

**MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT**

April 11, 1985

Councilors Present: Councilors Cooper, Gardner, Hansen, Kirkpatrick, Rafoury, Kelley, Myers, Oleson, Van Bergen, Waker and Bonner

Councilors Absent: Councilor DeJardin

Also Present: Rick Gustafson, Executive Officer

Staff Present: Don Carlson, Eleanore Baxendale, Jennifer Sims, Kay Rich, Bob Porter, Peg Henwood, Phillip Fell, Vickie Rocker, Dan Durig, Buff Winn, Dennis Mulvihill, Patrick Miner, Ed Stuhr, Jill Hinckley and Ray Barker

Presiding Officer Bonner called the regular meeting to order at 5:30 p.m.

1. INTRODUCTIONS

None.

2. COUNCILOR COMMUNICATIONS

None.

3. EXECUTIVE OFFICER REPORT

The monthly report from the Executive Officer was circulated to Councilors.

Regional Parks Study. Don Carlson reviewed information contained in a memo to the Council dated April 9, 1985, from himself and Ray Barker, regarding the status of the Regional Parks Study. He explained the study outline had been prepared and staff were continuing to meet with local officials and interested park groups to develop further support for the study. Final cost estimates to complete the work were being developed, he reported.

In response to Presiding Officer Bonner's question, Mr. Carlson said Multnomah County had budgeted some funds for the project and other governments were uncommitted.

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Legislative Update. Executive Officer Gustafson reported the Senate Government Operations Committee conducted its first hearing on Senate Bill 662, modifying state landfill siting authority. Several committee members supported the concept of the bill, he said, and a second hearing was scheduled for April 22. If Resolution No. 85-554 was adopted by the Metro Council later this meeting, that action would be considered during the second hearing of the Operations Committee.

In response to Councilor Waker's question, the Executive Officer responded there was no Metro position on how state lottery funds should be expended. Metro staff had been meeting with local jurisdictions, however, to exchange information about several pieces of legislation including proposing some lottery funds be allocated to local governments for economic development. He explained early plans for taking a regional position were abandoned after it became apparent the state was going a different direction. He also reported early revenue estimates for the first year of the program were revised from \$8 million to \$4 million. It appeared no funds would be allocated the first year of the lottery's operation.

Washington County Transfer & Recycling Center (WTRC). Executive Officer Gustafson reported he had met with Washington County area business leaders had who proposed a number of alternative sites for the WTRC. Metro would present its siting process before the Beaverton City Council on April 15 at 9:00 p.m., and before the Washington County Board of Commissioners on April 16 at 2:00 p.m. The WTRC Advisory Committee would meet on April 24 to review input from the local jurisdictions and citizens, he explained.

In response to Presiding Officer Bonner's question, Executive Officer Gustafson said the Washington County business leaders had proposed about 10 new sites.

Oregon Regional Councils Association (ORCA). Executive Officer Gustafson reported Metro hosted a successful ORCA meeting earlier in the week and the group was gaining strength through broader participation.

4. WRITTEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

5. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

6. APPROVAL OF MINUTES

Motion: Councilor Kafoury moved the minutes of the March 14, 1985, Council meeting be approved. Councilor Waker seconded the motion.

Vote: A vote on the motion resulted in:

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

Absent: Councilors DeJardin, Hansen and Oleson

The motion carried and the minutes were approved.

7. ORDINANCES

7.1 Consideration of Ordinance No. 85-187, for the Purpose of Adopting a Final Order and Amending the Metro Urban Growth Boundary in Contested Case No. 83-1: McCarthy and DeShirilia Properties (Second Reading)

The Clerk read the Ordinance by title only.

Motion: A motion to adopt the Ordinance was made by Councilors Kafoury and Kelley on March 28, 1985.

There was no discussion on the Ordinance.

Vote: A vote on the motion resulted in:

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

Absent: Councilors DeJardin, Hansen and Oleson

The motion carried and the Ordinance was adopted.

