

MINUTES OF METRO COUNCIL REGULAR MEETING

Council Chamber

February 16, 1995

Councilors Present: Ruth McFarland (Presiding Officer), Jon Kvistad, Patricia McCaig, Susan McLain, Don Morissette, Ed Washington

Councilors Absent: Rod Monroe (Deputy Presiding Officer)

Presiding Officer McFarland called the February 16, 1995 Metro Council Regular Meeting to order at 2:00 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS

Presiding Officer McFarland noted that citizens who wished to speak to any of the agenda items, including first readings, should fill out a public testimony card, turn it into the Recording Clerk, and that they would be called upon at the appropriate time.

3. EXECUTIVE OFFICER COMMUNICATIONS

None at this time.

4. CONSENT AGENDA

Motion: Councilor Morissette moved to approve the January 31, 1995 Metro Council Work Session minutes as submitted.

Vote: Councilors Kvistad, McCaig, McLain, Morissette, Washington and McFarland voted aye.

The vote was unanimous and the motion passed.

Motion: Councilor McCaig moved to approve the minutes of February 7, 1995 Metro Council Work Session and February 9, 1995 Metro Council Regular meeting appearing on the Consent Agenda.

Vote: Councilors Kvistad, McCaig, McLain, Morissette, Washington and McFarland voted aye.

The vote was unanimous and the motion passed.

5. ORDINANCES FIRST READINGS

5.1 Ordinance No. 95-587. Consideration of Ordinance No. 95-587 Adopting The Annual Budget For Fiscal Year 1995-96, Making Appropriations and Levying Ad Valorem Taxes; And Declaring An Emergency.

Executive Officer Mike Burton presented the Metro FY 1995-96 Proposed Budget to the Metro Council, and he noted his formal budget message was contained within the document. The Metro FY 1995-96 Proposed Budget document has been made a part of the permanent meeting record. He introduced Alexis Dow, Auditor, who said that the budget for the Office of the Auditor had been folded into the Support Services Fund in order to ease the

administration of the budget process and financing for the Office of the Auditor. Executive Officer Burton acknowledged the assistance of Finance and Management Information staff in the budget preparation, and he presented an overhead graphic display and a budget overview for the agency FY 1994-95 and FY 1995-96.

A document entitled "FY 95-96 Executive Budget Presentation, February 16, 1995" containing an outline of Executive Officer Burton's remarks has been placed in the permanent meeting record.

A hard copy of the overhead graphic display has been placed in the permanent meeting record.

Executive Officer Burton emphasized his intent to hold the line on the FY 1995-96 Proposed Budget, and he noted the base budget FY 1995-96 Proposed Budget was \$206,903,790, an increase of a slightly over \$100,000 or 0.07% increase over the FY 1994-95 Adopted Budget, with a total of 775.08 FTE proposed, a 0.6% increase over FY 1994-95, which he noted was represented for the most part by the newly mandated function of the Auditor's Office.

Executive Officer Burton said the Total Metro Budget with New Capital expenditures of over \$159 million and 6.0 FTE assumed the passage of the Open Spaces and Parks ballot measure.

Executive Officer Burton noted the FY 1995-96 budget assumptions included the following: 1) a continuation of the current 7.5% excise tax; 2) a broadened application of the excise tax to include the Oregon Convention Center and Expo concessionaires; 3) a continuation of a \$75 tip fee for solid waste for its fourth year; 4) no fee increases FY 1995-96 at either the Zoo or Metro Parks facilities; 5) limited personal services costs; 6) no local government "dues" with a plan to replace the "dues" with increased allocation of flexible federal transportation funds and financial fiscal subscriptions for Data Resource Center services; and, 7) prudent maintenance of Contingency funds.

