



METROPOLITAN SERVICE DISTRICT

1220 S.W. MORRISON, ROOM 300, PORTLAND, OREGON 97205

(503) ~~222-3671~~ 248-5470

MSD BOARD OF DIRECTORS

MINUTES OF THE MAY 12, 1978 MEETING

BOARD MEMBERS IN ATTENDANCE

Robert Schumacher, Chairman
Sidney Bartels
Dennis Buchanan
Connie McCready

BOARD MEMBERS NOT IN ATTENDANCE

Ray Miller
James Robnett
Lyle Salquist

GUESTS IN ATTENDANCE

List attached.

STAFF & ADVISORS IN ATTENDANCE

Jan Stewart, Attorney
Charles C. Kemper
Merle Irvine
Cordell Ketterling
Warren Iliff
A. McKay Rich
Lee Marshall
Steve McCusker
Don Flatley
Paige Powell
Jean Woodman

METROPOLITAN SERVICE DISTRICT BOARD ACTION

NO. 78-1065 DATE 5-26-78
YES NO ABST.

BARTELS
BUCHANAN
McCREADY
MILLER
ROBNETT
SALQUIST
SCHUMACHER

	YES	NO	ABST.
BARTELS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
BUCHANAN	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
McCREADY	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MILLER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ROBNETT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SALQUIST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
SCHUMACHER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

[Signature]
Clerk of the Board

There being a quorum present, the Board considered the following items of business:

78-1054 MINUTES

Councilman Bartels moved to approve the minutes of the April 28, 1978, meeting as submitted, and to approve deletion of the words, "He stated that Anne Kelly Feeney had been hired to develop a program for the next Zoo levy election.", from Page 7, Informational Reports, of the April 14, 1978, Board minutes. Commissioner Buchanan seconded the motion. The motion carried unanimously by roll call vote.

78-1055 PUBLIC COMMUNICATIONS

Commissioner Schumacher asked if there was anyone in the audience that wished to address the Board on matters not listed on the meeting agenda. There was no response.

78-1056 CASH DISBURSEMENTS

Commissioner Buchanan moved to approve payment of checks 2439 to 2577 for check registers dated April 30, 1978, in the total amount of \$129,292.10, and April 30, 1978, in the total amount of \$75,916.59. Councilman Bartels seconded the motion. The motion carried unanimously by roll call vote.

78-1057 1978-79 BUDGET APPROVAL

Mr. Kemper reviewed the procedure followed by staff in development of the FY 78-79 Budget, and its review and subsequent approval by the Budget Review Committee. This committee consisted of Ray Miller, James Robnett, John Hankee, and Don Williams. The Budget was before the Board for approval and submittal to the Tax Supervising and Conservation Commission.

General Fund

Mr. Kemper presented the General Fund, indicating the resources as transfers from the Solid Waste and Zoo Fund, for operation of the Administrative Division. Resources totalled \$212,734, an increase of approximately \$50,000 over last year. Mr. Kemper stated the increases were due primarily to increased insurance costs.

Commissioner McCready questioned the Contingency line item, and Mr. Kemper stated that it would be allocated primarily to increases in salaries and increases in costs of fringe benefits. Mr. Kemper also stated that the Contingency item may be too low and any unanticipated cost might cause staff to bring the budget back for further allocations from the two operating divisions. In discussing increases in fringe benefits premiums, Mr. Kemper stated that it was determined on a straight percentage of the salaries. The Solid Waste and Administrative Division percentage was presently 24% to 26%, with the Zoo Division slightly higher due to higher Workmens Compensation costs. Accidental Death and Dismemberment was added in September and unemployment costs have increased. Mr. Kemper suggested that the Management Committee consider the benefit program on an annual basis to discuss any alternatives.

Drainage Fund

Mr. Kemper also reviewed this fund showing a carry-over of \$3,400 from the Tualatin River Project. He stated that the original budget was \$12,000 for this program and the \$3,400 carry-over was a conservative figure.

Solid Waste Fund

Mr. Irvine discussed the Solid Waste Division's budget, calling attention to the Net Working Capital item under Resources, of \$411,870. He stated that this figure was high and was the result of a smaller debt service requirement to the State than originally anticipated. He also noted that no revenues were projected for the Scrap Tire Program. Under Personal Services a reduction of two CETA positions and one legislative liaison were shown. The legislative liaison is now shown in the Administrative Division of the General Fund. Commissioner McCready, in discussing the Reserves for Vehicles line item questioned whether an analysis was available for purchasing vs leasing. Mr. Irvine stated that an analysis was prepared by staff prior to purchasing two staff cars and a truck, and the \$2,660 figure for reserves was derived from an analysis of anticipated depreciation. Mr. Irvine will forward staff's analysis to the Board. In reviewing the Materials and Services, Mr. Irvine indicated changes in line items from the previous fiscal year. The Contingency was budgeted at 14%, which staff felt was high; however, with the Solid Waste Program beginning, staff also felt MSD should be covered well for unplanned events. There were no further comments from the Board members.

