



METRO COUNCIL MEETING

Meeting Summary
April 25, 2013
Metro, Council Chamber

Councilors Present: Council President Tom Hughes and Councilors Shirley Craddick, Carlotta Collette, Kathryn Harrington, Sam Chase, Bob Stacey, and Craig Dirksen

Councilors Excused: None

Council President Tom Hughes called the regular council meeting to order at 2 p.m.

1. INTRODUCTIONS

Council President Hughes welcomed Ms. Michelle Bellia, legal counsel for the meeting.

2. CITIZEN COMMUNICATIONS

Art Lewellan, 3205 SE 8th Ave., Apt. 9, Portland: Mr. Lewellan addressed the Columbia River Crossing project and expressed his concern with the West Hayden Island project. Mr. Lewellan was particularly concerned with the interchange's tunnel feature; he cited safety concerns as reasoning. He also addressed the bridge design and recommended consideration of a single level bridge – known as the Jim Stone Bridge. He asked if the Council had submitted his previous comments to Ms. Lynn Peterson in the Governor's Office, and encouraged the Council to do so. (Written submittals included as part of the meeting record.)

Councilor Bob Stacey stated that if Mr. Lewellan provided him an additional set of his testimony, he would personally deliver the testimony to Ms. Peterson as requested.

Ninette Jones, 7637 N. Interstate, Portland: Ms. Jones addressed the Council on potential impacts to local salmon and animals at the Oregon Zoo if hydrophilic acids were introduced to Portland's water source. She was concerned that once added to the water source, dose of the chemicals could not be controlled. She discussed potential impacts to the Zoo's elephants, penguins, and polar bears or the region's salmon, and stated that these animals rely on clean water for healthy sustainable living. She inquired if Metro would purchase reverse osmosis filters for the Zoo's water source.

3. CONSIDERATION OF THE MINUTES FOR APRIL 11, 2013

Motion:	Councilor Carlotta Collette moved to approve the Council minutes for April 11, 2013.
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Vote:	Council President Hughes, and Councilors Craddick, Collette, Chase, Dirksen, Stacey, and Harrington voted in support of the motion. The vote was 7 ayes, the motion <u>passed</u> .
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4. ORDINANCES – FIRST READ

4.1 Metro Chief Operating Officer, Acting as Budget Officer, Presents the Proposed Fiscal Year 2013-2014 Budget and Budget Message to the Metro Council Acting as the Budget Committee.

Ms. Martha Bennett of Metro provided an overview of the proposed Fiscal Year 2013-14 Metro budget. Her presentation included information on the budget message, key decision-making tools, strategic issues for FY 13-14, and budget deliverables.

Mr. Tim Collier of Metro provided a presentation on the budget specifics including the percentage change between the FY 12-13 and 13-14 budgets, changes in projected and current five-year general fund forecasts, current revenues and sources (e.g. enterprise revenue, excise tax, property tax), total current expenditures, the 10-year expenditure and total agency FTE histories, charter limitations on expenditures, debit service obligations, and property tax levies. Overall, Mr. Collier stated that the agency remains in stable financial shape and should continue so for the foreseeable future.

Ms. Suzanne Flynn, Metro Auditor, provided a brief overview of the proposed FY 13-14 budget for the Office of the Metro Auditor. Her presentation included information on the office mission, FY 12-13 accomplishments to date, upcoming Metro audits, and proposed FY 13-14 budget and its comparison to previous years.

Mr. Terry Goldman, budget chair for the Metropolitan Exposition and Recreation Commission (MERC) and Ms. Teri Dressler of Metro, provided a presentation on the MERC venues including the Oregon Convention Center, Portland Center for Performing Arts and Expo Center. Their presentation included information on the current economic and business climate for each of the venues, significant budget impacts, total projected revenue and upcoming expenditures for FY 13-14.

Mr. Doug Anderson of Metro provided a presentation on the annual solid waste rate cycle and proposed rate increases for FY 13-14. Mr. Anderson stated that the solid waste rates are raising approximately \$54 million per year, and highlighted three rate themes for FY 13-14: (1) the proposed tip fee reflects the smallest change since 2006, (2) the increase will be all but invisible to the ratepayer and the rates reflect standard and best practice in municipal utility rate setting, and (3) Metro's organics operation is financially sustainable. His presentation included information on rate classes (Regional System Fee and transaction and tip fee), the five components of tip fees, and proposed tip fees for garbage and organics for the next fiscal year.

Ms. Bennett provided staff's final comments including issues for further Council deliberation, and process and schedule for Council's consideration and vote on the FY 13-14 budget. (Full budget presentation is included as part of the meeting record.)

Council Discussion

Councilors asked what the financial revenue projections might be for the OCC in FY 13-14 if the OCC hotel is built. Councilors asked what the direct revenue impact to Metro and the OCC facility would be. Staff estimated that the OCC would receive approximately \$600,000 additional revenue in room rentals, food and beverage, etc. per national convention. Beyond a couple currently vacant management positions, staff did not anticipate additional staffing would be needed to serve the additional conventions and stated that the OCC has a great, flexible workforce. Additional information will be available in the internal pro forma in the next several weeks. Staff stated that should Metro invest in the hotel, the agency would receive a pretty quick return on investment.

