

MINUTES OF THE METRO COUNCIL MEETING

Thursday, April 24, 2003
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Brian Newman, Carl Hosticka, Rod Monroe, Rex Burkholder, Rod Park

Councilors Absent: Susan McLain (excused)

Deputy Council President Park convened the Regular Council Meeting at 2:04 p.m.

1. INTRODUCTIONS

Metro staff and councilor's children gaveled in the meeting for Bring Your Child to Work Day. They all introduced themselves and shared what they had learned about Metro and their parent's jobs.

2.1 CITIZEN COMMUNICATIONS

There were none.

2.2 RECENT INNOVATIONS IN USE OF COMPOST FOR EROSION CONTROL ON HIGHWAY FACILITIES

John Foseid, Solid Waste and Recycling Department, presented a power point presentation on Compost Use for Erosion Prevention on Oregon Highways (a copy of the presentation is included in the meeting record). This project was in Clackamas County. Mr. Foseid gave an overview of the background, strategies, partnerships, I-205/Sunnyside project, erosion control versus erosion prevention, and use of compost for erosion.

Councilor Park asked about nutrient loading and run off. Mr. Foseid said there would be no run off. The nutrients would stay in place. Councilor Burkholder asked about potential demand in terms of the need for compost. There was a potential market. Mr. Foseid said he had done the same project in Texas. They had used over 300,000 yards of compost.

3. CONSENT AGENDA

3.1 Consideration of minutes of the April 16, 2003 and April 17, 2003 Regular Council Meetings.

Motion:

Councilor Burkholder moved to adopt the meeting minutes of the April 16, 2003 and April 17, 2003, Regular Metro Council meetings.

Vote:

Councilors Park, Hosticka, Burkholder, Monroe voted in support of the motion. The vote was 5 aye, the motion passed with Council President Bragdon absent from the vote.
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4. ORDINANCES – FIRST READING

4.1 **Ordinance No. 03-992**, For the Purpose of Amending Chapter 5.05 of the Metro Code to

Adjust the Fee Schedule for Applications for Non-System Licenses.

Council President Bragdon assigned Ordinance No. 03-992 to the Council.

4.2 **Ordinance No. 03-1006**, For the Purpose of Authorizing Revenue Bonds to Refunding Metro’s Waste Disposal System Refunding Revenue Bonds, Series 1993; and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 03-1006 to the Council. Doug Anderson, Solid Waste & Recycling Department, provided a briefing of Ordinance. He said interest rates were low. It was appropriate to refinance the bonds. He shared the savings if they refinanced the bonds right now. He spoke to a fact sheet (a copy of which is included in the meeting record). Interest would move to less than 3%, saving over \$1.6 million. He explained the urgency of completing this transaction. Councilor Newman asked about savings. Mr. Anderson talked about annual savings as well as the shorter timeline for paying them off. He talked about the reserve as well.

5. ORDINANCES - SECOND READING

5.1 **Ordinance No. 03-994**, For the Purpose of Amending Provisions of Metro Code Chapter 2.04, Chapter 7.01 and Chapter 2.16 Relating to Sponsorship and Naming Rights Contracts.

Motion:	Councilor Burkholder moved to adopt Ordinance No. 03-994.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder gave an overview of this ordinance. The existing provisions in the Metro Code gave the Metro Council the final decision in the naming and sponsorship to ensure the public’s interest was maintained. Councilor Hosticka asked about what a facility meant. Mark Williams, Chief Operating Officer, said he was not sure that the definition mattered because Council must approve the naming of a facility or a part of a facility. Dan Cooper, Metro Attorney, clarified the definition of a facility versus a part of a facility. Councilor Hosticka expressed concern that the major amendments added the concept that a facility could be named for a corporation rather than a person. Mr. Cooper said that was correct. Councilor Hosticka said subsection E was where an entire facility could be named after a corporation.

