COUNCIL

Agenda

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Date: August 9, 1979

Day: Thursday

Time: 7:00 p.m.

Place: Water Service Building
510 SW Montgomery Street
Portland, Oregon

CALL TO ORDER (7:00)

1. INTRODUCTIONS

2. WRITTEN COMMUNICATIONS TO COUNCIL

3. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

4. CONSENT AGENDA (7:10)*

   4.1 Minutes of Meeting of July 12, 1979

   4.2 A-95 Review, directly related to MSD

   4.3 Contracts

5. REPORTS

   5.1 Report from Executive Officer (7:20)*

   5.2 Council Committee Reports (7:40)*

   5.3 Report on Progress in Addressing LCDC Concerns on Implementation of Urban Growth Boundary (8:10)*

6. OLD BUSINESS

   6.1 <u>Ordinance No. 79-73</u>, Providing Personnel Regulations for the Metropolitan Service District and Repealing Interim Personnel Rules adopted Pursuant to Council Resolution No. 79-2 (Second Reading) (8:30)*

7. NEW BUSINESS

7.1 Resolution No. 79-72 Establishing a Private, Non-Profit Foundation at the Washington Park Zoo (9:30)*

7.2 Resolution No. 79-73, Approving Conditional Sales Agreement Between Digital Equipment Corporation and Metropolitan Service District (9:45)*

7.3 Resolution No. 79-74, Appointing Presiding Officer as Member of Ways and Means Committee (10:00)*

8. ANNOUNCEMENTS

ADJOURNMENT (10:15)*

* Times proposed are suggested - actual time for consideration of agenda items may vary.

mec

COUNCIL
Agenda

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Date: August 9, 1979

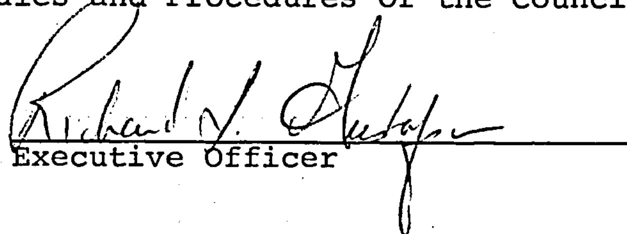
Day: Thursday

Time: 7:00 p.m.

Place: Water Service Building
510 SW Montgomery Street
Portland, Oregon

CONSENT AGENDA

The following business items have been reviewed by the staff and an officer of the Council. In my opinion, these items meet the Consent List Criteria established by the Rules and Procedures of the Council.



Executive Officer

4.1 Minutes of Meeting of July 12, 1979

Action Requested: Approve Minutes as circulated.

4.2 A-95 Review, Directly Related to MSD

Action Requested: Concur in Staff Findings

4.3 Contracts

Action Requested: Approve execution of contracts

mec

THE CITY OF
PORTLAND

OREGON

NEIL GOLDSCHMIDT
MAYOR

BUREAU OF
PLANNING
424 S.W. MAIN STREET
PORTLAND, OR 97204

DOUGLAS WRIGHT
DIRECTOR
248-4253

CODE
ADMINSTRATION
248-4250

LONG RANGE
PLANNING
248-4260

SPECIAL
PROJECTS
248-4509

TRANSPORTATION
PLANNING
248-4254

RECEIVED
AUG 8 1979
METRO SERVICE DISTRICT

July 19, 1979

Mr. Willard Sitler, Director
Environmental Affairs Office
Veterans Administration
810 Vermont Avenue Northwest
Washington D.C. 20420

Dear Mr. Sitler:

Thank you for the opportunity to review the Draft Environmental Impact Statement (DEIS) for the Veterans Administration Medical Center.

The following review of the DEIS addresses Transportation and Land Use issues which are the responsibility of the Portland Planning and Traffic Engineering Bureaus. This review inventories the critical transportation and land use elements that we believe must be addressed with mitigation measures.

LAND USE

On page 2-45 of the DEIS, it is stated that the siting of the Veterans Medical Center (VAMC) on Marquam Hill is "not consistent with present zoning or with the draft comprehensive plan, but is apparent that this is not perceived as a serious problem by many policy makers". The record should be corrected to indicate that the conflict between the Veterans Administration Medical Center and adopted city policies and plans is perceived as significant and important.

This conflict has been well documented in the analysis conducted by the Planning staff in summer of 1977 that resulted in the Planning Commission decision supporting the Emanuel site on August 9, 1977. This analysis did consider both a 680 bed facility and an 890 bed facility, a fact that is incorrectly reported in the DEIS on pages 2-47.

The DEIS makes also no mention of the Marquam Hill Plan adopted by the City Council on November 15, 1978 that included the following policy regarding future expansion on Medical Facilities on Marquam Hill:

> "Should any change in health facilities occur on Marquam Hill, the Veterans Administration, University of Oregon Health Sciences Center, and any other contributory organization should work jointly with the City to mitigate or eliminate any increased traffic activity. The City Council expects to see long range planning for both physical and program development and traffic management in a master plan to be developed by the University of Oregon Health Sciences Center."

In addition, attached to this letter is a report from Roger A. Redfern, Consulting Geologist, stating that the DEIS, while presenting geologic conditions accurately, is not thorough enough to assess either the cost of impact of safe hospital siting on Marquam Hill (see attachment 1).

Also, attached to this letter is a report from the City's noise staff stating that the noise information included in the EIS is insufficient to address the impact of noise on the hospital and adjacent areas, if located at either site (see attachment 2).

TRANSPORTATION

1) Traffic

The DEIS implies that the two sites have equal traffic access. This is not true. The Marquam Hill site has access from the north and south on Terwilliger Blvd., a deeded park roadway, from the west on Marquam Hill Road, a two lane roadway, and from the east on narrow residential streets between Burbur Blvd. and Terwilliger Blvd. A deeded park roadway means that this road is the responsibility of the City Park Bureau and not dedicated to the public except as a recreational facility. Terwilliger has not been designed and will not be improved as a major arterial street.

The Emanuel site is ringed with several major City traffic streets (Union Avenue, Interstate Avenue, Broadway/Weidler Couplet), several neighborhood collector streets (Vancouver/Williams Couplet, Kerby Street, Russell Street), and has uncongested, easily accessible freeway ramps 5 blocks away.

The number of access routes become extremely important when dealing with traffic loadings and access to sites during emergencies or adverse weather conditions. The Marquam Hill site has experienced slides at Terwilliger and Capitol Highway 3 years ago, and during winter months the steep grades make driving conditions hazardous or impossible during ice and snow. These conditions could temporarily isolate the hospital facility.

The Emanuel site is on relatively flat terrain, has numerous alternate access streets that could be used in emergencies, and is 3 blocks away from the City of Portland's Maintenance yards and crew that maintain the City's streets during adverse weather and emergency situations.

The amount of traffic congestion that can be expected to occur on this traffic route is misrepresented in the DEIS. Page 2-8 indicates that the proposed hospital will generate 11,000 additional vehicle trips per day. At the Marquam Hill site a potential for substantial traffic congestion exists even without Veterans Hospital expansion. If realized, this potential would cause severe problems to the existing street system. A reduction of trips to Marquam Hill, however, would extend the useful life of the street system and preserve these streets for the people that paid for them. Relocation of the VAMC away from Marquam Hill would assist in meeting this objective.

Page 2-21 of the DEIS states traffic will decrease over the long term at the Emanuel site. This implies that the additional traffic generated by the VAMC will be offset by the general reduction of traffic in the area. This point is overlooked later on the same page when the DEIS states that the additional 2,101 trips on Vancouver at Broadway will make this existing major capacity deficiency even worse. However, what the DEIS does not make clear is that the projected decrease in overall volumes in the area will result in a decrease at the intersection of Vancouver and Broadway of approximately 9.5% even with the VAMC construction.

The DEIS does not note the physical condition of streets along these access routes. None of the streets on the Marquam Hill site are built to City Engineer standards. There are few curbs and sidewalks. Rainwater runoff is handled along ditches; many roadways are narrow and have extremely sharp curves and steep grades. It is questionable whether they could withstand the potential volumes that could be generated on Marquam Hill. If the Marquam Hill site is chosen for the VAMC, some form of compensation by the Veterans Administration for associated roadway improvements would be appropriate.

At the Emanuel site, the existing roadway system is in its entirety built at City standards with curbs and sidewalks and wearing surface capable of handling any future traffic loadings. Several streets at the Emanuel site have recently been improved (Kerby and Russell Streets). Additionally, a $7.6 million project to improve Union Avenue will begin this fall.

The traffic volumes projected to be generated by a new hospital appear correct. However, the projected volumes on specific streets is inaccurately represented. The DEIS contends on page 2-3 that traffic volumes on Barbur Blvd. would be significantly unchanged if the Marquam Hill site is scheduled for the VAMC. It is true that no data is available to show the number of trips a day to the VA from Barbur Blvd. However, from public meetings that occurred and from observations, it is known that this movement occurs. Existing traffic counts show approximately 15% of the traffic to Marquam Hill (3,690 vpd) traverse through residential areas on SW Condor Street, Hamilton Terrace, and Hamilton Street, between Barbur Blvd. and Terwilliger Blvd. City efforts have aimed at reducing through traffic on these streets. With the VAMC expansion, it is likely that more traffic would use these narrow residential streets, in conflict with City policies.

Another point not adequately explained in the DEIS is that while the VAMC generated traffic would increase traffic on Terwilliger Blvd. south of Sheridan Street by approximately 5%, other development expected in the area could increase traffic in this section by approximately 16%. This could result in a total increase over 21%. This section is now at capacity. For the street to handle the projected traffic, substantial improvements would have to be made on Terwilliger and in the street system of Sheridan, Caruthers, 5th and 6th Avenues. Since three fourths of the traffic uses the Terwilliger entrance, if the VAMC is built on Marquam Hill, consideration should be given to sharing the costs necessary to assure the access to Marquam Hill will operate at a reasonable level of service.

Potential traffic volumes at the Emanuel site are difficult to estimate without information on addresses of patients. However, it is our judgement that the projection of 64% (4,200 vpd of all traffic to and from the site using the Vancouver/Williams couplet) is inaccurate. As was noted earlier, the Emanuel site is ringed with high volume traffic streets. A considerable amount of traffic would use Interstate Avenue, Union Avenue and Russell Street as access routes to the site. Interstate Avenue serves North Portland and runs parallel to I-5, while Union Avenue connects to the Grand/Union couplet and to McLoughlin Blvd. McLoughlin Blvd. is classified as a Regional Trafficway and is a major link for the Southeast Metropolitan Area.

2) Transit Service

The DEIS describes transit service to the Marquam Hill site accurately but the description of transit service to the Emanuel site is superficial and contains important inaccuracies.

Transit service to the Marquam Hill site is provided by two bus lines, the #8 Jackson Pank/Irvington and the #46 Maplewood. Route #46 Maplewood provides direct service to the proposed Marquam Hill site from Burlingame, Multnomah and Progress areas. The buses operate on Terwilliger Blvd., but do not enter the hospital grounds per se, wheras the #8 Jackson Park buses circulate through the hospital area. Route #8 serves through trips to Marquam Hill from Irvington and NE 15th Avenue in addition to downtown transfers. Sufficient capacity remains on both lines to handle future ridership, as stated in the DEIS.

The Emanuel site is served by three bus lines; #28 Mississippi, #29 Vancouver Avenue, and #75 39th Avenue, as shown on the attached map. (Routes 28 and 29 continue through downtown to SE Portland becoming the Woodstock and Crystal Springs routes, respectively. A trip to Emanuel via either of these SE Portland routes, however, requires out-of-direction travel through downtown Portland, and ridership will probably be insignificant.

Route #75 39th Avenue provides direct service between Emanuel and NE Portland, SE Portland and Milwaukie. Existing services frequency is not ideal (30 minute headways), but it may be improved in the future as part of an expansion of crosstown bus service, possibly in conjunction with the Banfield Transitway project.

Routes #28 and #29 serve two important functions. First, they provide direct service between Emanuel and North Portland. Second, they provide transfer service between downtown and Emanuel. With completion of the Banfield Transitway, these routes will also serve to connect Emanuel with the Light Rail line at the Coliseum stations.

Assessing the service level that the three previously described routes could provide to a VAMC at the Emanuel site, the DEIS states (page vi): Ridership on existing bus routes is at capacity during peak hours, and additional service would be required to accomodate VAMC travel." This is incorrect. Ridership on route #75 is so low that Tri-Met does not even do load checks. Load checks for May, 1979 for routes #28 and #29 are summarized in the following table.

ROUTE	Avg. Load	% Seated Capacity	% Total Capacity
#28 inbound @ 5/Everett, 7:00-9:30 am	35	76%	53%
outbound @ 5/Everett, 3:00-5:30 pm	43	93	65
#29 inbound @ 5/Everett, 7:00-9:00 am	46.5	101	70
outbound @ 5/Everett, 3:00-5:30 pm	41	89	62

The table shows that there is additional capacity on peak period, peak direction buses on routes #28 and #29. These buses serve trips between Emanuel and North Portland. In addition, the "against-peak" runs of these routes would provide the transfer service mentioned previously (from downtown, from the Coliseum Light Rail station, and from Broadway bus routes #9 Broadway, #77 Beltline, #92 Gresham/Swan Island, and #93 Oregon City/Swan Island). These against peak buses are not filled and they could easily handle the added ridership generated by a VAMC located at the Emanuel site.

During off-peak hours, bus capacity is not a problem. The DEIS should, but does not, estimate the percentage of transit trips (employees', visitors', or out-patients') that would be made mid-day.

Neither does the DEIS show the distribution of employee residence locations and other VAMC trip origins. This information is crucial for determining which site is better served by the existing transit system. It would seem that the Emanuel site is best served in terms of the number of direct bus routes and the coverage provided by those routes.

Regardless of the choice of site, the following actions should be taken to encourage the use of transit, carpooling, vanpooling. These actions should include, but are not limited to, the following:

1. Institution of a transit incentive program in cooperation with Tri-Met. The incentive program includes elements such as subsidized bus passes, carpool matching service, the appointment of a "transportation coordinator" (a VAMC employee who aids other employees in planning trips and serves as liaison to Tri-Met), and the provision of transit information to employees, patients and visitors.

2. Designation of priority parking spaces for carpools in convenient and desirable locations.

3. Design off vehicle access in such a way as to allow buses to pick up and drop off passengers as close as possible to building entrances.

3) Parking and Pedestrian Circulation

The DEIS makes little comment on the pedestrians circulation and provides only superficial review of parking issues.

On Marquam Hill, the almost total lack of pedestrian facilities create hazards by requiring most pedestrian movements to be made in the roadway. It is extremely difficult to walk from some parking areas to the hospital site, and the lack of transit usage on bus line #46 could in part be attributed to the lack of any pedestrian walking area from the bus stop to the hospital site.

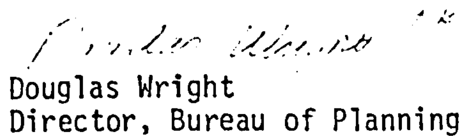
The Emanuel site has curbs and sidewalks throughout the area. Pedestrian movements are safe and efficient. The good walking areas and number of signalized crossing points make it possible to walk from bus stops on Union and Interstate Avenues (approximately 5-6 blocks) to the site. This encourages transit use by employees, visitors and outpatient visits.

There is also a lack of on-street parking. Any short term parking occurs in the parking lots and makes the pick up and delivery of people and goods difficult. If the Marquam Hill site is chosen for the VAMC, consideration should be given to needs for pedestrian improvement to and from bus stops, parking areas and the Health Science Center.

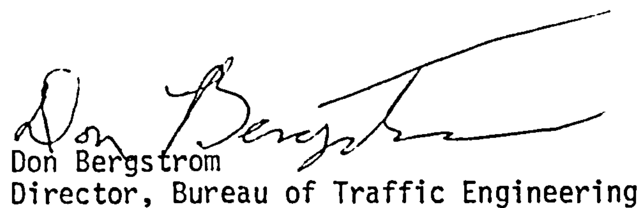
The Emanuel area has a considerable amount of on-street parking. This could make it possible to reduce the size of a parking structure, and/or make the short time parking use much more convenient.

We are interested in working with the Veterans Administration to provide for appropriate siting of the new hospital. We trust we can work together to mitigate negative land use and transportation impacts of the hospital.

Sincerely,



Douglas Wright
Director, Bureau of Planning



Don Bergstrom
Director, Bureau of Traffic Engineering

attachments

ATTACHMENT 2

CITY OF PORTLAND

INTER-OFFICE CORRESPONDENCE

(NOT FOR MAILING)

RECEIVED
JUL 12 1979
City of Portland
Bureau of Planning

July 10, 1979

From Paul Herman, BNE/Noise

To Karen Baldwin, Special Projects, Planning Bureau

Addressed to

Subject VA Hospital IES - Noise Section

1. I consider this document to be incomplete. I do not find sufficient discussion of the impact of the facility on the existing neighborhood areas, nor of the area(s) upon the proposed facility. While there is a cursory evaluation of 1977 noise levels in both the Marquam Hill and Emanuel areas, and a discussion of construction noise impacts, only two sentences, unsubstantiated with figures, are presented regarding anticipated traffic impacts. Page V, Summary, indicates an expected increase in outpatient visits at Marquam Hill of from 63,000 to 104,500; yet the document indicates (p 2-41) that "Increased traffic noise from the projects is not expected to significantly increase noise levels." Further, the authors have failed to consider increases in traffic <u>peak</u> levels, which are critical in regards patients' needs for sleep and rest, and have instead considered only L_{10} values, such being design noise guideline for the construction of federal highways.

2. Construction noise impacts are minimized (p 2-38) by indicating a probable 35dBA outside reduction at a distance of 100 m from site. This figure is arrived at by adding a 15dBA distance correction (15 m to 100 m), and 10dBA each for barriers and for terrain reduction. I do not agree with the barrier and terrain reductions. Typically, construction barriers (e.g., plywood walls) do not provide 10dBA reduction. At ground level, an interposed wall would provide no more than 5dBA, and this figure would be less at overlooking locations, where line-of-sight is not blocked. Further, I do not expect any terrain reductions at either of these sites, especially at 100 m distances. Outside reductions are therefore, in my estimation, no greater than 20dBA at 100 m, and would be less at nearer distances. Inside reductions may be considered as 20dBA greater, unless air conditioning does not exist and windows are opened during warm weather.

3. While the construction noise levels for individual pieces of equipment (p 2-39) are essentially correct, no consideration has been given to concurrent use of equipment, which would increase levels beyond those indicated. This is a minor criticism.

4. I do not understand table 2-6. Are these levels L_{50} values, as implied by assumption 1? If so, the logic is specious, since the rest and sleep of patients is more closely related to peak levels (see maximum values of table 2-5), than to L_{50} values.

Summary: Analysis of noise levels is incomplete and inadequate. Consideration of construction noise reduction is incorrect and misleading. Traffic noise impacts on the facilities and their surround is glossed over and essentially ignored. The report is unsatisfactory.

Paul Herman
Noise Control Officer

PH/edi

MSD METROPOLITAN SERVICE DISTRICT
527 S.W. HALL PORTLAND, OREGON 97201 503/221-1646

TO: Multnomah County

FROM: Linda Brentano, A-95 Coordinator

SUBJECT: Vet. Admin. Replacement Hospital

FILE NUMBER: #796-9

DATE: 7-26-79 RETURN TO MSD BY: ASAP

The attached proposal is provided to you for your review and comment as called for in OMB Circular A-95 Revised. Please notify us immediately if you will not be able to respond by the above indicated date. We need your response so that the staff and committees can utilize your comments in their recommendation to the funding agency.

Please do not hesitate to ask if you require further assistance or information on the proposal. Detailed project descriptions are available by contacting the MSD office or the applicant agency.

Rick Gustafson, Executive Officer

MSD Council

Mike Burton, Presiding Officer District 12
Donna Stuhr, Deputy Presiding Officer District 1
Charles Williamson District 2
Craig Berkman District 3
Corky Kirkpatrick District 4
Jack Deines District 5
Jane Rhodes District 6
Betty Schedeen District 7
Caroline Miller District 8
Cindy Banzer District 9
Gene Peterson District 10
Marge Kafoury District 11

TYPE OF REVIEW

(X) PROGRAM REVIEW AND COMMENT
(xx) ENVIRONMENTAL REVIEW AND COMMENT
(   ) OTHER

YOUR RESPONSE

(   ) IT HAS NO SIGNIFICANT EFFECT AND WE HAVE NO COMMENT.
(   ) IT HAS NO ADVERSE EFFECTS AND WE APPROVE.
(✓) IT HAS ADVERSE EFFECTS AND WE DISAPPROVE (PLEASE COMMENT)
(✓) WE ARE INTERESTED BUT REQUIRE MORE INFORMATION.
(   ) ADDITIONAL COMMENTS FOR PROJECT INFORMATION, OR IMPROVEMENT.

EXPLANATION AND COMMENTS (FOR ADDITIONAL SPACE, PLEASE USE THE BACK OF THIS PAGE.)

County Executive   Date 8-7-79

STATEMENT BY BRUCE ETLINGER BEFORE METROPOLITAN SERVICE DISTRICT BOARD

AUGUST 9, 1979

I am currently a member of the Northwest Oregon Health Systems Agency Planning Committee and the Oregon Coalition for National Health Security, a labor/consumer group promoting national health insurance. Previously I served as staff with the Tri-County Local Government Commission which recommended that MSD use its existing authority as an elected regional entity to strengthen its capacity to conduct A-95 reviews of human service expenditures.

Tonight you become the last official public body to address the proposed new Veterans Hospital. In its sheer dollar magnitude -- and its health and environmental impacts-- this issue is significantly larger than which Congressional District or which medical complex will inherit this federal largess. Some 3.5 billion dollars are projected -- all new money-- in construction, equipment and 50 yr. maintenance costs for a replacement hospital larger than the existing facility. These dollars are intended to provide health care for Oregon veterans (with 10% of patient load coming from outside state) inside a separate and antiquated health delivery system operated by the Veterans Administration.

Even though the issue has dragged on in Congress and locally for several years, it has been incorrectly framed from the outset. And it has lacked strong and consistent political leadership. Those here tonight representing neighborhood interests, the six-county health planning agency, City of Ptld. and Multnomah County, physicians and hospital administrators are a loose knit group in search of a citizens forum. Our interests in not building this facility-- or locating it at the Emanuel site if one must be built-- have been confirmed by every independent review and every action taken to date by a governmental entity. President Carter has proposed a lid on new hospital construction in order to curb spiralling health costs, and the adopted health plan for our region seeks to reduce the number of licensed beds by 1983. Clearly this proposal ignores both federal and local health planning objectives, land use considerations and the real health needs of our current veteran population.

It is not my intention to change views but instead ask this regional "watchdog government" to review the existing information and the growing political chorus against this huge new investment of scarce health resources.

If, as everyone has contended, this is entirely a political issue, why hasn't anyone polled Oregon's veterans as to sites for the facility <u>or</u> whether they would rather be guaranteed health care in their own community facilities? Is it really true that the VFW and the American Legion, whose membership includes only 11.6% of Oregon's veterans, speaks for all veterans? (Even these groups and the administration of the Health Sciences Center have failed to poll their own members and faculty!)

If, as most contend, hospitals (like freeways and housing use to be) are federal matters, why hasn't the President directed the Veterans Administration to comply with both strong local consensus and the appropiations bill rider to build at Emanuel?

To those who complain that a national health program would become a rigid federal bureaucratic nightmare,I ask:"Why not send Washington a message that we are capable of addressing our own health <u>and</u> land use planning needs? If we can effectively address transit without building only freeways,and energy or housing without federal lethargy or rigid allocations and fragmented programs that are counter-productive, why not the same with health care? If we and the Federal government give authority to approve every local hospital expansion or purchase of equipment over $150,000 to a local health planning agency representing consumers and providers, why turn our backs on the largest public investment in years for our region?

The Veterans Administration has recently had its health system thoroughly reviewed in a report to Congress from the prestigious National Academy of Sciences. Those with medical expertise found that at least half of the 33,000 acute care medical beds in the VA system are being used for patients who do not require acute-care services. Despite this finding the VA continues to devote the preponderance of its resources to new construction. More appropiate for the aging Veteran population using this system would be long term chronic care facilities, home health care, or even a hospice to enable individuals to die with dignity. Those 10% of eligible veterans who are indigent and therefore need help would be much better off with comprehensive care such as provided through Project Health-- not with more beds, surgery and expensive and duplicative gadgetry.

Two issues have plagued informed debate on this hospital proposal and deserve special emphasis tonite. One concerns the need for an adjacent facility to support training of physicians at our medical school and the other concerns the number of excess beds in our community--- the largest single factor contributing to rising health care costs in both the public and private sector.

As noted in the U.S. House Appropiations staff report (Oct. '77), only 29 hospitals (or 21.8%) of the 133 VA hospitals are adjacent to medical schools. Many of the finest working affiliations are carried out across travel distances greater than the Emanuel site. Furthermore, the majority of faculty positions are held by local physicians who leave their private practices throughout the metro area to share teaching, intern and residency supervision. Ask the Va and medical school administration if--- as part of their close cooperation— they share such things as joint purchasing? And then ask if it isn't time that more teaching, internships and even residencies should take place in an outpatient or family practice setting so that more of our publicly trained health providers are exposed to primary and preventive care? (If MSD thinks these are either private matters or federal issues please leaf through the NOHS health plan now in effect for our region.)

To assess the current supply of hospital beds requires only a few numbers. Nationally HEW has established a guideline of 4 beds per thousand persons with an 85% occupancy rate as a goal. The current national average is 4.3 beds per thousand persons and an occupancy or daily use rate of 75%. In the tri-county area today we have 4.7 beds per thousand persons and an annual occupancy rate(in FY '78) of 63%. Hence we are below current national averages and far short of the national goal. For comparison sake, the Kaiser prepaid health maintenance organization uses only 1.5 beds per thousand subscribers. It is also noteworthy that although the current VA hospital beds are not counted in these bed totals (because they are considered "federal"), their veteran population is included in computing the total bed to population ratio. What all this means is that for those veterans who need hospital care there are 1674 beds empty on an average day in our community.

The VA is authorized by statute to contract for 15% of its client population to use community facilities. In point of fact many more veterans are treated in these more convenient facilities and reimbursed by VA. Their annual appropiations from Congress are determined by this data and needless to say its advisable to keep current facilities occupied. The Region X

HEW Administrator told me during a Portland hearing on national health insurance that there's one VA hospital in Montana where veterans from miles around are urged to come --- even for a common cold!

The bottom line on all this is dollars and sense. If we integrated those veterans who truly needed hospital care into our community facilities (with appropiate lengths of stay rather than the average VA stay which is double national average) we would lower operating costs with higher and more efficient occupancy rates. Since it's hard to get hospitals to close wards and nearly impossible to de-certify entire hospitals, this is perhaps our last major opportunity to address escalating health costs. As a pilot project for maintstreaming all Veteran care, Oregon has a uniquely suitable vehicle to make the transition in Project Health, plus the expressed willingness of hospitals around the state to similarly assume this care.

Dr. Bud Rieke once described U.S. health care policy --- from the federal level on down --- as a series of thirsty flower pots, one for more beds for Veterans, another for every conceivable kind of medical research, some for technology of unknown cost-effectiveness and therapeutic value for patients. Each of these causes and programs has its advocates and each is served by public and private spigots. Maybe this explains why Canada, which adopted a national health program in 1968, has experienced a jump from 6% GNP to 7% [illegible] for health care while in the U.S. over the same ten years we have experienced a jump from roughly 6% to over 9% of our currently shrinking GNP.

Some of us think that its time to make more rational decisions about how we allocate these resources to achieve better health. As with T.S. Eliot's observation about the only lasting monument to western civilization being miles of asphalt and rusting tanks, we think it's possible to leave our children more than empty and unnecessary hospital beds. This region advanced both federal and local policies when it decided not to build the Mt. Hood Freeway and not to wait for federal answers during the last gas shortage. With a new elected regional government--- the first in the country-- and a new voice in the Carter Cabinet, the Veterans Hospital issue requires that we do no less.

STATEMENT BY:

DONALD E. CLARK

COUNTY EXECUTIVE
MULTNOMAH COUNTY

VETERANS ADMINISTRATION

ENVIRONMENTAL PUBLIC HEARING
PORTLAND STATE UNIVERSITY
July 21, 1979

On February 14, 1976 in Vancouver, Washington, the House of Representatives Committee on Veterans Affairs, Subcommittee on Hospitals, heard public testimony on the issue of a new Veterans Administration Hospital in Portland. At that time I testified that the wrong question was being asked. Instead of asking where a new hospital should be built, I said that we should be asking whether to build a new hospital.

The real issue, I said, is how to provide the best health care we can for our nation's veterans.

Today -- 41 months later -- I am here to say the same thing: I do not believe that the interests of our veterans or the interests of the public will be served by the construction of a $120 million new VA hospital in Portland, or anywhere else.

Some things have changed during those 41 months, however. At that time I was discussing the theory and values of providing health care to veterans. Today I can argue the same point by discussing the costs, quality and convenience of health care. We have had some operational experience in delivering health services in Multnomah County that bears close inspection.

Oregonians are regarded somewhat as pioneers -- as

leaders -- in a number of areas. We've led the way in environmental issues with our bottle bill, our pollution control laws, our land use controls. We've led the way in law enforcement, criminal justice and related issues. We also have been leading the way in the area of health service delivery.

