

MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

June 23, 1988

Council Chamber

Councilors Present: Mike Ragsdale (Presiding Officer), Corky Kirkpatrick (Deputy Presiding Officer), Tanya Collier, Tom DeJardin, Gary Hansen, Sharron Kelley, David Knowles and George Van Bergen

Councilors Absent: Larry Cooper, Jim Gardner and Richard Waker

Others Present: Rena Cusma, Executive Officer; Dan Cooper, General Counsel

1. INTRODUCTIONS

Presiding Officer Ragsdale called the meeting to order at 5:32 p.m. He introduced Paulette Allen, Committee Clerk, who would take the minutes of this meeting in place of Marie Nelson, Clerk of the Council. Presiding Officer Ragsdale introduced Ms. Jessica Marlitt, newly-hired Council Analyst and explained she would be assigned to staff the Planning and Development and Intergovernmental Committees.

2. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer Cusma introduced the new Boundary Commission appointees in attendance. Introduced were: John Hall, Portland; Marilyn Helzerman, Hillsboro; Sy Kornbrodt, Portland; Murlin Litson, Milwaukie; Charles Mayhue, Portland; Richard Weill, Corbett; and Thomas Whittaker, Wilsonville. Also present was Ken Martin, Boundary Commission Director. Presiding Officer Ragsdale welcomed the new appointees and commended them on their willingness to serve.

4. COUNCILOR COMMUNICATIONS

Councilor Van Bergen asked what Councilor communications were considered appropriate to present to the Council and public. Dan Cooper, General Counsel, said Councilor communications related to quasi-judicial matters, such as Urban Growth Boundary issues, should be evaluated as to whether such information should be entered into the public record. Presiding Officer Ragsdale felt the Councilor

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Communications agenda item gave individual Councilors the opportunity to speak on non-agenda items.

4.1 Consideration of Resolution No. 88-946, for the Purpose of Appointing Citizens to Assist Council in Filling the Vacancy in the District 8 Council Position

Ray Barker, Council Assistant, explained that effective June 6, 1988, a vacancy existed in the District 8 Council seat due to the resignation of Mike Bonner. Council policy required the Presiding Officer to appoint and the Council to confirm a committee of eight citizens who resided in the District which had the vacancy. Mr. Barker said all chairpersons of the neighborhood associations in District 8 were contacted and asked to recommend nominees for appointment to the Committee. Mr. Barker named the eight appointees selected from the original field of 21 candidates: Sally Anderson; John DiLorenzo, Jr.; Linn Dingler; John Frewing; Sally McCracken; Steven Schell; Catherine Sohm and Kelly Wellington.

Motion: Councilor DeJardin moved, seconded by Councilor Knowles to adopt Resolution No. 88-946.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Knowles, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner and Waker were absent. The motion carried and Resolution No. 88-946 was unanimously adopted.

After discussion, it was agreed the Council would elect a new District 8 Councilor at a special meeting on July 7. The selection would take place on July 14 if the July 7 date became unworkable.

7.2 Consideration of Ordinance No. 88-252, for the Purpose of Amending Chapter 2.04 of the Metro Code Relating to the Disadvantaged Business Program

The Clerk read the ordinance a first time by title only. Presiding Officer Ragsdale said the ordinance received a first reading before the Council on May 26, 1988. The ordinance was then referred to the Council Internal Affairs Committee for a public hearing, review and recommendation.

Councilor Knowles presented the Committee report. As a result of the public hearing, the Presiding Officer appointed a subcommittee comprised of Councilors Knowles (Chair), Kelley and Collier to look into specific objections raised by the minority business contracting community. Councilor Knowles requested consideration of the ordinance be deferred to July 7 so the subcommittee could continue its work.

Motion: Councilor Knowles moved, seconded by Councilor Kirkpatrick, to defer consideration of Ordinance No. 88-252 until the July 7 Council meeting.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Knowles, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner and Waker were absent. The vote was unanimous and the motion passed.

8.3 Consideration of Resolution No. 88-934, for the Purpose of Recommending a Merger of the Boundary Commission with the Metropolitan Service District Providing that the Commission Hires and Directs Staff and that there be Limited Appeals of Commission Decisions to the Metro Council

Councilor Knowles reported the Council Planning and Development Committee considered two amendments to the resolution. One amendment proposed the Boundary Commission retain the authority to hire and terminate its staff subject to the Metro Personnel Rules and to prepare its budget for inclusion in the Executive Officer's proposed budget. The second amendment would have granted the Executive Officer authority to hire and terminate Boundary Commission staff. Councilor Knowles said after receiving written and verbal testimony, the Committee decided to recommend the full Council adopt Resolution No. 88-934.