Executive Officer Burton spotlighted each Department and individual funds contained therein. This included the 1) the Solid Waste Department - the Solid Waste Fund, and the Rehabilitation and Enhancement Fund; 2) the Zoo - the Zoo Operating Fund, and the Zoo Capital Fund, noting the Zoo parking issues (Presiding Officer McFarland indicated the Zoo parking issues would be placed on the agenda the next week); Metro ERC funds, including the Convention Center, Administration, Spectator Facilities and the Coliseum; Regional Parks, Open Spaces and the Expo Center funds; Planning Department fund; the General Fund; Central Services funds including Support Services, and Risk Management.

Executive Officer Burton noted it was proposed that the excise tax be charged on the concessions at the Convention Center.

Executive Officer Burton commented the Executive's proposal to transfer the Office of Citizen Involvement was a reflection of what he believed could be administrative efficiencies.

Executive Officer Burton outlined his expectation of what the proposed FY 1995-96 would do for Metro. He said this included a focus on partnerships with Metro Council and local government relations; addressed charter planning mandates; managing Metro owned and Metro managed facilities; planning for and managing capital projects; scrutinizing all operations, especially Support Services, for maximum cost effectiveness.

Executive Officer Burton emphasized Metro's FY 1995-96 was a one year budget, adding that the budget was balanced with no new increases in tax and no increases in fees and would have the effect of stabilizing resources and expenditures to provide time to address long term funding and capital requirements.

Executive Officer Burton asked the Council, as deliberations begin, to keep in mind Metro's long term commitment to the citizens of the region to maintain both facilities and services that were unique to government and to provide the kind of necessary activities within the budget for the future to sustain that effort without large increases in cost to the public.

Councilor McCaig complimented Executive Officer Burton on the budget that was prepared, and referenced her memorandum dated February 14, 1995 containing a schedule of the Budget Committee meetings for consideration of Metro's Proposed FY 1995-96 Budget. This document has been made a part of the permanent meeting record. Councilor McCaig also emphasized the FY 1995-96 Budget was a one year budget, and that it was necessary that consideration for long range funding strategies.

Presiding Officer McFarland noted a Work Session regarding the FY 1995-96 Proposed Budget was scheduled for the next day, Friday, February 17, 1995, for further discussion and a time of questions.

Presiding Officer McFarland opened a public hearing. No citizens appeared before the Committee to testify. Presiding Officer McFarland closed the public hearing.

5.2 Ordinance No. 95-592. An Ordinance Relating To Citizen Involvement. Amending Chapter 2.12 of The Metro Code.

The Recording Clerk read the proposed ordinance by title only.

Councilor McLain noted the Metro Committee for Citizen Involvement had met the prior evening and had apparently voiced concerns regarding the proposed ordinance. She indicated members of the MCCI were present to give testimony.

Presiding Officer McFarland called on members of the MCCI present.

James Robison, MCCI member, District 5, addressed the Council, and explained the Committee was interested in having some time to discuss and consider the ramifications of the proposed ordinance should it become adopted.

Executive Officer Burton addressed the Council, and he explained there was some misunderstanding on the part of the MCCI regarding action on the proposed ordinance. He explained the proposed ordinance was part of the current budget process and action would not occur until hearings were concluded.

Councilor Washington pointed out that some of the language contained in the proposed ordinance and resident within the Metro Code was out of date and should be updated.

Councilor McCaig noted hearings on the General Fund would occur on March 2, 1995 at 12:00 noon and would likely conclude on March 23, 1995, giving time for the process to occur and for MCCI members to come forward with testimony.

Councilor McLain noted other members of the MCCI were present, and Presiding Officer McFarland

William Merchant, Position 25, addressed the Council and said he felt it was important to do a good job. He said he appreciated the support of both the Council and the Executive.

Gerry Federico, Position 14, said she was a brand new member to the MCCI and said she understood the Committee would have a window of time to discuss the matter before the Council took action, which, she added, was all the Committee wanted.

Councilor McLain commented that good work was done at the recent MCCI Work Plan Development Retreat, and encouraged MCCI members to come to the March 2 Budget meeting to testify.