Multnomah County has pioneered a system known as Project Health, which buys prepaid health care and episodic-emergency care for poor people from existing providers. Instead of operating costly, separate hospitals for the poor, we are "mainstreaming" our clients into hospitals, clinics and doctor's offices already in the community.

With Project Health, we have demonstrated to the State and Federal governments -- our partners in this venture -- that we can provide this comprehensive health care more cheaply and with more dignity to the patient than the conventional systems for the poor. I believe this same kind of system can achieve the same exciting results for veterans.

Let me turn to the Draft Environmental Impact Statement. Despite its bulk, it fails dramatically to address the "no build" option, and therefore fails in its mission. It does not properly assess the impacts of the facility on this community.

It makes the assumption that the VA hospital is necessary. That is a very grand assumption, and I am afraid a very costly assumption to the taxpayers. I am here to tell you that a new Veterans Hospital is not needed and that veterans would get better care, more easily, more cheaply under another system.

I have some questions that I think should be answered by

this DEIS.

Why should an indigent veteran have to come all the way from Klamath Falls or Hoquiam or Coos Bay to be treated when quality medical services exist at or close to home?

It makes more sense -- and saves money and auto trips -- to provide veterans with the services they deserve in the same community they and their families live in.

Why should we spend $120 million to pay for a huge new hospital when the nation as a whole -- and Portland in particular -- is already overbedded?

According to the most recent figures for the Portland metropolitan region, we have an excess of between 800 and 1,015 licensed beds. We also have between 250 and 480 staffed beds beyond our needs. (These numbers, incidentally, do not include VA facilities.) Overbedding clearly drives up the costs of hospitalization and medical costs in general. People are tired of inflation. If we are serious about containing inflation, we must contain health care costs.

Who really benefits from the construction of a new hospital exclusively for veterans?

It is my conclusion that it is not the veterans, but the bureaucrats. Our health care delivery system in America already is too fragmented and too categorized to be effective. All too often our resources are squandered on systems or on capital costs -- and not services.

This DEIS defends the status quo. It defends a system which has been described to me as the foremost pork barrel in

this country. I do not think that this DEIS provides us with the answers to make the right decision about this hospital. The President of the United States has declared war on the inter-related problems of energy shortage and inflation. To support this project is giving aid and comfort to our enemies.

I would like to give you an idea of the scale of what we are talking about with a $120 million hospital that costs $50 million a year to run.

I am going to use Project Health as an example. In the most expensive care category we have -- episodic care -- we can provide acute and urgent emergent care to 15,000 patients monthly with $50 million. Such care, which most closely resembles the acute care provided by the VA, could reach 30,000 different people every year under Project Health.

With that same level of funding under our prepaid, comprehensive health packages, we would be able to serve an average monthly enrollment of 80,000 individuals with complete health services -- inpatient, outpatient, emergency, pharmaceutical.

Now that is what $50 million means for a population that we serve which is basically a sick population and, like the veterans as a whole, expensive to care for.

We asked ourselves the question: What is the most cost-effective way to give comprehensive, first-class health care when and where it is needed?

Our answer was to mainstream people into competing health plans -- where the financial risk is shared and the medical profession has built-in incentives to reduce costs. Our experience

has been that it works. It works so well that Project Health is considered a model for national health insurance.

Congressman Al Ullman is proposing that many of the features of Project Health be incorporated into the health care system for all Americans. Moreover, Congressman Ullman is suggesting that states provide services to the medically needy and medically indigent under systems patterned after Project Health.

We have proof that the system does work and contains costs. Consultants Arthur D. Little/Arthur Andersen completed a six-month evaluation last year which revealed that Project Health's cost controls mean an overall 20% savings over the traditional fee-for-service systems.

Like I did more than three years ago, I come here today to point my finger at a gigantic boondoggle. I come here because I want to garner the best health services for veterans. I come here to say that a Veterans Hospital should not be built on Marquam Hill or at the Emanuel site. It should not be built at all.

It is time for us to awaken to the fact that we spend more of our national wealth on health than any other nation in the world, and yet we do not provide adequate health services to our citizens. I firmly believe, however, that we do spend <u>enough</u> money, but in the wrong places and on the wrong systems.

We need to pool all of the public dollars being spent on health care today into one system that will buy complete health care for all those dependent on government financing of their coverage.

On page 2-54 of the DEIS we find that there is a veterans

population of 336,000 which is expected to increase to 380,000 by 1985. One half of the admissions to the hospital come from Multnomah County. Our studies indicate that approximately 10% of the population is not covered by some third party payor. Using the Veterans Administration figures, we could assume that one-half of the veterans reside in Multnomah County. (Actually it is likely that less than one-half live here, as distance is a great barrier to health care access.) But lets say it is one-half, or 168,000 now and 190,000 in 1985. Some of these veterans are already enrolled in Project Health, but even if we assumed that none were enrolled, 10% of the veterans would most likely not have a third party payor. That would mean 16,800 now and 19,000 by 1980.

What I am indicating is that we could provide mainstream comprehensive health care with client choice among providers for this population. Without spending one nickle for a new hospital and with retirement of the old, there is more than enough money already being spent to provide quality health care within the dignity of the mainstream.

Even if you dispute my figures or my analysis, it is obvious that this DEIS is seriously faulted for not addressing the no build option.

We have entered into a time of scarcity. Scarcity of energy, natural resources and capital mean that the status quo is no longer good enough. We can no longer waste. We must face the truth and we must change.

# # #

MULTNOMAH COUNTY OREGON

OFFICE OF THE COUNTY EXECUTIVE
ROOM 136, COUNTY COURTHOUSE
PORTLAND, OREGON 97204
(503) 248-3308

DONALD E. CLARK
COUNTY EXECUTIVE

RECEIVED
AUG 2 1979
METRO SERVICE DISTRICT

July 31, 1979

Mr. Charlie Williamson, Chairperson
MSD Joint Policy Advisory Committee
on Transportation
527 SW Hall
Portland, OR 97201

Dear Mr. Williamson:

I regret that I was out of town when the MSD Joint Policy Committee on Transportation met on June 14 and passed a motion in support of the relaxed Federal ozone standard of .12 ppm. I do not support the Committee's motion, nor the subsequent approval of the same standard by the MSD Council.

Ozone is a poison. The data available suggests that the effects and symptoms of ozone appear in healthy adults at .15 ppm. To provide a safe margin for children and the infirm, regulations usually set the minimum safe standard at half the level at which symptoms occur.

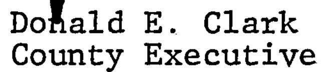
Furthermore, other noxious hydro-carbons, which appear in conjuction with ozone, were not considered in the studies recommending the increased standard of pollution. Any new standard should take these companion poisons into account.

It is apparent that we are relaxing critical safety standards without sufficient information. Ironically, this occurs at a time when we have been repeatedly confronted with evidence that prior standards have been inadequate.

We must maintain a liveable environment. Changes and adjustments in the metropolitan area's businesses, industries and transportation systems will have to be made before we can meet a safe clean air standard. But we are not discussing aesthetic and economic values. We are considering the effects of pollution on our health.

Until the effects of the increase in the standard are known, it is essential that we continue to err on the safe side and that we maintain every effort to reduce production of pollutants.

Sincerely,



Donald E. Clark
County Executive

wwp

cc: William H. Young
Rick Gustafson
Joe Richards

CHRONOLOGICAL
SUMMARY OF VA DOCUMENTS

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
1. MASTER PLAN - VA HOSPITAL; Project No. 106-INT-002 PORTLAND/ VANCOUVER	Griffin Balzhiser Affiliates: Griffin Balzhiser, Lester Gorsline Associates, The Rex Allen Partnership	Veterans Administration	Comp. late '75 Released 2/76	Final outcome of evaluation based on medical/ programs/accessibility/functional and physical/ environment rated the Marquam Hill #10 site (rated good) 62.67 points (rejected by the VA); #7/6 site (rated good) 56.07 points (accepted by the VA). The Emanuel site (rated excellent) at 73.03 points was rejected by the VA. Criteria used was pre-established by consultants and the VA. Page 67 of the 10/77 Congressional investigation reports "consultants would have recommended the Emanuel site."	X (by criteria)	X (by VA decision)	
2. CONGRESSIONAL HEARING - HOUSE OF REPRESENTATIVES COMMITTEE ON VETERANS AFFAIRS SUB-COMMITTEE ON HOSPITALS	Rep. David E. Satterfield, III, Chairman, and Rep. Robert Duncan and Rep. Mike McCormack	Representatives McCormack and Duncan	2/14/76	Prior to the 2/14 hearing, Rep. Duncan supported the Marquam Hill site. Due to overwhelming evidence presented, Duncan and McCormack concluded the best sites would be Emanuel/Vancouver. The late Phillip E. Howard, professional aide to the House Committee on Veterans Affairs stated, "We think they (the VA) ought to go back to the drawing board. The committee would not support the Marquam Hill site."	X		
3. UNITED VETERANS GROUPS OF OREGON	American Legion, Disabled American Veterans, Military Order of Purple Heart, United Spanish American War Veterans, VFW and Veterans of World War I	University of Oregon Health Sciences Center	4/23/76	Support of Marquam Hill site. (This position was formulated prior to any studies on the siting question.		X	
4. LETTER TO PRESIDENT GERALD R. FORD	City of Portland	Mayor N. Goldschmidt, Comm. C. Jordan, Comm. C. McCready	4/26/76	"We urge that the new hospital, or a portion of the new medical facility, be located in Portland. Further, we feel if there is only one VA facility to be built in Portland that it be built on the Emanuel Hospital site."	X		
5. LETTER TO PRESIDENT GERALD R. FORD	Board of County Commissioners, County of Clark, State of Washington; Vancouver City Council	E. B. Smith, Chairman; Dean Cole, Commissioner; Dick Granger, Commissioner; Jim Gallagher, Mayor	5/24/76	"Fully endorse the development of a comprehensive acute care hospital for the care of chronic diseases situated in Vancouver and a specialized medical center on the Emanuel Hospital campus, to replace the existing facilities."	X		

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
6. EMANUEL HOSPITAL - ITS QUALITY AND ABILITY TO SERVE THE VETERAN	Emanuel Hospital	City of Portland and Congressional Staffs	6/1976	"Emanuel Hospital, as well as Providence Medical Center, St. Vincent Hospital and Medical Center, and Good Samaritan Hospital and Medical Center, are major metropolitan Portland teaching hospitals, providing the same excellence of high quality of patient care and life-saving programs as the UOHSC."			
7. LETTER TO THE HON. ELMER B. STAATS, COMPTROLLER GENERAL OF THE U.S. - GENERAL ACCOUNTING OFFICE	- - - -	Senators Mark Hatfield, Warren Magnuson, Henry Jackson and William Proxmire; Representatives Robert Duncan and Mike McCormack	11/19/76	Request for an investigation to determine whether the VA is taking adequate steps to assure compliance with the Congressional mandate resulting from enactment of PL 94-378, fiscal year 1977 appropriation for the Department of HUD and Independent Agencies.			
8. REVIEW OF VA SITE SELECTION FOR A PORTLAND/VANCOUVER REPLACEMENT HOSPITAL	Comptroller General of the U.S. - GAO	See Above (No. 7)	3/4/77	"The GAO concluded that their investigation into the Portland/Vancouver Veterans Administration Hospital site selection process disclosed inadequate and highly questionable work by the VA. The GAO report clearly documented the fact that the VA had not responded to the mandate of the Congress in requiring the VA to justify fully their site selection."			
9. REASSESSMENT OF THE VA RECOMMENDATION ON THE VAH PORTLAND REPLACEMENT HOSPITAL	VA Department of Medicine and Surgery	GAO and Key members of the Senate Appropriations Committee	1/77	"The existing facilities should be located at or near the UOHSC. The existing Portland VA hospital site is the most beneficial site for the facility."		X	
10. REPORT ON THE AFFECTS OF THE VA MEDICAL COMPLEX ON CITY SERVICES, TRAFFIC VOLUMES AND ACCESS, AND NEIGHBORHOODS	City of Portland	Mayor N. Goldschmidt, Commissioners C. Jordan, C. McCready and F. Ivancie	2/24/77	Provides a local perspective of concerns.	X		
11. LETTER TO MAX CLELAND, ADMINISTRATOR OF THE VETERANS ADMINISTRATION	City of Portland, City of Vancouver, Clark County Board of Commissioners	Mayor N. Goldschmidt, Commissioners C. Jordan and C. McCready; Mayor J. Gallagher, Council members Besserman, Okornowski, Lehman, Hollister, Justin; County Commissioners Granger, Cole and Smith	3/8/77	"Our review of the available information has led us to support the two hospital system in this metropolitan area, consisting of an acute care facility located at the Emanuel site in Portland, and an acute sub-care facility located at the Barnes Hospital site in Vancouver."	X		

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
12. A-95 REVIEW OF PROPOSED VA HOSPITAL ON MARQUAM HILL	Columbia Region Association of Governments	VA, Washington, D.C.	3/24/77	Expresses concern over the existing land use problems on Marquam Hill and supports the Emanuel site.	X		
13. A-95 PROPOSED CONSTRUCTION OF THE VAH	N.W. Oregon Health Systems (Health Systems Agency)	VA	3/31/77	Raises concerns regarding exclusive hospital system for veterans. Suggests inclusion of veteran patients into mainstream of medical care.			X
14. STUDY OF HEALTH CARE FOR AMERICAN VETERANS	National Academy of Sciences, National Research Council (pursuant to Sec. 201 (c) of PL 93-82)	Committee of Veterans Affairs, U.S. Senate	6/7/77	The report recommends VA policies and programs should be designed to permit the VA system to ultimately be phased into the general delivery of health services in the communities across the country.			
15. A COMPARATIVE SITE ANALYSIS - VAH, PORTLAND, OREGON	Wilsey & Ham	City of Portland (Planning Commission)	8/1/77	"Based on better traffic and transit access and the opportunity to provide extremely positive support to both federal and local programs for community development, the Planning Commission of the City of Portland recommends, that the VA of the Congress of the United States site the proposed new VA hospital facility at the Emanuel campus."	X		
16. A REPORT TO THE COMMITTEE ON APPROPRIATIONS, U.S. HOUSE OF REPRESENTATIVES, ON PLANS FOR REPLACEMENT OF THE VA HOSPITALS IN PORTLAND, OREGON AND VANCOUVER, WASHINGTON	Surveys and Investigations Staff of the Committee on Appropriations of the U.S. House of Representatives	Committee on Appropriations, U.S. House of Representatives	10/77	Supports without qualification the Emanuel Hospital site.	X		
17. PRELIMINARY COMMENTS BY THE ADVISORY COUNCIL OF THE UNIVERSITY OF OREGON HEALTH SCIENCES CENTER ON CURRENT REPORT OF HOUSE APPROPRIATIONS COMMITTEE STAFF ON LOCATION OF NEW VA HOSPITAL FACILITY IN PORTLAND AREA	University of Oregon Health Sciecnes Center	Advisory Council of UOHSC	11/1/77	Questions qualifications of investigatory staff in reviewing project and disputes Congressional investigation.		X	
18. COMMENTS OF THE VETERANS ADMINISTRATION	VA	VA	11/77	Continues to support replacement of facility on Marquam Hill. Disputes findings of the Surveys and Investigations staff of the Committee on Appropriations.		X	

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
19. ABC, CHANNEL 2, PORTLAND, "TOWN HALL"	Channel 2	Community Concern	12/77	The University of Oregon Health Sciences Center, Veterans Hospital and local veterans groups orchestrated a boycott of TOWN HALL, a one hour open public discussion. The director of the program states, "Everyone understands that we had quite innocently stepped into a hornets' nest, and that the boycott was borne out of fear of exposing some carefully shielded fallacies, rather than out of "confusion about the subject of the forum." Community discussion primarily concerned need for the facility, but concluded that were it built, it should be built at Emanuel.	X (if built)		
20. "ONE MAN'S OPINION"	Peter Nathan, M.D., Portland, Oregon	-----	1/11/78	"In an attempt to find out exactly how Oregon physicians felt about a new VA hospital, I (Peter Nathan), with the cooperation of other physicians, hospital staff presidents and administrators, conducted a poll at either general staff meetings or by mail. Participation was not only impressive but statistically valid since 760 responses were received out of about 1,000 randomly distributed questionnaires. Only 25% voted for a new VA hospital."			X
21. FURTHER REBUTTAL BY THE UNIVERSITY OF OREGON HEALTH SCIENCES CENTER	UOHSC	UOHSC	1/1978	Document refutes work done by House Appropriations Committee.			
22. HEARINGS OF THE U.S. HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEE SUBCOMMITTEE ON HUD AND INDEPENDENT AGENCIES	Rep. Edw. Boland	Same	2/9/78	Congressman Boland continued his support of the findings of the Committee's Congressional investigation. Continues support of the Emanuel site.	X		
SUPPORTING DOCUMENTATION	Rep. Edw. Boland	Same	12/16/77	Refutes the VA's rebuttal to the Congressional investigation in the areas of cost difference between Marquam Hill and Emanuel; dispels the myth that quality of care is predicated upon proximity; VA's site selection process; Oregon veterans site preference; concerns of neighborhood organizations on Marquam Hill.	X		

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
23. U.S. HOUSE OF REPRESENTATIVES SUPPLEMENTAL APPROPRIATIONS BILL	Committee on Appropriations U.S. House of Representatives	Same	6/1/78	"The bill includes $130,241,000 to build a new hospital adjacent to the Emanuel Hospital in Portland, Oregon. This is a reduction of $8,859,000 below the $139,100,000 requested for a replacement hospital on Marquam Hill. The decrease represents the Veterans Administration's estimate of the savings that would occur in building the hospital at the Emanuel site. The Committee believes that the evidence developed in its Surveys and Investigations Staff report supports the construction of the replacement hospital at the Emanuel site. However, the Committee has not included specific bill language earmarking funds because it believes this could establish an unfortunate precedent. If the VA chooses to disregard the Committee's site recommendation, no additional funds above the $130,241,000 provided in this bill will be approved. The amount recommended is adequate to construct the 738 bed hospital and 120 bed nursing home care unit at the site adjacent to Emanuel Hospital. Clearly, if a site other than Emanuel is selected by the VA, the proposed hospital and nursing home care unit will have to be downsized to meet the aforementioned funding limitation."	X		
24. U.S. SENATE SUPPLEMENTAL APPROPRIATIONS BILL	Committee on Appropriations U.S. Senate	Same	8/1/78	"The Committee has provided funding for the construction of replacement facilities for the existing hospitals in Portland, Oreg. and Vancouver, Wash., but not in accordance with the current proposal of the VA. The VA has proposed construction of a single replacement facility of 858 beds, including 210 beds for psychiatric and nursing home care, to be located in Portland." ". . .In any event, no fewer than 600 beds will be located in Portland and no fewer than 250 beds in Vancouver."	No-Choice		
25. JOINT CONFERENCE COMMITTEE - U.S. HOUSE OF REPRESENTATIVES AND U.S. SENATE	U.S. Congress	Same	9/13/78	"The committee of the conference believes that the evidence appears to support the construction of the replacement hospital at the Emanuel site in Portland, Oreg. However, if the VA chooses to disregard the committee's site recommendation, no additional funds above the $130,241,000 provided in this bill will be approved. The amount is adequate to construct a 670-bed hospital at the Emanuel site and a 180-bed unit to be used primarily for nursing care at the Barnes Hospital site in Vancouver, Wash."	X		

NAME OF DOCUMENT	CONDUCTED BY	REQUESTED BY	DATE	KEY POSITION	CONCLUSION: EH	MH	No-Build
26. ENVIRONMENTAL IMPACT STATEMENT	John Graham and Company, Seattle, Washington	Veterans Administration	11/30/78	Conclusion unknown - Still in progress in March of 1979.			

CONCLUSION: Every study or document prepared by other than the VA or the University of Oregon Health Sciences Center has either supported the Emanuel site, or a no-build position. Only those studies conducted by the VA, or the UOHSC, or at the direction of the VA/UOHSC have supported the Marquam Hill site.

3/31/79

ndmill

ring and Construction Co. shows be erected in Oregon to generate kilowatts at full capacity.

t we think it will be a thing of beau-

Doctors believe new VA hospital not warranted

By ANN SULLIVAN
of The Oregonian staff

SUNRIVER — The Oregon Medical Association does not believe a new Portland-area Veterans Administration hospital can be justified on the basis of medical needs, the group's policy-making body resolved Sunday.

However, the association's House of Delegates decided to state a site preference, "recognizing the political reality that a new VA hospital may nevertheless be built," despite the group's belief that private hospitals are adequate to take care of veterans.

The resolution adopted by a majority of the 138 policy-making delegates expressed a preference for building next to the University of Oregon Health Sciences Center, rather than near Emanuel Hospital, a site also proposed.

A dispute over which location is better has stalled congressional approval of the VA's request for $139.1 million to build a new facility.

The delegates also voted to "strongly oppose" legislative efforts to restrict funding for or access to abortions, reaffirmeed support for federal and state funding for abortions for medically indigent women, and reaffirmed a previous OMA position that a decision on whether to perform an abortion rests solely with the patient and her physician.

The delegates voted to establish a committee to study criteria relating to the procurement, placement and use of CAT scanners (computerized axial tomograph), a new X-ray diagnostic device.

They thus side-stepped for a time efforts to relax present regulations over purchase of the expensive scanners.

In other policy-making decisions, the OMA:

— Decided to vigorously support legislation relating to legal protection of physicians giving immunizations.

— Declined to withdraw previous ... for the certificate-of-need proc- smoking in OMA meetings established in 1976.

— Endorsed efforts of the Oregon State Board of Medical Examiners to promote a study conference on the management of patients dependent on drugs and alcohol.

— Asked revision of rule by the Joint Commission on Accreditation of Hospitals which requires 24-hour in-hospital coverage for anesthesiology for certain hospitals.

— Encouraged every hospital medical staff in Oregon to establish cost-containment committees to limit capital expenditures and increase physician awareness of in-hospital bills. Physicians should be asked to curb duplicative use of laboratories, X-rays and medications, and re-assess standing orders and encourage maximum use of surgical facilities.

Illinois city, Westport vie for fish title

By BETTY BUTLER
Correspondent, The Oregonian

WESTPORT, Wash. — Is Westport, a Washington port town that for years has claimed to be the salmon fishing capital of the world, about to lose its title?

And — even more humiliating — is the city about to lose the title to a town that isn't even on the ocean?

This development began Friday when the mayor of Waukegan, Ill., a city of about 65,000 on Lake Michigan, challenged the mayor of Westport to a contest to decide which city actually is the world's salmon capital.

Waukegan Mayor William Morris said his city calls itself the coho salmon...

Veterans and Project Health

10/31/77 Journal

The House Appropriations Commmittee staff report has sent the Portland veterans' hospital back to the drawing board.

The conflict over the site — Emanuel Hospital or Marquam Hill — remains unresolved. The staff even recommended removing Vancouver, Wash., from sharing a portion of the facility, which is not going to sit well with a couple of prominent and powerful Washington senators.

Since the issue has been further complicated and additional delay is inevitable, perhaps it is time to rethink the proposal.

There are those who question the need for a separate hospital for veterans and suggest that the funds instead be spent for veterans' care in mainstream health facilities, along the lines of Multnomah County's Project Health.

When the question is asked, however, the answer from veterans' and congressional sources usually is that mainstream care is a long-range goal that cannot be realized for perhaps 20 years. In the meantime, hospitals for veterans will continue to be needed.

But now another question has been raised, and it is one Congress ought to think about.

Why not take a half step toward mainstream care by building a smaller hospital that would match more closely the health needs of the community and using the funds that would be saved for mainstream care for the veterans who would benefit from it?

Since Project Health is a model for the nation, it might be an appropriate device for funneling at least some veterans into care at regular community hospitals and clinics.

Indeed, it might guide the nation toward its long-range goal of phasing out veterans' hospitals and integrating them into the facilities of their communities.

Since the progress Congress has made so far on the issue is to move it back to square No. 1, it might at least consider the proposition.

One way to vets' community care

During the prolonged dispute over the location of a new veterans' hospital in Portland, the question has been raised as to why veterans would not be better off treated in the regular health facilities of their communities rather than in special separate hospitals.

The answer always comes back that mainstream care for veterans is the long-range goal, but it will probably take at least 20 years before the nation can afford to phase out its veterans' hospitals.

And so, while the Portland area has an over-all surplus of hospital beds, its veterans' hospital is decrepit and must be replaced.

However, the wrangling continues over where to put it: Rep. Robert B. Duncan, the Portland City Council and the House Appropriations Committee staff want to locate it at Emanuel Hospital.

Rep. Les AuCoin, the Veterans' Administration, the Health Sciences Center and several veterans' organizations want to put it where the present hospital is — on Marquam Hill, near the medical school.

In a lengthy report filled with bureaucratic verbosity, the Appropriations Committee staff concluded that the Emanuel site would fit into the community's planning better, and cost $27 million less.

Now, in the latest round, the Veterans' Administration has responded with a 30-page rebuttal of its own, reaffirming its previous findings in favor of the Marquam Hill location.

The Portland project has been at the top of the Veterans' Administration priority list for some time, but keeps being passed over in favor of lower priorities because neither the community nor its congressional delegation can get together. In fact, both sides seem to be becoming more intransigent all the time.

So they may have hit inadvertently on the course to mainstream health care for veterans. They will simply keep arguing for those 20 years or however long it takes to work veterans into community health services.

Journal 10/30/77

Willamette Week

For the week ending February 13, 1978 Vol. 4 No. 14

No way, VA

One of the givens in the ongoing debate over medical costs is that sound planning of health-care facilities is absolutely essential.

Consequently, we find ludicrous and depressing the current wrangle over where to locate a new Veterans Administration hospital in Portland. The emphasis so far seems to be on parking, air quality, accessibility, urban renewal, convenience to doctors, and politics. That is, it is on just about every concern except the primary health-planning issue, which is whether Portland needs a new VA hospital in the first place.

We think the proposed hospital bears comparison to the now-deceased Mt. Hood Freeway.

Just as the highway trust fund has supported freeways for years and years, to the exclusion of mass transit, Congress has continued to appropriate millions for the care of indigent veterans, but only in separate VA hospitals.

Never mind that veteran patients don't need a new hospital here. Never mind that there are plenty of beds in the metro area that could handle the veterans. Never mind that private hospitals can provide care as good or better than that managed by the VA.

Portland, Multnomah County and the state of Oregon all said "no" to the Mt. Hood Freeway. Their decision was encouraged by a federal law which allowed state and local governments to trade in planned freeways for mass-transit funds.

No such law presently exists to allow the VA to trade plans for a new hospital for funds to pay for care in non-VA facilities, and our congressmen, with the lone exception of Bob Duncan, appear more interested in playing pork-barrel politics with the appropriation of funds for a new VA hospital than in doing what's right for this region.

We urge them all to stop fighting over which side of the river is more appropriate for building a new VA hospital. They should go back to Washington, D.C., and introduce legislation that would give the VA the proper tools to deliver health care to veterans the way that best suits the needs of this region. •

6/27/77

Willamette Week

VA hospital

It is not as if we need another hospital in this city. Many authorities point out that Portland's hospitals are "overbedded." Furthermore, the duplication of central administrative, laundry, food and other service expenses that will occur is unconscionable. But it looks as if the Veterans Administration is going to build a new hospital here anyway.

In doing so, it will be taking another step away from the inclusion of the Veterans health program in the mainstream of health care in this country. The National Academy of Sciences recently recommended this direction in a strongly worded report to the U.S. Senate. The academy also recommended against the construction of the eight new hospitals the VA has planned, including the one in Portland.

With national health care on its way in some form or another in the next decade, it seems foolish and costly to continue a separate system of government-paid care for veterans. If everyone's care is going to be government subsidized, why separate the veterans?

If we have to have the new hospital, then surely it is wiser to build it at the Emanuel site. There, the duplication of expenses could be minimized with careful planning, although unlikely even then. And on the Emanuel site the people to be served, the veterans, will be better served. Access to Emanuel on the freeway system and by public transit is clearly superior to the Marquam Hill location. The short distance medical school students and personnel would have to drive is insignificant. The traffic and parking mess on Marquam Hill identified by the Portland Planning Commission would not be intensified. Finally, the Emanuel Hospital neighborhood badly needs the economic impetus the VA hospital would provide. •

Willamette Week

For the Week Ending February 13, 1978

Do we need a new veterans' hospital?

By ALICE J. PORTER

Buried in the din of political bickering over a site for Portland's new Veterans Administration hospital is the contention that Portland doesn't need a new VA hospital at all. Instead of building another expensive facility just for veterans, a handful of health professionals and planners have argued, the VA should "mainstream" veteran patients into the many empty beds of existing local hospitals.

In determining whether mainstreaming is as good a deal for the veteran patient as treatment in the Portland VA's special, segregated hospital, two questions arise. Do veteran patients require a specialized type of care that is not available in other community facilities? And, does the Portland VA hospital provide a quality of medical care that is unmatched elsewhere in Portland?

The answer is "no" on both counts, *Willamette Week* has determined from a review of the facility. The patient population at the VA hospital and the level of medical care there are about the same as other local hospitals. What does distinguish the VA hospital here, we have discovered, is that it is administered by an enormous federal bureaucracy, and therefore has some special problems.

Of the thousands of veterans who will be treated at the Portland VA hospital this year, fewer than a third (about 30 per cent) will be treated for "service-related" injuries or wounds. The majority of VA patients are suffering from the same types of ailments as any hospital patients; the VA offers medical care to all veterans who need it and want it. (Some, of course, have other coverage.)

