

## MINUTES OF THE METRO COUNCIL MEETING

Thursday, April 1, 2004  
Metro Council Chamber

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

Councilors Absent: Brian Newman (excused), Susan McLain (excused)

Council President Bragdon convened the Regular Council Meeting at 2:02 p.m.

### 1. INTRODUCTIONS

There were none.

### 2. CITIZEN COMMUNICATIONS

Art Lewellan, 3205 SE 8<sup>th</sup>, Portland OR, said he normally spoke about light rail. He constantly devoted his time to improving the transportation system around the country. He said he was in support of the light rail lines, the streetcar, and proposed the mall alignment. He then talked about the transit system in Seattle and its problems. He provided the Council with handouts of Seattle's system.

### 3. CONSENT AGENDA

3.1 Consideration of minutes of the March 25, 2004 Regular Council Meetings.

Motion:

Councilor Monroe moved to adopt the meeting minutes of the March 25, 2004, Regular Metro Council.
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Vote:

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

4.1 **Ordinance No. 04-1044**, For the Purpose of Adopting the Annual Budget for Fiscal Year 2004-05, Making Appropriations, and Levying Ad Valorem Taxes, and Declaring an Emergency.

Council President Bragdon presented the proposed FY 2004-05 Annual Budget. He said this year the proposed budget was coming from the Council President and had been a collaborative effort. He felt this proposed budget was aligned with the Council's goals. He spoke to the values he gave staff to guide them in building the budget. He introduced Bill Stringer, Chief Financial Officer (CFO), and asked him to present some of the history and specifics of the budget.

Bill Stringer, CFO, presented an outlook as to the financial environment he found when they began the 2004-05 budget process (a copy of the power point presentation was included in the meeting record). He spoke to the history of personal expenditures, where the money came from, and enterprise revenues. He concluded that expenses had been raising much more rapidly than

revenues. He addressed yields on revenues. He then talked about the Personal Service fringe rate issues including PERS and health care cost increases. He reviewed the guidance given to central services, general fund and operating departments in preparing their budgets. He talked about Metropolitan Exposition-Recreation Commission (MERC) facility issues, its revenues, expenses and ending balances. He addressed issues at the Zoo. He noted last year's budget for the Zoo was balanced. He said costs have increased this year. He detailed the Solid Waste revenues, maintenance needs and expanding programs in waste reduction, latex paint and sustainability programs. He noted that Planning had its own unique characteristics. He said that even with current staffing levels, costs were rising faster than revenues. He said that PERS reserves can't be charged against the grant funding in that department. He addressed the Parks Department maintenance growth compounded by 8000+ acres of open spaces. He summarized the climate of the proposed budget.

Council President Bragdon said the Council had first weighed in on the budget in December 2003. A formal resolution was prepared to include assumptions in putting together the FY 2004-05 budget. He spoke to specific direction from the Council (detailed in the power point presentation). Most of the assumptions that they had adopted had turned out to be true. This meant making difficult choices to balance the budget. His response to the current environment was maintaining fiscal discipline, optimize public services and leverage public investments. When applying these, different departments had different responses. He talked about the strategic planning process that would help in measuring Metro's activities in the future. He said that the Chief Operating Office (COO) and the senior management team he had assembled had accomplished much more with much less. He was recommending the current service level that was proposed to him. He noted two minor changes 1) increasing the reserve maintenance funding and setting aside reserves for Information Technology, and 2) bringing Government Relations in house. He addressed specific proposals for MERC, Parks, Solid Waste, Planning, and the Zoo. He spoke to the direction of the budget and Metro. Budgets were not just about money or policy but about people as well. He noted the Council's priorities and values that shaped Metro and the budget. This budget was about the citizens of the region. The budget was about the future. It was up to the Metro Council to shape the region. He was hopeful they would be making good choices.

Motion:	Councilor Hosticka moved to adopt Ordinance No. 04-1044.
Seconded:	Councilor Monroe seconded the motion.

