

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

Special Meeting

May 5, 1988

Councilors Present: Mike Ragsdale (Presiding Officer), Corky Kirkpatrick (Deputy Presiding Officer), Mike Bonner, Tanya Collier, Larry Cooper, Jim Gardner, Gary Hansen, Sharron Kelley, Corky Kirkpatrick, David Knowles, George Van Bergen and Richard Waker

Councilors Absent: Tom DeJardin

Also Present: Rena Cusma, Executive Officer  
Daniel Cooper, General Counsel

Presiding Officer Ragsdale called the special meeting to order at 5:43 p.m. and explained the purpose of the meeting was to receive public testimony on the proposed Metro budget for fiscal year 1988-89.

1. Consideration of Ordinance No. 88-247, for the Purpose of Adopting the Annual Budget for Fiscal Year 1988-89, Making Appropriations, Levying Ad Valorem Taxes, Creating a Metropolitan Exposition-Recreation Fund and a Convention Center Debt Service Reserve Fund, and Eliminating the Convention, Trade and Spectator Facilities Fund

The clerk read the ordinance a second time by title only. The presiding officer announced that the first reading of the ordinance had been on April 14 and that the Council would be requested to adopt the ordinance on June 23 at which time it was anticipated that the FY 1988-89 budget of the Metropolitan Service District would have been certified by the Tax Supervising and Conservation Commission. Hearing no objections, the presiding officer ordered that the matter be continued to June 23.

2. Consideration of Resolution No. 88-919, for the Purpose of Approving the FY 1988-89 Budget and Transmitting it to the Tax Supervising and Conservation Commission

Presiding Officer Ragsdale announced the hearing procedure: 1) Councilor Collier, Chair of the Council Budget Committee, would present an overview of the Budget Committee's process, then report on the Committee's recommendations for each budgeted fund; 2) the presiding officer would entertain a motion to approve each fund as recommended by the Budget Committee; 3) after each motion was made, the chair would receive public comment, then councilors' comments; 4) the Council would then vote on each motion and amendment; 5) lastly, a motion to approve Resolution No. 88-919 would be voted upon.

Main Motion:

Councilor Collier moved and Councilor Kelley seconded to approve Resolution No.

88-919 and its budget and appropriations schedule as recommended by the Council Budget Committee and detailed in the Budget Committee's document titled "Proposed Budget 1988-1989 Budget Committee Recommendations."

Councilor Collier stated the Budget Committee's objectives were to: ensure Council's adopted policies, including all programmatic goals were reflected in the budget; allocate available funds to programs rather than administrative overhead; reduce the number and amount of personal services contracts; reduce the general fund, thereby, reducing the amount of departmental transfers; and scrutinize the budget to both assure public accountability and guard against future Solid Waste rate increases. She explained the Budget Committee members were six citizen representatives and five councilors. Councilor Collier thanked the Committee and Metro staff for their efforts and then presented the Committee's recommendations by fund.

#### General Fund

The Committee's objective was to lessen substantial increases in operating costs proposed by the executive officer. The Committee's recommendation was to target reduction in operating costs of \$500,000 by reducing Council, Executive Management, General Counsel, Finance and Administration budgets and by deleting certain direct Solid Waste department charges from the General Fund operating budget. Specific budget notes for funds were contained in "Exhibit C, Recommended Budget Notes" appended to Councilor Collier's May 2, 1988, memo addressed to the Metro Council regarding summary report on Budget Committee recommendations.

#### Main motion:

Councilor Collier moved and Councilor Knowles seconded to accept the Budget Committee's recommendation on the General Fund component of the proposed FY 1988-1989 Metro budget.

The presiding officer opened the public hearing. There was no public testimony, and the hearing was closed. Council discussion was called. The presiding officer announced that Councilor Cooper was drafting an amendment and had requested a recess to finish preparing his motion. There were no objections, and the meeting was recessed at 5:55 p.m.

The presiding officer reconvened the Council meeting at 6:20 p.m.

#### Motion to Amend:

Councilor Cooper moved and Councilor Waker seconded to approve an alternate general fund budget proposal with various cuts from and add backs to the Budget

Committee's recommendation, the effect of which would increase the Executive Management Department's budget by approximately \$54,000 (restore one permanent position, temporary salary amounts and corresponding fringe benefits; increase materials and supplies and capital outlay) and reduce the Finance and Administration Department's budget by \$57,000 (eliminate one new position, decrease postage and capital outlay).

