



**METRO COUNCIL WORK SESSION
MEETING SUMMARY
June 12, 2012
Metro Council Chamber**

Councilors Present: Council President Tom Hughes and Councilors Shirley Craddick, Councilor Carlotta Collette, Councilor Carl Hosticka, Kathryn Harrington, Councilor Rex Burkholder, and Barbara Roberts

Councilors Excused: None

Council President Tom Hughes convened the Metro Council work session at 2:03 p.m.

1. ADMINISTRATIVE /CHIEF OPERATING OFFICER COMMUNICATIONS

Ms. Martha Bennett of Metro highlighted that Thursday, June 14th's meeting is focused on the FY 2012-13 budget, though there will be some items pertaining to the FY 2011-12 budget.

Ms. Bennett noted that the Community Investment Initiative (CII) Leadership Council is scheduled to adopt a strategic plan on June 20th, 2012. There are actionable items in at least 3 of the 4 strategies currently outlined by the Leadership Council. Metro staff would like to discuss these opportunities with the Council, and will be coming to Work Session on July 24th. Ms. Bennett asked Councilors to direct any questions between now and then to her. Councilors noted that they would like to be informed of CII's role with state level decision makers regarding the investment entity. They also noted that they have concerns regarding potential funding commitments to higher education institutions, and the fact that Metro is nearing the end of its three year commitment to CII and has not yet developed a plan for the fourth year. There was discussion of clarifying CII's strategic plan in relation to Metro's mission. It was also noted that the Council should clarify if it sees Metro as a vehicle or agent in this project. There was consensus that the Council would like more information and opportunities to clarify Metro's level commitment to CII prior to moving forward with CII.

2. FINAL ACTIONS NEEDED FOR FY 2012-13 BUDGET ADOPTION ON JUNE 21

Ms. Margo Norton of Metro presented to the Council on the 2012-13 budget. Ms. Norton thanked the Council attending the Tax Supervising and Conservation Commission (TSCC) hearing last Thursday, TSCC appreciates the dialogue and commitment from the Council. The Council thanked Ms. Norton for preparing them so thoroughly for the TSCC hearing.

Ms. Norton specified that today's meeting is to discuss the 'companion issues' to the budget: technical amendments and Councilor amendments.

Technical Amendments Addressed at the Meeting

Investment policies

Metro Code requires the Council to readopt the investment policies annually. The Investment Advisory Board has recommended a change to Metro's investment policy to allow Metro to invest in municipal debt with a minimum AA rating in Washington, Idaho, and California debt. Other local governments do invest in municipal debts, and Oregon law allows it. This expands Metro's investment options. Metro will be adopting language from Multnomah County to write this amendment.

Council Discussion

Staff clarified that the recommendation calls for investments Washington, Idaho, and California as opposed to all the states traditionally included in the Pacific Northwest as Oregon statute currently only allows for those three.

Staff also clarified that the minimum standard for investment within the state of Oregon is an A rating.

Contracts List

The Metro Code requires Metro to report and list contracts. The list provides a good example of the substantial economic impact Metro has on the region. No action is required unless Councilors have questions or objections.

Council Discussion

Staff clarified that the Hotel Room Block project has been allocated \$372,000 of the \$518,000 from the Metro Tourism Opportunity and Competitiveness Account (MTOCA) for FY 2012-13.

It was noted that of the \$1.285 million provided for Tualatin River facilities through contracts, \$69,000 is provided through shared revenues of Multnomah County's marine gas sales.

It was noted that the restoration of the planters in the Metro Regional Center plaza is still in progress, and is working to fix the leaks that will lead to structural damage.

It was noted that business recycling outreach is still being paid for separately in its own line item, and it was suggested that in the future, it should be covered by other, existing line items.

Financial Policies

The Metro Code requires annual review of Metro's financial policies. Staff reported that no changes are recommended at this time.

5 year Capital Improvement Plan (CIP)

Council will approve the whole 5 year plan by Resolution, though only funds for the first year of the plan are appropriated. Metropolitan Exhibition and Recreation Commission (MERC) plans are now included in the CIP. Staff noted that 2013 marks an uptick in activity at the Oregon Convention Center (OCC) over next 5 years.

Department (Technical) Amendments Addressed at the Meeting

Implementing Series 2012 General Obligation Bond Issuance

Metro issued bonds recently. In order to give Metro maximum flexibility at the time of sale, the budget estimated the maximum rate per \$1,000 of assessed value for each issue (\$0.19 for Natural Areas and \$0.09 for Zoo); the bonds were actually sold at approximately \$0.12 and \$0.06 per thousand, respectively, which reduces the amount needed for the levy by \$10.4 million. The schedule of payments was moved; there will be three payments in the FY 2012-13 as opposed to two, which reduces Metro's debt levy by approximately \$1.4 million.