Motion to Amend:	Councilor Hosticka moved to amend Ordinance No. 03-994 by striking Subsection E.
Seconded:	Councilor Park seconded the motion

Councilor Hosticka explained the purpose of his amendment. Councilor Park said he was not as concerned because the final decision had to be made by this Council. Council President Bragdon shared Councilor Hosticka’s concern. He was supportive of the direction he was going. Councilor Newman said he was also supportive of the amendment and explained further what his feeling was on the name of an entire facility. Council President Bragdon asked clarifying questions concerning the impacts of the amendment. Mr. Cooper responded that he did not believe the proposed amendment would prohibit the sponsorship contracts. Those would be administrative matters. This was clearly a substantive amendment. If it passed, the ordinance should be held over one week. Mr. Williams added that Sheryl Manning, Acting General Manager of Metropolitan Exposition-Recreation Center, had worked on this ordinance and suggested she respond to the questions. Ms. Manning agreed with Mr. Cooper’s interpretation. She then commented on the

amendment and spoke to the naming of the Keller Auditorium. She felt there was need for private sector support. She urged passing the ordinance without the amended language. Councilor Monroe asked about the naming of other facilities such as a boat ramp. Mr. Cooper responded to his question. Councilor Monroe said Metro managed the Gleason Boat Ramp and felt that the amendment was too narrow. He would not support the amendment. Councilor Hosticka closed by saying that by making this amendment they were stating policy. He couldn't see it likely that he would name a facility after a corporation unless they made a major contribution to the construction of the building. If an extraordinary deal were presented it would be possible to amend the ordinance and consider the situation. He drew distinction between a corporation and a person.

Vote to Amend:

Councilors Park, Monroe, and Council President Bragdon voted no, Councilors Hosticka, Newman and Burkholder supported of the motion. The vote was 3 aye /3 nay, the motion failed.
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Council President Bragdon opened a public hearing. No one came forward. Council President Bragdon closed the public hearing.

Vote on the Main Motion:

Councilors Park, Burkholder, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 5 aye, 1 nay, the motion passed with Councilor Hosticka voting no.

5.2 **Ordinance No 03-1001**, For the Purpose of Adopting the Annual Budget for Fiscal Year 2003-04, Making Appropriations, and Levying Ad Valorem Taxes, and Declaring an Emergency.

Council President Bragdon explained the process today and for the future meetings. He then opened a public hearing.

Richard Knox, Goodwill Industries, 1943 SE 6th Ave., Portland, OR 97084 said he had talked about the thrift credit program at a previous public hearing. He was here today to provide additional information (a copy of which is included in the meeting record). They recycled 16 million tons. Councilor Park asked about the remaining materials that they had to dispose of. Mr. Knox said they used Metro facilities. Councilor Park asked if they would take them to a Material Recovery Facility (MFR). Council President Bragdon said the thrift program was different than the recycling program and explained further the difference between programs. Councilor Hosticka said he thought the program that was written for thrifts was written for recycling. Mr. Knox spoke to the purpose of the program, which included recycling.

John Frederick, Goodwill Industries, yielded his time to Mr. Knox.

Kathy Taylor, Wilken and Co. CPA, 4377 Cobb Way, Lake Oswego, OR 97034 said she had served an internal auditor and reviewed her other credentials. She spoke to the role of the auditor at Metro. A good audit department was cost effective and often saved the agency. She spoke to the cost of training auditors. She encouraged the Council to reinstate the auditor's budget. Councilor Burkholder asked what the appropriate about level of service that should be provided. He asked Ms. Taylor how much you spend on auditing, what was a benchmark for how much you spent on auditing? Ms. Taylor said there was no benchmark you could point to. However, the level of audits that Metro had had benefited the agency. As a citizen she would like to see thorough oversight. Councilor Burkholder asked if the Board of Directors reviewed the audits in the organizations she had worked in. Ms. Taylor said she reported to the President but the

stockholders approved her budget. Council President Bragdon spoke to his experience at the Port of Portland.

Ray Phelps, 16 Touchstone, Lake Oswego, OR 97035, spoke to the opposition versus support of the budget. He talked about the audit function. He talked about the goals of having an auditor at Metro when the charter was originally approved. The auditor was to be a partner with the Council. He explained the independently elected auditor and their role. The audit position was to be an extension of the process at Metro dealing with the effectiveness of the programs. He said they might need the position even more now. Councilor Burkholder asked about benchmarking in terms of the budget of the agency. Mr. Phelps said there was no magic answer. It was dependent upon what the Council wanted to learn. The independence was the independence of the messenger. Mr. Phelps questioned, as a policy person, what was the value to the Council. Council President Bragdon asked if the City of Lake Oswego had an adequate auditing function. Mr. Phelps said they did a good job.

