

MINUTES OF THE METRO COUNCIL STRATEGIC PLANNING

Tuesday, August 11, 2004
Metro Council Chamber

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

Councilors Absent: Carl Hosticka

Others Present: Doug Anderson, Financial Management & Analysis Manager; Chris Billington, Metro Council Operations Manager; Richard Brandman, Deputy Planning Director; Dan Cooper, Metro Attorney; Jim Desmond, Metro Regional Parks & Greenspaces Director; Kevin Dull, Labor & Employee Relations Manager; Karen Feher, CIP Coordinator; Mike Hogle, Solid Waste & Recycling Director; Michael Jordan, Chief Operating Officer; Jenny Kirk, Planning, Administration/Finance Manager; Kate Marx, Public Affairs & Government Relations Director; Jim McMullin, Office of the Auditor; Bill Stringer, Chief Financial Officer; Kathy Rutkowski, Budget Coordinator; Brad Stevens, Financial Planning; Reed Wagner, Project Manager; Mike Wetter, Senior Policy Advisor; Tony Vecchio, Zoo Director

Council President Bragdon convened the Metro Council Strategic Planning Meeting at 1:07 p.m.

Develop Operating Goals & Start Work Program

1. & 2. Review work to date and review objective of meeting

Michael Wetter reviewed the progress made on the strategic planning project to-date. He said that Paul Couey had helped him put together a preliminary draft of the work program, which after this session would be ready for council review.

3. Review and edit operating goals and give direction

Michael Wetter picked up from a previous meeting by starting with the fifth goal on the "General Council Direction on Operating Goals-Draft" spreadsheet.

Fifth Goal: Create, support and encourage a diverse environment that reflects the community we serve. Provide leadership in our community through our diversity practices.

Rex Burkholder wanted to know what "diverse environment" meant. He suggested that it would be understood better if it was diverse "workforce."

David Bragdon said it included advisory committees, work force, public involvement efforts, etc. to encompass all the communities that would be involved in the process.

Rex Burkholder said it was a huge challenge for Metro given their current status.

Mike Jordan agreed and said that there were two parts to it: 1) data gathering and meeting targets for the work force and 2) to provide leadership in the community about those things. He said it would be difficult

to be out there trying to persuade other governmental or private organizations that these issues are important to them too.

Bill Stringer said it would also mean contracting, purchasing, and consulting.

Michael Wetter asked the council members if they would be committed to that as a goal.

Mike Jordan said that in the year that he had been with Metro, steps had been taken to increase the Metro profile in the community in organizations that promoted diversity in hiring and contracting practices. It would be good to have in the strategic plan and to continue those efforts.

Tony Vecchio said that to attract or keep a diverse work force, Metro and the Zoo needed to be part of the local culture especially as children grow up. Otherwise there wasn't even a general interest in the zoo from some people in the community.

Kevin Dull said that Metro was in a very competitive market and possibly pulling from a limited pool of knowledge, skill, and ability to work at Metro. Metro might need to find a new way of recruiting to pull in talent and diversity so that they aren't doing what our competitors are doing.

Rex Burkholder said they should take out the word "environment" and put in the list of terms. He said that turnover was slow at Metro and it would be a slow process to increase diversity. He said that they needed to focus on class diversity as well as racial diversity.

Mike Jordan said maybe they should put "economic diversity" in the goal instead.

Bill Stringer said that Metro did have a half-time person that was dedicated to diversity.

Rex Burkholder said that TriMet was a good model and maybe Metro should look at their program for ideas.

Jim Desmond said that MERC was also a great model for diversity.

Rod Park said that they should be careful with the use of the term "diversity." He cautioned the council not to create a situation where there could be a backlash against the goal, or the policy. He said that Metro's philosophy should be that whoever worked for Metro, no matter what their background, should be the best person for the job based on their skills and qualifications.

Mike Jordan said that Metro was in the business of making public policy. The goal should be geared to that and have the voice of the public reflected in their decisions. That was why Metro needed a diverse work force.

David Bragdon said it was more important to actually be hiring a diverse work force than it was to go out and champion it in the broader community.

Dan Cooper said that one of the reasons that the advisory committees seemed bland or mono-cultured was due to a large part of the regional population either not knowing of Metro's existence, or not thinking that Metro was important.

Rex Burkholder said that leadership by Metro was important because it would get us out into the public realm and lead to more opportunities to educate and inform the public. He said that we should recruit good talent when we see it from wherever we see it.

