

# MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, September 23, 2003  
Metro Council Chamber

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

Councilors Absent: Carl Hosticka (excused)

Council President Bragdon convened the Metro Council Work Session Meeting at 1:06 p.m.

## **1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, SEPTEMBER 25, 2003.**

Council President Bragdon reviewed the legislation to be considered at the September 25, 2003 Council meeting. Councilor Newman talked about the schedule for the Milwaukie event. Councilor McLain asked Paul Garrahan, Senior Attorney, to explain her amendment to Ordinance No. 03-1018. Mr. Garrahan spoke to the amendment (a copy of which is included in the meeting record). Councilor McLain said she had suggested criteria to be included in the Code. She felt the 10-day letter would suffice in place of the criteria. She explained the reason for the amendment. She felt this was good policy. Councilor Monroe asked how the consideration of the 10-day letter would work. Councilor McLain said the majority of the Council would have to support the 10-day letter. Dan Cooper, Metro Attorney, explained passed practices and options for the Council in the future. Councilor Monroe said he supported the amendment. He felt it protected the Chief Operating Officer and allowed the Council to carry the burden of the decision. It could be discussed at the Work Session. If there was a problem, it forced the Council to take the heat for those decisions. Councilor McLain said she wanted to make sure they weren't talking about land use. Michael Jordan, Chief Operating Officer, asked how the language would be brought forward. Mr. Garrahan said they had drafted the specific amendment for Councilor McLain. Mr. Jordan asked about the new section sub E in section 8. He noted they were limited to 120 days to complete the process. He asked about the subsequent process after the 10-day letter. Councilors talked about the subsequent processes. Councilor Burkholder talked about licensing versus enforcement. Councilor McLain pointed out that this was only for new licenses with new operations.

## **2. FUNCTIONAL PLAN MAP CHANGES**

Brenda Bernards, Planning Department, said these were the annual housekeeping amendments to the 2040 Growth Concept Map and Title 4 Map. She detailed the amendments. These were the results of the jurisdictions doing their functional plans. She explained the different colors on each map. Ms. Bernards said it had been the Metro Policy Advisory Committee (MPAC) and Metro Technical Advisory Committee (MTAC). Councilor Burkholder asked if Washington County had done a town center plan. Ms. Bernards said they had not done a town center plan but had looked at employment in the area. Councilor Park asked about the Sherwood school site. Ms. Bernards said there had been no discussion as to how it affected the 2040 Growth Concept Map. Councilor Monroe asked about Aloha and if it was considering incorporation. Mr. Cooper said Washington County had been going through a very detailed process concerning annexation. Currently there was no plan for Aloha to become a city.

## **3. DAMASCUS MEMORANDUM OF UNDERSTANDING**

Ray Valone, Planning Department, updated the Council on the Damascus-Boring concept plan. He spoke to where they were concerning funding. Council had authorized the money to do a work plan. They had finalized the work plan and the project was for \$1.4 million. He spoke to the series of Intergovernmental Agreements (IGAs) to complete the concept plan. These IGAs will be coming before the Council for consideration. Metro needs to be a signatory to a memorandum of understanding (MOU). He explained the MOU. It had been signed by three CPO, Future of Damascus and was being considered at Clackamas County. Metro needed to sign this MOU as well. He explained that either Mr. Jordan or the Council President could sign this agreement. Councilors felt that they were on record as being committed to the process. Councilor McLain suggested that Mr. Jordan look seriously at the IGA and the MOU. Mr. Jordan said the MOU made some commitments that he would be discussing with Council. He said he did not see any significant pitfalls. Mr. Valone said what this does was recognize them as being a vital component in citizen involvement in carrying out the concept plan.

Councilor Burkholder asked about Metro's commitment and was this typical outreach process for Metro. Mr. Valone said this was how Metro would approach it. Councilor Park asked if it was not Clackamas County's responsibilities. Mr. Valone said yes, they were lead for public involvement. Mr. Valone said we were recognizing the Committee for Public Involvement (CPI) and that the four entities that made up the CPI. Councilor Newman said this concept plan was critical to this agency. He asked how often Mr. Valone would be updating the Council. Mr. Valone said he would be happy to present as often as Council wanted him to report. He explained how many groups wanted to be involved. He then talked about working with the area concerning core values, vision, and parameters before planners started in on the process. Councilor Monroe said the Pleasant Valley Concept Plan was well received, was this being used as a model? Mr. Valone said yes, it would be one of the tools in developing this concept plan. Councilor Monroe asked about the Bethany area. Mr. Valone said it would be dependent upon how the appeals played out. Mr. Jordan said there were also some very different local government dynamics playing out in both places. The most important issue was this agency's ability to assist in this process. Councilor Newman talked about the increase in land values in the Damascus area. Councilor McLain said she hoped that the Council President sign this MOU and the IGAs. Councilor Park asked about the Committee for the Future of Damascus and Clackamas County's recognition of this group. Mr. Jordan said the County had to be careful about their relationship with Committee for the Future of Damascus and explained why.

