

MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

July 10, 1986

Councilors Present: Councilors Collier, Cooper, DeJardin,
Frewing, Gardner, Hansen, Kafoury, Kelley,
Kirkpatrick, Oleson and Van Bergen

Councilors Absent: Councilor Waker

Also Present: Executive Officer Rick Gustafson

Staff Present: Donald Carlson, Eleanore Baxendale, Dan
Durig, Norm Wietting, Chuck Geyer, Becky
Crockett, Jill Hinckley, Dennis Mulvihill,
Vickie Roker, Phillip Fell, Wayne Rifer,
Rich McConaghy, Doug Drennen, Tuck Wilson,
Neal McFarlane, Randy Boose and Ray Barker

Deputy Presiding Officer Gardner called the meeting to order at
5:30 p.m.

1. INTRODUCTIONS

None.

2. COUNCILOR COMMUNICATIONS

2.1 Election of Councilor for the District 9 Council Position

The Deputy Presiding Officer explained the procedures for selecting a Councilor to fill the vacant District 9 Council position. Candidates Ben Butzien, Tanya Collier, Edward Meece and Bob Palmer were interviewed by the Council and a committee of three citizens from District 9 on June 26. At this meeting Councilors would vote for the candidates of their choice and a candidate must be elected by the majority of remaining Councilors. The Councilors then voted and Tanya Collier was elected on the first ballot. Councilors Cooper, DeJardin, Frewing, Gardner, Kafoury, Kelley, Oleson and Van Bergen voted for Tanya Collier. Councilors Hansen and Kirkpatrick voted for Bob Palmer. The Deputy Presiding Officer administered the oath of office to Ms. Collier and she was seated with the Council.

Councilor Kafoury said she was very impressed with the quality of candidates interviewed and encouraged Mr. Palmer, present in the audience, to pursue his interest in local politics.

3. EXECUTIVE OFFICER COMMUNICATIONS

Metro Insurance Program. Jennifer Sims, Director of Management Services, reported on the status of the proposed self-insurance program. She said Gil Henderson of Fred S. James & Company had been

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hired to assess the District's risks and results of his study was contained in a memo dated July 7, 1986. Most coverages would remain about the same as FY 1985-86 with the exception of liability insurance. Ms. Sims reviewed information contained in the memo and reported the Council would be asked to consider a resolution for adoption at the July 24 meeting to establish a self-insurance program.

In response to Councilor Frewing's question, Ms. Sims explained money set aside for the self-insurance fund would be protected from other uses.

A discussion followed about the proposed insurance fund. Ms. Sims noted that most questions raised by Councilors were explained in her memo of July 7. She said expenses would be allocated to Metro departments on the basis of the number of employees or the number of claims, depending on the type of insurance involved.

Yard Debris Program. Chuck Geyer and Becky Crockett, Solid Waste Analysts, reported to the Council about a program designed to remove 75 percent of yard debris -- which comprised at least 13 percent of the total waste stream -- currently being landfilled from the waste stream by the year 1991. Mr. Geyer explained the program was developed in response to Senate Bill 662 and Metro's Solid Waste Reduction Plan.

Mr. Geyer and Ms. Crockett presented slides illustrating components of the program: 1) conducting workshops in conjunction with local jurisdictions on home composting; 2) promoting the use of mobil chippers through the Recycling Information Center; 3) promoting the use of two private, regional processing facilities; and 4) establishing the St. Johns Landfill Yard Debris Program which would include establishing markets for hog fuel. Ms. Crockett discussed in more detail plans to market byproducts and various incentives to divert yard debris material from landfills. Finally, she explained staff would soon ask the Council Management Committee to approve a contract with Northwest Economic Associates to perform a market study. The study would be used to develop Metro's long-range yard debris marketing program, she said.

Convention, Trade, and Spectator Facilities (CTS). Tuck Wilson, CTS Director, reported the Multnomah County Board of Commissioners had ratified an intergovernmental agreement to provide hotel/motel taxes to Metro for the project. The Executive Officer then asked that Agenda Item No. 8.3 be considered at this time.

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8.3 Consideration of Resolution No. 86-664, for the Purpose of Calling a Special Election to Submit to the Voters on November 4, 1986, the Questions of Contracting a General Obligation Bonded Indebtedness in the Amount of \$65 Million and the Financing of a Regional Convention and Trade Show Facility for the District

Mr. Wilson noted the version of the Resolution included in the agenda packet had been replaced by a new version on orange-colored paper. The new document had been reviewed by Metro's General Counsel, bond counsel and all other parties involved. He explained that if the Resolution were adopted, staff would file the ballot title with the Secretary of State the following day for inclusion of the ballot title in the Voters' Pamphlet.