Michael Wetter said that it seemed as though the council was supportive of both of those concepts (objectives).

Sixth Goal: "Maintain integrity and accountability."

Michael Wetter asked the councilors to discuss what this goal meant to them.

Brian Newman said it was an important goal/concept. He said that management should encourage risk and entrepreneurial behavior and that ultimately people needed to be responsible for what the agency accomplished. He said that they did not want a culture where people passed the buck, pointed fingers, but rather where people were accountable for what the agency did.

Bill Stringer said that a lot of the accounting and finance activities were specific to keeping the council informed. He said that the objectives and goals decided on in the exercise would be the guiding mantra for the Finance Department.

Mike Jordan said that, prior to Bill Stringer's hiring, the central finance group had a reputation for being heavy handed and uncooperative with the other departments. He thought that might have been because they held accountability/public interest exclusive to customer service. That had created tension. He said that culture had changed in the last year, but the new culture required a delicate balance of customer's and public's needs/interests. He said they needed to maintain their integrity and accountability and not lose it to the expeditiousness of the moment.

Brian Newman said that trust was the crux of accountability and integrity. The public needed to trust Metro, the Council needed to be able to trust the departments, and the departments needed to trust each other and the Council.

Rex Burkholder said that accountability and integrity was overarching for the whole agency.

There was further discussion about what "integrity" and "accountability" meant.

Michael Wetter asked if they wanted objectives created based on this goal or would they rather have it woven or imbedded throughout all the goals? He also suggested that these concepts would fit into the statement of value.

Jim McMullin said that there was a model that related to the discussion. He said it came out of the Standards Government Accountability office and it was a model of management control standards. The name of the state office might have changed recently. The model was comprised of five (5) aspects. He said that the discussion seemed to be around "what was the control environment at Metro." To determine that they would start with setting a tone of governance such that there was concern about integrity and accountability.

Michael Wetter asked Jim McMullin to work with him on that after the meeting. Mr. McMullin agreed.

Seventh Goal: Optimize asset productivity

Discussion revolved around identifying assets, such as facilities, people, expertise, etc. Another aspect to consider was those entities that Metro purchases products from – local versus outsourced operational purchasing. Consideration was given to making the second part of the goal, “productivity” a separate goal. There was concern that the goal as stated might be trying to capture too much.

Bill Stringer said that was exactly the type of issue that a performance-based budget would address.

Eighth Goal: Maintain open, collaborative working relationships with other governments and organizations

The council as a group was supportive of the concept of being open to partnerships with other agencies and thereby optimizing goals through partnering. Metro should strive to maintain open, collaborative working relationships with other jurisdictions, agencies, and the business community. It was important to remember that the local politicians and the city they represented were not necessarily the same entity, and therefore refrain from projecting negative reactions to local politicians onto the city itself. There should be more peer-to-peer discussion within the jurisdictions and within the region to find common solutions and learn from each other. It was suggested that Metro should bring the MPO's from all around the state together for a meeting and share ideas and common interests. It would be beneficial to help jurisdictions to think regionally in order to get what they want locally, and conversely, have Metro learn more about local constraints, preferences, and operations. Metro needed to take steps to eliminate the “we don't listen we just tell” persona that some people accuse Metro of having. If Metro were to become a partner that actually put man-hours into providing advice and guidance then there would be a budget impact and the council would have to be aware of it and manage it.

Mike Jordan suggested that the council started getting out the “word” that Metro wanted to engage in open, collaborative relationships with other governments. If that was successful and grew and progressed, then Metro would have to work out a more formal program that took into account the budget impacts. Instead of trying to put together a plan and a budget right away, make it a growth process that entailed several years of roll-out budgeting.

Michael Wetter said that they might want to get stakeholder input to see if there were partners out there that would be interested in this.

Richard Brandman suggested that councilors could meet with many city officials to get the “word” out. The councilors agreed that they had been doing this already, but perhaps they could increase that activity or start to find ways to make it a formal process.

Rod Monroe suggested the idea of training new commissioners and city officials to promote good relations and education on Metro.

Mike Hoglund reminded them that they would need to include organizations in that outreach effort.

Rex Burkholder said that Metro needed a formal outreach program.

Ninth Goal: Communicate effectively with and respond to the needs of the region's residents

During discussion it was suggested that communication for Metro needed to be internal and external. The idea of conducting a customer survey to measure the success of communication was discussed but

ultimately dismissed, as it did not seem to be a good measure for reading people who did not know about Metro or would necessarily bother to respond.