The services the VA provides, then, are not especially tailored for the veteran but are similar to any private hospital—the same types of surgery, equipment and therapy. The VA offers "tertiary level" care—with sophisticated procedures up to and including open-heart surgery—and it is no better or worse than any large hospital in the private sector.

While we were looking into the VA hospital controversy we heard about numerous managerial and financial problems, including a nursing shortage to which the VA is slow to respond and a budget crisis as a result of the Carter Administration's belt-tightening fiscal policy.

Last week an entourage of six high-level employes was sent by the VA's "central office" in Washington, D.C., to inspect the Portland hospital and, it was hoped, to relieve some of the pressure on its $30 million annual budget. The visitors are here, says Administrator John P. (Phil) Clark, in response to pleas for help from him and from Chief of Staff, Dr. Paul Schick. The VA

Please turn to page 6

WHO WILL CARE FOR THIS PATIENT?
Med school wants to keep vets nearby for teaching purposes

What's Inside

- Richard Meeker ranks out *The Oregonian* for its local coverage of the VA hospital controversy. (Pg. 12)
- An interview with Prof. Sale. (Pg. 3)
- The secret of lie detectors. (Pg. 11)

Also Inside:

Oregon in Brief (Pg. 2), Street Talk (Pg. 7), *New York Times* Crossword (Pg. 7), Food (Pp. 8-10), Letters (Pp. 12, 14, 15), In the Public Trough (Pg. 12), The Arts (Pg. 13), Funny Person (Pg. 15), Classified Advertising (Pp. 16-19), John Bassett's Sports (Pg. 20). Plus: *Fresh Weekly* entertainment guide.

hospital beds in Oregon's Health Service Area I in 1976," says the report, "was 1,801 licensed beds out of a total of 4,827 and 1,242 available beds out of a total of 4,269.... Available beds are those ready for patient care and licensed beds are those with approved certificates of need...licensed beds can be brought back into service readily....

"Not all empty beds are excess to the needs of an area; because of turnover, some beds must be empty at any one time. In determining hospital bed needs for a service area, the Department of Health, Education and Welfare has established 4 beds per 1,000 population as a normal bed capacity for health-planning purposes. Based on this criteria [sic] and projected population figures for the service area, the *present* licensed beds (1976 level) exceed the area's service needs for 1980 and 1985."

Length of stay

The report goes on to address the length-of-stay question. "Length of stay at the Portland and Vancouver VAH's is excessive," it declares. It suggests that the VA is doing an inadequate job of planning for discharge, and it notes that the Portland VA hospital's average of 16.1 days is well above the average of 9.4 days for Medicare patients in four counties surrounding Portland. Obviously, length-of-stay figures affect the requirement for beds.

The Veterans Administration, in its response to the report, declined to get into the excess-bed argument. It notes that the report recommends the VA consider the availability of excess community beds in determining VA bed needs, and says, "This is an extremely complex issue which is not peculiar to the Portland replacement hospital and which could only be addressed superficially by the investigative staff. The report does not discuss the nationwide impact of the recommendation nor does it address the resources which would be required to implement such a recommendation. The VA believes that this issue cannot and should not be addressed tangential to the Portland controversy. It is a major policy consideration which strikes at the basic Congressional mandate to the VA."

But Phil Clark, Portland's VA Hospital administrator, *is* willing to get into the excess-bed argument. He says he had his staff take its own count of empty and available beds for medical-surgical patients (the bulk of the VA load) on a particular day last year, and that the survey showed that only 125 beds were available in the Portland hospitals plus St. Vincent's.

His count, however, was similar to that taken for a recent *Oregonian* story by reporter Ann Sullivan (a count taken on the busiest day of the busiest week of the year). Nathan wrote quite an interesting response to Sullivan's story. Part of it is reprinted here:

"Emanuel Hospital is stated as being very busy. Our hospitals should be very busy if we are to justify all the beds we have, but the fact is that at Emanuel there are 550 licensed beds, and they are currently using only 450! Did you ask why?

"Good Samaritan Hospital is stated as being full. The fact is that they have 170 new beds under construction, which you fail to mention.

"It is implied that the University Hospital is full, yet it currently has 74 beds being *utilized for storage*, voluntarily, rather than for patients. Further, during the past two years, the Vice-President of Hospital Affairs, Dr. Kassebaum, has voluntarily delicensed 150 beds as he recognized that they were not needed.

JORDAN, PLANNING COMMISSION, DUNCAN FAVOR THIS SITE

Is urban renewal most immediate goal of a new VA facility?

"It was also implied that Kaiser-Permanente was full, yet Sunnyside Hospital is operating voluntarily with only 88 beds when they are licensed for 134!"

Clark, at least, refutes effectively the length-of-stay figures used in the investigative staff report. He breaks his length-of-stay figures down into the various departments in the hospital to make it clear that the figures are put out of whack by the Physical Rehabilitative Medicine unit with 53 beds that deals largely with chronic, long-term problems, including amputations and other service-connected disabilities.

Lying with statistics

Perhaps the epitome of "how to lie with statistics" was reached in the University of Oregon Health Sciences Center's Advisory Council's comments on the investigative staff report on excess beds. The Advisory Council was the brainstorm of Lewis Bluemle, former president of the Health Sciences Center. He persuaded several powerful business figures to join it, including Ira Keller of Western Sales Corp.; Leland Johnson, president of First National Bank; Robert Roth, president of Jantzen; Stephen Yih of Wah Chang Albany-Teledyne; and trucking magnate Rudie Wilhelm. Also included are former Rep. Edith Green and Robert Notson, former publisher of *The Oregonian*. The council has been quite instrumental in providing whatever momentum now exists for the Marquam Hill site.

Rix: "The beds not available for veterans which were occupied are thus counted as both full and empty."

The Advisory Council's report says, "We think estimates of available beds in community hospitals is overly generous." It cites a study done by Kassebaum. "Instead of 750 surplus beds available for veterans in the Portland area the number should be closer to 200 based on Northwest Oregon Health Systems' own figures from their June 1977 *Census Figures and Six-Month Survey*."

A close look at the attached sheet showing Kassebaum's figures provides a surprise, however. The surprise is described by Richard Rix, executive director of the Northwest Oregon Health Systems, in a Jan. 31 memo to his board of directors responding to a recent *Oregonian* editorial quoting Kassebaum's figures. Rix says, "There is a methodological error in the analysis....In brief, the methodological error was that of subtracting all beds not available for veterans (OB, Pediatrics, etc.) from the total number of empty beds. The beds not available for veterans which were occupied are thus counted as both full and empty, or, in other words, the beds are double-counted." The Northwest Oregon Health Systems memo says that, if one uses the rest of Kassebaum's assumptions and takes out the error of double counting, the actual number of beds available for veterans during June 1977 would have been 907, not the 214 Kassebaum found. Kassebaum's figures, incidentally, do not count licensed beds.

Willamette Week called Kassebaum to see just how intense the war had become. Would he admit his error, an error that could easily be found by Rix since Kassebaum was using the figures produced by Rix's agency? No, he would not. "I won't agree that there is a logical error here. You are simply using the figures in one of two or three ways you can approach the problem," he asserted. He did, however, admit that he had indeed subtracted beds that were full from beds that were empty in order to get empty beds available to veterans. Kassebaum then told the *Willamette Week* reporter that the reporter was asking these questions because he had a "point of view that you are trying to justify."

A subsequent call to Advisory Council Chairman Rudie Wilhelm found that the figures had not actually been discussed by the Advisory Council before their inclusion in the council's report.

The paper war surrounding the question of excess beds will continue in the congressional subcommittee hearings this week. Committee staff say the whole philosophy of the VA's approach to veterans' care will be discussed.

If you didn't know the clout of the Veterans' lobby, you might be surprised to discover that Bob Duncan does not feel that the VA system needs to be integrated into community facilities. "I'm not really sure that it's desirable to provide a national health care program for a certain selected group of indigent veterans when we're not providing such a program for everybody," he says. Duncan points out that the VA already has authority to use private facilities for veterans with service-connected disabilities. About 30 per cent of veterans now being served have such service-connected problems. If you don't, and want to get free care from the VA, you now have to go to a VA hospital.

Congressman Les AuCoin is far more adamant than Duncan in his approach to the suggestion that veterans be mainstreamed. "The more fundamental point for Portland is not that some day there might be funds available to mainstream veteran patients. The question is really whether Portland is naive enough to believe that by blocking construction of a new Veterans hospital here mainstreaming will be accomplished and a new national policy will be established. That's preposterous." •

Problems of present facility certainly aren't focus of VA "paper war"

By RONALD A. BUEL

The fight over where to build a new Veterans Administration hospital in Portland is a "paper war," plain and simple.

It's one of those disputes where one faction—in this case the side wanting the new hospital built on Marquam Hill near the University of Oregon Health Sciences Center—fires off a report supporting its position. Then the other side—in this case Portlanders wanting the hospital located adjacent to Emanuel Hospital in the northeast part of the city—offers a report that rebuts the first.

You don't have to think too hard to guess that the next step in this particular conflict is a memo from the Marquam Hill adherents rebutting the paperwork of the Emanuel supporters.

Paper wars are a tried-and-true practice of the federal bureaucracy, so it should come as no surprise that a proliferation of redundant and frequently misleading documents has overtaken debate on the Veterans Administration's desires to replace its present Portland hospital on Marquam Hill with a new one in the same place. There seems no end to the papers: reports of investigations, special memoranda, formal statements, rebuttals of rebuttals, and unrealistic extrapolations from poorly chosen facts.

Nor is this sort of war restricted to federal combattants. Gov. Bob Straub recently joined in with a letter to President Jimmy Carter. (Straub supports the Marquam Hill site.)

Then, too, a second front in the war gained importance recently when representatives of Emanuel Hospital said on television that they don't think Portland really needs the beds a new VA hospital would provide—that there is enough capacity in local hospitals now to take care of all the veterans if they were "mainstreamed" into our community hospitals.

This week the VA paper war moves to a new battleground: the HUD-Independent Agencies Subcommittee of the House Appropriations Committee in Washington, D.C. There, discussion will focus on the three most recent written reports fired in the war:

- The report of the Surveys and Investigations staff of the House Appropriations Committee that says Emanuel is the better and more economical site.
- The comments of the Veterans Administration on that report, which refute nearly every one of its conclusions.
- The comments of the University of Oregon Health Sciences Center's Advisory Council on that report, echoing the VA's refutation.

The Appropriations subcommittee, chaired by Edward Boland of Missouri, eventually will decide whether to recommend that the Portland VA hospital be included in the 1978-79 federal budget. The subcommittee cannot dictate site location, but it can withhold money if the VA won't build where the subcommittee wants it to. The VA insists it won't build on the Emanuel site and that it would rather let Portland go without a new hospital.

The hearings in the subcommittee this week will take testimony only from the VA on Tuesday. The public and other members of Congress will be allowed to testify in mid-April.

Sentiment is divided on the 11-member subcommittee, says a staff member, who prefers that his name not be used. "It's close. You can't predict what will happen. Boland is committed to make a decision on the merits of the situation, not on whether he's better friends with Les AuCoin or Bob Duncan [Portland congressmen]. There's also confidence in the committee's Surveys and Investigations staff, but the VA's got plenty of clout."

The split on the subcommittee is not surprising, since East-side Congressman Bob Duncan wants the VA Hospital at Emanuel and West-side Congressman Les AuCoin wants it at Marquam Hill. And Duncan and AuCoin only mirror the split sentiment in the community. Consider the way the battle lines shape up:

The Portland City Council, whose domain in this case is the land-use impacts of a new facility, is split 3 to 2 in favor of Emanuel.

The Portland City Planning Commission, which makes land-use recommendations to City Council, voted 8 to 1 for Emanuel.

The Portland Chamber of Commerce Board of Directors, which represents public opinion in this city's business community, voted narrowly for Marquam Hill.

The Board of Directors of Northwest Oregon Health Systems, the federally constituted health-planning agency that must approve all hospital construction in the area (except for the Veterans Administration, which can go its own way) voted 25 to 9 for denial of the hospital altogether, suggesting that the existing federal legislation prohibiting mainstreaming of veterans be reversed.

The State Board of Higher Education, which runs the med school, voted in a split vote for Marquam Hill.

The Multnomah County Labor Council, *The Oregonian* and the *Oregon Journal* all endorsed Marquam Hill, as have U.S.

Please turn to page 4

Paper war

Continued from 1

senators Mark Hatfield and Bob Packwood.

President Gerald Ford supported Marquam Hill, but no decision was made during his administration. Then Carter sent his new VA head, Max Cleland, out to Portland to study the situation. Cleland came in April, didn't talk to any city officials, and went back endorsing the Marquam Hill site.

At stake in the conflict is a proposed $154 million, 890-bed hospital that would provide nearly 2,000 jobs. It would replace the 49-year-old, 527-bed hospital on Marquam Hill and the 361-bed hospital in Vancouver.

Central to the site decision are four basic questions: the cost of building at each site; the impact on the relationship between the University of Oregon Medical School and the VA; accessibility of the site to veterans; and impact on the surrounding neighborhood. The new reports offer additional paper on each question.

Cost

The Appropriations Committee investigative staff said the Emanuel site would cost $124.7 million to construct, compared with the VA's cost estimate for Marquam Hill of $152.1 million. The report said the $27.4 million cost savings included $2.1 million extra costs for foundations at Marquam Hill because of the steeply sloping site; $7.5 million in phasing costs because certain parts of the current hospital would have to be relocated during the period the existing hospital was torn down but not yet rebuilt; $3.2 million because the percentage for unknown factors need only be 3 per cent at Emanuel, instead of 6 per cent on the steeply sloping Marquam Hill site; $3.8 million because the parking structure would be less expensive at the mildly sloping Emanuel site; and some $5.7 million in lower bid prices owing to the general working conditions at Emanuel, which would allow contractors to work more effectively.

The VA responds by saying, "The more reasonable estimate of savings at Emanuel is $8.2 million which is 5.4 per cent less than the proposal for Marquam Hill." It discounts any savings for lower unknown factors and for working more effectively or speedily on the site. It says some of the phasing costs would be required at Emanuel. And it says its $8.2 million difference accounts for the more costly foundation, the higher parking-lot costs and a fair calculation for greater unknown and easier working conditions.

Proximity to the med school

The proximity issue is the most controversial and is argued in the most detailed fashion in all the reports. The investigative staff report makes several points. First, that few of the 133 VA hospitals are close together—21.8 per cent are adjacent and 9.7 per cent are one mile or less apart, whereas 36.1 per cent are more than 10 miles apart. Second, the time by car from the hill to Emanuel is about 10 minutes average, roughly the same as walking time between the medical school and the VA hospital now. Driving time from the medical school to the VA hospital is now five to six minutes and a state-operated shuttle bus runs at 20- to 30- minute intervals.

The investigative staff report notes that if the VA hospital were to relocate at Emanuel, faculty members and administrators at the medical school told them "they would definitely retain a strong affiliation regardless of the hospital's site.". The report adds that, "Very few VAH and HSC doctors and administrators felt a separation of 5 to 6 miles between the two would have any impact on quality of patient care at either location, but they all agreed such a separation would be inconvenient to them."

The report asks: "Is proximity really an issue? How can a noted and brilliant surgeon at the VAH, highly respected among his colleagues, furnish an exactly opposite opinion on this issue than an equally noted, brilliant and respected surgeon at the Emanuel Hospital?" It suggests the answer is "self-interest."

The VA response disagrees. It cites its own study of affiliated VA hospitals nationwide, breaking them into three categories depending on how close they are to the medical center. It says that the percentage of physicians who receive board certification, the average length of patient stay and the monthly turnover rate "indicate the shorter the distance, the greater the chances are of a strong affiliation and a comparatively higher standard of patient care."

Accessibility and neighborhood impact

The VA does not really try to debate with the investigative staff's contention that access to Emanuel by mass transit and on the freeway system is much better for veterans than access to Marquam Hill. The VA states that increased parking at the VA hospital site could eliminate "a great deal of difficulty," since the

tim jewett

MOST LOCAL POLS FAVOR PUTTING NEW HOSPITAL HERE
They ignore studies showing Portland doesn't need another hospital

present parking situation on the hill "is a primary contributor to the perception of a major access problem."

The VA plans to increase parking spaces. It doesn't disagree with the City of Portland's estimate that there will be an additional 1,300 trips a day to the new hospital on the one- and two-lane access routes, and that potential concurrent residential development also will increase traffic by another 4,840 trips a day.

Nevertheless, the VA says it will take several steps to reduce traffic if it builds on the hill, by locating a clinic in Vancouver and continuing to operate the current one Downtown for outpatients; locating the laundry, supply warehouse and medical district staff at Vancouver; establishing a fringe parking area off the hill, operating a shuttle bus; and encouraging staggered shifts and employe car pools. It says such steps have now encouraged the local neighborhood organization to support the hill site.

Meanwhile, city officials, particularly Commissioner Charles Jordan, continue to argue that locating at Emanuel would provide a much-needed economic base for one of Portland's undeveloped neighborhoods. There are 15 acres of vacant land available at the Emanuel site from a previous urban-renewal clearance project.

All of these arguments, however, could be superseded by a more basic philosophical question: With the expected coming of national health insurance, which potentially would provide federally subsidized health care for all Americans, should there continue to be a separate set of hospitals for veterans' care? Last year the National Academy of Sciences urged Congress to begin now by integrating veterans' care with community health facilities. Such a change, however, would require a basic shift in the congressional approach to the provision of veterans' care. Federal law doesn't allow the VA to provide care outside VA hospitals for veterans who do not have service-connected injuries. Such change also would obviously have to overcome the strong objections of the powerful veterans' organizations.

There appears, however, to be strong and growing sentiment in Portland's medical community for just such an approach. In addition to Emanuel Administrator Roger Larson's call for mainstreaming Portland veterans and the 25-9 vote by the Northwest Oregon Health Systems board, Dr. Peter Nathan, a Portland hand surgeon, took his own personal poll of some 700 Portland-area physicians and found that about 70 per cent said we didn't need a new VA hospital.

The investigative staff report added fuel to the fire by raising the controversial issue of whether there is excess bed capacity in Portland-area community hospitals. The report also notes the longer lengths of stay at the VA hospital.

Willamette Wee
Ending 1/30/78

Oregon in Brief

Edited by Kathie Durbin

Medicaid clients evicted

About 150 nursing-home patients whose bills are paid through Medicaid may be removed from three Oregon nursing homes. Several other homes have announced that they will no longer accept Medicaid patients because of alleged inadequate welfare payments through the state Adult and Family Services Division. Bob Davis, lobbyist for the Oregon Health Care Association, which represents most of the state's nursing homes, said last week the state is asking nursing homes to accept less reimbursement for Medicaid clients than the 1977 Legislature provided and to absorb the balance. In the past, he said, nursing homes have passed that cost along to private patients, but that solution is no longer feasible. The state readjusted reimbursement rates Jan. 1, raising daily rates by $1.16 per day, but many nursing-home operators say an additional 70 cents per day raise is necessary just to make ends meet.

Ron Roderick, owner of 14 nursing homes in Oregon, said his company is now losing $850 per day. He has asked the state to move about 150 patients out of three homes, including two in Portland. The rest of his homes will not remove current Medicaid clients but will refuse to admit new ones, he said.

State officials say they are in a financial bind in funding Medicaid clients and that they will find other institutions willing to accept patients removed from the objecting nursing homes.

Doctors surveyed don't want new VA hospital

Peter A. Nathan, a local physician, has conducted a poll of about 1,000 doctors, most of them in the Portland area, asking, "Are you in favor of a new Veterans Administration Hospital in the Portland metropolitan area?" Nathan got 760 responses, a high percentage of return for such a poll. Only 25 per cent voted for a new VA hospital. Some 70 per cent said one wasn't needed, the remainder expressing no opinion. Those opposed, according to Nathan, most often cited duplication of existing facilities as their principal reason. Those favoring the hospital most often cited educational benefits for the Medical School, not veterans' needs. Nathan writes in his newsletter, entitled *One Man's Opinion*, that his poll "contradicts OMA [Oregon Medical Association] No Action Position." He adds that the OMA has "abrogated its responsibility."

ndmill

Doctors believe new VA hospital not warranted

By ANN SULLIVAN
of The Oregonian staff

SUNRIVER — The Oregon Medical Association does not believe a new Portland-area Veterans Administration hospital can be justified on the basis of medical needs, the group's policy-making body resolved Sunday.

However, the association's House of Delegates decided to state a site preference, "recognizing the political reality that a new VA hospital may nevertheless be built," despite the group's belief that private hospitals are adequate to take care of veterans.

The resolution adopted by a majority of the 138 policy-making delegates expressed a preference for building next to the University of Oregon Health Sciences Center, rather than near Emanuel Hospital, a site also proposed.

A dispute over which location is better has stalled congressional approval of the VA's request for $139.1 million to build a new facility.

The delegates also voted to "strongly oppose" legislative efforts to restrict funding for or access to abortions, reaffirmeed support for federal and state funding for abortions for medically indigent women, and reaffirmed a previous OMA position that a decision on whether to perform an abortion rests solely with the patient and her physician.

The delegates voted to establish a committee to study criteria relating to the procurement, placement and use of CAT scanners (computerized axial tomograph), a new X-ray diagnostic device.

They thus side-stepped for a time efforts to relax present regulations over purchase of the expensive scanners.

In other policy-making decisions, the OMA:

— Decided to vigorously support legislation relating to legal protection of physicians giving immunizations.

— Declined to withdraw previous ... the certificate-of-need proc... smoking in OMA meetings established in 1976.

— Endorsed efforts of the Oregon State Board of Medical Examiners to promote a study conference on the management of patients dependent on drugs and alcohol.

— Asked revision of rule by the Joint Commission on Accreditation of Hospitals which requires 24-hour in-hospital coverage for anesthesiology for certain hospitals.

— Encouraged every hospital medical staff in Oregon to establish cost-containment committees to limit capital expenditures and increase physician awareness of in-hospital bills. Physicians should be asked to curb duplicative use of laboratories, X-rays and medications, and re-assess standing orders and encourage maximum use of surgical facilities.

Illinois city, Westport vie for fish title

By BETTY BUTLER
Correspondent, The Oregonian

WESTPORT, Wash. — Is Westport, a Washington port town that for years has claimed to be the salmon fishing capital of the world, about to lose its title?

And — even more humiliating — is the city about to lose the title to a town that isn't even on the ocean?

This development began Friday when the mayor of Waukegan, Ill., a city of about 65,000 on Lake Michigan, challenged the mayor of Westport to a contest to decide which city actually is the world's salmon capital.

Waukegan Mayor William Morris said his city calls itself the coho salmon...

...ring and Construction Co. shows ... be erected in Oregon to generate ... kilowatts at full capacity.

... we think it will be a thing of beau-

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645

2-004490E306002 11/02/77 ICS IPMRNCZ CSP PTLA
1 5032324982 MGM TDRN PORTLAND OR 11-02 0347A EST

GERALD ARRINGTON
1460 SOUTHEAST 58TH
PORTLAND OR 97215

THIS MAILGRAM IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

5032324982 MGM TDRN PORTLAND OR 200 11-02 0347A EST
ZIP
CONGRESSMAN EDWARD P BOLAND
CHAIRMAN SUBCOMMITTEE ON HUD AND INDEPENDENT
AGENCIES
HOUSE OF REPRESENTATIVES
WASHINGTON DC 20515

PLEASE REFRAIN FROM 200 MILLION APPROPRIATION NECESSARY TO CONSTRUCT
NEW VA HOSPITAL IN PORTLAND

AS ONE OF THE LARGEST PROPOSED CAPITAL EXPENDITURES IN REGIONS HISTORY,
THIS PROJECT IS COMPLETELY ILLOGICAL-- BOTH FOR HEALTH of VETERANS AS WELL
AS PORTLANDS ALREADY OVERBUILT HOSPITAL CAPACITY.

(AS PER STAFF REPORT) PLEASE CONSIDER MUCH SMALLER FACILITY WHILE
APPROPRIATING FUNDS TO VA FOR CONTRACTING FOR CARE THROUGH MULTNOMAH
COUNTY'S PROJECT HEALTH. THIS IS EXCELLENT VEHICLE TO CHANNEL FUNDS
INTO EXISTING FACILITIES AND SERVICES VIA COMPREHENSIVE PACKAGES OF
CARE AS SELECTED BY ENROLLEES.

SUCH A PILOT PROJECT WOULD EXPAND OPTIONS OF VETERANS IN THIS AREA
WHILE INCREASING UTILIZATION AND REDUCING OPERATING COSTS OF EXISTING
INPATIENT FACILITIES.

TO IGNORE THIS OPTION IS TO BE FLAGRANTLY WASTFUL, COUNTER PRODUCTIVE TO
NATIONAL AND LOCAL HEALTH PLANNING OBJECTIVES, AND ABSURD.
SINCERELY

BRUCE ETLINGER, MEMBER OF HEALTH PLANNING COMMITTEE, NORTHWEST
OREGON HEALTH SYSTEMS AGENCY

0350 EST

NORTHWEST OREGON HEALTH SYSTEMS

WESTRIDGE GARDENS II
5201 S.W. WESTGATE DRIVE
PORTLAND, OREGON 97221
PHONE 503/297-2241

RICHARD A. RIX
Executive Director

Testimony   Metropolitan Service District   August 9, 1979
Sylvia Davidson
President
Northwest Oregon
Health Systems

I am submitting a speech of the late Dr. Forrest Rieke, substantiating my long-term concern with over-building of hospitals at a time when this nation can ill afford such luxury.

Several years ago, when inflation was much less dramatic and traumatic, there were 8.5 billion dollars on the drawing boards for Veterans Hospitals. This is at a time when conditions of employment in industry are such that health care benefits are generally available to young veterans — and therefore less than 10% of them use VA medical facilities. With or without the advent of National Health Insurance, it is evident that public expenditures of such magnitude for bricks and buildings, which are not needed, is an appalling waste of national resources.

Every metropolitan area of the country suffers from "overbedding" — an expensive abundance of unused, under-utilized hospital beds in major medical centers which are staffed with the finest doctors, nurses, and technicians, and supported with the most sophisticated equipment. Giving the Veterans medical insurance where he or she could be treated in any such center or in their own convenient local community hospital is the economic and humane way to deal with the situation.

Emotional response from veterans' organizations is elicited, I am sure, from people who do not understand that the issue is not "no care for Veterans" or "less quality care for Veterans".

If extended long term care facilities for Veterans is indicated, or special rehabilitation resources, these can be provided at much less cost. Even in the case of rehabilitation, most spinal injuries today happen to young people in automobile accidents and they, too, need the finest care.

I do not believe the Veteran wants less for his son than he does for himself.

"planning for the health needs of the people"
SERVING CLACKAMAS, CLATSOP, COLUMBIA, MULTNOMAH, TILLAMOOK and WASHINGTON COUNTIES

One Man's Opinion!

Number 11 October 21, 1977

The Question is NOT WHERE the Veterans Administration Hospital Should be Built but WHY a Veterans Administration Hospital at all:

I believe that we have the responsibility as health providers, along with our legislators and patients, to look at the needs of the WHOLE community when planning facilities and to look at the distribution of facilities and resources and NOT limit our concern to the particular interest of one segment of the population. The right to and the right in health care will be considered unsatisfactory as long as it is projected on a piece-meal basis, as the approach toward the Veterans Administration Hospital appears to be.

In the private sector of health care, which also receives government support, hospitals must undergo local review for determination of a Certificate of Need for the purpose of reducing duplication of facilities, etc. It is inconsistent to allow the Federal Government and its hospitals to be excluded from such reviews. The only possible exception could be for active or emergency military needs.

To the cost of building a new Veterans Administration Hospital of $155 million, must be added a maintenance cost of over $40.6 million yearly during the expected 50-year life cycle, yielding a total cost of over $2.2 billion. The $40.6 million yearly maintenance cost is in sharp contrast to the current $11 million annual operational cost of the V.A. Hospital now in existence. Further, these figures do not include the initial estimated fuel costs of $731 thousand/year which is projected to increase at 9% per year for the next 50 years.

These costs must be borne by the people of Oregon and southern Washington. It is an enormous cost when one considers that 99% of the medical transaction that gets a patient better is the direct result of the physician-patient relationship; the edifice in which it occurs plays a minimal role. Need I say, you can have a school under a tree. Documentation for the year 1975 shows the average hospital stay of a surgery patient was 16.5 days in our V.A. Hospital as opposed to 7.2 days for surgical patients in private hospitals in Clackamas, Columbia, Multnomah and Washington counties. These figures become even more significant when the excess beds in V.A. Hospitals plus the over-utilization of those in use are added to the excess beds in the private sector of our four-county area.

It is unfortunate that the Oregon Medical Association officers at the Spring 1977 Annual Meeting opposed the courageous resolution of Dr. Russell Sacco which proposed that the OMA not support the construction of a new Veterans Administration edifice. Instead, we were forced to support a compromise resolution which stated that the Veterans Administration/Federal hospital system should be required to receive local Certificate of Need authorization, as do private hospitals, prior to construction.

I believe we must now attempt to rectify, at least here in Oregon, the separate and unequal status of health care delivery through the V.A. Hospital as well as stop this enormous unnecessary expenditure which will NOT demonstrably improve the health care of veterans.

There is no reason why veterans cannot be serviced through the existing Medicare system which now also includes disabilities; with the exception that the Government pick up the 20% of co-insurance which non-veterans are responsible for. If the above proposal is too extensive, then those veterans who live say beyond a 75 to 100 mile radius of Portland could be serviced through contracts with group insurance plans such as Blue Cross, OPS, or any other reputable carrier.

