

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

February 14, 1985

Councilors Present: Councilors Cooper, DeJardin, Gardner,  
Hansen, Kirkpatrick, Kafoury, Kelley, Myers,  
Van Bergen, Waker and Bonner

Councilors Absent: Councilor Oleson

Also Present: Executive Officer Gustafson

Staff Present: Eleanore Baxendale, Steve Siegel, Jennifer  
Sims, Sonnie Russill, Gene Leo, Kay Rich,  
Sarah Holland, Phillip Fell, Ed Stuhr, Mary  
Jane Aman, Ray Barker

Presiding Officer Bonner called to order the regular meeting of the  
Council at 5:35 p.m.

1. INTRODUCTIONS

None.

2. COUNCILOR COMMUNICATIONS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Solid Waste. Executive Officer Gustafson asked Eleanore Baxendale  
to report on the status of settlement of the Black & Veatch litigation  
matter. Ms. Baxendale said the litigation had been settled in  
the same manner endorsed by the Council on November 21, 1984.  
Approximately \$15,000 had been given to Black & Veatch's attorney to  
cover the cost of all claims known to date. Ms. Baxendale said  
final court papers would be filed within the next few days to close  
the matter.

The Executive Officer reported the Willamette Week newspaper had  
produced an extensive and well written article on regional solid  
waste disposal problems. He said, however, he had been misquoted as  
saying he was pushing Multnomah County to reverse their decision on  
the Wildwood landfill site.

Public Affairs. Executive Officer Gustafson also reported Jane  
Hartline had been designated by Oregon Magazine as the best media  
relations person in the state in 1984 for her work at the Zoo.

Regarding recruitment for the new Public Affairs Director, the  
Executive Officer said five candidates had been interviewed and the  
selection committee would call back two or three of these candidates

for final consideration. The Council will be requested to confirm a candidate on March 14, he reported.

**6. CONSENT AGENDA**

**Motion:** Councilor Kelley moved the Consent Agenda be approved and Councilor Van Bergen seconded the motion.

**Vote:** A vote on the motion resulted in:

**Ayes:** Councilors Cooper, DeJardin, Gardner, Kelley, Van Bergen, Waker and Bonner

**Absent:** Councilors Hansen, Kirkpatrick, Kafoury, Myers and Oleson

The motion carried and the following items were approved:

6.1 Minutes of the Meetings of January 10 and 24, 1985;

6.2 Contract with Sketchley Services, Inc., to Provide the Zoo with Uniforms and Laundry Services.

**7. ORDINANCES**

**7.1 Consideration of Ordinance No. 85-186, for the Purpose of Amending the FY 1984-85 Budget and Appropriations Schedule (Continued First Reading)**

Jennifer Sims requested the Budget Committee not consider this item until March 14, 1985, because budget adjustments brought about by the Council approving the new building lease were not included in the budget figures presented at this meeting.

Councilor Waker asked if the recent admissions rate increase granted by the Council was considered in the Zoo's revised revenue budget. Ms. Sims said it was not.

Presiding Officer Bonner announced the Budget Committee hearing would be continued to March 14, 1985.

**8. RESOLUTIONS**

**8.1 Consideration of Resolution No. 85-539, for the Purpose of Transmitting the FY 1984-85 Budget Amendments to the TSCC**

The Presiding Officer said this Resolution was related to Ordinance No. 85-186 and, like the Ordinance, would not be considered until March 14, 1985.

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8.2 Consideration of Resolution No. 85-540, for the Purpose of  
Endorsing a Metropolitan Legislative Agenda

Steve Siegel said he had presented detailed information about the Metropolitan Legislative Agenda at the informal meeting of the Council on February 7, 1985. He said he would not present any further information at this time but would answer questions from Councilors.

Motion: Councilor Kirkpatrick moved to adopt Resolution No. 85-540 and Councilor Kafoury seconded the motion.