Motion: Councilor Knowles moved, seconded by Council Kirkpatrick, to adopt Resolution No. 88-934.

Councilors discussed the letters sent to the Council Planning and Development Committee regarding the resolution. The letters focused on whether the resolution would be a vehicle with which to expand Metro's borders. Some letters expressed concern regarding how the Commission would receive funding. Councilor Knowles said the Interim Task Force on Regional Government could discuss funding methods.

Vote: Councilors Collier, DeJardin, Kelley, Knowles and Ragsdale voted aye. Councilors Hansen, Kirkpatrick and Van Bergen voted nay. Councilors Cooper, Gardner and Waker were absent. The motion passed and Resolution No. 88-934 was adopted.

8.4 Consideration of Resolution 88-943, for the Purpose of Supporting Statutory Changes to Remove Impediments to the Merger of Tri-Met with the District

Councilor Knowles said the Interim Task Force on Regional Government had asked the Council Planning and Development Committee to address the Tri-Met question. He said the Task Force was engaged in an effort to remove the statutory impediments to the merger of Metro and Tri-Met.

The impediments were largely related to pension and bonding issues. Councilor Knowles said adoption of the resolution would indicate support for the Task Force to recommend removal of merger impediments by the State Legislature.

Motion: Councilor Knowles moved, seconded by Councilor Kirkpatrick, for adoption of Resolution No. 88-943.

Councilor Van Bergen objected to Metro assuming authority over Tri-Met. Councilor Hansen said the issue had been discussed for over five years and felt the issue should move forward.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Knowles and Ragsdale voted aye. Councilor Van Bergen voted nay. Councilors Cooper, Gardner and Waker were absent. The motion passed and Resolution No. 88-943 was adopted.

6. CONSENT AGENDA

Presiding Officer Ragsdale announced for discussion purposes, Councilor Van Bergen had requested Agenda Item No. 6.3 be removed from the Consent Agenda and considered as a separate item.

Presiding Officer Ragsdale noted the remaining Consent Agenda items:

- 6.1 Minutes of May 26, 1988
- 6.2 Consideration of Resolution No. 88-941, for the Purpose of Accepting the May 17, 1988, Primary Election Abstract of Votes of the Metropolitan Service District
- 6.4 Consideration of Resolution No. 88-874, for the Purpose of Adopting Procedures for Introducing Ordinances and Resolutions

Motion: Councilor Kirkpatrick moved, seconded by Councilor DeJardin, for approval and adoption of Consent Agenda items 6.1, 6.2 and 6.4.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Knowles, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner, and Waker were absent. The motion passed and the Consent Agenda items were approved.

6.3 Consideration of Resolution No. 88-898, for the Purpose of Adopting the Order of Business for Regular Council Meetings

Councilor Van Bergen said he was concerned that members of the public were not always able to testify at the specific times listed on the agenda because agenda items had either run too long or individual speakers spoke at length. He asked that members of the public be limited to three minutes of testimony. Councilor Van Bergen requested each agenda item begin at a time certain to ensure the meeting followed the times listed on the agenda. Councilor Kelley requested the agenda schedule indicate that first readings of ordinances and resolutions were not the times when the public could testify on those items. She expressed concern that the public did not know at what level and at what time they could testify on items of interest.

Councilor Van Bergen suggested amending the resolution or referring it back to the Council Internal Affairs Committee for further discussion. Presiding Officer Ragsdale said he preferred to make the changes requested in the form of a Presiding Officer Order. Presiding Officer Ragsdale noted that Councilors Van Bergen and Kelley had discussed these issues with him prior to the meeting. Presiding Officer Ragsdale said the agenda format would be revised by indicating that citizen communications on non-agenda items would be limited to three minutes per person or 30 minutes total. Also, Presiding Officer Ragsdale said the agenda format would be revised to indicate that first readings for ordinances and resolutions was not the time at which to testify. Presiding Officer Ragsdale said any further problems could be resolved by referring the resolution back to the Council Internal Affairs Committee.

Motion: Councilor Van Bergen moved, seconded by Councilor DeJardin, to adopt Resolution No. 88-898.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Knowles and Ragsdale voted aye. Councilors Cooper, Gardner, Van Bergen and Waker were absent. The motion carried and the resolution was unanimously adopted.

7.1 Consideration of Ordinance No. 88-247, for the Purpose of Adopting the Annual Budget for FY 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 first time by title only. Presiding Officer Ragsdale announced the ordinance received a first reading before the Council on April 14, 1988. The ordinance was then referred

to the Council Budget and Finance Committees for a public hearing, review and recommendation.