8. RESOLUTIONS

8.1 Consideration of Resolution No. 85-554, for the Purpose of Adopting a Council Position on Senate Bill 662, Modifying State Landfill Siting Authority

Phillip Fell circulated the latest, amended version of SB 662 to Councilors and reviewed each proposed amendment. It was staff's opinion the proposed amendments would make the legislation clearer and more workable, he said.

Councilor Kirkpatrick asked why Resolution No. 85-554 did not address the proposed amendments to the Senate Bill. Mr. Fell explained the Resolution was worded in general terms to allow staff to negotiate with Legislators regarding future amendments. The Executive Officer supported this position.

Councilor Myers suggested the Council adopt the Resolution and proposed a second motion be made authorizing staff to continue negotiation with Legislators in the spirit of Resolution No. 85-554. Councilor Hansen agreed with this position.

Councilor Van Bergen said he did not support the Resolution but would feel free to speak as an individual before the Legislative Session if necessary.

Motion: Councilor Myers moved Resolution No. 85-554 be adopted and Councilor Kafoury seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Gardner, Hansen, Kirkpatrick, Kafoury, Kelley, Myers, Oleson, Waker and Bonner

Nay: Councilor Van Bergen

Absent: Councilor DeJardin

The motion carried and the Resolution was adopted.

The Presiding Officer encouraged questions from Councilors regarding specific provisions of SB 662.

Councilor Gardner asked if staff had any indication Section 5 of the proposed legislation would be amended. Mr. Fell reported Representative Burton had testified at a Senate committee hearing he intended to present an amendment to Section 5 on April 22 to limit the legislation to encompass the St. Johns Landfill area.

Councilor Waker said it was his understanding the Council would not take a position on Section 5. The Presiding Officer affirmed this assumption.

Motion: Councilor Myers moved the Council authorize the Executive Officer and staff to use the most suitable approach, including meeting with Representative Burton, to advance to the Senate committee the proposed amendments to SB 662 discussed at this meeting and any future amendments deemed appropriate in the spirit of provisions outlined in Resolution No. 554. Councilor Kafoury seconded the motion.

Councilor Myers said he expected the Executive Officer and staff would consult with Councilors regarding the progress of proposed amendments to assure the amendments were in agreement with the principles of Resolution No. 85-554.

In response to Councilor Gardner's question, Mr. Fell said he thought the intent of Section 5 was to collect revenue on solid waste deposited at the St. Johns Landfill after July 1, 1986.

Vote: A vote on the motion resulted in:

Ayes: Councilors Cooper, Gardner, Hansen, Kirkpatrick, Kafoury, Kelley, Myers, Oleson, Waker and Bonner

Nay: Councilor Van Bergen

Absent: Councilor DeJardin

The motion carried.

9. OTHER BUSINESS

9.1 Consideration of Awarding the West Bear Grotto Remodel and Related Areas Construction Contract to Bishop Contractors, Inc.

Motion: Councilor Hansen moved the contract be approved and Councilor Kafoury seconded the motion.

Kay Rich noted Keith Larson, project architect, was a member of the Contract Selection Committee, a fact omitted from the staff report for this agenda item.

Mr. Rich then reviewed the process for recommending the contract award to Bishop Contractors, Inc., as described in the staff report. He explained the Selection Committee, after careful consideration, selected three firms with which to conduct final bid negotiations. One of these firms dropped out of the process after submitting the initial lump sum bid, he reported, but were complimentary regarding the negotiated bid process. The Selection Committee recommended awarding the contract to Bishop Contractors, Inc. because they submitted the lowest bid which included the lump sum bid less the sum of acceptable cost savings proposals. He also said Bishop proposed 12 percent Disadvantaged Business Enterprise participation.

Mr. Rich explained representatives from the Associated General Contractors (AGC) had contacted staff requesting a meeting to discuss concerns with some aspects of the negotiated bid process.

