS**

	<b><u>Adopted Budget</u></b>
<b>MERC FUND</b>	
MERC	41,047,767
Non-Departmental	
Debt Service	17,805
Interfund Transfers	3,617,795
Contingency	9,794,169
Unappropriated Balance	11,929,235
<b>Total Fund Requirements</b>	<b>\$66,406,771</b>
<b>METRO CAPITAL FUND</b>	
Capital Program	14,880,390
Non-Departmental	
Interfund Transfers	97,174
Contingency	2,293,857
Unappropriated Balance	357,704
<b>Total Fund Requirements</b>	<b>\$17,629,125</b>
<b>NATURAL AREAS FUND</b>	
Regional Parks Department	51,146,403
Non-Departmental	
Interfund Transfers	1,160,922
Contingency	15,000,000
Unappropriated Balance	20,765,478
<b>Total Fund Requirements</b>	<b>\$88,072,803</b>
<b>OPEN SPACES FUND</b>	
Regional Parks Department	573,500
<b>Total Fund Requirements</b>	<b>\$573,500</b>
<b>PIONEER CEMETERY PERPETUAL CARE FUND</b>	
Unappropriated Balance	281,407
<b>Total Fund Requirements</b>	<b>\$281,407</b>
<b>REHABILITATION &amp; ENHANCEMENT FUND</b>	
Materials & Services	526,970
Interfund Transfers	30,085
Contingency	300,000
Unappropriated Balance	1,708,127
<b>Total Fund Requirements</b>	<b>\$2,565,182</b>
<b>RISK MANAGEMENT FUND</b>	
Finance & Administrative Services	10,127,305
Non-Departmental	
Unappropriated Balance	816,141
<b>Total Fund Requirements</b>	<b>\$10,943,446</b>

**EXHIBIT C**  
**Ordinance 08-1181B**  
**FY 2008-09 SCHEDULE OF APPROPRIATIONS**

	<b>Adopted Budget</b>
<b>SMITH AND BYBEE LAKES FUND</b>	
Non-Departmental	
Interfund Transfers	119,980
Contingency	200,000
Unappropriated Balance	4,015,397
<b>Total Fund Requirements</b>	<b>\$4,335,377</b>
<b>SOLID WASTE REVENUE FUND</b>	
Operating Account	
Solid Waste & Recycling Department	54,197,947
Subtotal	54,197,947
Debt Service Account	
Debt Service	2,348,482
Subtotal	2,348,482
Landfill Closure Account	
Solid Waste & Recycling Department	862,800
Subtotal	862,800
Renewal and Replacement Account	
Solid Waste & Recycling Department	1,398,000
Subtotal	1,398,000
General Account	
Solid Waste & Recycling Department	570,000
Subtotal	570,000
General Expenses	
Interfund Transfers	5,061,936
Contingency	15,933,781
Subtotal	20,995,717
Unappropriated Balance	23,568,117
<b>Total Fund Requirements</b>	<b>\$103,941,063</b>
<b>TOTAL BUDGET</b>	<b>\$458,186,840</b>

Agenda Item Number 6.2

**Ordinance No. 08-1188**, Amending the FY 2007-08 Budget and Appropriations Schedule for the Oregon Zoo by Transferring Appropriations from Contingency and Recognizing a Donation From Ikea and Declaring an Emergency.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

AMENDING THE FY 2007-08 BUDGET AND	)	ORDINANCE NO. 08-1188
APPROPRIATIONS SCHEDULE FOR THE	)	
OREGON ZOO BY TRANSFERRING	)	Introduced by Michael Jordan, Chief
APPROPRIATIONS FROM CONTINGENCY AND	)	Operating Officer, with the concurrence of
RECOGNIZING A DONATION FROM IKEA AND	)	Council President David Bragdon
DECLARING AN EMERGENCY	)	

WHEREAS, the Metro Council has reviewed and considered the need to change appropriations within the FY 2007-08 Budget; and

WHEREAS, Oregon Budget Law ORS 294.326 allows for the expenditure in the year of receipt of grants, gifts, bequests, and other devices received by a municipal corporation in trust for a specific purpose; and

WHEREAS, the need for the change of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2007-08 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of establishing appropriation for zoo operating expenditures and recognizing a donation.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_ 2008.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to Form:

\_\_\_\_\_  
Christina Billington, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Resources							
Resources							
BEGBAL	Beginning Fund Balance						
3500	Beginning Fund Balance						
	* Prior year ending balance		12,436,438		0		12,436,438
	* Project Carryover		2,097,336		0		2,097,336
	* Tourism Opportunity & Comp. Account		784,911		0		784,911
	* Recovery Rate Stabilization Reserve		1,742,751		0		1,742,751
	* Reserve for Future Debt Service		2,024,706		0		2,024,706
	* Tibbets Flower Account		491		0		491
	* Prior year PERS Reserve		5,592,114		0		5,592,114
EXCISE	Excise Tax						
4050	Excise Taxes		14,677,197		0		14,677,197
4055	Construction Excise Tax		3,000,000		0		3,000,000
RPTAX	Real Property Taxes						
4010	Real Property Taxes-Current Yr		9,971,141		0		9,971,141
4015	Real Property Taxes-Prior Yrs		299,134		0		299,134
GRANTS	Grants						
4100	Federal Grants - Direct		4,719,047		0		4,719,047
4105	Federal Grants - Indirect		4,987,165		0		4,987,165
4110	State Grants - Direct		1,441,475		0		1,441,475
4115	State Grants - Indirect		170,400		0		170,400
4120	Local Grants - Direct		8,919,420		0		8,919,420
LGSHRE	Local Gov't Share Revenues						
4135	Marine Board Fuel Tax		123,843		0		123,843
4139	Other Local Govt Shared Rev.		396,130		0		396,130
GVCNTB	Contributions from Governments						
4145	Government Contributions		245,157		0		245,157
LICPER	Licenses and Permits						
4150	Contractor's Business License		405,000		0		405,000
CHGSVC	Charges for Service						
4160	Boat Ramp Use Permits		500		0		500
4165	Boat Launch Fees		155,000		0		155,000
4180	Contract & Professional Service		444,060		0		444,060
4200	UGB Fees		50,000		0		50,000
4230	Product Sales		307,600		0		307,600
4280	Grave Openings		155,000		0		155,000
4285	Grave Sales		120,000		0		120,000
4500	Admission Fees		6,711,235		0		6,711,235
4501	Conservation Surcharge		136,500		0		136,500
4510	Rentals		763,933		0		763,933
4550	Food Service Revenue		4,487,674		0		4,487,674
4560	Retail Sales		1,927,541		0		1,927,541
4580	Utility Services		2,000		0		2,000
4610	Contract Revenue		864,191		0		864,191
4620	Parking Fees		629,186		0		629,186
4630	Tuition and Lectures		833,613		0		833,613
4635	Exhibit Shows		604,512		0		604,512
4640	Railroad Rides		586,047		0		586,047
4645	Reimbursed Services		232,558		0		232,558
4650	Miscellaneous Charges for Service		24,700		0		24,700
4760	Sponsorships		17,000		0		17,000

**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		<u>Budget</u>				<u>Budget</u>	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Resources							
INTRST	Interest Earnings						
4700	Interest on Investments		842,690		0		842,690
DONAT	Contributions from Private Sources						
4750	Donations and Bequests		1,142,969		40,666		1,183,635
INCGRV	Internal Charges for Service						
4670	Charges for Service		58,100		0		58,100
MISCRV	Miscellaneous Revenue						
4170	Fines and Forfeits		20,000		0		20,000
4820	Program Income		38,513		0		38,513
4890	Miscellaneous Revenue		88,911		0		88,911
4891	Reimbursements		1,358,898		0		1,358,898
INDTRV	Interfund Reimbursements						
4975	Transfer for Indirect Costs						
	* from MERC Operating Fund		1,693,465		0		1,693,465
	* from Natural Areas Fund		766,350		0		766,350
	* from Solid Waste Revenue Fund		3,444,419		0		3,444,419
INTSRV	Internal Service Transfers						
4980	Transfer for Direct Costs						
	* from Natural Areas Fund		135,925		0		135,925
	* from Metro Capital Fund		29,750		0		29,750
	* from Smith & Bybee Lakes Fund		21,700		0		21,700
	* from Solid Waste Revenue Fund		714,646		0		714,646
TOTAL RESOURCES			\$103,443,042		\$40,666		\$103,483,708

**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Oregon Zoo Department							
Personal Services							
SALWGE	Salaries & Wages						
5010	Reg Employees-Full Time-Exempt						
	Administrative Assistant	2.00	90,586	-	0	2.00	90,586
	Associate Public Affairs Specialist	1.00	60,651	-	0	1.00	60,651
	Director II	1.00	126,414	-	0	1.00	126,414
	Education Coordinator II	1.00	41,109	-	0	1.00	41,109
	Events Coordinator	1.00	54,479	-	0	1.00	54,479
	Graphics/Exhibit Designer	1.00	55,033	-	0	1.00	55,033
	Management Technician	2.00	95,259	-	0	2.00	95,259
	Manager I	4.00	305,064	-	0	4.00	305,064
	Manager II	1.00	82,610	-	0	1.00	82,610
	Program Analyst II	2.00	109,202	-	0	2.00	109,202
	Program Analyst III	3.00	185,422	-	0	3.00	185,422
	Program Director II	2.00	219,263	-	0	2.00	219,263
	Program Supervisor II	3.00	245,908	-	0	3.00	245,908
	Project Coordinator	1.00	67,162	-	0	1.00	67,162
	Research Coordinator II	1.00	59,640	-	0	1.00	59,640
	Service Supervisor I	2.00	94,730	-	0	2.00	94,730
	Service Supervisor II	10.00	512,242	-	0	10.00	512,242
	Service Supervisor III	5.00	316,118	-	0	5.00	316,118
	Service Supervisor IV	1.00	68,104	-	0	1.00	68,104
	Veterinarian I	1.00	66,990	-	0	1.00	66,990
	Veterinarian II	1.00	85,069	-	0	1.00	85,069
5015	Reg Empl-Full Time-Non-Exempt						
	Administrative Assistant III	1.00	45,076	-	0	1.00	45,076
	Administrative Secretary	3.00	119,476	-	0	3.00	119,476
	Animal Keeper	30.00	1,334,851	-	0	30.00	1,334,851
	Custodian	6.00	235,944	-	0	6.00	235,944
	Education Coordinator I	2.00	82,184	-	0	2.00	82,184
	Exhibits Lead	1.00	58,798	-	0	1.00	58,798
	Exhibits Technician II	1.00	47,899	-	0	1.00	47,899
	Gardener 1	7.00	299,775	-	0	7.00	299,775
	Maintenance Electrician	1.00	66,565	-	0	1.00	66,565
	Maintenance Lead	1.00	58,798	-	0	1.00	58,798
	Maintenance Technician	2.00	112,584	-	0	2.00	112,584
	Maintenance Worker 2	10.00	450,008	-	0	10.00	450,008
	Nutrition Technician	1.00	42,825	-	0	1.00	42,825
	Program Assistant 1	2.00	66,294	-	0	2.00	66,294
	Receptionist	0.50	15,733	-	0	0.50	15,733
	Security Officer I	4.00	123,212	-	0	4.00	123,212
	Senior Animal Keeper	6.00	291,528	-	0	6.00	291,528
	Senior Gardener	1.00	51,072	-	0	1.00	51,072
	Storekeeper	1.00	45,289	-	0	1.00	45,289
	Typist/Receptionist-Lead	1.00	33,700	-	0	1.00	33,700
	Veterinary Technician	2.00	88,990	-	0	2.00	88,990
	Volunteer Coordinator I	2.00	104,902	-	0	2.00	104,902
5020	Reg Emp-Part Time-Exempt						
	Assistant Public Affairs Specialist	0.63	28,534	-	0	0.63	28,534
	Graphics/Exhibit Designer	0.50	27,516	-	0	0.50	27,516
	Video/Photography Technician	0.50	24,983	-	0	0.50	24,983

**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Oregon Zoo Department							
5025	Reg Employees-Part Time-Non-Exempt						
	Administrative Secretary	0.85	28,787	-	0	0.85	28,787
	Animal Keeper-PT	1.50	66,744	-	0	1.50	66,744
	Clerk/Bookkeeper	0.75	25,620	-	0	0.75	25,620
	Food Service/Retail Specialist	3.90	146,163	-	0	3.90	146,163
	Lead Cash Office Clerk	0.85	30,473	-	0	0.85	30,473
	Maintenance Worker 2-PT	1.75	83,823	-	0	1.75	83,823
	Nutrition Technician I	0.50	21,412	-	0	0.50	21,412
	Nutrition Technician II	0.50	22,248	-	0	0.50	22,248
	Office Assistant	0.70	20,506	-	0	0.70	20,506
	Program Assistant 1	1.58	54,958	-	0	1.58	54,958
	Program Assistant 2	0.75	32,401	-	0	0.75	32,401
	Public Relations Support Specialist	-	0	-	0	-	0
	Receptionist	0.50	16,140	-	0	0.50	16,140
	Security Officer I	0.50	12,685	-	0	0.50	12,685
	Typist/Receptionist Reg.(Part Time)	0.85	27,296	-	0	0.85	27,296
	Veterinary Technician	0.50	22,248	-	0	0.50	22,248
	Visitor Service Worker 3-reg	0.85	24,900	-	0	0.85	24,900
5030	Temporary Employees		1,206,235		219,000		1,425,235
5040	Seasonal Employees		1,280,000		46,500		1,326,500
5080	Overtime		295,636		12,000		307,636
5089	Salary Adjustments						
	Merit Adjustment Pool (non-represented)		38,645		0		38,645
	Step Increases (AFSCME)		39,519		0		39,519
	COLA (represented employees)		145,729		0		145,729
	Other Adjustments (non-represented)		38,645		0		38,645
	Other Adjustments (AFSCME)		6,587		0		6,587
FRINGE	Fringe Benefits						
5100	Fringe Benefits						
	Base Fringe (variable & fixed)		3,308,322		22,500		3,330,822
5190	PERS Bond Recovery		316,419		0		316,419
Total Personal Services		149.96	\$14,109,732	0.00	\$300,000	149.96	\$14,409,732

**Materials & Services**

GOODS	<i>Goods</i>						
5201	Office Supplies		114,240		0		114,240
5205	Operating Supplies		1,266,594		0		1,266,594
5210	Subscriptions and Dues		45,515		0		45,515
5214	Fuels and Lubricants		65,000		25,500		90,500
5215	Maintenance & Repairs Supplies		341,050		66,000		407,050
5220	Food		1,102,160		208,500		1,310,660
SVCS	<i>Services</i>						
5245	Marketing		5,000		0		5,000
5240	Contracted Professional Svcs		1,027,994		150,000		1,177,994
5251	Utility Services		2,227,230		0		2,227,230
5255	Cleaning Services		37,600		0		37,600
5260	Maintenance & Repair Services		151,625		0		151,625
5265	Rentals		161,570		0		161,570
5280	Other Purchased Services		875,186		0		875,186
5290	Operations Contracts		1,860,000		0		1,860,000
CAPMNT	<i>Capital Maintenance</i>						



**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Oregon Zoo Department							
	5262 Capital Maintenance - Non-CIP		333,300		0		333,300
IGEXP	Intergov't Expenditures						
	5300 Payments to Other Agencies		55,540		0		55,540
	5315 Grants to Other Governments		10,000		0		10,000
OTHEXP	Other Expenditures						
	5445 Grants		396,500		0		396,500
	5450 Travel		86,395		0		86,395
	5455 Staff Development		41,905		0		41,905
	5490 Miscellaneous Expenditures		35,680		0		35,680
Total Materials & Services			\$10,240,084		\$450,000		\$10,690,084
Capital Outlay							
CAPNON	Capital Outlay (Non-CIP Projects)						
	5710 Improve-Oth thn Bldg (non-CIP)		80,000		0		80,000
	5740 Equipment & Vehicles (non-CIP)		52,869		0		52,869
	5750 Office Furn & Equip (non-CIP)		10,000		40,666		50,666
CAPCIP	Capital Outlay (CIP Projects)						
	5725 Buildings & Related (CIP)		50,000		0		50,000
Total Capital Outlay			\$241,369		\$40,666		\$282,035
TOTAL REQUIREMENTS							
		149.96	\$24,591,185	0.00	\$790,666	149.96	\$25,381,851

**Exhibit A**  
**Ordinance No. 08-1188**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
General Expenses							
Total Interfund Transfers			\$11,653,221		\$0		\$11,653,221
Contingency & Unappropriated Balance							
CONT	Contingency						
5999	Contingency						
	*	Contingency	3,165,415		(750,000)		2,415,415
	*	Opportunity Account	3,135		0		3,135
	*	Reserved for Future Planning Needs	1,445,000		0		1,445,000
	*	Reserved for Future Election Costs	290,000		0		290,000
	*	Reserved for Nature in Neighborhood Grants	250,000		0		250,000
	*	Reserved for Reg. Afford. Housing Revolving Fund	1,000,000		0		1,000,000
	*	Reserved for Metro Regional Center Remodel	300,000		0		300,000
	*	Recovery Rate Stabilization reserve	916,588		0		916,588
	*	PERS Reserve	13,058		0		13,058
UNAPP	Unappropriated Fund Balance						
5990	Unappropriated Fund Balance						
	*	Stabilization Reserve	2,000,000		0		2,000,000
	*	Reserve for Future Natural Areas Operations	764,453		0		764,453
	*	Tourism Opportunity & Comp. Account	96,655		0		96,655
	*	PERS Reserve	2,796,056		0		2,796,056
	*	Computer Replacement Reserve (Planning)	90,000		0		90,000
	*	Tibbets Flower Account	352		0		352
	*	Reserve for Future Debt Service	2,151,706		0		2,151,706
Total Contingency & Unappropriated Balance			\$15,282,418		(\$750,000)		\$14,532,418
TOTAL REQUIREMENTS			413.90	\$103,443,042	0.00	\$40,666	413.90 \$103,483,708

**Exhibit B**  
**Ordinance 08-1188**  
**Schedule of Appropriations**

	<b><u>Current</u></b> <b><u>Appropriation</u></b>	<b><u>Revision</u></b>	<b><u>Revised</u></b> <b><u>Appropriation</u></b>
<b>GENERAL FUND</b>			
Council Office	1,921,351	0	1,921,351
Finance & Administrative Services	8,236,508	0	8,236,508
Human Resources	1,637,004	0	1,637,004
Metro Auditor	527,283	0	527,283
Office of Metro Attorney	1,866,238	0	1,866,238
Oregon Zoo	24,591,185	790,666	25,381,851
Planning	21,896,249	0	21,896,249
Public Affairs & Government Relations	1,914,960	0	1,914,960
Regional Parks & Greenspaces	6,850,082	0	6,850,082
Special Appropriations	5,189,882	0	5,189,882
Non-Departmental			
Debt Service	1,876,661	0	1,876,661
Interfund Transfers	11,653,221	0	11,653,221
Contingency	7,383,196	(750,000)	6,633,196
Unappropriated Balance	7,899,222	0	7,899,222
<b>Total Fund Requirements</b>	<b>\$103,443,042</b>	<b>\$40,666</b>	<b>\$103,483,708</b>

*All Other Appropriations Remain as Previously Adopted*

## STAFF REPORT

### IN CONSIDERATION OF ORDINANCE NO. 08-1188, AMENDING THE FY 2007-08 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE OREGON ZOO BY TRANSFERRING APPROPRIATIONS FROM CONTINGENCY AND RECOGNIZING A DONATION FROM IKEA AND DECLARING AN EMERGENCY

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Date: May 14, 2008

Prepared by: Craig M. Stroud

## BACKGROUND

This action requests amended appropriation authority for the Oregon Zoo for two purposes:

- 1) To increase spending authority resulting from increased activity.
- 2) To recognize a donation from IKEA.