Councilor Collier presented the Committee report, stating the Finance Committee unanimously recommended adoption of Ordinance No. 88-247. The Ordinance would adopt the FY 1988-89; appropriate funds for expenditure by the various organizational units; levy taxes for the Zoo and the Convention Center; authorize the additional personnel already approved which were required by the Metro Code; create the Metro Exposition-Recreation Commission to market and operate the Convention Center; eliminate the Convention, Trade and Spectator Facilities Fund because that purpose had been accomplished; and authorized the Executive Officer to file all the necessary budget and levy materials with the three county assessors.

Councilor Collier reported the Tax Supervising and Conservation Commission (TSCC) had certified Metro's budget. She briefly discussed the TSCC's review process. She then summarized changes to the ordinance recommended by the Finance Committee: eliminating references to the former Convention Center Debt Service Fund; changes in the Solid Waste Operating Fund to reflect current organizational structure; a \$150,000 increase in the Solid Waste Operating Fund to finance payment to the City of Oregon City for the Clackamas Transfer and Recycling Center mitigation; and changes in the St. Johns Rehabilitation and Enhancement Fund. The Zoo Operating Fund would be allocated on the division level while the Solid Waste funds would be allocated on the program level, she explained. She also reported a budget amendment listing a schedule of contracts which would soon be before the Council for consideration.

Motion: Councilor Collier moved, seconded by Councilor DeJardin, to adopt Ordinance No. 88-247.

Councilor Kirkpatrick noted the 2.5 percent General Fund was less than it had ever been and less than most local governments.

Presiding Officer Ragsdale commended Councilor Collier and the Finance and Budget Committees for their review of the budget. He was pleased with the expanded scrutiny and attention to detail the budget had received.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner, Knowles and Waker were absent. The ordinance was unanimously adopted.

8.1 Consideration of Resolution No. 88-939, for the Purpose of Amending Resolution No. 88-744, Revising the FY 1987-88 Budget and Appropriations Schedule for Zoo and Solid Waste Operations

Councilor Collier said the Finance Committee met June 16 to consider the resolution and unanimously recommended its adoption. She briefly summarized the recommended Zoo and Solid Waste Department budget revisions.

Motion: Councilor Collier moved, seconded by Councilor Kirkpatrick, to adopt Resolution No. 88-939.

There was no testimony on the resolution.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner, Knowles and Waker were absent. The motion passed and the resolution was unanimously accepted.

8.2 Consideration of Resolution No. 88-894A, for the Purpose of Adopting the Pay and Classification Plans for the Metropolitan Service District

Councilor Collier summarized the actions proposed. She explained the resolution was considered at the June 19 Council meeting and then re-referred to the Council Internal Affairs Committee. Councilor Collier noted amendments prepared by the Committee.

Motion: Councilor Collier moved, seconded by Councilor Kirkpatrick, to adopt Resolution No. 88-894A as recommended by the Council Internal Affairs Committee.

The Council received testimony on the resolution.

Bob Hart, Metro employee, urged the Council to adopt the resolution and said there had been ample employee participation in the process. He felt the proposed COLA system was imperfect because he felt it was really a minimum merit raise system.

There was no additional testimony and the public hearing on Resolution No. 88-894A was closed.

Councilor Collier announced that Councilor Van Bergen would present a committee report on issues related to the resolution. She also requested Legal Counsel's opinion concerning a letter from the American Federation of State, County and Municipal Employees (AFSCME) to the Presiding Officer dated June 22, 1988.

Dan Cooper, General Counsel, explained that Oregon Statutes, as they had been interpreted by AFSCME, prohibited changes in conditions of employment after a petition for representation had been filed. Mr. Cooper said he did not believe either the Oregon Employment Relations Board or the Oregon Courts had interpreted the Statutes for similar cases. There had been interpretations for cases when a representation petition had been filed when concerning an existing bargaining unit, a previously designated exclusive agent and a prior existing contract. Mr. Cooper did not think that interpretation would apply to Metro's situation.

Councilor Van Bergen reported that, based on employee testimony made before the Benefits Package Task Force, they recommended the ODS Health Plan, the Kaiser Permanente plan, Standard Life Insurance a PERS pension plan.

Vote: A vote on the motion to adopt Resolution No. 88-894A resulted in Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen and Ragsdale voting aye. Councilors Cooper, Gardner, Knowles and Waker were absent. The motion carried and the resolution was adopted.

8.6 Consideration of Resolution No. 88-949, for the Purpose of Developing a Contract with ODS Health Plan, Kaiser Permanente, Standard Life Insurance Company, and the Public Employees Retirement System (PERS)

Motion: Councilor Van Bergen moved, seconded by Councilor DeJardin, to adopt Resolution No. 88-949.

