

## MINUTES OF THE METRO COUNCIL MEETING

Thursday, October 7, 2004  
Metro Council Chamber

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

Councilors Absent:

Council President Bragdon convened the Regular Council Meeting at 2:01 p.m.

### 1. INTRODUCTIONS

There were none.

### 2. CITIZEN COMMUNICATIONS

There were none.

### 3. DRAFT REGIONAL WATER SUPPLY PLAN UPDATE

Councilor McLain introduced Carol Krigger, Planning Department, and Lorna Stickel, City of Portland.

Carol Krigger said Ms. Stickel worked for the City of Portland Water Bureau and was the project manager for the Regional Water Providers Consortium. She said the update was required every five years and she served as the technical staff for the consortium.

Lorna Stickel, Regional Water Providers Consortium, talked about the consortium and its history. There were 22 providers on the board. The board met quarterly. Councilor McLain was the liaison to the consortium. She spoke to the standing committees. She noted the annual report (a copy of which is included in the meeting record). A huge part of what the consortium did was to serve as a water conservation group. She said the planning role of the consortium had changed over time as well. She said this would affect the Intergovernmental Agreement (IGA) and gave some of the specifics of the IGA and how it would change. She provided a copy of a power point presentation, which summarized her remarks about the Update (a copy of which is found in the meeting record). She talked about the addition of the emergency management strategy and how this interfaced with Metro. This was the only coordinated effort across the region. She spoke to the necessity of Metro's continued participation in the consortium and the linkage between the two groups. She acknowledged joint objectives such as sustainability and conservation. She noted future actions that would need to take place such as adoption of the plan. She urged the Council's participation and feedback in the plan update.

Councilor McLain thanked Ms. Stickel and Ms. Krigger for their work. She felt this had been a win-win model for regional work.

### 4. ORGANICS PROGRAM PRESENTATION

Mike Hoglund, Solid Waste and Recycling Director, noted the items on the agenda concerning the organics program, Ordinance No. 04-1036 and Resolution No. 04-3497. He provided some

context for the organics program. He noted that Cedar Grove would provide some details on their program. He provided history on the collection of unwanted food. They were now marking the second phase of the program, which was collecting food waste for composting. They had provided a white paper on organics to the Council. They had then drafted a Release For Proposal and received three bids. They were now looking to enter into a contract with Cedar Grove Composting for a composting organics. He gave further details on the contract, which included no infrastructure capital from Metro. He talked about the benefits and opportunities of composting organics. He spoke to fiscal impacts. Council President Bragdon asked Mr. Hoglund to detail some of the organics processes at our facility. Mr. Hoglund explained the process of waste going to our facilities and how the food waste would be front end loaded into one of the trucks. We were obligated to get it to Cedar Grove.

Councilor Burkholder asked if we got over 10,000 tons and built a facility here in the region, what would be the cost savings. Mr. Hoglund responded to the benefits of having a facility in the region.

Susan Thoman and Denise Foland, Cedar Grove Composting, talked about their facility and provided a power point presentation on their facility. Ms. Thoman said their model had been to recycle everything they could. She talked about the steps to proper composting. She then gave an overview of odor issues and the gore cover system. She said they were well known in the Puget Sound area for their products. She summarized the drivers for composting demand. She talked about the regional benefits of siting a facility.

Councilor McLain appreciated their presentation. She asked about the regulatory difference and similarities between Oregon and Washington. She wondered about the siting of a facility in Oregon. Ms. Foland said Oregon was going through its rule making right now.

Councilor Park asked about feedstock coming out of methanol production. Ms. Thoman said she wouldn't know that at this time.

**5. CONSENT AGENDA**

5.1 Consideration of minutes of the September 30, 2004 Regular Council Meetings.

Motion: 

Councilor Newman moved to adopt the meeting minutes of the September 30, Regular Metro Council.
---

Vote: 

Councilors Burkholder, McLain, Monroe, Park, Newman, Hosticka and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.
--

**6. ORDINANCES – SECOND READING**

6.1 **Ordinance No. 04-1036, Ordinance No. 04-1036**, For the Purpose of Amending Metro Code Chapter 5.02 to Establish the Initial Disposal Charge for Compostable Organic Waste at Metro Transfer Stations.