Councilor Collier said she objected to Councilor Cooper's amendment, particularly the reduction in secretarial support service in the Finance and Administration Department. She also stated that one of the Budget Committee's agreed-upon objectives was that if it were necessary to make budgetary cuts, those cuts would be made from administrative rather than program areas. Councilor Kirkpatrick also opposed the amendment. She stated she felt it inappropriate for the discussion of cuts and add backs to come before the full Council since the Council had charged the Budget Committee with recommending an appropriate budget. She urged the Council to support the Budget Committee recommendations.

Councilor Hansen spoke in favor of the amendment. He said he felt the dollar amount of the amendment was minor compared to the size of the entire organization's budget. Councilor Cooper said he felt strongly that the amendments proposed were valid and that the Executive Officer was entitled to staff her office in a manner she deemed appropriate. He he did not think the Council was bound by the recommendations of the Budget Committee.

Vote on amendment:

A vote on the amendment resulted in seven councilors voting aye (Bonner, Cooper, Hansen, Kelley, Ragsdale, Van Bergen and Waker). Four councilors voted nay (Collier, Gardner, Kirkpatrick and Knowles). Councilor DeJardin was absent.

The motion to amend carried.

Vote on main motion:

A vote on the motion to approve the general fund component of the FY 1988-89 budget as amended resulted in all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried.

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### Solid Waste

Councilor Collier said the Budget Committee approved the revenue levels as submitted by the Executive Officer and recommended reductions in personal services, materials and services, capital outlay, and transfers to the general and contingency fund. The Committee recommended increases in the transfer to St. Johns closure fund and Planning Department.

#### Motion:

Councilor Collier moved and Councilor Waker seconded to approve the Solid Waste Department budget as recommended by the Council Budget Committee.

Presiding Officer Ragsdale opened the public hearing.

Benard R. Kilpatrick, 9605 N. Hodge Avenue, Portland, Oregon, expressed concern about whether the recycling program would cause rate increases to residential customers. He was especially concerned about the impact of rate increases for persons on fixed-incomes.

Councilor Hansen replied thought approximately one-fifth of the average garbage disposal bill funded recycling. He estimated the effects of the increased Solid Waste budget would translate to a billing increase of no more than one to two additional dollars per month.

Gretchen Buehner, a citizen member of the Council Budget Committee, said that disposal rates would have to be increased to accommodate the program operations costs increases primarily caused by the cost of the St. Johns Landfill Closure and the difference in operating costs for the Arlington dump site. She said the Budget Committee felt that increasing rates now to reserve funds for these purposes would ultimately save taxpayer dollars.

There was no further testimony, and Presiding Officer Ragsdale closed the public hearing. There was no Council discussion.

#### Vote:

A vote on the motion resulted in all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried unanimously.

### Planning Fund

The Budget Committee recommended an increase over the Executive Officer's proposal in the Planning and Development Department. Budget notes included completion of the solid Wastek Plan and UGB periodic

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update, setting department priorities for the upcoming fiscal year and future consideration of transferring Transportation planning activities to this fund.

Motion: Councilor Collier moved and Councilor Cooper seconded to approve the Planning Fund budget as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing. There was no public testimony, and the hearing was closed. There was no Council discussion.

Vote: The vote on the motion was unanimous with all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried.

#### Zoo Operating Fund and Zoo Capital Fund

The Budget Committee recommended approval of the proposal submitted by the Executive Officer. Budget notes included review of financial plans and policies, integration of Metro's identity with the Zoo's identity and a review of the Zoo Master Plan.

Main motion: Councilor Collier moved, and Councilor Kelley seconded to approve the Zoo Operating Fund and the Zoo Capital Fund as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing. There was no public testimony, and the public hearing was closed. There was no Council discussion.

Councilor Gardner said that during the Budget Committee deliberations, he had voted to delete the budget note under Zoo Capital Fund that recommended the Zoo Committee prepare a recommendation on whether or not to ask voters to support funding for new capital projects.