Some councilors felt that staff should take out the “to the needs” portion of the goal so that it read “communicate effectively with and respond to the region’s residents.”

Discussion centered on whether the message going out of Metro should be “controlled” or so part of the culture and process that it was passed to the partners and the public almost unconsciously. It was agreed that there were no controls now and that many messages were getting out through many sources and it would be better to have a more unified presentation. Perhaps the mission and vision should be reworked and shared within the agency so that the work culture and message became integrated and passed along as one voice, one message.

Tenth Goal: Establish and maintain sufficient fiscal resources to achieve Metro’s goals

The councilors expressed concern about being able to identify what it would cost to deliver on Metro’s goals. How would that process be developed and determined? It was suggested that “controls” be added to the sentence to read, “establish and maintain sufficient fiscal controls and resources to achieve Metro’s goals.”

It would be important to balance agency resources with the goals of the council. How would they develop measurable programs, objectives, and activities? They would have to figure out what the cost was to meet the programs currently underway and then figure the cost of achieving new goals and take that data to the council for deliberation and review. A key factor that the council would have to decide on was whether they should pursue finding a way to increase revenue or funding. They could not achieve current program options with the funds and resources available now. They would have to consider two things 1) have they done everything they can with the resources available and 2) were they trying to run too many programs at one time? They must learn to not let the appetite exceed the fiscal resources.

It was decided to remove this goal from the work plan.

There was more discussion about who would make the decision on what programs/objectives would fall off the work plan and budget. Bill Stringer explained that the council would have discussions about the programs and objectives and make those decisions before the budget was finalized. Individual councilors would rate the programs and those that rated low would fall off the plan.

Eleventh Goal: Provide exceptional service for both “internal” and “external” customers

The councilors agreed that they would need to create a list of defined customers. Discussion centered on the importance of good customer service. Some councilors said it would be difficult to determine how to measure “exceptional” and it was thought that perhaps that word needed to be changed. They concluded that they would need to develop measures of good service and define “exceptional” as maybe meaning, “exceeding your customer’s expectations.” There was still uncertainty as to how to measure that, however. It was agreed that a survey was not necessarily an unbiased measure and therefore not a good measure.

Some councilors wondered how they would measure ideals such as competent, courteous, helpful, etc. It was suggested that perhaps they could change “exceptional” to “improving” and when they were at a point where it would cost Metro to keep on improving, then they could determine how much further they

wanted to raise that bar. They also needed to find a way to incorporate the product and brand into the message.

Change the goal to read: Provide improving service for both “internal” and “external” customers.

Twelfth Goal: Create and sustain a creative, flexible, entrepreneurial, culture that incorporates fresh ideas and supports reasonable risk

Mike Wetter said that the council members had discussed this goal at length at the previous meeting.

Rex Burkholder said that he could see the benefit of developing some sort of program that would reward employees for good suggestions that saved money.

Mike Jordan said that Metro already had a program for employee suggestions, but there wasn't an incentive or reward for it yet. He said that they were more likely to come up with measurable processes for reasonable risk, than they would for entrepreneurial ideas.

4. Outline work program for the rest of the year

Michael Wetter said it was time to talk about the timeline and linkage from where they were now until the budget was ready for review.

Bill Stringer said that the budget was a whole new process that included programmatic elements, measures of performance, and a 5-year forecast. Metro was in the process of developing council goals; the departments were already putting together their goals to tell the council what their primary programs were. Each department had provided a list of their primary programs that were broad statements of their goals. He explained the “Program Budget Flow Chart.” The hard part for the program would be to develop performance measures for each activity. The departments would be responsible for measuring the performance, but those programs would be overviewed by Finance.

David Bragdon said that they would regularize council work sessions so that departments would be checking in on programs on a regular and known timetable. He asked the department heads to weigh-in on the “big look” process.

Mike Jordan said that his impression was that the primary programs level of the process didn't afford too much difficulty for the department heads, but as that was dialed down to activities, and performance measures for those activities, it would become much more difficult.

Some people expressed concern that there would be some performances that would not be measurable and that it would take time to “find” or “create” ways to measure them. It would, therefore, ultimately be a waste of time for the department managers, because they would just be creating measures that really would never be used in order to comply with council demand. Others said it helped them to focus on where funding comes in and goes out of their department and provided a vision of how they could improve their budgets and management processes.

Bill Stringer said that at least three departments had already gone through the process but the benefit for them was that unlike in the past, they now had the opportunity to present the details of their work program to council.