Motion:	Councilor Park moved to adopt Ordinance No. 04-1036.
Seconded:	Councilor McLain seconded the motion

Councilor Park said since the largest single category of disposed waste in Oregon was food, the collection and processing of organic waste was critical in the region’s efforts to reach its state-mandated goal of a 62% recovery rate. To implement the Organics Plan, Metro must accept organic material from the region’s solid waste haulers at Metro transfer stations. Metro was in the process of negotiating a new transfer station operations contract with Browning Ferris Industries and was negotiating a price for accepting and processing organic waste. This ordinance allowed a rate for accepting compostable organic waste to be set and allowed the organics to be accepted and managed separately from other solid wastes. Metro was currently negotiating an agreement with Cedar Grove Composting for transport, processing and composting at a cost of \$39 per ton. The rate methodology established by this ordinance was reviewed and recommended for Council approval by the Rate Review Committee in October, 2003. The rate methodology exempted organics from transaction fees, regional system fee and excise tax. This ordinance established the rate. Councilor Park urged support.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Newman, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed with Councilor Monroe absent from the vote.

**7. RESOLUTIONS**

7.1 **Resolution No. 04-3501**, For the Purpose of Authorizing and Approving The Canemah Park Master Plan and Authorizing an Amendment to the Canemah Park Property Intergovernmental Agreement with the City of Oregon City.

Motion:	Councilor Newman moved to adopt Resolution No. 04-3501.
Seconded:	Councilor Hosticka seconded the motion

Councilor Newman introduced Resolution No. 04-3501. He explained where Canemah was. He talked about the master plan and the change in the Intergovernmental Agreement (IGA).

Heather Nelson Kent, Regional Parks and Greenspaces Department, introduced the topic. She spoke to the great partnership with the City of Oregon City.

Kirk Lango, Landscape Architect, described what the proposed improvements were. He said they presented this to the City Commission of Oregon City. The Commission was excited to work with Metro on this project. He shared with Council where the site was and the plan for a new play area and basketball court. The neighbors and the City talked about creating a park close to a habitat area that they wanted to protect. He felt they had found the right balance. All of the neighbors were happy with the project.

Councilor Newman asked about the timeline for improvements. Mr. Lango said some of the park improvements would begin in the next several years. Councilor Park asked about the acreage and who owned what. Ms. Kent shared where the shelter pavilion and some of the other improvements would be. Councilor Park asked where the active recreation would be. Ms. Kent responded by showing where the active areas would be on the site map. Mr. Lango added his comment. Councilor Park summarized why he brought the issue up. Council President Bragdon asked about the master plan and signage. Mr. Lango said it was part of the plan. They hadn’t gotten into too much detail yet. He provided some of the highlights. Council President Bragdon asked about artwork. Mr. Lango said art would be incorporated.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Newman, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed with Councilor Monroe absent from the vote.

- 7.2 **Resolution No. 04-3494A**, For the Purpose of Adopting a Policy for Establishing a process and criteria for proposed investments from the new Metro Tourism Opportunity and Competitiveness Account (MTOCA).

This item had been continued from last week.

Councilor Park said on May 20, 2004, the Metro Council passed Ordinance 04-1052, increasing the excise tax on solid waste by \$.50 per ton for the purpose of allocating funds to the Metro Tourism Opportunity and Competitiveness Account. MTOCA was created to help the Convention Center maintain its competitive position in an increasingly difficult convention industry in order to achieve economic benefits for the region. This resolution would provide direction and guidance to the Metropolitan Exposition Recreation Commission (MERC) as it considers specific recommendations to the Council for fund expenditures. Council must authorize any expenditures from the fund by ordinance. The MERC Commission in Resolution 04-15 recommended that Council approve the proposed policy in this ordinance. Councilor Park urged adoption.

Councilor Newman acknowledged the hard work of the Commission on this resolution, particularly Don Trotter, the new chair of the Commission. He asked Mr. Blosser about the timeline for the application for the funds.

Jeff Blosser, OCC Director, said the application for the new building has already been put in. He provided further detail in the timeline for LEEDS certification for the entire facility.

Councilor Newman asked when they would be before Council again. Mr. Blosser said he thought it was November.

Councilor Burkholder asked about the strategies and the Council’s discussion about the importance of the goals. Council President Bragdon and Councilor McLain said they had talked about this extensively at Council and in work session. The Council would weigh in on their interests and priorities annually. Councilor Hosticka noted the “be it resolved” shared the priorities. Councilor Park urged support and thanked the Commission for their efforts.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Newman, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed with Councilor Monroe absent from the vote.