### Increased Activity - \$750,000

The zoo continues to experience record-breaking attendance and strong guest spending. Attendance through May 18<sup>th</sup> is at 1.24 million guests, 57,000 ahead of the fiscal year forecast and on pace with last year's record of 1.5 million.

Financial analysis of operations through April 2008 results in a June 30, 2008, operating expenditure forecast that is uncomfortably close to budget limitations. Two zoo enterprise activities are driving increased costs, but both will provide substantially positive rates of return. The temporary dinosaur exhibit opened in early May and has accommodated 18,000 guests through May 18<sup>th</sup>. The zoo is participating with other regional cultural attractions to bring the City of Portland the "Year of the Dinosaur." Given the buzz and energy created by this campaign, zoo management expects the exhibit to drive total fiscal year attendance beyond last year's record of 1.5 million.

In addition, the artist fees for the zoo's summer concert series are above budget. Budgeting for the series requires assumptions about the number of concerts in a fiscal year and variable artist fees. In the current fiscal year, the zoo hosted more premium concerts in July and August 2007 than forecast and will take advantage of an opportunity to host an additional premium concert in June 2008. The zoo realizes positive financial return on the expenditures.

The increased activity requires increased spending for additional temporary guest services staffing (personal services) and more frequent maintenance and repairs in the high use guest areas (materials and services). Further, most wholesale food and operating supplies prices are experiencing greater inflation than anticipated, impacting the zoo's operating expenditures. The zoo recently implemented strategic increases in food pricing to offset the higher costs.

To ensure the zoo has adequate operating appropriation to support guest operations through the end of FY 2007-08, we are requesting the transfer of \$750,000 from General Fund contingency to zoo operations for personal services and materials and services. A similar amendment was required last year as a result of increased attendance. The transfer of contingency provides the legal spending authority and will be managed to the corresponding revenues. Any revenue in excess of actual expenditures will revert to FY 2008-09 operating fund beginning balance.

**\$750,000**

### Recognizing Donation From IKEA - \$40,666

The Oregon Zoo received a generous in-kind donation from IKEA, which refurbished outdated and worn zoo classrooms 1 and 2 using IKEA equipment and furnishings. The installation was completed in April 2008, and the renovated space is both functionally improved and aesthetically pleasing. We are required to recognize the value of this gift as a resource and an expense for budgetary and accounting purposes.

**\$ 40,666**

**TOTAL**

**\$790,666**

<i><b>Operating Fund – Oregon Zoo</b></i>	
<i><b>Resources</b></i>	
Contingency	\$750,000
Donations and Bequests	\$ 40,666
<i><b>Expenditures</b></i>	
Personal Services	\$300,000
Materials and Services	\$450,000
Office Furniture and Equipment (non-CIP)	\$ 40,666

### **ANALYSIS/INFORMATION**

- 1. Known Opposition:** None known.
- 2. Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction. ORS 294.326(3) provides an exemption to Oregon Budget Law allowing for the expenditure in the year of receipt of grants, gifts and bequests received by a municipal corporation in trust for a specific purpose.
- 3. Anticipated Effects:** This action provides the zoo operating appropriation for staff and supplies. This increase is needed to ensure guests receive a zoo experience that meets their expectations as we move from the FY 2007-08 to FY 2008-09 budgets. This ordinance will also allow the department to recognize the IKEA donation dedicated to the purposes described in this report.
- 4. Budget Impacts:** This action increases the personal services and materials and services operating appropriations in the zoo operating fund, and decreases the contingency appropriation in the General Fund by \$750,000 in the FY 2007-08 budget. These funds will be used to support revenue-generating activities, and we expect a positive rate of return for every dollar spent in these operating areas. Unused funds will revert to beginning fund balance in the FY 2008-09 budget year. This action also requests the recognition of \$40,666 in private contributions revenue and increases appropriation authority in the General Fund Expenditures by the same amount.

### **RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of this Ordinance.

Agenda Item Number 6.3

**Ordinance No. 08-1189**, Amending the FY 2007-08 Budget and Appropriations, Transferring Appropriations in the MERC Fund for Oregon Convention Center Operations and Declaring an Emergency.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

AMENDING FY 2007-08 BUDGET AND	)	ORDINANCE NO. 08-1189
APPROPRIATIONS, TRANSFERRING	)	
APPROPRIATIONS IN THE MERC FUND FOR	)	Introduced by Mike Jordan, Chief Operating
OREGON CONVENTION CENTER	)	Officer, with the concurrence of Council
OPERATIONS AND DECLARING AN	)	President Bragdon
EMERGENCY	)	

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2007-08 Budget; and

WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2007-08 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of amending the MERC Fund.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to Form:

\_\_\_\_\_  
Christina Billington, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Ordinance No. 08-1189**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
Metro Exposition-Recreation Commission Fund							
MERC Fund							
Resources							
BEGBAL	Beginning Fund Balance						
	* MERC Admin		438,560		0		438,560
	* Expo Center		5,230,788		0		5,230,788
	* Oregon Convention Center		6,544,417		0		6,544,417
	* Portland Center for the Performing Arts		5,742,068		0		5,742,068
LGSHRE	Local Gov't Share Revenues						
4130	Hotel/Motel Tax		9,419,249		0		9,419,249
4142	Intergovernment Misc. Revenue		43,955		0		43,955
4145	Government Contributions		711,375		0		711,375
CHGSVC	Charges for Service						
4500	Admission Fees		1,482,000		0		1,482,000
4510	Rentals		6,746,280		0		6,746,280
4550	Food Service Revenue		11,097,449		1,330,058		12,427,507
4560	Retail Sales		24,000		0		24,000
4575	Advertising		59,000		0		59,000
4580	Utility Services		1,468,869		0		1,468,869
4590	Commissions		596,400		0		596,400
4620	Parking Fees		2,453,325		0		2,453,325
4645	Reimbursed Services		2,891,833		0		2,891,833
4647	Reimbursed Services - Contract		316,170		0		316,170
4650	Miscellaneous Charges for Svc		207,907		0		207,907
INTRST	Interest Earnings						
4700	Interest on Investments		664,336		0		664,336
DONAT	Contributions from Private Sources						
4750	Donations and Bequests		282,352		0		282,352
4760	Sponsorship Revenue		18,500		0		18,500
MISCRV	Miscellaneous Revenue						
4805	Financing Transaction		48,000		0		48,000
4890	Miscellaneous Revenue		33,530		0		33,530
4891	Refunds and Reimbursements		23,000		0		23,000
EQTREV	Fund Equity Transfers						
4970	Transfer of Resources						
	* from General Fund		1,357,976		0		1,357,976
TOTAL RESOURCES			\$57,901,339		\$1,330,058		\$59,231,397
Total Personal Services		186.00	\$16,829,051	0.00	\$0	186.00	\$16,829,051
Materials & Services							
GOODS	Goods						
5201	Office Supplies		209,397		0		209,397
5205	Operating Supplies		305,743		0		305,743
5210	Subscriptions and Dues		93,355		0		93,355
5214	Fuels and Lubricants		12,000		0		12,000
5215	Maintenance & Repairs Supplies		336,383		0		336,383
5225	Retail		12,000		0		12,000
SVCS	Services						
5240	Contracted Professional Svcs		928,768		0		928,768
5245	Marketing Expense		2,227,594		0		2,227,594
5247	POVA Pass-Through		397,959		0		397,959
5251	Utility Services		2,419,923		0		2,419,923
5255	Cleaning Services		700		0		700
5260	Maintenance & Repair Services		622,783		0		622,783
5265	Rentals		459,861		0		459,861
5280	Other Purchased Services		255,517		0		255,517
5281	Other Purchased Services - Reimb		380,288		0		380,288



**Exhibit A**  
**Ordinance No. 08-1189**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
Metro Exposition-Recreation Commission Fund							
MERC Fund							
5291	Food and Beverage Services		8,441,920		1,300,722		9,742,642
5292	Parking Services		317,439		0		317,439
IGEXP	Intergov't Expenditures						
5300	Payments to Other Agencies		182,757		0		182,757
5310	Taxes (Non-Payroll)		11,000		0		11,000
OTHEXP	Other Expenditures						
5450	Travel		141,050		0		141,050
5455	Staff Development		134,554		0		134,554
5490	Miscellaneous Expenditures		8,500		0		8,500
Total Materials & Services			\$17,899,491		\$1,300,722		\$19,200,213
Total Capital Outlay			\$2,447,402		\$0		\$2,447,402
Total Debt Service			\$18,352		\$0		\$18,352
Total Interfund Transfers			\$3,510,962	0.00	\$0		\$3,510,962
Contingency and Ending Balance							
CONT	Contingency						
5999	Contingency						
	* General Contingency		1,887,005		(1,300,722)		586,283
	* Renewal and Replacement		295,000		0		295,000
	* Prior Year PERS Reserve		1,277,579		0		1,277,579
UNAPP	Unappropriated Fund Balance						
5990	Unappropriated Fund Balance						
	* Restricted Fund Balance (User Fees)		972,162		0		972,162
	* Ending Balance		11,486,755		1,330,058		12,816,813
	* Prior Year PERS Reserve		1,277,580		0		1,277,580
Total Contingency and Ending Balance			\$17,196,081		\$29,336		\$17,225,417
TOTAL REQUIREMENTS							
		186.00	\$57,901,339	0.00	\$1,330,058	186.00	\$59,231,397

**Exhibit B**  
**Ordinance 08-1189**  
**Schedule of Appropriations**

	<b><u>Current</u></b> <b><u>Appropriation</u></b>	<b><u>Revision</u></b>	<b><u>Revised</u></b> <b><u>Appropriation</u></b>
<b>MERC FUND</b>			
MERC	37,175,944	1,300,722	38,476,666
Non-Departmental			
Debt Service	18,352	0	18,352
Interfund Transfers	3,510,962	0	3,510,962
Contingency	3,459,584	(1,300,722)	2,158,862
Unappropriated Balance	13,736,497	1,330,058	15,066,555
<b>Total Fund Requirements</b>	<b>\$57,901,339</b>	<b>\$1,330,058</b>	<b>\$59,231,397</b>

*All Other Appropriations Remain as Previously Adopted*

## STAFF REPORT

### IN CONSIDERATION OF ORDINANCE #08-1189, AMENDING FY 2007-08 BUDGET AND APPROPRIATIONS, TRANSFERRING APPROPRIATIONS IN THE MERC FUND FOR OREGON CONVENTION CENTER OPERATIONS AND DECLARING AN EMERGENCY

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Date: May 20, 2008

Prepared by: Cynthia Hill

## BACKGROUND

This action, forwarded from the Metropolitan Exposition Recreation Commission via their Resolution Number 08-05, requests amended appropriation authority for the following purpose:

### **Oregon Convention Center Food and Beverage Sales**

The Oregon Convention Center is experiencing food and beverage sales greater than original estimates; the current revenue estimate is \$8.9 million, an increase of \$1,330,058 over the adopted budget.

The current estimated annual food and beverage cost is \$7.0 million, an increase of \$1.3 million over the adopted budget, primarily as a result of increased sales, although cost of goods is also up due to higher fuel prices, inflation and the transition to new catering prices.

Oregon budget law does not allow the recognition and direct appropriation of this revenue without the benefit of a supplemental budget. This action transfers \$1,300,722 from the General Contingency to materials and services to provide for the needed increase in food and beverage expense, an amount more than offset by increased revenue. Revenue in this action is shown as an increase in ending unappropriated fund balance.

## ANALYSIS/INFORMATION

- 1. Known Opposition:** None known.
- 2. Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
- 3. Anticipated Effects:** This action provides appropriation authority necessary for MERC to meet its service demands.
- 4. Budget Impacts:** This action transfers \$1,300,722 from contingency in the MERC Fund to provide for increased food and beverage services at the Oregon Convention Center. Additional revenue received over budget estimates will more than offset the transfer; positive cash flow to the ending balance is projected at \$29,336.

## RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.

### **Attachments:**

MERC Resolution 08-05 and MERC Staff Report

## METROPOLITAN EXPOSITION RECREATION COMMISSION

### Resolution No. 08-05

**For the purpose of approving and transmitting a budget amendment to the MERC Fund for fiscal year 2007-08.**

WHEREAS, Metro Code 6.01.050 provides that the Commission shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations; and

WHEREAS, Metro Code 6.01.050(d) further provides that once the Commission's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and

WHEREAS, the Commission previously approved and transmitted to the Metro Council the fiscal year 2007-08 budgets for the MERC Operating Fund; and

**BE IT THEREFORE RESOLVED**, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report and Exhibit A, for the fiscal year beginning July 1, 2007 and ending June 30, 2008 for inclusion as part of the total Metro budget for this period.

Passed by the Commission on May 28, 2008

Approved as to Form:  
Daniel B. Cooper, Metro Attorney

\_\_\_\_\_  
Chair – Janice Marquis

By: \_\_\_\_\_  
Nathan A. Schwartz Sykes,  
Senior Attorney

\_\_\_\_\_  
Secretary-Treasurer – Don Trotter

## MERC Staff Report

**Agenda Item/Issue:** For the purpose of approving and transmitting a budget amendment to the MERC Fund for fiscal year 2007-08.

**Resolution No.:** 08-05

**Presented By:** Cynthia Hill

**Date:** May 28, 2008

**Background and Analysis:** Resolution 08-05 would approve the proposed budget amendment for submission to the Metro Council.

### **Oregon Convention Center Food and Beverage Sales**

The Oregon Convention Center is experiencing food and beverage sales greater than original estimates. The current revenue estimate is \$8.9 million, an increase of \$1.3 million over the adopted budget. April had the greatest variance with an original forecast of \$550 thousand and actual sales totaling \$1.1 million. The current estimated food and beverage cost is \$7.0 million, an increase of \$1.3 million over the adopted budget.

The current projected food and beverage margin for fiscal year 2007-08 is 21. percent, down 3.3 percent from the original budget estimate of 24.3 percent. The change in the margin is a result of the increased number of smaller events requiring more labor than convention business; cost of goods is up due to higher fuel prices, inflation and the transition to new catering prices.

Oregon budget law does not allow the recognition and direct appropriation of this revenue without the benefit of a supplemental budget. This action transfers \$1,300,722 from the General Contingency to materials and services to provide for the needed increase in food and beverage expense.

<b><i>MERC Operating Fund</i></b>		
<b><i>Revenues</i></b>		
Food and Beverage Sales		\$1,330,058
<b><i>Expenditures</i></b>		
Costs - Food and Beverage Services		\$1,300,722
<b><i>Net Increase to Fund Balance</i></b>		29,336
<b><i>Fund Balance</i></b>		
General Contingency		(\$1,300,722)
Ending Balance		\$1,330,058

**Fiscal Impact:** This action increases material and services at the Oregon Convention Center for increased food and beverage services. The increase in expenditures will be more than offset by revenue generated.

**Recommendation:** Staff recommends that the Metropolitan Exposition Recreation Commission adopt Resolution 08-05

# Exhibit A Resolution 08-05

## 2007-08 FY Budget Amendment

### MERC Fund Summary

	<u>Expo</u>	<u>OCC</u>	<u>PCPA</u>	<u>Headquarter Hotel</u>	<u>Admin</u>	<u>Total</u>
<b><u>2006-07 Adopted Budget</u></b>						
<b>Adopted Budget Net</b>	207,891	(442,480)	(53,700)	(400,000)	(71,459)	(759,748)
<b>Ending Fund Balance</b>	5,789,337	8,143,112	7,045,383	-	612,888	21,590,720
<b><u>Resolution 08-05 May 28, 2008</u></b>						
Increase OCC Food & Beverage Revenue		1,330,058				1,330,058
Increase OCC Food & Beverage Goods & Services		(1,300,722)				(1,300,722)
<b>Total Amendments</b>	-	<b>29,336</b>	-	-	-	<b>29,336</b>
<b>Budget Net with Amendments</b>	207,891	(413,144)	(53,700)	(400,000)	(71,459)	(730,412)
<b>Budget Net Headquarter Hotel</b>		(400,000)		400,000		-
<b>Ending Fund Balance, with Amendments</b>	5,997,228	7,329,968	6,991,683	-	541,429	20,860,308

Agenda Item Number 6.4

**Ordinance No. 08-1190**, For the Purpose of Amending and Re-adopting Metro Code 7.03 (Investment Policy) for Fiscal-Year 2008-2009 and Declaring and Emergency.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING AND RE-ADOPTING METRO CODE 7.03 (INVESTMENT POLICY) FOR FISCAL YEAR 2008-2009 AND DECLARING AN EMERGENCY	) ) )	ORDINANCE NO. 08-1190  Introduced by Michael Jordan, Chief Operating Office in concurrence with Council President Bragdon
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WHEREAS, Metro Code Section 7.03 contains the investment policy which applies to all cash-related assets held by Metro; and

WHEREAS, the Investment Advisory Board reviews and approves the Investment Policy for submission to Metro Council; and

WHEREAS, the Investment Manager proposes one change to the Investment Policy to reduce the maximum percent of portfolio that can be invested in Banker's Acceptances from 100% down to 25% in order to agree with ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments); and

WHEREAS, the Investment Advisory Board voted to adopt the change to the 25% level for investments in Banker's Acceptances and re-adopts the Investment Policy as amended here in; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

That Metro Code Chapter 7.03 is amended and re-adopted as attached hereto in Exhibit A.

That this Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins, July 1, 2008, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, and that amending and re-adoption of the Investment Policy should coincide with the adoption of the annual budget, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 26th day of June, 2008.

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David Bragdon, Council President

Attest:

Approved as to Form:

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Christina Billington, Recording Secretary

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Daniel B. Cooper, Metro Attorney



Exhibit A  
CHAPTER 7.03

INVESTMENT POLICY\*\*

SECTIONS	TITLE
7.03.010	Scope
7.03.020	General Objectives
7.03.030	Standards of Care
7.03.040	Safekeeping and Custody
7.03.050	Suitable and Authorized Investments
7.03.060	Investment Parameters
7.03.070	Reporting
7.03.080	Policy Adoption and Re-Adoption
7.03.090	List of Documents Used in Conjunction with this Policy

\*\*Former Chapter 2.06 (readopted April 9, 1998; amended December 10, 1998; readopted April 15, 1999; readopted April 27, 2000; readopted December 11, 2001; readopted October 3, 2002; renumbered by Ordinance No. 02-976, Sec. 1; readopted June 12, 2003; amended and readopted April 7, 2005, by Ordinance No. 05-1075; readopted April 20, 2006; readopted June 21, 2007.)

7.03.010 Scope

These investment policies apply to all cash-related assets included within the scope of Metro's audited financial statements and held directly by Metro.

Other than bond proceeds or other segregated revenues, the total of funds pooled for investments ranges from \$60 million to \$100 million with an average of \$80 million. Funds held and invested by trustees or fiscal agents are excluded from these policies; however, such funds are subject to the regulations established by the state of Oregon.

Funds of Metro will be invested in compliance with the provisions of ORS 294.035 to 294.048; ORS 294.125 to 294.145; ORS 294.810; and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. Investment of any tax-exempt borrowing proceeds and of any debt service funds will comply with the 1986 Tax Reform Act provisions and any subsequent amendments thereto.

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1; Ordinance No. 05-1075.)

#### 7.03.020 General Objectives

Due to Metro's fiduciary responsibility, safety of capital and availability of funds to meet payment requirements are the overriding objectives of the investment program. Investment yield targets are secondary.

(a) Safety. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio and security of funds and investments. The objective will be to mitigate credit risk and interest rate risk.

(1) Credit Risk. Metro will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer, by:

- Limiting exposure to poor credits and concentrating the investments in the safest types of securities.
- Pre-qualifying the financial institutions, broker/dealers, and advisers with which Metro will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized. For securities not backed by the full faith and credit of the federal government, diversification is required in order that potential losses on individual securities would not exceed the income generated from the remainder of the portfolio.
- Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.