Marilee Tillstrom, Hand, Hosfnel Abernathy Neighborhood Association, 3233 SE 24th Portland OR 97202 said she was putting a face on neighborhood cleanup. She felt the event was very important. They did make money from the cleanup and explained how they used the monies that they raised. Councilor Newman said he was a strong supporter of the neighborhood cleanup. He had looked into drafting an amendment and found out that Council President Bragdon had already drafted an amendment to restore funding. Councilor Monroe said he would be supporting that amendment as well.

William Spencer, 625 N Shore Rd., Lake Oswego, OR 97034 summarized his testimony (a copy of his letter is included in the meeting record). He supported Auditor amendment #1. Councilor Burkholder asked Mr. Spencer if he was aware that the budget had dropped in this upcoming fiscal year. He asked if there was some benchmark that could be seen as an appropriate auditing function for the agency. Mr. Spencer said there was a critical mass to have an effective audit function. Councilor Newman said Mr. Spencer had spoken of public trust. At what point do we say we had fulfilled the public trust. Mr. Spencer said there was a critical mass for an agency of this general size. the size of the audit department was not necessarily the size of the budget. The appearance was that they had a successful audit function currently, to cut it more sent the wrong message to the public. Councilor Newman asked if he would support a 5% reduction in the auditor's budget. Mr. Spencer said he supported Auditor amendment #1. Councilor Park spoke to the questions the Council was wrestling with. Mr. Spencer said the analysis that he had seen seemed to stand out in the auditor's budget. A reduction of 49% was prohibitive. Councilor Park spoke to the cost of the auditing function. Mr. Spencer said there was no comparison. Council President Bragdon asked if Clackamas County had an adequate audit function. Mr. Spencer said he could not answer that question.

Phil Prewett, Oregon Zoo Keeper, 6116 NE Willow St., Portland, OR 97213 spoke to the reduction in the Oregon Zoo's budget and expressed his concerns about promises unfulfilled. He noted an article he had submitted for the record (a copy of which is found in the meeting record). Councilor Newman said he would like an answer to this as well.

William Conyard, St. Vincent De Paul Executive Director, 3701 SE 27th Ave., Portland, OR 97202 read a copy of his letter into the record (a copy of which is found in the meeting record). He supported the thrift credit program. Council President Bragdon asked if there was more material that had to go to the landfill. Mr. Conyard said it was increasing. Councilor Park asked what they did with the material the was un-saleable material? Mr. Conyard said it went to landfill. Councilor Park asked if they sent materials to a MRF facility? Mr. Conyard said they were able to

take some of this material to a MRF and were also finding more use for the materials than in the past.

Alexis Dow, Metro Auditor, commented about the testimony of the previous meeting and the testimony of today. She spoke to Mr. Phelps testimony and his definition of what an auditor's role was. She said the auditor's role was not to set policy, that lay with the Council. She talked about putting her audit plan together and her request for feedback from Council. The charter required an independent auditor. The charter also required continuing auditing. She said some of the questions being asked were comparing her office to the City of Portland and Multnomah County. She said you couldn't make those comparisons. She spoke to Councilor Burkholder's question about benchmarking. There was no definitive benchmark.

Ray Jordan, 1 SW Columbia, Portland, OR 97258, said he was a CPA who had practiced for over 30 years. Over the years he was concerned about Metro's budget. He had begun to receive the auditor's reports. He felt the level of the reports had a high level of professionalism. He supported her proposed budget. He felt he might be able to answer Councilor Burkholder's question about benchmarking. Mr. Jordan said you couldn't set a straight percentage because of the degree of risk. It varied. What you wanted to do when assessing a audit team was to talk to the auditors. Judge the quality of what they did. That was how you determined what the audit function was. He felt Ms. Dow was one of the finest auditors that we had in the Northwest. Councilor Park asked about his role. Mr. Jordan said they budgeted the number of people to do the work. They would figure their level of responsibilities to determine the budget. Councilors asked other questions about the audit responsibilities and functions. Mr. Jordan responded to some of the issues of auditing. The key ought to be what do you wanted to accomplish, what were the responsibilities of continuous audit. Council President Bragdon agreed that Ms. Dow's office was always courteous and respectful. He appreciated Mr. Jordan's clarity.