**8. CONTRACT REVIEW BOARD**

- 8.1 **Resolution No. 04-3497**, For the Purpose of Entering into an Agreement With Cedar Grove Composting, Inc., for the Transport, Processing and Composting of Compostable Organic Wastes from Metro Transfer Stations.

Motion:	Councilor McLain moved to adopt Resolution No. 04-3497.
Seconded:	Councilor Burkholder seconded the motion

Councilor McLain gave kudos to Cedar Grove Composting. There had been three proposers for the contract. She felt this company was committed to a good product. She spoke to the positive comments that they received from a variety of agencies. She thanked Solid Waste and Recycling staff for their efforts to make this happen. She urged approval. It was the right thing to do.

Council President Bragdon opened a public hearing on Ordinance No. 04-1036.

David Yutkin, Hot Lips Pizza, 222 NW Davis, Portland OR 97209. said he had been involved in the trials for composting over the past several years. He talked about restaurateurs' frustrations with food waste. He felt this was a valuable program that would help with food waste.

Judy Crockett, City of Portland, Senior Conservation Program Coordinator, 721 NW 9<sup>th</sup> Ave #350, Portland OR 97209 provided a letter for the record. She talked about the pilot projects for food waste. She summarized the City of Portland's readiness for this program. She was excited and very supportive of the program.

Councilor Burkholder asked about some of the hauling issues. Ms. Crockett responded that they had gotten good response from the haulers.

Amy Spatrisano, Meeting Strategies Worldwide, 6220 NE Glisan Portland OR 97213 said they were very excited about this opportunity for Portland. Their niche was environmentally responsible conferences. She encouraged Council to pass this resolution.

Council President Bragdon closed the public hearing and noted an email for the record from Rick Sadle, Salvador Molly's restaurant. They supported the food waste composting program (a copy of the email is included in the record).

Councilor Park asked about bactor waste. Mr. Hoglund said they were street sweepers. Councilor McLain closed by saying that everyone in this process had been very professional and helpful. When it was right, it felt right. She felt they had a win-win for the public and the region.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Newman and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed with Councilor Monroe absent from the vote.
---

## **9. CHIEF OPERATING OFFICER COMMUNICATION**

Michael Jordan invited public to Salmon Festival, this weekend at Oxbow Park.

## **10. COUNCILOR COMMUNICATION**

Councilor McLain urged the public to go to the Salmon Festival. She talked about 2004-05 brochures on waste reduction for schools. She urged taking a look at the grant program this year. Second, she spoke to the waste reduction tools for teachers.

Councilor Park talked about the Hogan Butte event today. He noted the wonderful view. Second, he acknowledged that Mark Williams, General Manager of MERC, was moving on and was going to be working with Oregon Health Science University (OHSU). He wished him well.

Councilor Burkholder said Metro received an award from American Planning Association for the ZigZag program. He acknowledged staff that had been involved in the program.

Council President Bragdon said he had attended a Zoo Foundation meeting this morning. He acknowledged the importance of the relationship.

## **11. BUDGET WORK SESSION**

Council President Bragdon gave a brief overview of the process and said that it would eventually translate into a budget for next year.

Bill Stringer, Chief Financial Officer, said that it was the first time that they had been able to put together the goals and objectives. He reviewed the schedule of departments that would come before Council to discuss the work that they had done thus far on the budget and the new process. He warned the councilors that the objectives that the departments had been working on were a little outdated but would be updated for the next round. He said that he had asked the departments to discuss with the councilors the concept of performance measures. He said that there would be technical difficulties in translating the accounting codes from the old process to the new process. The new budget would now project a five-year period. He explained the forms that the councilors would receive pertaining to the work that each department had done thus far. He also informed the councilors that the departments did not yet have the allocation for services.

Council President Bragdon asked the other councilors if what Mr. Stringer had described was what they had wanted to see when they made the request for more in-depth budget participation some time ago.

Councilor McLain said that they would have to see the forms first.

Paul Couey, Planning Department, briefly reviewed the two documents displayed for the councilors.

Mike Wetter, Assistant to the Council President, reiterated that the staff was working with a slightly different set of objectives/goals.

Mr. Couey said that the charts showed distinct groupings between the goals and objectives.

Councilor Burkholder said that they had tried to take out the "Big Look" portion of the process for a later exercise and focus on the functions of the agency for this portion of the exercise.