#### **4. PERIOD REVIEW UPDATE (LCDC BRIEFING & PERIODIC REVIEW SCHEDULE)**

Lydia Neill, Planning Department, presented Periodic Review Milestones (a copy of which is included in the meeting record). Councilor McLain talked about the meeting with Land Conservation and Development Commission (LCDC). She felt that the conversation had been a good one. Council President Bragdon said they recognized Metro's work and the trust that had been established. LCDC's message concerning Title 4 was to remain very strict. They had talked to LCDC about the Title 4 discussions at MPAC. Councilor Burkholder asked about their concerns in terms of south of Wilsonville. Councilor McLain said they were watching very carefully to see how Metro dealt with this issue. Councilor McLain said the one question they had to do with was subregional and if Metro was using subregional on the industrial lands. Councilor McLain said they were not using subregional. Council President Bragdon said they were concerned about involvement of coordination with neighboring cities outside the boundary such as Woodburn. Councilor McLain said there was discussion about rural interchanges. They talked about the Jackson School Road interchange. Ms. Neill said they did talk about a decision that

might impact farmlands. They asked for guidance. LCDC encouraged Metro to continue their conversation with LCDC staff. They would be interested in hearing about the technical work that Metro was doing concerning industrial lands.

Ms. Neill spoke to the periodic review milestones as well as a detailed calendar through June 2004. She spoke to what would be happening this Fall. She said they would be coming forward this Fall requesting a reduction in the amount of industrial lands to be considered. Councilor McLain said they would be adding the agricultural symposium information to help with the reduction in lands. Councilor Newman asked about the amount of reduction in lands. Ms. Neill responded that the reduction in lands would include slopes and wetlands. MPAC would also be looking at these lands. She spoke to the calendar and key points to engage stakeholders. Councilor Burkholder asked about the master timelines. Mr. Jordan said he had received input from all the managers. Ms. Bardes and Ms. Larson were working on a timeline. Councilor Park asked about trade off lands. Ms. Neill said they did not discuss this issue, it was a discussion they would have with LCDC staff.

## **5. RISK MANAGEMENT FUND DISCUSSION**

Michael Jordan, Chief Operating Officer (COO), introduced the topic. They were treating Risk as one big issue. He thought that they would have to take a look at delineating the type of risks and look at each element more individually and more in detail so we were more appropriately funded with the types of risks we faced.

Bill Stringer, Chief Financial Officer, talked about the discussion two weeks ago and the Risk Fund. He noted the questions Councilors had asked. They were seeking Council direction on allocations for 04-05. They would like to have a determination from the Council as to the appropriate funding that should be allocated among the departments. He spoke to payments and reserve expectations. Councilor Burkholder asked about the property liabilities increases. Bill Jemison, Risk Manager, responded to his question. Councilor Burkholder asked about the jump in costs. Mr. Jordan responded to his question. Mr. Jemison spoke to claims and projections. Mr. Stringer continued explaining liability and property and workers compensation expected payments as well as environmental liability reserves. Councilors discussed environmental liability reserves and additional exposure. Councilor McLain talked about closing St. Johns and the negotiation with Department of Environmental Quality (DEQ). Councilor Monroe asked about the 02-03 numbers, were these actuals? Mr. Jemison said that was the actuarial estimates and then shared actual numbers. Councilor Monroe spoke to too much money in reserve and the balance we must take. Councilor Park asked if the St. Johns reserves were dedicated. Mr. Stringer said nothing in the fund was truly dedicated. It was principally funded from Solid Waste because of the St. Johns Landfill. Mr. Jemison spoke to what the fund had paid for previously. Mr. Cooper clarified the dedicated funds for St. Johns Landfill.

Mr. Stringer focused on the five alternatives (a copy of which is included in the meeting packet). He said this discussion had raised issues about the risk management fund. He planned to evaluate the fund alternatives and report back to Council. Mr. Jemison talked about the Risk Management Fund Five Year Forecast (a copy of which is included in the meeting record). Councilor Newman asked about allocated costs for 03-04? Kathy Rutkowski, Budget Manager, responded, \$1 million. Councilor Newman suggested not doing too much too soon. He felt \$1 million was too little but \$2.1 million was too much. He suggested evaluating the fund and coming back to Council with a recommendation. Councilor Burkholder asked about funding for a catastrophic event and covering that through another means. He asked about budget timelines. Ms. Rutkowski said Central Services would be preparing their budgets beginning next week. Councilor Burkholder

suggested two directions. Ms. Rutkowski spoke to impacts if they continued with the \$1 million allocated costs and the impact if we allocated costs at higher levels. Councilor McLain talked about coverage from solid waste reserves. Councilor Monroe talked about the estimates of allocated costs. He suggested that \$1.5 million might be a better allocation. Ms. Rutkowski talked about the estimate of allocations by program and department at various allocation levels (a copy of which is included in the meeting record). Council President Bragdon suggested going with \$1.5 or \$1.6 million allocated costs. Councilor Newman agreed. Councilor Monroe agreed with \$1.5. Council President Bragdon suggested going with \$1.5 million allocation. Mr. Jordan suggested that there were opportunities to make adjustments if needed.