The Council received public testimony on the resolution.

Ms. Gwen Ware-Barrett, Metro employee, urged the Council to vote against the Resolution. Ms. Barrett did not feel the employees were adequately represented on the Task Force to study employee benefits. She also testified that the plan proposed at previous employee meetings was not the same proposal outlined in the Council agenda packet. Ms. Barrett discussed higher premium and prescription costs, saying increased Kaiser costs would create an increase of 150 percent. She requested the issues be studied and compared further and urged the Council Internal Affairs Committee to ask the Task Force to reconvene.

Scott Higgins, Metro employee, also recommended the Council not support the resolution. He said the Task Force had been formed only three weeks prior to this date and the first employee meeting had been held two weeks prior to this date. The issues were worth more than a two week perusal and employees would need to decide such matters for

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themselves, he said. Mr. Higgins thought benefit cuts would cause major repercussions.

Councilor DeJardin asked Mr. Higgins if he was primarily concerned about changes to the Kaiser plan. Mr. Higgins said he was concerned about both health plans. Councilor DeJardin asked if employees objected to the life insurance plans and PERS. Mr. Higgins said the review process had been too short and employees should be given adequate time to analyze and respond to the issues.

Joanna Karl, Metro employee, mentioned the relationship between PERS and the proposed health plan cuts. She said there was an assumption that PERS was a better plan, but employees had not had an opportunity to determine that for themselves. She understood that health benefits were to be cut in order to fund higher PERS costs.

Jill Hinckley, Metro employee, agreed with previous testimony. Employees should have been more vocal about their concerns, she said, but they had only two weeks to respond. Ms. Hinckley said the 75 percent of the Metro employees who signed union cards were willing to pay \$17 month in order to facilitate a professional process to handle employee issues. She understood the Council felt pressured by the benefit contract expiration date, but said that the contract could probably be extended.

John Cullerton, Metro employee, discussed the differences in the deductible amounts of the various health plans. He said the deductible paid under one option would represent a \$300 cut in his salary and affect his family's health care. Mr. Cullerton said PERS seemed to be a good health package for employees who planned to be in the public sector for the majority of their careers, but Metro employees who changed affiliation entered the private sector or moved to another state to work where PERS would not be eligible. Mr. Cullerton said the current pension plan allowed employees individual control. He said the Pay/Class study had been well done: the study concluded that planners employed by Metro were paid 20 percent less than market value.

James Giesecking, Metro employee, noted he had been employed by Metro for 10 years. He said in an employee survey conducted by management, Metro employees indicated their satisfaction with the current pension plan. Mr. Giesecking said PERS had never been an issue before for Metro, but had become an issue with the Executive's administration. He was concerned that PERS would be funded by the reduction in health care benefits.

Bob Hart, Metro employee, urged the Council to delay adoption of Resolution No. 88-949. He noted the survey mentioned by Mr. Giesecking. Mr. Hart said there had not been adequate notice given him to attend the Health Benefits Task Force meetings. He said he was

informed on June 6 that the Task Force had been created and had not received enough advance notice of its first meeting. Mr. Hart said the review and consensus process should have begun at least six months earlier prior to making a final decision.

In response to Councilor DeJardin's question, Mr. Hart said six months would give the Employees' Association Board time to consider the benefits issue and whether any of the administrative proposals would constitute unfair labor practices. Mr. Hart said any issues which affected set health practices were considered to be unfair labor practices. Councilor DeJardin thought the Council was acting quickly for the benefit of staff. Mr. Hart explained the Pay and Class Study had been released six months ago, but not the employee benefits proposals.

Councilor Collier asked Mr. Hart if the employee preference was to remain with the current benefits plan and to renew it August 1, 1988. Mr. Hart said the Council had additional options. Councilor Collier wanted to know if the deadline could be extended beyond August 1 and asked Mr. Phelps to explain why the health plan should be changed this year.

Lois Kaplan, Metro employee, expressed her concern about the lack of shared information on the proposed changes in employee benefits. She said an effort was underway to establish a collective bargaining unit. She said, despite pay inequities, many employees had stayed with Metro because of the good health benefits. Ms. Kaplan demonstrated how the proposed health plan would cost her family more in premium and prescription costs. She said she would lose monetarily with the proposed plan even if she received a salary increase. Ms. Kaplan said if the proposed plan passed, Metro employee morale would be at an all-time low.

Charlotte Becker, Metro Employee, said she represented the Employee Association. Ms. Becker said it was the consensus of employees at the two meetings held last week for non-union employees (one was held at the Zoo) that there be ample opportunity for the employees to analyze the proposed changes in benefits.