Council President Bragdon closed the public hearing.

Kathy Rutkowski, Budget Manager, talked about the proposed amendments (a copy of which is found in the meeting record). She spoke to the first amendment being considered having to do with carrying over monies for Ballot Measure 56 public notice. They were asking to include additional funding to cover Ballot Measure 26-29. She requested consideration of General Fund #1

Motion to Amend:	Councilor Hosticka moved to amend Ordinance No. 03-1001 to consider General Fund #1.
Seconded:	Councilor Burkholder seconded the motion

Vote to Amend:	Councilors Hosticka, Burkholder, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed with Councilor Park absent from the vote.
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Motion to Amend:	Councilor Hosticka moved to amend Ordinance No. 03-1001 to move the technical amendments as a block.
Seconded:	Councilor Newman seconded the motion

Ms. Rutkowski gave details of each of the technical amendments (a copy of which is included in the meeting record).

Vote to Amend:

Councilors Park, Hosticka, Burkholder, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Ms. Rutkowski spoke the amendments in yellow having to do with Planning Amendment 5, Parks Amendment 2 and Zoo Amendment 1 (a copy of which is included in the meeting record). Councilor Monroe asked that Zoo Amendment 1 be considered separately from the other two amendments. There was not objection.

Motion to Amend:	Councilor Burkholder moved to amend Ordinance No. 03-1001 for consideration of technical amendments, Parks Amendment 2 and Planning 5.
Seconded:	Councilor Park seconded the motion

Vote to Amend:

Councilors Park, Hosticka, Burkholder, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Motion to Amend:	Councilor Park moved to amend Ordinance No. 03-1001 for consideration of technical amendment, Zoo Amendment 1.
Seconded:	Councilor Burkholder seconded the motion

Councilor Monroe asked about the impact on contracting out the Retail Operations. Ms. Teri Dressler, Oregon Zoo, spoke to impact. Councilor Monroe said he understood from Ms. Dressler's response that there was no impact. Councilor Newman asked about leaving the position in the budget as unfilled. Councilor Hosticka said he would not be supporting this amendment and explained why. Councilor Newman said he would not be supporting this amendment also. Councilor Burkholder asked about savings. Councilor Monroe spoke to leaving the position unfilled.

Vote to Amend:

Councilors Park, Burkholder, and Council President Bragdon voted in support of the motion. The vote was 3 aye / 3 nay, the motion failed with Councilor Hosticka, Monroe and Newman voting no.
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Council President Bragdon announced that the next budget public hearing would be at the May 1, 2003 Council meeting starting at 6:00 p.m.

6. RESOLUTIONS

6.1 **Resolution No. 03-3315**, For the Purpose of Authorizing Metro to Issue a Call for Grants and Award Grant Funding for Construction and Demolition Debris Post-Collection Recovery and Used Building Material Salvage Infrastructure.

Motion:	Councilor Monroe moved to adopt Resolution No. 03-3315.
Seconded:	Councilor Burkholder seconded the motion

Bryce Jacobsen, Planner in Waste Reduction, reviewed the resolution including background, recovery goals, education and outreach. This resolution was the next step, the two-tiered grant program. He talked about the two tiers and the specifics of the grant. He spoke to market development activities. He clarified an error in the staff report.