Solid Waste Debt Service Fund

Mr. Irvine also reviewed this fund stating that it was set up for loan repayment to DEQ. There were no questions from the Board.

Solid Waste Capital Improvement Fund

Mr. Irvine presented the Capital Improvement Fund showing total resources of \$10,877,000. There were no questions from the Board.

Zoo Fund

Mr. Rich reviewed the Summary of Requirements totalling \$4,630,503 for the Zoo Fund. New employees listed for the entire budget showed one in Administrative Services, two in Visitor Services,

and the assumption of a research coordinator who is presently on staff under a grant. However, Mr. Rich pointed out that with two positions in Education being eliminated and with 24-hour keeper service which eliminates a security guard, the net increase in staff was one.

Administrative Department of Zoo Fund

Mr. Rich stated that a Construction Project Coordinator had been added to the Administrative staff to over-see all construction projects. However, it has not been decided whether to retain the position on staff or under contract. Under Materials and Services, most of the utilities were transferred to Buildings and Grounds. Mr. Rich reviewed increases in the Materials and Services line items. Councilman Bartels questioned the electronics maintenance, and Mr. Rich answered that this was listed under Education and covered maintenance of computer equipment and audio-boxes on the Zoo grounds. Commissioner Buchanan questioned whether the increased Materials and Services of \$877,331 shown on Page 49 included utilities, and Mr. Rich stated that this figure was a total of Materials and Services for the entire Fund and not just the Administrative Department and did include utilities. Commissioner McCready requested clarification of the Group Marketing line item. Mr. Rich stated that these included various free days, promotional art work, costumes, etc. Ms. Paige Powell discussed the promotional aspects in further detail.

Animal Management Department of Zoo Fund

Mr. Steve McCusker was present to discuss the department budget indicating two new keepers hired to provide 24-hour coverage and reduction of the guard service by half. He also indicated that the gardeners were moved to Buildings and Grounds reducing his department's staff by four, and an addition of a research coordinator from the old Research Department. Materials and Services were reduced by eliminating Alarm and Fire Extinguishers, and all gardening equipment under Capital Outlay was transferred to Buildings and Grounds. Mr. McCusker stated that Capital Outlay had increased by \$10,000 to allow improvements to exhibits and equipment.

Commissioner McCready questioned a \$4,000 item for revenue by sale of animals, and requested a report discussing the sale of animals and how they are determined and their impact on Zoo development. Mr. McCusker stated that animal sales resulted mostly from a surplus caused by animal births and from incompatibility. Mr. Iliff stated that it was his understanding that the Board wanted to be informed of these sales only when they affect the Zoo Development Plan and that these would be noted in his monthly reports.

Mr. Rich stated that the research aspects of the Zoo, previously under Research and Education Department, were now budgeted under Animal Management.

Buildings and Grounds Department of Zoo Fund

Mr. Lee Marshall discussed the Buildings and Grounds budget noting that transfers of the railroad personnel and gardening were made to his department and in addition he anticipated an increase of one gardener and one maintenance person. Large increases in Materials and Services were made due to the addition of utilities. Building Repairs were also increased primarily for improvements to restrooms. Tools and lumber were also up from last year, Railroad Repairs were a transfer from Visitor Services, and the increase in Fuels & Lubricants is due to transfers from Visitor Services. Street cleaning and flushing will continue to be done by the City of Portland and this line item is up. Also, Mr. Marshall stated that Contract Services was added in order to obtain some consultation on the train and to contract for lawn mowing. In discussing lawn mowing, Commissioner McCready questioned whether it would conflict with the labor contract. Mr. Marshall stated that it would not cause a decrease in staff and that it was presently being contracted. He did not feel there was a conflict.

Education Department of the Zoo Fund

Mr. Rich discussed the Education Department Budget stating that the Budget reflected the reorganization that occurred mid-year. Personal Services had been reduced by elimination of the Behavioral Engineering Program and the transfer of the research grants to Animal Management. Materials and Services remained approximately the same due to an emphasis on designs and graphics displays, and Capital Outlay was reduced because of the elimination of electronic equipment associated with behavioral engineering. There was some discussion on the elimination of the Electronics Specialist and who would maintain the equipment and computers, and Mr. Rich stated that an Electronics Maintenance person would be retained on staff. The Electronics Specialist dealt mostly with the behavioral engineering apparatus which was now being eliminated. Mr. Iliff stated that another aspect of electronics maintenance was the nocturnal feline exhibit. Commissioner McCready asked when this exhibit would be ready, and Mr. Iliff stated by August 1st. Commissioner McCready was concerned that a major improvement would not be ready for viewing during this season. Mr. Iliff stated that the nursery would be a current improvement.