## **6. ORGANICS PROGRAM**

Mike Hoglund, Solid Waste and Recycling Director, and Lee Barrett, Solid Waste and Recycling Department, said the commercial organics program was a long-standing program in the Regional Solid Waste Management Plan. Mr. Barrett provided a power point presentation on the Organics Recovery Program (a copy of which is included in the meeting record). He spoke to the players, which included local government, Metro, haulers, composting facility and transfer station operator. He noted participants in the program. He noted the necessity for education up front. He spoke to the various styles of containers. He also spoke to contamination issues. He said the tip fee was set in Metro Code and explained how that fee was determined. He noted acceptance standards and spoke to station upgrades as well as large contaminant removal. He then focused on transport of the organics. He reviewed the processing and composting requirements. He covered the feedstock quality and the collaborative entities involved. Once they enter into an agreement with a composter, they would be verifying that the composter was utilizing the compost appropriately. He reviewed marketing strategies. Councilor Park asked where the compost went. Mr. Barrett spoke to the untapped needs and uses in the region. Councilor Newman asked how many tons they would be generating. Mr. Barrett responded, at Step 1, it was 600,000 to 800,000 tons.

Council President Bragdon asked who paid for what. Mr. Barrett responded to his question. Council President Bragdon asked if someone had run a pro forma. Mr. Barrett said the goal was to have it not cost as much as solid waste. Council President Bragdon asked who would buy the containers? Mr. Barrett said Metro. Councilor McLain talked about incentives, goals and subsidies. Councilors talked about the public subsidies and the cost to transfer stations. Councilors talked about hidden costs. Mr. Barrett reviewed the timelines for approval. Councilor Park asked what was the Council policy driver? Councilor McLain talked about the need for criteria. Mr. Jordan said Morrow County viewed this opportunity as revenue. Councilor Newman asked about total capacity for the farm. Mr. Barrett said it was unlimited. Mr. Barrett continued with the timeline. Councilors expressed concern that this region did not have a competitor for food waste.

Mr. Hoglund asked if all of Councilors questions had been addressed. He summarized that Council needed further information on costs and future effects. Council President Bragdon asked if this would be incorporated into considering transfer stations proposals. Councilor Park asked about other sites for composting.

## **7. URBAN SERVICE EQUALIZATION STRATEGY AND WINDFALL PROFIT CAPTURE STRATEGY**

Michael Jordan, Chief Operating Officer, talked about Council directing the COO to study mechanisms regarding revenue and broader regional fiscal policy. He requested a brief extension.

He proposed a process by which the Council would put a task force together. He talked about staffing and stakeholders. He suggested a Task Force proposed by Council. He didn't anticipate large out of pocket expenses but some internal staffing support. Councilor Newman said he thought of these two issues as distinct from each other. They needed threshold information before they determined the need for a task force. He suggested the possibility of two task forces. Regional revenue sharing was a long-term process. Councilor McLain felt that it might be premature to have a task force. Timing was an issue and managing expectations. Councilors talked about a clear charge for the task force. Councilor Burkholder shared his thoughts on capturing windfall profits. Mr. Jordan said he would work with staff on research and the framing of issues so they could develop a charge. Councilor Newman said it was important that we flesh out these issues before we create a task force. He talked about the value capture and having it connected to the 2002 Urban Growth Boundary decision. Councilor Burkholder suggested starting out with staff work. Councilor Park talked about managing expectations.

**8. CITIZEN COMMUNICATION**

There were none.

**9. CHIEF OPERATING OFFICER COMMUNICATION**

There were none.

**10. COUNCILOR COMMUNICATION**

Councilor Newman said he would be gone mid March through mid April 2004.

There being no further business, Council President Bragdon adjourned the meeting at 4:30 p.m.

Prepared by,

Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER  
23, 2003**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Agenda	9/25/03	Metro Council Agenda for September 25, 2003 Council meeting	092303c-01
1	Proposed Amendment	9/23/03	To: Metro Council From: Councilor McLain Re: Amendment to Ordinance No. 03-1018	092303c-02
4	Milestones and Timeline	9/23/03	To: Metro Council From: Lydia Neill, Planning Department Re: Periodic Review Milestones 2003-04 and Periodic Review – Industrial Lands Calendar: 2003-04	092303c-03
5	Talking Points	9/23/03	To: Metro Council From: Bill Stringer, CFO Re: Risk Management	092303c-04
5	Forecast	9/23/03	To: Metro Council From: Bill Jemison, Risk Manager Re: Risk Management Fund Five Year Forecast	092303c-05
5	Estimate of Allocation	9/23/03	To: Metro Council From: Kathy Rutkowski, Budget Manager Re: Risk Management Fund Presentation Estimates of Allocation by program and department at various allocation levels	092303c-06
6	Timeline	9/23/03	To: Metro Council From: Lee Barrett, Solid Waste & Recycling Re: Proposed Organics Timeline	092303c-07
6	Power Point Presentation	9/23/03	To: Metro Council From: Lee Barrett, Solid Waste & Recycling Re: Power Point Presentation on Organics Program	092303c-08