In response to Councilor Kelley's question, Mr. Siegel said he thought the Legislature would eliminate the local sales tax option but it was important the Council adopt this set of endorsements as a means of establishing a record of support.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Gardner, Kirkpatrick, Kafoury, Kelley, Van Bergen, Waker and Bonner

Absent: Councilors Hansen, Myers and Oleson

The motion carried and the Resolution was adopted.

9. OTHER BUSINESS

9.1 Consideration of a 10-Year Lease with Amco-Portland, Inc., for  
Office Space

Jennifer Sims reviewed the materials contained in the meeting agenda packet. She explained staff was requesting approval of a 10-year, triple net lease of a 56,000 square foot office building. She defined "triple net" as meaning Metro would assume responsibility for paying a lease for the entire building, grounds and operations. In explaining the process for recommending this lease, Ms. Sims said staff decided to examine the office space market because of extremely favorable conditions. A professional real estate broker was contracted to represent Metro in this search and criteria for Metro's office space needs were established. Employee and Council committees were appointed to review different options, including staying in the Pactrust Building, and to consider the sites recommended by the broker, she said.

After reviewing the options, four sites were identified that would meet all or most of the criteria established: the 2000 S.W. 1st Avenue building (formerly occupied by IBM), the Pactrust Building

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(Metro's current location), the Police Block, and the 10th Avenue and Burnside Building. Factors considered in reviewing these buildings included accessibility, identity, quality of the space, parking, locational amenities and cost. The 2000 S.W. 1st Avenue building rated most favorable in all areas. It was the consensus of the Council and the employee committee to commence lease negotiations for the 2000 S.W. 1st Avenue building with Amco-Portland, Inc, Ms. Sims reported.

Ms. Sims referred the Council to Attachment A of the staff report which provided detailed information about the costs of leasing each of the four final buildings considered. Also considered were the cost benefits of Metro leasing out additional space in the 2000 S.W. 1st Avenue building that would not be used by the Metro operation. She explain that even if Metro did not sublease any space in the proposed new building, the cost of the new lease would be about the same as the reduced lease rate proposed by Pactrust.

Ms. Sims then reviewed the amenities of the 2000 S.W. 1st Avenue building and adjacent grounds as outlined in Attachment C. She explained the current lease with Pactrust would expire June 30, 1986. The proposed new lease has been set up to start July 1, 1986, therefore, Metro would not incur any additional rental costs, she said.

In explaining some of the restrictions of the new lease, Ms. Sims said Metro would have to pay a penalty if it were decided to cancel the lease. Because Metro is a municipal corporation, the organization is not permitted to commit funds beyond the one year appropriations cycle, she explained. She said a \$190,000 penalty schedule had been worked out to cover the first four years of the lease. This schedule would be reduced to \$25,000 to cover subsequent years, she said.

Metro would also have the option to purchase the building should Amco-Portland, Inc. decide to sell it on the open market, Ms. Sims said. The Lessor is also responsible for delivering the building in good working order, including the heating and cooling system, all mechanical systems and roofing. Metro would assume responsibility for maintaining plumbing, walls and wiring. After careful inspection of the facility, needed repairs had been estimated to cost \$34,000. The landlord had agreed to do the repair work up to a cost of \$35,000, she said, and the landlord will also award an additional \$35,000 for interior cleanup work. The landlord will allow Metro to sublease space with advance approval, she explained.

Councilor Kirkpatrick, member of the Council committee that reviewed leasing options, said this move was a very significant one and the

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review process had been most fair and thorough. She was also pleased employees were involved in recommending a site because they would be spending a significant amount of time in the new building. Councilor Kirkpatrick said she was especially pleased Metro had been able to secure the building at considerable savings to the organization.

Motion: Councilor Kirkpatrick moved to approve the 10-year lease with Amco-Portland, Inc. for the 2000 S.W. 1st Avenue building. Councilor Kafoury seconded the motion.