Council President Bragdon opened a public hearing on Ordinance No. 04-1044

Jim Labbe, Audubon Society of Portland, 5151 NW Cornell, Portland, Oregon, said he was representing the Audubon Society of Portland and its members. He asked the Council to keep in mind the sustainable resources in the region. He thanked the Council for the proposal to increase funding to the parks. He said that we had a long ways to go in natural resource planning. He said there were two specific areas that were critical, Goal 5 and looking ahead towards regional storm water management. He spoke to Metro's contributions in both of these areas.

Rob Guttridge, Recycling Advocates President, 815 Washington Street, Oregon City, OR 07045, said he had a concern about the proposed budget and the recycling outreach programs. He felt that the home composting program cuts had not received adequate citizen input. Elimination of the home composting was inconsistent with the strategic direction of solid waste and waste prevention. He felt this program served Metro's citizens directly. It was valuable for Metro's image. He urged that the Council add back the home composting program into the budget.

Alexis Dow, Metro Auditor, thanked Council President Bragdon and Mr. Stringer for their thoughtful consideration of the budget. She noted that as an elected official she was independent. She spoke to her role as the auditor. She also talked about the primary goals of her office, which was to ensure that the agency ran as efficiently as possible. She felt that her office must be appropriately resourced. She said, in the past, a courtesy had been extended allowing her to present her budget. She said she was disappointed that this courtesy had not been extended this year. Her budget had been cut by approximately 10%. She explained the need for outside consulting. She would be asking the full Council to reconsider her proposed budget.

Council President Bragdon closed the public hearing and announced that the hearing was continued to April 15, 2004.

## 5. ORDINANCES – SECOND READING

5.1 **Ordinance No. 04-1042**, For the Purpose of Amending Metro Code Chapter 5.02 to Amend Disposal Charges and System Fees

Motion:	Councilor Monroe moved to adopt Ordinance No. 04-1042.
Seconded:	Councilor Burkholder seconded the motion

Councilor Monroe said his understanding was that these ordinances had to be approved today to take effect July 1, 2004. Dan Cooper, Metro Attorney, explained that they had heard from the solid waste industry that their concern was not great and explained why.

Council President Bragdon opened a public hearing on Ordinance No. 04-1042. No one came forward to testify. Council President Bragdon closed the public hearing. He announced that these would be held over until April 15, 2004 with possible final consideration at the April 29, 2004 Council meeting.

5.2 **Ordinance No. 04-1043**, For the Purpose of Amending Metro Code Chapter 5.03 to Amend License and Franchise Fees; and Making related changes to Metro Code Chapter 5.01.

Motion:	Councilor Monroe moved to adopt Ordinance No. 04-1043.
Seconded:	Councilor Hosticka seconded the motion

Council President Bragdon opened a public hearing on Ordinance No. 04-1043. There were no testifiers. Council President Bragdon closed the public hearing. He announced that these would be held over until April 15, 2004 with possible final consideration at the April 29, 2004 Council meeting.

## 6. CONTRACT REVIEW BOARD

6.1 **Resolution No. 04-3405**, For the Purpose of Authorizing an Exemption from Competitive Bidding Requirements and Authorizing Issuance of RFP #04-XXXX-SWR for Transportation, Processing and Composting Services for Organic Wastes from the Metro Region.

Motion:	Councilor Monroe moved to adopt Resolution No. 04-3405.
Seconded:	Councilor Hosticka seconded the motion

Councilor Monroe said Metro has established a goal of recovering 45,000 tons per year of commercially generated organic waste (food waste and soiled non-recyclable paper) Currently the region disposed of over 275,000 tons of organic waste annually (60% from the commercial sector). In January, the Council directed staff to proceed toward securing a processing infrastructure for the region. Initially Metro and the City of Portland worked together on a grant program for this purpose. Since then, the Office of the Metro Attorney has advised staff that the grant program was not sufficient according to law to be used as the basis for public procurement. Therefore, the Solid Waste and Recycling Department is recommending implementing a Request for Proposal (RFP) process.

Councilor Burkholder supported the RFP since there may be multiple providers of a service. They wanted to make sure the public dollar was spent wisely. Councilor Park asked if the RFP bound us to accept a proposal. Mr. Cooper responded that we always have the options of rejecting proposals. He said this RFP would have to come back to the Council for approval.

Councilor Monroe thanked Mr. Cooper for his diligence and urged support.

