

# A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736  
TEL 503 797 1542 | FAX 503 797 1793



**METRO**

## Agenda

MEETING: METRO COUNCIL REGULAR MEETING  
DATE: September 12, 2002  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

### CALL TO ORDER AND ROLL CALL

#### 1. INTRODUCTIONS

#### 2. CITIZEN COMMUNICATIONS

#### 3. PORT OF PORTLAND COMMODITY FORECAST PRESENTATION Bingham

#### 4. MPAC COMMUNICATIONS

#### 5. CONSENT AGENDA

5.1 Consideration of Minutes for the September 5, 2002 Metro Council Regular Meeting.

#### 6. ORDINANCES - FIRST READING

6.1 **Ordinance No. 02-961**, An ordinance Confirming the Annual Readoption of Metro Code 2.06 (Investment Policy); and Declaring an Emergency

#### 7. RESOLUTIONS

7.1 **Resolution No. 02-3212**, For the Purpose of Confirming the Appointments Atherton  
Ela Whelan, John Nagy and Rick Gruen to the Water Resources Policy  
Advisory Committee.

#### 8. COUNCILOR COMMUNICATION

### ADJOURN

**Cable Schedule for Week of September 12, 2002 (PCA)**

	<b>Sunday (9/15)</b>	<b>Monday (9/16)</b>	<b>Tuesday (9/17)</b>	<b>Wednesday (9/18)</b>	<b>Thursday (9/12)</b>	<b>Friday (9/13)</b>	<b>Saturday (9/14)</b>
<b>CHANNEL 11</b> (Community Access Network) (most of Portland area)		4:00 PM				2:00 PM (previous meeting)	
<b>CHANNEL 21</b> (TVTV) (Washington Co., Lake Oswego, Wilsonville)						7:00 PM 11:00 PM	3:30 PM
<b>CHANNEL 30</b> (TVTV) (NE Washington Co. - people in Wash. Co. who get Portland TCI)						7:00 PM 11:00 PM	3:30 PM
<b>CHANNEL 30</b> (CityNet 30) (most of City of Portland)	8:30 PM	8:30 PM					
<b>CHANNEL 30</b> (West Linn Cable Access) (West Linn, Rivergrove, Lake Oswego)	4:30 PM			5:30 AM	1:00 PM 5:30 PM	3:00 PM	
<b>CHANNEL 32</b> (ATT Consumer Svcs.) (Milwaukie)		10:00 AM 2:00 PM 9:00 PM					

***PLEASE NOTE THAT ALL SHOWING TIMES ARE TENTATIVE BASED ON THE INDIVIDUAL CABLE COMPANIES' SCHEDULES. PLEASE CALL THEM OR CHECK THEIR WEB SITES TO CONFIRM SHOWING TIMES.***

<b>Portland Cable Access</b>	<a href="http://www.pcatv.org">www.pcatv.org</a>	<b>(503) 288-1515</b>
<b>Tualatin Valley Television</b>	<a href="http://www.tvca.org">www.tvca.org</a>	<b>(503) 629-8534</b>
<b>West Linn Cable Access</b>	<a href="http://www.ci.west-linn.or.us/CommunityServices/htmls/wltvsked.htm">www.ci.west-linn.or.us/CommunityServices/htmls/wltvsked.htm</a>	<b>(503) 650-0275</b>
<b>Milwaukie Cable Access</b>		<b>(503) 652-4408</b>

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 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 email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

**Consideration of the September 5, 2002 Regular Metro Council Meeting minutes.**

**Metro Council Meeting  
Thursday, September 12, 2002  
Metro Council Chamber**

Agenda Item Number 6.1

**Ordinance No. 02-961, An ordinance Confirming the Annual Readoption  
of Metro Code 2.06 (Investment Policy); and Declaring an Emergency**

***First Reading***

Metro Council Meeting  
Thursday, September 12, 2002  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE  
ANNUAL READOPTION OF METRO CODE  
2.06 (INVESTMENT POLICY); AND  
DECLARING AN EMERGENCY

)  
)  
)  
)

ORDINANCE NO. 02-961  
Introduced by Mike Burton,  
Executive Officer

WHEREAS, Metro Code Section 2.06 contains the investment policy which applies to all cash-related assets held by Metro; and

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

WHEREAS, the Investment Advisory Board proposes no amendment to the policy and;

WHEREAS, the Investment Manager proposes no change to the policy at this time; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That Metro Code Chapter 2.06 is readopted as written in Exhibit A.
2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Revised Statutes, an emergency is declared to exist, and this Ordinance takes effect upon passage.
- 3.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Carl Hosticka, Presiding Officer

Attest:

Approved as to Form:

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

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

**CHAPTER 2.06**  
**INVESTMENT POLICY**

<b>SECTIONS</b>	<b>TITLE</b>
2.06.010	Scope
2.06.020	Objectives
2.06.030	Responsibility
2.06.040	Prudence
2.06.050	Investment Diversification
2.06.060	Competitive Selection of Investment Instruments
2.06.065	Monitoring the Portfolio
2.06.070	Qualifying Institutions
2.06.090	Safekeeping and Collateralization
2.06.100	Indemnity Clause
2.06.110	Controls
2.06.120	Accounting Method
2.06.130	Reporting Requirements
2.06.140	Performance Evaluation
2.06.150	Policy Adoption
2.06.160	Policy Readoption

**2.06.010 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 through 294.048; ORS 294.125 through 294.155; 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.

## 2.06.020 Objectives

(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. 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.

(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.

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.

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

## 2.06.030 Responsibility

(a) Investment Officer. The executive officer is the investment officer of the district. 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.

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

- (1) Terms of Service. The term of service for citizens appointed to the IAB shall be three calendar years. The term of appointment shall be staggered so that not more than two 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 at least 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.

(c) Quarterly Reports. At each quarterly meeting, a report reflecting the status of the portfolio will be submitted for review and comment by at least 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.

#### 2.06.040 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.

#### 2.06.050 Investment Diversification

(Definitions of terms and applicable authorizing statutes are listed in the "Summary of Investments Available to Municipalities" provided by the state treasurer.) The investment officer will diversify the portfolio to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

(a) Diversification by Investment

		Percent of Portfolio (Maximum)
(1)	U.S. Treasury Bills, Notes, Bonds, Strips and/or State and Local Government Series (SLGS)	100%
(2)	Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises	100%
(3)	Certificates of Deposit (CD) Commercial Banks in Oregon insured by FDIC	100%
(4)	Repurchase Agreements (Repo's) Maximum 90-day maturity	50%
(5)	Banker's Acceptances (BA)	100%



- (6) Commercial Paper (CP) 35%  
Issued by a financial institution, commercial, industrial or utility  
business enterprise.

For a corporation headquartered in Oregon; A-1 and P-1 only,  
maximum 90-day maturity; A-2 and P-2, A-1/P-2, or A-2/P-1  
only, maximum 60-day maturity.