Motion to amend: Councilor Gardner moved and Councilor Waker seconded to amend the recommended budget notes under "Zoo Operating Fund" and "Zoo Capital Fund" to delete everything after the word "policies" on the fifth line of Budget Note "A.," and delete Budget Note "B.," and the entire budget note regarding the Zoo Capital

Fund. (The budget note would then read, "In anticipation of another proposed property tax levy measure for the Zoo, the Zoo Committee in consultation with the Executive Officer and Zoo staff should update the Five-Year Financial Plan and review the adopted financial policies.")

Councilor Gardner stated that historically the Metro Council and the voters of the region have endorsed a policy of providing 50 percent of the Zoo's operating and capital costs from property tax revenue. He said that policy had led to a strong Zoo with strong public support region-wide. Therefore, he felt it was not necessary to re-examine the issue of tax support. Councilor Kelley said she felt the budget note recommended by the Budget Committee asked a question in an area which needed to be examined.

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

Ayes: Councilors Bonner, Gardner, Van Bergen and Waker  
Nays: Councilors Collier, Kelley, Knowles and Ragsdale  
Abstain: Councilor Cooper  
Absent: Councilors DeJardin, Hansen and Kirkpatrick

The motion failed.

Vote on main motion: The vote on the motion was unanimous with all nine councilors present voting aye. Councilors DeJardin, Hansen and Kirkpatrick were absent.

The motion carried.

#### Convention Center Fund

The Budget Committee recommended an increase in Personal Services, elimination of the transfer to the Debt Service Reserve Fund, an increase in capital outlay and decrease in the Convention Center transfer to the General Fund.

Main motion: Councilor Collier moved, and Councilor Waker seconded to approve the Convention Center Management, Capital, Debt Service and Debt Service Reserve Funds as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing.

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Gretchen Beuhner expressed concern about the Budget Committee's recommendation regarding the Convention Center Fund transfer to the General Fund. She said assigning transfer expense by means other than the District's Cost Allocation Plan would be setting precedent and urged the Council to reject this recommendation and restore the Convention Center Fund transfer to an allocation calculated under Metro's Cost Allocation Plan.

There was no other public testimony, and the presiding officer closed the public hearing.

Motion to amend:

Councilor Collier moved, and Councilor Waker seconded that the amount of the Convention Center Fund transfer to the General Fund be amended to be accomplished according to the Cost Allocation Plan.

Councilor Gardner said he supported the amendment and was opposed to inconsistent application of the instituted Cost Allocation Plan. Councilor Hansen said he also supported the amendment and suggested that in the next fiscal year the cost allocation formula be examined. Councilor Van Bergen said during the Committee deliberations, he had voted in favor of the Budget Committee recommendations on transfer funds from the Convention Center. However, he felt that due to the pressure of the time constraints the Budget Committee was under, he may not have understood the issue well. He indicated he would now support the amendment and further stated that he felt that the Council should develop a critique of the budget process. Particular areas of concern to him were time frame and committee composition.

Vote on amendment:

A vote on the amendment resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Councilor Knowles noted that the Budget Committee had recommended eliminating the Debt Service Reserve Fund and transferring monies in that fund to Capital Outlay Fund in order to insure that the convention Center would have sufficient capital to ensure construction could be completed in the fashion proposed. He pointed out that the general contract bid had not been awarded, and therefore, the total cost of the project was unknown. He also stated that the Contingency Fund would not be as great as projections made when the facility construction had been budgeted the previous year. Therefore, he felt

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it important to maintain Metro's ability to access interest earned on investments made using Convention Center bond proceeds.

Vote on main motion: A vote on the motion, as amended, resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Metropolitan Exposition-Recreation Commission (MERC) Fund

The Budget Committee recommended increasing Personal Services and authorizing the Commission to contract with the City of Portland Exposition-Recreation Commission to provide administrative services. Budget notes included a recommendation that funds in the Data Processing line item not be spent until a joint report from MERC and Metro's Finance and Administration Department was provided to the Convention Center Committee.

Motion: Councilor Collier moved, and Councilor Bonner seconded to approve the Metropolitan Exposition-Recreation Commission Fund as recommended by the Council Budget Committee.

Presiding Officer Ragsdale opened the public hearing. There were no comments, and the public hearing was closed.

Councilor Van Bergen felt the MERC should be more closely integrated with the Metro name. Councilor Collier said she recalled a previous meeting at which the Commission agreed to do so. Councilor Cooper said he supported the recommendations, and as chair of the Convention Center Committee, he would pursue it as a priority.