The public, through its legislators, has elected to provide veterans with educational benefits. Did we build veterans universities? Why veterans hospitals? It is important that we physicians take a stand on behalf of our veterans and all the citizens of Oregon and let the Oregon Medical Association, American Medical Association and state and national legislators know of our thinking. It is critical that physicians throughout Oregon respond and not feel, as a downstate physician has said to me: "The V.A. Hospital is too far away for me to be concerned."

****

"Public opinion boldly expressed never fails to compel the obedience of those who guide the destinies of States. Public opinion is a chorus of voices, and the strength of that chorus depends upon the manner in which each individual member of it exerts his vocal power."

George P. Sims 1889

****

NEGATIVE Proceedings at Annual Spring Meeting of OMA House of Delegates - April 22-24, 1977

Did Not Adopt Resolution No. 7 - relating to open Reference Committee Executive Sessions:
At the OMA House of Delegates Spring and Fall Sessions, resolutions may be submitted by any local society or a delegate. After hearing arguments for and against various resolutions and other reports, each Reference Committee, which is made up of physicians chosen by the OMA officers, meets behind closed doors while they decide the recommendations they will make to the House of Delegates regarding the proposed resolutions that they have been charged to study.

Resolution No. 7, among other things, was intended to give members an opportunity to listen in on the discussions which lead to the recommendations of these Reference Committees.

It was the recommendation of the Reference Committee charged to review this resolution that it not be adopted because membership presence would "tend to restrict candid and open discussion and prolong consideration of issues." The House of Delegates concurred.

Did Not Adopt Resolution No. 23 - relating to availability of OMA Records:
This resolution was concerned with the hindrance to the dissemination of information regarding the political, professional and financial activities of the OMA.

The reviewing Reference Committee recommended that this resolution not be adopted because... "There is no guarantee that free and open access to the Association records will not be subject to misuse." The House concurred.

Did Not Adopt Resolution No. 28 - relating to written reports on meetings travelled to at OMA expense:
This resolution submitted at my request stated that summaries of meetings and courses attended at the expense of the OMA should be in written form and not lie dormant and subject to erratic recall in the minds of those who attended.

The Reference Committee recommended that this resolution not be passed because they claim reports are filed when "It is advantageous to share the results of meetings with others in the Association." Who decides what is ADVANTAGEOUS?

This resolution failed to pass the House even after it was informed that earlier this year four or five officers of the OMA flew to Washington, D.C. at OMA and possibly AMA expense (which does not lessen our cost) - a cost of thousands of dollars - to meet with Oregon's legislators and others to discuss NHI and other health issues - YET - no written report was made individually or jointly by these officers. Would it not be advantageous for the members and future officers that a written report be available in the "archives" for review at a later date?

Why did the House Turn Down these Resolutions?
Under present policy, the OMA House of Delegates Handbook is received at most two weeks before each meeting of the House. This does not allow the delegates much time to review these resolutions nor give them enough time to present these resolutions to their constituents, which would allow for a more representative feedback from the members.

As a result, without that feedback, a good many of the delegates simply voted along with the recommendations of the Reference Committee. The result was that nearly every resolution that did not meet with the pleasure of its Reference Committee was voted down by the delegates.

In discussing this matter with a downstate physician, he felt that, when possible, resolutions should be submitted two to three months prior to the meeting of the House of Delegates and that the OMA should immediately distribute them to the component societies so that a full discussion can occur within the ranks of the membership which, in turn, would make the voting of the delegates express more closely what members want. However, such a policy of early dissemination of resolutions would endanger the entrenched central control of the hierarchy! Resolutions No. 23 and 28 have been resubmitted for consideration at the upcoming November 2-4 Annual Fall Meeting. Let your delegate know your will!

****

AMA Advanced Seminar on Negotiations

I had the opportunity in August to attend the AMA Advanced Seminar on Negotiations (the initial week-long basic course was reported in One Man's Opinion Number 7, September 10, 1976). It was interesting and encouraging to see the development of interest and abilities in the area of negotiations from within the physician membership as well as from the Executive Staff of State societies. I was particularly impressed by the Staff representation from the States of Washington and Wisconsin in addition to the physician representation from the State of California.

Once again I was disappointed in Harry Hinton who is a senior officer of the AMA, previous Director of the AMA Washington Office and is now Director of the AMA Division of Professional Relations. He showed himself void of leadership and reminded me of the typical bureaucrat who pervades government offices. Has the same occurred within the AMA and, indeed, how much dead weight is the AMA carrying?

The meeting, in general, was excellent and worth the trip because of the cross-pollination of ideas which occurred among the participants as well as the contributions of the lecturers brought in from outside the AMA. This experience reinforces my feelings that if there is to be a change within the AMA, we must not abandon it but must voluntarily join it (and I do not mean by compulsory membership tied in with the OMA membership) if we are to have a viable representative national organization.

****

Did OMA Executive Director Dernedde Ascend to his Post through Proper Channels?
This question arises in a letter from a member physician dated June 16, 1977, addressed to me from which I excerpt:

"It may be of some interest to you to know that the present executive director was never appointed by methods prescribed in our bylaws. I was on the Board of Trustees when this sudden change was made, and I can assure you that his predecessor (Mr. Bissell) was ousted by lack of cooperation and undermining by his own staff, and the present executive director (Mr. Dernedde) was chosen by the Executive Committee and presented to the Board of Trustees meeting with no other explanation other than that the ousted director was not performing his duty. No vote was taken by the Board of Trustees. Needless to say, this performance caused me to lose what remaining trust I had in the OMA, and I see nothing in their continuing performance to change this mistrust. It is my feeling that the present staff are running things much to their own desire and I feel that a close audit of expenditures might be quite revealing."

The Minutes of the November 7, 1970, Board of Trustees Meeting state that the Board "voted to appoint Robert L. Dernedde as Executive Director of the OMA." To the contrary, my source informs me that though the Minutes do read as stated, the fact is that "no formal vote was taken--it was simply announced" as a fait accompli.

It appears that the previous executive director, Mr. Bissell, was concerned about all the physicians in Oregon and was opposed to a Multnomah County domination in the OMA. In the power struggle in the summer of 1970, Dr. Clinton McGill (then a future president of MCMS and OMA) successfully brought in Mr. Dernedde into the top executive slot. This may help explain why Mr. Dernedde is the executive director of a corporate entity (the OMA) without any written contract with the corporate entity, as confirmed by Dr. Hagmeier. Apparently he must feel infinitely secure in his position and assume that he has a lifelong entitlement. Is such a situation to be allowed to continue, that a salaried executive can obtain his position outside the bylaws and can function without a contract? Further, why the secrecy about his salary and perquisites? Will he receive two years' severance pay as occurred in a neighboring state organization when he retires or is retired?

****

More on OMA Expenses: Executive Auto and Hotel Use (per proposed 1977 budget)

The 1975 reported figure of expenses for use of autos by the Executive Staff (this excludes by definition the elected officers) is $8,077. The 1976 estimated and 1977 proposed budgetary figures are at $10,000. per year. Using the Internal Revenue Service tables, this means that our staff executives accumulated about 70,000 miles of travel in Oregon in 1975 and are expected to travel in the neighborhood of 80,000 miles in 1976 and 1977. Further, Executive Staff lodging for 1975 cost $2,416. which at an average of $25. per night means about 100 nights away from home or about three months a year for our staff executives. To me, this appears to be a gross abuse of an expense account.

It can be anticipated that the OMA officers will angrily respond to this information (as they did regarding the exposure of the $1,300. per man budgeted for the AMA Annual Meeting in San Francisco) with the statement that I am misinterpreting the facts. To paraphrase Dr. Hagmeier, this budget literally "speaks for itself." I then ask, "Are we to believe the budget or the denials to the contrary from the OMA Headquarters?" For how long will the OMA Headquarters be able to hide behind a smoke screen regarding budgetary matters?

****

National Endowment for the Humanities - Seminars for Physicians

For the past four years, the National Endowment for the Humanities has been offering seminars to practicing physicians. These seminars deal with the ethics of health policy through historical, philosophical and social contexts. While these seminars do not offer any pat answers, they are intended to help physicians better understand the values, traditions and goals of our society with the ultimate aim to help us clarify our understanding of the fundamental issues facing modern society and broaden "the prospective from which thinking citizens view their professions and Society at large." (see Guest Editorial)

Dr. Hagmeier, then President of the OMA, received a letter from the National Endowment for the Humanities earlier this year, requesting that he inform OMA membership of these seminars. Despite the fact that only a limited audience could be reached by the announcement in the Portland Physician, March, 1977, Dr. Hagmeier sat on this letter, choosing to reveal it only to the OMA Executive Committee Meeting in April, at which time he inquired if they would wish to apply. Fortunately, I attended that meeting which occurred six days prior to the deadline for Seminar applications. In spite of Dr. Hagmeier's refusal to give me one of the application blanks that he had received, I applied for the Seminar and am privileged to state that I was chosen as a participant.

The physicians of Oregon were deliberately denied by their elected President the opportunity to be aware of such seminars. I can hardly believe that there are not others in our State who would have wanted to apply and deserved to be accepted. Information may be obtained from me or from Morton Sosna, Division of Fellowship, National Endowment for the Humanities, Washington, D.C. 20506, regarding future seminars.

Parenthetically, I would like to add that it was not difficult to live in Washington, D.C. on $1,200 for a month as opposed to the $1,300. budgeted by the OMA for 5 days in San Francisco (denials to the contrary).

****

Peter A. Nathan, M.D., 2455 N.W. Marshall, Portland, Oregon 97210

GUEST EDITORIAL

The Physician as a Social Agent

We are faced with a charge to reassess the physician's role in terms of increased power and thus increased moral responsibility. The very impotence of pre-contemporary medicine saved it from the need of broad social and political accountability. The fact that medicine can now change the character of human life and enable a new life-style necessitates careful discussion and analysis of the values these realities carry with them. Medicine has enabled urban civilizations to exist without the recurrent fear of decimating plagues of contagious diseases. It has dramatically increased the life expectancy of infants and thus precipitated major crises such as the population explosion with its widespread demands for food and energy. The survival of individuals with chronic diseases whose care is costly and who would in the past have died has forced us to consider how to allocate precious medical resources. This success has led to ever-rising expectations on the part of the public for miraculous means of diagnosis and treatment which, if they were all pursued, would markedly diminish the resources to fund the amenities of the full, healthy life which such medical technologies might enable. Unbounded aspirations pursued under the aegis of seeking better health care cannot but have an impact upon the kinds of lives we can live and the types of societies we can fashion. The physician as a moral agent has become a social and political agent of under-recognized scope and power.

We are left, thus, with the problem of defining the physician's role in the circumstances of increased power and increased societal interest in the effects of that power. The moral valence of that role will depend in part on our expectations from medicine and physicians. A careful attention to the meaning and role of values in medicine and the lines of responsibility among physicians, patients, citizens, and societies is an inescapable part of determining the physician's role--of deciding the division of responsibilities among physicians, patients, and society. Philosophical medical ethics has its warrant as a means to attain greater clarity in the midst of these pressing problems.

H. Tristram Englehardt, Jr., M.D., Ph.D.
Professor of Philosophy of Medicine
Georgetown University, Washington, D.C.

****

OMA President Loomis Backs Off

In a direct response to the last One Man's Opinion in which I revealed Dr. Loomis' newly instituted policy of prohibiting members of our association from participating in Board of Trustees or Executive Committee meetings, Dr. Ernest H. Price, President of the Multnomah County Medical Society, sent a letter to Dr. Loomis which was unanimously supported by the MCMS Executive Committee and which, in part, states:

> "The Executive Committee of the Multnomah County Medical Society asked me to contact you, to express our sincere concern over the new policy you've implemented at OMA Board of Trustees meetings, which limits rights to speak or discuss issues to OMA Trustees and Officers."

President Price and the MCMS Executive Committee are to be commended not only for their position and initiative in seeking to rescind such a deplorable policy but are to be commended further for the fact that Dr. Loomis did heed their direction.

Member physicians will now be allowed to participate actively once again in the meetings of the Board of Trustees, save for a minor technical point which permits Dr. Loomis to save face; to wit, he will not recognize a member physician but will allow a Trustee to introduce the physician who wishes to speak. GAMES PEOPLE PLAY!

****

Multnomah County Medical Society Goes to Mail Ballot

In One Man's Opinion Number 6, June 18, 1976, I brought to light the problem of attending the MCMS Annual Meeting in person in order to vote in the MCMS elections. Subsequently, a poll of local hospitals disclosed that the vast majority of physicians wanted a mail ballot. The MCMS Board of Trustees has responded and, in September, changed the bylaws so that we can vote by mail, starting with next month's elections.

May I urge you to confine your choice, among the candidates for higher offices, to those who submit a short sketch of their positions in the accompanying voters' pamphlet. By this action, even though voters' pamphlets in the MCMS are not obligatory, you can help them become a realization as we have done in the OMA.

****

2 December 1977

WHY a V.A. HOSPITAL?
Forrest E. Rieke, M.D. Portland
For KATU TOWN HALL, 4 December 1977

During the 30 years since World War II, radical changes in the ability of our communities, hospitals and health teams make it possible to provide much better home-town care to veterans and non-veterans alike. These changes permit, indeed, require that we address the questions: Why a new V.A. Hospital, where and when? We are compelled to re-examine all medical projections, for the veterans' administration, the medical schools, private community hospitals and the health professions. Urgency is added by the staggering cost of medical services and obvious costly duplication throughout the health system.

After World War I separate and specialized veterans' hospitals filled an unmet need; community resources were pretty bad. These were old-style general hospitals and domiciliary facilities until after World War II. A new burst of activity in veterans' affairs followed World War II and Korean action. During the post-war years great changes occurred in the population and in our medical services that layed the ground for the current demand for a new and different medical system. In the U.S. since 1948 universal expansion of 7000 acute general hospitals makes possible provision of 90 to 95 percent of all needed care to veterans and non-veterans, in every section of our states. This building boom anticipated growth of population to 300,000,000 people. Instead population has leveled off at 220,000,000 and the country is over supplied with hospitals.

At the same time nursing homes and chronic care facilities have been built in immense numbers.

During the past fifteen years U.S. medical schools have doubled enrollment and turned out increasing numbers of highly trained specialists who are established and working now in our community hospitals, in Pendleton, Bend, Coos Bay, Medford, Astoria, etc. Superb care is available and received by veterans in their home towns; the need to come to a massive centralized hospital in Portland is greatly reduced. The task and focus of the medical schools and the V.A. Hospital in medical education is also ripe for change. Our communities are begging for family practitioners, trained to meet family and individual needs. We must shift back to a balance of about 50 percent specialists and 50 percent generalists. Training of these young physicians must be shifted to a major degree by bringing medical school faculties and students to our community hospitals, both in Portland and throughout Oregon

During my training as a physician at the U of O Medical School in 1935-1941, the V.A. Hospital on Marquam Hill was not a part of the training effort. I was never inside that hospital. Sharing of services and students by the V.A. and the Medical School did improve care of patients at the V.A. The sharing of patients, teachers and students need not be stopped by a change of location of training centers. But both institutions must change their roles and their locations. They must be persuaded, by Congress and by ourselves, to come down off Marquam Hill. And the needs of teachers and scientists

must not hamper provision of care where it will be most accessible to veterans.

We now have the capability to provide superb care to veterans where they live. Expenditure of $150 to $200 million on a monumental V.A. Hospital high atop Marquam Hill, would produce a white elephant and encumber money and staff in out-worn patterns of care. The V.A. and the Medical School should join in planning well distributed community clinics, rehabilitation centers, chronic care facilities and special services throughout Portland and in scattered home communities. When the needs of veterans and the abilities of our medical system are carefully matched service to veterans will be greatly enhanced.

I have not spoken to location of future clinics, hospitals and domiciliary facilities for veterans of this region. These should be the product of joint planning. Congress is asked to appropriate money for this planning with instructions to include private institutions and public planning agencies. Congress should also provide a grant to the V.A. to experiment with expanded home town care, using all channels of insurance and service. Congress should permit us to help develop a plan that can serve as a model for the rest of the nation. Oregon can be first again.

I want to compliment those members of the Congress who have withstood noisy clamor from builders and the veterans administration. They have undertaken the hard task of balancing the medical needs of veterans and non-veterans, the aging, the poor, children, and all the rest of us. This good stewardship deserves our thanks and

Hospital beds by Health Systems Agencies: Ability to Serve Veterans

1976 figures developed by H.S.A.s in Oregon
Average figures for the entire year 1976.

H.S.A. #1
Metropolitan Portland, six counties

27 acute care hospitals (including Raleigh Hills and excluding V.A., Dammasch, Salvation Army, Shriners')

Available beds	4300	
Occupied beds	3085	
Empty beds (average)	1215	
Percent utilization (average)		63%

H.S.A. #2
S.W. Oregon, twelve counties

34 acute care hospitals

Available beds	2941	
Occupied beds	1746	
Empty beds (average)	1195	
Percent utilization (average)		67.4%

H.S.A. #3
East of Cascades, eighteen counties

20 acute care hospitals

Available beds	1290	
Occupied beds	690	
Empty beds (average)	600	
Percent utilization (average)		53%

Note: These 1976 figures represent patient days, averaged for the year. Obviously, daily census is higher in some months and higher on some days of each week. Very small hospitals are influenced by physician scarcity or by vacation schedules of local doctors.

Obstetrical and pediatrics units in different hospitals show wide swings of usage; however, their numbers average about ten percent of beds in a hospital or a planning region. In H.S.A.#1 beds devoted to OB and Pediatric care total 461; utilization approaches 60%.

Some local critics assert that empty beds should not influence hospital plans for beds. It is widely held that in operating hospitals, empty beds must be staffed, at a cost approaching half the daily cost of occupied beds in the same institutions.

It is indisputable that empty beds in operating community hospitals are available to meet most of the medical and surgical needs of most veterans, indeed, the needs of veterans and non-veterans alike.

Forrest E. Rieke, M.D.
30 November 1977

MULTNOMAH COUNTY OREGON

OFFICE OF THE COUNTY EXECUTIVE
ROOM 136, COUNTY COURTHOUSE
PORTLAND, OREGON 97204
(503) 248-3308

DONALD E. CLARK
COUNTY EXECUTIVE

STATEMENT OF DONALD E. CLARK
COUNTY EXECUTIVE, MULTNOMAH COUNTY

to the

METROPOLITAN SERVICE DISTRICT BOARD
August 9, 1979

A-95 REVIEW, VETERANS' HOSPITAL

As you know, the Metropolitan Service District is a unique creature. Its creation was seen as yet one more chapter in the exciting Oregon story.

We are a special place with special responsibilities. Hard questions, innovative solutions, progressive legislation and political courage are expected from Oregon.

Tonight we again have the opportunity to challenge the status quo and indicate a new direction. This A-95 review should raise tough questions and demand that they be answered.

The first question should be: Why was there not a full exploration of a no-build option for the proposed Veterans hospital?

Other questions that must be asked include the following:

What impact will the building of the additional beds and the perpetuation of a separate system for poor, sick veterans have on health care costs generally?

AN EQUAL OPPORTUNITY EMPLOYER

Are there alternative systems that are less inflationary, more cost-effective and of higher quality?

Are alternative systems available that would allow veterans free choice on where to get their health care?

What is the impact of centralizing services in one part of the region and requiring sick veterans to travel from an extreme far corner to get health care, rather than to go to local hospitals and health professionals?

Is such a system consistent with our public policies on energy, on health care cost containment, and on serving sick, poor veterans?

What impact does the perpetuation of the current system have on controlling the size of the federal bureaucracy?

Why don't veterans have the option for comprehensive health care with emphasis on well care?

What is the utilization differential between regular hospitals and veterans' hospitals?

These are some of the questions that the Draft Environmental Impact Statement has failed to ask and answer. Most were asked by the Northwest Oregon Health Systems, our local H.S.A., and the MSD's technical review group on health issues.

I would hope that the MSD will declare a negative A-95 recommendation until these questions are satisfactorily addressed.

# # #

RECEIVED
AUG 2 1979
METRO SERVICE DISTRICT

COUNTY COMMISSIONERS
DONALD E. CLARK, Chairman
DAN MOSEE
ALICE CORBETT
DENNIS BUCHANAN
MEL GORDON

DEPARTMENT OF HUMAN SERVICES

4420 S.E. 64th • PORTLAND, OREGON 97206
PHONE (503) 777-4761

July 31, 1979

Mr. Mike Burton, Chairperson
Metropolitan Service District
527 S. W. Hall Street
Portland, Oregon 97201

Dear Mike:

The Executive Committee of MCCAA's Administering Board has been reviewing its Board composition. We find that we have an available seat in the publicly elected sector. We would like to offer that position to your Board for appointment.

Our Board meets on the third Thursday of every month at 7:30 p.m. The meetings are held at our Errol Heights Senior Center, 7414 S. E. 52nd Avenue, Portland, and at our Gresham Senior Center, 50 N. E. Elliott, Gresham.

We would appreciate it if your Board would make an appointment as soon as possible. If you have any questions or require further information, please feel free to contact me.

We look forward to hearing from you.

Sincerely,

Nancy Caldwell

Nancy Caldwell
Community Programs Specialist

NC:fb

NEGATIVE Proceedings at Annual Spring Meeting of OMA House of Delegates - April 22-24, 1977

Did Not Adopt Resolution No. 7 - relating to open Reference Committee Executive Sessions:
At the OMA House of Delegates Spring and Fall Sessions, resolutions may be submitted by any local society or a delegate. After hearing arguments for and against various resolutions and other reports, each Reference Committee, which is made up of physicians chosen by the OMA officers, meets behind closed doors while they decide the recommendations they will make to the House of Delegates regarding the proposed resolutions that they have been charged to study.

Resolution No. 7, among other things, was intended to give members an opportunity to listen in on the discussions which lead to the recommendations of these Reference Committees.

It was the recommendation of the Reference Committee charged to review this resolution that it not be adopted because membership presence would "tend to restrict candid and open discussion and prolong consideration of issues." The House of Delegates concurred.

Did Not Adopt Resolution No. 23 - relating to availability of OMA Records:
This resolution was concerned with the hindrance to the dissemination of information regarding the political, professional and financial activities of the OMA.

The reviewing Reference Committee recommended that this resolution not be adopted because... "There is no guarantee that free and open access to the Association records will not be subject to misuse." The House concurred.

Did Not Adopt Resolution No. 28 - relating to written reports on meetings travelled to at OMA expense:
This resolution submitted at my request stated that summaries of meetings and courses attended at the expense of the OMA should be in written form and not lie dormant and subject to erratic recall in the minds of those who attended.

The Reference Committee recommended that this resolution not be passed because they claim reports are filed when "It is advantageous to share the results of meetings with others in the Association." Who decides what is ADVANTAGEOUS?

This resolution failed to pass the House even after it was informed that earlier this year four or five officers of the OMA flew to Washington, D.C. at OMA and possibly AMA expense (which does not lessen our cost) - a cost of thousands of dollars - to meet with Oregon's legislators and others to discuss NHI and other health issues - YET - no written report was made individually or jointly by these officers. Would it not be advantageous for the members and future officers that a written report be available in the "archives" for review at a later date?

Why did the House Turn Down these Resolutions?
Under present policy, the OMA House of Delegates Handbook is received at most two weeks before each meeting of the House. This does not allow the delegates much time to review these resolutions nor give them enough time to present these resolutions to their constituents, which would allow for a more representative feedback from the members.

As a result, without that feedback, a good many of the delegates simply voted along with the recommendations of the Reference Committee. The result was that nearly every resolution that did not meet with the pleasure of its Reference Committee was voted down by the delegates.

In discussing this matter with a downstate physician, he felt that, when possible, resolutions should be submitted two to three months prior to the meeting of the House of Delegates and that the OMA should immediately distribute them to the component societies so that a full discussion can occur within the ranks of the membership which, in turn, would make the voting of the delegates express more closely what members want. However, such a policy of early dissemination of resolutions would endanger the entrenched central control of the hierarchy! Resolutions No. 23 and 28 have been resubmitted for consideration at the upcoming November 2-4 Annual Fall Meeting. Let your delegate know your will!

****

AMA Advanced Seminar on Negotiations

I had the opportunity in August to attend the AMA Advanced Seminar on Negotiations (the initial week-long basic course was reported in One Man's Opinion Number 7, September 10, 1976). It was interesting and encouraging to see the development of interest and abilities in the area of negotiations from within the physician membership as well as from the Executive Staff of State societies. I was particularly impressed by the Staff representation from the States of Washington and Wisconsin in addition to the physician representation from the State of California.

Once again I was disappointed in Harry Hinton who is a senior officer of the AMA, previous Director of the AMA Washington Office and is now Director of the AMA Division of Professional Relations. He showed himself void of leadership and reminded me of the typical bureaucrat who pervades government offices. Has the same occurred within the AMA and, indeed, how much dead weight is the AMA carrying?

The meeting, in general, was excellent and worth the trip because of the cross-pollination of ideas which occurred among the participants as well as the contributions of the lecturers brought in from outside the AMA. This experience reinforces my feelings that if there is to be a change within the AMA, we must not abandon it but must voluntarily join it (and I do not mean by compulsory membership tied in with the OMA membership) if we are to have a viable representative national organization.

****

GUEST EDITORIAL

The Physician as a Social Agent

We are faced with a charge to reassess the physician's role in terms of increased power and thus increased moral responsibility. The very impotence of pre-contemporary medicine saved it from the need of broad social and political accountability. The fact that medicine can now change the character of human life and enable a new life-style necessitates careful discussion and analysis of the values these realities carry with them. Medicine has enabled urban civilizations to exist without the recurrent fear of decimating plagues of contagious diseases. It has dramatically increased the life expectancy of infants and thus precipitated major crises such as the population explosion with its widespread demands for food and energy. The survival of individuals with chronic diseases whose care is costly and who would in the past have died has forced us to consider how to allocate precious medical resources. This success has led to ever-rising expectations on the part of the public for miraculous means of diagnosis and treatment which, if they were all pursued, would markedly diminish the resources to fund the amenities of the full, healthy life which such medical technologies might enable. Unbounded aspirations pursued under the aegis of seeking better health care cannot but have an impact upon the kinds of lives we can live and the types of societies we can fashion. The physician as a moral agent has become a social and political agent of under-recognized scope and power.

We are left, thus, with the problem of defining the physician's role in the circumstances of increased power and increased societal interest in the effects of that power. The moral valence of that role will depend in part on our expectations from medicine and physicians. A careful attention to the meaning and role of values in medicine and the lines of responsibility among physicians, patients, citizens, and societies is an inescapable part of determining the physician's role--of deciding the division of responsibilities among physicians, patients, and society. Philosophical medical ethics has its warrant as a means to attain greater clarity in the midst of these pressing problems.

H. Tristram Englehardt, Jr., M.D., Ph.D.
Professor of Philosophy of Medicine
Georgetown University, Washington, D.C.

****

OMA President Loomis Backs Off

In a direct response to the last One Man's Opinion in which I revealed Dr. Loomis' newly instituted policy of prohibiting members of our association from participating in Board of Trustees or Executive Committee meetings, Dr. Ernest H. Price, President of the Multnomah County Medical Society, sent a letter to Dr. Loomis which was unanimously supported by the MCMS Executive Committee and which, in part, states:

> "The Executive Committee of the Multnomah County Medical Society asked me to contact you, to express our sincere concern over the new policy you've implemented at OMA Board of Trustees meetings, which limits rights to speak or discuss issues to OMA Trustees and Officers."

President Price and the MCMS Executive Committee are to be commended not only for their position and initiative in seeking to rescind such a deplorable policy but are to be commended further for the fact that Dr. Loomis did heed their direction.

Member physicians will now be allowed to participate actively once again in the meetings of the Board of Trustees, save for a minor technical point which permits Dr. Loomis to save face; to wit, he will not recognize a member physician but will allow a Trustee to introduce the physician who wishes to speak. GAMES PEOPLE PLAY!

****

Multnomah County Medical Society Goes to Mail Ballot

In One Man's Opinion Number 6, June 18, 1976, I brought to light the problem of attending the MCMS Annual Meeting in person in order to vote in the MCMS elections. Subsequently, a poll of local hospitals disclosed that the vast majority of physicians wanted a mail ballot. The MCMS Board of Trustees has responded and, in September, changed the bylaws so that we can vote by mail, starting with next month's elections.

May I urge you to confine your choice, among the candidates for higher offices, to those who submit a short sketch of their positions in the accompanying voters' pamphlet. By this action, even though voters' pamphlets in the MCMS are not obligatory, you can help them become a realization as we have done in the OMA.

****

Did OMA Executive Director Dernedde Ascend to his Post through Proper Channels?

This question arises in a letter from a member physician dated June 16, 1977, addressed to me from which I excerpt:

> "It may be of some interest to you to know that the present executive director was never appointed by methods prescribed in our bylaws. I was on the Board of Trustees when this sudden change was made, and I can assure you that his predecessor (Mr. Bissell) was ousted by lack of cooperation and undermining by his own staff, and the present executive director (Mr. Dernedde) was chosen by the Executive Committee and presented to the Board of Trustees meeting with no other explanation other than that the ousted director was not performing his duty. No vote was taken by the Board of Trustees. Needless to say, this performance caused me to lose what remaining trust I had in the OMA, and I see nothing in their continuing performance to change this mistrust. It is my feeling that the present staff are running things much to their own desire and I feel that a close audit of expenditures might be quite revealing."