For a corporation headquartered outside Oregon; A-1 and P-1 only;  
maximum 90-day maturity

- (7) State of Oregon and Local Government Securities with A ratings or better 25%
- (8) State of Oregon Investment Pool 100%
- (9) Market Interest Accounts and Checking  
Accounts Minimum necessary for daily  
cash management efficiency

(b) 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 as outlined individually at 2.06.050(b)(2)(A) and (C) invested with any one institution shall not exceed 25 percent of the total available funds or 15 percent of the equity of the institution.

(A) 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.

(B) Repurchase Agreements

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.

The investment officer shall not enter into any reverse repurchase agreements.

(C) Banker's Acceptances

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.

Qualified institution means:

- (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or
- (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.

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.

(D) Commercial Paper

No more than 5 percent of the total portfolio with any one corporate entity.

(E) State and Local Government Securities

No more than 15 percent of the total portfolio in any one local entity.

(F) 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).

(G) 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 total portfolio in any one agency.

(H) U.S. Government Treasuries

No limitations

(c) 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). 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.

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).

(I) 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 years. Investment maturities beyond 18 months may be made when supported by cash flow projections which reasonably demonstrate that liquidity requirements 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 which the district is permitted by state law to accumulate and hold funds for a period exceeding one 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.

(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.

2.06.060 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.

2.06.065 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.

2.06.070 Qualifying Institutions

The investment officer shall maintain a listing of all authorized dealers and financial institutions which are approved for investment purposes. Written procedures and criteria for selection of financial institutions will be established by the investment officer. 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 State 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.

#### 2.06.090 Safekeeping and Collateralization

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. 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.

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).

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 State Treasury's Bureau of Public Debt to satisfy arbitrage yield restriction requirements of the Internal Revenue Code for tax-exempt bond issues.

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.

#### 2.06.100 Indemnity Clause

(a) 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.

(b) 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.

#### 2.06.110 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.

#### 2.06.120 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).

#### 2.06.130 Reporting Requirements

(a) 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.

(b) Quarterly reports shall be prepared for each regular meeting of the IAB to present historical investment information for the past 12-month period. Copies shall be provided to the executive officer and the Metro council.

#### 2.06.140 Performance Evaluation

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.

#### 2.06.150 Policy Adoption

This 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.

#### 2.06.160 Policy Readoption

This policy shall be subject to review and readoption annually by the Metro council in accordance with ORS 294.135.

## **STAFF REPORT**

### **IN CONSIDERATION OF ORDINANCE NO. 02-961 CONFIRMING THE ANNUAL READOPTION OF METRO CODE 2.06 (INVESTMENT POLICY); AND DECLARING AN EMERGENCY**

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Date: August 9, 2002

Prepared by: Brian Williams

#### **BACKGROUND**

Metro Code, Chapter 2.06, contains the investment policy which applies to all cash-related assets held directly by Metro. The major objectives of the policy are the safety of capital, the availability (liquidity) of funds, and the yield on investments. The safety of invested monies and the availability of funds are the overriding objectives of the investment program. Investment yield targets are secondary objectives.

Section 2.06.160 provides that the policy is subject to annual review and readoption in accordance with ORS 294.135. The last readoption by Metro Council took place December 11, 2001 by Ordinance No. 01-932.

Metro's investment portfolio, which is subject to the referenced policy, is reviewed quarterly for adherence to policy by the Investment Advisory Board, a citizens oversight committee composed of investment professionals. Following their review and approval, the quarterly Investment Report is forwarded to Metro Council.

Neither the Investment Advisory Board nor the Investment Manager proposes any amendment to the policy at this time.

The full Chapter 2.06 is attached to the ordinance as Exhibit A.

#### **ANALYSIS/INFORMATION**

- |                         |      |
|-------------------------|------|
| 1. Known Opposition:    | None |
| 2. Legal Antecedents:   | N/A  |
| 3. Anticipated Effects: | N/A  |
| 4. Budget Impacts:      | N/A  |

#### **RECOMMENDED ACTION**

The Executive Officer recommends readoption of Metro Code Chapter 2.06 by Ordinance No. 02-961.



**Agenda Item Number 7.1**

**Resolution No. 02-3212, For the Purpose of Confirming the Appointments  
Ela Whelan, John Nagy and Rick Gruen to the Water Resources Policy  
Advisory Committee.**

**Metro Council Meeting  
Thursday, September 12, 2002  
Metro Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE	)	RESOLUTION NO. 02-3212
APPOINTMENTS OF ELA WHELAN, JOHN	)	
NAGY AND RICK GRUEN TO THE WATER	)	Introduced by Executive Officer Mike Burton
RESOURCES POLICY ADVISORY	)	
COMMITTEE	)	

WHEREAS, Chapter 2.19 of the Metro Code Relating to Advisory Committees, Section 2.10.019 provides for a Water Resources Policy Advisory Committee (WRPAC); and

WHEREAS, Section 2.10.019 authorizes representatives and alternates for Committee membership; and

WHEREAS, All WRPAC representatives and alternates must be appointed by the Executive Officer and are subject to confirmation by the Metro Council; and

WHEREAS, The Executive Officer has appointed these individuals, subject to confirmation by the Metro Council; now, therefore,

BE IT RESOLVED that the Metro Council confirms the WRPAC members and alternates as noted in Exhibit A to this resolution to serve on WRPAC.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Carl Hosticka, Presiding Officer

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

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**WATER RESOURCES POLICY ADVISORY COMMITTEE ROSTER**  
**June 2002 (Pending Metro Council approval)**