(2) Interest Rate Risk. Metro will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need

to sell securities on the open market prior to maturity.

- Investing operating funds primarily in shorter-term securities or short-term investment pools.

(b) Liquidity. The investment officer shall assure that funds are constantly available to meet immediate payment requirements, including payroll, accounts payable and debt service.

(c) Yield. The investment portfolio shall be designed with the objective of regularly exceeding the average return on 90-day U.S. Treasury Bills. The investment program shall seek to augment returns above this level, consistent with risk limitations described in this policy and prudent investment principles.

This policy shall not preclude the sale of securities prior to their maturity in order to improve the quality, net yield, or maturity characteristic of the portfolio.

(d) Legality. Funds will be deposited and invested in accordance with statutes, ordinances and policies governing Metro.

Ordinance No. 87-228, Sec. 3. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1; Ordinance No. 05-1075.)

#### 7.03.030 Standards of Care

(a) Prudence. The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

(b) Delegation of Authority. The Chief Operating Officer is the investment officer of Metro. The authority for investing Metro funds is vested with the investment officer, who, in turn, designates the investment manager to manage the day-to-day operations of Metro's investment portfolio, place purchase orders and sell orders with dealers and financial institutions, and prepare reports as required.

(c) Investment Advisory Board (IAB). There shall be an investment advisory board composed of five (5) members.

(1) Terms of Service. The term of service for citizens appointed to the IAB shall be three (3) calendar years. The term of appointment shall be staggered so that not more than two (2) members' terms expire in any calendar year.

(2) Appointment. The investment officer shall recommend to the Council for confirmation the names of persons for appointment to the IAB.

(3) Duties. The IAB shall meet quarterly. The IAB will serve as a forum for discussion and act in an advisory capacity for investment strategies, banking relationships, the legality and probity of investment activities and the establishment of written procedures for the investment operations.

(d) Quarterly Reports. At each quarterly meeting, a report reflecting the status of the portfolio will be submitted for review and comment by at least three (3) members of the IAB. Discussion and comment on the report will be noted in minutes of the meeting. If concurrence is not obtained, notification will be given to the investment officer, including comments by the IAB.

(e) Monitoring the Portfolio. The investment manager will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in credit quality, and benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly.

(f) Indemnity Clause. Metro shall indemnify the investment officer, chief financial officer, investment manager, staff and the IAB members from personal liability for losses that might occur pursuant to administering this investment policy.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported to the council as soon as practicable.

(g) Accounting Method. Metro shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies, including, but not necessarily limited to, the American Institute of Certified

Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

(Ordinance No. 05-1075.)

#### 7.03.040 Safekeeping and Custody

(a) Authorized Financial Dealers and Institutions. The investment officer shall maintain a listing of all authorized dealers and financial institutions that are approved for investment purposes. Financial institutions must have a branch in Oregon. Any firm is eligible to apply to provide investment services to Metro and will be added to the list if the selection criteria are met. Additions or deletions to the list will be made by the investment officer and reviewed by the IAB. At the request of the investment officer, the firms performing investment services for Metro shall provide their most recent financial statements or Consolidated Report of Condition (call report) for review. Further, there should be in place proof as to all the necessary credentials and licenses held by employees of the broker/dealers who will have contact with Metro, as specified by but not necessarily limited to the National Association of Securities Dealers (NASD), Securities and Exchange Commission (SEC), etc. At minimum, the investment officer and the IAB shall conduct an annual evaluation of each firm's qualifications to determine whether it should be on the authorized list.

Securities dealers not affiliated with a Qualified Financial Institution, as defined in ORS 294.035, will be required to have headquarters located in the states of Oregon, Washington or Idaho and, if not headquartered in the state of Oregon, to have an office located in Oregon. Notwithstanding the above, securities dealers who are classified as primary dealers with the New York Federal Reserve Bank are also eligible.

(b) Internal Controls. The investment officer shall maintain a system of written internal controls, which shall be reviewed annually by the IAB and the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation or imprudent actions.

Metro's independent auditor at least annually shall audit investments according to generally accepted auditing standards and this ordinance.

(c) Delivery vs. Payment. All securities purchased pursuant to this investment policy will be delivered by either book entry or physical delivery to a third party for safekeeping

by a bank designated as custodian. Purchase and sale of all securities will be on a payment versus delivery basis. Delivery versus payment will also be required for all repurchase transactions and with the collateral priced and limited in maturity in compliance with ORS 294.035(11).

(d) Safekeeping. The trust department of the bank designated as custodian will be considered to be a third party for the purposes of safekeeping of securities purchased from that bank. The custodian shall issue a safekeeping receipt to Metro listing the specific instrument, rate, maturity and other pertinent information.

Notwithstanding the preceding, an exception to the delivery versus payment policy is made when purchasing State and Local Government Series Securities (SLGS) from the United States Treasury's Bureau of Public Debt to satisfy arbitrage yield restriction requirements of the Internal Revenue Code for tax-exempt bond issues.

(Ordinance No. 05-1075.)

#### 7.03.050 Suitable and Authorized Investments

(Definitions of terms and applicable authorizing statutes are listed in the "Summary of Investments Available to Municipalities" provided by the State Treasurer.)

(a) Investment Types. The following investments are permitted by this policy and ORS 294.035 and 294.810.

- (1) U.S. Treasury Bills, Notes, Bonds, Strips  
(Separate Trading of Registered Interest and Principal of Securities) and/or State and Local Government Series Securities (SLGS)
- (2) Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises
- (3) Certificates of Deposit (CD) from commercial banks in Oregon and insured by the Federal Deposit Insurance Corporation (FDIC)
- (4) Repurchase Agreements (Repo's)
- (5) Banker's Acceptances (BA)
- (6) Commercial Paper (CP) issued by a financial institution, commercial, industrial or utility business enterprise

- (7) State of Oregon and Local Government Securities with A ratings or better
- (8) State of Oregon Investment Pool
- (9) Market Interest Accounts and Checking Accounts

(b) Collateralization. Deposit-type securities (i.e., Certificates of Deposit) shall be collateralized through the state collateral pool as required by ORS 295.015 and ORS 295.018 for any amount exceeding FDIC coverage, recognizing that ORS 295.015 requires only 25 percent collateralization and ORS 295.018 requires 110 percent collateralization when the institution is notified by the State Treasurer.

(Ordinance No. 05-1075.)

#### 7.03.060 Investment Parameters

(a) Diversification by Maturity. Only investments which can be held to maturity shall be purchased. Investments shall not be planned or made predicated upon selling the security prior to maturity. This restriction does not prohibit the use of repurchase agreements under ORS 294.135(2).

Maturity limitations shall depend upon whether the funds being invested are considered short-term or long-term funds. All funds shall be considered short-term, except those reserved for capital projects (e.g., bond sale proceeds).

(1) Short-Term Funds.

- (A) Investment maturities for operating funds and bond reserves shall be scheduled to meet projected cash flow needs. Funds considered short-term will be invested to coincide with projected cash needs or with the following serial maturity:

25% minimum to mature under three months  
75% minimum to mature under 18 months  
100% minimum to mature under five years

- (B) Investments may not exceed five (5) years. Investment maturities beyond 18 months may be made when supported by cash flow projections which reasonably demonstrate that liquidity requirement will be met. Maturities beyond

18 months will be limited to direct U.S. Treasury obligations.

(2) Long-Term Funds.

- (A) Maturity scheduling shall be timed according to anticipated need. ORS 294.135 permits investment beyond 18 months for any bond proceeds or funds accumulated for any purpose that the district is permitted by state law to accumulate and hold funds for a period exceeding one (1) year. The maturities should be made to coincide as nearly as practicable with the expected use of the funds.
- (B) Investment of capital project funds shall be timed to meet projected contractor payments. The drawdown schedule used to guide the investment of the funds shall evidence the approval of the investment officer and review of the Chief Financial Officer.

(b) Diversification by Investment. The investment officer will diversify the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities.

The maximum percentages of the portfolio and the maximum maturities for investments are as follows:

Security	Maximum Percent of Portfolio	Maximum Maturity
U.S. Treasury Bills, Notes, Bonds, Strips and/or State and Local Government Series (SLGS)	100%	
Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises	100%	
Certificates of Deposit (CD) Commercial Banks in Oregon Insured by FDIC	100%	



Repurchase Agreements (Repo's)	50%	90-day maturity
Bankers Acceptances (BA)	<del>100%</del> <u>25%</u>	
Commercial Paper (CP) - Issued by a financial institution, commercial, industrial, or utility business enterprise.  For a corporation headquartered in Oregon  For a corporation headquartered outside of Oregon	35%	A-1 and P-1 only, 90- day maturity; A-2 and P-2, A-1/P-2, or A-2/P1, 60-day maturity  A-1 and P-1 only; 90- day maturity
State of Oregon and Local Government Securities with A ratings or better	25%	
State of Oregon Investment Pool	100%	
Market Interest Accounts and Checking Accounts	Minimum necessary for daily cash management efficiency	

(c) Diversification by Financial Institution.

- (1) Qualified Institutions. The investment officer shall maintain a listing of financial institutions and securities dealers recommended by the IAB. Any financial institution and/or securities dealer is eligible to make an application to the investment officer and upon due consideration and approval hold available funds.

A listing of the eligible institutions shall be held by the investment officer and provided any fiduciary agent or trustee.

- (2) Diversification Requirements. The combination of investments in Certificates of Deposit and Banker's Acceptances invested with any one institution shall not exceed 25 percent of the total available funds or 15 percent of the equity of the institution.

The following limitations avoid over-concentration in securities from a specific issuer or business sector:

Type of Security	Limitation
U.S. Government Treasuries	No limitations
U.S. Government Agencies	Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises as defined under ORS 294.035 and/or 294.040. No more than 40 percent of the portfolio in any one agency.
Certificates of Deposit - Commercial Banks	No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.
Repurchase Agreements	<p>May be purchased from any qualified institution provided the master repurchase agreement is effective and the safekeeping requirements are met. All repurchase agreements will be fully collateralized by general obligations of the U.S. Government, the agencies and instrumentalities of the United States or enterprises sponsored by the United States government, marked to market.</p> <p>The investment officer shall not enter into any reverse repurchase agreements.</p>
Bankers Acceptances	<p>Must be guaranteed by, and carried on the books of, a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.</p> <p>Qualified institution means:</p> <p>i) A financial institution that is located and licensed to do banking business in</p>

	<p>the state of Oregon; or</p> <p>ii) A financial institution located in the states of California, Idaho, or Washington that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the state of Oregon.</p> <p>No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.</p>
Commercial Paper	No more than 5 percent of the total portfolio with any one corporate entity.
State and Local Government Securities	No more than 15 percent of the total portfolio in any one local entity.
State of Oregon Investment Pool	Not to exceed the maximum amount established in accordance with ORS 294.810, with the exception of pass-through funds (in and out within 10 days)

(d) Total Prohibitions. The investment officer may not make a commitment to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement of the purchase or sale transaction and may not agree to invest funds or sell securities for a fee other than interest. Purchase of standby or forward commitments of any sort are specifically prohibited.

(e) Adherence to Investment Diversification. Diversification requirements must be met on the day an investment transaction is executed. If due to unanticipated cash needs, investment maturities or marking the portfolio to market, the investment in any security type, financial issuer or maturity spectrum later exceeds the limitations in the policy, the investment officer is responsible for bringing the investment portfolio back into compliance as soon as is practical.

(f) Competitive Selection of Investment Instruments. Before the investment officer invests any surplus funds, a competitive offering solicitation shall be conducted orally. Offerings will be requested from financial institutions for various options with regards to term and instrument. The investment officer will accept the offering, which provides the

highest rate of return within the maturity required and within the prudent investor rule. Records will be kept of offerings and the basis for making the investment decision.

(Ordinance No. 05-1075.)

#### 7.03.070 Reporting

(a) Methods. A transaction report shall be prepared by the investment manager not later than one business day after the transaction, unless a trustee, operating under a trust agreement, has executed the transaction. The trustee agreement shall provide for a report of transactions to be submitted by the trustee on a monthly basis.

Quarterly reports shall be prepared for each regular meeting of the IAB to present historical information for the past 12-month period. Copies shall be provided to the Chief Operating Officer and the Metro Council.

(b) Performance Standards. The overall performance of Metro's investment program is evaluated quarterly by the IAB using the objectives outlined in this policy. The quarterly report which confirms adherence to this policy shall be provided to the Metro Council as soon as practicable.

The performance of Metro's portfolio shall be measured by comparing the average yield of the portfolio at month-end against the performance of the 90-day U.S. Treasury Bill issue maturing closest to 90 days from month-end and the Local Government Investment Pool's monthly average yield.

(Ordinance No. 05-1075.)

#### 7.030.080 Policy Adoption and Re-adoption

(a) The investment policy must be reviewed by the IAB and the Oregon Short-Term Fund Board prior to adoption by the Metro Council. Adoption of this policy supersedes any other previous Council action or policy regarding Metro's investment management practices.

(b) This policy shall be subject to review and re-adoption annually by the Metro Council in accordance with ORS 294.135.

(Ordinance No. 05-1075.)

#### 7.030.090 List of Documents Used in Conjunction with this Policy

The following documents are used in conjunction with this policy and are available from the investment manager upon request:

- List of Authorized Brokers and Dealers
- List of Primary Dealers
- Calendar of Federal Reserve System Holidays
- Calendar of Local Government Investment Pool Holidays
- Broker/Dealer Request for Information
- Oregon State Treasury's Summary of Liquid Investments Available to Local Governments for Short-Term Fund Investment
- Oregon State Treasury's U.S. Government and Agency Securities for Local Government Investment Under ORS 294.035 and 294.040
- Oregon State Treasury's List of Qualified Depositories for Public Funds
- Attorney General's letter of advice: Certificates of Deposit, ORS 294.035 and ORS 295
- Oregon Revised Statute Chapter 294 - County and Municipal Financial Administration
- Oregon Revised Statute Chapter 295 - Depositories of Public Funds and Securities
- Government Finance Officers Association Glossary of Cash Management Terms

(Ordinance No. 05-1075.)

## STAFF REPORT

### IN CONSIDERATION OF ORDINANCE NO. 08-1190 FOR THE PURPOSE OF AMENDING AND RE-ADOPTING METRO CODE 7.03 (INVESTMENT POLICY) FOR FISCAL YEAR 2008-2009 AND DECLARING AN EMERGENCY

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Date: June 5, 2008

Prepared by: Calvin Smith

#### BACKGROUND

Metro Code, Chapter 7.03 contains the Investment Policy that applies to all cash-related assets held by Metro. This Investment Policy is being submitted to Council for review and re-adoption in accordance with Section 7.03.160 of Metro Code.

The format of Metro's Investment Policy conforms to the Oregon State Treasury's Sample Investment Policy for Local Governments and the Government Finance Officers Association's (GFOA) Sample Investment Policy (except for the one change listed below). This allows Metro's policy to be readily compared to investment policies of other local governments that have adopted the same GFOA format.

One change to investment policy is proposed as a part of this re-adoption. The Investment Manager proposes one change to the Investment policy to reduce the maximum percent of portfolio that can be invested in Banker's Acceptances from 100% down to 25% in order to agree with ORS 294.035.

#### ANALYSIS/INFORMATION

1. **Known Opposition:** None.
2. **Legal Antecedents:** Metro Code, Chapter 7.03, Investment Policy, Section 7.030.080(b) proscribes that the policy shall be subject to review and re-adoption annually by the Metro Council in accordance with ORS 294.135.

Chapter 7.03 was formerly Chapter 2.06 (readopted April 9, 1998; amended December 10, 1998; readopted April 15, 1999; readopted April 27, 2000; readopted December 11, 2001; readopted October 3, 2002; renumbered by Ordinance No. 02-976, Sec. 1; readopted June 12, 2003; amended and readopted April 7, 2005, by Ordinance No. 05-1075; readopted April 20, 2006, by Ordinance 06-1114, readopted June 21, 2007 by Ordinance 07-1149).

3. **Anticipated Effects:** N/A
4. **Budget Impacts:** N/A

**RECOMMENDED ACTION:** Staff recommends re-adoption as amended of Metro Code Chapter 7.03 by Ordinance No. 08-1190.

Agenda Item Number 7.1

**Resolution No. 08-3940**, For the Purpose of Affirming a Definition of  
A “Successful Region” and Committing Metro to Work with Regional  
Partners to Identify Performance Indicators and Targets and to Develop  
A Decision-Making Process to Create Successful Communities.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AFFIRMING A	)	RESOLUTION NO. 08-3940
DEFINITION OF A “SUCCESSFUL REGION”	)	
AND COMMITTING METRO TO WORK WITH	)	Introduced by Councilor Carl Hosticka
REGIONAL PARTNERS TO IDENTIFY	)	
PERFORMANCE INDICATORS AND TARGETS	)	
AND TO DEVELOP A DECISION-MAKING	)	
PROCESS TO CREATE SUCCESSFUL	)	
COMMUNITIES	)	

WHEREAS, the preamble to Metro’s Charter states that Metro shall undertake “...as its most important service, planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations...”; and

WHEREAS, the concept of “quality of life” is given further clarification in the 2040 Growth Concept, the Regional Framework Plan and Metro Council Goals and Objectives; and

WHEREAS, to preserve and enhance the quality of life for current and future generations, growth management policies should be based upon measurable performance toward the achievement of regional goals and objectives; and

WHEREAS, Title 9 (Performance Measures) of the Urban Growth Management Functional Plan states that the Metro Council shall adopt and periodically revise performance measures to be used in evaluating and adjusting, as necessary, Metro’s functional plans, the urban growth boundary (UGB), and other regional plans; and

WHEREAS, the region has an increasing ability to measure its success in realizing its goals, to use performance measures and to understand the likely effects of different policy options; and

WHEREAS, state law currently requires Metro to determine the capacity of the region’s UGB every five years, using a precise methodology set forth at ORS 197.296, and to add capacity if the UGB does not have sufficient room to accommodate population and employment growth forecasted for the next 20 years; and

WHEREAS, the current approach to growth management causes the region to apply a level of analytical precision to long-range population and employment forecasts that does not account for the dynamic nature of housing and employment needs and markets; and

WHEREAS, the current approach can lead to UGB land allocations that do not help to create great communities that enhance the quality of life for ourselves and future generations; and

WHEREAS, this cyclical approach has also had the effect of diverting the region’s attention and resources from critical, shorter-term efforts to build livable communities within the region’s centers and corridors and, instead, has directed scarce resources to a continual analysis of need to add to the region’s long-term development capacity by adding land from outside the UGB; and



WHEREAS, despite the passage of approximately 13 years since its adoption, support for the 2040 Growth Concept remains strong among local governments and the general public, and

WHEREAS, the 2040 Growth Concept also holds promise for addressing contemporary and pressing concerns, such as the region's rapid population growth and its contributions to global warming, and for directing investments in infrastructure in a time of limited funds; and

WHEREAS, in order to establish performance measures to inform future growth management decisions, the region should affirmatively state its vision of long-term success in creating a livable region and its constituent communities; and

WHEREAS, a performance-based approach to growth management will be most successful if jurisdictions throughout the region participate in its development and integrate it into their decision making; and

WHEREAS, Metro and its regional partners intend to use a performance-based approach to help determine whether and where to (1) allocate growth to and within the UGB; (2) invest in communities within the UGB; and (3) expand the UGB; now, therefore

BE IT RESOLVED that the Metro Council

1. Affirms a definition of a successful region and its constituent communities, as set forth in Exhibit A, attached hereto.
2. Commits, based on the principles articulated in Exhibit B, to working with all of our regional partners to identify the performance indicators, targets and decision making process necessary to create successful communities.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_, 2008

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David Bragdon, Council President

Approved as to form:

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Daniel B. Cooper, Metro Attorney

## **Exhibit A To Resolution No. 08-3940**

### **A Definition of a Successful Region**

1. People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.
2. Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
3. People have safe and reliable transportation choices that enhance their quality of life.
4. The region is a leader in minimizing contributions to global warming.
5. Current and future generations enjoy clean air, clean water and healthy ecosystems.
6. The benefits and burdens of growth and change are distributed equitably.