Visitor Services Department of the Zoo Fund

Mr. Don Flatley was present to discuss the Visitor Services Budget items and review changes from the last fiscal year. He stated that major increases were in anticipation of a higher operating level, and additional personnel for better supervision. Commissioner McCready questioned the Spook Ride Personnel in the amount of \$3,850. Mr. Rich stated that this amount would be used to hire part-time concessions help or overtime for existing staff. In discussing costs of the Spook Ride and the loss in the last fiscal year, Commissioner McCready asked how staff intended to improve the program for this year, and what the total cost would be under the new budget. Mr. Rich replied that the total cost was \$10,850 with \$7,000 under Contract Services and \$3,850 under Personal Services. Mr. Iliff stated that staff was considering ways to minimize the possibility of "going into the hole" by holding the Spook Ride on Friday and Saturday nights during the month of October reducing the risk of losses due to bad weather. He felt the Spook Ride should be considered a public service and an MSD responsibility. Commissioner McCready was not satisfied with the answers to her concerns, and, while she intended voting for approval of the budget, stated that she would expect answers at a later date.

General Capital Improvement Program of the Zoo Fund

Mr. Rich reviewed the Capital Improvement Program line items totalling \$1,708,471, covering projects such as the nursery improvements, maintenance improvements, CETA projects, quarantine project, and boundary survey. In discussing these projects, Commissioner McCready was concerned that capital funds might not be available to complete construction if these funds were being used for operating costs. She questioned staff's projections of increased revenue quoting staff's statement of a 50% increase in visitor services with this as a continuing trend. Contradictory to this statement she quoted staff as also saying that while there was a dramatic increase, not to expect it to continue. Mr. Rich stated that utilizing the consultant's projections of increased visitor services as new exhibits are developed and price changes go into effect, he was projecting some increased revenues; however, not at a 50% rate.

City/Zoo Capital Improvement Fund

This fund provides for \$186,226 held by the City of Portland.

Supplemental Information

Mr. Kemper reviewed the capital outlay detail list for the

Administrative and Solid Waste Divisions. He also reviewed listed salaries paid from more than one source.

After completion of staff review of the budget, Commissioner McCready submitted a written analysis of zoo operating costs and revenues based on annual attendees. She quoted the ZOOPLAN Report as stating what the average cost per attendee should be and that the average zoo should be able to operate on generated income. Commissioner McCready's concern was that the Washington Park Zoo's cost per attendee dramatically higher than the quoted ZOOPLAN's average zoo for FY 76-77, 77-78 and projected 78-79. The analyzed trend in increased cost per attendee of \$4.24 for FY 78-79 would cause a deficit of \$1,469,017 which would have to be covered by tax levy money designed for capital improvements. Commissioner McCready felt if the trend continued, all of the levy money would be needed to provide operating costs alone. She proposed that the Board adopt the Budget as it is, but set a goal to generate enough income to make operating costs and direct the Zoo Director to increase percentage to 60% during this fiscal year. She suggested that a program be developed to cut costs and increase revenues to be brought to the Board for approval. The Board was in agreement with Commissioner McCready's concerns, and staff will respond with a program designed to improve visitor services revenue reduce operating costs.

Councilman Bartels moved to approve the proposed 1978-79 MSD Budget for transmittal to the Multnomah County Tax Supervising and Conservation Commission for public hearing. Commissioner Buchanan seconded the motion. The motion carried unanimously.

78-1058 RESOURCE RECOVERY TECHNICAL REPORT - Publishers Paper Company and Bechtel Engineering

Mr. Kemper discussed the staff report and presented a two-volume report prepared by Publishers Paper Company covering Phase I Engineering Design of an energy recovery facility proposed for Oregon City. The staff report also indicated work that needed to be completed prior to construction of the facility. Mr. T. K. Sieckman from Bechtel Engineering was present to provide an oral presentation of the technical work as shown in the two-volume report.

Mr. Sieckman reviewed the logic and development of the project and summarized the contents of the final report utilizing slides. He began with existing facilities in the United States and analyzing their good and bad points, and applying them to the Portland area. Publishers Paper Co.'s steam requirements were analyzed and several alternatives developed. Mr. Sieckman stated that in analyzing the alternatives the consultants considered location of the plant and Publishers Paper, amounts of refuse available and costs of each alternative. He then reviewed the alternative selected using slides showing schematic designs. The total costs of the system were anticipated to be \$54.6 million using 1977 estimates. Mr. Sieckman concluded stating that from an engineering aspect the project was feasible and would benefit the Portland area.

Commissioner Schumacher asked if there were questions from the audience. There was no response.