The Minutes of the November 7, 1970, Board of Trustees Meeting state that the Board "voted to appoint Robert L. Dernedde as Executive Director of the OMA." To the contrary, my source informs me that though the Minutes do read as stated, the fact is that "no formal vote was taken--it was simply announced" as a fait accompli.

It appears that the previous executive director, Mr. Bissell, was concerned about all the physicians in Oregon and was opposed to a Multnomah County domination in the OMA. In the power struggle in the summer of 1970, Dr. Clinton McGill (then a future president of MCMS and OMA) successfully brought in Mr. Dernedde into the top executive slot. This may help explain why Mr. Dernedde is the executive director of a corporate entity (the OMA) without any written contract with the corporate entity, as confirmed by Dr. Hagmeier. Apparently he must feel infinitely secure in his position and assume that he has a lifelong entitlement. Is such a situation to be allowed to continue, that a salaried executive can obtain his position outside the bylaws and can function without a contract? Further, why the secrecy about his salary and perquisites? Will he receive two years' severance pay as occurred in a neighboring state organization when he retires or is retired?

****

More on OMA Expenses: Executive Auto and Hotel Use (per proposed 1977 budget)

The 1975 reported figure of expenses for use of autos by the Executive Staff (this excludes by definition the elected officers) is $8,077. The 1976 estimated and 1977 proposed budgetary figures are at $10,000. per year. Using the Internal Revenue Service tables, this means that our staff executives accumulated about 70,000 miles of travel in Oregon in 1975 and are expected to travel in the neighborhood of 80,000 miles in 1976 and 1977. Further, Executive Staff lodging for 1975 cost $2,416. which at an average of $25. per night means about 100 nights away from home or about three months a year for our staff executives. To me, this appears to be a gross abuse of an expense account.

It can be anticipated that the OMA officers will angrily respond to this information (as they did regarding the exposure of the $1,300. per man budgeted for the AMA Annual Meeting in San Francisco) with the statement that I am misinterpreting the facts. To paraphrase Dr. Hagmeier, this budget literally "speaks for itself." I then ask, "Are we to believe the budget or the denials to the contrary from the OMA Headquarters?" For how long will the OMA Headquarters be able to hide behind a smoke screen regarding budgetary matters?

****

National Endowment for the Humanities - Seminars for Physicians

For the past four years, the National Endowment for the Humanities has been offering seminars to practicing physicians. These seminars deal with the ethics of health policy through historical, philosophical and social contexts. While these seminars do not offer any pat answers, they are intended to help physicians better understand the values, traditions and goals of our society with the ultimate aim to help us clarify our understanding of the fundamental issues facing modern society and broaden "the prospective from which thinking citizens view their professions and Society at large." (see Guest Editorial)

Dr. Hagmeier, then President of the OMA, received a letter from the National Endowment for the Humanities earlier this year, requesting that he inform OMA membership of these seminars. Despite the fact that only a limited audience could be reached by the announcement in the Portland Physician, March, 1977, Dr. Hagmeier sat on this letter, choosing to reveal it only to the OMA Executive Committee Meeting in April, at which time he inquired if they would wish to apply. Fortunately, I attended that meeting which occurred six days prior to the deadline for Seminar applications. In spite of Dr. Hagmeier's refusal to give me one of the application blanks that he had received, I applied for the Seminar and am privileged to state that I was chosen as a participant.

The physicians of Oregon were deliberately denied by their elected President the opportunity to be aware of such seminars. I can hardly believe that there are not others in our State who would have wanted to apply and deserved to be accepted. Information may be obtained from me or from Morton Sosna, Division of Fellowship, National Endowment for the Humanities, Washington, D.C. 20506, regarding future seminars.

Parenthetically, I would like to add that it was not difficult to live in Washington, D.C. on $1,200 for a month as opposed to the $1,300. budgeted by the OMA for 5 days in San Francisco (denials to the contrary).

****

Peter A. Nathan, M.D., 2455 N.W. Marshall, Portland, Oregon 97210

Metropolitan Service District

527 SW Hall Portland, Oregon 97201 503/221-1646

Memorandum

ADOPTED BY THE
MSD COUNCIL
THIS 9th DAY OF August, 1979
Mary E. [illegible]
CLERK OF THE COUNCIL

Date: August 9, 1979

To: MSD Council

From: Executive Officer

Subject: A-95 Review of Veterans Administration Hospital Draft Environmental Impact Statement

The Draft Environmental Impact Statement (DEIS) on the 600-bed Veterans Administration Hospital has been reviewed by MSD staff, and interested and affected jurisdictions and agencies. Review findings on the DEIS are summarized below:

1. No substantive comments had been received from reviewing agencies at the time the staff recommendation was prepared. Subsequently, the City of Portland and Multnomah County have submitted copies of comments submitted directly to the Veterans Administration. Copies of these comments are attached.

2. Internal review of the DEIS indicates that environmental impacts related to transportation were not adequately addressed. The following issues were identified as requiring further analysis:

   a. Relationship between the travel patterns of hospital employees and the proposed hospital sites.

   b. Accessibility of alternative sites to employees and patients by public transit.

   c. Relationship of the proposed development to planned and programmed transportation improvements.

3. Staff findings did not support the conclusion drawn in the DEIS that the Emanuel site would be the preferred site based upon hydrocarbon and nitrogen emissions.

4. Construction noise impacts on the existing facility should be better defined and attenuation provided for if necessary.

5. The EIS should address the no-build alternative. The need for a replacement hospital has not been documented in the EIS.

It is recommended that the Veterans Administration Hospital be asked to address the above issues in preparation of the final environmental impact assessment on the Veterans Hospital replacement facility.

RG:LB:bc
4494A
D/5

DIRECTLY RELATED A-95 PROJECT APPLICATIONS UNDER REVIEW

PROJECT DESCRIPTION	FEDERAL $	STATE $	LOCAL $	OTHER $	TOTAL $
1. Project Title: Gresham Plaza (#797-19) Applicant: Oregon State Housing Division Project Summary: Proposal to construct a 205 unit multi-family low-income housing project for elderly/handicapped occupancy. Proposed project location is 22nd and Cleveland in Gresham. Staff Recommendation: Conditional approval (see memo attached)	$ 969,240 (HUD Sect. 8 rent subsidy)	$6,995,000 State Housing Div. loan		$1,818,107 Owners Equity	N/A
2. Project Title: Environmental Program Grant (#796-13) Applicant: Dept. of Environmental Quality Project Summary: Funding for DEQ's state-wide air quality, solid and hazardous wastes and water quality planning programs. Staff Recommendation: Approval	2,295,000 Environmental Protection Agency	1,485,000			$3,780,000
3. Project Title: Coordination Program for Local Household/Employer Surveys (#797-4) Applicant: Port of Portland Project Summary: Funds would be used to coordinate planned local surveys in the Portland metropolitan area to achieve comparability of data through use of common format and procedures. Staff Recommendation: Approval		15,000 Oregon Dept. of Economic Development	15,051 Port funds		30,051

ADOPTED BY THE MSD COUNCIL
THIS 9th DAY OF August, 1979
Mary E. Carter
CLERK OF THE COUNCIL

AGENDA ITEM 4.2

DIRECTLY RELATED A-95 PROJECT APPLICATIONS UNDER REVIEW

PROJECT DESCRIPTION	FEDERAL $	STATE $	LOCAL $	OTHER $	TOTAL $
4. Project Title: Neighborhood Displacement Study (#797-26) Applicant: National Association of Neighborhoods Project Summary: Funding for a national demonstration program that will develop case studies for 22 neighborhoods on the extent and the effects of reinvestment and displacement of low income residents. Program will also develop anti-displacement strategies. Portland has been selected as one of 22 target cities. Staff Recommendation: Approval	$185,000 (Community Services Admin.)				$185,000
5. Project Title: Southeast Cornelius Park Site Acquisition (#797-7) Applicant: City of Cornelius Project Summary: Acquisition of vacant land for a city park. Staff Recommendation: Approval	$20,000 (Heritage Conservation and Recreation Service)		$20,000		$40,000

DIRECTLY RELATED A-95 PROJECT APPLICATIONS UNDER REVIEW

PROJECT DESCRIPTION	FEDERAL $	STATE $	LOCAL $	OTHER $	TOTAL $
OTHER DIRECTLY RELATED REVIEWS Project Title: Veterans Administration 600 Bed Replacement Hospital Draft Environmental Impact Statement Project Summary: The Environmental Impact Statement assesses the environmental impacts associated with construction of a new veterans hospital facility at two sites: Marquam Hill and Emanuel Hospital. The report does not conclude from the environmental impacts which would be the better overall site. Staff Recommendation: (see memo attached)					

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Memorandum

Date: July 30, 1979

To: MSD Council

From: Executive Officer

Subject: A-95 Review of Gresham Plaza Housing Project

The proposal has been reviewed by MSD staff and affected jurisdictions and agencies. Staff findings on the proposal are summarized below:

1. The proposed site is located within the regional Urban Growth Boundary inside the city limits of Gresham.

2. The project location is consistent with the "Locational and Site Suitability Criteria" outlined in the Areawide Housing Opportunity Plan (AHOP).

3. The project is not consistent with the housing assistance goals for renter households outlined in the AHOP. The proposed project would provide 205 units for elderly renter households which exceeds the AHOP's three-year renter assistance goal for elderly households in Gresham by 114 units. The city currently has 150 Section 8 units for elderly occupancy under construction and only 28 non-elderly assisted units. Therefore, the city already has a disproportionate share of assisted housing units for the elderly in comparison to units for family occupancy.

4. Comments provided by the city of Gresham indicate inconsistency of the project with the local zoning ordinance governing height of structures which will have to be addressed by the applicant before the City Planning Commission.

It is, therefore, recommended that approval of the project be conditioned upon consistency with local zoning regulations, and upon proportionment of the 205 housing units by household type consistent with the AHOP goals outlined for Gresham. This

would result in proportionment of the units as follows:

Need Group	No. of Units
Elderly/Handicapped	11
Small Family	80
Large Family	14

RG:LB:bc
4492A
D/4

City of Gresham

150 West Powell Blvd.
Gresham, Oregon 97030
666-3741

August 9, 1979

Chairman
Metropolitan Service District Council
c/o Executive Officer
527 S. W. Hall
Portland, Oregon 97201

Re: August 9th Agenda; more specifically, the A-95 Review Report Gresham Plaza Housing Project.

Dear Sir:

Unfortunately the City of Gresham staff received August 6, 1979, a report from the Executive Officer to the MSD Council dated July 30, 1979, in reference to the above project. We are dismayed by the lack of opportunity to review the A-95 report in advance of your August 9th meeting. Absent this opportunity, I feel that I must respond to your staff review, particularly as it relates to Item 3.

The inconsistency with AHOP goals in the report assumes that the City of Gresham has up until July 30, 1979 provided assisted housing Section 8 units, on some allocation form which met the needs of our people. I would point out to you that until recently, the City has not had an opportunity to provide any assisted housing units for the enumerated groups nor have projects been approved or funded except outside the City through Multnomah County and the Portland Housing Authority. The movement from an agricultural to an urban area has displaced a number of senior citizens, and our inability to provide assisted housing has created a disproportionate amount of elderly in need of housing units. The AHOP program for distribution of units neither recognizes these needs, the design requirements, or the problems related with a mixing of unit types in projects which are designed with a specific group in mind.

While the staff report is accurate in that the City currently has 150 Section 8 units for elderly occupancy approved for funding by HUD, the two projects enumerated are not currently under building permit and may in fact be delayed. The 28 non-elderly assisted units exceeds the AHOP recommended annual production rate for the City of Gresham. I am suggesting that perhaps one of the other projects might be better suited to fit the needs of the non-elderly rather than to affect the project which is aimed directly at the immediate needs of the elderly at this time.

Additionally, the AHOP program which is aimed at a worthwhile effort of allocations on a metro-wide basis should not be used in deference to local area siting and the opportunity to take advantage of available lands for specific projects. As an example, one of the projects called East Fair Terrace, which was anticipated to handle elderly needs may in fact, because of its close proximity to employment, single family residential neighborhoods, existing school site may be a better place to locate the non-elderly housing units.

I must take exception to the staff's position which indicates that funding allocation by HUD is in fact a completed project. Information on building permits at the local unit level is readily available. It seems ludicrous to me that this report could find its way to the MSD Council without inquiry at the local level.

Item 4. Re-statement of zoning requirements covered by local laws should not be a concern, but remain under the control of building permit issuance.

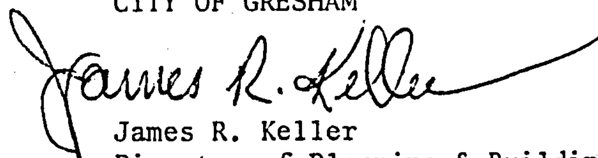
The AHOP program, its use and adoption by local governments will never be a satisfactory agreement until local input has a meaningful part to play in the siting, project design, and the local needs of the community. Basing decisions on goals which are drawn from statistics in the 9th year of estimated population data, based on the 1970 census, and use of these numbers to measure local projects without reference to siting requirements and the project design is unacceptable. Further, projects preceding the AHOP adoption which have not been reviewed, are not under permit, and may not be constructed, should be carefully considered.

The AHOP percentage of living units is but a guideline. A project designed for elderly units would not conform to, nor readily be acceptable for, mixed groupings with families. If you review the project on the basis of percentage only rather than considering the design requirements, the project would be ruined. To say that the group and unit breakdown on a metropolitan basis should be allocated equally in one project is as difficult as comparing the City of Portland with the City of Fairview.

Many of the projects which were cited in the staff review preceded the adopted AHOP suggested occupancy mix. A strict interpretation of the staff recommendation may limit the City of Gresham, HUD and the project developers from creating a successful project for which the State of Oregon bonding approval exists. Upon receipt of state bonding approval, the Senior Citizens Center has gathered signatures of over 467 people interested in and qualified for the proposed project in the immediate Gresham area.

Very truly yours,

CITY OF GRESHAM



James R. Keller
Director of Planning & Building

JRK/hk

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Memorandum

Date: July 30, 1979

To: MSD Council

From: Executive Officer

Subject: A-95 Review of Veterans Administration Hospital Draft Environmental Impact Statement

The Draft Environmental Impact Statement (DEIS) on the 600-bed Veterans Administration Hospital has been reviewed by MSD staff, and interested and affected jurisdictions and agencies. Review findings on the DEIS are summarized below:

1. No substantive comments were received from reviewing agencies.

2. Internal review of the DEIS indicates that environmental impacts related to transportation were not adequately addressed. The following issues were identified as requiring further analysis:

   a. Relationship between the travel patterns of hospital employees and the proposed hospital sites.

   b. Accessibility of alternative sites to employees and patients by public transit.

   c. Relationship of the proposed development to planned and programmed transportation improvements.

3. Staff findings did not support the conclusion drawn in the DEIS that the Emanuel site would be the preferred site based upon hydrocarbon and nitrogen emissions.

4. Construction noise impacts on the existing facility should be better defined and attenuation provided for if necessary.

It is recommended that the Veterans Administration Hospital be asked to address the above issues in preparation of the final environmental impact assessment on the Veterans Hospital replacement facility.

RG:LB:bc
4494A
D/5

AGENDA ITEM 4.3

AGENDA MANAGEMENT SUMMARY

TO: MSD Council
FROM: Executive Officer
SUBJECT: Contract Review

The following is a summary of contracts reviewed by staff and submitted for Council action in accordance with Resolution No. 79-52:

ZOO

Contractor: Mehlig Electric Company

Amount: According to services which will be performed during FY 1980. Total cost was $17,000 during FY 1979.

Purpose: To perform maintenance or electrical systems and do emergency repairs at the Washington Park Zoo for FY 1980.

Contractor: Municipal Employees, Local No. 483

Amount: 9.15 Percent Total Increase

Purpose: Collective bargaining Agreement with Zoo employees.

PB/gl
4571A
0033A
8/9/79

JOINT POLICY ADVISORY
COMMITTEE ON TRANSPORTATION
(JPACT)

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Agenda

Date: August 9, 1979

Day: Thursday

Time: 7:30 AM

Place: Elmers Pancake House**
3455 SW Cedar Hills Blvd (in the Beaverton Mall)

PROPOSED AGENDA: (Action requested unless otherwise noted)

*# 1. Multnomah County - Functional Classification Changes to the Interim Transportation Plan (ITP)

*# 2. Transportation Improvement Program (TIP) & Air Quality Consistency Statement

* 3. Unified Work Program Amendments

*# 4. Cost Overruns

* 5. Metropolitan Planning Organization (MPO) Designation

6. Goals and Objectives - Status Report

**Please RSVP to Karen Thackston, 221-1646 by 12 NOON, Wednesday, August 8.

*material enclosed
#material available at meeting

PLANNING AND DEVELOPMENT COMMITTEE

Agenda

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Date: August 6, 1979

Day: Monday

Time: 11:00 a.m.

Place: Room B

1. INTRODUCTIONS

2. WRITTEN COMMUNICATIONS

3. CITIZEN COMMUNICATIONS ON NON-AGENDA ITEMS

4. APPROVAL OF MINUTES

5. REPORTS AND BUSINESS

   5.1 UGB Report Re: August 10 LCDC Meeting and Progress for September Acknowledgment

   5.2 Oregon City Traffic Safety Grant Application: Criminal Justice

   5.3 Consideration of Request for Hearing to Appeal Criminal Justice Funding Recommendations

   5.4 Plan Review Update

JS:lz

MEETING REPORT

DATE OF MEETING: July 20, 1979

GROUP/SUBJECT: Local Officials Advisory Committee Steering Committee Agenda Review Luncheon

PERSONS ATTENDING: LOAC Steering Committee Members: Chairman Joy Burgess, Vice-Chairman Bob Sturges, Mayor Jack Nelson, Commissioner Jim Fisher
MSD Staff: Marilyn Holstrom, Sue Klobertanz, Tom O'Connor, Steve Siegel, Gary Spanovich, John Osterberg

MEDIA: None

SUMMARY:

The luncheon meeting was called to order by Chairman Joy Burgess. First on the agenda was a request from LCDC concerning an appointment to its recently reactivated Local Officials Advisory Committee. Stan Skoko, Clackamas County Commissioner, previously represented the counties of this region and will continue in that role. The position representing the cities in this region is unfilled however. Chairman Burgess requested that Mayor Bob Sturges of Troutdale serve in this capacity. He declined because of other state committee commitments. Chairman Burgess then appointed herself in that role, in lieu of finding someone interested in serving.

Tom O'Connor summarized the role of MSD as designated lead agency in such areas as A-95 review, transportation planning, criminal justice planning, air quality planning etc. Tom O'Connor noted that several of these categories would have to be redesignated to MSD in the fall. Mayor Nelson expressed his strong support for the continuation of these designations. The other members of the steering committee expressed their support as well and asked that their feelings be communicated to the Council.

Mayor Sturges asked for a status report on the various potential landfill sites which was given by Tom O'Connor. Commissioner Fisher asked if consideration had been given to the incineration on garbage for power generation instead of a landfill. Tom O'Connor noted that MSD was agressively pursuing the development of a resource recovery plant in Oregon City in conjunction with Publishers Paper that would provide power generation as well as steam for Publishers Paper process. Tom O'Connor noted, however, that because of the rapidly approaching closure of the two existing landfills and the fact that the resource recovery plant could not handle the total amount of the region's solid waste, a landfill would still be necessary. There was strong support expressed by the steering committee members for Commissioner Fisher's statement that MSD have "all systems go" on resource recovery.

Sue Klobertanz summarized the completion of the 1978-79 Annual Planning Progress Review required in our coordination agreement with LCDC. She noted that all jurisdictions received satisfactory progess reviews although there were some with conditions. All jurisdictions have received a copy of their review. It was also noted that several plans will shortly be submitted for compliance and that MSD had recently recommended acknowledgement for the City of Gladstone.

Steve Siegel gave a presentation on the Regional Corridor Transportation Strategies. Projects now being considered for top priority status reflect a process of prioritization designed to fit with the funds available. It was felt, he said, that regional corridor improvements offer the best solution for traffic problems in the region for the least money. After the full presentation, Steve went on to explain the ramp metering concept and proposal for I-5.

Gary Spanovich briefly reviewed the Regional Reserve Planning Process which resulted in an MSD staff analysis to assess funding priorities for the $20 million MSD Interstate Transfer reserve fund. He provided a brief overview of the 22 high priority problem areas identified by the process. Also discussed were various amendments to the criteria to be used in further analysis of the high priority areas. Of concern was a JPAC recommendation that special consideration be given to local jurisdictions which are financing road improvements through local revenue sources. There was general disagreement with the recommendation. Chairman Burgess noted that lesser affluent communities would be at a disadvantage even if they had a greater need for a highway improvement. It was requested that these concerns be shared with the MSD Council.

Sue Klobertanz then brought the membership up to date on the recent LCDC hearing of MSD's Urban Growth Boundary acknowledgement request. She noted that in the 30 day extension period, the staff would be working to address the issues presented by the Commission.

The meeting was adjourned at 2:15 P.M.

REPORT WRITTEN BY: John Osterberg

COPIES TO:

JO:bk
4495A
D/5

Zoo Committee (MSD Council)
Minutes: July 19, 1979
3:30 p.m., Education Building
Washington Park Zoo

NEXT MEETING
Thursday, August 2, 1979
3:30 p.m., in the Zoo's
Education Building

Those present: Cindy Banzer, Chairperson; Councilor Betty Schedeen.
Staff: Warren Iliff, Kay Rich, Judy Henry.

1. Minutes: The minutes of July 11, 1979, were approved as published.

2. Staff Report - Animal Management Division: This was postponed to September 6.

3. Old Business

a. Zoo Foundation: All present felt the idea of establishing a zoo foundation to be an excellent idea. The major issues discussed were: how to set up the foundation (Councilor Schedeen has some material on this that she will bring to the next meeting); funding (zoo budget, grants, private donors); timing (set up foundation prior to zoo levy, foundation not to solicit donations until after levy); development officer (to be key person in community and to be located in zoo director's office).

Motion: Councilor Schedeen moved that we support the establishment of a foundation for the Washington Park Zoo, a non-profit, private financial organization to support those capital improvement projects not provided by public monies and that, given the high priority of passing the zoo levy, the staffing not be undertaken until the actual fund solicitations are to begin. The foundation will be governed by a board of directors which will be supported by a development officer. The committee will direct Warren Iliff to prepare a timeline for implementation of the foundation project. The areas for potential funding include: (1) inclusion in the fiscal year 1981 budget; (2) grants - private or public; and (3) the private sector.
Motion carried.

The concept of a zoo foundation and the above motion (in the form of a resolution as drafted by Warren Iliff) will be presented to the MSD Council at their meeting of August 9.

Mr. Iliff is to come back to the committee on August 2 with a preliminary report on the timeline.

b. Zoo/Friends Agreement: This was informally discussed with specific recommendations being made by staff. After approval by the MSD Executive Officer and legal council the agreement will be presented to the FOZ Board by Chairperson Banzer. If FOZ approves the agreement it will be placed on the MSD Council agenda for their meeting of August 23, 1979.

c. Letters: The drafted letters to Kathy Tesdal, First National Bank and Meier & Frank were presented to Chairperson Banzer for her signature.

d. Zoo Trip: The zoo trip to California was further discussed and tentatively scheduled for September. Mr. Iliff will look into this further (airfares, etc.). Councilor Schedeen and Chairperson Banzer are tentatively planning to visit the Seattle Zoo prior to September.

4. New Business

a. Public Hearings and Newspaper Poll for Zoo Development Program: Four public hearings are tentatively scheduled to be held every Wednesday in October at 7:30 p.m. in the following locations:

Clackamas County - Rex Putnam High School
Multnomah County - Gresham City Hall
Washington County - Beaverton City Hall
City of Portland - Administrative Services Building (School District #1)

Mr. Iliff is to check on the availability of the four locations.

It is felt that we should utilize the box format as done by the Journal Poll to publish the following information:

Time, date and place of each hearing.
We have made improvements in these areas of the Zoo: ____________________
What further improvements would you like to see? ______
If you cannot attend the public hearings, please mail your response to: ____________________

Mr. Iliff will check with the various newspapers (Willamette Week, weekly papers, community papers, etc.) about the possibility of their printing this at no cost.

This will be an agenda item for the next committee meeting, and a sample of the box poll format will be available to look at.

b. Primate Project Construction Contract Timetable: Request for bid proposals are now out and will be opened on the morning of August 20. The Zoo Committee will hold a special luncheon meeting on August 22 with this item as its sole topic. The committee would then hope to present an approved bid recommendation to the MSD Council at its meeting on August 23.

c. Contracts: The CETA contracts that we currently have with the City of Portland cover the feline and grounds projects. Kay Rich stated that we can extend both contracts through the end of September, 1979, which will give us an additional $43,000 for the feline project and $11,000 for the grounds project. We would very much like to be able to extend both of these contracts, but there is a problem with the contract for the grounds project in that under the CETA contract the employees are allowed to be paid a maximum of $5.68 per hour, and our union agreement, under which these employees will fall, calls for a minimum wage of $6.11 per hour. We are attempting to work this out with the union, and would like an authorization to extend both contracts in the event that a solution is found. Meanwhile we are also exploring the Yough Employment Program as a possible alternative for accomplishing parts of the grounds project.

<u>Motion</u>: Councilor Schedeen moved that this committee support both of the contracts as outlined by Kay Rich.
Motion carried.

d. Capital Improvement Projects: Chairperson Banzer stated that she is very pleased with the capital improvement projects and their progress. She is also able to see a great deal of improvement in the general condition of the Zoo. Councilor Schedeen agreed.

e. Sculpture Garden: Chairperson Banzer has received an inquiry concerning the cost of building the new area for the sculpture garden. Kay Rich will send her those figures (attached).

f. Memorial: Mr. Iliff will report back to this committee on the possibility of doing some type of memorial for Morgan Berry. This will be on the agenda for the next meeting.

5. Meeting: The next meeting of this committee is scheduled for August 2, at 3:30 p.m. in the Education Building.

W A S H I N G T O N   P A R K   Z O O

TO: Kay Rich

DATE: 20 July 79

FROM: Carol Nelson CAN

SUBJECT: Sculpture Garden Cost

As of this date the following has been spent on the new Childrens Sculpture Garden.

MATERIALS		
Sand	$ 140.00	
Wood	997.88	
Bricks 700 @ $1.70	1,190.00	
Plants	360.00	
Bark Dust	20.00	
		$2,707.88
EXCAVATION AND HEAVY EQUIPMENT RENTAL		
Excavation of site	$ 340.00	
Rental of crane to move Bear	75.98	
		$ 415.98
CONSULTING AND PLANNING		
Warner, Macy and Mitcheltree	$ 336.50	
		$ 336.50
LABOR		
Gardener labor including 2 men from temporary agency for 1 day	$1,200.00	
Surveying by Lee Marshall and Jim Riccio 10 hours @ $30/hour	300.00	
		$1,500.00
	TOTAL	$4,960.36

MEETING REPORT

MEETING DATE: July 17, 1979 3:30 p.m.

GROUP: Solid Waste/Public Facilities Council Committee

ATTENDANCE: Councilors: Jack Deines, Jane Rhodes, Graig Berkman, Gene Peterson and Mike Burton

Staff: Peter Ressler, Karen Hiatt

Media: None

Guests: Larry Burright, Jeff Lakey, Konrad Hager, Dick Howard

SUMMARY:

The meeting was scheduled specifically to allow Larry Burright to present to the Committee his proposal for a tire shredding and processing facility.

Councilor Berkman read to the guests the staff memo on Mr. Burright's proposal and the Solid Waste Policy Alternatives Committee's recommendation. Mr. Burright requested the opportunity to clarify his proposal and appeal the SWPAC recommendation. He indicated that the legal description of the property was on the application submitted to DEQ. Councilor Berkman read it and indicated that he knew the description was incomplete and that a proper legal description could be obtained from the County for $1.

Mr. Burright requested a tire storage of up to 60,000 tires. The Committee agreed this figure was excessive and could pose visibilty and vector harborage problem. Dick Howard, Multnomah County representative, indicated that as of 10:00 a.m. today, Mr. Burright had not submitted a land use permit application to Multnomah County. Mr. Howard indicated the county would review all factors including visibility, noise, tire storage, zoning, neighbors' concern etc. Mr. Burright said he could process 1/3 of all the waste tires (40,000) produced in the District each month. He can process 2000 per day. Mr. Burright said his tire shredder would be mobile and would be shuttled each month between Everett, Washington and Portland. After discussion the Committee recommended the following:

1). An upper limit of 20,000 tires stored

2). A bond be required for the facility at a disposal per tire stored (example: 20,000 tires storage at 30¢ per tire - disposal equals a $6,000 bond

4). Ownership of the property be clarified

5). Multnomah County Planning approval and land use permit be obtained prior to MSD approval of Agreement. Whatever condition required by the County on tire storage, etc. would be considered by MSD.

The Committee encouraged Mr. Burright to work with the MSD staff to obtain the necessary MSD Agreement.

REPORT WRITTEN BY: Peter Ressler

MEETING REPORT

DATE OF MEETING: July 13, 1979

GROUP/SUBJECT: Ways and Means Subcommittee

PERSONS ATTENDING: Councilors: Corky Kirkpatrick, Jack Deines, Donna Stuhr, Betty Schedeen, Mike Burton, Cindy Miller

Executive Officer, Rick Gustafson

Staff: Denton Kent, Charlie Shell, Michele Wilder

Visitor: Mike Maurice

MEDIA: None

SUMMARY:

Chairman Corky Kirkpatrick called the meeting to order at 5:10 p.m. and opened discussion on long-term financing issues. The review of the memorandum presented by Rick Gustafson at the July 31, 1979, meeting was continued. The committee focused on two main issues: first, development of substantive proposals for long-term financing of MSD and, second, establishing public support for a specific course of action. The committee discussed several strategies for forming citizen advisory committees to both develop proposals and establish public support for those proposals.