## **Exhibit B To Resolution No. 08-3940**

### **Guiding Principles - Performance Based Growth Management**

1. The new growth management approach should be outcome-oriented, with the outcomes endorsed through regional commitment to a definition of performance or outcome.
2. The new approach should be transparent, allowing for explicit weighing of community values and desired outcomes.
3. Performance or outcome should be defined in a way that is readily measurable and has clear cause-and-effect linkages with policy choices.
4. A combination of measures will be used to assess progress toward meeting the region's goals and will inform decisions about which policy tools are needed to achieve the desired outcomes.
5. Measurements should accommodate local aspirations and should support equitable outcomes across the region while also achieving region-wide goals.
6. The new approach will link performance measures reporting directly with growth management decisions.
7. The new approach should rely on an integrated set of policy and financial tools, including public investments, land supply decisions, local zoning and other strategies.
8. Strategies should be aligned at the regional, local, state and federal level to support progress toward achieving the outcomes desired for the region and to effectively leverage private investment.
9. Changes to state statute and administrative rules may be needed to fully implement this approach.

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 08-3940, FOR THE PURPOSE OF AFFIRMING A DEFINITION OF A “SUCCESSFUL REGION” AND COMMITTING METRO TO WORK WITH REGIONAL PARTNERS TO IDENTIFY PERFORMANCE INDICATORS AND TARGETS AND TO DEVELOP A DECISION-MAKING PROCESS TO CREATE SUCCESSFUL COMMUNITIES

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Date: June 3, 2008

Prepared by: Ted Reid

## BACKGROUND

### Summary of MTAC and MPAC review:

Following is a summary of MTAC and MPAC’s recent consideration of resolution No. 08-3940. In all cases, the draft of the resolution that was discussed is the same as what you have before you. This current draft of the resolution reflects MTAC’s earlier suggestion that staff drastically shorten the list of desired outcomes found in Exhibit A to the resolution.

May 7: MTAC unanimously endorsed the resolution. MTAC expressed a great deal of enthusiasm for the resolution and, more generally, for the Performance-Based Growth Management concept. MTAC did, however, have a number of suggested revisions to the resolution. Instead of attempting to reconcile those comments, staff summarized them in a May 8, 2008 memo to MPAC (Attachment 2).

May 14: On May 14, MPAC considered the resolution. The aforementioned memo (Attachment 2) summarizing MTAC’s comments accompanied the draft resolution. Staff reviewed MTAC’s comments and solicited MPAC’s response. MPAC was supportive of the resolution, and, rather than engaging in further editing, voted 16-2 to recommend that the Metro Council adopt the resolution as written.

### Contents of the resolution:

Staff has been developing the Performance-Based Growth Management (PBGM) concept in order to allow for a more robust conversation about how different growth management strategies measure up to the region’s aspirations. The proposed resolution is a first step towards designing a performance-based growth management system that helps to create the successful communities that the region desires. The resolution has three main purposes:

1. Define success – The resolution describes the region’s desired outcomes with respect to creating successful, livable communities (see Exhibit A to the resolution).
2. Establish guiding principles – The resolution articulates a set of principles (see Exhibit B to the resolution) that will guide the creation of a performance-based growth management system.
3. Commit to collaboration – The resolution commits the Metro Council, based on the desired outcomes and guiding principles, to work with regional partners to identify the performance indicators, targets and decision-making process necessary to create successful communities.

### Relationship of this resolution’s outcome statement to past Metro policy statements

The PBGM project is not an attempt to create a new vision for the region. Rather, it is an attempt to do a better job of implementing the 2040 Growth Concept. Past policy documents such as the 2040 Growth

Concept, Regional Urban Growth Goals, and the Regional Framework plan have informed the writing of the outcome statements found in Exhibit A to the resolution.

However, the resolution's list of desired outcomes is different from previous policy statements in that it strives to articulate only the desired outcomes, not the strategies thereto. For instance, past policies have included goal statements such as "adequate land supply" or "compact urban form." While these are important strategies, these statements fail to capture what is most important to the region: outcomes like clean air and water and thriving communities. The resolution also attempts to list only those outcomes that may be most directly influenced by growth management strategies.

The resolution's focus on outcomes, not strategies, also recognizes the fact that no single strategy is likely to accomplish the desired outcomes. Instead, a combination of local and regional policies and private and public investments will be needed. Finally, given its pressing importance, an outcome statement related to global warming has been added despite its absence in past policy statements.

### **How the resolution's outcome statements could translate into strategies and indicators**

The intent is to have these desired outcomes be at the forefront when making growth management decisions. This would be accomplished through the use of performance indicators that correspond to each desired outcome.

Attachment 1 to this staff report includes, for each of the six outcome statements, illustrative examples of strategies for achieving the outcome as well as draft indicators for measuring the effectiveness of those strategies. Additional stakeholder input will be solicited before finalizing the list of performance indicators.

It is worth noting that, as with the performance indicators mandated by ORS 197.301, there is no performance indicator for adequate growth capacity. This is because the very premise of PBGM is that capacity can (and will) be provided through a variety of strategies. A PBGM system would provide the means of weighing the costs and benefits of those strategies in light of the region's desired outcomes.

The attached list of sample performance indicators includes those that are currently mandated under ORS 197.301 as well as a number of the performance indicators that were generated in Metro's agency-wide performance measurement project. These indicators were supplemented with performance indicators that are being considered for use in the Regional Transportation Plan (RTP) as well as those that are being reported in the Title 13 (Nature in Neighborhoods) *State of the Watersheds* report.

Performance indicators would be used retrospectively (to monitor past performance) as well as prospectively (to report the results of scenario modeling) to allow for adaptive management. However, there are likely to be important performance indicators for which modeling is currently not possible (e.g. many of the habitat-related indicators) or for which historic data is not available (e.g. many of the transportation indicators). Given the importance of such indicators, staff recommends that the inability to both measure and model results for a given indicator not preclude its use.

Staff anticipates that many performance indicators will be most informative when mapped, thereby allowing for sub-regional analysis and targeted corrective strategies.

### **Existing statutes**

In some ways, a PBGM system is already described in the Oregon Revised Statutes (ORS 197.301 and 197.302). Those statutes articulate a set of performance measures that are to be reported by Metro every two years and require that corrective actions be taken if additional growth capacity is needed. The proposed PBGM system is an attempt to improve upon what is already required by statute.

### **Better indicators**

One such improvement would be to develop performance indicators that measure the impacts of growth as experienced by the region's residents. In particular, most of the performance indicators currently required under ORS 197.301 (for instance, residential vacancy rates) fail to describe, in any intuitive way, quality of life or cost of living for the region's residents.

### **Adaptive management**

A second improvement would be to more explicitly link the performance indicators with growth management strategies so that such strategies specifically address performance deficiencies. Under our current system, there is no attempt to demonstrate how a particular strategy, such as a UGB expansion, might improve performance.

Adaptive strategies could take many forms, depending on the circumstances. For example, the region's experience has shown that providing land supply alone does not create a community. Improved access to open space, transit, and other urban amenities are some of the most effective means of attracting residents and employers to the region's centers, corridors and employment areas.

Scenario modeling would help establish a cause and effect linkage between a strategy and outcomes. As previously noted, under a PBGM system, performance indicators would be used both retrospectively (as required by the statute) as well as prospectively in scenario modeling. A variety of strategies, including UGB expansions, could be tested using modeled scenarios. For instance, a scenario that tests limited UGB expansions, upzoning and investments in corridor improvements could be tested against a strategy that provides for more aggressive UGB expansions and investments in transit connections between centers.

These scenarios will be an iterative process that, in coordination with local partners, will provide for the refinement of strategies. When measured against the performance indicators, some scenarios will perform better than others. However, it will be a matter for deliberation at Metro and at the local level which strategies produce the desired results at the right risk or cost level. When the Council does decide that there is a need for additional land supply, a performance-based system would provide a transparent, outcome-based means of arriving at that decision and of choosing amongst urban reserve areas, based on the quality of the concept plan.

### **Designing the decision-making system**

As noted, any policy decisions and public investments that influence urban form could be considered growth management decisions. Many of these actions are taken at the local level while the Metro Council takes others. Given the dispersed nature of these decisions, it is most accurate to describe PBGM as an outcome-oriented decision-making paradigm, rather than as a single, unified system for making all growth management decisions.

This outcome-oriented decision-making paradigm is one that is currently being incorporated into the Regional Transportation Plan (RTP). Metro's RTP staff is, in conjunction with external advisors, identifying performance indicators that will be used to monitor and model the performance of the region's transportation network and its effects on land use, thereby informing investment decisions. Staff's intent is that one set of performance indicators be used by the RTP and to guide Metro's other actions and investments.

For this decision-making paradigm to be most effective, it also needs to be relied upon by the region's cities. Consequently, the proposed resolution commits Metro to work with its regional partners to design the PBGM decision-making framework. Staff anticipates that the design of this framework will involve

the development of performance targets that are linked with adaptive strategies. Staff intends that this decision-making framework as well as the aforementioned scenario modeling capabilities be regarded by local jurisdictions as a valuable tool for considering future choices.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

There is no known opposition to this resolution.

### **2. Legal Antecedents**

ORS 197.296 to 197.303

Urban Growth Management Functional Plan (in particular, Title 9, Performance Measures)

### **3. Anticipated Effects**

If this resolution is adopted, staff will work with Metro's regional partners to create a performance-based growth management system. This work will include the identification of performance indicators, performance targets, and adaptive strategies. Once implemented, a PBGM system would consist of the ongoing provision of technical resources to local jurisdictions for considering the effects of different local strategies. This technical assistance will be of particular importance as 12 of the region's cities enter Periodic Review of their comprehensive plans over the next several years. Staff does not anticipate that a PBGM system will be any easier to implement than the current growth management system. However, staff believes that a PBGM system can more be more successful in helping local jurisdictions to create great communities that are an asset to the region.

### **4. Budget Impacts**

Development of the Performance-Based Growth Management concept is already included in the budget. Though there will be no new budget impacts as a consequence of adopting this resolution, an ongoing performance-based growth management system would incur new costs, particularly for data collection, management, interpretation, and display.

## **RECOMMENDED ACTION**

Staff recommends that Council adopt the resolution.

ATTACHMENT 1 to Staff Report

**OUTCOME 1: People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Create a compact urban form by encouraging growth (jobs and housing) in centers and corridors	Private investment in centers and corridors as a percent of total private investment in the region	No
	Residential vacancy rates (renters, owners)	Yes
	Refill rate - industrial, commercial, residential	Yes
	Percent of employment (and employers) and population in the three-county region that is within centers and corridors	No
Encourage efficient use of land in all communities	The rate of conversion of vacant land to improved	Yes
	The sales price of vacant land	Yes
	Average density by design type (center, corridor, industrial/employment area)	No
Encourage mixed uses in centers and corridors	Percent of area within centers and corridors with compact urban form characteristics (mixed use index)	No
Provide urban amenities (parks, street car, plazas, boulevard treatments, bike lanes, sidewalks, etc)	Neighborhood score (statistical measure of neighborhood desirability - the portion of property sales price not explained by private improvements)	No
	Number and percentage of households within 1/2 mile of public open space (park, plaza, natural area)	Yes



**OUTCOME 2: Current and future residents benefit from the region's sustained economic competitiveness and prosperity**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Provide for the efficient and reliable movement of freight and goods.	Total delay and cost of delay on the regional freight network in mid-day and PM peak	yes (mobility)
Provide regional access to labor and markets	Number and percentage of households and jobs within 30 minutes of the (Tier 1) central city, regional centers, and industrial areas for mid-day and PM peak (visualized using travel time contours)	yes (accessibility)
Attract employers and a qualified work force by preserving and improving the region's quality of life	Traded sector jobs in the region as a percent of the U.S. average	No
	The level of job creation within individual cities and the urban areas of a county inside the metropolitan service district	Yes
Protect critical industrial lands from conflicting uses	Percentage of employment (and employers) located in Title 4 (industrial/employment) areas	No

**OUTCOME 3: People have safe and reliable transportation choices that enhance their quality of life**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Provide for the efficient and reliable movement of people	Average commute length	yes (accessibility)
Provide community access to daily activities	Number and percent of homes within 1/2 mile of regional transit service	No
	Number and percent of homes within 1/2 mile of a regional trail	No
Invest our resources wisely	User cost per mile (auto and truck)	No
Design a safe transportation system	Per capita crashes, serious injuries and fatalities by mode	No

**OUTCOME 4: The region is a leader in minimizing contributions to global warming**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Reduce dependence on automobile	VMT per capita	No
	Total VMT	No
	Non drive alone mode share for central city and individual regional centers (% by mode)	No
	Tons of transportation-related greenhouse gas emissions per year	No
Encourage reductions in residential energy consumption	Average BTU consumption per household	No

**OUTCOME 5: Current and future generations enjoy clean air, clean water and healthy ecosystems**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Protect / enhance ecological function	The amount of environmentally sensitive land that is protected and the amount of environmentally sensitive land that is developed (statutory language - needs refinement for use)	Yes
Preserve and improve streamside, wetland and flood area habitat connectivity	Number of acres of Class I and II high value riparian habitat	No
	Number of acres of undeveloped floodplain	No
Preserve large areas of contiguous habitat and avoid fragmentation	Number of acres of Class A and B high value upland habitat	No
Preserve and improve special habitats of concern (native oak, riparian bottomland hardwood, wetlands, river islands and deltas, as well as habitats with specific key functions)	Number of acres and categorical types of special or at-risk species	No
Minimize conversion of rural lands to urban uses	Acres consumed in UGB expansion areas	No

**OUTCOME 6: The benefits and burdens of growth and change are distributed equitably**

<b>Strategies</b>	<b>Draft performance indicators</b>	<b>Indicator mandated by state?</b>
Minimize geographic concentrations of poverty by providing housing and transportation choices in centers and corridors	The density and price ranges of residential development, including both single family and multifamily residential units	Yes
	A measure of combined housing/transportation costs (probably an index)	No
	Percent of residents living in poverty	No
	Number and percent of low-income (define) households within 1/2 mile of high-capacity transit or frequent bus service	No
Ensure clean air for all by reducing dependence on automobile	Total pounds of selected air toxins emitted.	Yes (air quality)
Encourage an efficient urban form that reduces the costs of providing infrastructure	Average regional, community, local infrastructure costs by census tract	No

## ATTACHMENT 2

# M E M O R A N D U M

600 NORTHEAST GRAND AVENUE  
TEL 503 797 1768

PORTLAND, OREGON 97232 2736  
FAX 503 797 1930



**To:** MPAC  
**From:** Chris Deffebach and Ted Reid, Long Range Policy and Planning  
**Date:** May 8, 2008  
**Re:** Performance-Based Growth Management

On May 7, 2008, MTAC unanimously endorsed Resolution No. 08-3940, but had the following comments for MPAC consideration in formulating its recommendation to the Metro Council:

### **Governance**

A primary topic of conversation was the issue of governance. At the March 12 MPAC session, the City of Tigard suggested the addition of language for Exhibit A to the draft resolution. That language was unanimously endorsed by MPAC and read:

“New urban areas be planned and developed under municipal governance structures (within cities).”

On April 19, the draft resolution was again discussed by MTAC. MTAC requested a drastically shortened list of desired outcomes. Staff took that suggestion and re-wrote all of the outcome statements found in Exhibit A to the resolution. Staff did so with the intent to articulate only desired outcomes, not the means thereto. In that process, staff concluded that the above statement regarding governance was a “how to” statement rather than a desired outcome and did not include it in the current draft of the resolution.

During their May 7, 2008 meeting, MTAC did not come to a consensus on whether or not this statement belongs in Exhibit A to the resolution or whether it is more appropriate to consider it as a strategy for which we should develop performance indicators. Additionally, there was discussion of whether or not this statement would apply to existing unincorporated areas, or just newly urbanizing areas. Given this lack of agreement, MTAC suggests the following choices for MPAC’s consideration:

1. Incorporate the statement, as written, into Exhibit A to the resolution.
2. Incorporate the statement into Exhibit A to the resolution, and explicitly state that it applies both to newly urbanizing areas and existing unincorporated areas.
3. Do not incorporate the statement into Exhibit A to the resolution. Consider the statement as one strategy amongst many for achieving the desired outcomes. Make a point of developing a performance indicator that addresses this issue (for example, a relevant performance indicator

might fit under Outcome number 6, regarding the equitable distribution of benefits and burdens: Percent of population living in unincorporated areas).

#### **Comments on the resolution's whereas clauses**

- The resolution should explicitly state that a performance-based system is intended to do a better job of implementing existing policies such as the 2040 Growth Concept and the Regional Urban Growth Goals and Objectives. The purpose is not to create a new vision for the region.

#### **Comments on Exhibit A to the resolution (desired outcomes)**

- General comments about outcome statements:
  - This short list makes much more sense than the previous list, which was too lengthy.
- Outcome number 1:
  - Refer to “complete communities” rather than “vibrant communities.”
  - There are too many ideas incorporated into this outcome.
  - This is a complex statement, but one that is necessary to describe a desirable urban form.
  - Amend to read, “People live in complete communities, where they have choices of housing designs and prices, jobs are close to home, and they can safely and routinely walk for pleasure and to meet their everyday needs.”
  - Amend to read, “All people, regardless of income, live and work in complete communities where they can choose to walk for pleasure and to meet their everyday needs.”
  - The concept of walkability belongs under Outcome 3, transportation choices.
  - The concept of walkability is important when describing urban form and belongs in Outcome 1.
- Outcome number 2:
  - There is no need to refer to “current and future residents.” Instead, simply refer to “residents.”
  - Amend to read, “All current and future residents benefit from the region's sustained economic competitiveness and prosperity and the benefits and burdens of growth and change are distributed equitably.”
- Outcome number 3:
  - Amend to read, “People have safe and reliable access to transportation choices that enhance their quality of life.”
  - Amend to read, “All people have safe and reliable transportation choices that enhance their quality of life.”
- Outcome number 4:
  - This is an important outcome statement that we need to incorporate.
  - There should be some language about “sustainability” in this outcome.
  - Refer to “global climate change” rather than “global warming.”
  - To be consistent with state laws regarding reductions in emissions, substitute the word “reducing” for the word “minimizing.”
  - Revised, a new outcome could read, “The region is a leader in sustainability and in reducing its contributions to global climate change.”
- Outcome number 5:
  - There is no need to refer to “current and future residents.” Instead, simply refer to “residents.”
- Outcome number 6:
  - MTAC supports the consideration of equity in growth management decisions, but it was suggested that it might be more appropriate to incorporate equity into the other outcome statements rather than making it an outcome unto itself.