Michael Jordan, Chief Operating Officer, said that in past years they would not have started on the budget this early in the fiscal year but because staff had made a commitment to bring the process close to the council, it was coming before them at an earlier date. He explained that the things that they were now reviewing would undergo dynamic change over the months ahead as the process was refined. He suggested that it might feel uncomfortable for both staff and council over the next few months.

Councilor Burkholder said that it would not be as clean now as it would eventually become.

Tony Vecchio, Oregon Zoo Director, reviewed the progress that had been made on the strategic plan for the Zoo and reviewed his form, that form is attached and forms part of the record. He thanked Sarah Chisholm, Oregon Zoo, for all her hard work on the Zoo plan, and for keeping the big budget picture in mind as she worked on the programs and objectives. He said that it was not an easy process but an interesting one nonetheless.

Councilor McLain said that the council had discussed conservation as a natural fit for Metro programs many times in the past. She said that they had never talked about it as part of the

budget, and suggested that they should take up that part of the discussion. She said that staff and the Council should talk about what they actually wanted to do, and if there was a budget to do it.

Councilor Hosticka said that it would be useful to take the issues or concerns that people had on a global level and relate them to local and regional concerns. He wondered how Metro would fit into a niche for planning for natural species, and he would want to know how Metro added to current efforts in the region.

Mr. Vecchio said that when they worked independently they lost opportunities in the community. By working with partners in the region, Metro could tap into tremendous synergy. He suggested that Metro would be a good convener in the region for this type of thinking over a long-term effort.

Councilor Hosticka said that the Zoo offered first hand experience of nature and what conservation was about.

Councilor Burkholder said that it was an intriguing question and he wondered where it would fit in Metro's plans and how efforts could be partnered with others in the region regarding budgeting for pursuing conservation in the region.

Mr. Vecchio reviewed the Zoo's second primary program and supporting goals and objectives. He said that historically if they added new exhibits then attendance would increase and revenue would cover increasing costs. He said that model was no longer working and that they needed a new business model. He said that while the strategic plan was a good plan he did not think that it would solve the problem

Council President Bragdon said that the strategic plan could help with those meaty issues.

Councilor Burkholder said that the hopeful outcome was not to take a program and squeeze it into a new box, but rather to identify new opportunities and new issues. Therefore, the issues and opportunities portion of the exercise was very important and would help them make good decisions.

Councilor McLain said that sometimes they made cuts to the budget without realizing the importance of the program that was cut. She said they also needed to go out and find new sources of revenue. The strategic plan was not just to cut programs but also to look at the whole picture and make rational, long-reaching decisions. She said that they somehow needed to call out the essential programs in order to figure out where they fell in the budget and whether they needed to find new sources of revenue.

Councilor Park said that they also needed to take into consideration the cost of maintaining programs as costs increase over the years, as well as the costs of new programs and their outlaying costs of maintenance. He suggested that they needed to look at how they would change the paradigm.

Council President Bragdon said that there were factors that were anticipated but they also needed to remember that there would be factors that were not anticipated.

Councilor Park said that they needed to examine why the Zoo's Business Model was no longer working.

Mr. Jordan said that the discussion had brought up a bunch of points that needed to be examined. He said that finding a sustainable Business Model for the Zoo was an interesting problem that needed discussion. He said that there were things that Metro did not do today that could enhance the sustainability of the Zoo, but there was much more to consider when talking about the budget for the Zoo and funding.

Councilor Burkholder said that the whole purpose of the Strategic Planning process was to raise these types of issues for discussion and examination, and then tie the issues together to see how they fit into the agency's functioning.

Councilor McLain asked if the Zoo school program projection was in the black, and if it would help meet the priority of closing the \$10 million gap. She wanted to know what they would use as the measurement – meeting the \$10 million dollar short fall or what the program provided for the community?

Mr. Vecchio said that the proposed preschool had fallen to the back burner due to the questions the councilors had asked at previous meetings. He said that Zoo staff had gone back and looked at those models and discovered that they had made a huge error. He said that they could not run a preschool with the current Metro operating practices because the wages for teachers was too great and taking that into account the program would not be in the black.

Councilor Burkholder asked how what they had done and outlined today would translate into a budget.

Councilor Park asked if the trend was that operating costs, maintenance costs, and overhead was getting more expensive or less expensive.