The committee recognized the importance of having a proposal before the voters by May, 1980, for continued financing of the Zoo. To meet this deadline and resolve a strategy for continued MSD funding and Zoo financing in the short-run, a recommendation from a citizens committee would be needed by December, 1980. All alternatives for a citizen committee were weighed against the problem of meeting this deadline. The committee would continue to work on the financing issues involving the Boundary Commission and Tri-Met, after submittal of the initial report.

The committee considered the option of reconstituting the Tri-County Local Government Commission. The problems identified with this approach were the difficulty of maintaining Council control over such a group, the size of the commission as previously formed, and the difficulty of meeting a short timeline for developing proposals.

The committee turned to consideration of a finance task force appointed by the Council. Coun. Stuhr expressed her expectation that the task force would develop a list of options with pros and cons for each option. Such a list would include proposals for continuing the zoo levy, establishing a tax base for the whole organization, continuing the dues assessment of local governments or requesting an appropriation from the state.

The committee discussed the question of the necessity for a recommendation by December, and the need to establish a committee large enough to build support among key community interest groups. Key groups identified were state legislators, local officials, zoo representatives, citizens, academic leaders, labor officials, League of Women Voters, business leaders, churches, press, and a tax expert. The committee could be as large as 16 to 20 members.

The Executive Officer commented that formation of such a large group may make it impossible to meet the December deadline. He recommended keeping the membership down to 12 members plus the Chairman of the Ways and Means Committee. The groups to be represented -- with four members from each group -- would be the Oregon Legislature, local government and the general citizenry. Mr. Gustafson explained that selling a specific financing proposal to the public would come later.

The committee requested that Coun. Kirkpatrick and Mr. Gustafson suggest specific names for a committee of this size, and prepare a memorandum to the Council explaining the strategy for the task force. The staff was requested to draft a charge for the task force which would include the areas of the zoo levy, a long-range financial package (including consideration of merger with Tri-Met) and an identification of recipients of MSD service benefits.

On a matter brought before the Committee by staff, it was recommended that the State be requested to draft legislation to provide for continuation of MSD as the agency responsible for A-95 reviews for transportation, criminal justice planning and urban planning.

The committee moved to executive session at 7:05 p.m.

REPORT PREPARED BY: Charlie Shell

COPIES TO:

CS:bc
4616A
D/2

Metropolitan Service District
527 SW Hall Portland, Oregon 97201 503/221-1646

Agenda

Date: August 21, 1979

Day: Tuesday

Time: 5:00 p.m.

Place: Conference Room "A"

WAYS AND MEANS COMMITTEE

1. Grants Procedures
2. Contract Procedures
3. Other Business

AGENDA ITEM 5.3

AGENDA MANAGEMENT SUMMARY

TO: MSD Council
FROM: Executive Officer
SUBJECT: Report on Progress in Addressing LCDC Concerns on Implementation of the Urban Growth Boundary

BACKGROUND: At its July 26 meeting, the MSD Council was presented with a draft response to the Land Conservation and Development (LCDC) questions concerning implementation of the Urban Growth Boundary (UGB). This response was based upon: meetings with elected officials and staff from the three counties, information provided by the counties on their current proposed policies for conversion and control of development outside the UGB, and MSD staff work. MSD staff is in the process of preparing a report containing background information pertinent to the MSD draft response to LCDC. This "background" report will form part of a progress report to the Commission at the August 10 hearing. Staff will be prepared to discuss this report at the August 6 Planning and Development Committee meeting.

The proposed MSD response to LCDC will be the subject of discussion by local jurisdiction staff over the next two weeks. Meetings to discuss the response are scheduled for August 2 with Washington County, August 8 with Clackamas County, and August 6 with Multnomah County.

A Local Officials Advisory Committee (LOAC) meeting will be convened after August 10 to discuss the proposed MSD response to LCDC. Once the views of local jurisdictions are known, the MSD response will be finalized and readied for Council approval. The MSD response will be submitted to LCDC in time for the Commission to acknowledge the boundary at its September meeting.

Discussions between MSD and DLCD staff on this matter will continue regularly throughout August. Councilors are invited to contact Jim Sitzman regarding suggestions or questions on the MSD response.

BUDGET IMPLICATIONS: None

POLICY IMPLICATIONS: None

ACTION REQUESTED: Informational Item

PM:bc
4510A
0033A
8/9/79

ORDINANCE NO. 79-73

TITLE PROVIDING PERSONNEL REGULATIONS FOR THE MSD AND REPEALING INTERIM PERSONNEL RULES ADOPTED PURSUANT TO RESOLUTION NO. 79-2

DATE INTRODUCED 7/26/79

FIRST READING 7/26/79

SECOND READING 8/9/79

DATE ADOPTED

DATE EFFECTIVE

ROLLCALL

	Yes	No	Abst.
Burton			
Stuhr			
Williams			
Berkman			
Kirkpatrick			
Deines			
Rhodes			
Schedeen			
Miller			
Banzer			
Peterson			
Kafoury			

AGENDA ITEM 6.1

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF PROVIDING PERSONNEL REGULATIONS FOR THE METROPOLITAN SERVICE DISTRICT, AND REPEALING THE INTERIM PERSONNEL RULES ADOPTED PURSUANT TO COUNCIL RESOLUTION NO. 79-2	))))))	ORDINANCE NO. 79-73 Introduced by the Ways & Means Committee

WHEREAS, It is deemed necessary by the Council, pursuant to Section 7(5), Chapter 665, Oregon Laws, 1977, to adopt permanent personnel regulations which will provide guidance to the Executive Officer in matters relating to personnel.

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT ORDAINS AS FOLLOWS:

Section 1. The document entitled "Personnel Rules of the Metropolitan Service District", dated July 26, 1979, attached hereto or on file at MSD offices, is hereby adopted and is incorporated herein.

Section 2. The Interim Joint Personnel Rules adopted by Resolution #79-2, on January 4, 1979, are hereby repealed.

ADOPTED by the Council of the Metropolitan Service District this ____ day of _________, 1979.

____
Presiding Officer

ATTEST:

____
Clerk of the Council

BM:bk
4378A
0033A

Metropolitan Service District

527 SW Hall Portland, Oregon 97201 503/221-1646

Memorandum

Date: July 18, 1979

To: MSD Council

From: The Ways & Means Committee

Subject: Proposed Personnel Rules

Having reviewed and modified the personnel regulations proposed by the Personnel Rules Task Force, the Ways & Means Committee herein submits its proposed Personnel Rules to Council with the recommendation for approval.

PERSONNEL RULES

of the

METROPOLITAN SERVICE DISTRICT

July 26, 1979

PERSONNEL RULES

ARTICLE I. GENERAL

Section 1.	Administration of the Rules	1
Section 2.	Adoption and Amendment	1
Section 3.	Separability	1
Section 4.	Purpose	2
Section 5.	Variances	2
Section 6.	Definitions	2
Section 7.	Legal Interpretations	5

ARTICLE II. PERSONNEL POLICIES AND PROCEDURES

Section 8.	Appointment	6
Section 9.	Probationary Period	7
Section 10.	Attendance	7
Section 11.	Personnel Records	8
Section 12.	Transfers	9
Section 13.	Layoffs	9
Section 14.	Travel Expense	9
Section 15.	Employee Organizations and Representation	10
Section 16.	Political Activity	10
Section 17.	Nepotism	10

ARTICLE III. GENERAL CONDUCT, DISCIPLINE, TERMINATION, AND APPEAL

Section 18.	Disciplinary Action	11
Section 19.	Grievance Procedure	14

ARTICLE IV. CLASSIFICATION PLAN

Section 20.	Position Classification Plan	17
Section 21.	Titles and Specifications	17
Section 22.	Reclassification	17
Section 23.	New Positions	18
Section 24.	New or Reclassified Positions	18
Section 25.	Effect on Incumbents of Positions Being Reclassified	18

ARTICLE V. PAY PLAN AND COMPENSATION

Section 26.	Pay Plan	20
Section 27.	Analysis of Pay Plan	20
Section 28.	Appointee Compensation	20
Section 29.	Overtime Compensation	20
Section 30.	Salary Administration	21

ARTICLE VI. FRINGE BENEFITS

Section 31. Holidays 23
Section 32. Vacation 23
Section 33. Vacation Credit and Accrual Rate 24
Section 34. Sick Leave 25
Section 35. Leave of Absence Without Pay 25
Section 36. Leave of Absence With Pay 26
Section 37. Education Opportunities 27
Section 38. Workers' Compensation Insurance 28
Section 39. Insurances 28

ARTICLE VII. ORIENTATION

Section 40. Orientation 29

ARTICLE VIII. EXEMPTIONS

Section 41. General 30
Section 42. Positions Exempt 30
Section 43. Conditions of Exemptions 30

ARTICLE I. GENERAL

Section 1. Administration of the Rules

The Executive Officer shall be responsible for:

(a) Administering or delegating the administration of all the provisions of the Personnel Rules; and

(b) Together with the Council, preparing or causing to be prepared the Personnel Rules or amendments to such Rules.

Section 2. Adoption and Amendment of the Rules

The Personnel Rules shall be adopted and amended by the Council. Administrative amendments which deal solely with correcting grammatical or typographical errors, or correcting position titles to reflect properly processed reclassifications and title changes, or correcting departmental name changes to accurately reflect current organizational structure may be approved by the Executive Officer. All proposed amendments dealing with policy and/or benefit changes will be required to be adopted by the Council. The Rules shall provide means to recruit, select, develop, and maintain an effective and responsive work force, and shall include policies and procedures for hiring and advancement, training and career development, job classification, salary administration, retirement, employee benefits, discipline, discharge, and other related matters which are pertinent to the maintenance and effective operation of the Metropolitan Service District (MSD). Furthermore, the Personnel Rules shall be presented, adopted, and amended in a spirit of good faith, and shall be subject to review and comment by MSD employees prior to adoption.

If practicable

Proposed amendments shall be posted in each general work area ten (10) working days in advance of the Council meeting in which they are to be considered. Employee access to copies of the proposed amendments shall be provided by their distribution to all Directors of Departments, Personnel Office, and to the Chairman of the Employees Association, in addition to the posting required above. Employee responses shall be reported to Council in summary form coincidental with Council consideration of the proposed amendments.

Section 3. Separability

If any section, subsection, sentence, clause, or phrase of these Rules is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of these Rules.

Section 4. Purpose

The purpose of these Rules is to provide systematic and equitable procedures and regulations relating to the hiring, compensation, hours of work, leave, safety, training, working conditions, promotions, transfer, discipline, removal, and other matters affecting the status of employees of the MSD. Said Rules and regulations are provided to maintain uniformity and equity in personnel matters, and to encourage each employee to give their best service to the organization and citizens served by the MSD.

Section 5. Variances

The Executive Officer shall have the power to vary or to modify the strict application of the provisions of these Rules in any case in which the strict application of said provisions would result in practical difficulties or unnecessary hardships on either the agency or employee or both. All approved variances shall be subject to Council ratification, and be reported to the Council in written summary form at the next regular meeting following the date of approval.

Section 6. Definitions

As used in these Rules, as well as in day to day personnel matters, the following terms shall have the meanings indicated:

Anniversary Date. The employee's original date of regular employment for purposes of relating to retirement benefits, and/or that date on which the employee reaches Step "B" within the assigned salary range which establishes the date for annual job performance evaluation for Merit and Incentive pay increases. The anniversary date for employees who are rehired shall be the date of their regular re-employment.

Appeal. A request to a Department Head or the Executive Officer for reconsideration of a decision adverse to an employee's best interests.

Appointing Power. The Executive Officer or his designee.

Central Personnel File. A file which contains complete personnel records of all MSD employees.

Chief Administrative Officer. The appointed Chief Administrative Officer selected by and responsible to the Executive Officer for the administration of MSD organization.

Class. A group of positions sufficiently alike in responsibilities and authorities to require similar qualifications.

Class Specification. A written description of each class of positions including a class title and a statement of objectives. Positions--not individuals--are classified.

Council. Council means the governing elected body of the MSD.

Continuous Service. Uninterrupted employment with the MSD. Reasonable absences due to sick leave, disability, lay-offs up to one (1) year, military leave or other approved leaves as provided for in these Rules, do not constitute an interruption in continuous service. Continuous service shall only apply to regular and regular part-time employees.

Demotion. A transfer of an employee from one position to another of a lower classification and/or pay scale for disciplinary purposes.

Department. A major functional unit of MSD.

Department Head. A person responsible for the administration of a Department.

Disciplinary Action. Imposition of certain personnel actions (e.g., reprimand, warning, suspension, discharge, or demotion) as a result of conduct detrimental to MSD.

Discharge. Termination of employment by the MSD for reasons attributable to the employee.

Division. A major functional unit of a Department.

Division Head. A person responsible for the administration of a Division.

Employee. Anyone who is salaried or who receives wages for employment with the MSD.

Examination. A test for the purpose of evaluating an applicant for an employment vacancy.

Executive Officer. The elected Executive Officer of the MSD.

Fiscal Year. Twelve (12) month period beginning July 1, and ending June 30.

Grievance. An oral or written expression of dissatisfaction with some condition of employment, a management decision affecting such employment, or an alleged violation of employment rights as granted by these Rules submitted by an employee or group of employees for the purpose of attempting to gain adjustment of said cause of dissatisfaction.

Hourly Rate. Rate of compensation for each hour of work performed. It is determined by dividing the annual regular salary by the regular number of hours worked each year (2,080).

Immediate Family. The husband, wife, son, daughter, father, mother, brother, sister, father-in-law, mother-in-law, or any relative living in the employee's household.

Layoff. A separation from employment because of organizational changes, lack of work, lack of funds, or for other reasons not reflecting descredit upon the employee.

Leave of Absence. Time off from work for reasons within the scope and purpose of these Rules and regulations upon prior approval of the Executive Officer.

Month. One (1) calendar month.

Military Leave. Leave of absence for an employee entering reserve military training duty.

Non-Occupational Disability. Disability from an accident or sickness suffered or contracted by the employee which cannot be attributed to the performance of assigned duties with the MSD.

Non-Union Employee. Any employee exempt from the provisions of a formally written union agreement with MSD.

Occupational Disability. Disability from an accident or sickness suffered or contracted as a result of the performance of assigned duties.

Overtime. Overtime shall be considered as time worked in excess of the employees established work day, or forty (40) hours in any one (1) week as defined in ORS 279.340.

Personnel Action. Any action taken with reference to appointment, compensation, promotion, transfer, layoff, dismissal, or other action affecting the status of employment.

Probationary Period. A working test period during which an employee is required to demonstrate fitness for the position to which the employee is appointed by actual performance of the duties of the position.

Promotion. The advancement of an employee from one classification to a higher classification.

Reclassification. A change in classification of a position by raising it to a higher class, reducing it to a lower class, or changing it to another class at the same level.

Reduction In Grade. The reduction in grade of an employee from one position to another of a lower classification and/or pay scale for non-disciplinary purposes.

Regular Employee. An employee occupying or appointed to a full-time position which is included in the Classification and Compensation Plan for regular employees and which position is provided for in the annual Budget.

Regular Part-Time Employee. An employee occupying or appointed

to less than a full-time position which is included in the Classification and Compensation Plan for Regular Employees and which is provided for in the annual Budget.

Suspension. Temporary separation of an employee from employment without pay for disciplinary purposes.

Temporary Employee. An employee hired under the Temporary Employment Program to perform a specific task or to participate in a series of projects for a period not to exceed 2,080 hours over an eighteen (18) month period. This definition excludes interns, work-study students, and CETA employees, or similar federal and state employment programs.

Transfer. A change of an employee from one position to another in the same class, or to a position in a comparable class.

Workday. The regularly scheduled workday shall be from 8:00 a.m. to 5:00 p.m. with one (1) hour off for lunch except where flexible hours, on a regular schedule, may otherwise be approved by the Executive Officer. Flexible hours in this context are those hours scheduled outside the regular 8:00 a.m. to 5:00 p.m. workday.

Workweek. The regularly scheduled forty (40) hour workweek shall be from Sunday through Saturday.

Section 7. Legal Interpretations. When it is found necessary to seek a legal opinion as to the interpretation or intent of these Rules, it shall be incumbent upon the Executive Officer to respond to said requests as soon as is practicable.

ARTICLE II. PERSONNEL POLICIES AND PROCEDURES

Section 8. Appointment

(a) All original appointments to vacancies shall be made solely on the basis of merit, efficiency and fitness. These qualities shall be job related and may be determined through careful and impartial evaluation of the following:

(1) The duties and responsibilities to be performed.

(2) The applicant's level of training relative to the requirements of the position for which he/she has applied;

(3) The applicant's level of education relative to the requirements of the position for which he/she has applied; and

(4) The applicant's level and amount of experience relative to the requirements of the position for which he/she has applied.

(5) The results of an oral interview and/or an examination, if any.

(b) No question in any examination, in any application form, or by any appointing power shall be so framed as to attempt to elicit information concerning race, color, ancestry, national origin, sex, sexual orientation, political or religious affiliation for the purpose of discriminating in employment.

(c) All statements submitted on the employment application or attached resume shall be subject to investigation and verification prior to appointment.

(d) Regular, regular part-time, and temporary full-time employees are encouraged to apply for any vacant position for which they feel qualified. Such applications will be considered without prejudice to their present positions. Regular, regular part-time, and temporary full-time staff will be given first consideration in filling a vacant position. Where the position is currently filled by a CETA, or temporary employee, and the position has been reclassified to a regular staff position, the incumbent shall be considered equally and at the same time as regular, regular part-time, and full time temporary employee applicants. Should a regular, regular part-time, or temporary full-time employee not apply or be selected for any vacant position, temporary part-time and CETA employees will be considered. If the position is not filled as a result of in-house recruitment, recruitment

outside the agency will commence. Notice of in-house recruitment shall provide not less than five (5) working days for receipt of applications. In-house applicants should be provided with a written response (need not be a positive or negative) before outside recruitment is pursued.

(e) Section 8 (e): Pursuant to the terms and intent of Ch. 665 OR L 1977, Section 7 (5) and ORS 268.210, all appointments of employees shall be the sole responsibility of the Executive Officer subject to the Personnel Rules adopted by the Council.

Section 9. Probationary Period

(a) All original appointments to regular and regular part-time positions shall be tentative and subject to a standard probationary period of at least six (6) consecutive months of service. Such period shall not apply to transferees.

(b) In cases where a longer period is necessary to demonstrate an employee's qualifications the probationary period may be extended; however, no probationary period shall be extended beyond twelve (12) months from the date of appointment. The employee shall be notified in writing of any extension and the reasons therefore.

(c) During the probationary period the employee shall not be eligible for vacation benefits unless by permission of the Executive Officer, but he/she shall earn vacation credit to be taken at a later date.

(d) Upon completion of the probationary period, the employee shall be considered as having satisfactorily demonstrated qualifications for the position, shall gain regular status, and shall be so informed.

(e) In the case of an original appointment, a probationary employee may be terminated without cause at any time without hearing or appeal and without previous, lesser disciplinary action. The employee shall be given appropriate written notice of termination.

(f) In the case of promotional appointments, the promoted employee may be reduced in grade at any time during the probationary period, and be reinstated in the class designation from which he/she was promoted, even though this may necessitate the layoff of the employee occupying the position.

Section 10. Attendance

(a) Employees shall be in attendance at their work in accordance with the Rules regarding hours of work, holidays, and leaves of absence.

(b) Employees shall not absent themselves from work for any reason, other than those specified in these Rules authorizing sick leave, without making prior arrangements with their Supervisor.

(c) Any unauthorized absence of an employee from duty may be deemed to be an absence without pay and may be cause for disciplinary action. Absence without approval in excess of three (3) workdays shall constitute voluntary resignation.

Section 11. Personnel Records

(a) The Executive Officer shall cause a service or personnel record to be maintained for each employee in the service of MSD.

(b) The personnel record shall show the employee's name, title of position held, the department to which assigned, salary, change in employment status, training received, and such other information as may be considered pertinent.

(c) A Personnel Action Notice shall be used as the single document to initiate and to update personnel records. Any document filed in the employee's record relating to salary, benefits or work conditions of the employee shall be duplicated and sent to the employee.

(d) Employee personnel records shall be considered confidential and, subject to state law, shall be accessible only to the following:

(1) The employee concerned;

(2) Selected officials authorized by the Executive Officer. The employee shall be notified as to all persons having access to their personnel records and the reasons for such access. Authorization by the employee shall be required before anyone other than pre-selected officials is given access to the employee's personnel file. Original authorization of access is herein provided to the Executive Officer, the head of the Division of Personnel and Management Services, and the Office Manager. Additional pre-selected officials may be identified by the Executive Officer and placed on file in the Personnel Office.

The employee may authorize in writing his/her representative to gain access to his/her file, and such authorization shall be filed with the Personnel Office.

Section 12. Transfers

Requests from employees for transfers to different work units within the organization shall be made in writing, and shall be directed to the employee's present Department Head and referred to the Executive Officer. Such requests shall be given consideration when a suitable vacancy occurs; however, no employee shall be transferred to a position for which they do not possess the minimum qualifications.

Section 13. Layoff

(a) If there are changes of duties in the organization, lack of work or lack of funds, the Executive Officer may lay off employees; however, the Executive Officer shall first make every reasonable effort to retain those employees by transfer. When layoffs are required, the Executive Officer shall base the decision on relative merit, and shall give due consideration to seniority only where the employees' qualifications and ability are relatively equal. Salaried employees not on probation shall be given a minimum of two (2) weeks written notice of their termination from MSD employment.

(b) Laid-off employees shall have rehire preference for one (1) year following layoff. [handwritten: for the [illegible] classification from which they were laid off]

(c) Any employee voluntarily terminating employment shall give a minimum of two (2) weeks written notice of termination.

Section 14. Travel Expense

(a) When employees are required to travel on official business, reimbursement for expenses incurred shall be determined and paid as follows:

(1) Travel on official business by a single individual should be via public carrier or MSD-owned vehicle. If the employee is authorized to use a private vehicle, mileage shall be paid at the rate set by Council. This rate includes insurance, but not storage expense of the vehicle, which is an eligible expense.

(2) When travel by MSD-owned vehicle or by public carrier is practical, but the employee elects to use his/her own vehicle, the employee shall not be reimbursed.

(3) Reimbursement for travel and subsistence on official trips outside the metropolitan area by bus, train, or airplane shall only be the amount of actual and reasonable expense incurred during the performance of official duty as an MSD employee for the benefit of MSD. MSD will pay the actual costs of travel and

meals or per diem as set by Council. The actual cost of conference registration fees will be paid. The actual costs of accommodations will be paid as well as taxi or bus fare. MSD will not pay for first class air travel unless tourist class is not available. Airline tickets should be ordered and paid for directly by MSD. Advances for anticipated trip costs may be made upon approval of the Executive Officer or his/her designee.

Section 15. Employee Organizations and Representation

(a) Employees of MSD shall have the right to form, to join, and to participate in the activities of labor organizations of their own choosing for the purpose of representation and collective bargaining on matters relating to wages, hours, and working conditions. Employees may form an Employee Advisory Committee to the Executive Officer for the purpose of employee input on matters relating to wages, fringe benefits, working hours, and working conditions. All meetings and communications should be documented and recorded for both parties.

Section 16. Political Activity

Nothing contained within these Rules shall affect the right of the employee to hold membership in and to support a political party, to vote as they choose, to privately express their opinions on all political subjects and candidates, to maintain political neutrality, and to attend political meetings. An employee must exercise all due caution in such activities to prevent public misunderstanding of such actions as representing MSD, or to bring discredit to MSD, the Council, Executive Officer or his/her Supervisor.

Section 17. Nepotism

(a) No person shall be employed at MSD in a Division over which another immediate family member exercises line authority. Neither shall a Supervisor be placed in a position whereby the Supervisor must make recommendations that affect the salary of members of his/her immediate family.

(b) Nothing in this policy should be construed as to prevent the employment of more than one member of a family at MSD, provided that employment has been based upon merit principles, and a member of the employee's family does not influence selection by the appointing authority.

(c) No relative shall be employed if such action would constitute a violation of any law of the state of Oregon, or of the United States, or any rule promulgated pursuant thereto with which MSD is required to comply.

ARTICLE III. GENERAL CONDUCT, DISCIPLINE, TERMINATION, AND APPEAL

PREAMBLE

Nothing contained in these Personnel Rules precludes a Supervisor from having private discussions with employees. In fact, discipline is often avoided by private conversations between the Supervisor and employee. These discussions may be in the form of oral counseling, instruction and/or reprimand. However, these discussions are not subject to the grievance procedure unless the employee is notified at the time of the discussion that it constitutes an oral, or subsequently written reprimand and may be used against the individual in future disciplinary actions.

If the employee is so notified, the Supervisor involved is to properly record the conversation so as to provide a basis for the employee to pursue the matter through the grievance procedure.

Section 18. Disciplinary Action

(a) Disciplinary actions or measures shall include only the following: oral or written reprimand, suspension, demotion and discharge from employment. Disciplinary action shall be for just cause and will be subject to the grievance procedure. Oral reprimands will not be used as the basis for subsequent disciplinary action unless the employee is so notified at the time of reprimand, and if notified, the matter will be subject to the grievance procedure. If MSD has reason to reprimand an employee, it shall be done in a manner that is least likely to embarrass the employee before other employees or the public.

(b) It shall be the duty of all employees to comply with and to assist in carrying into effect the provisions of these Personnel Rules. Except as provided in Section 9 (e) of these Rules, no employee shall be disciplined except for violation of established Rules and regulations, and such discipline shall be in accordance with procedures established by these Personnel Rules.

(c) Any of the following may constitute grounds for disciplinary action:

(1) Abandonment of position;
(2) Absence from duty without leave;
(3) Abuse of leave privileges;
(4) Below standard work performance;

(5) Discourteous treatment of the public or other employees;
(6) Intoxication during working hours;
(7) Fraud in securing appointment or promotion;
(8) Insubordination;
(9) Misuse of MSD property, funds, or records;
(10) Neglect of duty;
(11) Willful deceit;
(12) Other acts which are determined to be incompatible with the best interests of MSD.
(13) Any conviction by a court of law which would be incompatible with the work performed for MSD by the affected employee.

(d) Any of the following types of disciplinary action may be utilized. It is appropriate, though not necessary in every circumstance, that the following steps be taken progressively. Reasons for each disciplinary action should be documented before action is taken unless extenuating circumstances exist.

(1) Oral Reprimand: Oral Reprimand is notice by a Supervisor to an employee that his/her behavior or performance must be improved. It defines areas where improvement is needed, sets goals, and informs the employee that failure to improve may result in more serious action. The Supervisor should record the date and content of the oral reprimand, and such record shall be placed in the employee's personnel file. This record shall be removed when successful corrective action is completed.

(2) Written Reprimand: Written reprimand is formal notice by a Supervisor to an employee that his/her performance or behavior must be improved. Written reprimands must be approved by a Department Head. It contains the same elements as the oral reprimand. When appropriate, it should be used in conjunction with a plan for individual improvement. A copy of the written reprimand and plan for individual improvement is placed in the employee's personnel record. This copy shall be removed when successful corrective action is completed.

(3) Suspension: Suspension without pay should be used when other disciplinary measures have failed or when it is necessary that the employee not remain on duty. Suspensions shall not require advance notice and may be effected immediately. Discharge may be the next step of disciplinary action.

(4) Demotion: A Demotion may be issued for a period not to exceed six (6) months. At the end of the demotion period, the employee will normally be reinstated to

his/her original classification and pay scale or dismissed. However, upon mutual agreement between the employee affected and the Executive Officer, the demotion may be extended.

(5) <u>Discharge</u>: Discharge shall require advance notice as provided under Section 18 (g) Where it is deemed necessary that the employee be separated immediately, the notice of discharge may simultaneously provide for suspension under (d) (3) and (f) of this Section.

(e) <u>Except as provided in Section 19 (b),</u> the power to demote or discharge is granted solely to the Executive Officer and may not be delegated except in an emergency.

(f) The Executive Officer or his/her designee shall give an employee whose suspension or demotion is sought written notice of the proposed action stating any and all reasons, specifically and in detail, for the proposed action. The notice becomes a permanent part of the employee's personnel record. Notice of suspension may be made after the suspension is effected where it is deemed necessary that the employee be separated immediately. The employee shall have three (3) working days for answering the notice of proposed suspension or demotion and for furnishing written support of his/her answer. The employee is entitled to answer the notice personally or in writing, or both. The right to answer personally includes the right to answer orally in person by being given a reasonable opportunity to make any representations which the employee believes might affect the final decision, but does not include the right to a formal hearing with examination of witnesses. When the employee requests an opportunity to answer personally, the Executive Officer shall appoint a representative or representatives to hear his/her answer. The representative or representatives designated to hear the answer shall have authority to recommend what final decision should be made and the Executive Officer shall consider such recommendations. The Executive Officer shall give a written decision on the answer within two (2) work days. The written answer and decision become a permanent part of the employee's personnel record. The above procedures shall apply even when an employee has been suspended prior to the beginning of the three (3) day answering period.