#### Comments on exhibit B to the resolution (guiding principles)

- Add a guiding principle that states that the 2040 Growth Concept and other existing policies are the basis for the development of a performance-based growth management system.
- Not all local aspirations are consistent with regional goals. Articulate the idea that this system should support only those local aspirations that are consistent with the regional vision. *A counter argument was made that this sentiment is already captured in the guiding principles, as follows: “Measurements should accommodate local aspirations and should support equitable outcomes across the region while also achieving region-wide goals.”*
- Because this is intended to be a collaborative approach, there should be the flexibility to amend this list of desired outcomes in the future. There should be a guiding principle to this effect or it should be stated in the “be it resolved” section. *A counter argument was made that planning is always an iterative process and that including such a clause would only serve to weaken the importance of the resolution.*

#### **Comments on attachment 1 to the staff report (example performance indicators)**

Though the resolution itself does not contain any performance indicators, the staff report gives examples of possible measures to explain how a performance-based approach might work. Pending passage of this resolution, staff will work with MTAC, MPAC, the Metro Council and other stakeholders to develop the performance indicators and targets. However, MTAC had a number of initial comments about performance indicators:

- The performance indicator for access to parks should use a ¼ mile rather than a ½ mile distance.
- There should be measures for:
  - Green building
  - Industrial emissions
  - Renewable energy
  - Percent of K-12 children that can walk to school
- The eventual list of performance indicators needs to be relatively short, perhaps two indicators for each outcome.
- Performance indicators should relate to the desired outcome, not to the strategy thereto.
- Performance indicators should measure not just the status, but change over time (e.g. percent change in...)
- Every outcome statement needs a measure of equity.
- The development of performance indicators needs to be a collaborative, transparent process.



Agenda Item Number 7.2

**Resolution No. 08-3941A**, For the Purpose of Adopting the Capital Budget for Fiscal-Year 2008-09 through 2012-13; Raising the Individual Project Reporting Limit; and the Amendment and Re-adoption of Metro's Financial Policies.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE	)	RESOLUTION NO. 08-3941A
CAPITAL BUDGET FOR FISCAL YEARS	)	Introduced by Michael Jordan, Chief
2008-09 THROUGH 2012-13; RAISING THE	)	Operating Officer with concurrence of
INDIVIDUAL PROJECT REPORTING LIMIT; AND	)	the Council President
THE AMENDMENT AND READOPTION OF	)	
METRO'S FINANCIAL POLICIES	)	

WHEREAS, Metro recognizes the need to prepare a long-range plan estimating the timing, scale and cost of its major capital projects & equipment purchases;

WHEREAS, Metro departments have inventoried existing major capital assets, prepared status reports on current capital projects and assessed future capital needs;

WHEREAS, a review of the minimum reporting limit of \$50,000 established in FY 1997-98 for a capital project indicates the need to increase that limit to \$100,000; and

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Budget for fiscal years 2008-09 through 2012-13 that projects Metro's major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs; and

WHEREAS, the Metro Council has reviewed the FY 2008-09 through FY 2012-2013 Capital Budget; and

WHEREAS, the Metro Council Adopted Comprehensive Financial Policies for Metro by Resolution No. 04-3465 that calls for annual review and adoption of Metro's Comprehensive Financial Policies; and

WHEREAS, Metro's Finance Team has reviewed the Comprehensive Financial Policies; and

WHEREAS, Metro Council has reviewed the Comprehensive Financial Policies; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2008-09 through FY 2012-13 Capital Budget; now, therefore

BE IT RESOLVED that the Metro Council hereby authorizes the following:

1. That the FY 2008-09 through FY 2012-13 Capital Budget, summarized on Exhibit A, is hereby adopted.

2. That the Metro Council is requested to include the FY 2008-09 capital projects from the FY 2008-09 through FY 2012-13 Capital Budget in the FY 2008-09 budget.

3. That Metro's Financial Policies section "Capital Asset Management Policies", number 4 be amended to read: "Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least five years."

4. That the Comprehensive Financial Policies, included as Exhibit B to this Resolution, are adopted and included in the FY 2008-09 budget.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_ 2008.

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David Bragdon, Metro Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

Priority	Fund	Dept
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## Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Finance		Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
<b>General Fund Capital Fund - 612</b>									
1	Council Chamber Audio/Visual Upgrades	\$0	\$100,959	\$0	\$0	\$0	\$140,851	\$241,810	Fund Balance - Renewal and Replacement
2	Council/COO Building Space Remodel	\$4,664	\$150,000	\$0	\$0	\$0	\$0	\$154,664	Fund Balance - Capital Reserve
<b>General Fund Renewal and Replacement Fund</b>									
1	Rebuild Metro Regional Center planters	\$70,849	\$90,800	\$0	\$0	\$0	\$0	\$161,649	Fund Balance - Renewal and Replacement
2	Parking Structure Waterproofing	\$0	\$100,000	\$25,000	\$0	\$0	\$0	\$125,000	Fund Balance - Renewal and Replacement
3	Copier Replacement	\$290,544	\$47,000	\$52,020	\$50,923	\$51,957	\$50,788	\$543,232	Fund Balance - Renewal and Replacement
4	Carpet Replacement	\$0	\$75,000	\$100,000	\$100,000	\$111,000	\$0	\$386,000	Fund Balance - Renewal and Replacement
5	Replace Metro Regional Center telephone system	\$35,400	\$30,000	\$65,000	\$0	\$0	\$0	\$130,400	Fund Balance - Renewal and Replacement
6	Renewal and Replacement Property Services	\$0	\$15,000	\$82,386	\$26,545	\$0	\$54,748	\$178,679	Fund Balance - Renewal and Replacement
<b>Total - Finance</b>		<b>\$401,457</b>	<b>\$608,759</b>	<b>\$324,406</b>	<b>\$177,468</b>	<b>\$162,957</b>	<b>\$246,387</b>	<b>\$1,921,434</b>	

Dept	Fund	Priority
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## Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Information Technology		Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
<b>All Funds</b>									
1	Replace/Acquire Desktop Computers	\$539,966	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$939,966	Fund Balance - Capital Reserve
<b>General Fund Capital Fund - 612</b>									
1	Develop Enterprise Business Applications Software	\$334,528	\$150,000	\$0	\$0	\$0	\$0	\$484,528	Fund Balance - Capital Reserve
<b>General Fund Renewal and Replacement Fund</b>									
1	Net Appliance Alex File Server	\$0	\$132,600	\$0	\$0	\$0	\$143,531	\$276,131	Fund Balance - Renewal and Replacement
2	Upgrade of Business Enterprise Software (PeopleSoft	\$128,514	\$68,340	\$65,025	\$71,101	\$67,652	\$73,973	\$474,605	Fund Balance - Renewal and Replacement
3	Enterprise Productivity Platform Upgrade and Licensi	\$162,890	\$231,700	\$197,200	\$197,200	\$10,000	\$0	\$798,990	Fund Balance - Renewal and Replacement
4	Information Technology R&R Projects Under \$50,00	\$0	\$182,988	\$168,441	\$158,636	\$269,742	\$141,377	\$921,184	Fund Balance - Renewal and Replacement
5	Single Uninterruptible Power Source (UPS) for Comp	\$0	\$99,500	\$0	\$0	\$0	\$0	\$99,500	Fund Balance - Renewal and Replacement
<b>Planning Fund</b>									
1	Regional Land Information System (RLIS)	\$795,667	\$56,000	\$42,000	\$32,000	\$27,000	\$23,000	\$975,667	Other Capital Lease
2	Transportation Modeling Services Cluster Upgrade	\$69,000	\$25,000	\$80,000	\$25,000	\$68,200	\$25,000	\$292,200	Other
<b>Total - Information Technology</b>		<b>\$2,030,565</b>	<b>\$1,026,128</b>	<b>\$632,666</b>	<b>\$563,937</b>	<b>\$522,594</b>	<b>\$486,881</b>	<b>\$5,262,771</b>	

## Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Oregon Zoo		Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
<b>General Revenue Bond Fund (Zoo)</b>									
1	Washington Park Parking Lot Renovation	\$4,406,795	\$201,200	\$0	\$0	\$0	\$0	\$4,607,995	Other
<b>Zoo Capital Projects Fund</b>									
1	Storm Water Connection to Big Pipe	\$125,000	\$125,000	\$0	\$0	\$0	\$0	\$250,000	Fund Balance - Capital Reserve
2	Predators of the Serengeti	\$380,730	\$3,670,000	\$0	\$0	\$75,000	\$0	\$4,125,730	Donations
3	Red Ape Reserve "Orangutan"	\$225,000	\$1,575,000	\$0	\$0	\$0	\$0	\$1,800,000	Excise Tax Renewal & Replacement
4	Primate Building Roof Replacement	\$0	\$120,000	\$0	\$0	\$0	\$0	\$120,000	Excise Tax Renewal & Replacement
5	Veterinary Hospital and Quarantine Design	\$70,000	\$30,000	\$0	\$0	\$0	\$0	\$100,000	Fund Balance - Capital Reserve
6	Primate Climbing Structure Replacement	\$60,000	\$30,000	\$0	\$0	\$0	\$0	\$90,000	Fund Balance - Renewal and Replacement
7	Family Farm Addition	\$0	\$51,000	\$0	\$0	\$0	\$0	\$51,000	Fund Balance - Capital Reserve
8	Primate Building - Forests of the World Exhibit	\$875,478	\$0	\$400,000	\$0	\$0	\$0	\$1,275,478	Fund Balance - Capital Reserve
9	Mandrill Exhibit	\$0	\$0	\$300,000	\$0	\$0	\$0	\$300,000	Fund Balance - Capital Reserve
10	California Condor Breeding Facility & Exhibit	\$1,928,956	\$0	\$0	\$1,000,000	\$0	\$0	\$2,928,956	Donations
11	Polar and Sun Bear Exhibit Renovation	\$0	\$0	\$0	\$500,000	\$0	\$0	\$500,000	Fund Balance - Capital Reserve
<b>General Fund Renewal and Replacement Fund</b>									
1	Campus Radio Replacement	\$0	\$229,500	\$0	\$0	\$0	\$0	\$229,500	Fund Balance - Renewal and Replacement
2	Perimeter USDA Fence	\$0	\$55,080	\$0	\$0	\$0	\$0	\$55,080	Fund Balance - Renewal and Replacement
3	FY 2008-09 Zoo Renewal and Replacement Projects	\$0	\$367,627	\$0	\$0	\$0	\$0	\$367,627	Fund Balance - Renewal and Replacement
4	AfriCafe HVAC Controls Replacement	\$0	\$51,000	\$0	\$0	\$0	\$0	\$51,000	Fund Balance - Renewal and Replacement
5	Primate Building HVAC Controls Replacement	\$0	\$51,000	\$0	\$0	\$0	\$0	\$51,000	Fund Balance - Renewal and Replacement
6	FY 2009-10 Zoo Renewal and Replacement Projects	\$0	\$0	\$667,592	\$0	\$0	\$0	\$667,592	Fund Balance - Renewal and Replacement
7	FY 2010-11 Zoo Renewal and Replacement Projects	\$0	\$0	\$0	\$748,273	\$0	\$0	\$748,273	Fund Balance - Renewal and Replacement
8	FY 2011-12 Zoo Renewal and Replacement Projects	\$0	\$0	\$0	\$0	\$711,018	\$0	\$711,018	Fund Balance - Renewal and Replacement
9	FY 2012-13 Zoo Renewal and Replacement Projects	\$0	\$0	\$0	\$0	\$0	\$856,348	\$856,348	Fund Balance - Renewal and Replacement
<b>Total - Oregon Zoo</b>		<b>\$8,071,959</b>	<b>\$6,556,407</b>	<b>\$1,367,592</b>	<b>\$2,248,273</b>	<b>\$786,018</b>	<b>\$856,348</b>	<b>\$19,886,597</b>	

Priority	Fund	Dept
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Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Regional Parks and Greenspaces

	Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
<b>Natural Areas Fund</b>								
1 Natural Areas Acquisition	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000	\$25,000,000	\$2,070,963	\$167,070,963	G.O. Bonds - Open Spaces
2 Mount Talbert Nature Park	\$1,689,905	\$50,000	\$0	\$0	\$0	\$0	\$1,739,905	G.O. Bonds - Open Spaces
3 Cooper Mountain Nature Park	\$205,663	\$2,523,500	\$100,000	\$75,000	\$0	\$0	\$2,904,163	G.O. Bonds - Open Spaces
4 Graham Oaks Nature Park	\$277,507	\$1,600,402	\$0	\$0	\$0	\$0	\$1,877,909	G.O. Bonds - Open Spaces
5 Willamette Cove Nature Park	\$0	\$0	\$0	\$300,000	\$0	\$0	\$300,000	G.O. Bonds - Open Spaces
<b>Open Spaces Fund</b>								
1 Open Spaces Land Acquisition	\$129,516,675	\$407,781	\$0	\$0	\$0	\$0	\$129,924,456	G.O. Bonds - Open Spaces
<b>Regional Parks Capital Fund</b>								
1 Nature and Golf Learning Center at Blue Lake Park	\$691,149	\$5,758,000	\$3,000,000	\$0	\$0	\$0	\$9,449,149	Other
2 M. James Gleason Boat Ramp Renovation Phase I & I	\$1,188,520	\$2,435,800	\$0	\$0	\$0	\$0	\$3,624,320	Grants - State Marine Board
3 M. James Gleason Boat Ramp - Phase III & IV	\$0	\$0	\$0	\$800,000	\$0	\$0	\$800,000	Grants - State Marine Board
4 Stafford Field Station Office	\$0	\$70,000	\$0	\$0	\$0	\$0	\$70,000	Excise Tax Renewal & Replacement
5 Howell Territorial Park Restroom & Kitchen Upgrade	\$30,000	\$65,000	\$0	\$0	\$0	\$0	\$95,000	Excise Tax Renewal & Replacement
6 Blue Lake Water System Upgrade - Phase 2	\$10,000	\$70,000	\$0	\$0	\$0	\$0	\$80,000	Fund Balance - Capital Reserve
<b>General Fund Renewal and Replacement Fund</b>								
1 Regional Parks Renewal and Replacement	\$0	\$60,153	\$39,978	\$256,599	\$474,697	\$24,425	\$855,852	Fund Balance - Renewal and Replacement
2 Brainard Retaining Wall	\$0	\$76,500	\$0	\$0	\$0	\$0	\$76,500	Fund Balance - Renewal and Replacement
<b>Total - Regional Parks and Greenspaces</b>	<b>\$168,609,419</b>	<b>\$48,117,136</b>	<b>\$38,139,978</b>	<b>\$36,431,599</b>	<b>\$25,474,697</b>	<b>\$2,095,388</b>	<b>\$318,868,217</b>	

## Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Solid Waste and Recycling		Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
<b>Solid Waste General Account</b>									
1	Metro Central - Seismic Cleanup	\$100,000	\$75,000	\$0	\$0	\$0	\$0	\$175,000	Fund Balance - Capital Reserve
2	Metro Central - Chimney Removal	\$135,000	\$30,000	\$0	\$0	\$0	\$0	\$165,000	Fund Balance - Capital Reserve
3	Metro Central - Locker room/restroom remodel	\$0	\$165,000	\$0	\$0	\$0	\$0	\$165,000	Fund Balance - Capital Reserve
4	Metro Central - Rainwater Harvesting	\$0	\$150,000	\$160,000	\$0	\$0	\$0	\$310,000	Fund Balance - Capital Reserve
5	Metro South - Wood Staging Structure	\$0	\$80,000	\$570,000	\$0	\$0	\$0	\$650,000	Fund Balance - Capital Reserve
6	Metro South - Wood Processing Capacity	\$53,500	\$60,000	\$595,000	\$150,000	\$0	\$0	\$858,500	Fund Balance - Capital Reserve
7	Metro South - Natural Lighting Improvements	\$0	\$0	\$75,000	\$0	\$0	\$0	\$75,000	Fund Balance - Capital Reserve
8	Metro South - New Operations Supervisors' Office	\$0	\$0	\$100,000	\$0	\$0	\$0	\$100,000	Fund Balance - Capital Reserve
9	Metro Central - Tarping Station	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000	Fund Balance - Capital Reserve
10	Power Surge Protection for scalehouses at MSS & M	\$0	\$0	\$150,000	\$0	\$0	\$0	\$150,000	Fund Balance - Capital Reserve
11	Sort Line for Metro Central Station	\$0	\$0	\$0	\$864,000	\$0	\$0	\$864,000	Fund Balance - Capital Reserve
12	Expansion of MCS-HHW facility	\$0	\$0	\$0	\$0	\$0	\$863,000	\$863,000	Fund Balance - Capital Reserve
13	Improvements to Metro South truck entrance/exit	\$0	\$0	\$110,000	\$0	\$0	\$0	\$110,000	Fund Balance - Capital Reserve
14	Reader Board at MSS entrance	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000	Fund Balance - Capital Reserve
15	Metro South HHW - Extend Canopy	\$0	\$0	\$0	\$0	\$75,000	\$0	\$75,000	Fund Balance - Capital Reserve
16	Metro Central HHW - Extend Canopy	\$0	\$0	\$0	\$0	\$75,000	\$0	\$75,000	Fund Balance - Capital Reserve
17	Metro South - Install High Capacity Baler	\$0	\$0	\$0	\$255,000	\$375,000	\$0	\$630,000	Fund Balance - Capital Reserve
18	Metro South- Installation of Compactor for Public Un	\$0	\$0	\$0	\$200,000	\$680,000	\$0	\$880,000	Fund Balance - Capital Reserve
19	Future Master Facility Plan Improvements	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	Fund Balance - Capital Reserve
<b>Solid Waste Landfill Closure</b>									
1	St. John's - Groundwater Monitoring Wells	\$200,000	\$10,800	\$0	\$0	\$0	\$0	\$210,800	Fund Balance - Landfill Closure
2	St John's - Perimeter Dike Stabilization and Seepage	\$323,622	\$400,000	\$6,000	\$6,000	\$3,000	\$3,000	\$741,622	Fund Balance - Landfill Closure
3	St. John's - Re-establish Proper Drainage	\$621,331	\$0	\$252,000	\$5,000	\$5,000	\$0	\$883,331	Fund Balance - Landfill Closure
4	St. John's - Landfill Bridge Repairs	\$30,000	\$120,000	\$0	\$0	\$0	\$0	\$150,000	Fund Balance - Landfill Closure
5	St. John's - Landfill Remediation	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$3,000,000	Fund Balance - Landfill Closure
<b>SW Renewal &amp; Replacement Account</b>									
1	Metro Central - Transfer trailer Scale Replacement	\$0	\$190,000	\$0	\$0	\$0	\$0	\$190,000	Fund Balance - Renewal and Replacement
2	Metro Central HHW - Chiller Replacement	\$32,000	\$68,000	\$0	\$0	\$0	\$0	\$100,000	Fund Balance - Renewal and Replacement
3	Metro Central - Compactor Replacement	\$200,000	\$700,000	\$0	\$0	\$0	\$0	\$900,000	Fund Balance - Renewal and Replacement
4	Metro Central- Scalehouse A Outbound scale	\$0	\$90,000	\$0	\$0	\$0	\$0	\$90,000	Fund Balance - Renewal and Replacement
5	Metro Central - Truckwash	\$0	\$35,000	\$285,000	\$0	\$0	\$0	\$320,000	Fund Balance - Renewal and Replacement
6	Metro Central-HHW- Ventilation System Replacemen	\$0	\$140,000	\$0	\$0	\$0	\$0	\$140,000	Fund Balance - Renewal and Replacement
7	Metro South - Compactor Replacement	\$3,638	\$0	\$600,000	\$600,000	\$0	\$0	\$1,203,638	Fund Balance - Renewal and Replacement
8	Metro South- Replace Ventilation System Component	\$0	\$0	\$140,000	\$0	\$0	\$0	\$140,000	Fund Balance - Renewal and Replacement
9	Metro Central - Scalehouse A Inbound scale	\$0	\$0	\$90,000	\$0	\$0	\$0	\$90,000	Fund Balance - Renewal and Replacement
10	Metro Central - Scalehouse "C" Scale Replacement	\$0	\$0	\$0	\$100,000	\$0	\$0	\$100,000	Fund Balance - Renewal and Replacement
11	Metro South - Outdoor/Site Lighting	\$0	\$75,000	\$0	\$0	\$0	\$0	\$75,000	Fund Balance - Renewal and Replacement
12	Metro Central - Replace metal wall system	\$0	\$0	\$0	\$0	\$170,000	\$0	\$170,000	Fund Balance - Renewal and Replacement
13	Metro Central - Roll-up Doors	\$0	\$0	\$0	\$0	\$65,000	\$0	\$65,000	Fund Balance - Renewal and Replacement
14	Metro Central Standby Power Generator	\$0	\$0	\$0	\$0	\$0	\$135,000	\$135,000	Fund Balance - Renewal and Replacement



Priority
Fund
Dept

Total Project Summary with Major Funding Source

EXHIBIT A RESOLUTION NO 08-3941A

Solid Waste and Recycling		Prior Years	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Grand Total	Funding Source
15 Metro Central - Baler Conveyor		\$0	\$0	\$0	\$0	\$220,000	\$0	\$220,000	Fund Balance - Renewal and Replacement
16 Metro South - Modify Entry Way to Operations Bld.		\$0	\$0	\$175,000	\$0	\$0	\$0	\$175,000	Fund Balance - Renewal and Replacement
Total - Solid Waste and Recycling		\$1,699,091	\$2,388,800	\$3,708,000	\$3,180,000	\$2,668,000	\$3,001,000	\$16,644,891	

## **METRO FINANCIAL POLICIES**

2. Metro shall maintain fund balance reserves that are appropriate to the needs of each fund. Targeted reserve levels shall be established and reviewed annually as part of the budget process. Use of fund balance to support budgeted operations in the General Fund, an operating fund, or a central service fund shall be explained in the annual budget document; such explanation shall describe the nature of the budgeted reduction in fund balance and its expected future impact. Fund balances in excess of future needs shall be evaluated for alternative uses.
3. Metro staff shall regularly monitor actual revenues and expenditures and report to Council at least quarterly on how they compare to budgeted amounts, to ensure compliance with the adopted budget. Any significant changes in financial status shall be timely reported to the Council.
4. Metro shall use its annual budget to identify and report on department or program goals and objectives and measures of performance.
5. A new program or service shall be evaluated before it is implemented to determine its affordability.
6. Metro shall authorize grant-funded programs and associated positions for a period not to exceed the length of the grant unless alternative funding can be secured.
7. Each operating fund will maintain a contingency account to meet unanticipated requirements during the budget year. The amount shall be appropriate for each fund.
8. Metro shall prepare annually a five-year forecast of revenues, expenditures, other financing sources and uses, and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Council.
9. Metro will annually prepare a cost allocation plan prepared in accordance with applicable federal guidelines to maintain and maximize the recovery of indirect costs from federal grants, and to maintain consistency and equity in the allocation process.