Council Discussion

Staff clarified that if Metro did not issue the "excess" debt at this time, Metro would still have the authority to do so, but would need to issue the funds before 3 years had passed. Staff emphasized that Metro got a very favorable interest rate.

Council Approach to Technical Amendments

Staff recommended that Council moves the technical amendments and department amendments as an 'en bloc' amendment, and speak to any points of interest during the motion. The Council agreed with staff's recommendation.

Councilor Amendments

Councilor Burkholder proposed four amendments. He presented on his four proposed amendments:

1. Criteria for Opportunity Fund
2. Criteria for general travel line item
3. Criteria for one-time expenditure fund
4. Multimodal data development allocation \$80,000

The packet includes management responses to each amendment. No funding source has been identified for #4.

Council Discussion

Councilor Burkholder clarified that amendments #1 and #3 are intended to set up guidelines and processes for using funds wisely with participation from the Council.

The group discussed several points in regards to amendment #2. They agreed that an informal process would be beneficial to increase transparency and accessibility of travel funds. Ms. Bennett noted that the \$25,000 Councilors are referencing in this travel fund are is not only for the Council Office, but also the Office of the Chief Operating Officer. It was noted that while a process for authorizing travel would be beneficial, it is also important that the process be flexible as to allow the Council to be strategic with its travel; it was expressed that this travel process should include discussion of travel plans by the Council as a group. The Council also agreed that creating processes for tracking individual Councilor budget expenses would be beneficial; the idea of a monthly spending report was suggested and received support. The group agreed that they would like to approach the travel process and spending tracking issues informally.

The group discussed several points in regards to amendment #4. Councilor Burkholder agreed to communicate with Mr. Paul Cooley of Metro to detail what will be gained through this new position, and will inform the group as to his answer. Some Councilors expressed that there is a large universe of data available, and Metro must make sure the data it collects is in sync with Metro's policy questions.

Councilor Burkholder concluded that he will move amendments #1 and #3 in order to match language in state laws, that he will find a budget for amendments #4 by Thursday, June 14 and move amendment #4, and that he will not move amendment #2. Staff affirmed that once these amendments have been moved and voted on at the June 21st meeting, there will then be a vote to turn the budget into an 'A' version that will then be voted to be adopted, also at the June 21st meeting.

Community Investment Initiative Budget Note

Ms. Bennett circulated a memo detailing CII's budget note. She overviewed the CII budget and highlighted that the note includes many of consulting services as this is an unprecedented project. She also noted that direct staff are included in the note, but others are not; there are other Metro staff resources going into CII not reflected in this budget, equivalent to approximately 1 full time employee (FTE). This budget note does not include the \$40,000 carry over from FY 2011-12 in the \$638,000 allocated to FY 2012-13. Ms. Bennett asked the Council to please discuss with her their questions or concerns regarding this note. Councilors asked for clarity on CII's project timeline and Metro's work plan, staff agreed to make this clarity. Councilors indicated that they are comfortable moving forward to adoption with CII's budget note with this commitment. The Council prefers to amend the budget note to reflect the commitment that's been made.

Budget Amendments Affecting the FY 2011-12

On June 21st, there will be one set of "house-keeping" budget amendments that affect this fiscal year, FY 2011-12, to be considered.

3. BREAK (CANCELED)

4. POTENTIAL METRO ROLE IN DEQ'S PORTLAND AIR TOXICS SOLUTIONS PROGRAM (PATs)

Ms. Bennett recapped the beginning of the Air Toxics Solutions Program (PATs) process. Ms. Bennett and Ms. Robin McArthur of Metro have scoped what the Oregon Department of Environmental Quality (DEQ) has already done on this topic, and what Metro's role could be. Ms. McArthur highlighted the most significant contributors of air toxics: wood burning in fireplaces and woodstoves, light duty vehicles, heavy duty vehicles, construction equipment, and industrial sources, in that order. Metro has already been addressing air toxics through light duty vehicles by reducing Vehicle Miles Traveled (VMT), with programs like Climate Smart Communities Scenarios (CSC). Metro did not intend to address air toxics through these programs, but does so incidentally. Ms. McArthur overviewed Metro programs that emphasize VMT reduction and subsequently air toxics. Metro is making an effort to incorporate work DEQ has done, when possible.