(g) Except as provided in Section 9 (e) of these Rules, the Executive Officer shall give an employee whose discharge is sought at least fourteen (14) days written notice of:

1. The proposed discharge;

2. Any and all reasons, specifically and in detail, for the proposed discharge; and

3. The employee's right to file a grievance pursuant to Section 19 of these Rules.

This notice becomes a permanent part of the employee's personnel record. The employee shall notify the Executive Officer within seven (7) working days of the receipt of the notice of discharge that he/she desires a grievance hearing by filing with the Executive Officer a written Answer and Request for a grievance hearing. The Answer shall set forth the employee's reasons for contesting the proposed discharge, with such offer of proof and pertinent documents as he/she is able to submit. In the absence of a timely Answer and Request for Hearing, discharge may be effected without further notice or hearing. The Executive Officer may reply in writing within three (3) working days following receipt of an Answer and Request for Hearing. An extension of time may be mutually agreed upon.

(h) Employees who are affected by a disciplinary action may initiate a grievance under the provisions of Section 19 of these Rules.

(i) Employees may, at their expense, be represented by an attorney or otherwise, in answering to a notice of suspension, demotion or discharge.

Section 19. Grievance Procedure

(a) The Executive Officer shall promptly consider and equitably adjust employee grievances; however, informal adjustment of grievances between supervisors and employees is encouraged. Grievances may be submitted by any employee or group of employees.

(b) The following steps shall be followed in submitting and processing a grievance:

(1) Step 1: The aggrieved employee or group of employees shall orally present the grievance to the immediate Supervisor within fifteen (15) working days of the employee's awareness of its occurrence. The fifteen (15) day filing period may be extended upon approval of the Manager of Personnel. The Supervisor shall give his/her reply within five (5) working days of the date of presentation of the grievance, not including the date of presentation.

(2) Step 2: If the grievance is not settled in Step 1, then it shall be submitted in writing dated and signed by the aggrieved employee or group of employees to the Department Director within five (5) working days after the immediate Supervisor's oral reply is given, not including the day the reply is given. The Director shall reply in writing to the

ARTICLE IV. CLASSIFICATION PLAN

Section 20. Position Classification Plan

(a) A Position Classification Plan covering Regular, Regular Part-Time, and Temporary Employees shall be adopted, and may be amended by the Council.

(b) The Classification Plan shall consist of staff positions in the (MSD) defined by class specifications, and identified by the class titles. The Classification Plan shall be developed and maintained so that all positions substantially similar with respect to duties, responsibilities, authority, and character or work are included within the same class, and that the same schedules of compensation may be made to apply with equity under like working conditions to all positions in the same class.

(c) Copies of the Classification Plan shall be posted in all general work locations and shall also be made accessible to employees by distribution to all Department Directors, the Chairman of the Employees Association, and the Personnel Office.

Section 21. Titles and Specifications

(a) The Position Classification Plan shall include titles for the various classes or positions as a guide toward equal pay for equal work. Job titles shall refer to a particular position, not to the individual filling a particular position, and shall be used in all personnel, budget, and financial records.

(b) Each position shall be allocated to an appropriate class on the basis of the duties and responsibilities of the position.

(c) The Classification Plan shall be supplemented by a Class Specification Sheet containing the description title, education or training required, and types of duties to be performed.

Section 22. Reclassification

(a) Positions may be reclassified by the Executive Officer whenever the duties of the positions change materially, provided the reclassification can be accomplished within the limitations of the current budget.

(b) Reclassification of a position shall not be used as a substitute for disciplinary action or to avoid restrictions concerning compensation.

Section 23. New Positions

(a) The Executive Officer shall be responsible for keeping the Classification Plan current through periodic studies of the positions within the organizational structure of MSD. New positions must be approved by the Council, except that the Executive Officer may create new temporary, intern, work-study and CETA positions subject to budgetary constraints.

Section 24. New or Reclassified Positions

Whenever a Department Head wishes to create a new position or reclassify an existing position, he/she shall make recommendation to the Executive Officer on forms provided. Upon approval of the Executive Officer and the Council of the creation of the class or position, the Executive Officer shall allocate the position accordingly.

Section 25. Effect on Incumbents of Positions Being Reclassified

(a) If an occupied position is reclassified, the incumbent shall be promoted, reduced or transferred to the new class in accordance with regular recruitment and selection procedures, except as indicated below.

(b) The Executive Officer may grant status to a qualified incumbent directly upon reclassification of the position only:

(1) As part of a general reclassification affecting the entire organization in whole or part, or

(2) When the reclassification represents a transfer in relation to the former classification and no additional or different education, experience or professional or technical qualification are present in the minimum qualifications requirements for the class to which the position is reclassified, or

(3) When an entire class and all of its incumbents are being reclassified, involving the abolition of the former class and merger with a new class, or

(4) When a reclassified position is reallocated upward, and when there is a clear showing that the duties of the position have gradually evolved without any purpose on the part of anyone to evade these Rules provided that the incumbent has occupied the position for at least one (1) year and the reallocation is between classes within the same occupational group.

(5) Should a permanent incumbent of a position that has been reallocated upward not qualify for the new class, upon continuing approval of the appointing authority, the incumbent may remain in the position as an underfill in the new class.

(6) When a position is reallocated downward, upon continuing approval of the appointing authority, a permanent incumbent may remain in the position in his/her former class by overfilling for a period not to exceed six (6) months from the effective date of the reallocation. If, at the expiration of the six (6) month period, the incumbent still remains in the position, the employee, at his/her option, shall either take a reduction to the new class, without loss of current salary, or be laid off.

ARTICLE V. PAY PLAN AND COMPENSATION

Section 26. Pay Plan

(a) The Executive Officer shall prepare a Compensation Plan for regular, regular part-time, and temporary employees which shall prescribe a minimum and a maximum range of pay appropriate for each class. Said Plan shall be approved by the Council. Each class specification shall identify its exempt status relating to overtime compensation.

(b) The rate or range for each class shall equitably reflect the difference in duties and responsibilities, and shall be related to compensation for comparable positions within the same job market.

(c) The Compensation Plan shall be made accessible to employees by distribution to all Department Directors, Chairman of the Employees Association, and to the Personnel Office.

Section 27. Analysis of Pay Plan

The Executive Officer shall study MSD employee compensation at least once annually. Said study may cover such items as changes in Consumer Price Index, and salaries and benefits received by employees in the labor market. The Executive Officer will report the findings of said study at least once annually to the Council with recommended actions.

Section 28. Appointee Compensation

Upon initial appointment to a position the employee should receive the entry level salary for the class to which the position is allocated. Appointment at the entry level should be the rule, with appointments above that level being the exception for outstanding qualifications and experience, and subject to approval of the Executive Officer.

Section 29. Overtime Compensation

(a) Overtime may be allowed, and overtime compensation shall be paid, both pursuant to ORS 279.340 and 279.342, and pursuant to this Section. Compensation for overtime shall be paid only to employees who are not exempted from the provision of ORS 279.340 by ORS 279.342.

(b) Department and Division Heads shall assign to each employee regular work duties and responsibilities which normally can be accomplished within the established workday and workweek. No overtime for non-exempt employees can be worked without the approval of the Department Head or his/her designee.

(c) All exempt personnel shall be eligible for a maximum of forty (40) hours compensatory time off from normal working hours on a 1 = 1 ratio as dictated by individual workloads, upon approval of the Department Head or his/her designee. Requests for compensatory time off from Department Heads shall be approved by the Executive Officer or his/her designee.

(d) Criteria for approving and scheduling exempt employees compensatory time off shall be based upon monthly overtime records kept by the employee and verified by the Supervisor as appropriate in terms of the urgency of the work requiring overtime, and consideration of the employee's work performance during regular scheduled workdays. Scheduling of compensatory time off shall consider convenience to both the agency and the employee, and shall be taken within six (6) months of the period within which the overtime was worked. The scheduling of compensatory time off shall be discretionary to be exercised in good faith with the employee, and consistent with the agency's budgetary constraints.

Section 30. Salary Administration

(a) MSD employees shall be paid according to the salary plan adopted by the Council. Adjustments to the salary plan and/or administrative procedures may be made upon recommendation of the Executive Officer and approval by the Council.

(b) Employees shall be paid bi-weekly or monthly with a mid-month draw.

(c) Pay day shall occur bi-weekly or semi-monthly. In the event the normal pay day falls on a holiday, pay day shall occur the day before the holiday. If the normal pay day falls on a Saturday or a Sunday, pay day shall be the prior Friday.

(d) Payroll deductions will be made for income tax withholding, workers' compensation insurance and employee contributions to employee benefits, and may be made for the United Good Neighbor's Fund, payments to the Employee's Credit Union and other agencies as approved by the Executive Officer at the request of the employee.

(e) Time sheets shall be kept by each employee consistant with (b) above.

(f) Employees promoted to a class having a higher salary range shall be appointed at the beginning Step or receive an adjustment of 5 percent more than their present salary, whichever is greater.

(g) The salary plan adopted by the Council shall contain administrative procedures and shall be considered as supplemental to these Rules. See Appendix "B" for regular employee pay plan, and Appendix "A" for Temporary Employment Program

ARTICLE VI. EMPLOYEE BENEFITS

Section 31. Designated and Floating Holidays

(a) Regular and regular part-time employees of MSD shall be entitled to the designated holidays listed below with pay. Temporary employees shall receive pay for holidays as provided in Appendix "A".

(1) New Years Day;
(2) Washington's Birthday;
(3) Memorial Day;
(4) Independence Day;
(5) Labor Day;
(6) Veterans Day;
(7) Thanksgiving Day;
(8) Christmas Day;
(9) Two floating holidays are allowed each fiscal year on days of each employee's choice, subject to schedule approval of the Supervisor. Employees hired after January 1 of each fiscal year shall be entitled to one such holiday in that fiscal year. For purposes of this Section, a floating holiday is any day chosen by the employee and approved by the Supervisor which would otherwise be a regular scheduled work day.

(b) If any such holiday falls on a Sunday, the following Monday shall be given as that holiday. If any such holiday falls on a Saturday, the preceding Friday shall be given as a holiday.

(c) Holidays which occur during vacation or sick leave shall not be charged against such leave.

(d) Additional days designated by the Congress of the United States or by the Governor of Oregon as legal holidays shall be observed by MSD.

(e) A Regular or regular part-time employee who is required to work on a recognized holiday shall be allowed compensatory time off computed at the rate of one and one-half times their time worked. Said time off shall be scheduled by the Department Head or his/her designee to be taken within sixty (60) days from the point in time originally worked. Department Head requests shall be approved by his/her Supervisor.

Section 32. Vacation

(a) Subject to the provision on probation, all regular and regular part-time employees shall be granted annual vacation leave with pay.

(b) Regular and regular part-time employees who have been with MSD for more than six (6) consecutive months, but less than twelve (12) consecutive months, may be granted accrued vacation leave by approval of the Department Head or his/her designee. Department Head vacations shall be approved by the Executive Officer. Special consideration of vacation needs of employees can be considered by the Department Head or the Executive Officer upon request.

(c) Employees may accumulate up to the number of vacation days earned in one (1) year, and with the approval of the Executive Officer, may accumulate additional days from one (1) additional year of continuous service. Consistent with the workload of an employee's Department, up to two (2) years of such accrued vacation may be taken consecutively.

(d) Department Heads or their designees shall schedule vacation for their respective staff with due consideration for seniority, the desires of the staff and for the work requirements facing the Department. Vacation schedules may be amended to allow the Department to meet emergency situations.

(e) Any regular, regular part-time, or temporary full-time employee who resigns, retires, or is laid off, or discharged from employment from MSD shall be entitled to immediate lump sum payment for accrued and unused vacation at his/her existing salary rate provided that separation occurs after the initial probationary period has been served.

(f) Vacation benefits for temporary employees are as provided under the Temporary Employee Program, Appendix "A."

Section 33. Vacation Credit and Accrual Rate

Regular and Regular Part-Time Employees

The vacation credit and accrual schedules are as follows:

Total Years of Continuous Service	Monthly Accrual Rate	Equivalent Annual Days
Date of Hire through 3	6.67 hours	10 days
4 through 9	10 hours	15 days
9 plus years	13.28 hours	20 days

The above schedule may vary from MSD contracts with Employee Unions, in which case the contract provisions shall apply to union employees.

Regular part-time employees shall accrue vacation under the above schedule at a rate proportionate to the time worked per week.

Section 34. Sick Leave

(a) Regular employees shall earn sick leave with full pay at a rate of four (4) hours per bi-weekly or semi-monthly payroll period; and, shall not be accumulated in excess of 520 hours.

(b) Regular part-time employees shall earn sick leave with pay proportionate to the amount of time worked at a rate of four (4) hours per bi-weekly or semi-monthly pay period; and, shall not be accumulated in excess of 260 hours.

(c) Sick leave for temporary employees is provided under the Temporary Employee Program Appendix "A."

(d) Employees are eligible for sick leave for the following reasons:

(1) Personal illness or physical disability;

(2) Illness in the immediate family requiring the employee to remain at home.

(e) Sick leave shall be charged as follows:

(1) Employees working a regular workweek shall be charged leave on the basis of one (1) day sick leave for each duty day absent; except when such absence is the result of quarantine, in which case no charge shall be made;

(2) Not less than one (1) hour of sick leave may be charged for any portion of workday missed due to sickness.

(f) Abuse of the sick leave privilege shall be cause for disciplinary action. An employee who is unable to report to work because of any of the reasons set forth in Section 34 (d) above shall report the reason for his/her absence to the Supervisor. Sick leave with pay may not be allowed unless such report has been made. Absence with pay beyond three (3) days may be required by the Supervisor to be supported by a physician's statement attesting to the illness.

Section 35. Leave of Absence Without Pay

(a) Disability Leave: Upon application, supported by a statement of the physician, a leave of absence will be granted without pay for a period not to exceed six (6) months in cases of the physical disibility of a regular or regular part-time employee. Any employee requesting such leave shall file such request in writing with the Department Head and attach thereto a statement of the

attending physician. Such statement must indicate that the duration of leave requested is necessary for recovery from the disability.

Such disabled employee, upon ceasing work, may use such vacation and sick leave as he/she may have earned, except that such vacation must have been regularly available to him/her during the calendar year, and the sick leave shall not exceed the amount which has been earned up to the time the leave of absence begins. The leave of absence without pay shall commence immediately upon completion of the vacation and sick leave.

During the first three (3) months of disability leave, MSD shall continue to provide health, dental, life insurance, accidental death and dismemberment and long-term disability benefits, to the same extent provided other employees, and shall pay all appropriate premiums therefore. If the leave extends beyond three (3) months, the employee may elect to continue such benefits for up to six (6) months from the date the leave began and, upon such election, the gross premiums for such extended coverage shall be paid by the employee. Such extension of coverage beyond the three (3) months shall be subject to any restrictions in each applicable benefit policy or plan.

(b) Maternity Leave: All provisions in Section 35 (a) above relating to disability leave shall apply equally to regular and regular part-time employees who are disabled for reasons of pregnancy.

(c) Other Than Maternity or Disability Leave: All regular and regular part-time employees may be granted leave of absence without pay and employee benefits for a period not to exceed six (6) months provided such leave can be scheduled without adversely affecting the operations of MSD. Such leave may be extended once up to an additional six (6) months.

Requests for leave of absence without pay shall be in writing, shall be directed to the Department Head and shall contain reasonable justification for approval. Requests of ten (10) days or more shall require the approval of the Executive Officer or his/her designee. The employee may elect to continue employee benefits, and upon such election, premiums for such extended coverage shall be paid by the employee.

Section 36. Leave of Absence with Pay

Regular and regular part-time employees may request leave of absence with pay for the purposes specified in this Section. Each request shall be considered by the Department Head on its merits and on the basis of the guidelines provided in this

Section, all subject to review by the Executive Officer.

(a) Compassionate Leave: In the event of a death in the employee's immediate family, an employee may be granted leave of absence with pay not to exceed three (3) working days. Time not worked because of such absence shall not affect accrual of vacation or sick leave.

(b) Funeral Participation: When an employee participates in a funeral ceremony, he/she may be granted one-half (1/2) day off to perform such duty. Time not worked because of such absence shall not affect accrual of vacation or sick leave.

(c) Witness or Jury Duty: When an MSD employee is called for jury duty, or is subpoenaed as a witness, he/she shall not suffer any loss of his/her regular compensation during such absence; however, the amount of compensation an employee receives for such duty shall be deducted from his/her monthly gross salary. Time not worked because of such duty shall not affect accrual of vacation and sick leave.

(d) Military Leave: An employee who has successfully completed the probationary period and who is a member of the National Guard, or of a reserve component of the Armed Forces of the United States, or of the United States Public Health Service, shall be entitled, upon application, to a leave of absence for a period not exceeding fourteen (14) calendar days in any one (1) calendar year. Such leave shall be granted without loss of time, or other leave, and without impairment of merit ratings or other rights or benefits to which he/she is entitled. Military leave shall be granted only when an employee receives bona fide orders to temporary active or training duty, and shall not be paid if the employee does not return to his/her position immediately following the expiration of the period for which he/she was ordered to duty.

(e) Conferences and Conventions: Decisions concerning attendance at conferences, conventions, or other meetings at MSD's expense shall be authorized by the Department Head, subject to review by the Executive Officer. Permission shall be granted on the basis of an employee's participation in or the direct relation of his/her work to the subject matter of the meeting. Members of professional societies may be permitted to attend meetings of their society when such attendance is considered to be in the best interests of MSD. MSD shall pay for professional or trade memberships for employees when deemed appropriate by the Executive Officer or his/her designee.

Section 37. Education Opportunities

(a) All regular, regular part-time, and temporary full-time

employees are encouraged to pursue educational opportunities which are directly related to the employee's work, as well as any other opportunities which will add to the employee's education and/or skill level.

(b) Employees who register for courses which are adjudged to be of direct and significant benefit to MSD may receive some reimbursement for expenses incurred by the employee while taking approved courses.

(c) Approval of courses for which an employee may receive some reimbursement, and the type and amount of reimbursement, shall be made by the Executive Officer or designee on an individual basis subject to budget limitations.

(d) Normally the cost of textbooks and technical publications required for such courses shall be the responsiblity of the employee. If MSD purchases any of the textbooks and publications for such courses, said textbooks and publications shall become the property of MSD.

Section 38. Workers' Compensation Insurance

(a) All employees are covered for medical expenses and disability benefits for injuries or illness resulting from employment. An injury or illness sustained on the job must be immediately reported. The appropriate accident report form must be completed and sent to the State Industrial Accident Fund of the State of Oregon.

(b) Payment of medical expenses and lost time disability benefits is determined by the insurance carrier, State Accident Insurance Fund, on the basis of the doctor's statement and the Workers' Compensation Insurance schedule of the State of Oregon.

(c) The cost of Workers' Compensation Insurance is paid by MSD with the exception of the employee contribution mandated by the Workers' Compensation Law of the State of Oregon.

Section 39. Insurances

All regular and regular part-time employees receive health, life, disability, vision and dental insurance, and are members of one of MSD's retirement plans. Continuous service as defined in these Rules shall apply in determining length of service for purposes of an employee's retirement plan, except as otherwise required by each such plan.

Full-time temporary employees shall be provided benefits as described in the Temporary Employment Program, Appendix "A."

ARTICLE VII. ORIENTATION

Section 40. Orientation

All new employees shall be provided with a copy of the Personnel Rules and the agency shall periodically provide them with orientation sessions.

ARTICLE VIII. EXEMPTIONS

Section 41. General

Notwithstanding any provision of these Rules, certain employees shall be exempt and shall not be subject to the following portions of these rules:

1. Article II, Section 8 (Appointment), Section 9 (Probationary Period), and Section 13 (Layoff)

2. Article III, (General Conduct, Discipline, Termination, and Appeal)

3. Article IV (Classification Plan)

4. Article V (Pay Plan and Compensation)

Section 42. Positions Exempt

The exemptions designated in Section 41 herein shall apply to the following positions:

1. Executive Aide to the Executive Officer (1)

2. Administrative Aide to the Executive Officer (1)

Section 43. Conditions of Exemptions

Notwithstanding exemptions provided herein from Articles IV and V of these Rules, employees in exempt positions numbers 1 and 2 shall receive such salaries or compensation as may be determined by the Executive Officer, limited however, to budgeted funds allocated to the Executive Management Department for personnel designated in Section 42 of these Rules.

RRM/gl
0528A
0022A

Appendix "A"

TEMPORARY EMPLOYMENT PROGRAM

Preamble

In order to establish a consistent, equitable program for temporary employees; and to overcome dissimilarities of temporary employment provisions between the former CRAG and MSD agencies before merger in January 1979, the following Temporary Employment Program provisions shall apply.

Definition: Temporary Employee

Any employee hired under the Temporary Employment Program to perform a specific task or to participate in a series of specific projects for a period not to exceed 2,080 hours over an eighteen (18) month period. This definition excludes interns, CETA, and Work Study students.

Status of Temporary Employees

Temporary employment will be expected to terminate upon completion of the task or project. No commitments will be made by MSD to retain the employee past the termination date of the project in question. The term of employment in any case may not exceed twelve (12) months without approval of the Executive Officer who may grant up to a six (6) month extension provided, however, accrued hours shall not exceed 2,080 over an eighteen (18) month period. Continuation of employment beyond said point may only occur upon appointment to a regular position authorized under a currently approved budget.

Benefits

Benefits required by law such as Workers' Compensation and Social Security will be paid for all temporary employees. No additional benefits will be paid to temporary employees working less than a regular forty (40) hour week except for designated holidays as provided for regular employees in the Personnel Rules. If a designated holiday occurs on the employee's work day, then the employee will be compensated for that day on the basis of the number of hours normally worked. Should a temporary employee be required to work on a designated holiday, the employee shall be allowed time off computed at the overtime rate of one and one-half (1-1/2) times the hourly rate for time actually worked.

Two (2) floating holidays a year shall be provided temporary employees working a forty (40) hour week who have completed a

minimum of six (6) months of full-time continuous service. Six (6) months of full-time continuous service for each floating holiday shall be prerequisite to earning such a floating holiday.

Benefit Guidelines

Benefits, in addition to those required by law, will be paid to temporary employees working a forty (40) hour week on the following scale depending on length of employment. Time spent in previous temporary part-time positions (less than forty (40) hours per week) may not be counted in accumulating employment time.

A. Under three (3) months:

Regular paid designated holidays as described under above Benefits.

B. Over three (3) months:

1. Regular paid designated holidays as described in "A" above.

2. Sick leave at the same rate as for regular employees with accrual starting with the fourth (4th) month.

C. Over six (6) months:

1. Regular paid designated holidays as provided in "A" above.

2. Sick leave as provided in "B" (2) above.

3. Vacation and floating holidays, after six (6) months employment, at the same rate as for regular employees with accrual starting with the seventh (7th) month.

4. Health benefits at the same level as regular employees, but limited to the employee only.

Other Considerations

A temporary employee working forty (40) hours per week will be allowed to compete for regular positions on a preferred basis along with other regular employees. If hired into a regular position, employment time spent in previous full-time temporary positions may be counted toward the accumulation of vacation and personal holiday time.

Implementation

These guidelines become effective on July 1, 1979. Time spent in temporary positions of forty (40) hours per week prior to this date will be counted in qualifying for benefits by a full-time temporary employee, but with accrual starting on July 1, 1979, except that vacation and personal holiday benefits shall accrue based upon time worked including service preceding July 1, 1979. Prior service shall also be counted towards the work in the Temporary Employment Program. A termination date will be set for each temporary employee on the payroll as of July 1 of each year provided, however, that initially management shall have until September 30, 1979 to determine termination dates and identification of which temporary positions are to be converted over to regular positions.

Application of Other Personnel Rules

All other Personnel Rules including the pay and classification procedures will apply to temporary employees.

Classification

In order to reduce the number of special titles and the possibility of confusion between regular and temporary staff, the following temporary classes are created. The Staff Assistant I and II classes provide for a career ladder which recognizes growth and skill development and increased value to MSD. The Extra Help class provides Management with flexibility to deal with unanticipated and/or special needs.

STAFF ASSISTANT I

Definition: Entry level staff assignments to assist regular staff in research; ststistical compilations; organization of data for development of reports; perform various office related duties.

Qualifications: One (1) year of college level education or comparable work experience.

STAFF ASSISTANT II

Definition: Same as Staff Assistant I, but with broader responsibilities and operates under less supervision.

Qualifications: 1,500 hours of work experience as a Staff Assistant I, and a total of eighteen (18) months of college level education.

EXTRA HELP

Definition: A general work assignment which may be

skilled or unskilled, designed to provide office, clerical and related duties in assisting professional and office staff in specific projects.

Qualifications: Some general office, research, or related work experience; education can be substituted; generally the skills, knowledge, and ability of the individual are related to the work assignment to be performed.

Salary Plan

	Entry Step	Growth Step	Merit Step I	Merit Step II
Staff Assistant I	3.97 5% (3 mos.)	4.19 5% (6 mos.)	4.40 5% (6 mos.)	4.63
Staff Assistant II			5.00 5% (6 mos.)	5.25

	Salary Range	
Extra Help*	3.97	10.00

General Salary Administration Policy

Hiring: All persons should be hired at the Entry Step of the Staff Assistant I level. Exceptions approved by the Executive Officer may be made allowing hiring at the Growth Step.

Promotion: Eligibility for promotion to Staff Assistant II level shall be when said employee has served in the capacity of Staff Assistant I for a minimum of 1,500 hours. Said promotion shall be based on: 1) growth in skills, knowledge and abilities, 2) growth in work assignments, 3) upon recommendation of Department Director and approval of Director of Management Services.

Administration Policy for Salary Increase

Growth Step: Completion of the equivalent of three (3)

*Salary set on basis of individual qualifications; work assignment; past salary earning capacity; present salaries being paid to other Extra Help performing similar duties or full-time staff performing same duties and having equal qualifications. Six (6) month evaluations are required together with review and adjustment of salary to maintain consistency with above criteria and related considerations. The intent of the required six (6) month reviews is to assure that the "temporary" status of the employee is being maintained.

months of full-time, satisfactory service at the Entry Step, unless the Department Director recommends that the increase be withheld, but not for more than one (1) month.

Merit Step I: Completion of the equivalent of six (6) months of full-time, satisfactory service at the Growth Step, upon recommendation by the Department Director, with a performance evaluation submitted to the Manager of Personnel and Support Services for approval.

Merit Step II: Completion of the equivalent of 1,500 hours of full-time, satisfactory service at Merit Step I, upon recommendation of the Department Director, with a performance evaluation submitted to the Manager of Personnel and Support Services for approval.

NOTE: Use same procedure as above for the Staff Assistant II Merit Step increases using "six (6) months with evaluation."

If an employee in any of these categories works on an assignment that is also being performed by a CETA employee their salary rates should be equalized.

Evaluation Process

Use the present form for evaluation; place forms in personnel file; use form for evaluation if and when employee is considered for full-time employment. Evaluation may be made as deemed appropriate by Department Heads and/or the Executive Officer.

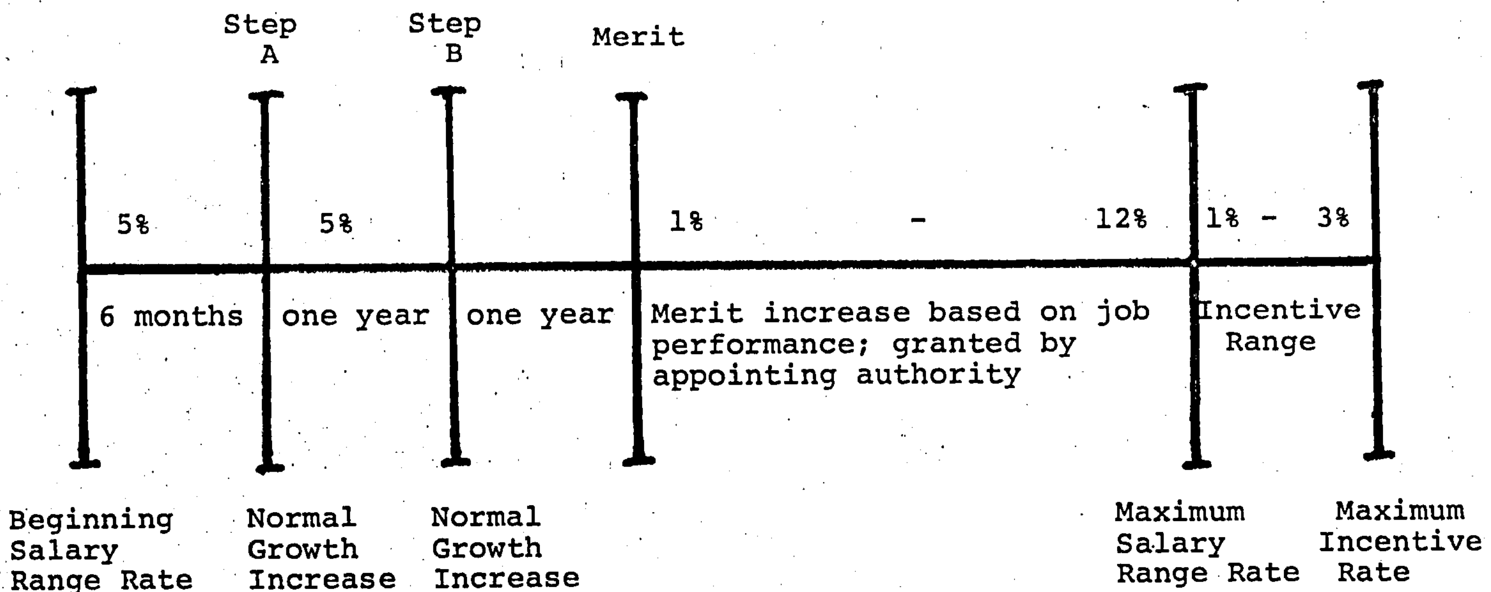
RRM/gl
4405A
0022A

Appendix "B"

SALARY PLAN CONCEPT AND ADMINISTRATIVE GUIDELINES

This salary plan is designed to allow an employee the opportunity for growth and adjustment to a new position, and to earn salary increases on a planned basis. In addition, taking into account the differences in individual growth and development of employees, this salary plan also provides for flexibility in earning salary increases. The combination approach allows for employees to become adjusted to a new position without emphasis on performance; however, after a certain period of time it is expected that the employee has adjusted to the new position, and is capable of earning salary increases based on performance.