Vote:

Councilors Park, Hosticka, Burkholder, Monroe and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

**6.2. Resolution No. 04-3438, For the Purpose of Modifying and Extending the Lease Agreement Between Metro and Simex, Inc., Contract No. 924826.**

Motion:	Councilor Monroe moved to adopt Resolution No. 04-3438.
Seconded:	Councilor Park seconded the motion

Motion:	Councilor Monroe moved to substitute Resolution No. 04-3438A as a friendly amendment.
Seconded:	Councilor Park seconded the motion and agreed to the friendly amendment.

Councilor Monroe explained the lease agreement and the restructure of the agreement. In 2003, Metro entered into an equipment lease agreement with SimEx for a portable simulation theater for use at the Oregon Zoo. Since 2003, simulator sales at the Zoo have raised \$330,000 in gross revenue .Both parties would like to modify the existing agreement to extend it over the next two years. The Zoo expected to receive a minimum of \$100,000 in net revenues in the first year and a minimum of \$150,000 in net revenues in the second year. Extension of the lease contract would help support the Zoo operating budget that was dependent on enterprise income for 60% of its budget.

Councilor Burkholder asked about the changes in the “A” version. David Biedermann, Contract Director, explained the changes, which had to do with the rights of assignment. Councilor Hosticka asked about excise tax issues. Teri Dresler, Oregon Zoo, said excise tax would be paid off the gross ticket sales. Council President Bragdon talked about the program itself, he felt it was a good revenue stream. He felt the program fit with the mission.

Vote:

Councilors Park, Hosticka, Burkholder, Monroe and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

**7. CHIEF OPERATING OFFICER COMMUNICATION**

Michael Jordan, COO, gave Council a startle by indicating that many of today's homeless were unemployed public managers. Council President Bragdon reminded Council that this was April fools.

## **8. COUNCILOR COMMUNICATION**

Councilor Monroe reported on the Zoo Foundation's meeting today. He noted that the Council President Bragdon had attended and presented issues on the zoo budget and the relationship between the Zoo, the foundation and Metro. He noted that the Zoo Foundation had raised millions of dollars for the Zoo, the latest project was the Condor program. Council President Bragdon said they would be inviting the Oregon Zoo Foundation to have a joint meeting with the Metro Council.

Councilor Hosticka said the Tualatin Basin Partners for Natural Places held a public hearing on Fish and Wildlife Protection this week. It was a constructive discussion and this meeting demonstrated that people were taking the issue seriously and providing constructive feedback.

Councilor Park said they had received many communicate about Urban Growth Boundary industrial lands proposal. He asked about the timeline. Mr. Jordan said the recommendation was due to come out April 15, 2004. Council President Bragdon talked about the public hearing scheduled. A public hearing would be held concurrently on Mr. Hosticka's ordinance.

Council President Bragdon said two individuals had wanted to testify Teri Ciecko and Chuck Geyer on the budget but had to leave. He said the background material was available on the auditor's proposed budget. He announced that there was no Council meeting on April 8<sup>th</sup> so the next Metro Council meeting would be April 15, 2004.

## **9. ADJOURN**

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 3:35.

Prepared by

Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF APRIL 1, 2004**

Item	Topic	Doc Date	Document Description	Doc. Number
3.1	Minutes	3/25/04	Minutes of the Metro Council meeting for March 25, 2004	040104c-01
6.2	Resolution	4/1/04	Resolution No. 04-3438A, For the Purpose of Considering the Assignment and Modification of Metro Contract No. 924826 Concerning a Lease Agreement for A Portable Simulation Theatre at the Oregon Zoo.	040104c-02
4.1	Budget Books	4/1/04	To: Metro Council From: David Bragdon, Council President Re: Proposed Budget Fiscal Year 2004-05 and Line Item Detail	040104c-03
4.1	Power Point Presentation and Talking Points	4/1/04	To: Metro Council From: David Bragdon, Council President and Bill Stringer, CFO Re: FY 2004-05 Power Point Presentation and Budget Talking Points	040104c-04
2	LOTI materials	4/1/04	To: Metro Council From: Art Lewellan Re: The LOTI Project	040104c-05