Mr. Vecchio said that they were getting greater. The exhibits were much more complex and required major labor-intensive upkeep. They might be able to save money on energy conservation.

Councilor Park asked if there was a way to plan and build the exhibits so that they were less labor intensive.

Mr. Vecchio said that there might be some ways, but historically as they pick new exhibits for the Zoo they pick it on what people want and what the conservation trends were.

Mr. Stringer answered the question of how all the work on the strategic plan was captured in a way that moved the budget forward. He said that he had envisioned three parts to the process: 1) determine a spending priority that the council felt was appropriate within the departments and agency-wide, which would take some time to process in a meaningful way, 2) produce revenue that did not fall into the category of goals and objectives of council, for example the Zoo simulator; it brings in revenue but doesn't always speak to the Metro agency mission, and 3) perfect a model on how the departments in Metro operate. In December, Finance staff would come back with the preliminary budget drafted, in order to get the Council's feedback and to complete the budget process on time in 2005. He said that time was of the essence. He explained that he was still groping for the manner in which to present it to the Council, with priorities identified. In this first round, he said, he wanted to lay out the issues.

Council President Bragdon said he would like to work with Mr. Stringer on identifying the process for presenting this program budget to the Council.



Councilor Hosticka said he thought the process laid out by Mr. Stringer was good, but that at some point the Council would need help from the Finance staff, because it would, at some point, need an independent review (separate from the departments advocating for their own programs), because some tough choices would have to be made.

Councilor Park said that staff talked about policy choices and how to address the “slowly sinking ship.” He would be challenging staff to see how Metro could operate within the black. He said that he felt the Council needed to be looking at all the departments carefully, just as they were doing with the Zoo.

Councilor McLain asked for some clarification from Mr. Stringer on the process, especially in regards to perfecting the Metro model of operation. She did not understand how he planned to tie the strategic plan goals to status quo revenue.

Mr. Jordan responded and said that Mr. Stringer did not mean to imply that this discussion was revenue neutral. If the Council decided that Metro would require more funds, then they would have the option later of making that choice. At some point, the Council would be asked to balance the programs and revenue streams and thereby make choices. This process was better than what had been done before, in part because, it much more tedious and tough. He said that by tearing the budget apart by activities, it allowed the Council to not only decide what to keep and discard, but also to redesign the process and budget.

Councilor Hosticka said he thought that there were synergies across departments that would show up in the process that would not have shown up in the old department-by-department process. He expressed his hope that the staff could redesign the whole agency and not just one department at a time.

Councilor Burkholder emphasized that it was indeed a process, in which he was still learning. He used a metaphor of writing a paper. He felt the Council was now writing the table of contents, to set the general form. He asked for patience with the process. The Council should not be worried about punctuation at this point. He said that he also was still learning what the best way to do the process in order to accomplish Metro’s goals.

Council President Bragdon said they would have another budget meeting next week (October 14, 2004) with the focus on the Parks and Planning departments.

## **12. ADJOURN**

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:50 p.m.

Prepared by

Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF OCTOBER 7,**  
**2004**

Item	Topic	Doc Date	Document Description	Doc. Number
3	Year-End Report	FY 2002-03	To: Metro Council From: Lorna Stickel, Regional Water Providers Consortium Re: Year-End Report for FY 2002-03	100704c-01
3	Power Point	10/7/04	To: Metro Council From: Lorna Stickel, Regional Water Providers Consortium Re: Power Point presentation on Regional Water Providers Consortium IGA amendments	100704c-02
3	Power Point	September 2004	To: Metro Council From: Lorna Stickel, Regional Water Providers Consortium Re: Power Point presentation on Regional Water Supply Plan Update Draft September 2004	100704c-03
3	Plan Draft Update	September 2004	To: Metro Council From: Lorna Stickel, Regional Water Providers Consortium Re: Regional Water Supply Plan Draft Update September 2004	100704c-04
8.1	Letter	10/7/04	To: Metro Council From: Judy Crockett, City of Portland Office of Sustainable Development	100704c-05
8.1	Email	10/6/04	To: Jennifer Erickson, Solid Waste and Recycling Department From: Rick Sadle, Salvador Molly's Re: Email supporting food waste composting program	100704c-06
4	Power Point	10/7/04	To: Metro Council From: Susan Thoman, Cedar Grove Composting Re: Power Point Presentation on Cedar Grove Composting Facility	100704-07