Potential roles for Metro in air toxics management:

1. Incorporate air toxics reduction goals into Metro work programs such as the CSC and the SW Corridor initiatives to address mobile sources.

2. Monitor and testify to Environmental Quality Commission on PATS recommendations.
3. Work with DEQ staff to identify how “environmental justice” communities are impacted by mobile sources and consider ways to address those issues in Metro work programs.

Ms. McArthur overviewed potential actions and funding ranges for Metro that fall under the first potential role. She noted that some of the actions listed cannot be encompassed within the 2012-13 budget, but could within the 2013-14 budget, particularly through vehicles such as the Regional Transportation Plan (RTP).

Council Discussion

Councilors asked staff to clarify that some of the projects Ms. McArthur overviewed as reducing VMT encourage efficient travel as opposed to reducing VMT.

Staff confirmed that there is no funding available for Ms. Deena Platman’s role in coordinating regional signals group. The regional program is not dismantled, but Metro is no longer involved. As the departure is quite recent, Metro does not yet know the consequences of this change.

It was noted that at times, jurisdictional partners have the impression that funding for RTP programming is only state and federal money. In the future Metro should be clearer about the investments it contributes.

Staff noted that in order to include actions in the 2013-14 Regional Transportation Plan, the Council will need to ask staff to scope the projects during FY 2012-13.

Ms. McArthur confirmed that there is most likely no funding for implementation available from DEQ. There may be funding available through the Environmental Protection Agency (EPA), staff will investigate this possibility.

Councilor Burkholder noted that highway corridors have a high concentration of air toxics, which is why he became interested in PATS. With Metro’s corridor plan processes in motion, now is the time to make the investment in reducing air toxics. He also asked for clarification as to whether or not improvements through CSC upgrades are accounted for in corridor planning; staff will follow up with Mr. Mike Hoglund of Metro.

Ms. Bennett presented the Council with two options to move forward with PATS:

1. Select the low-end of some of the listed funding ranges then direct staff to scope a work plan
2. Direct staff to scope a work plan, then do budget adjustments during the next fiscal year for funding

Council Discussion

The Council selected option #2 as their preferred option. They decided that scoping modifications to the model to allow Metro to do analysis on on-going corridor studies and Climate Smart Communities together would be most valuable and feasible for FY 2012-13.

5. COUNCIL LIAISON UPDATES

Councilor Shirley Craddick informed the Council that the East Metro Connections (EMC) Steering Committee unanimously approved the package of projects. The most heavily discussed project was the 238th-242nd connector. The approved package was forwarded out to Multnomah County and the 4 cities within the project area. The next step is to think about how to approach the region for funding.

Councilor Carl Hosticka informed the group that the Southwest Corridor Steering Committee approved, in concept, purpose and need problems. The group also discussed what is financially feasible and what is desired. The SW Corridor project's timeline is a little behind EMC's, but is on the same track.

Councilor Carlotta Collette overviewed the Oregon Metropolitan Planning Organization Commission (OMPOC) meeting on June 1st. Metro's Transportation Safety Planning presentation went very well, and received a positive response. The multi-modal mixed-use areas presentation was received with some confusion, but staff will clarify.

Councilor Kathryn Harrington informed the group that the City of Beaverton is already incorporating Transportation Safety Report feedback into the TV Highway Plan. She also gave presentation with President Hughes at the Washington County Board of Commissioners on Climate Smart Communities Scenarios, it was received well. She also noted that the policy makers' bike ride is on July 20th.

Councilor Burkholder participated in the recent Oregon Department of Transportation (ODOT) Policy Advisory Committee, and noted that there were many concerns that ODOT policies intending to elevate safety for pedestrians and other mobility are inhibited due to other ODOT policies that forbid anything interfering with motor vehicle traffic. Staff is looking into this discrepancy.

Councilor Barbara Roberts informed the group that on Saturday, July 21st from 1-3pm there will be a celebration at Lone Fir Cemetery to commemorate a century of action of suffragists. A headstone will be added for Hattie Redmond, an African-American suffragist. Councilor Burkholder will be playing Mayor Henry Lane in the celebration.

6. COUNCILOR BRIEFING/COMMUNICATION

There were none.

ADJOURN

Seeing no further business, Council President Hughes adjourned the Council work session at 3:48p.m.

Prepared by,



Jessica Atwater
Council Office Policy Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JUNE 12, 2012

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
2.0	Handout	None	Property Tax Calculations	061212cw-01
2.0	Handout	06/12/12	Community Investment Initiative Proposed Budget	061212cw-02
4.0	Memo	05/29/12	Portland Air Toxics Solutions (PATs)	061212cw-03