In response to Councilor Kirkpatrick's question, Mr. Wilson explained the bond measure amount had been changed from \$67 to \$65 million because bond counsel had advised that interest revenue on \$65 million would earn the required \$67 million needed for the project.

Councilor Kelley asked staff to explain why specific ballot title language was chosen. She was concerned the recommended title did not adequately discuss the impact and benefits of the CTS project to voters. Mr. Wilson reported the ballot title was carefully developed under two constraints: 1) the title be an impartial statement of fact that would stand up to possible challenge; and 2) the title be 75 words or less. He said all parties involved in the project had reviewed the carefully worded language and had approved it.

Councilor Kelley questioned why the language "Remaining function may include state and private grants, local improvement district revenue, and lodgings tax" had been included in the ballot title. Eleanore Baxendale, General Counsel, said the language had been included because the Oregon Revised Statute required voter approval be secured for the entire project including operation and maintenance in order for the project to be financed by a voter-approved measure. The functions of operation and maintenance were likely to be funded by state and private grants, local improvement district revenue, and lodgings tax, she explained. She added the language had been approved by the bond counsel.

In response to Councilor Kelley's concern, Mr. Wilson explained the public would be informed about the economic benefits of the project via the media and brochures.

Councilor Frewing said he was sensitive to Councilor Kelley's concerns. He asked if the project did not go forward, how long would the bonds be in effect. Mr. Wilson said the bonds would be in effect for a reasonable length of time -- probably about five years.

Motion: Councilor DeJardin moved to adopt the revised version of Resolution No. 86-664 and Councilor Kafoury seconded the motion.

Councilor Van Bergen asked if General Obligation bond revenue would be used to operate the facility. He said he was concerned the ballot title not be misleading. Mr. Wilson said no bond proceeds would be used to operate the convention and trade show center; hotel/motel tax funds would be used for that purpose.

Vote: A vote on the motion resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kafoury, Kelley, Kirkpatrick, Oleson and Van Bergen

Absent: Councilor Waker

The motion carried and Resolution No. 86-664 was adopted.

6. APPROVAL OF MINUTES

Approval of minutes of the May 15, 1986, Council meeting was scheduled for this meeting. Due to changes in the agenda schedule, the minutes were inadvertently not considered for approval. The minutes of May 15 are scheduled for approval at the August 14 Council meeting.

7. ORDINANCES AND ORDERS

7.3 Consideration of Order No. 86-10, in the Matter of Contested Case No. 84-3, a Petition for an Urban Growth Boundary Locational Adjustment by Larry Burright, et al

Jill Hinckley, Land Use Coordinator, reviewed the history of the Contested Case. She explained the petitioner, Larry Burright, had submitted exceptions to the Hearings Officer's findings. Staff recommended the Council remand the exceptions back to the Hearings Officer for the Hearings Officer to prepare a specific response to the exceptions. She did not think the exceptions would cause the Hearings Officer to reverse his decision.

Andrew Jordan, Hearings Officer for the case, reviewed his written findings as contained in the meeting agenda materials.

After the Hearings Officer's report, Deputy Presiding Officer Gardner explained the Council should first determine whether to hear oral arguments from the petitioner in support of his exceptions to

the Hearings Officer's Report. There was no motion to hear oral arguments from the petitioner.

Motion: Councilor Frewing moved to remand the matter to the Hearings Officer in order for the Hearings Officer to prepare a written response to the petitioner's exceptions. Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Oleson and Van Bergen

Absent: Councilors Kafoury and Waker

The motion carried.

A discussion followed on when the Order should again be considered by the Council. Deputy Presiding Officer Gardner said he could not determine when the Order would be scheduled until he had an opportunity to review the Hearings Officer's written response to the exceptions.

7.1 Consideration of Ordinance No. 86-203, Amending Metro's Code Section 2.05 Regarding Deadlines and New Evidence and Exceptions to Revised Orders (Second Reading)

The Clerk read the Ordinance a second time by title only.

Motion: A motion to adopt the Ordinance was made by Councilor DeJardin, seconded by Councilor Kafoury, at the meeting of July 26, 1986.

There was no discussion on the Ordinance.