<b>JURISDICTION/ ORGANIZATION</b>	<b>MEMBER NAME &amp; ADDRESS &amp; NOS.</b>	<b>ALTERNATE NAME &amp; ADDRESS &amp; NOS.</b>
1. Voting Members (27 total; a quorum is 14 members)	Chair Susan McLain Metro Council Dept. 600 NE Grand Ave. Portland OR 97232-2786 Phone: 797-1553 Fax: 797-1793 "mclains@metro.dst.or.us"	None
2. Tualatin Valley Water District	Todd Heidgerken Intergovernmental Relations Coordinator PO Box 745 Beaverton, OR 97075 Phone: 503-642-1511 Fax: 503-848-3013 "toddh@twwd.org"	Greg DiLoreto PO Box 745 Beaverton, OR 97075 Phone: 642-1511 Fax: 649-2733 "greg@twwd.tualatin.or.us"
3. Clackamas River Water	Dale Jutila PO Box 2439 Clackamas OR 97015-2439 Phone: 722-9221 Fax: 656-7086 "djutila@crwater.com"	Vacant (5/28/02)
4. Portland Water Bureau	Rebecca Geisen 1001 SW 5 <sup>th</sup> Ave., #450 Portland, OR 97204-1147 Phone: 823-7493 Fax: 823-7269 "rgeisen@water.ci.portland.or.us"	Lorna Stickel 1001 SW 5 <sup>th</sup> Ave., #450 Portland OR 97204-1147 Phone: 823-7502 Fax: 823-7269 "lstickel@water.ci.portland.or.us"
5. CleanWater Services (formerly USA) (sewerage & surface water)	Craig Dye Planning Division Manager 155 N 1 <sup>st</sup> Ave., Suite 270 Hillsboro OR 97124 Phone: 503-846-3755 Fax: 503-846-3525 "dyec@cleanwaterservices.org"	Kendra Smith Program Manager 155 N. 1 <sup>st</sup> Ave., #270 Hillsboro, OR 97124 Phone: 503-844-8118 Fax: 503-640-3525 "ksmith@usa-cleanwater.org"
6. Oak Lodge Sanitary District	R. Kent Squires General Manager 14611 SE River Road Milwaukie, OR 97267-1198 Phone: 653-1653 Fax: 653-0586 Rksquires@olsd.net	Walt Mintkeski Mgr. Of Planning & Engineering 14611 SE River Road Milwaukie, OR 97267-1198 Phone: 503-653-1653 Fax: 503-653-0586 Wcmintkeski@olsd.net
7. Gresham Dept. of Environmental Services	Carrie Pak Stormwater Division Manager 1333 NW Eastman Parkway Gresham, OR 97030-3813 Phone: 503-618-2583 Fax: 503-665-6825 Carrie.Pak@ci.gresham.or.us	Lynne Kennedy Water Resources Program Manager 1333 NW Eastman Parkway Gresham, OR 97030-3813 Phone: 503-618-2634 Fax: 503-665-6825 Lynne.Kennedy@ci.gresham.or.us
8. Water Environment Services of Clackamas County	<u>Ela Whelan</u> <u>9101 SE Sunnybrook Blvd, Ste. 441</u> <u>Clackamas, OR 97015</u> <u>Phone: 503-353-4568</u> <u>Fax: 503-353-4565</u> <u>"elaw@co.clackamas.or.us"</u>	<u>John Nagy (pending)</u> <u>9101 SE Sunnybrook Blvd., Ste. 441</u> <u>Clackamas, OR 97015</u> <u>Phone: 503-353-4594</u> <u>Fax: 503-353-4565</u> <u>"johnnagy@co.clackamas.or.us"</u>

9. Portland Bureau of Environmental Services	Linda Dobson 1120 SW 5 <sup>th</sup> Ave., Ste. 1000 Portland, OR 97204-1912 Phone: 503-823-7640 Fax: 503-823-6995 Lindado@bes.ci.portland.or.us	Dave Kiewer 1120 SW Fifth Ave., Ste. 1100 Portland OR 97204-1972 Phone: 823-7096 Fax: 823-6995 "davek@bes.ci.portland.or.us"
10. Washington County Soil & Water Conservation District	Vacant (as of 3/22/02)	Vacant
11. Clackamas County Soil & Water Conservation District	Rick Gruen District Manager 256 Warner-Milne Rd. Oregon City, OR 97045 Phone: 503-656-3499 Fax: 503-650-2367 rick-gruen@or.nacdn.net	Mr. Clair Klock Resource Conservationist 256 Warner-Milne Rd. Oregon City, OR 97045 Phone: 503-656-3499 Fax: 503-650-2367 Clair-klock@or.nacdn.net
12. East Multnomah County Soil & Water Conservation District	Clifton Deal 735 SE Hale Place Gresham, OR 97080 Phone: 503-661-4392 Fax: 503-661-4392 "cdeal@compuserve.com"	Vacant
13. West Multnomah County Soil & Water Conservation District	Vacant	Vacant
14. Oregon Environmental Council	WITHDREW FROM WRPAC EFFECTIVE 7/3/00	
15. Portland Audubon Society	Mike Houck Urban Naturalist 5151 NW Cornell Road Portland OR 97210 Phone: 292-6855 ext. 111 Fax: 292-1021 "houckm@teleport.com"	Ron Carley Urban Conservationist 5151 NW Cornell Road Portland, OR 97210 Phone: 503-292-6855, ext. 112 Fax: 503-292-1021 Rcarley@audubonportland.org
16. Environmental Member at Large	Tom Wolf Oregon Council Trout Unlimited 22875 NW Chestnut Hillsboro, OR 97124 Phone: 503-640-2123 tmilowolf@msn.com	Vacant
17. Fishery Interest – Native Fish Society	Vacant	Vacant
18. Cities of Clackamas County	Nancy Kraushaar City of Oregon City PO Box 3040 Oregon City OR 97045 Phone: 503-657-0891 ext. 185 Fax: 503-657-7892 "nancy-k@ci.oregon-city.or.us"	Joel Komarek Asst. City Engineer City of Lake Oswego PO Box 369 Lake Oswego OR 97034-0369 "jkomarek@ci.oswego.or.us"

19. Cities of Washington County	David Winship City of Beaverton PO Box 4755 Beaverton OR 97076-4755 Phone: 526-2434 Fax: 526-2479 "dwinship@ci.beaverton.or.us"	Mike McKillip City of Tualatin PO Box 369 Tualatin OR 97062-0369 Phone: 692-2000 Fax: 692-5421 "mmckillip@ci.tualatin.or.us"
20. Regional Parks and Greenspaces Advisory Committee	Chris Noble 20118 NE Interlachen Lane Fairview, OR 97204 Phone: 503-667-6042 chris.noble@worldnet.att.net	Vacant
21. Homebuilders Association	Andrew Stamp Martin Bischoff 888 SW 5 <sup>th</sup> Ave., Suite 900 Portland OR 97204 Phone: 503-224-3113 "astamp@martinbischoff.com"	Vacant
22. High Tech Business	Vacant	Vacant
23. Nursery Operator	Vacant	None
24. Citizen: Tualatin River Watershed	Sue Marshall Tualatin Riverkeepers 16340 SW Beef Bend Rd. Sherwood, OR 97140 Phone: 503-590-5813 Fax: 503-590-6702 Suemarshall@tualatinriverkeepers.org	April Olbrich Tualatin River Watershed Council Phone: 503-797-1548 Fax: 503-797-1792 "olbricha@metro.dst.or.us"
25. Citizen: Clackamas River Watershed	Michael Carlson Clackamas River Basin Council Coordinator PO Box 1869 Clackamas, OR 97015 Phone: 503-650-1256 Fax: 503-657-8955 Crbc@clackamasriver.org	Lowell Hanna Clackamas River Basin Council Clackamas River Water PO Box 2439 Clackamas OR 97015-2439 Phone: 722-9220 "lhanna@crwater.com"
26. Citizen: Lower Willamette River Watershed	Vacant	Liz Callison Tryon Resource Management Partnership 6039 SW Knightsbridge Drive Portland OR 97219-4959 Phone: 503-244-0641 Fax: Same Info@westmultconserve.org
27. Citizen Developer	TBA	TBA