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He said, however, the AGC was not opposing this contract award. Mr. Rich was open to suggestions from the AGC for improving the process which he hoped could be incorporated in negotiated bids for future projects.

In answer to Councilor Waker's question, Mr. Rich explained Todd Construction bid lower than Bishop on the lump sum part of the bid. However, Todd's bid was calculated higher than Bishop's after deducting the total sum of acceptable cost savings ideas. This procedure for calculating total bids was described in advertisements and instructions to bidders, he said.

After questioning Mr. Rich about the bid negotiation process, Councilor Waker said he was concerned that cost savings proposals were submitted and considered before the low bidder was announced. He said he would not have supported this process if Resolution No. 84-513, establishing the negotiated bid procedure and granting an exemption from the public contract procedure (adopted by the Council in November 1984), had spelled out the precise process to be followed. Ms. Baxendale explained the adopted Resolution was very explicit about the process to be used.

Mr. Rich again explained staff were looking forward to meeting with AGC representatives to improve the process. He agreed to report back to the Council the results of this meeting.

Vote: A vote on the motion to approve the construction contract resulted in:

Ayes: Councilors Cooper, Gardner, Hansen, Kirkpatrick, Rafoury, Kelley, Myers, Oleson, Van Bergen, Waker and Bonner

Absent: Councilor DeJardin

The motion carried and the contract was approved.

Presiding Officer Bonner called a recess from 7:00 p.m. to 7:10 p.m.

INFORMAL WORK SESSION: DISCUSSION OF KEY BUDGET ISSUES FOR
FY 1985-86

Introduction. Executive Officer Gustafson reported the purpose of the informal session was to discuss certain key issues for the FY 1985-86 budget issues and financial principles.

General Government/Support Services. Mr. Carlson explained personnel changes proposed to improve the Personnel and Data Processing units as well as provisions of the proposed Building Management Fund. There were no questions from the Council regarding these issues.

Zoo. Mr. Rich discussed two proposed capital projects: replacing the Education Building and remodel of the gift shop. The gift shop remodel was scheduled for FY 1984-85, but would not be accomplished this fiscal year because work on other priority projects had not allowed staff the time to plan and supervise the remodel, he explained. He proposed the funds be carried over to FY 1985-86.

Mr. Rich then explained the need for a new Education facility. It had been determined the existing building's condition and value would make it unfeasible to conduct necessary improvements such as new heating and air conditioning. He doubted the City would grant the necessary permits to make improvements because the building was in such bad condition. Staff proposed to construct a new facility near the existing Administration Building.

In response to Councilor Waker's question, Mr. Rich explained the Zoo Master Plan had recommended constructing the Education Center near the existing Administration Building. When the Zoo entrance was relocated to the existing Children's Zoo Area, the Education Division would relocate to the new building and the old Administration building. Staff's proposal, therefore, would be consistent with the Master Plan although construction would occur ahead of schedule and interim building use would vary slightly from the final use plan.

Mr. Rich expected a settlement from the bonding companies for the Alaska Tundra law suit would pay for construction of the Education Center building. If anticipated monies were not received, alternative funding decisions would have to be made.

Councilor Waker asked if projected revenue from donations and bequests were too optimistic. Mr. Rich responded it was anticipated the new Development Officer would be able to bring in more revenue than in recent years. Also, he explained, most of the fund-raising efforts would be for the Cascades Exhibit and the Elephant Museum which were proposed to be constructed entirely from private funds. If funds were not received, these projects would either not be built or would be scaled down.

Intergovernmental Resource Center (IRC). Mr. Siegel reported because demand for IRC services was increasing faster than related resources, six programs had been identified as priorities but would

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remain unfunded: 1) Development Constraints Report; 2) Urban Service Forum; 3) Regional Convention, Trade, and Spectator Facilities; 4) Telecommunications; 5) Regional Parks; and 6) Metro Managers' Association. He explained it was determined the six programs should be included in the budget with the understanding they would not be implemented unless funding sources were found to offset expenses.