Presiding Officer McFarland opened a public hearing. No citizens appeared before the Council to testify. Presiding Officer McFarland closed the public hearing.

5.3 Ordinance No. 95-590. An Ordinance Relating To The Metro Excise Tax And Amending Section 7.01.050. Exemptions. of The Metro Code

Councilor McCaig noted a current Metro ordinance exempted concessions and catering from the Metro excise tax, which she said was part of the original intergovernmental agreement between Metro and the City of Portland. Councilor McCaig noted the contract in existence was due to expire July 1, 1995, giving Metro an opportunity to broaden the application of the excise tax and to impose it on existing concession and catering operations at the Oregon Convention Center. She noted this matter was one of the budget assumptions the Executive had made in preparation of the FY 1995-96 Proposed Budget.

Executive Officer Burton commented the proposed ordinance was an accompanying document to the FY 1995-96 Proposed Budget document, and said if that decision was made, this ordinance would have to be enacted.

In response to Presiding Officer McFarland, Executive Officer Burton said based on his discussions with MERC, he believed that the Council would not receive any adverse testimony from the MERC on this issue.

Councilor McCaig said she anticipated full discussion of the matter both at Work Session and by the Budget Committee.

Presiding Officer McFarland opened a public hearing. No citizens appeared before the Committee to testify. Presiding Officer McFarland closed the public hearing.

5.4 Ordinance No. 95-591, An Ordinance Relating To Government Relations. Amending Chapter 2.11 of The Metro Code

Executive Officer Burton said the proposed ordinance was an accompanying document to the FY 1995-96 Proposed Budget, and said the proposed ordinance would amend the Metro Code to eliminate the separate Office of Government Relations so that it would become a function within the Executive Office. He said it would continue the lobbyist function as legislative representative appointed by the Executive Officer and confirmed by the Council. Executive Officer Burton noted the Office of Public Affairs and Government Relations was created in 1994, reporting to both the Executive Officer and the Metro Council. He said the functions of the Office were to deal with relationships with other governments, and said it was a focus of his budget to have that function relate primarily to local governments.

Councilor McLlain pointed out that the proposed ordinances, Ordinance No. 95-592 and Ordinance No. 95-591 were tied to the FY 1995-96 Budget and did not need to be acted upon soon, however, and she noted a deadline of April 1, 1995 should be noted concerning proposed Ordinance No. 95-590, the proposal dealing with the excise tax, due to the contract expiration.

Casey Short, Council Analyst, referenced his memorandum dated February 10, 1995 regarding a policy issue and a housekeeping issue concerning Ordinance No. 95-592. This document has been made a part of the permanent meeting record.

Presiding Officer McFarland opened a public hearing. No citizens appeared before the Committee to testify. Presiding Officer McFarland closed the public hearing.

6.1 Resolution No. 95-2093. For The Purpose Of Authorizing A Renewable Five Year Lease Agreement Of Property With The Birds Of Prey Rescuc Northwest. Inc. At Howell Territorial Park

Motion: Councilor Kvistad moved to adopt Resolution No. 95-2093. Councilor Washington seconded the motion.

Executive Officer Burton presented the staff report, and said over the years individuals have brought in injured birds to the Zoo, noting the injured animals incurred costs over time. Executive Officer Burton said the proposed ordinance would allow a five year renewable lease agreement for \$1 per year with the Birds of Prey Rescue Northwest to use the property Metro operates at the Howell Territorial Park on Sauvies Island, and he outlined the liability coverages to be maintained by the organization. Executive Officer Burton added the Oregon Historical Society, which maintained a house in the area, had indicated they had no difficulty with the carrying on of the project, and outlined further details of the lease including six month notification of termination.

In response to Councilor Morissette, Executive Officer Burton the current agreement with Multnomah County regarding negotiations on the parks and Expo required that Metro act by January 1, 1996 or be subject to termination. He noted that would mean prior knowledge six months in advance would need to occur regarding the undertaking of the lease in question.