<b>NON-VOTING MEMBERS (13 Total)</b>		
1. Dept. of Land Conservation & Development	Vacant	Vacant
2. US Army Corps of Engineers	Vacant	Vacant
3. Port of Portland	Dorothy Sperry PO Box 3529 Portland, OR 97208-3529 Phone: 944-7642 Fax: 944-7466 "sperrd@portpld.com"	Mary Gibson PO Box 3529 Portland OR 97208-3529 Phone: 503-944-7519 Fax: 503-944-7466 "gibsom@portpld.com"
4. Environmental Protection Agency	Vacant	Vacant
5. Portland General Electric	Dave Heintzman 121 SW Salmon St. Portland OR 97204-2901 Phone: 464-8162 Fax: 464-2944 "david.heintzman@pgn.com"	Gary Hackett 121 SW Salmon St. Portland OR 97204-2901 Phone: 464-8005 Fax: 464-2285 "gary.hackett@pgn.com"
6. Lower Columbia River Estuary Partnership	Chris Hathaway 811 SW Naito Parkway, Ste. 120 Portland, OR 97204 Phone: 503-226-1565 Fax: 503-226-1580 "hathaway.chris@lcrep.org"	Debrah Marriott 811 SW Naito Parkway, Ste. 120 Portland OR 97204 Phone: 503-226-1565 Fax: 503-226-1580 Marriott.debrah@lcrep.org
7. Oregon Dept. of Environmental Quality	Andy Schaedel Water Quality Mgr., NW Region 2020 SW 4 <sup>th</sup> Ave. #400 Portland OR 97201-4987 Phone: 229-6121 Fax: 229-6957 "SCHAEDEL.Andrew.L@deq.state.or.us"	Rob Burkhart Tualatin Basin Coordinator, NW Region 2020 SW 4 <sup>th</sup> Ave., Ste. 400 Portland, OR 97201-4987 Phone: 503-229-5566 Fax: 503-229-6957 "Burkhart.Robert@deq.state.or.us"
8. Oregon Water Resources Dept.	Bill Fujii 158 12th St. NE Salem OR 97310-0210 Phone: (503) 378-8455 Ext. 254 Fax: (503) 378-8130 "william.h.fujii@ wrd.state.or.us"	Dave Jarrett 158 12 <sup>th</sup> St. NE Salem OR 97310-0210 Phone: 503-378-3739 Fax: 503-378-8130 Dave.e.jarrett@ wrd.state.or.us

9. Oregon Dept. of Agriculture	Jim Johnson Land Use and Water Planning Coordinator Natural Resources Division 635 Capitol St., NE Salem, OR 97301-2532 Phone: 503-986-4706 Fax: 503-986-4730 "jjohnson@oda.state.or.us"	Vacant
10. Oregon Dept. of Forestry	Ken Kushman Molalla Field Office 14995 S Hwy. 211 Molalla OR 97038 Phone: 829-2216	Vacant
11. Oregon Dept. of Fish & Wildlife	Vacant	Vacant
12. US Fish & Wildlife Service	Jennifer Thompson 2600 SE 98 <sup>th</sup> Ave., Ste. 100 Portland OR 97266-1398 Phone: 231-6179 Fax: 231-6195 jennifer_thompson@fws.gov	John Marshall 2600 SE 98 <sup>th</sup> Ave., Ste. 100 Portland OR 97266-1398 Phone: 231-6179 Fax: 231-6195 John_marshall@fws.gov
13. Natural Resources Conservation Service	Vacant	Vacant
<b>Metro Staff:</b>	Mark Turpel Manager Planning Dept. 600 NE Grand Ave. Portland, OR 97232-2736 Phone: 503-797-1734 Fax: 503-797-1911 Turpelm@metro.dst.or.us	Paul Ketcham Principal Regional Planner Planning Dept. 600 NE Grand Ave. Portland, OR 97232-2736 Phone: 797-1726 Fax: 797-1911 "ketcham@metro.dst.or.us"
If your data/info changes, contact Paulette Copperstone ASAP PLEASE	Paulette Copperstone Program Assistant 2 Planning Dept. 600 NE Grand Ave. Portland OR 97232-2736 Phone: 797-1562 Fax: 797-1911 "copperstonep@metro.dst.or.us"	

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Corrected/Updated 2/11/97; 7/21/97; 9/9/97; 9/23/97; 12/1/97; 3/1/98; 5/8/98; 12/17/98; 3/12/99; 5/20/99; 6/22/99; 8/11/99; 9/20/99; 10/27/99; 11/10/99; 11/17/99; 12/13/99; 1/10/00; 2/14/00; 3/13/00; 4/20/00; 5/23/00; 8/8/00; 10/3/00; 11/9/00; 1/8/01; 7/16/01; 7/23/01; 9/10/01; 10/16/01; 1/16/02; 3/4/02; 3/18/02; 3/22/02; 5/15/02; 5/28/02

## **STAFF REPORT**

IN CONSIDERATION OF RESOLUTION NO. 02-3212, FOR THE PURPOSE OF  
CONFIRMING THE APPOINTMENTS OF ELA WHELAN, JOHN NAGY AND RICK  
GRUEN TO THE WATER RESOURCES POLICY ADVISORY COMMITTEE

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Date: July 1, 2002

Prepared by: Andy Cotugno/Mark Turpel

### **BACKGROUND**

Per Metro Code Section 2.19.019, the following persons have been nominated by the appropriate agency/entity to fill the following vacancies on the Water Resources Policy Advisory Committee (WRPAC): The Executive Officer has accepted the nominations and has appointed the following individuals subject to Council confirmation.

### **VOTING SEATS:**

Seat No. 8: Water Environment Services of Clackamas County – Ela Whelan is moving up from alternate to replace Michael Read. Clackamas County has nominated John Nagy for the alternate seat.

Seat No. 11: Clackamas County Soil & Water Conservation District – Clackamas County has appointed Rick Gruen, District Manager, to be their member with Mr. Clair Klock remaining the alternate.

### **ANALYSIS/INFORMATION**

1. **Known Opposition** – There is no known opposition.
2. **Legal Antecedents** - This has legal antecedents in previous resolutions to appoint members to WRPAC.
3. **Anticipated Effects** – Filling WRPAC vacancies.
4. **Budget Impacts** – None.

### **RECOMMENDED ACTION**

The Executive Officer recommends approval of Resolution No. 02-3212

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## MINUTES OF THE METRO COUNCIL MEETING

Thursday, September 5, 2002  
Metro Council Chamber

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

Councilors Absent: Bill Atherton (excused)

Presiding Officer Hosticka convened the Regular Council Meeting at 2:06 p.m.