Councilor Newman asked about the tiers. He was concerned about giving a grant to a multi-national company. Mr. Jacobsen talked about the loan program's lack of success. He felt that perhaps the grant program would better help recovery. Councilor Newman asked about the grant recipient's requirements. Mr. Jacobsen said they must report to Metro. Councilor Park asked about the profitability factor. Were they sustainable? How would you get something back from this? How would you be able to judge whether these were fiscally prudent grants with the change in landscape. Mr. Jacobsen agreed the landscape was changing. Lee Barrett, Solid Waste and Recycling, said because this program was limited, the grant recipients were known entities to Metro. He explained the contract process, which included certain terms and condition, which would secure that the company was not using the money inappropriately. Councilor Park wondered if we would be better off to put this on hold until Council made some policy decisions. Councilor Burkholder spoke to the tier two groups, which was the reuse. There was a large amount that could be recovered if it went to a MRF. His concern was that the Department of Environmental Quality (DEQ) set this priority. Was there a continuation of this in future years? Mr. Jacobsen responded that this was a one-time grant announcement. Councilor Burkholder introduced Shane Endicott and talked about his company and its accomplishments in material recovery. Councilor Newman talked about tier one. Was there a reason why these companies wouldn't make these improvements themselves? Mr. Barrett said this material didn't generate a lot of income. The facilities were already recovering materials that were easy to recover. This grant would help them recover more difficult materials. He talked about facilities outside the Metro jurisdiction that might utilize these grants to improve their recovery. Mr. Barrett spoke to the amount of the grant. Councilor Monroe said they were trying to get to 62% recycling. One of the areas we were lacking reaching this goal was in construction and demolition area. He urged support.

Vote:

Councilors Park, Newman and Council President Bragdon voted no, Councilors Hosticka, Monroe and Burkholder voted in support of the motion. The vote was 3 aye /3 nay, the motion failed.
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7. COUNCILOR COMMUNICATION

Councilor Monroe requested permission to change his vote from aye to nay on Resolution No. 03-3315 and serve notice of possible reconsideration of Resolution No. 03-3315 at next week's meeting. There was no objection.

Councilor Hosticka requested permission to change his vote from nay to aye on Ordinance No. 03-994 and serve notice of possible reconsideration of Ordinance No. 03-994. There was no objection.

8. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:47 p.m.

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF APRIL 24, 2003

Item	Topic	Doc Date	Document Description	Doc. Number
3.1	Minutes	4/15/2003 and 4/16/2003	Metro Council Minutes of April 15, 2003 and April 16, 2003 Submitted for Approval	042403c-01
5.2	Letter	4/22/03	To: Alexis Dow, Auditor From: Mike Houck Re: Auditor's Budget	042403c-02
2.2	Power Point Presentation	4/24/03	To: Metro Council From: John Foseid, Solid Waste & Recycling Re: Compost Sue for Erosion Prevention on Oregon Highways	042403c-03
5.2	Thrift Credit Program	4/24/03	To: Metro Council From: Richard Knox, Goodwill Industries Re: Facts about their Thrift Program	042403c-04
5.2	Letter	4/24/03	To: Metro Council From: William Spencer Re: Auditor's Proposed Budget	042403c-05
5.2	Letter	4/24/03	To: Metro Council From: Maureen Sloan, Chairman of the Board, Society of St. Vincent de Paul Re: Letter supporting Thrift Program	042403c-06
5.2	Letter	4/24/03	To: Metro Council From: Charles Ashcraft, Society of St. Vincent de Paul Re: Letter supporting Thrift Program	042403c-07
5.2	Letter	4/24/03	To: Metro Council From: Barbara Mendenhall, Society of St. Vincent De Paul Re: Letter supporting Thrift Program:	042403c-08
5.2	Letter	4/22/03	To: Metro Council From: William Conyard, Executive Director, Society of St. Vincent De Paul Re: Letter supporting Thrift Program	042403c-09
5.2	Brochures	No date	To: Metro Council From: Willaim Conyard Re: St. Vincent De Paul brochures	042403C-10
5.2	Article & 1996 Zoo Ballot Measure 26-47	No date	To: Metro Council From: Phil Prewett, Zoo Keeper Re: Article from Oregonian on October 2, 1987 concerning hippo exhibit at Zoo and flyer on 1996 Zoo Ballot Measure 26-47	042403c-11
5.2	Letter	4/24/03	To: Metro Council Re: Jonathan Mantay County Administrator Clackamas County Re: Letter concerning internal audit functions	042403c-12
5.2	Memo	4/16/03	To: Council President Bragdon From: Kathy Rutkowski, Acting Financial Planning Manager Re: Departmental General Proposed Amendments for FY 2003-04 Proposed Budget	042403c-13

5.2	Memo	4/23/03	To: Council President Bragdon From: Kathy Rutkowski Re: Councilor Generated Proposed Amendments to the FY 2003-04 Proposed Budget, Metro Auditor Proposed Amendments, and Additional Department Generated Amendments	042403c-14
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