Salary Range:



All salary increase actions require the Supervisor's recommendation, and the approval of both the appointing authority and Personnel Manager prior to providing said increase to the employee.

ADMINISTRATIVE PROCEDURES

- Employees hired or promoted to the beginning Step of a salary range receive a normal growth salary increase of five (5) percent in six (6) months of continuous service to Step A, and a normal growth salary increase of five (5) percent in one and one-half (1-1/2) years of continuous service to Step B.

- Normal Step increases are initiated by Personnel on the appropriate dates unless an appointing authority provides Personnel with a negative performance evaluation and a request to temporarily withhold said increase, but for no longer than sixty (60) days. This does not absolve the appointing authority from performing an evaluation at the point the employee reaches Step A and, subsequently, Step B.

- After an employee has reached Step B, he/she is eligible for salary increases in one (1) percent increments up to and including the maximum salary shown for the assigned salary range. Criteria for providing the increases are on the following pages.

- The Incentive Salary Rate of one (1) percent to three (3) percent is to be administered by the Executive Officer in conjunction with the Personnel Manager and the appropriate Department Head. This salary is deemed to be used in terms of rewarding outstanding employees and/or to assist in retaining employees.

- All merit increases have to be authorized and approved by the appointing authority and reviewed by the Personnel Manager prior to implementation.

- The normal growth salary increases (except as noted in the second paragraph of this section) and the merit and incentive increases must be submitted to Personnel with an employee evaluation form.

- The Maximum Salary Rate is considered the rate which is set annually by the Council according to agency salary policies relating to comparable and competitive rates of pay found in the labor market for similar work, and which rate reflects the impact of the cost-of-living for the Portland metropolitan area. When the Maximum Salary Range rate is adjusted, the entire salary range must be adjusted and the individual's salary should be adjusted by the same rate. This adjustment will maintain the internal balance between salary ranges for each class and maintain the employee's salary within the assigned salary scale.

It will be general practice to hire new employees at the Beginning Step, but promoted employees may have to be assigned a salary within the appropriate category in line with MSD Personnel Rules and policies.

Criteria to be considered in recommending and granting merit salary increases should include but not be limited to:

- Length of service
- Competency
- Growth in handling job responsibilities
- Attitude
- Specific actions toward self-improvement
- Recognition of excellence
- Productivity increases of tangible quantities and qualities
- Creative and innovative contributions
- Cost and budgetary savings realized

This criteria shall apply to salary increases given above Step B in the Salary Schedule. The Personnel Manager shall review the Supervisor's and appointing authority's merit salary increase actions, and shall assure that the above criteria are essentially met in whole or in part, that there is consistency as to application of the merit increase concept, that there is availability of funds, and that the following points are applied:

- Employees who are just performing their work as assigned should not be considered for merit salary increases

- Employees who are showing progressive and continual growth are eligible to receive no more than a three (3) percent merit salary increase at the time that they are evaluated

- Employees performing at an exceptional and outstanding level are eligible to receive no more than an eight (8) percent merit salary increase at the time that they are evaluated

- Employees will be considered for merit increases upon their employment anniversary date or the date upon which they received Step B salary of their assigned range.

The Executive Officer, upon request by the appointing authority and supported with proper documentation of all relevant issues, may reduce an employee's merit salary. Such decrease cannot go below the "Normal Growth Increase B" level. All such reductions shall be appealable to the Executive Officer who shall conduct a formal review of the matter prior to submitting a final decision.

MANAGEMENT OF INCENTIVE RANGE

The Incentive Range of three (3) percent should be managed exclusively by the Executive Officer. Request for incentive increases by appointing authorities should be sent directly to the Executive Officer.

The major use of this part of the salary plan should be for outstanding performance, retention and/or assignment of an additional project of agencywide importance. Other reasons as deemed appropriate by the Executive Officer can be applied. This increase is considered to be for no longer than one year. The Personnel Manager shall assist the Executive Officer with the implementation and management of this provision.

RRM/gl
3727A
0040A

AGENDA ITEM 7.1

A G E N D A   M A N A G E M E N T   S U M M A R Y

TO: MSD Council
FROM: Zoo Committee
SUBJECT: Proposal to Create a Development Foundation for Washington Park Zoo

BACKGROUND: The Washington Park Zoo is undergoing a major facelift as it begins to implement its Development Plan. Already completed, or nearing completion, are the entrance plaza improvements, the remodeled nursery, the new quarantine facility and the Night Country Exhibit. The new addition to the elephant enclosure is half done and bids for the primate house renovations are to be opened August 20.

All these improvements cost money, and future plans call for additional remodeling and construction of new exhibits that focus on native wildlife, all of which will require more money. To make our Zoo a major tourist attraction, and a quality cultural and educational facility for the region, yet not impose too great a burden on the taxpayer, an approach for raising private funds and aggressively seeking grants should be adopted. A reasonable approach would be to create a Development Foundation for this purpose. Such a foundation would allow separation of private dollars raised for specific purposes from public tax dollars which support operation of the Zoo and pay for traditional capital improvements. It could create a positive atmosphere for giving while eliminating much of the "red tape" commonly associated with government. As a result, funds could more quickly be put to the use for which they were intended.

To assure that the fund-raising activities of the foundation mesh with development plans for the Zoo, project priorities will be set by the Council. Exactly how the money is raised should be the prerogative of the foundation.

Several steps must be taken in order to create a viable, working foundation. First, the MSD must make a commitment to sustain the organization phase of the foundation. It is estimated that it will take two years before such a foundation can be totally self-sufficient. It will, therefore, be necessary to allocate adequate developmental or "seed" money to support the phase one effort. For the two-year period this is estimated to be $40,000 annually. Ideally, a substantial part of this funding could come from the Foundation itself, with the MSD providing a guarantee, or underwriting to assure continued operation. However, since this may not materialize, the MSD needs to commit two year's of funding to the effort. To monitor progress, an evaluation should be conducted at the end of the first and second years.

One of the key ingredients to any successful effort to raise substantial sums of money is adequate staff support. While the Zoo Director will have a major role to play, a "Development Director" should be employed with general responsibility for administration of the program. Initially, the duties of this position will center around the establishment of the foundation and other private fund-raising programs. Ongoing tasks will include grant solicitation and follow through, merchandising and promotion of the "giving" campaign, responsibility for the deferred giving/bequest efforts and provision of general support for the foundation and its board. The individual would work very closely with the Zoo Director and serve as development program liaison to the Council and Executive Officer.

BUDGET IMPLICATIONS: Because no account number was specifically provided for this purpose in the FY 1980 budget, funds provided by MSD will come from the Zoo Contingency account. The obligation for this fiscal year will approximate $20,000.

POLICY IMPLICATIONS: MSD would commit funds for two years to support establishment of a Development Foundation that would undertake raising private or grant funds to assist with implementing the Zoo Development Plan. Assignment of responsibility for gaining outside resources for the Zoo Development Program will be focused in the Foundation and the Development Director. Project priorities for fund expenditures will continue to be set by the Council.

ACTION REQUESTED: Council approval of Resolution No. 79-72.

MR/gl
4507A
0033A
8/9/79

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ESTABLISHING A PRIVATE, NON-PROFIT FOUNDATION AT THE WASHINGTON PARK ZOO	))))	RESOLUTION NO. 79-72 Introduced by the Zoo Committee

WHEREAS, The MSD Council feels that the Washington Park Zoo needs further capital improvements in order to effectively fulfill its responsibilities to its visitors and its animal collection; and

WHEREAS, The MSD Council believes that the total cost for improving the Zoo should not come from local taxes; and

WHEREAS, The MSD Council endorses the concept of a public/private partnership in pursuit of providing the citizens with regionwide services; now, therefore,

BE IT RESOLVED,

1. That the MSD Council hereby supports establishment of a private, non-profit foundation to raise private funds to underwrite capital improvements which have been approved by the MSD Council at the Washington Park Zoo.

ADOPTED by the Council of the Metropolitan Service District this 9th day of August, 1979.

Presiding Officer

MR/gl
4509A
0033A

AGENDA ITEM 7.2

A G E N D A   M A N A G E M E N T   S U M M A R Y

TO: MSD Council
FROM: Executive Officer
SUBJECT: Financing Agreement with Digital Equipment Corporation

BACKGROUND: The computer purchase, which was included in the FY 1980 Budget, is to be financed over a five-year period. The purchase will be financed by the Digital Equipment Corporation, manufacturer of the computer which we have purhcased. This corporation requires a resolution from the governing board of MSD approving the Agreement. An attached report summarizes the background on the computer decision and the proposals to use the equipment.

BUDGET IMPLICATIONS: Total cost of the computer is: hardware $90,745, maintenance $30,109, and leasing costs $24,138, for a total of $144,992 to be financed over a five-year period. The first year cost of $26,624, will be paid by the Transportation Department and included in the FY 1980 Budget. The yearly cost for the remaining four years will be $29,592 which will be spread across the Planning, General and Solid Waste funds. Also the organization will forego the cost savings which could accrue in the Transportation Department, and the productivity increases which could occur from an in-house computer will not be realized.

Solid Waste and the General Funds will continue to pay for the rental of the existing IBM computer until the programs on that computer can be converted to the new computer. Funds are included in the FY 1980 Budget to cover these costs.

A more detailed discussion of the financing arrangements is included in the attached Report.

POLICY IMPLICATIONS: If the agreement is not approved, the computer will be sold to another public agency. The sale will mean that staff will be delayed in meeting the expectations of the Council in improving performance of the financial system. (Refer to the attached Report for a more complete report.)

ACTION REQUESTED: Approve the Resolution authorizing the execution of an Agreement with the Digital Equipment Corporation to finance the purchase of a DPD 11/34 over a five-year period.

CS/gl
4572A
0033A
8/9/79

AGENDA ITEM 7.2

S U P P L E M E N T A L

A G E N D A   M A N A G E M E N T   S U M M A R Y

TO: MSD Council
FROM: Executive Officer
SUBJECT: Primate House Bid

After many months of intensive work involving the design firm of Sheldon, Eggleston, Reddick and Associates and a Zoo project team, construction documents for the Primate Project were completed and the project was advertised for bids. The estimated budget, including approximately 24% for overhead, profit and unforseeable factors, has been adjusted in anticipation of inflationary costs by 1980-1981.

The design firm's last estimated cost was $1,612,268. That figure was above that discussed with Zoo staff when the bid documents were advertised. The original estimate and the amount budgeted for the project was $1,500,000.

On August 21, MSD received only one bid on the Primate Project. The single bid received was for $2,045,000.

Because this bid is in excess of the budget and because it is desirable to have two or more responses, we recommend that the bid be rejected and the staff instructed to seek alternative means of pursuing the project.

AKM:mec

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING THE CONDITIONAL SALES AGREEMENT BETWEEN DIGITAL EQUIPMENT CORPORATION AND THE METROPOLITAN SERVICE DISTRICT	)	RESOLUTION NO. 79-73 Requested by Rick Gustafson

WHEREAS, The Metropolitan Service District has performed an analysis of in-house data processing needs; and

WHEREAS, This analysis has concluded that MSD should acquire in-house data processing equipment; and

WHEREAS, A Request for Proposal was issued and Digital Equipment Corporation was selected to supply an in-house data processing system; and

WHEREAS, The MSD Council must adopt a resolution approving the Conditional Sales Agreement between Digital Equipment Corporation and MSD; now, therefore,

BE IT RESOLVED,

1. That the Conditional Sales Agreement by and between Digital Equipment Corporation and the MSD for the sale on a time price basis of computer equipment and the licensing of software is hereby approved.

2. That the Executive Officer is hereby authorized and directed, on behalf of the MSD, to execute this Agreement and deliver same to Digital and to execute and deliver any other documents and agreements (example: Addenda, Schedules, UCC Financing Statements) and to do and perform all other acts and things deemed necessary, convenient or proper hereby ratifying, approving and confirming all that the Executive Officer has done or may do in the

premises.

3. That any assignee of Digital may rely on these resolutions and that they will have the same binding effect as if said assignee were specifically mentioned therein in lieu of Digital.

ADOPTED By the Council of the Metropolitan Service District this 9th day of August, 1979.

____
Presiding Officer

CS/gl
4554A
0033A

Metropolitan Service District

527 SW Hall Portland, Oregon 97201 503/221-1646

Memorandum

Date: August 2, 1979

To: Rick Gustafson

From: Charlie Shell

Subject: Report on Data Processing Planning and Implementation

I. INTRODUCTION: This report has been prepared to provide the Council with the background on how data processing is being used to support MSD activities and the plans which have been developed to improve that support. The report explains the background on the initial decisions on new computer hardware and the conversion of existing programs to the new equipment.

Transportation and Solid Waste Departments are prepared to convert existing programs to the new computer, and continue developing the capabilities of those programs. The report focuses on the problems which were identified in the financial reporting programs after a staff review of the original decisions in this area. Since the decision to proceed with the lease may depend heavily on the ability to use the new computer for financial reporting, a more detailed discussion of the financial system is provided.

II. EQUIPMENT DECISION: An evaluation of computer usage of the prior MSD and CRAG was conducted in December preceding the formation of the current MSD organization. At that time usage was dispersed among several computers. The prior MSD used an IBM System 32 for financial reporting and for processing solid waste program information. CRAG used a Burroughs accounting machine for financial reporting and contracted with OMSI and the Data Processing Authority for support for the transportation program.

After the formation of the new MSD a decision was made to consolidate usage on one computer. This would allow cost to be consolidated, would improve productivity and would provide increased computer capability. Proposals were considered from computer vendors and a decision was made to purchase a DEC PDP 11/34.

The new computer was delivered on July 27, 1979, and will be installed as soon as the financial agreement has been approved. If the Council does not approve the signing of the

agreement, another public agency is prepared to purchase the equipment immediately.

III. SOFTWARE DECISIONS: At the time the equipment decision was made, the assumption was made that the then existing staff would be used to convert existing programs to the new computers.

A. Transportation

The Transportation Department is prepared to use existing staff to convert programs from OMSI and part of the programs now on the Data Processing Authority equipment to the new computer.

The Transportation Improvement Plan programs now on the OMSI computer would be converted to the new computer. Use of in-house equipment would provide increased response time on the computer terminals and would provide increased capacity for further development.

The main cost savings will occur in shifting work from the Data Processing Authority computer. Performing basic editing functions on in-house equipment before the programs are submitted directly to the Data Processing Authority will result in a Department budget savings of approximately $2,000 per month in computer rental time.

Staff efficiency will be increased through faster response time on the terminals and through printing of progress reports on in-house equipment. Currently reports are printed at the Data Processing Authority offices and sent by courier to MSD. The new equipment will be compatible with computer based graphics equipment which could be used by Transportation in the future.

B. Solid Waste

The Solid Waste Department uses computer programs to collect data on the quantity of waste collected, where it is dumped and the routes which haulers use to reach landfills. Information is collected from both the landfills and the haulers. The data is used to forecast trends in volumes of waste being generated and to project revenues being earned by MSD from landfill activity. A third program is used to analyze the weight and volume of solid waste dumped

at the St. Johns and Rossman landfills.

The new computer would provide additional capacity to store the data being collected. Storage capacity on the existing equipment is limited. Existing programs could also be converted to a computer language which will be easier and more efficient to use than the one which we are limited to on the existing equipment.

C. <u>Financial Systems</u>

1. Initial Decision

Several problems have emerged since the intial decision was made to use existing staff to convert existing programs:

- The staff member who had developed the existing financial programs has since left the organization.

- The programs which were developed were not adequately documented making it difficult for another programmer to continue to develop them.

- There were serious design flaws in the programs currently being used.

- There is a limited ability to allocate program costs.

These limitations seriously hampered the performance of the overall financial system:

- Delays in manual preparation of grant billings and financial reports and as a result,

- Marginal cash flow performance

- Marginal investment performance.

Because of these problems, staff concluded that the existing system was not adequate to meet the expectations of the Council for the performance of a financial system.

2. Evaluation of options to existing financial system

The staff evaluated several alternatives to provide financial information starting with the following criteria:

- Provide program cost information
- Improve investment performance
- Provide more current and comprehensive financial information
- Achieve these objectives by July 1, 1980

System should function within the following constraints:

- Limited Data Processing Staff Support

- Data Processing staff limited to Transportation Department

  Performance Implications

  - Additional expense would be incurred to improve the existing program or maintain a new system

  - Prior commitment to consolidated use

  - A new computer has been purchased to support all organization users

  Performance Implications

  - A decision to share a system on another computer would mean that our existing resources would not be fully utilized

  - If the order for the new computer were canceled the requirements of other users still would have to be met

The following options were considered for providing a financial reporting system:

1. Cooperative project with Tri-Met

   Pro:

   - Share program development costs

Con:

- Delay of two years in implementation
- Possible incompatibility of equipment
- Continued reliance on existing system or...
- incur additional expense of an interim system
- Longer term risk - may have to compromise objectives

2. Interim System pending completion of joint Tri-Met System

   Pro:

   - Keep option of joint project open while providing increased capabilities

   Con:

   - Cost of hiring data processing personnel to adopt and maintain interim system is prohibitive
   - System may not meet all of our requirements

3. Buy into a system being used by another public organization

   Pro:

   - Reduce costs

   Con:

   - Would under-utilize existing system

   - System may not meet all our requirements

4. Acquire a system with performance and maintenance guarantees from a software company

   Pro:

   - Provide a reliable system without expense of additional staff
   - Acquire a system which can be tailored to our requirements

   Con:

   - Preclude joint project with Tri-Met
   - Cost will range from $35,000 to $40,000

The evaluation of these alternatives considered the following

trade-offs:

- level of capabilities required
- level of system reliability
- length of implementation time
- expense

3. Staff Recommendation

The staff concluded that the acquisition of a reporting system from a software company would be the best option to meet Council expectations for performance, would provide the most reliable system within the constraints of limited staff, and would be implemented as quickly as possible and at the lowest possible cost.

The cost of this system will be approximately $35,000 to $40,000 which can be financed over a five year period for a yearly cost of $8,862 to $10,128. To assure the orderly conversion to this system, the existing financial system on the IBM computer should be maintained until a new system has been fully tested. The monthly lease on the IBM computer is $1,780. The conversion may take up to a full year at an additional cost of $21,400. The budget implications are discussed more fully in the next section of this Report.

The staff is not requesting specific action on the financial system at this time. This background is provided to emphasize the point that an approval of the financial agreement with DEC Leasing and the subsequent expectation that the equipment will be used for financial reporting software will require the purchase of a software package.

IV. <u>BUDGET IMPLICATIONS</u>: The cost of the hardware and financial software can be absorbed in the FY 1980 Budget in the following manner:

a. Cost

Hardware	
Lease of new computer	$26,624
Maintain IBM for one year	21,400
Software	
Financial reporting software $40,000 five-year financing starting June 1, 1980	$ 5,000
Total	$53,024

b. Budget

1. Hardware

Transportation*	$30,000
Solid Waste	10,000
Accounting	10,000
Sub Total	$50,000
2. Software	$ 5,000
Total	$55,000

*Total Transportation Budget for Data Processing

In-House	$30,000
Data Processing Authority	45,000
Total	$75,000

The Transportation Department would be the initial user on the new equipment and would be prepared to pay the full $26,624 lease cost for the first year. The amounts budgeted in Solid Waste and Accounting would be used to support the IBM computer up to the point that the Solid Waste programs could be converted and financial reporting systems could be installed and tested. The IBM rental agreement would be terminated as soon as possible, but not before reliable programs could be installed on the new equipment. The budget assumption is made that the IBM lease will continue for the full fiscal year.

The yearly cost of the hardware and financial software over the remaining four years -

Cost

DEC Lease	$29,592
Software	10,128
Total	$39,720

Budget

Transportation	$10,000
Solid Waste	10,000
Accounting	20,000
Total	$40,000

V. POLICY IMPLICATIONS: The staff would have considerable problems meeting the Council's expectations for performance of a financial system. If the lease is not approved and the computer is sold, it would be necessary for staff to provide the information requested manually. There would be delays in producing financial reports. The time spent manually preparing reports would reduce the staff time available to improve cash flow and investment performance.

The Transportation Department could continue to operate but would give up the advantages of cost savings after the first year and the increased productivity from an in-house computer.

The Solid Waste Department could continue to operate on existing equipment, but would face capacity problems in the future.

Additional analysis is used to establish exactly how much computer capacity will be available after Transportation, Solid Waste and financial systems are operational. Disposing of the computer will in any case limit future applications in the Metropolitan Development Department.

CS/gl
4574A
D/1

AGENDA ITEM 7.3

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPOINTING THE PRESIDING OFFICER AS A MEMBER OF THE WAYS AND MEANS COMMITTEE	))))	RESOLUTION NO. 79-74 Introduced by Councilor Jack Deines

WHEREAS, The Metropolitan Service District Council, at its meeting of March 22, 1979, adopted Resolution No. 79-36 appointing Councilors to standing committees; and

WHEREAS, The Presiding Officer, in conformance with the wishes of the Council, has agreed to serve as a member of the Ways and Means Committee; and

WHEREAS, The Council wishes to confirm such appointment pursuant to the Procedural Rules of the Council; now, therefore,

BE IT RESOLVED,

That the Council hereby confirms the appointment of Mike Burton, Presiding Officer, as a member of the Ways and Means Committee.

ADOPTED by the Council of the Metropolitan Service District this 9th day of August, 1979.

____
Presiding Officer

MC/gl
4562A
0033A

AGENDA ITEM 7.4

A G E N D A   M A N A G E M E N T   S U M M A R Y

ADOPTED BY THE MSD COUNCIL THIS 9th DAY OF August, 1979
Mary E. [illegible]
CLERK OF THE COUNCIL

TO: MSD Council
FROM: Executive Officer
SUBJECT: Exception to Hiring Freeze

BACKGROUND: On May 26, 1979, the Council adopted Resolution No. 79-52 which established the policy of freezing any vacant position for two months. The Resolution did permit the Council to approve exceptions to the freeze where sufficient justification could be established.

Your approval is requested to fill vacancy in the following position:

Word Processing Operator

Department of Management Services
General Fund: Included in Overhead Charge
Monthly Rate: $915

The Word Processing Center is the main source of typing services for all departments and the Council. The three member staff currently utilizes the Word Processing machines to capacity and are frequently pressed into overtime to meet demand. Any lapse in filling this position would mean that the Center would not be able to keep up with demands for services. The position is fully funded through Overhead.

BUDGET IMPLICATIONS: Assuming that the Word Processing position is filled for two months the expenditure, including benefits, will be $1,830. This savings will be distributed across the following three funds:

1.	Planning Fund (The majority of this expenditure is grant funded.)	$ 1,377
2.	General Fund	183
3.	Solid Waste	270
		$ 1,830

This figure represents the potential savings which will be lost if the position is filled.

POLICY IMPLICATIONS: The position requested for exemption is in a critical area. Approval will not set an inappropriate precedent for future exemptions.

ACTION REQUESTED: Approve an exception to the hiring freeze and permit filling the Word Processing position described in this summary.

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM: Rollcall

MEETING DATE: 8-9-77

	AYE	NAY
DISTRICT 10 — Gene Peterson	✓	
DISTRICT 11 — Marge Kafoury		X
DISTRICT 12 — Mike Burton	X	
DISTRICT 1 — Donna Stuhr	X	
DISTRICT 2 — Charles Williamson	X	
DISTRICT 3 — Craig Berkman	X	
DISTRICT 4 — Corky Kirkpatrick	X	
DISTRICT 5 — Jack Deines		X
DISTRICT 6 — Jane Rhodes	X	
DISTRICT 7 — Betty Schedeen	X	
DISTRICT 8 — Caroline Miller	X	
DISTRICT 9 — Cindy Banzer	X	
Total		

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM: Ord 79-73

MEETING DATE: 8-9-79

	AYE	NAY
DISTRICT 7		
Betty Schedeen		
DISTRICT 8		
Caroline Miller	X	
DISTRICT 9		
Cindy Banzer		X
DISTRICT 10		
Gene Peterson	X	
DISTRICT 11		
Marge Kafoury		
DISTRICT 12		
Mike Burton	X	
DISTRICT 1		
Donna Stuhr	X	
DISTRICT 2		
Charles Williamson	X	
DISTRICT 3		
Craig Berkman		X
DISTRICT 4		
Corky Kirkpatrick	X	
DISTRICT 5		
Jack Deines		
DISTRICT 6		
Jane Rhodes	X	
Total		

MC

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM: ~~Budget Chapter~~ Amendment

MEETING DATE: ~~10~~ 8-9-79

	AYE	NAY
DISTRICT 6 Jane Rhodes	X	
DISTRICT 7 Betty Schedeen		ab
DISTRICT 8 Caroline Miller		X Mc
DISTRICT 9 Cindy Banzer	X	
DISTRICT 10 Gene Peterson	X	
DISTRICT 11 Marge Kafoury		
DISTRICT 12 Mike Burton	X	
DISTRICT 1 Donna Stuhr		X
DISTRICT 2 Charles Williamson	X	
DISTRICT 3 Craig Berkman	X	
DISTRICT 4 Corky Kirkpatrick		X
DISTRICT 5 Jack Deines		
Total		

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM Currie Substitute

MEETING DATE 8-9-79

	AYE	NAY
DISTRICT 10 — Gene Peterson		X
DISTRICT 11 — Marge Kafoury		
DISTRICT 12 — Mike Burton	X	
DISTRICT 1 — Donna Stuhr	X	
DISTRICT 2 — Charles Williamson	X	
DISTRICT 3 — Craig Berkman		X
DISTRICT 4 — Corky Kirkpatrick	X	
DISTRICT 5 — Jack Deines		
DISTRICT 6 — Jane Rhodes	X	
DISTRICT 7 — Betty Schedeen	X	
DISTRICT 8 — Caroline Miller	X	
DISTRICT 9 — Cindy Banzer		X
Total		

MC

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM Petterson Amendt to [illegible] Fee

MEETING DATE 8-9-79

	AYE	NAY	
DISTRICT 5 Jack Deines			absent
DISTRICT 6 Jane Rhodes		X	
DISTRICT 7 Betty Schedeen	X		
DISTRICT 8 Caroline Miller	~~X~~	X	changed her vote
DISTRICT 9 Cindy Banzer	X		
DISTRICT 10 Gene Peterson	X		
DISTRICT 11 Marge Kafoury			absent
DISTRICT 12 Mike Burton	X		
DISTRICT 1 Donna Stuhr	X		
DISTRICT 2 Charles Williamson	X		
DISTRICT 3 Craig Berkman	X		
DISTRICT 4 Corky Kirkpatrick		X	
Total			

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM: Veterans

MEETING DATE: 8-9-79

	AYE	NAY	
DISTRICT 4 Corky Kirkpatrick		X	[illegible]
DISTRICT 5 Jack Deines			abs
DISTRICT 6 Jane Rhodes		X	
DISTRICT 7 Betty Schedeen	X		
DISTRICT 8 Caroline Miller	X		
DISTRICT 9 Cindy Banzer	X		
DISTRICT 10 Gene Peterson	X		
DISTRICT 11 Marge Kafoury			absent
DISTRICT 12 Mike Burton	X		
DISTRICT 1 Donna Stuhr	X		
DISTRICT 2 Charles Williamson	X		
DISTRICT 3 Craig Berkman	X		

Total

MEETING TITLE MSD Council

DATE Aug 9, 1979

NAME	AFFILIATION/ADDRESS
Jennifer Sims	MSD
DEAN SMITH	MULTNOMAH COUNTY
Don Clark	" "
FRED LEESON	OREGON JOURNAL
Bob Weil	
Dick Brenneke	Guardian Properties Portland
Hans A Juhr	Gresham Plaza Oreg) Ltd. 1339 SE Gideon Portland.
Lynne Aiken	State Housing Division, Salem
Jeanine Carr	PACT 3534 S.E. Main / Port. 97214
Bruce Ettinger	1460 SE 58th Ptld. Ore.
Terry Morgan	2111 NE 43rd Ave
Linda Macpherson	DLCD
Linda Brentano	MSD
Jim Cauller	MSD
Marilyn Holstrom	MSD
Peter A. Nathan, M.D.	2455 NW Marshall / 97210
[illegible]	2801 N. Gantenbein
John Grotting	" " "
Richard A. Rix	Northwest Oregon Health Systems
Cayle Waters	MSD
Lynn Dingler	Clackamas County
Ed Leek	NE Coalition of Neighborhoods
[illegible] Gregory	MSD
Michele M. Wilder	MSD

MEETING TITLE ______________________________

DATE ______________________________

NAME	AFFILIATION/ADDRESS
Peg Hemmond	GM&CO
Vickie Grimes	MSD
McKay Rich	MSD