### 1. INTRODUCTIONS

There were none.

### 2. METRO'S NEW WEBSITE

Mike Burton, Executive Officer, gave an overview of the history of Metro's website. He said our site had been recognized as one of the best government websites in the region. He acknowledged those who had been involved in creating the new website. We received about 2000 visits on the site per day. The new website would be launched this weekend. He highlighted the benefits and the new features including e-commerce.

Sue Gemmel, Creative Services, gave a power point presentation on how the new site worked (a copy of her presentation is included in the meeting record). She spoke to the new home page, the design of the website, the dynamics of the database, how revision and development of web pages occurred, linkage to related pages and other websites, how to navigate within the site, and the online store.

Councilor Burkholder asked about park permits. Ms. Gemmel said this was not yet available. They were adding a few online items at a time to see how it worked. Mr. Burton added that they had had internal discussions about online items. They were still working out some of the processes. He thanked all of the staff who participated in the redevelopment of the website.

### 3. EXECUTIVE OFFICER COMMUNICATIONS

Mr. Burton talked about the letter he and the Presiding Officer would be putting out on the transition. It would give staff an opportunity to ask questions. He spoke to where Metro was in the process.

He talked about the local government officials tours on September 20th and 27<sup>th</sup> concerning the Urban Growth Boundary potential expansion. He noted that one of the tours had been moved from September 13<sup>th</sup> to allow individuals to go to a meeting in Klamath Falls to talk about economic strategies for the region and the State.

### 4. CITIZEN COMMUNICATIONS

Art Lewellan, 3205 SE 8th, Portland, OR 97202, said he had spent time this summer on a stream bank on the Willamette River. He noted materials he had found combing the bank including batteries, electronic gear, non-recyclable materials, and grease globs from ships. He suggested

that the only way that we were going to influence people to recycle their batteries was to have a tax and refund on batteries. He talked about the conditions of the banks on the eastside of the Willamette River. The riverbed was eroding and the condition of the foliage and vegetation by the Springwater Corridor was worsening. He noted a proposal by Jim Howell for access to the trail.

Presiding Officer Hosticka suggested that Mr. Lewellan's idea for recycling batteries be proposed to the State legislature. Mr. Lewellan thought this was a good idea and thanked the Council for their time. Councilor McLain talked about dredge spoils and how they would be dealing with that in our solid waste system.

## 5. MPAC COMMUNICATIONS

Presiding Officer Hosticka said Metropolitan Policy Advisory Committee (MPAC) met last week. They discussed the Urban Growth Report. There were concerns expressed about the numbers, particularly buildable land and land for schools. Councilor Park said they had that discussion in the subcommittee. Councilor McLain added that the capture rate, infill and redevelopment numbers were also discussed. Presiding Officer Hosticka said there were no formal votes taken but a head nod was given that we undertake Task 3 under Periodic Review to complete work on the sub-regional issue.

## 6. CONSENT AGENDA

### 6.1 Consideration of minutes of the August 8, 2002 Regular Council Meeting.

Motion	Councilor Bragdon moved to adopt the meeting minutes of the August 8, 2002, Regular Council meeting
Vote:	Councilors Bragdon, Monroe, Park, Burkholder, and McLain voted aye. The vote was 5 aye with Presiding Officer Hosticka abstaining from the vote, the motion passed.

## 7. ORDINANCES - FIRST READING

7.1 **Ordinance No. 02-962**, For the Purpose of Amending the FY 2002-03 Budget and Appropriations Schedule Transferring \$72,000 from the Planning Fund Contingency to Capital Outlay to Provide Appropriation Authority for the Carryover and completion of the Transims Computer Purchase; and Declaring an Emergency.

**Presiding Officer Hosticka** assigned Ordinance No. 02-962 to Budget and Finance Committee.

## 8. RESOLUTIONS

8.1 **Resolution No. 02-3216A**, For the Purpose of Declaring the Plaza Building Surplus Property, Exempting the Tenant from Paying Excise Tax, and Authorizing the Execution of a Lease with Big Town Hero.

Motion	Councilor Burkholder moved to adopt Resolution No. 02-3216 and substitute Resolution No. 02-3216A.
Seconded:	Councilor Bragdon seconded the motion

Councilor Burkholder explained the resolution and then asked Scott Moss to give specific on the lease and use of the building.

Scott Moss, Property Services, explained the lease to Big Town Hero including current rates, expenses, and improvements to the building including handicap access bathrooms. He noted that the Council was taking three actions; approving the lease, exempting the tenant from paying excise tax and declaring it surplus property.

Councilor Burkholder was supportive of this resolution.

Councilor McLain asked about the sub-leasing issue. She asked if there were amendments to the lease, would they have to come before Council. Mr. Moss said yes. Councilor McLain asked about the use of the square area. Mr. Moss explained the specifics. Mr. Moss said Big Town Hero would also contribute to landscaping of the area. Presiding Officer Hosticka asked about uses and changes in the lease. He assumed these would need to be brought back to the Council. Mr. Moss said yes. Councilor Park asked about a liquor license. Mr. Moss said no, there was no such license nor would there be. Councilor McLain talked about signage approval and review. Councilor Burkholder urged support.

Vote:	Councilors Park, Burkholder, McLain, Bragdon, Monroe, and Presiding Officer Hosticka voted aye. The vote was 6 aye, the motion passed.
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## 9. COUNCILOR COMMUNICATION

Councilor Monroe invited all of the Council to his 60<sup>th</sup> Birthday party.

Councilor McLain said the Regional Water Consortium met last night. She said they would be talking about the Bull Run water source issue at the Council Informal next week. She talked about some of the issues on the regional water supply plan.

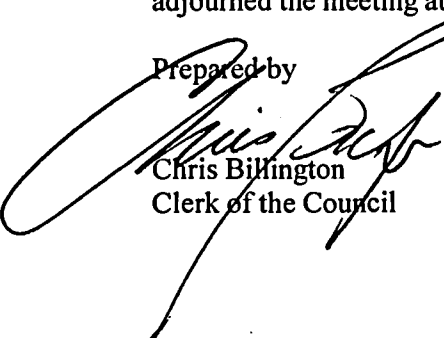
Councilor Park talked about the notices of the proposed Urban Growth Boundary expansion. He gave the specifics on numbers as well as where the first two hearings would be: Forest Grove and Beaverton.

Presiding Officer Hosticka said at the next Council/Executive Officer Informal they would be discussing the legislative agenda. He encouraged Councilors to submit their ideas. Councilor Bragdon said most councilors had already submitted ideas.