Mr. Kemper questioned the reliability of a single boiler design. Mr. Sieckman stated that after talking to five major manufacturers of boilers and determining the engineers' feelings, anticipated breakdown and maintenance time, steel used in the boilers and costs, they determined to recommend a one-boiler system. He also stated that the system would provide 100% of the steam requirements for Publishers Paper Co. Councilman Bartels questioned the storage capacity if the boiler is down. Mr. Sieckman stated that this would be determined by the time of year, however, at the worst probably 3 to 4 days. This could also be controlled by front-end storage of the RDF. There was a discussion of breakdown time, and Mr. Sieckman stated that there is a five-day maintenance built into the system to correspond with down time at the mill, and an additional unscheduled 10 down time days. However, if the mill were down for a lengthy period, the steam could be used elsewhere.

No action was required.

78-1059 ZOO DEVELOPMENT PLAN DESIGN GUIDELINES - PRIORITY PROJECTS

Mr. Iliff introduced Doug Macy, of Warner Walker & Macy, stating that it was not staff's recommendation to adopt the design guidelines, but only the listed priority projects. Mr. Macy provided a brief review of the guidelines brochure, intended for general parameters for developing final designs.

Commissioner McCready asked if the schematic design would be sufficient to place the projects to bid for final designs. Mr. Iliff stated that they would be sufficient and would be

provided in Phase IV. Mr. Macy stated that there would be a package of information for the final design consultant to utilize. Commissioner McCready was concerned that MSD might have to contract each project for preliminary design before it could be submitted for final design, and she was assured by Mr. Macy that this would not be the case within the limitations of their contract with MSD.

Commissioner Buchanan requested that covered areas at the Zoo be addressed in the program, and Mr. Macy stated that they were being considered.

The Board considered the listed 12 priority projects. Mr. Iliff stated that projects 8 through 12 were selected in this priority because of governmental or private grant funding possibilities, and because of their locations along the train routes and in open space. Schematic designs for the 12 projects are anticipated to cost approximately \$1,000 per design, however, Mr. Iliff stated that this amount would not be sufficient for the Cascade exhibit as the project was too large. Commissioner McCready questioned the priority of the maintenance project, and Mr. Iliff stated that it was not listed as no purpose would be served by development of a schematic design.

Commissioner Buchanan moved to approve the listed twelve projects on pages 16 and 17 of the staff report for schematic design in Phase IV of the Zoo Development Plan. Councilman Bartels seconded the motion. The motion carried unanimously by roll call vote.

78-1060 CONCESSIONS PROGRAM

Set over to May 26, 1978.

78-1061 FREE ADMISSIONS POLICY

Set over to May 26, 1978.

78-1062 ADMISSION RATE INCREASE

Mr. Iliff recommended that increased rates at the Zoo be delayed until January 1979. Councilman Bartels felt a rate increase should be studied further, and the Board concurred.

78-1063 OUTSIDE SERVICES POLICY

Set over to May 26, 1978.

OTHER BUSINESS

Commissioner McCready moved to consider Contract 78-139 with Union Local 49 under Executive Session. Councilman Bartels seconded the motion. The motion carried unanimously by roll call vote.

78-1064 CONTRACT 78-139 - UNION LOCAL 49

Jan Stewart, MSD legal counsel, presented the negotiated contract between MSD and Union Local 49. The contract raises the hourly rate to \$2.70 effective June 1, the longevity increments were increased 5¢, and lead person premium pay was increased by 5¢, and the term of the agreement was changed to a fiscal year. Section 4 of the contract was changed to provide that a person need not join the union if he or she tenders his fair share payment in lieu of union dues. Ms. Stewart discussed Section 12 which deals with contracting out of the concessions, stating that this could be done provided wages and conditions were not less than in this agreement. Also MSD would be required to contract to an operation with a recognized union, and agree that no regular employee be terminated. These restrictions are limited to the term of the agreement which expires June 30, 1979.

Councilman Bartels moved to approve Contract 78-139 between MSD and Union Local 49. Commissioner Buchanan seconded the motion. The motion carried unanimously by roll call vote.

INFORMATIONAL REPORTS

Solid Waste Division

- . Parker Variance/Contested Case Request - Mr. Irvine provided an up-date on Mr. Parker's request for a variance rather than a contested case hearing. The variance, if submitted in time will be brought to the Board for action.
- . Solid Waste Advisory Committee - Mr. Irvine requested that the Board be prepared to select a candidate to replace Wally Brassfield on the Committee at the next Board meeting. Mr. Brassfield represented the Associated General Contractors.

- . 122nd & San Rafael Pit - Mr. Ketterling provided a written proposal for the San Rafael Pit presently before the Multnomah County Planning Commission.
- . Summary - Disposal Siting Alternative Report - Mr. Ketterling presented a written summary of the disposal siting alternatives discussed at the last Board meeting.

The meeting adjourned at 5:07 P.M.