Councilor Gardner asked if the \$35,000 to be paid by the landlord for building corrective work would cover any remodeling costs. Ms. Sims replied remodeling costs would not be borne by the landlord and the \$35,000 would be used to bring the building up to good working order.

Councilor Waker said he supported the choice of the 2000 S.W. 1st Avenue building because of its excellent access to the consumers of Metro's services. He also thought the financial terms of the lease were very advantageous should Metro decide to move out of the building at some future date. He was also encouraged Metro's real estate agent had been able to identify a list of potential sublease prospects.

Ms. Sims said she would be before the Council on February 28, 1985, for approval of a contract with a subleasing agent who would assist the organization in listing additional space.

Councilor Van Bergen asked if any consideration had been given to a state statute that would exempt Metro from ad valorem taxes. Eleanore Baxendale responded this statute had been considered in the lease. As with the current leasing arrangement with Pactrust, Metro was exempt from such taxes while those subleasing space paid the tax.

Councilor Cooper asked if the \$190,000 penalty money had to be reserved in the budget. Ms. Sims said it would be reserved.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, DeJardin, Gardner, Kirkpatrick, Kafoury, Kelley, Myers, Van Bergen, Waker and Bonner

Absent: Councilors Hansen and Oleson

The motion carried and the lease was approved.

9.2 Consideration of Resolutions for the Purpose of Adopting Council Positions on Proposed Legislation

Phillip Fell explained that as a result of the informal Council meeting of February 7, 1985, regarding Metro's legislative program, staff had prepared five resolutions for Council consideration on February 28, 1985. He encouraged the Council to review the proposed language of each resolution, ask questions and come back on February 28 ready to consider the following resolutions:

1. Resolution No. 85-543, Adopting a Council Position on Proposed Legislation Extending Energy Tax Credits (H.B. 2033)
2. Resolution No. 85-544, Adopting a Council Position on Proposed Legislation Establishing a State Advisory Commission on Inter-governmental Affairs (H.B. 2038)
3. Resolution No. 85-545, Adopting a Council Position on Proposed Legislation Modifying State Landfill Siting Authority
4. Resolution No. 85-546, Adopting a Council Position on Proposed Legislation Allowing Metro to Create Citizen Commissions (H.B. 2558)
5. Resolution No. 85-547, Adopting a Council Position on Proposed Legislation to Protect Exotic Animals

Executive Officer Gustafson asked the Council to review Resolution No. 85-545, regarding modification of state landfill siting authority, and recommend any language changes staff should consider before February 28.

Presiding Officer Bonner asked why paragraph 4 of the resolution wasn't stated more directly such as, "Allows a landfill to be sited outside the Metropolitan Service District as long as it is within the Solid Waste Management Plan area." Executive Officer Gustafson suggested it be worded, "Allows a landfill to be sited anywhere in the tri-county area." He said this would satisfy legal requirements of siting landfills only within the boundaries of the requesting jurisdiction. The Presiding Officer then suggested the following language: "Allows the site to be outside the boundaries of the requesting jurisdiction as long as it is within the boundaries of the Solid Waste Management Plan." The Executive Officer pointed out that language would allow any local jurisdiction to site a landfill in another local jurisdiction. He said the real question to be answered was which boundary would the state honor the solid waste planning agency designation or solid waste disposal agency designation in determining the boundary for the siting request.

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In response to Councilor Gardner's question, Executive Officer Gustafson replied he would like Metro to have the authority to request initiation of the state landfill siting process (as outlined in paragraph 3 of the resolution) and that Metro would be making this request as a solid waste planning authority for the tri-county area (per paragraph 4).

Councilor Kelley said she had copies of ORS 459.047 which she would distribute to the Council and explained if the legislation addressed in Resolution No. 85-545 were viewed as emergency legislation, it would be desirable to have a safety net if Metro failed to site a landfill on the local level. She said the problem with this plan was if the state assumed responsibility for the siting process, the state would not be required to secure local land use permits and Metro could end up "shooting itself in the foot." Metro's primary responsibility is to provide solid waste services and a plan for the region, including a landfill site, and it would be important for Metro to respect local rules and regulations in meeting these responsibilities, she explained. Councilor Kelley said the process Metro used for siting a landfill must have integrity and must be unapproachable.