## 10. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Hosticka adjourned the meeting at 2:57 p.m.

Prepared by

  
Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER  
5, 2002**

ITEM #	TOPIC	DOC DATE	DOCUMENT DESCRIPTION	DOC. NUMBER
2	METRO'S NEW WEB	9/5/02	TO: METRO COUNCIL FROM: SUE GEMMEL, CREATIVE SERVICES  METRO WEB PROGRAM - NEW WEBSITE	090502C-01
8.1	RESOLUTION No. 02-3216A	9/5/02	TO: METRO COUNCIL FROM: SCOTT MOSS  "A" VERSION OF RESOLUTION No. 02- 3216A INCLUDING AMENDMENTS TO EXHIBIT A	090502C-02

## Forecast Summary Commodity Flow Forecast Update and Lower Columbia River Cargo Forecast

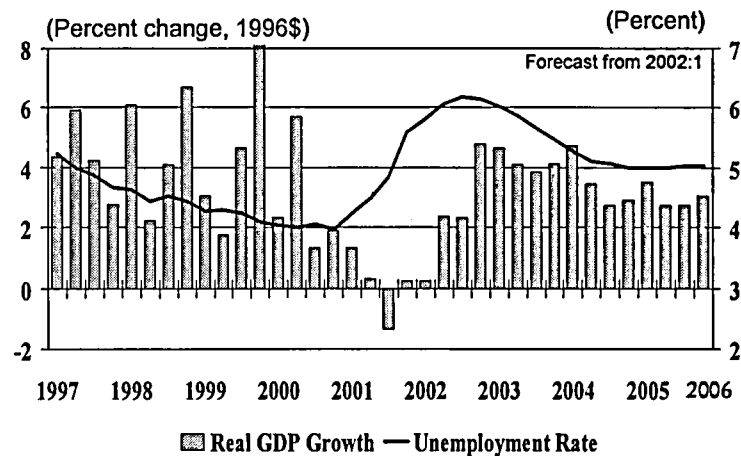
Prepared for:  
**Metro**

**September 2002**

By:  
**Paul Bingham**  
**DRI-WEFA, Inc.**  
in association with  
**BST Associates and Cambridge Systematics, Inc.**

DRI-WEFA/CS/BST

### *After Recession, the U.S. Economy Will be in Recovery during 2002-2003*



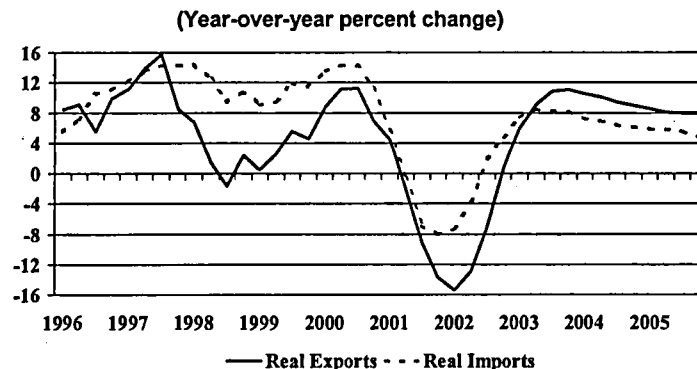
DRI-WEFA/CS/BST

### ***Long-term Projections for the U.S. Economy***

- Population growth will slow from 1% to 0.8% annually, slowing civilian labor force growth.
- Manufacturing employment will continue to decline as a share of total employment, while service sectors will generate an increasing share of job growth.
- Potential GDP growth will slow relative to historical rates due to slower growth in the labor force, while productivity growth will remain steady.
- Growth in the trade deficit will slow due to a decline in the value of the dollar and a reduction in U.S. real unit labor costs relative to the rest of the industrialized world.

DRI-WEFA/CS/BST

### ***Real U.S. Exports and Imports Reflect the Business Cycle and Exchange Rates***



DRI-WEFA/CS/BST

### ***National Commodity Flow Context***

- Globalization will continue via trade links, increasing the importance of freight transport.
- Supply-chain optimization to lower costs reduces average shipment size and increases demands for reliable delivery times, favoring faster modes.
- Demand for bulk goods such as food, energy and construction materials continue to grow but sources shift in line with relative production costs.
- Result is doubling of national tonnage volume within 30 years; international share increases slightly.
- The West grows faster than rest of U.S. Portland growth not quite as fast as Western average, yet faster than country as a whole.

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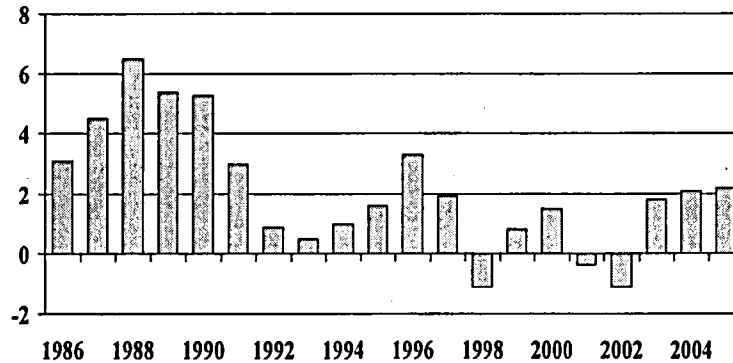
### ***Factors Affecting Portland/Vancouver Commodity Shipping***

- Portland/Vancouver's unique position on the West Coast, that of an export dominated port, will continue to shape the outlook for international cargo in the region.
- Greater share of domestic production going to domestic consumption reduces available export capacity.
- The region's traditional ties to North Asia, especially Japan, has reduced potential trade growth as those economies have lost out to China in share of trans-Pacific trade.
- Increasing cost pressures on top asset owning transportation carriers has meant greater pressure to achieve economies of scale and efficiency of operations. Larger containerships and air cargo hub concentration are but two of the consequences.

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## Japan's Economy Continues to Struggle

(Real GDP, percent change)

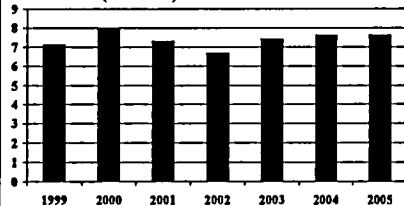


Japan's export manufacturing peak is long past and will not return after economic restructuring.