Councilor Morissette suggested it be specified that the potential existed that Metro might not be able to proceed, in which case the entity would need to negotiate with Multnomah County.

In response to Councilor Morissette, Executive Officer Burton said the parks trust fund that came over to Metro from Multnomah County was available for cost maintenance the park facilities.

Councilor Morissette suggested it be specified that Metro was not to incur expenses in the operation of the project.

Councilor Washington asked why the project involved did not remain with the Zoo. Executive Officer Burton indicated it was not his interpretation of the mission of the Zoo should necessarily be that of a hospital for birds, and that this project was a way to provide assistance for a necessary service.

Vote: Councilors Kvistad, McCaig, McLain, Morissette, Washington and McFarland voted yes. Councilor Monroe was absent.

The vote was unanimous and the motion passed.

6.2 Resolution No. 95-2095. For The Purpose Of Authorizing Execution Of Lease With Business Properties Investment Limited Partnership

Motion: Councilor Washington moved to adopt Resolution No. 95-2095. Councilor Morissette seconded the motion.

Berit Stevenson, Principal Management Analyst, presented the staff report, and said Business Properties Investment Limited Partnership was interested in utilizing the 1600 square foot retail space located in the northwest corner of the Metro Regional Center's North Plaza for an office space.

In response to Councilor Morissette, Doug Butler, Director of General Services, indicated the entire Limited Partnership was the required signatory as well as the primary individual as a personal signatory. He said the entity intended to invest \$15,000 to \$20,000 of their own funds into improvements in the space, which would become Metro's assets should a difficulty arise for the tenant. He noted the space itself had presented a challenge initially, and recalled the space had no services at its outset.

Councilor Kvistad commented on the nature of the business of Metro as that of being charged with growth management and the nature of the business of Business Properties Investment Limited Partnership. He felt a conflict of interests existed, and said he would not favor the proposed resolution on those grounds.

Daniel B. Cooper, General Counsel, said nothing was contained in Oregon statutes relating to conflict of interest or ethics that would preclude Metro from entering into the proposed lease.

Councilor Kvistad felt the perception remained there was a direct relationship to the work of the agency. He noted the charge to General Services was to find a good tenant, and his objection was not related to the work of the Department.

Councilor McLain commented she would support the proposed resolution indicating she felt Metro as a government was also part of a community of businesses and services.

Presiding Officer McFarland opened a public hearing. No citizens appeared before the Committee to testify. Presiding Officer McFarland closed the public hearing.

Vote: Councilors McCaig, McLain, Morissette, Washington and McFarland voted yes.
Councilor Kvistad voted no. Councilor Monroe was absent.

The vote was 5 to 1 in favor, and the motion passed.

7. COUNCILOR COMMUNICATIONS

Councilor McCaig discussed the budget process and indicated she had copies of the budget schedule memorandum previously referenced available. She noted there were some differences built into the process to allow more working time between the Lead Councilors, the Council Staff and the Department Staff.

Councilor McCaig referenced the agenda for the February 17, 1995 Work Session. This document has been made a part of the permanent meeting record. She noted a discussion of the long term funding challenges would be undertaken during that Work Session.

Councilor McCaig acknowledged there were difficulties resident in attempting to set a schedule that would meet the needs of all of the Councilors.

Councilor McLain encouraged the Councilors to attend as many of the Budget Committee meetings as possible, and noted it was likely that the dates reserved for possible additional hearings would be utilized. She expressed concerns regarding the anticipated work load on the Council Staff.

Councilor McCaig noted the addition of the MERC analysis would be accomplished by Mr. Short, and said John Houser, Council Analyst, would undertake the analysis of the General Fund and Support Services in addition to his work on the Solid Waste Department analysis. Councilor McCaig said there was nothing scheduled for March 7, indicating she had lengthened the amount of time between Phase I and Phase II in order to give more work time to the analysts and the Lead Councilors to address issues. She emphasized the meetings scheduled for February 23, 1995 and for March 23, 1995 beginning at 7 p.m. could be utilized for budget deliberations as was deemed necessary. Councilor McCaig said she hoped the process would be as good if not better than last year's process.

