

## MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, March 2, 2004  
Metro Council Chamber

Councilors Present: Council President David Bragdon (Council President), Susan Councilor McLain, Brian Councilor Newman, Carl Councilor Hosticka, Rod Councilor Monroe

Councilors Absent: Rod Park (excused), Rex Burkholder (excused)

Council President Bragdon convened the Metro Council Work Session Meeting at 1:04 p.m.

### 1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, MARCH 4, 2004.

President Bragdon stated that annexation items to be carried by Councilor McLain seem straightforward and did not warrant further discussion. Councilor Newman let the council know that this would be his last meeting before next week. He will be out of the country for 4 weeks.

### 2. RATE REVIEW ISSUES

Doug Anderson, Solid Waste and Recycling Department. Mike Hoglund Director, Solid Waste and Recycling, began with overview and introductions. Mr. Hoglund discussed how they will prioritize issues and phase in recommendations. Debt service was also discussed, please see Handout #1 Solid Waste Rates

Council President Bragdon asked if there is any reason Metro should not have the rates go into effect in September, rather than in July. Mr. Anderson suggested he could do a quick poll and get back to the Council with the information gathered.

Councilor Hosticka asked if Metro could put a buffer in the debt service? Mr. Anderson said that he would like to reserve any final answers as current costs need to be paid out of current revenues. Mr. Anderson will get back to the Council after speaking to Bond Counsel and Bill Stringer, Metro's Chief Financial Officer, on this issue.

Councilor Newman asked about the assumption is that the regional commitments of that strained capacity were continued until the bonds were fully paid off? Mr. Hoglund said yes and that in 1997, Metro had a fixed annual payment to its transporter and to the landfill. At that time, Metro still had about 2.7 million to that investment.

Council discussed page 7 of the document and referred to the allocation map. The map representing graphically where the main financial differences are---salaries and secretarial services. Because of this, Metro now has a far better estimate of how much the solid waste programs costs.

Council referred to page 8, showing the transaction fees would jump from \$600 to \$950 due to Human resources, legal work and , Mr. Anderson's time, accounts payable and other costs. Council President Bragdon state that this is a pretty big increase. Mr. Anderson state that because there is a big chunk of debt service that moves in here and erosion tonnage, it is a cost and a tonnage change.

Council asked about what goes into the costs? Mr. Hoglund answered that the costs are the regional system fee, excise tax and franchise fee. Ultimately, private customers would be paying less and public customers would be paying more.

Councilor Monroe expressed concern about the boost in the transaction fee. He stated that Metro still has major problem in the region on illegal dumping. If Metro makes it prohibitively expensive to do the right thing, we will exacerbate the problem.

Councilor Newman expressed that he is encouraged by this conversation. That this is an important exercise and that change could be made.

### **3. REGIONAL SYSTEM FEE CREDIT PROGRAM**

Doug Anderson, Solid Waste and Recycling Department, Mike Hoglund, Director of Solid Waste and Recycling--**See Handout #2 Implications for the RSF Credit Program**

Mike Hoglund discussed implications of the contingency work group regulations, the role of this program and the bigger policy background. He also stated that this is a summary of their preliminary recommendations and that they are working to finalize the report.

Council discussed power point and whether or not to include inerts. Councilor Monroe stated that Metro was looking for a different line to reaching a higher percentage rate, but Councilor Park wanted to set aside 300,000 aside so that the task force could figure out what to do. As that did not work, maybe eliminating inerts would save \$125,000 for the balance for this year. That would be a \$125, 000 off of the \$550,000 previously discussed.

Councilor McLain stated that Metro was really trying to get people to recycle things that were harder to recycle.

Mr. Hoglund will provide an analysis for next year's budget. They will also include any requirements for mandatory requirements for mandatory demolition "mrping" in next year's budget analysis, which is estimated to be up and running by January 2005. Business recycling is not anticipated to be functional by next year's budget planning process. Councilor McLain requested that administrative costs for the two-tiered approach also be included. This would result in a \$4.90 182 increase in our tip fee and 60 cents in our transaction fee and the deduction of the 88 cents per ton.

More discussion was made about inert ingredients and the cost for separating these items. There was concern expressed for those groups who had purchase expensive machinery to separate inerts and how it might affect them. As most of the inerts come out of loads with very little residual, the residual that goes to the landfill gets credited for the maximum amount.

Councilor Monroe asked to know more about the effect of inerts, because if Metro is thinking about changing the program substantively, he wanted to assure it is a good change. He asked that we hear from people who will be affected by this prior to our doing it.

Council President Bragdon stated that the Council must make a decision relatively soon. Councilor Monroe asked what should be done today. Was it imperative that Council come up with a number?

Council President Bragdon stated that he had been hearing a figure from several people and asked that Mr. Hoglund or Mr. Anderson draw up a resolution, with a recommendation from them as to how we are going to rectify the current shortfall.

Council discussed the need for performance measures and Council President Bragdon state that Solid Waste and Recycling has been given a short- term direction for the ordinance Metro needs this year.

#### **4. BUDGETARY ISSUES**

Bill Stringer, Chief Financial Officer-- **See attached documents CW#3 Schedule—2004-05 Budget Review Calendar and Process and CW#4 Budget Briefings to Council**

Councilor Hosticka asked that when the Metro departments are presenting their budgets if they will they be presenting the President Bragdon's proposals? Mr. Stringer said yes. He also stated that the finance department and people from all departments will be here to answer questions.

Mr. Stringer and the Council discussed budget meeting dates scheduled for the next two months. Mr. Stringer also stated that his department will help Councilors where they are able, but not to expect more than a reasonable amount of assistance, as everyone will be stretched to capacity on getting the budget done for the entire agency.

Councilor McLain stated that she would need quite a bit of staff time for her budget amendments. Mr. Stringer stated that while the financial planning staff has only 4 people, they would do what they could to help to allocate their time.

Councilor Newman expressed that he feels it is good for President Bragdon to ask Councilors what they want to spend on and where the money is going to come from.

Councilor Hosticka asked if there is a way to save staff time and to review an amendment's feasibility before bringing it before council, to see if there is support?

Councilor McLain stated that she would be unable to vote on some of the amendments that people have, conceptually, until she has seen the specifics.

Chief Operating Officer Mike Jordan state that there are many dates between March 17<sup>th</sup> and April 29<sup>th</sup> to discuss these issues. Council will have the opportunity to ask questions of the staff that is here at that time. There will also be ample opportunity to discuss what is liked and disliked with one another.

Mr. Stringer stated that he and his staff are willing to work on any amendment and look at legality and check numbers –but they do not want to suggest cuts when Councilors are suggesting amendments. Mr. Jordan stated that all Councilors have access to departmental staff and that they should go to staff and ask what impact various amendments will have.

**5. CITIZEN COMMUNICATION**

There were no citizens present

**7. CHIEF OPERATING OFFICER COMMUNICATION**

No Communication was made

**8. COUNCILOR COMMUNICATION**

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No Communication was made

Council Work Session ended at 3:23 pm.

Prepared by,

Cameron Vaughan Tyler

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 2,  
2004**

Item	Topic	Doc Date	Document Description	Doc. Number
	Solid Waste	03/02/04	Solid Waste Rates	cw # 1
	Solid Waste	03/02/04	Implications for the RSF Credit Program	cw # 2
	Council Budget Review Calendar	03/02.04	FY 2004-05 Council Budget Review Calendar	cw#3
	Budget Briefings to Council	03/01/04	FY 2004-05 Budget Budget Briefings to Council	cw#4