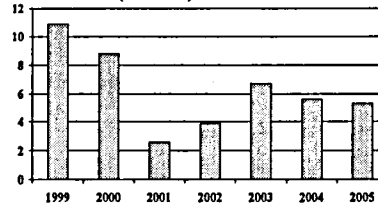
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## Stronger Real GDP Growth in China, India, Korea and Other Asia

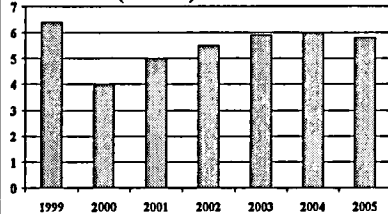
China - (Percent)



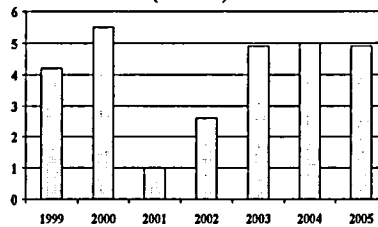
Korea - (Percent)



India - (Percent)



Other Asia - (Percent)



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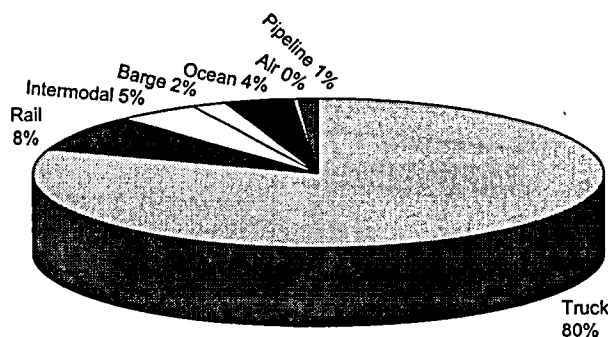
### ***Long-term Projections for Portland/Vancouver***

- Portland/Vancouver economy will see the beginning of a recovery in 2002, though transportation equipment and semiconductor manufacturing will remain weak.
- The area's population growth will average 1.3% over the forecast, contributing to slow civilian labor force growth.
- With recovery from the recession, employment growth will resume, averaging 0.6% in 2003–2010, with few sectors ever reaching 1.0% growth, followed by an average of 0.5% growth over the 2010-2030 period. This is consistent with the growth in population and net migration for the area.
- Real output in the metropolitan area is expected to range within 2.7% to 3.0% over the 2010-2030 period.

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### ***Modal Share of Portland/Vancouver Region Tonnage Growth***

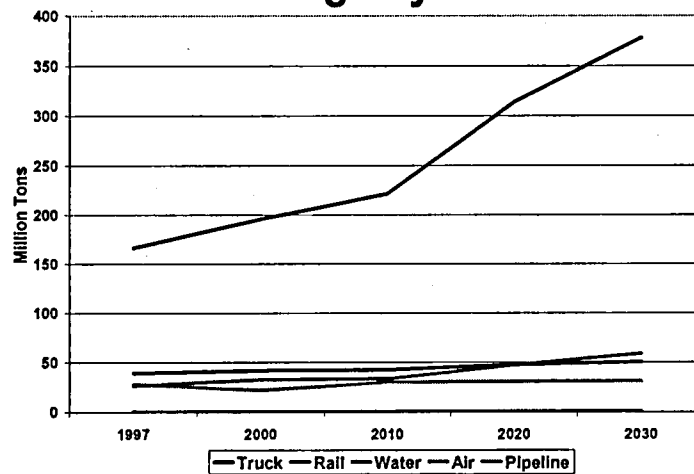
(Percent Share of Growth in Tonnage by 2030)



Truck tonnage dominates growth in freight with the largest base and fastest growth. Rail (carload) + Intermodal (rail) is second.

DRI-WEFA/CS/BST

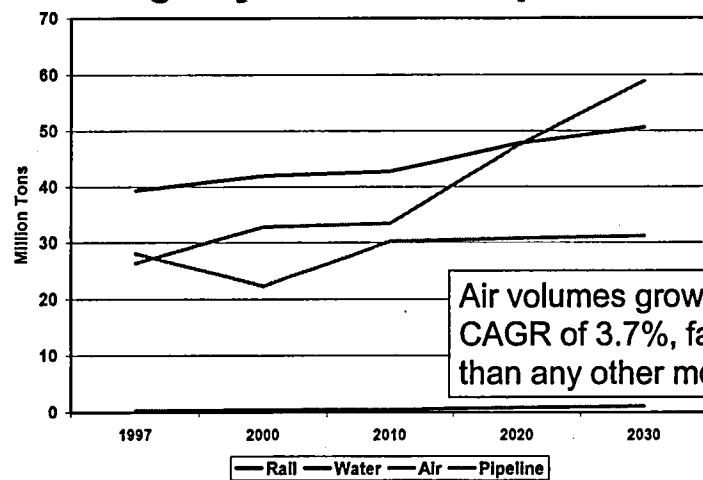
### Forecast Portland/Vancouver Region Tonnage by Mode



All modes see increased tonnage by 2030.

DRI-WEFA/CS/BST

### Forecast Portland/Vancouver Region Tonnage by Modes Except Trucking

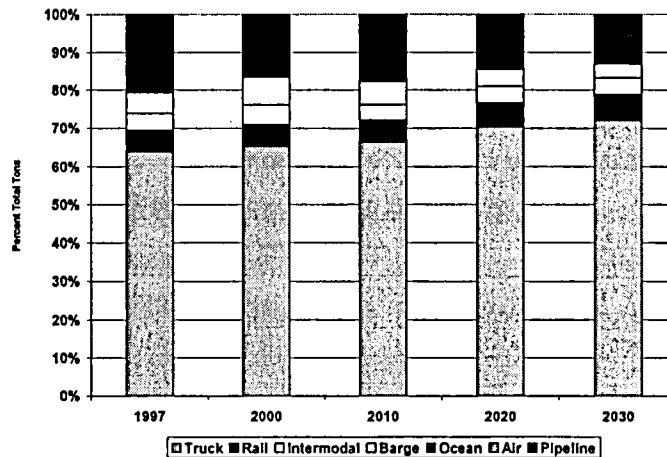


Air volumes grow at a  
CAGR of 3.7%, faster  
than any other mode

Air, Rail fastest growth; Pipeline slowest growth.

DRI-WEFA/CS/BST

### Modal Share of Portland/Vancouver Region Tonnage Growth

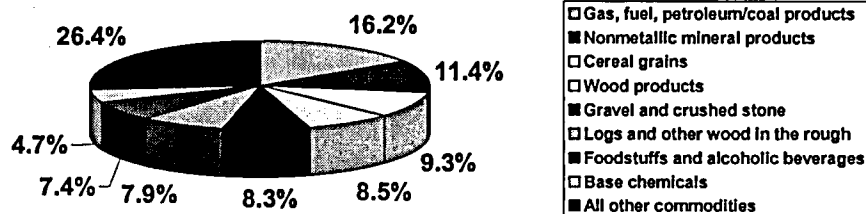


Truck, Rail and Intermodal gain share by 2030.

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### Commodity Share of Portland/Vancouver Region Tonnage

(Percent Share of Total Tonnage in 1997)



Eight commodity categories comprise 74% of all tonnage shipped in the region on all modes.