Councilor Waker said he did not agree with Councilor Kelley's statement, especially since he had not heard any critical comments about the selection of Wildwood as a landfill site from any of his constituents. He said he was willing to take the chance to follow through with the Wildwood site because the selection process was defensible. To not follow through would doom Metro to repeating the same lengthy process, he said.

Councilor Hansen said he agreed with Councilor Kelley because the basic flaw with the Executive Officer's plan was the local jurisdiction that would have the new landfill sited within its boundaries would have to trigger the emergency siting process. He said he would be happier with the language suggested by Presiding Officer Bonner.

Regarding paragraph 5, Executive Officer Gustafson said he had added a qualifier that the State Land Use Goals would only be applied if local governments failed to select a site after given an opportunity to do so. This, he explained, was consistent with State Representative Mike Burton's proposed landfill siting legislation and would give local governments the opportunity to responsibly exercise their authority.

Councilor Hansen requested copies of Representative Burton's proposed legislation be included in the agenda packet for the February 28 Council meeting.

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Mr. Fell explained two additional resolutions would be presented to the Council on February 28. One would address whether food for resale at the Zoo, Zoo admissions revenue and solid waste revenue would be subject to a sales tax. Metro's position would be forwarded to the State Legislature for further consideration, Executive Officer Gustafson said.

Mr. Fell said the second resolution would address restricting Tri-Met's bond covenants. The Executive Officer said he would recommend the Council support a set of state bills which would enable Tri-Met to save money when issuing bonds. Metro should also support an amendment which would limit Tri-Met's ability to place covenants on the bonds as they relate to Metro's ability to assume responsibility for operating Tri-Met, he said. He explained this amendment would be necessary because conditions of one of the applicable bond covenants required that if the appointment authority of the Tri-Met Board changed, the bonds would not be due and payable.

Regarding Resolution No. 85-546, adopting a Council position on proposed legislation to allow Metro to appoint citizen commissions, Executive Officer Gustafson said Metro could not delegate to any commission the power to budget, tax and adopt ordinances. Councilor Waker suggested the second "whereas" of the resolution would be inconsistent with that policy. Executive Officer Bonner requested staff provide new language to reflect Metro's intent.

#### 10. COMMITTEE REPORTS

Councilor Kirkpatrick reported the Intergovernmental Resource Committee (IRC) had held its first meeting, attendance and enthusiasm were high and participants asked good questions. She said the Committee would be meeting the next two Fridays to discuss the IRC budget and the Council was invited to attend these meetings.

Councilor Kirkpatrick said she and Councilor Waker had attended the National Association of Regional Councils (NARC) federal briefing in Washington, D.C., with Executive Officer Gustafson. During the visit, the President's budget was released. She reported the budget recommended eliminating such programs as revenue-sharing (which could effect the level of dues Metro collects from cities and counties), the Small Business Administration, Economic Development Administration, transit operating funds and Section 3 relating to transit. Councilor Kirkpatrick reported there was a strong effort to initiate a freeze on this proposed budget and much more discussion would result before any budget were finally adopted.

Councilor Kirkpatrick also reported a metro caucus is being formed and Executive Officer Gustafson had been instrumental in pushing for



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its formation. Councilor Kirkpatrick is a member of the metro caucus steering committee and the caucus will be making a presentation at the spring conference.

Councilor Waker added, regarding the President's proposed budget, that many previously budgeted railroad and highway funds have not been allocated in order to reserve money to offset the deficit. This could delay completion of the regional road system here, he said.

There being no further business, Presiding Officer Bonner adjourned the meeting at 6:55 p.m.

Respectfully submitted,



A. Marie Nelson  
Clerk of the Council

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