Vote: A vote on the motion resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Oleson and Van Bergen

Absent: Councilors Kafoury and Waker

The motion carried and Ordinance No. 86-203 was adopted.

7.2 Consideration of Ordinance No. 86-204, Amending Ordinance No. 85-189 (Temporary Procedures for Hearing Petitions for Major Amendment of the Urban Growth Boundary) (Second Reading)

The Clerk read the Ordinance a second time by title only.

Main Motion: A motion to adopt the Ordinance was made by Councilors DeJardin and Gardner at the meeting of June 26, 1986.

Ms. Hinckley explained at the June 26 meeting, Councilor Kelley had requested staff prepare language for an amendment to define circumstances under which the Council could extend deadlines. Staff proposed the following language be added at the end of the last full sentence on the first page of the Ordinance (after "time"): "if warranted by unusual circumstances..."

Motion to Amend: Councilor Kelley moved to amend the Ordinance by adding the above language proposed by staff. Councilor Kirkpatrick seconded the motion.

Vote on the Motion to Amend: The vote resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Oleson and Van Bergen

Absent: Councilors Kafoury and Waker

The motion carried and the Ordinance was amended.

Vote on the Main Motion: The vote resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick, Oleson and Van Bergen

Absent: Councilors Kafoury and Waker

The motion carried and the Ordinance was adopted as amended.

8. RESOLUTIONS

8.1 Consideration of Resolution No. 86-665, for the Purpose of Granting a Variance from the Requirement for a Solid Waste Disposal Franchise Surety Bond to Sunflower Recycling

Rich McConaghy, Solid Waste Analyst, briefly reviewed the staff

report. If the request were denied, the franchisee must either provide a \$1,000 cash bond or give up the franchise, he explained.

Councilor Van Bergen was concerned the Council had granted other waivers and he questioned why bonds were required if variances continued to be requested. He also thought the bonding policy could discourage small recycling businesses.

Councilor Kirkpatrick noted a letter from Stan Kahn, owner of Sunflower Recycling, had suggested Metro hold his equipment as collateral in lieu of a bond. She asked why that condition had not been included in the Resolution. Mr. McConaghy said the \$1,000 bond amount was considered too small to work out such an arrangement. The Councilor said she agreed with Councilor Van Bergen that bonding procedures needed review.

After continued discussion of Metro's bonding procedures, Mr. McConaghy and Deputy Executive Officer Don Carlson agreed to review the procedures and return to the Council with a recommendation.

Motion: Councilor Frewing moved to adopt Resolution No. 86-665 and Councilor Kirkpatrick seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kelley, Kirkpatrick and Van Bergen

Absent: Councilors Kafoury, Oleson and Waker

The motion carried and the Resolution was adopted.

8.2 Consideration of Resolution No. 86-661, for the Purpose of Amending the Pay Plan for a 3 Percent Cost of Living Adjustment and for Amending Resolution No. 86-659

Randy Boose, Personnel Officer, reported the recommended 3 percent cost of living adjustment was based on the FY 1986 Portland area Consumer Price Index.

Motion: Councilor Kirkpatrick moved to adopt the Resolution and Councilor DeJardin seconded the motion.

Councilor Frewing asked staff to explain how the recently granted 2 percent raise to non-Zoo employees related to this request. Mr. Boose reported the 2 percent salary increase granted by the

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Council on June 26 had allowed the non-union Zoo and non-Zoo employees to achieve parity on salary levels. A cost of living increase had been granted Zoo employees in the past that had not been granted non-Zoo employees due to lack of funding at that time.

In response to Councilor Frewing's question, Mr. Boose reported cost of living increases granted to various jurisdictions. Most reported were 3 percent or slightly higher.

Vote: A vote on the motion resulted in:

Ayes: Councilors Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kirkpatrick and Van Bergen

Absent: Councilors Kafoury, Kelley, Oleson and Waker

The motion carried and Resolution No. 86-661 was adopted.

EXECUTIVE SESSION

At 7:20 p.m., Deputy Presiding Officer Gardner called the meeting into executive session to discuss litigation matters with counsel under the authority of ORS 192.660(1)(h). Councilors present at the executive session were Collier, Cooper, DeJardin, Frewing, Gardner, Hansen, Kirkpatrick and Van Bergen. The Deputy Presiding Officer adjourned the executive session at 7:30 p.m. and called the meeting back into regular session.

There being no further business, the regular session was adjourned at 7:30 p.m.

Respectfully submitted,



A. Marie Nelson
Clerk of the Council

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