

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

APRIL 22, 1982

Members present: Couns. Banzer, Bonner, Burton, Deines, Etlinger, Kafoury, Oleson, Rhodes, Schedeen and Williamson.

Members absent: Couns. Berkman and Kirkpatrick.

In attendance: Rick Gustafson, Executive Officer.

Staff present: Norm Wietting, John Cullerton, Caryl Waters, Doug Drennen, Mike Holstun, Andy Cotugno, Phil Fell, Tom O'Connor, Warren Iliff, Dan LaGrande, Don Carlson, Gus Rivera, Joe Cortright and Kay Rich.

Visitors present: John Hayes, Oregonian;  
Beth Blunt, League of Women Voters;  
Jim Johnson, 1110 - 16th Street, Oregon City;  
John Trout and Dave Miller, representing garbage haulers;  
Dr. Andrew A. Moschogianis, 15081 S. Forsythe Road, Oregon City;  
Stan Kahn, 722 SE 18th, Portland.

The meeting was called to order at 7:40 PM by Presiding Officer Banzer.

There were no introductions.

2. Written Communications to Council.

Presiding Officer stated that a letter and resolution from the City of Troutdale, in opposition to Metro's passage of Resolution No. 82-323 (Item No. 5.1 on the Consent Agenda). This item was pulled from the Consent Agenda and discussed separately.

3. Citizen Communication to Council on Non-Agenda Items.

Dr. Moschogianis expressed his concern about the dioxin emission from the proposed Energy Recovery Facility and presented Council with letters from various sources relating to emissions from the ERF.

Jim Johnson reiterated his objections to Metro's investigations and expenditures related to the ERF, specifically the contract for underground utility services at the site; and stated the environmental aspects of the facility have not been explored adequately.

Stan Kahn expressed his dissatisfaction with the limited funds budgeted for waste reduction in the Metro budget.

Executive Officer responded to Mr. Johnson's objection to Metro approving the contract for underground utilities at the ERF site by stating that the services to be installed will service the entire site, not just the ERF.

There were no Councilor communications.

5. Consent Agenda.

The consent agenda consisted of the following:

5.2 Resolution No. 82-315, For the Purpose of Granting a Franchise to Marine Drop Box Corporation for the Purpose of Operating a Solid Waste Processing Facility.

Motion to approve the consent agenda; carried unanimously. (Bonner/Schedeen)

Coun. Kafoury asked what the issue date and expiration date were. Norm Wietting stated the issue date will be the date the Council approves the franchise and expiration date will be five years from the issue date.

5.1 Resolution No. 82-323, For the Purpose of Endorsing the Use of Section 3 Funds for Selected Transit Projects in Exchange for Interstate Transfer Funds.

Presiding Officer stated that the City of Troutdale approves Metro's resolution, with the exception of subsection 12, which they request be deleted. Presiding Officer asked Coun. Williamson for a report.

Coun. Williamson explained that the resolution provides for \$46 million to be taken from the Westside Corridor's Interstate Transfer Funds to build the Banfield; in exchange, Washington County will receive future priority for Section 3 Funds.

Coun. Deines stated that Washington County is taking the gamble that the funds will be available in the future and he failed to understand Troutdale's objection.

Motion to approve Resolution No. 82-323; carried unanimously. (Williamson/Kafoury)

6.1 Resolution No. 82-324, For the Purpose of Endorsing State Ballot Measure 4 to Increase Highway User Fees.

Coun. Williamson stated that the Regional Transportation Plan relies heavily on passage of this ballot measure and that JPACT has endorsed passage of this resolution.

Coun. Kafoury called Council's attention to a memo from Coun. Kirkpatrick requesting their support of this resolution.

Coun. Rhodes stated that funding for the RTP is important for Metro and therefore, she would support approval of this resolution.

Motion to approve Resolution No. 82-324; carried unanimously. (Williamson/Kafoury)

7.1 Public Hearing on Fiscal Year 1983 Budget.

Executive Officer reviewed the policies and changes reflected in the proposed budget:

The General Fund and Planning Fund have been separated this year;

No cost of living increase is recommended for employees;

Staff has developed a new cost allocation plan for determining cost of services provided by the General Fund departments to other departments;

Budget currently contains funding for a Chief Financial Officer; Staff is preparing options to that to be discussed with the Coordinating Committee;

Special attention should be paid to the Solid Waste Program and its presently uncertain policies and, therefore, uncertain revenues;

Tax Supervising Conservation Commission and ORS 294 require that Metro budget for revenues resulting from the possible sale of bonds for the Energy Recovery Facility (\$330 million).

Coun. Etlinger asked about the proposed transfer of \$1,078,000 from bond proceeds to the Solid Waste Operating Fund.

Executive Officer responded that transfer is in the budget at this time. He has proposed that the \$1,078,000 be used to continue the capital development program; if the decision is not to build ERF, the Portland transfer station will not be necessary, as well as some of the other anticipated projects. Therefore, the expenditures will be reduced to reflect that.

Coun. Burton asked what the \$1,078,000 is reimbursing in the budget and what will it be used for--employees' salaries for existing projects or those related to the ERF.