### ***Capital Asset Management***

1. Metro shall budget for the adequate maintenance of capital equipment and facilities and for their orderly replacement, consistent with longer-term planning for the management of capital assets.
2. The Council's previously-adopted policies governing capital asset management are incorporated by reference into these policies.

### ***Cash Management and Investments***

1. Metro shall maintain an investment policy in the Metro Code, which shall be subject to annual review and readoption.
2. Metro shall schedule disbursements, collections and deposits of all funds to ensure maximum cash availability and investment potential.

## **METRO FINANCIAL POLICIES**

3. Metro shall manage its investment portfolio with the objectives of safety of principal as the highest priority, liquidity adequate to needs as the second highest priority, and yield from investments as its third highest priority.

### ***Debt Management***

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition, that cannot be readily financed from current revenues, or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.
3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.
5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized and Metro's access to credit is preserved.
6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs.

### ***Revenues***

1. Metro shall estimate revenues through an objective, analytical process.
2. Metro shall strive to maintain a diversified and balanced revenue system to protect it from short-term fluctuations in any one revenue source.
3. One-time revenues shall be used to support one-time expenditures or increase fund balance.
4. Metro shall pursue appropriate grant opportunities; however, before accepting any grant, Metro will consider the current and future implications of either accepting or rejecting it. The Chief Financial Officer may establish criteria to be used in evaluating the potential implications of accepting grants.

## Capital Asset Management Policies

The following policies establish the framework for Metro's overall capital asset planning and management. They provide guidance for current practices and a framework for evaluation of proposals for future projects. These policies also seek to improve Metro's financial stability by providing a consistent approach to fiscal strategy. Adopted financial policies show the credit rating industry and prospective investors (bond buyers) the agency's commitment to sound financial management and fiscal integrity. Adherence to adopted policies ensures the integrity and clarity of the financial planning process and can lead to improvement in bond ratings and lower cost of capital.

1. Metro shall operate and maintain its physical assets in a manner that protects the public investment and ensures achievement of their maximum useful life.

*Ensuring the maximum useful life for public assets is a primary agency responsibility. Establishing clear policies and procedures for monitoring, maintaining, repairing and replacing essential components of facilities is central to good management practices. It is expected that each Metro department will have written policies and procedures that address:*

- *Multi-year planning for renewal and replacement of facilities and their major components;*
- *Annual maintenance plans.*

2. Metro shall establish a Renewal & Replacement Reserve account for each operating fund responsible for major capital assets.

*Ensuring that the public receives the maximum benefit for their investments in major facilities and equipment requires an ongoing financial commitment. A Renewal & Replacement Reserve should initially be established based on the value of the asset and consideration of known best asset management practices. Periodic condition assessments should identify both upcoming renewal and replacement projects and the need to adjust reserves to support future projects. If resources are not sufficient to fully fund the Reserve without program impacts, the Council will be consider alternatives during the annual budget process. Establishing and funding the Reserve demonstrates Metro's ongoing capacity and commitment to these public investments.*

3. Metro shall prepare, adopt and update at least annually a five-year Capital Improvement Plan (CIP). The Plan will identify and set priorities for all major capital assets to be acquired or constructed by Metro. The first year of the adopted CIP shall be included in the Proposed Budget.

*The primary method for Metro departments to fulfill the need for multi-year planning is the Capital Improvement Planning process. The CIP allows a comprehensive look at Metro's capital needs for both new facilities and renewal and replacement of existing ones, and allows the Council to make the necessary decisions to ensure financial resources match forecasted needs.*

## Capital Asset Management Policies

4. Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least five years.

*A clear threshold ensures that the major needs are identified and incorporated in financial plans.*

5. An assessment of each Metro facility will be conducted at least every five years. The report shall identify repairs needed in the coming five years to ensure the maximum useful life of the asset. This information shall be the basis for capital improvement planning for existing facilities and in determining the adequacy of the existing Renewal & Replacement Reserves.

*A foundation step for capital planning is an understanding of the current conditions of Metro facilities. It is expected that Metro departments have a clear, documented process for assessing facility condition at least every five years. The assessment processes may range from formal, contracted engineering studies to in-house methods such as peer reviews. The assessment should identify renewal and replacement projects that should be done within the following five years. The Renewal & Replacement Reserve account should be evaluated and adjusted to reflect the greater of the average renewal & replacement project needs over the coming five years or 2% of the current facility replacement value.*

6. The Capital Improvement Plan will identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance.

*Using the information provided by facility assessments, Metro departments should use the CIP process to identify the resources necessary to keep facilities in an adequate state of repair. In situations where financial resources force choices between programs and facility repair, the annual budget process should highlight these policy choices for Council action.*

7. A five-year forecast of revenues and expenditures will be prepared in conjunction with the capital budgeting process. The forecast will include a discussion of major trends affecting Agency operations, incorporate the operating and capital impact of new projects, and determine available capacity to fully fund the Renewal & Replacement Reserve.

*Incorporation of capital needs into agency five-year forecasts ensures that problem areas are identified early enough that action can be taken to ensure both the maintenance of Metro facilities and integrity of Metro services.*

## Capital Asset Management Policies

8. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund Balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements.

*Preparing a CIP and incorporating it into five-year forecasts enables Metro to plan needed capital spending within foreseeable revenues. This minimizes the more costly use of debt for capital financing and ensures renewal and replacement of facility components takes place without undue financial hardship to operations.*

9. Debt (including capital leases) may only be used to finance capital, including land acquisition, not ongoing operations. Projects that are financed through debt must have a useful service life at least equal to the debt repayment period.

*Because interest costs impact taxpayers and customers, debt financing should be utilized only for the creation or full replacement of major capital assets.*

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects other legally permissible funding sources, such as systems development charges should be considered.
11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal & Replacement Reserve policy for the asset to ensure resources are adequate to meet future major maintenance needs.

*New Metro facilities should be planned within the overall business and service objectives of the agency. To ensure that the public gains the maximum utility from the new facility or capital asset, Metro should identify the full cost of building and operating the facility throughout its useful life. Resources generated from its operation or other sources should be identified to meet these needs.*

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 08-3941A, FOR THE PURPOSE OF ADOPTING THE CAPITAL BUDGET FOR FISCAL YEARS 2008-09 THROUGH 2012-13; RAISING THE INDIVIDUAL PROJECT REPORTING LIMIT; AND THE AMENDMENT AND READOPTION OF METRO'S FINANCIAL POLICIES

Date: May 30, 2008

Presented by: William Stringer, Chief Financial Officer

## BACKGROUND

A. The Capital Budget for Fiscal Years 2008-09 through 2012-13 represents Metro's long-range capital improvement planning process. Metro has established a sound base to forecast the agency's capital needs and balance those needs with available resources. As a result, Metro has been able to coordinate the financing and timing of its capital improvements in a way that maximizes the benefits to the public and provides opportunities to save money. If a project comes up unexpectedly during the year, departments need to follow an established amendment process to insure that Council's authority is obtained. The amendment process is in conjunction with the contracting procedures or, if no contract is required, through a separate resolution.

B. In addition to approving the five-year capital budget, staff requests the authority to increase to \$100,000 the need for Council approval on individual projects beginning with the FY 2009-10 capital budget submission. The reporting limit for the Capital Budget was set in FY 1997-98 to insure that any significant project would receive the approval of the Metro Council prior to proceeding. The \$50,000 level has not been adjusted during that period. The types of projects that fall into the \$50,000 to \$100,000 category are generally renewal and replacement. This action will allow a greater focus on those projects that have a significant fiscal impact on the agency and allow management to handle the smaller less significant projects. This increase would also match the current threshold for public improvement projects of \$100,000. The following projects in the Proposed Capital Budget are less than \$100,000. Six of the projects are new while the rest are renewal and replacement. Of the 88 projects in the Approved Budget, 14 are under \$100,000 and listed as follows:

PROJECT	AMOUNT	NEW/R&R	Project Yr
Family Farm Addition	\$51,000	New	FY 2008-09
Stafford Field Station	\$70,000	New	FY 2008-09
Howell Ter. Park Restoration & Kitchen Upgrade	\$95,000	New	FY 2008-09
Perimeter USDA Fence	\$55,080	R&R	FY 2008-09
AfriCafe HVAC Controls Replacement	\$51,000	R&R	FY 2008-09
Primate Building HVAC Controls Replacement	\$51,000	R&R	FY 2008-09
Brainard Retaining Wall	\$76,500	R&R	FY 2008-09
Metro South - Natural Lighting Improvements	\$75,000	New	FY 2009-10
Metro Central HHW - Extend Canopy	\$75,000	New	FY 2011-12
Metro South HHW - Extend Canopy	\$75,000	New	FY2011-12
Metro Central- Scalehouse A Outbound scale	\$90,000	R&R	FY 2008-09
Metro Central - Roll-up Doors	\$65,000	R&R	FY 2011-12
Metro Central - Scalehouse A Inbound scale	\$90,000	R&R	FY 2009-10
Metro South - Outdoor/Site Lighting	\$75,000	R&R	FY 2008-09

C. This resolution also provides for the annual review and re-adoption of Metro's financial policies. Only one change, the increase to \$100,000 the capital improvement project to be included in the annual Capital

Improvement Plan, is proposed to the financial policies that went through an extensive review process and were adopted by Resolution No. 04-3465 in FY 2003-04. The redlined policies are attached as Exhibit B to the resolution. The change to the project level will be effective July 1, 2008 and included in the FY 2009-10 Capital Improvement Plan submission. The FY 2008-09 Capital Improvement Plan will still show the projects under \$100,000 but amendments will only be required for projects \$100,000 and over.

The current policies address six specific areas of financial management as well as a series of general policies. Several of these simply echo federal or state laws and regulations, or establish as policy certain practices that are currently being done. Highlights of those policies include:

- The policies will be reviewed annually by the Council and published in the adopted budget.
- The Chief Financial Officer will develop guidelines and procedures in a number of areas, including determination of fund balances appropriate to each major fund, determination of appropriate contingencies to be maintained, and internal controls.
- A definition of a balanced budget is one in which current year revenues meet or exceed current year expenditures.
- Any use of fund balance in an operating fund will be fully explained in the adopted budget document.
- A study to assess the affordability of any new program will be done before the program is implemented.
- The Council's existing capital asset management policies are incorporated into this document, by reference.
- One-time revenues will be used to pay for one-time costs or add to fund balance.

## ANALYSIS/INFORMATION

1. **Known Opposition:** None
2. **Legal Antecedents:** Metro's adopted financial policies require the annual adoption of a Capital Improvement Plan and the annual review of Metro's Comprehensive Financial Policies.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the Capital Budget covering the years FY 2009-2013.

Within the 92 projects planned during the five years covered by this Capital Budget are projects for replacing or improving existing facilities, projects purchasing new equipment, and projects that create new facilities. The total cost for these projects during the five years is estimated to be \$182 million.

This Resolution is the formal instrument by which the plan will be adopted and the first year incorporated into the Adopted Budget. Exhibit A is the summary of the Capital Budget of which all of the projects with expenditures in FY 2008-09, those specific FY 2008-09 amounts will be incorporated, as amended, into the Adopted Capital Budget.

This Resolution amends and re-adopts Metro's Comprehensive Financial Policies by changing the definition of a Capital Project to "Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of



\$100,000 or more that have a useful life of at least five years” increasing the project amount from \$50,000 to \$100,000. This change will be effective with the FY 2008-09 Capital Improvement Plan.

4. **Budget Impacts:** The plan’s FY 2008-09 amounts are the amounts to be incorporated into the FY 2008-09 Adopted Budget.

#### **RECOMMENDED ACTION**

The Council President recommends adoption of Resolution No. 08-3941A, in concurrence with the Chief Financial Officer and Chief Operating Officer.

Agenda Item Number 7.3

**Resolution No. 08-3956**, For the Purpose of Endorsing Regional  
Priorities for State Transportation Funding Legislation.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING	)	RESOLUTION NO. 08-3956
REGIONAL PRIORITIES FOR STATE	)	
TRANSPORTATION FUNDING	)	Introduced by Councilor Rex Burkholder
LEGISLATION	)	

WHEREAS, an efficient and adequately funded transportation system is critical to ensuring a healthy economy and livable communities throughout the state of Oregon; and

WHEREAS, the Portland metropolitan region has become a national model for how strategic transportation investments combined with regional land use planning can improve community livability and environmental quality while supporting a strong economy; and

WHEREAS, despite the important investments that have been made possible since 2001 by three Oregon Transportation Improvement Acts and two "ConnectOregon" multimodal packages, the state and the Portland region remain several billion dollars short of what is needed to adequately address essential transportation needs over the next 20 years; and

WHEREAS, investments in maintaining and expanding transportation facilities in the Portland region are especially critical in light of the fact that the region's population is expected to grow by approximately one million people by 2030; and

WHEREAS, freight volumes are expected to increase even more quickly than population over that same time period; and

WHEREAS, additional funding to address these transportation needs will create or sustain thousands of jobs and help stimulate the economy of the region and the state; and

WHEREAS, it is critical that we plan and fund the region's transportation system in such a way as to confront the challenge posed by global climate change; and

WHEREAS, it is in the interest of local governments inside Metro to jointly seek additional transportation funding from the 2009 Oregon Legislature; and

WHEREAS, Governor Kulongoski and legislative leaders have declared that passage of a transportation funding package will be a top legislative priority in 2009; and

WHEREAS, by Resolution No. 08-3921, the region adopted "Metropolitan Region Principles for Legislative Transportation Funding Package in 2009," adopted by the Metro Council on March 13, 2008; and

WHEREAS, the priorities for funding established by this resolution are consistent with those principles; now therefore

BE IT RESOLVED that the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) endorse transportation funding priorities for the 2009 legislature as reflected in Exhibit A to this resolution.

ADOPTED by the Metro Council this \_\_\_\_ day of June 2008.

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David Bragdon, Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

**Portland Metro Area Transportation Priorities for the 2009 Oregon Legislature**

**Policy**

**Do No Harm:** Do not enact preemptions of local government revenue-raising authority. The transportation funding challenge will require new funding commitments at all levels of government.

**50-30-20 Funding Distribution:** Protect the established state funding formula to ensure distribution of new state-wide transportation resources as follows: 50 percent to the state, 30 percent to counties, and 20 percent to cities (“50-30-20”).

**Protect Existing Assets:** Oregon should protect its billions of dollars of existing transportation assets by prioritizing maintenance and preservation. New modernization projects should be funded from the state’s 50% share of new resources.

**Remove Local Restrictions:** Remove the requirement that county-approved vehicle registration fees must be agreed to by neighboring counties in the region.

**Remove Willamette Bridge Tolling Restrictions:** Eliminate existing statutory restrictions on local authority to establish tolls on Willamette River bridges in the region.

**Establish A Sustainable Funding Model:** With per-capita gas tax revenues in decline, Oregon should continue efforts to establish use-based transportation revenue from sources such as congestion pricing, tolls, and/or vehicle-miles-traveled fees, while maintaining cost responsibility between light vehicles and trucks.

**Jurisdictional Transfers:** The state should work in partnership with local jurisdictions by supporting the transfer of state-owned district highways that define arterial or multi-modal corridors, including road rehabilitation and permanent funding for maintenance.

**New Revenues**

**Road Maintenance and Construction:** New state investments in our transportation system are desperately required to address backlogged maintenance, critical safety and freight mobility projects, demand management, and bike/pedestrian projects. A 12-cent gas tax merely returns the buying power of the fuel tax to 1993 levels.

- |  |                               |
|--|-------------------------------|
| ➤ <b>Raise the gas tax 14¢</b>           | <b>\$400 million per year</b> |
| ➤ <b>Increase the annual VRF to \$54</b> | <b>\$150 million per year</b> |
| ➤ <b>Index the gas tax to inflation</b>  | <b>+\$20 million per year</b> |

**Invest in Transit:** Devote new resources (including new lottery funds) to expanding bus, light rail, commuter rail, streetcar, and other public transit services and facilities that support the state’s CO<sub>2</sub> emissions reduction goals and efficient land use.

- **New Commitment to Transit:** Identify new, ongoing state funding to support transit.
- **Flexible Funds:** Instruct ODOT to use more flexible federal funds for public transit.
- **Elderly and disabled transit:** Increase funding for the state’s Elderly & Disabled transit program.
- **Transit Oriented Development (TOD):** Leverage private development and maximize the value of transit investments by supporting local TOD projects.

**ConnectOregon III:** The state’s successful multi-modal investment program should be continued with a third round of project funding.

Agenda Item Number 7.4

**Resolution No. 08-3961**, Authorizing the Chief Operating Officer to  
Enter into an Intergovernmental Agreement with the City of Happy  
Valley Regarding the Purchase and Management of Property Acquired  
Pursuant to the 2006 Natural Areas Bond Measure.