Council asked clarifying questions about the budget timeline and how much discretion the Council has to modify the approved budget prior to taking final action. Ms. Bennett and staff clarified that in past years councilors have contemplated budget changes in April and had the full month of May to deliberate. Once the approved budget is forwarded to the Tax Supervisory Conservation Commission, the council may make additional changes up to 10 percent of the value of the expenditures within a fund for personal services, capital outlay or debit service. The contingency amount, the appropriated balance, can also be changed. The only budget item that cannot be increased after budget approval is the property tax rate. Councilors requested additional time to discuss proposed budget amendments. Staff agreed to schedule work session time in the next month.

Additional discussion included the reduced 6-week Broadway series at PCPA, and Metro transfer stations' full suite of services.

4.1.1 Ordinance No. 13-1300, For the Purpose of Adopting the Annual Budget for Fiscal Year FY 2013-14, Making Appropriations, Levying Ad Valorem Taxes, and Authorizing an Interfund Loan.

Council President Hughes opened a public hearing on Ordinance No. 13-1300. Seeing no members of the public who wished to testify, the public hearing was closed.

Additional public hearings on Ordinance No. 13-1300 are scheduled for May 2 and June 13. Second read, public hearing and Council consideration and vote are scheduled for June 13.

4.2 Ordinance No. 13-1302, For the Purpose of Amending Metro Code Chapter 5.02 to Establish Solid Waste Disposal Charges and Recoverable Solid Waste Charges for FY 2013-14.

Second read, public hearing, and Council consideration and vote are scheduled for May 2, 2013.

4.3 Ordinance No. 13-1301, For the Purpose of Annexing to the Metro District Boundary Approximately 2.5 Acres Located at 25565 NW Evergreen Road Hillsboro.

Second read, public hearing, and Council consideration and vote are scheduled for May 2, 2013. The legislation will require a quasi-judicial hearing.

4.4 **Ordinance No. 13-1303**, For the Purpose of Amending and Re-Adopting Metro Code 7.03 (Investment Policy) for Fiscal Year 2013-2014.

Second read, public hearing, and Council consideration and vote are scheduled for May 9, 2013.

5. **CHIEF OPERATING OFFICER COMMUNICATION**

Ms. Bennett provided updates on:

- Councilors will receive copies of all materials for the May 1 council retreat on Thursday, April 25.
- Research Center Director Mike Hoglund will retire effective May 1, 2013. She thanked him for his 22 years of service with Metro. A farewell party has been scheduled for Mr. Hoglund on Monday, April 29 at the Northwest Portland Lucky Lab restaurant.

6. **COUNCILOR COMMUNICATION**

Councilor updates included the following recent meetings or events: the Metro Policy Advisory Committee, Oregon Active Transportation Summit, Forest Grove Sustainability Summit, Wilks Creek Earth Day celebration, Travel Portland's presentation to the Portland City Council, Zoo Regional Arts Advisory Committee, Town Hall meetings with Senator Olsen and Senator Burdick, Tigard City Council, Community Investment Initiative's Regional Infrastructure Enterprise meeting, Portland Pulse, and Homebuilders Development Group meeting. Highlighted upcoming meetings included the Intertwine Alliance's spring summit scheduled for April 26. Councilors encouraged viewers to engage with Metro's equity advisory committee; details at www.oregonmetro.gov/equity.

Councilor Kathryn Harrington distributed three memorandums regarding the FY 2013-14 Metro budget and requesting:

- A budget proposal to support follow-through on Active Transportation strategies;
- A budget proposal to invest in Equity Atlas opportunity map materials to support collaborative regional decision-making in 2014; and
- A budget note for the Community Investment Initiative.

Council will discuss the memorandums at their April 30 work session. (Copies of all materials included as part of the meeting record.)

7. **ADJOURN**

There being no further business, Council President Hughes adjourned the regular meeting at 4:05 p.m. The Metro Council will convene the next regular council meeting on Thursday, May 2 at 2 p.m. at the Council Chamber.

Respectfully submitted,



Kelsey Newell, Regional Engagement & Legislative Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF APRIL 25, 2013

Item	Topic	Doc. Date	Document Description	Doc. Number
2.0	Testimony	N/A	Written material submitted by A. Lewellan	42513c-01
3.0	Minutes	4/11/13	Council minutes for April 11, 2013	42513c-02
4.1	PowerPoint	4/25/13	Proposed FY 2013-14 Budget Summary	42513c-03
4.1	Handout	4/25/13	FY 2013-14 Proposed Budget by the numbers one-pager	42513c-04
6.	Memorandum	4/25/13	To: Metro Council From: Kathryn Harrington RE: Request for Budget Proposal – Equity Atlas	42513c-05
6.	Memorandum	4/25/13	To: Metro Council From: Kathryn Harrington RE: Request for Budget Note for CII	42513c-06
6.	Memorandum	4/25/13	Request for Budget Proposal RE: Active Transportation Strategies	42513c-07