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## Top Tonnage Growth Commodities Portland/Vancouver Region 2000-2030

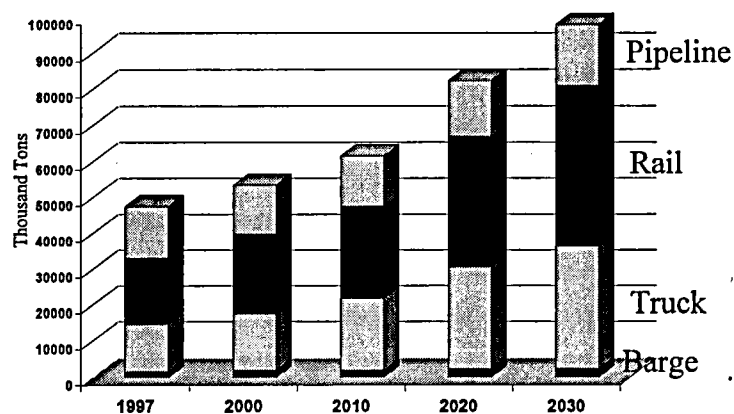
Commodity Category Description	CAGR, (%) 2000-2030	Typical Mode
Machinery	3.7%	Truck, rail, ocean, air
Meat, fish, seafood, and preparations	3.5%	Truck, ocean, rail, air
Milled grain products and preparations and bakery products	3.3%	Truck, rail
Foodstuffs and alcoholic beverages	3.3%	Truck, rail
Mail and Express Traffic	3.3%	Truck, rail, air
Electronic and other electrical equipment and components, and office equipment	3.3%	Truck, air, ocean
Precision instruments and apparatus	3.1%	Truck, air
Printed products	2.9%	Truck, rail, air
Nonmetallic mineral products	2.7%	Truck, rail, ocean
Miscellaneous manufactured products	2.7%	Truck, rail, ocean

Shading indicates one of top 8 commodities in terms of tonnage

**High value manufactures and foods grow fastest.**

DRI-WEFA/CS/BST

## Pass Through Tonnage Doubles

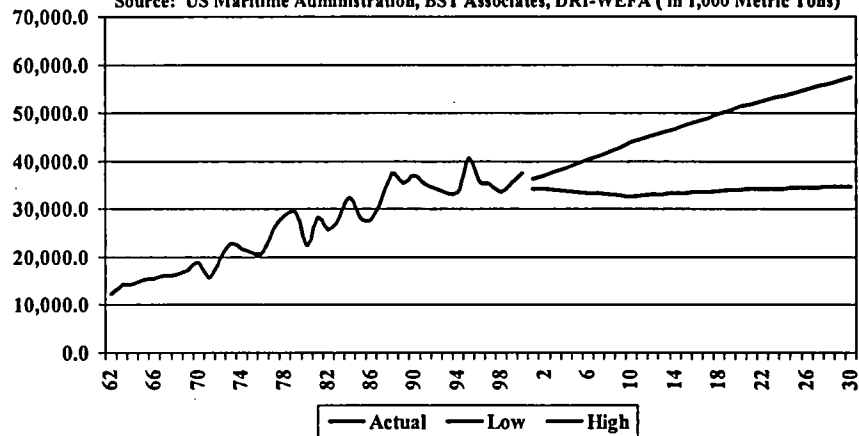


**The Portland region handles increasing pass through traffic for elsewhere in the country.**

DRI-WEFA/CS/BST

## Columbia River Tonnage Forecasts, All Cargo 1962 to 2030

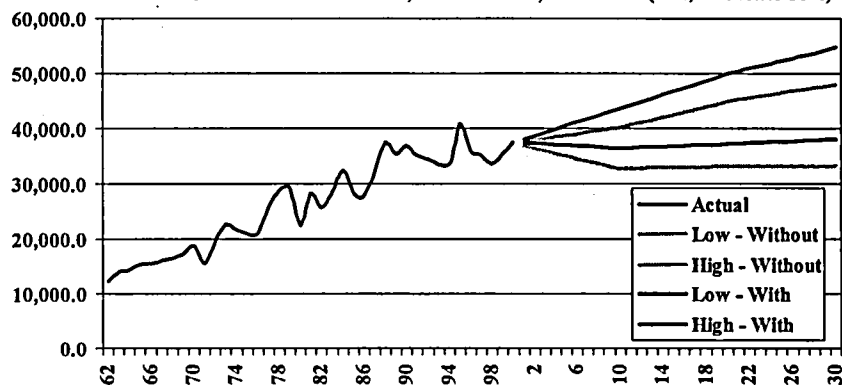
Source: US Maritime Administration, BST Associates, DRI-WEFA (In 1,000 Metric Tons)



DRI-WEFA/CS/BST

## Impact of Deepening on All Ports, Columbia River Tonnage, 1962 to 2030

Source: US Maritime Administration, BST Associates, DRI-WEFA (In 1,000 Metric Tons)



DRI-WEFA/CS/BST

## Several Risks to the Forecasts

- Another big terrorist attack
- An oil crisis triggered by an attack on Iraq or an escalation of the Middle East conflict
- War in South Asia – India & Pakistan
- “Enronitis” spreads further
- Financial crisis in Japan and a much weaker yen
- Contagion from Argentina
- A double-dip recession?

DRI-WEFA/CS/BST

## Questions the Region Should Address:

Does the region have adequate capacity to meet increasing demands efficiently?

All modes rely on roadways. How are the region’s industrial areas linked to the regional transportation facilities? How will these links function in the future?

What new industries is the region trying to attract? What freight will they generate or depend upon? What modes will they use?

How will the transportation system and services be positioned to meet future economic requirements?

How will the region handle new cargo attracted to the region or re-routing of existing cargo within the region due to new transportation services or improved frequencies of service?

DRI-WEFA/CS/BST

**METRO NATURAL RESOURCES COMMITTEE REPORT**

CONSIDERATION OF RESOLUTION NO. 02-3212, FOR THE PURPOSE OF  
CONFIRMING THE APPOINTMENTS OF ELA WHELAN, JOHN NAGY AND RICK  
GRUEN TO THE WATER RESOURCES POLICY ADVISORY COMMITTEE

---

Date: May 10, 2002

Presented by: Councilor Atherton

**Committee Action:** At its September 4, 2002 meeting, the Metro Natural Resources Committee voted 3-0 to recommend Council adoption of Resolution 02-3212. Voting in favor: Councilors Atherton, Hosticka, and McLain

**Background:** Two vacancies on the Water Resources Policy Advisory Committee are being filled via Resolution 02-3212. These vacancies exist in seats No. 8—Water Environment Services of Clackamas County, and No.11—Clackamas County Soil & Water Conservation District. The Executive Officer has appointed the individuals, as nominated by the appropriate agency, subject to Council approval.

- Existing Law: Metro Code chapter 2.19, Relating to Advisory Committees.
- Budget Impact: There is no budget impact associated with this resolution.

**Committee Issues/Discussion:** There was no committee discussion. The chair read the names of the nominees, and the committee voted unanimously to approve.