Metro Council Meeting  
Thursday, June 26, 2008  
Metro Council Chamber

BEFORE THE METRO COUNCIL

AUTHORIZING THE CHIEF OPERATING OFFICER )	RESOLUTION NO. 08-3961
TO ENTER INTO AN INTERGOVERNMENTAL )	
AGREEMENT WITH THE CITY OF HAPPY )	Introduced by Chief Operating Officer
VALLEY REGARDING THE PURCHASE AND )	Michael J. Jordan, with the concurrence of
MANAGEMENT OF PROPERTY ACQUIRED )	Council President David Bragdon
PURSUANT TO THE 2006 NATURAL AREAS )	
BOND MEASURE )	

WHEREAS, at the general election held on November 7, 2006, the voters of the Metro region approved the 2006 Natural Areas Bond Measure, authorizing Metro to sell \$227.4 million in general obligation bonds to fund natural area acquisition and water quality protection;

WHEREAS, the East Buttes Target Area was identified in the 2006 Natural Areas Bond Measure as one of 27 regional target areas for land acquisition;

WHEREAS, on September 13, 2007, the Metro Council adopted Resolution No. 07-3852 "Approving The Natural Areas Acquisition Refinement Plan For The East Buttes Target Area" authorizing the Chief Operating Officer to acquire properties in the East Buttes Target Area consistent with the Council-approved Acquisition Parameters and Due Diligence Guidelines of the Natural Areas Implementation Work Plan;

WHEREAS, Metro staff has entered into an agreement to purchase certain property located in the City of Happy Valley, which property is more specifically identified on the attached Exhibit A (the "Property"). The Property has been identified as a Tier 1 acquisition priority in the East Buttes Target Area;

WHEREAS, Metro's acquisition of the Property will be in accordance with the Acquisition Parameters and Due Diligence Guidelines of the 2006 Natural Areas Program Implementation Work Plan;

WHEREAS, Metro desires to enter into an intergovernmental agreement with the City of Happy Valley (the "City") whereunder (1) the City will contribute \$100,000 toward the purchase of the Property out of the City's local share funds from the 2006 Metro Natural Areas Bond Measure and (2) the City will assume all management responsibilities for the Property and cooperate with Metro to create a stabilization plan for the Property; and

WHEREAS, Metro and the City also intend for such intergovernmental agreement to address (i) a general process for future property acquisitions in cases where Metro and the City each contribute toward the joint acquisition of property, and (ii) the process whereby the City can decide to assume management responsibilities for future properties acquired solely by Metro within the City; now therefore

BE IT RESOLVED that the Metro Council hereby authorizes the Chief Operating Officer to enter into an intergovernmental agreement with the City of Happy Valley in substantially the form attached hereto as Exhibit B.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Property - Legal Description**

**PARCEL I:**

Beginning at the Southwest corner of the Northeast quarter of Section 25, Township 1 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon; thence East 40.0 rods; thence North 28.0 rods; thence West 40.0 rods to the West line of said Northeast quarter of Section 25; thence South 28.0 rods to the place of beginning.

**ALSO**

Beginning at a point on the West line of the Northeast quarter of Section 25, Township 1 South, Range 2 East of the Willamette Meridian, said point being 28.0 rods North of the Southwest corner of said Northeast quarter; thence North along the West line of said Northeast quarter 41.0 rods; thence East 40.0 rods; thence South 41.0 rods; thence West 40.0 rods to the place of beginning.

EXCEPT the West 20.0 feet thereof reserved for public roads.

**PARCEL II:**

A portion of the West one-half of the West one-half of the Northeast quarter of Section 25, Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as:

Beginning at a point 98 rods North of the East and West one-half section line and 20 feet East of the North and South one-half section line of said Section 25; thence running East 38 rods and 13 feet; thence South 29 rods; thence West 38 rods and 13 feet; thence North 29 rods to the place of beginning, EXCEPTING the North 22 feet of the East 325 feet and EXCEPT the North 186 feet of the West 208 feet, in the County of Clackamas and State of Oregon.

FURTHER EXCEPTING THEREFROM that portion conveyed to John Tesler and Rubye E. Tesler by Bargain and Sale Deed recorded June 13, 1973 as Recorder's Fee No. 73-018433.

FURTHER EXCEPTING THEREFROM that portion conveyed to Clyde H. Miller and Ann J. Miller by Warranty Deed recorded June 13, 1973, as Recorder's Fee No. 73-018435.



## **INTERGOVERNMENTAL AGREEMENT**

This Intergovernmental Agreement (“Agreement”) is by and between Metro, an Oregon municipal government, located at 600 Northeast Grand Avenue, Portland, Oregon, 97232-2736 (“Metro”), and the City of Happy Valley, located at 12915 SE King Road, Happy Valley, Oregon 97236 (“the City”). This Agreement shall be effective on the last date of signature of a party, below (the “Effective Date”).

### **RECITALS:**

WHEREAS, pursuant to 2006 Metro Ballot Measure 26-80 (“Metro Natural Areas Bond Measure”), approved by the voters on November 7, 2006, Metro and the City will acquire property within the City that Metro and the City wish to preserve as natural areas in accordance with the intent of the Metro Natural Areas Bond Measure and the Metro Greenspaces Master Plan;

WHEREAS, Metro and the City have specifically identified property located at 9400 SE 152nd Avenue, Happy Valley, in the County of Clackamas, State of Oregon, commonly known as Tax Lots 2300 and 2600, in Township One South, Range Two East of the Willamette Meridian, Section 25A, as more specifically described in Exhibit A attached hereto, that Metro and the City jointly seek to acquire (hereinafter the “Miller Property”);

WHEREAS, Metro and the City wish to manage the Miller Property and any other properties hereafter acquired by Metro and the City to protect water, habitat, and to restore native species and therefore will enter into this Agreement to provide for the responsibilities and obligations of the parties with respect to the allowable uses, management, maintenance, operation and transfers of properties acquired in accordance with the provisions of this Agreement;

Now, therefore, the parties agree as follows:

#### **1. Acquisition of Miller Property**

- 1.1 Metro shall make a good faith effort to acquire the Miller Property, as legally described in Exhibit A attached hereto, in accordance with the Acquisition Parameters and Due Diligence Guidelines of the 2006 Natural Areas Implementation Work Plan (the “Work Plan”), as approved on March 1, 2007, in Metro Resolution No. 07-3766A, “Authorizing the Chief Operating Officer to Purchase Property With Accepted Acquisition Guidelines as Outlined in the Natural Areas Implementation Work Plan.” Metro’s effort shall include undertaking all negotiations, due diligence investigations, and closing procedures, as provided in such Work Plan. Metro shall make the results of its due diligence investigations available to the City for its review prior to closing on the acquisition. If the City requires any due diligence investigations not required by Metro, the City shall be solely responsible for such items.

1.2 The City shall contribute \$100,000 toward the purchase of the Miller Property out of the City's local share funds from the 2006 Metro Natural Areas Bond Measure. Metro shall contribute the balance of the purchase price of the Miller Property, and shall also pay all of Buyer's closing costs for the transaction.

1.3 Not later than ten days after Closing on acquisition of the Miller Property, in consideration of the City's payment described in Paragraph 1.2 of this Agreement, Metro shall convey to the City by statutory warranty deed an undivided interest in the Property as a tenant in common in proportion to the amount of the City's contribution in relation to the total purchase price of the Miller Property. Such deed from Metro to the City shall include the following deed restriction:

"This conveyance is made on the express condition that Grantee, its successors and assigns shall use the Property only for natural area open space, and that Grantee, its successors and assigns shall maintain the Property in its natural state in perpetuity and, if the premises are ever used for another purpose, or if Grantee fails to maintain the following described real property in its natural state, Grantor, its successors and assigns may reenter and terminate the estate hereby conveyed."

2. **City's Contribution of Metro Natural Areas Bond Measure Local Share Funds Toward Acquisition of Additional Properties.** The City, by its approval of this Agreement, hereby delegates responsibility to, and authorizes, the person named as the City's representative in Section 16 of this Agreement, or the designee of said person, to commit the City to contribute the City's Metro Natural Areas Bond Measure local share funds towards the joint purchase of property with Metro. If such representative indicates to Metro that the City wishes to contribute a portion of such local share funds towards the joint purchase with Metro of additional natural area property within the City, then the provisions of subsections 1.1 and 1.3 of this Agreement shall apply to such contribution, with any reference therein to the "Miller Property" to be interpreted as a reference to such newly acquired property

3. **Properties To Be Managed Pursuant to this Agreement.**

3.1 This Agreement shall be applicable to: (i) the Miller Property, (ii) any property jointly acquired by Metro and the City pursuant to Section 2, above; and (iii) subsequent properties to be acquired solely by Metro within the City pursuant to the Metro Natural Areas Bond Measure, to the extent that Metro has notified the City that Metro wishes the City to manage a property and the City has accepted such responsibilities. Such properties shall be collectively referred to herein as the "Properties," or individually as a "Property."

3.2 Metro will request City management of properties acquired solely by Metro by providing to the City the form attached hereto as Exhibit B ("Notice of Acquisition or Potential Acquisition"). Metro will include relevant due diligence information that it believes the City does not possess, including, but not limited to planned stabilization work, historic environmental hazard issues, and existing or likely assessments against the property.

3.3 Not later than thirty (30) days after receiving Metro's Notice of Potential Acquisition, the City shall provide to Metro written notification stating whether the City will accept management responsibility for the property in accordance with this Agreement. If Metro has informed the City that the closing date on acquisition of a property is less than thirty (30) days from the date the City receives Metro's Notice of Potential Acquisition, then the City shall make its good faith best effort to provide Metro with such notification prior to the closing date for the acquisition. The City's written notification shall indicate whether the City has already adopted a specific park or natural area management plan that would be applicable to the property, with the name of the specific plan identified in the letter.

3.4 The City, by its approval of this Agreement, hereby delegates responsibility to, and authorizes, the person named as the City's representative in Section 16 of this Agreement, or the designee of said person, to determine whether the City will accept management responsibility for properties identified by Metro on a Notice of Potential Acquisition. Such representative of the City is authorized to bind the City to manage such properties in accordance with this Agreement without any further approval or consent from the City Council.

4. **Property Stabilization.** Prior to closing on its acquisition of a Property (as permitted by the prior landowner) and in the period immediately following closing on its purchase of a Property, Metro may take whatever actions it deems appropriate to stabilize Metro's ownership interest in a Property, at Metro's discretion, cost, and expense. Such stabilization activities may include construction, maintenance, or repair of facilities, projects, or improvements such as fences, gates, removal of invasive or competing plants, and replanting of native plants. Metro will consult with the City before taking such actions to ensure that the actions will not unreasonably affect the City's ongoing management responsibilities for the Property.

5. **The City Shall Manage, Maintain, Secure, and Operate the Properties.**

3.1 The City shall be responsible for the ongoing management, maintenance, security, and operation of the Properties at all times, in accordance with the terms of this Agreement. The Properties shall be managed, maintained, operated, and protected in accordance with their intended use as natural areas, with the primary goals being protection of the Properties' natural resources, enhancement and protection of wildlife habitat, and public recreation consistent with the foregoing. The City's responsibilities shall include management, maintenance, security, and operation of any facilities, projects, or improvements (e.g. fences, gates, removal of invasive plants, replanting of native plants, etc.) made by Metro pursuant to Section 4 of this Agreement. By accepting management responsibility for the Properties, the City agrees to be responsible for funding the operation and maintenance of the Properties, including, but not limited to payment of taxes and assessments, with the City's own financial and staffing resources. Metro shall periodically review the Properties to ensure that their management is in accordance with this Agreement.

- 3.2 The City shall act in a timely manner to resolve nuisance complaints and mitigate threats to the resources of the natural area. If Metro is issued a nuisance notice for the Property by a governmental body with authority to issue a notice, Metro shall forward such notice to the City and the City shall abate the nuisance not less than three (3) days prior to the deadline as provided in the notice. If the City does not abate the notice within the time described in the preceding sentence, Metro may, at its sole option, abate the notice and provide the City with an invoice for the cost of such work, which the City shall be liable to pay to Metro, and shall pay to Metro within thirty (30) days of receiving such invoice.
- 3.3 As required by Metro's Metropolitan Greenspaces Master Plan, the long-term management guidelines for each Property must be set forth in a Resource Management Master Plan ("Management Plan") applicable to such Property. If a Property is within an area for which the City has already adopted a Management Plan that would be applicable to the Property (and the City has identified such applicable plan as described in Section 3.2, above), then the City shall manage such Property consistent with such Management Plan. For Properties for which an applicable Management Plan has not been adopted at the time of their acquisition, this Agreement sets forth (1) the interim protection guidelines and use limitations applicable to such Properties, and (2) the requirements applicable to the City's development of Management Plans for such Properties.
- 3.4 In accordance with the Metro Greenspaces Master Plan, formal public use of a Property and site development on the Property shall not begin until a Management Plan for the Property has been adopted.
- 3.5 Metro grants to the City, and to the City's agents and contractors, the right to enter the Properties for the purpose of performing all activities, including enforcement of the City's code and policies related to City Natural Areas, reasonably necessary for the management, maintenance, and operation of the Properties and for the fulfillment of the City's duties and responsibilities under this Agreement and pursuant to the Management Plans applicable to the Properties. Metro grants public access to the Properties only as provided in an approved Management Plan adopted consistent with the requirements of this Agreement. For any Property acquired prior to the effective date of this Agreement for which a Management Plan had already been adopted, such Management Plan shall be deemed consistent with the requirements of this Agreement.
- 3.6 The City shall be responsible for obtaining any authorizations or permits necessary for management, maintenance, security, and operation of the Properties. Any permits granted by the City to users of the Properties shall comply with the terms and limitations set forth in this Agreement and in the applicable Management Plans for the Properties. The City shall be responsible for contacting and coordinating with other local or state agencies regarding any and all management, maintenance, security, and operational issues that may arise with respect to the Properties. Metro will be consulted not fewer than thirty (30) days prior to the City applying for any development permit.

Metro's acceptance of such permitting activity will be implied unless otherwise communicated in writing by Metro within twenty (20) days of such consultation

- 3.7 All requests for easements, rights of way, and leases on or affecting the Properties shall be submitted to Metro in accordance with the Metro Easement Policy, Resolution No. 97-2539B "For The Purpose Of Approving General Policies Related To The Review Of Easements, Right Of Ways, And Leases For Non-Park Uses Through Properties Managed By The Regional Parks And Greenspaces Department", passed by the Metro Council on November 6, 1997, attached hereto as Exhibit C.

## **6. Interim Protection Guidelines.**

- 4.1 For each Property for which a long term Management Plan has not yet been adopted, in the interim period prior to the adoption of a Management Plan (the "Interim Period"), such Property shall be managed, maintained, secured, and operated by the City in accordance and in a manner consistent with the Metro Greenspaces Master Plan, the City's Comprehensive Plan, and this Agreement, specifically Section 5 of this Agreement (this Agreement and these plans collectively referred to herein as "the Plans"). In case of conflict among Plans, the Plan affording the highest level of resource protection shall govern.
- 4.2 In the Interim Period, the City shall control security and access to the Property, and shall respond to neighborhood or citizen complaints regarding improper use on the Property.
- 4.3 In the Interim Period, the City may, at its discretion, allow informal public access to the Property for passive recreation, habitat enhancement, pedestrian activity, and non-motorized bicycle use. All uses of the Property in the Interim Period shall be consistent with this Agreement and with the Plans. The City shall not allow any such informal use if to do so would effectively preclude any potential uses of the Property that could later be allowed in the Management Plan.
- 4.4 In the Interim Period, the City shall not allow or permit any alteration of any water, timber, mineral, or other resource on the Property, except for the control of exotic, non-native, invasive, or pest plant species, as necessary to prevent Property degradation, or to address security or public safety concerns. If the City believes that an improvement, trail, or alteration of any water or timber resource on the Property is necessary prior to adoption of a Management Plan for the Property, Metro shall have the right to approve of such action, and the City shall provide Metro 60 days advance written notice of its intent to construct any improvements, trails, or alteration of water or timber resource on the Property. In any event, no capitol improvements or trails shall be constructed on the Property, and no alteration of water or timber resource shall occur, that are inconsistent with this Agreement or that would effectively preclude any potential uses of the Property that could later be allowed in the Management Plan.

**7. Resource Management/Master Plan for Each Property.**

- 5.1 The City shall make its good faith best effort to develop and adopt an area-specific park or natural resources management plan for Properties not being managed in accordance with an existing area-specific management plan (the “Management Plan”). The Management Plan shall set forth the acceptable management, operation, maintenance, and types and levels of programmed and public use and trail and improvement standards applicable to the Property. If not previously completed, the City shall take an inventory of the natural resources and improvements on the Property as part of the process of developing the Management Plan. The Management Plan shall ensure that the Property is managed, maintained, secured, and operated in accordance with the Metro Greenspaces Master Plan and with this Agreement, and that all trails and improvements on the Property comply with the Metro Greenspaces Master Plan and with this Agreement. The Management Plan shall also ensure that the Property is maintained as a natural area open space, with the primary goals being protection and restoration of the Property’s natural resources, enhancement and protection of wildlife habitat, and public recreation consistent with the foregoing.
- 5.2 As part of the City’s process of developing and adopting a Management Plan, the City shall regularly consult with a Metro staff member designated by the Metro Parks and Greenspaces Department Director. In addition to any other approvals required by the City, the Management Plan shall be subject to approval by the Metro Council prior to the plan’s implementation, which approval shall not be unreasonably withheld and shall be based on consistency with this Agreement and the Metro Greenspaces Master Plan and the intent of the Measures.

- 8. City’s Opportunity to Contribute Toward the Purchase Price of a Property and Ownership Interest Therein.** If the City contributes a portion of the purchase price of a property being acquired by Metro, and such contribution is more than five percent (5%) of such purchase price, then Metro shall, not later than thirty days following the later date of both (a) closing on such purchase and taking a deed to such property, and (b) receiving such payment from the City, record a deed transferring to the City an undivided share of ownership of such property as a tenant in common proportional to the percentage contributed by the City of the total property purchase price. Such deed shall be subject to all existing covenants and restrictions that encumber the Property and may, at Metro’s sole discretion, also be subject to a condition that the City use such property only for open space and agree to maintain the property in its natural state in perpetuity and, if the City fails to maintain the property in its natural state, that Metro may reenter and terminate the estate conveyed by such deed. Metro shall not be obligated as provided in this Section 7 of this Agreement unless the City has provided Metro with written notice of the City’s intent to make such contribution toward the purchase price of a property prior to Metro closing on such transaction. Metro shall list the City as co-client on third-party due diligence contracts regarding the property, including environmental and appraisal contracts, entered into by Metro after the date that the City has informed Metro in writing that the City will contribute to the purchase price of the property.

9. **Signage and Acknowledgement.** The City shall recognize and document on each Property, and in any publications, media presentations, or other presentations referencing such Property that are produced by or at the direction of the City, that funding for acquisition of the Project came from the Metro Opens Spaces Bond Measure or the Metro Natural Areas Bond Measure. Such recognition shall comply with the Metro Funding Recognition Guidelines attached as Exhibit D to this Agreement and hereby incorporated herein. The City may provide on-site signage informing the public that the City is managing the Property.
10. **Term.** This Agreement shall continue in effect unless modified or terminated as provided herein.
11. **Termination.**
  - 9.1. **Joint Termination for Convenience.** Metro and the City may, by written agreement signed by both parties, jointly terminate all or part of this Agreement based upon a determination that such action is in the public interest. Termination under this provision shall be effective as provided in such termination agreement.
  - 9.2. **Termination for Cause.** Either party may terminate this Agreement in full, or in part, at any time if that party (the “terminating party”) has determined, in its sole discretion, that the other party has failed to comply with the conditions of this Agreement and is therefore in default (the “defaulting party”). The terminating party shall promptly notify the defaulting party in writing of that determination and document such default as outlined herein. The defaulting party shall have thirty (30) days to cure the default described by the terminating party. If the defaulting party fails to cure the default within such thirty (30) day period, then this Agreement shall terminate ten (10) days following the expiration of such thirty (30) day period.
12. **Mutual Indemnification.** The City shall indemnify and hold Metro and Metro’s agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses, and expenses, including attorney’s fees, arising out of or in any way connected with the performance of this Agreement by the City or the City’s officers, agents, or employees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS chapter 30. Metro shall indemnify and hold the City and the City’s agents, employees, and elected officials harmless from any and all claims, demands, damages, actions, losses, and expenses, including attorney’s fees, arising out of or in any way connected with the performance of this Agreement by Metro or Metro’s officers, agents, or employees, subject to the limitations and conditions of the Oregon Tort Claims Act, ORS chapter 30.
13. **Oregon Constitution and Tax Exempt Bond Covenants.** The source of funds for the acquisition of Properties is from the sale of voter-approved general obligation bonds that are to be repaid using ad valorem property taxes exempt from the limitations of Article XI, sections 11, 11b, 11c, 11d and 11e of the Oregon Constitution, and that the interest paid by Metro to bond holders is currently exempt from federal and Oregon income taxes. The City covenants that it will take no actions that would cause Metro not to be able to maintain the current status of the real property taxes imposed to repay these bonds as exempt from

Oregon's constitutional property tax limitations or the income tax exempt status of the bond interest under IRS rules. In the event the City breaches this covenant, the City shall undertake whatever remedies are necessary to cure the default and to compensate Metro for any loss it may suffer as a result thereof. In such an event, Metro shall work cooperatively with the City to address such breach.