Presiding Officer McFarland acknowledged Councilor McCaig's effort to give working time to the effort, and emphasized the need for other Councilors to give the analysts the necessary time and space to do their work.

Councilor Kvistad commented he was not pleased with the scheduling conflicts he personally had with the published budget schedule, and asked that further discussion regarding the schedule occur.

Councilor McCaig indicated she was hoped to accomplish the best possible solutions for the process based on the staffing available. The Council discussed the budget schedule further, and possible difficulties that might arise with reduced staff. Councilor Morissette recommended prioritizing the work asked of the Council Staff and revisiting those issues in the future. Councilor Kvistad indicated he would not be available from March 16 through April 4 and was interested in revisions in the schedule. Councilor McCaig requested the remaining Councilors revisit the schedule and assist in her response to Councilor Kvistad's request.

Councilor McLain noted the MTAC group was interested in the Boundary Commission discussion and was interested in having the MPAC be involved in that discussion. She noted that item was on the next MPAC agenda. She asked if further discussion would be of interest at the next Work Session, that the Councilors let her know. Councilor McLain noted the Council had input to the MTAC membership discussion, that it involved Metro Staff, and said she would appreciate comment. She mentioned the Growth Management budget, and said further discussion could occur at the next Work Session or the week after the MPAC meeting if desired. Councilor McLain mentioned the tax deferral issue and discussed the possible forming of a subcommittee to look at that issue. She asked Councilors who might be interested in participating in the sub group to let her know. Councilor McLain noted a letter had been received from McKeever-Morris concerning the FOCUS group, and raised the issue of FOCUS fees and staff involvement, and noted issues of water management merited discussion and interest. Councilor McLain mentioned a letter from a citizen with which she needed assistance. Presiding Officer McFarland suggested she place a copy of the letter in each Councilor's mail for further review.

Councilor McCaig raised a procedural question concerning the matter of first reading of an ordinance. Presiding Officer McFarland indicated the manner in which first readings and second readings were dealt with was a subject that had been previously discussed, noting the Committee system had created a different process in the past. She said the way in which first and second readings were dealt with now and in the future was a matter that could be discussed further.

Councilor McCaig expressed concern regarding discussion at a first reading, and felt that time was necessary for the Lead Councilor to fulfill their role and to discuss possible issues with the other Councilors. Councilor McCaig indicated she preferred discussion be set for the second reading. Councilor Kvistad recommended a time be set aside to discuss the benefits and drawbacks of the ways the Council currently does business.

Councilor McLain felt two discussion times were important, and suggested an individual Councilor might choose to remove their name as the Lead Councilor from a particular item at the time it was to be first read and suggested listing a Staff member only at that time.

Presiding Officer McFarland agreed further discussion would be in order.

8. LEGISLATIVE ITEMS

Noel Klein, Western Advocates, addressed the Council regarding legislative matters of current interest.

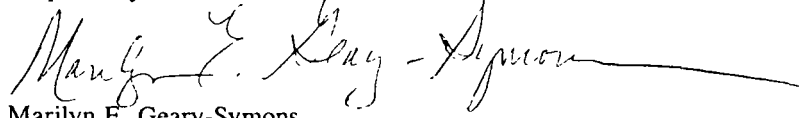
Councilor McLain asked regarding the regional issues package, and asked that a copy be made available to her for review. The Council and Mr. Klein discussed those issues further.

9. RECOGNITION OF GUESTS

Councilor Washington acknowledged a guest, John W. Jenkins, President of the Hayden Island Neighborhood Association.

There being no further business, the meeting adjourned at 4:21 p.m.

Respectfully submitted,



Marilyn E. Geary-Symons
Council Assistant