Vote: A vote on the motion resulted in all ten councilors voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Building Management Fund

The Budget Committee recommended reduction in the fund reflected in the area of remodeling for the Solid Waste Department.

Motion: Councilor Collier moved, and Councilor Waker seconded to approve the Building



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Management Fund as recommended by the  
Council Budget Committee.

The Presiding Officer opened the public hearing. There was no testimony, and he closed the hearing. There was no Council discussion.

Vote: The vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion passed unanimously.

#### Insurance Fund

The Budget Committee recommended approval of the budget as submitted. The budget included funds for establishing a Solid Waste Environmental Insurance program.

Motion: Councilor Collier moved, and Councilor Waker seconded to approve the Insurance Fund as recommended by the Budget Committee.

The presiding officer opened the public hearing. There was no public testimony, and the hearing was closed.

Councilor Van Bergen pointed out that in addition to the environmental insurance program, the insurance fund included monies for general liability functions of the entire agency.

Vote: A vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried.

Motion: Councilor Collier moved, and Councilor Hansen seconded to approve Resolution No. 88-919 as amended.

Vote: The vote was unanimously in favor of the motion with all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried, and Resolution No. 88-919 was adopted as amended.

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Councilor Collier commended the Budget Committee for their efforts. The Presiding Officer stated that he echoed that commendation on behalf of the entire Council and thanked Councilor Collier for her leadership role as Committee chairperson. Councilor Van Bergen also expressed gratitude to Councilor Collier for her efforts.

3. Consideration of Resolution No. 88-901, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule for Computer Purchases and Zoo Operations.

Councilor Collier referred the Council to her memo dated May 2, 1988, regarding Finance Committee Report on May 5, 1988, Council Meeting agenda Item No. 3 which was contained in the meeting agenda packet.

Motion: Councilor Collier moved, and Councilor Kelley seconded to adopt Resolution No. 88-901.

Councilor Hansen he was opposed to the Finance Committee's action in approving only four of the ten computers requested by the Solid Waste Department. He said it was counter-productive for staff to have to wait in line for access to equipment. Councilor Waker questioned the listed cost of the computers but said he agreed with Councilor Hansen in that computers were rapidly becoming a mandatory desk tool. Councilor Van Bergen stated he supported the Finance Committee recommendation. He also stated that acquisition of the four computers would get the program on line with the number of computers the Committee felt appropriate.

Vote: A vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion passed unanimously.

4. Consideration of Resolution No. 88-913, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule for Solid waste Personal Services

Motion: Councilor Collier moved, and Councilor Waker seconded to approve Resolution No. 88-913.

Councilor Collier explained that the purpose of the resolution was to address changes that had already occurred in the Solid Waste Department and were historical in nature.

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Vote:

Councilors Bonner, Collier, Gardner, Hansen, Kelley, Knowles, Ragsdale and Waker voted aye. Councilor Van Bergen voted nay. Councilors Cooper, DeJardin, and Kirkpatrick were absent.

The motion carried.

Councilor Communication

Councilor Waker summarized activities completed regarding appointment of members of the Portland Metropolitan Area Local Government Boundary Commission. Applicants were solicited through the media, Council Administrator Don Carlson and Councilor Waker reviewed the applications and resumes to ensure the following requirements were met: 1) no more than two commissioners with the same occupation, and 2) candidates could not serve on another local government body.

Councilor Waker said of the existing Commission, three members had indicated willingness to continue to serve. He thought that those members should be retained in order to transition to the new twelve-member board. He asked councilors to submit their recommendations to the Executive Officer as soon as possible so that she could consider them and make appointments. He provided a suggested slate of candidates for each councilor but stressed that they were strictly his recommendations and in no way bound councilors to those choices.

Councilor Kelley stated she would be forwarding a recommendation to the executive officer that selection of Commission members include consideration of representation of those areas most affected by Commission actions. She was particularly concerned with fringe areas-- areas yet to be annexed to city and county services. The presiding officer stated he had spoken with Ms. Barbara Frost regarding submitting her name as a Commission candidate. However, after further discussion, Ms. Frost had respectfully declined.

There was no further business, and the meeting was adjourned at 7:52 p.m.

Respectfully submitted,



Gwen Ware-Barrett  
Council Committee Clerk

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