14. **Laws of Oregon; Public Contracts.** The laws of the State of Oregon shall govern this Agreement, and the parties agree to submit to the jurisdiction of the courts of the State of Oregon. All applicable provisions of ORS chapters 279A, 279B, and 279C, and all other terms and conditions necessary to be inserted into public contracts in the State of Oregon, are hereby incorporated by this reference as if such provisions were a part of this Agreement.
15. **Assignment.** Neither party may assign any of its rights or responsibilities under this Agreement without prior written consent from the other party, except that a party may delegate or subcontract for performance of any of its responsibilities under this Agreement.
16. **Notices.** All notices or other communications required or permitted under this Agreement shall be in writing, and shall be personally delivered (including by means of professional messenger service) or sent by both (1) electronic mail or fax, and (2) regular mail. Notices shall be deemed delivered on the date personally delivered or the date of such electronic or fax correspondence, unless such delivery is on a weekend day, on a holiday, or after 5:00 p.m. on a Friday, in which case such notice shall be deemed delivered on the next following weekday that is not a holiday.

To Metro:                      Director, Metro Regional Parks and Greenspaces  
600 N.E. Grand Avenue  
Portland, OR 97232-2736

To City:                        Jason Tuck  
Economic and Community Development Director  
12915 SE King Road  
Happy Valley, OR 97236  
Tel: (503) 595-6161  
Fax: (503) 760-9397  
[jasont@ci.happy-valley.or.us](mailto:jasont@ci.happy-valley.or.us)

17. **Severability.** If any covenant or provision of this Agreement shall be adjudged void, such adjudication shall not affect the validity, obligation, or performance of any other covenant or provision which in itself is valid, if such remainder would then continue to conform with the terms and requirements of applicable law and the intent of this Agreement.
18. **Entire Agreement; Modifications.** This Agreement constitutes the entire agreement between the parties and, except as provided in Section 1.1, supersedes any prior oral or written agreements or representations relating to the Properties. No waiver, consent, modification, amendment, or other change of terms of this Agreement shall bind either party unless in writing and signed by both parties.



IN WITNESS WHEREOF, the parties hereto have set their hands on the day and year set forth below.

CITY OF HAPPY VALLEY

METRO

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_  
Michael Jordan, Chief Operating Officer

Date: \_\_\_\_\_

**Exhibits:**

Exhibit A – Miller Property Legal Description

Exhibit B - Form of Notice of Potential Acquisition

Exhibit C - Metro Easement Policy and Metro Resolution No. 97-2539B

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**EXHIBIT A**  
Miller Property Legal Description

**PARCEL I:**

Beginning at the Southwest corner of the Northeast quarter of Section 25, Township 1 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon; thence East 40.0 rods; thence North 28.0 rods; thence West 40.0 rods to the West line of said Northeast quarter of Section 25; thence South 28.0 rods to the place of beginning.

**ALSO**

Beginning at a point on the West line of the Northeast quarter of Section 25, Township 1 South, Range 2 East of the Willamette Meridian, said point being 28.0 rods North of the Southwest corner of said Northeast quarter; thence North along the West line of said Northeast quarter 41.0 rods; thence East 40.0 rods; thence South 41.0 rods; thence West 40.0 rods to the place of beginning.

EXCEPT the West 20.0 feet thereof reserved for public roads.

**PARCEL II:**

A portion of the West one-half of the West one-half of the Northeast quarter of Section 25, Township 1 South, Range 2 East of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as:

Beginning at a point 98 rods North of the East and West one-half section line and 20 feet East of the North and South one-half section line of said Section 25; thence running East 38 rods and 13 feet; thence South 29 rods; thence West 38 rods and 13 feet; thence North 29 rods to the place of beginning, EXCEPTING the North 22 feet of the East 325 feet and EXCEPT the North 186 feet of the West 208 feet, in the County of Clackamas and State of Oregon.

FURTHER EXCEPTING THEREFROM that portion conveyed to John Tesler and Rubye E. Tesler by Bargain and Sale Deed recorded June 13, 1973 as Recorder's Fee No. 73-018433.

FURTHER EXCEPTING THEREFROM that portion conveyed to Clyde H. Miller and Ann J. Miller by Warranty Deed recorded June 13, 1973, as Recorder's Fee No. 73-018435.

**EXHIBIT B**  
Form of Notice of Potential Acquisition

Notice of Proposed Acquisition

\_\_\_\_\_, 200\_\_

City of Happy Valley  
Parks and Recreation Department

, OR

Re: Notice of Potential Acquisition of Property within the \_\_\_\_\_ Target Area  
\_\_\_\_\_(State Tax ID #); Metro File No. \_\_\_\_\_

Dear \_\_\_\_\_:

Pursuant to the Metro Natural Areas Bond Measure 26-80, and the Intergovernmental Agreement between Metro and \_\_\_\_\_ dated \_\_\_\_\_, 2008, attached hereto (“Intergovernmental Agreement”), this shall serve as notice of Metro’s potential acquisition of the following property within the \_\_\_\_\_ Target Area:

[Property Address], in the City of \_\_\_\_\_, County of \_\_\_\_\_ and State of Oregon,  
being more particularly described in the legal description and depicted on the Assessor’s  
map attached hereto (“the Property”).

Pursuant to the Intergovernmental Agreement, Metro requests that the City manage, maintain, secure, and operate this Property upon its successful acquisition by Metro. As provided in the Intergovernmental Agreement, please notify Metro in writing within thirty (30) days, on or before \_\_\_\_\_ (date) indicating whether the City will accept management responsibility for this Property. Metro intends to close on the purchase of this property on \_\_\_\_\_, 200\_\_. Should you accept management of the Property, Metro’s stabilization manager will contact you after the property is acquired.

If the City will accept such management responsibility, please sign a copy of this letter, below, and also indicate whether there is an existing Natural Resources Management Plan/Master Plan that would be applicable to the City’s management of this Property and, if so, its name.

If you have any questions, please do not hesitate to contact me at 503-797-1948.

Sincerely,

Kathleen Brennan Hunter, Manager  
Metro Natural Areas Acquisition Program

cc: Kate Holleran, Stabilization Manager, Metro Regional Parks and Greenspaces  
Paul Garrahan, Senior Assistant Metro Attorney  
[Appropriate City Parks staff person—as identified by Kate]

**EXHIBIT B**  
Form of Notice of Potential Acquisition

**CITY'S CONSENT TO MANAGE THE PROPERTY**

The City of Happy Valley hereby agrees to accept management of the Property pursuant to the terms of the Intergovernmental Agreement between Metro and the City.

\_\_\_\_\_(signature)

by: \_\_\_\_\_(name)

check one:

\_\_\_ Management of the Property would be subject to the terms of \_\_\_\_\_  
\_\_\_\_\_, (Natural Resources Management Plan/Master Plan), dated \_\_\_\_\_.

\_\_\_ A management plan/master plan that would govern management of the Property does not currently exist.

### EXHIBIT C

#### Metro Easement Policy and Metro Resolution No. 97-2539B

BEFORE THE METRO COUNCIL IS A COMPLETE AND EXACT COPY OF THE  
ORIGINAL THEREOF.

Rebecca V. Shoemaker, Clerk

Clerk of the Metro Council

RESOLUTION NO. 97-2539B

FOR THE PURPOSE OF APPROVING GENERAL )  
POLICIES RELATED TO THE REVIEW OF )  
EASEMENTS, RIGHT OF WAYS, AND LEASES )  
FOR NON-PARK USES THROUGH PROPERTIES )  
MANAGED BY THE REGIONAL PARKS AND )  
GREENSPACES DEPARTMENT. )

Introduced by  
Mike Burton, Executive Officer

WHEREAS, Metro currently owns and manages more than 6,000 acres of regional parks, open spaces, natural areas, and recreational facilities; and

WHEREAS, additional lands are being acquired through the Open Space, Parks, and Streams Bond Measure, approved by voters in May of 1995; and

WHEREAS, the primary management objectives for these properties are to provide opportunities for natural resource dependent recreation, protection of fish, wildlife, and native plant habitat and maintenance and/or enhancement of water quality; and

WHEREAS, Metro will be approached with proposals to utilize regional parks, open spaces, natural areas, and recreational facilities property for utility, transportation, and other non-park purposes; and

WHEREAS, Metro seeks to insure that these uses have no negative impact upon the primary management objectives of Metro Regional Parks and Greenspaces properties; and

WHEREAS, it would be in Metro's best interest to provide for the orderly evaluation and consideration of proposals to utilize portions of Metro Regional Parks and Greenspaces properties for utility, transportation and other non-park uses; NOW THEREFORE,

BE IT RESOLVED, that the Metro Council hereby adopts the policy attached as Exhibit "A" for any and all requests related to formal proposals for the use of Metro Regional Parks and Greenspaces properties for the purposes noted therein.

ADOPTED by the Metro Council this 6<sup>th</sup> day of November, 1997.

Jon Kvistad  
Jon Kvistad, Presiding Officer

ATTEST:

Cheryl Bly  
Recording Secretary

Approved as to Form:

Daniel B. Cooper  
Daniel B. Cooper, General Counsel

**EXHIBIT C**  
**Metro Easement Policy and Metro Resolution No. 97-2539B**

**METRO POLICY RELATED TO THE REVIEW OF  
EASEMENTS, RIGHT OF WAYS, AND LEASES  
FOR NON-PARK USES**

Metro owns and manages, either on its own or in partnership with other government and private entities, several thousand acres of regional parks, open spaces, natural areas and recreational facilities. These facilities are maintained to promote and preserve natural resources and recreational opportunities for the public consistent with the Greenspaces Master Plan adopted by the Metro Council in 1992, the Open Spaces Bond Measure approved by the voters in 1995 and other restrictions limiting the uses of specific properties in existence at the time of its acquisition by the public. Nothing in this policy shall be construed to allow these facilities to be used in any manner which detracts from this primary purpose. This policy is written from the perspective of Metro as the property owner, however, in those cases in which Metro co-owns a property with other entities, all decisions concerning the use of the property in question will be fully coordinated with the other owners. In addition, all new development and all proposed work within Water Quality Resource Areas or other environmentally sensitive work will be conducted in accordance with Metro or local government policies, to include where appropriate, application for permits and completion of environmental reviews. In the event that local government policies are less restrictive than the Metro Model ordinances, Metro will apply the more restrictive Metro policies.

Regarding requests for easements, right of ways, and leases for non-park uses in Metro owned or managed regional parks, natural areas or recreational facilities, it is Metro's policy to:

- 1) Provide for formal review of all proposed easements, right of ways, and leases for non-park, uses by the Regional Parks and Greenspaces Advisory Committee, the Regional Facilities Committee and the full Council. Notwithstanding satisfaction of the criteria set forth herein, the final determination of whether to approve a proposed easement, right of way, or lease is still subject to the review and approval by the full Metro Council.
- 2) Prohibit the development of utilities, transportation projects and other non-park uses within corridors or on sites which are located inside of Metro owned or managed regional parks, natural areas, and recreational facilities except as provided herein.
- 3) Reject proposals for utility easements, transportation right of ways and leases for non-park uses which would result in significant, unavoidable impacts to natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management.
- 4) Accommodate utility easements, transportation right of ways or other non-park uses when the Regional Parks and Greenspaces Department (the Department) determines that a proposed easement, right of way or non-park use can be accommodated without significant impact to

## EXHIBIT C

### Metro Easement Policy and Metro Resolution No. 97-2539B

natural resources, cultural resources, recreational facilities, recreational opportunities or their operation and management; and that the impacts can be minimized and mitigated:

- 5) Require full mitigation and related maintenance, as determined by the Department, of all unavoidable impacts to natural resources, recreational facilities, recreational opportunities or their operation and management associated with the granting of easements, right of ways, or leases to use Metro owned or managed regional parks, natural areas or recreational facilities for non-park uses.
- 6) Limit rights conveyed by easements, right of ways, and leases for non-park uses to the minimum necessary to reasonably accomplish the purpose of any proposal.
- 7) Limit the term of easements, right of ways and leases to the minimum necessary to accomplish the objectives of any proposal.
- 8) Require "reversion", "non-transferable" and "removal and restoration" clauses in all easements, right of ways and leases.
- 9) Fully recover all direct costs (including staff time) associated with processing, reviewing, analyzing, negotiating, approving, conveying or assuring compliance with the terms of any easement, right of way, or lease for a non-park use.
- 10) Receive no less than fair market value compensation for all easements, right of ways, or leases for non-park uses. Compensation may include, at the discretion of the Department, periodic fees or considerations other than monetary.
- 11) Require full indemnification from the easement, right of way or lease holder for all costs, damages, expenses, fines or losses related to the use of the easement, right of way or lease. Metro may also require appropriate insurance coverage and/or environmental assurances if deemed necessary by the Office of General Counsel.
- 12) Limit the exceptions to this policy to: grave sales, utilities or transportation projects which are included in approved master/management plans for Metro regional parks, natural areas and recreational facilities; projects designed specifically for the benefit of a Metro regional park, natural area, or recreational facility, or interim use leases as noted in the Open Spaces Implementation Work Plan.
- 13) Provide for the timely review and analysis of proposals for non-park uses by adhering to the following process:
  - a) The applicant shall submit a detailed proposal to the Department which includes all relevant information including but not limited to: purpose, size, components, location, existing conditions, proposed project schedule and phasing, and an analysis of other alternatives which avoid the Metro owned or managed regional park, natural area or recreational facility which are considered infeasible by the applicant. Cost alone shall not constitute infeasibility.

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b) Upon receipt of the detailed proposal, the Department shall determine if additional information or a Master Plan is required prior to further review and analysis of the proposal. For those facilities which have master plans, require that all proposed uses are consistent with the master plan. Where no master plan exists all proposed uses shall be consistent with the Greenspaces Master Plan. Deficiencies shall be conveyed to the applicant for correction.

c) Upon determination that the necessary information is complete, the Department shall review and analyze all available and relevant material and determine if alternative alignments or sites located outside of the Metro owned or managed regional park, natural area, or recreational facility are feasible.

d) If outside alternatives are not feasible, the Department shall determine if the proposal can be accommodated without significant impact to park resources, facilities or their operation and management. Proposals which cannot be accommodated without significant impacts shall be rejected. If the Department determines that a proposal could be accommodated without significant impacts, staff shall initiate negotiations with the applicant to resolve all issues related to exact location, legal requirements, terms of the agreement, mitigation requirements, fair market value, site restoration, cultural resources, and any other issue relevant to a specific proposal or park, natural area or recreational facility. The Department shall endeavor to complete negotiations in a timely and business-like fashion.

e) Upon completion of negotiations, the proposed agreement, in the appropriate format, shall be forwarded for review and approval as noted in item "1" above. In no event shall construction of a project commence prior to formal approval of a proposal.

f) Upon completion of all Metro tasks and responsibilities or at intervals determined by the Department, and regardless of Metro Council action related to a proposed easement, right of way or lease for a non-park use, the applicant shall be invoiced for all expenses or the outstanding balance on expenses incurred by Metro.

g) Permission from Metro for an easement or right of way shall not preclude review under applicable federal, state or local jurisdiction requirement.



## **STAFF REPORT**

### **IN CONSIDERATION OF RESOLUTION NO. 08-3961, AUTHORIZING THE CHIEF OPERATING OFFICER TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF HAPPY VALLEY REGARDING THE PURCHASE AND MANAGEMENT OF PROPERTY ACQUIRED PURSUANT TO THE 2006 NATURAL AREAS BOND MEASURE**

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Date: June 26, 2008

Prepared by: Kathleen Brennan-Hunter

## **PROPOSED ACTION**

Resolution No. 08-3961 requests authorization for the Chief Operating Officer to execute an intergovernmental agreement ("IGA") with the City of Happy Valley (the "City") for joint ownership and management of certain property in the East Buttes Target Area.

## **BACKGROUND**

Metro staff has entered into a Purchase and Sale Agreement to purchase certain property, approximately 21 acres in size, located in the City of Happy Valley in the East Buttes Target Area (the "Property"). Using its Natural Areas Bond Measure local share funds, the City has committed to contribute 3.3% of the purchase price, while Metro will contribute the remaining portion of the purchase price. Following the acquisition of the Property, the City has agreed to assume all management, maintenance, security, and operational responsibilities for the Property. Metro and the City will work together to adopt a stabilization plan for the Property.

As set forth in the proposed IGA, Metro would purchase the Property from the current owners, and then would subsequently convey a 3.3% interest in the Property to the City. The City and Metro would hold title to the Property as tenants in common. The deed delivered to the City by Metro would be a restricted bargain and sale deed that limits the use of the Property, in perpetuity, to use as a natural area and open space.

In addition to the forgoing, the proposed IGA also sets forth a general process through which (1) the City may contribute a portion of its local share funds towards the joint purchase with Metro of additional natural area property within the East Buttes Target Area, and (2) Metro may request and the City may accept to assume the ongoing management, maintenance, security, and operational responsibilities for subsequent properties acquired solely by Metro within the City limits.

The proposed form of IGA is attached as Exhibit B to the Resolution.

The Happy Valley City Council has already authorized its adoption of the IGA.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

None.

2. **Legal Antecedents**

Resolution No. 06-3672B, “For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisitions and Water Quality Protection,” was adopted on March 9, 2006.

The voters’ approved Metro’s 2006 Natural Areas Bond Measure at the general election held on November 6, 2006.

Resolution No. 07-3766A “Authorizing the Chief Operating Officer to Purchase Property With Accepted Acquisition Guidelines as Outlined in the Natural Areas Implementation Work Plan,” was adopted by the Metro Council on March 1, 2007, and established the Acquisition Parameters and Due Diligence Guidelines for the purchase of properties as part of the 2006 Natural Areas Bond Program.

3. **Anticipated Effects**

The City will contribute 3.3% towards the purchase price of the Property using its local share funds. After acquiring the Property, Metro will convey a 3.3% interest in the property to the City via a deed that contains a perpetual restriction on the Property prohibiting that the Property from being used for any purpose other than a natural area and open space.

For future acquisitions in the East Buttes Target Area, the IGA allow for Metro and the City to acquire properties together as tenants in common. In addition, the IGA will facilitate a process through which the City can agree to assume all management responsibilities for natural area properties owned solely by Metro within the City limits.

4. **Budget Impacts**

The Property will be purchased utilizing 2006 Natural Area Bond Measure proceeds. Stabilization and restoration will be shared by Metro and the City of Happy Valley pursuant to the terms of the IGA. The City of Happy Valley will have sole responsibility for all future management and operational costs related to the Property.

**RECOMMENDED ACTION**

The Chief Operating Officer recommends passage of Resolution No. 08-3961.