Doug Anderson said that the objectives really focused the goals and gave the departments the opportunity to present what they do, what they would like to do, and then get real feedback from the council as to what Metro Council would like to see done and pursued.

Susan McLain said that it would serve no purpose to be an empty exercise and that the council wanted the whole agency, including the departments, to benefit from the process and the ultimate direction that the agency decided to take.

Tony Vecchio said that sometimes measuring the increase or improvement in quality was hard to measure rather than the increase in dollars or numbers.

Rex Burkholder said that the management team needed to identify ways to measure administration productivity, and to measure outputs and outcomes. It was also important to use resources within the organization that would help them measure those seemingly un-measurable things.

Bill Stringer said that all departments would have to put forth measurable performances for the current budget, however it may take more than one year to reach a point where good measures of performance was reached. The performance-based budget was not a threshold type of budget but rather served to explain to council what the goals and activities were, and what it would take to meet those goals/objectives. It was also important to know what circumstances surround that shortfall when they were not meeting those goals/objectives.

Kate Marx said that the value of performance measures, once the barrier of resistance was broken, lead to understanding by every employee of their part in attaining the goal related to what they do every day. It would define daily work behavior so that there was more efficiency in delivering services.

Bill Stringer said it was a device that helped departments get to accountability and provided a format for them to measure that accountability. He reviewed the Draft Conceptual Strategic Budget Process for FY 2005-06 timeline.

Rod Park expressed concern that Tony Vecchio said that he was doing performance measures that actually didn't provide benefit for him.

Mike Jordan said that there were some things that they just would not be able to measure. Measuring qualitative work was difficult, and there wasn't always a good indicative measure of what was being done.

Doug Anderson asked if they would produce a list the characteristics that performance measures should have.

5. Discuss how to proceed with next steps

The next steps of the process were to:

- complete the operating objectives – Michael Wetter said he would put those together and then have council streamline them
- review a working draft of the completed strategy – Michael Wetter said that should be completed fairly soon and that he would want the council to look the strategy over, approve the blue print, and provide direction. Therefore they would need to review their priorities for the plan and where Metro was going
- review the pyramid of vision, goals, objectives, primary programs, and secondary programs

- MERC needed to be in the room when they talked about strategy for OCC and that was slated for sometime in September

Michael Wetter said that he hoped the first two list items (above) could be done in one meeting. He said the Strategic Planning Committee members were hoping that all the above work could be completed by late October. Then they would have to tackle the “parking lot” issues – those issues that came up during discussions and were tabled for deeper discussion at a later time.

Rex Burkholder said they should pull in the “parking lot” issues that needed to be addressed before the completion of the “Big Look” strategy. He said they might have bearing on the strategy and valuable discussion or information could be left out of “Big Look” if they waited until the strategy was complete. Stakeholder input for the “Big Look” strategy was also important to the process.

Mike Jordan said that when the complete draft was ready then the council would be better able to identify where they would like feedback from outside stakeholders and partners.

Michael Wetter said that he was asking the councilors to commit to several meetings each month in the fall.

Chris Billington said that there were a few council meetings where they could fit in discussion on the “Big Look” rather than schedule special meeting times. It was agreed that the council would use part of several regularly scheduled Tuesday/Thursday meetings to continue discussion on the strategic planning.

Michael Wetter said that the working draft should be ready by the end of the month for the council to review.

6. Adjourn

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:11 p.m.

Prepared by,

Kim Bardes
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF AUGUST 11, 2004

Item	Topic	Doc Date	Document Description	Doc. Number
#3 Review and edit...	Strategic Planning	August 2004	Council Priorities for Operating Goals from July 28 th Brainstorming	081104c-01
# 3 Review and edit...	Strategic Planning	August 2004	Operating Goals and General Direction from Council spreadsheet	081104c-02
#3 Review	Strategic	July 28,	General Council Direction on Operating	081104c-03

and edit...	Planning	2004	Goals - Draft	
#4 Outline work...	Strategic Planning	August 2004	Program Budget Flow Chart	081104c-04
#4 Outline work...	Strategic Planning	August 2004	Draft – Conceptual Strategic Budget Process for FY 2005-06, Includes coordinated preparation of 5-year operating & capital forecasts (CIP) and annual budget	081104c-05
#5 Discuss how to proceed...	Strategic Planning	August 2004	Parking Lot (list of discussion items shelved until a later date)	081104c-06
#5 Discuss how to proceed...	Strategic Planning	August 2004	Council Retreat August 11, 2004	081104c-07