Councilor Oleson asked if additional programs were likely to be proposed during the new fiscal year. Mr. Siegel answered that as new issues developed, proposals would be made to the Intergovernmental Resource Committee and the Council for funding. Councilor Oleson stressed it was part of the IRC Administrator's job to actively seek funding for new proposals.

Councilor Gardner asked how staff determined which proposals would be funded if money became available. Mr. Siegel said the IRC Committee would make that determination.

Councilor Kelley asked if funds for any of the six unfunded projects could be secured from contingency. Mr. Siegel responded if the Council granted a cost of living adjustment for employee salaries, only \$5,000 would be left in the contingency fund. Executive Officer Gustafson said he thought it important to fund the projects through the established Intergovernmental Resource Committee process which involved participation from local governments. This was a good way of ensuring their participation, he said.

Solid Waste. Mr. Mulvihill reviewed a proposal for an extensive recycling promotional campaign which included working with local governments in promoting and supporting recycling efforts mandated by SB 405. He reported the Budget Committee was very interested in the success of the campaign and had recommended staff report back to the Council after the initial market survey work had been completed in order to gain final approval of specific promotional campaign work elements.

Mr. Durig explained the new Methane Fund had been created to track revenues and expenditures for the project. He anticipated revenue would start being generated in January 1986. \$136,000 was projected to be received during FY 1985-86.

Financial Principles/Policies. Executive Officer Gustafson briefly reviewed the five operation fund system adopted by the Council and explained the system's success was related to the May 1986 election. Between the months of June and September 1985 the Council would be asked to consider the following financial alternatives: 1) Zoo measure only; 2) Zoo and General Government measure; 3) Zoo,

General Government and IRC measure; and 4) other combinations and types of levies. The Executive Officer also proposed a series of meetings with special interest groups, a special citizens' task force and Legislators to discuss these alternatives. The IRC Committee could also conduct a more formal process to examine whether the local dues should be replaced with a tax base, he said. After Council deliberation and input from citizens and interest groups, the Council would, by December 1985, decide which alternative to select. A public information campaign on the proposed tax base levy measure could occur from January to May 1986, he proposed.

Councilor Waker was doubtful Metro could successfully secure a property tax base. The Executive Officer encouraged the Council to think about other alternatives to a tax base he had previously described and to gather information from a number of interest groups before making a decision on the matter.

Councilor Van Bergen said he had assumed the IRC Committee would help explain to the community Metro's activities and the need for stable financial support. He stressed the Council needed support in educating the public about Metro services and why a funding base was important. Executive Officer Gustafson said it was likely the IRC Committee would not advise replacing local government dues with property taxes because the existing system gave them greater control in the Metro decision-making process. He explained the primary purpose of the IRC was to develop a closer working relationship with local governments. He also discussed the history of problems in requesting dues extensions from the Legislature and the expectation that Metro should go before the voters for a tax base.

Councilor Kirkpatrick encouraged the public discussion process and the meeting together of people representing many different viewpoints such as Legislators, local government officials, Zoo supporters and citizens. She explained, for example, this would give the Mayor of Sherwood a chance to explain to his Legislator why it was important to pay local government dues.

Councilor Kelley thought it would make more sense to focus on broad populations of citizens because they were the taxpayers for Metro. Councilor Kirkpatrick thought elected officials should also receive ample attention because they were one of Metro's prime constituencies.

Councilor Van Bergen encouraged the Executive Officer and staff to provide the leadership and a program to present a tax base election before the voters. He explained this would satisfy Metro's critics who complain the agency continues to request dues extensions and bypass the election process.

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Presiding Officer Bonner said he would work with the Executive Officer and bring back to the Council a proposed course of action for securing a stable funding base.

There being no further business, the Presiding Officer adjourned the meeting at 8:15 p.m.

Respectfully submitted,



A. Marie Nelson
Clerk of the Council

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