Motion: Councilor Hansen moved to refer Resolution No. 88-949 back to the Employee/Council Task Force on Employee Benefits to see if Metro's current health plan could be extended and to give the Council further opportunity to study the issues.

Councilor Van Bergen said the Task Force had made its decision on the resolution and suggested it be referred it to the Council Internal Affairs Committee.

Withdrawal of Motion: Councilor Hansen withdrew the motion to refer Resolution No. 88-949 to the Task Force.

Motion: Councilor Hansen moved, seconded by Councilor DeJardin, to refer Resolution No. 88-949 to the Council Internal Affairs Committee.

Councilor Van Bergen said the Metro health plan issues should be dealt with by Administration. Councilor Collier said the Council should be told if it were possible to extend the current benefits contracts.

Ms. Theresa Venuzzio said she worked with employee benefit consultants and Metro to determine employee benefit needs. She said the benefits contract had already been extended 30 days and the carrier was not contractually obligated to provide Metro extensions. The carrier had granted an extension as a courtesy, she said, and an additional extension would increase the contractors' chances of liability and financial loss.

Councilor Hansen asked at what point a new carrier had to be told of Metro's intent to enter into a contract. Ms. Venuzzio said the new carrier would issue rates for 60 days after which time the carrier had the option to change rates.

Vote: A vote on the motion to refer Resolution No. 88-949 to the Council Internal Affairs Committee resulted in Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, and Ragsdale voted aye. Councilor Van Bergen voted nay. Councilors Cooper, Gardner, Knowles and Waker were absent. The motion passed.

8.5 Consideration of Resolution No. 88-947, for the Purpose of Authorizing Bids for the Oregon Convention Center Bid Package No. 3, General Contract

Councilor Hansen summarized the Convention Center Committee's recommendation.

Motion: Councilor Hansen moved, seconded by Councilor DeJardin, to adopt Resolution No. 88-947.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner, Knowles and Waker were absent. The motion carried and the resolution was adopted.

8.8 Consideration of Resolution No. 88-951, for the Purpose of Authorizing a Contract Amendment with Dames and Moore for Convention Center Site Environmental Work

Councilor Hansen said the issue was discussed by the Convention Center Committee, but due to a lack of a quorum, no recommendation had been made. It was necessary to take action on this resolution due to the project's timeline.

Motion: Councilor Hansen moved, seconded by Councilor Kirkpatrick, to adopt Resolution No. 88-951.

Neil McFarlane, Public Facilities Analyst, said a contract had been approved earlier with Dames and Moore for site analysis. The Department of Environmental Quality had asked Metro to determine the extent of soil contamination at the construction site on land formerly occupied by the Rose City Plating Company. Adoption of the resolution would provide an additional site analysis required by the DEQ, he said.

To Councilor Van Bergen, Mr. McFarlane said Metro was responsible only for contaminants on the site itself.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen, and Ragsdale voted aye. Councilors Cooper, Gardner, Knowles, and Waker were absent. The motion carried and Resolution No. 88-951 was adopted.

8.7 Consideration of Resolution No. 88-942, for the Purpose of Authorizing Execution of a Memorandum of Understanding (MOU) with Riedel Environmental Technologies, Inc., for a Mass Composting Facility

Councilor Hansen, Chair of the Council Solid Waste Committee, reported the resolution received a unanimous recommendation from the Committee. The contract was consistent with Metro's criteria for alternative technology projects, he said.

Motion: Councilor Hansen moved, seconded by Councilor Kirkpatrick, to adopt Resolution No. 88-942.

Vote: Councilors Collier, DeJardin, Hansen, Kelley, Kirkpatrick, Van Bergen and Ragsdale voted aye. Councilors Cooper, Gardner, Knowles and Waker were absent. The motion carried and Resolution No. 88-942 was unanimously adopted.

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9. COMMITTEE REPORTS

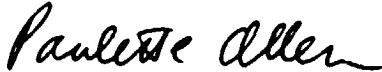
There were no Committee Reports.

Notice of Possible Reconsideration of Resolution No. 88-894A

Presiding Officer Ragsdale served notice to the Council of possible reconsideration of Resolution No. 88-894A. The Presiding Officer explained that Resolution No. 88-894A and Resolution No. 88-949 were so closely tied they would need to be considered at the same time by the Council. By reconsidering Resolution No. 88-894A, the Council could determine its course of action, he said.

Presiding Officer Ragsdale adjourned the meeting at 7:15 p.m.

Respectfully submitted,



Paulette Allen, Clerk
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