Executive Officer replied that the program information and the tracking of these funds will be available to the Council at their meeting on Monday. At this point, the \$1,078,000 are intended for capital projects related to implementation of the solid waste system through a DEQ capital fund. Currently, this DEQ capital fund is being used for the Wildwood Landfill Site, Energy Recovery Facility planning, and for transfer station planning. There is an anticipated balance forward in this fund at the end of this fiscal year of \$185,000; \$1,078,000 of the revenues resulting from sale of bonds will replenish the capital fund for those expenses related to the Energy Recovery Facility.

Coun. Bonner stated that he did not think the letter from TSCC was that specific to require the \$330 million be included in the budget and if the law states that, it is unreasonable since the Council has not made its decision to proceed.

Jennifer Sims stated that the problem occurs when the decision to proceed with the ERF is made, bonds are sold, revenues are received, and without inclusion in the budget, the funds cannot be expended because they have not been appropriated.

General discussion of the commitment to the ERF and the requirement for

appropriating for anticipated revenues.

Discussion of the Resolution No. 82-327, introduced by Presiding Officer Banzer (Clarifying the Council's Purpose in Including the Energy Recovery Facility Bond Revenues and Expenses in the Metro FY '83 Budget).

Coun. Bonner stated he was opposed to including the funds in the budget and opposed to the resolution because Council would be giving the public a false impression of its yet-to-be-made decision on the ERF.

Coun. Burton stated he shares Coun. Bonner's concerns and hopes that perhaps the press will assist in explaining this requirement clearly to the public and this does not make a decision to build the ERF. His main concern is with the \$1,078,000 transfer to the Solid Waste Operating Fund from the sale of bonds, funds that on July 1 do not exist and if it is not clearly stated where those funds are to be expended, there could be a deficit. He is not convinced this is good budgeting practice.

Coun. Etlinger stated that what is needed is a public involvement effort to get the message to the people.

There was no action taken on the resolution at this time.

Don Carlson and Jennifer Sims reviewed the budget format with the Council:

General Fund - now separated from the Planning Fund and consists of Council, Executive Management, Public Affairs and a new Finance and Administration Dept.; a Chief Financial Officer has been budgeted, who will be responsible for Administrative and Budget, Accounting, and Data Processing divisions; anticipated start-up time for CFO is October (budgeted for 9 months).

Planning Fund - contains three departments: Transportation, Development Services (combining Special Projects & Land Use Coordination), and Criminal Justice.

Zoo Funds - Operating Fund = Administration, Animal Management, Buildings and Grounds, Educational Services, Public Relations, and Visitors Services; Capital Fund lists all capital projects for next fiscal year.

Solid Waste Funds - Operating, Capital, Debt Service: base budget for the Solid Waste Dept. will be prepared, including all elements that Metro has committed itself to do in Solid Waste, such as St. John's CRTS, Debt Service, etc. and then program options to be added if the Council desires.

ERF Funds - budgeted to anticipate revenues from sale of bonds when and if Council proceeds.

Technical Assistance Funds - Criminal Justice and Transportation: basic funds for pass-through of grants to other jurisdictions.

Presiding Officer convened the Council as the Budget Committee and opened

the public hearing. She informed those present that the Council has requested a variety of information on the budget--options relating to fee increases and decreases, interfund transfers to General Fund, and several solid waste issues. She also stated that the Coordinating Committee would meet tomorrow to specifically review the General Fund and the Services Committee on Monday to review the Solid Waste and Zoo Funds.

Dave Miller commented on the Solid Waste budget, which provides for no cost of living adjustments for employees, but reclassification of six (6) positions, including the Director of Solid Waste. He suggested that the tone of the Budget Message is that Metro is "holding the line", but should be informing the public of such increases or reclassifications of positions.

John Trout stated the increases in the Solid Waste personal services category amount to \$131,000 (approximately 18% over last year's budget), but there will only be two additional staff people. And, if the positions are reclassified, should they receive merit increases also. He also questioned the increase in fringe benefits of approximately 84%.

Presiding Officer stated that she had written a memo requesting additional information about these items.

Regarding the increase in fringe benefits, Executive Officer stated that in FY '82, in lieu of COLA, Metro picked up employees' contribution to retirement and that accounts for the increase in the fringe costs.

Further general discussion of the Solid Waste Budget between the Council and Messrs. Trout and Miller.

Beth Blunt, representing the League of Women Voters, expressed concern regarding the hard-to-understand format of the budget.

General discussion of the budget process and format.

The Presiding Officer adjourned the Budget Committee until Monday, May 3, at 5:30 PM.

Coun. Rhodes reported that the Services Committee discussed the air quality permit and the inclusion of Wheelabrator-Frye in that process. The Committee wished to bring to the Council the choice of whether or not to vote on accepting Wheelabrator-Frye as a partner in the permit process. She introduced the following motion at the instruction of the Services Committee, stating that the Committee did not recommend approval or denial of the motion:

Motion that the inclusion of Wheelabrator-Frye as a partner on the air quality permit be voted on by the Council. (Rhodes/Burton)

Coun. Rhodes stated that Wheelabrator-Frye has been monitoring and is responsible for the air quality compliance, has been working with the staff of DEQ and Metro, and because the decision has been almost reached by DEQ, she urged the Council to vote "no" on the motion.

General discussion of possible policy implications of co-partnership in the

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air quality permit process.

A vote on the motion was taken and the motion failed with two affirmative votes, and five negative votes.

Presiding Officer reminded Council of upcoming meetings and adjourned the meeting at 10:30 PM.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sue Haynes".

Sue Haynes  
Clerk of the Council