

MINUTES OF THE COUNCIL BUDGET COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

April 9, 1990

Committee members present:

Councilors: George Van Bergen (Chair), Judy Wyers (Vice
Chair), Tanya Collier, Richard Devlin and Jim
Gardner

Citizens: Alan Brickley, Bob Palmer and David Saucy

Committee members absent:

Councilors: None

Citizens: Pat Jernberg and Janet Schuster

Other Councilors present: Ruth McFarland

Chair Van Bergen called the meeting to order at 5:35 p.m.

1. FY90-91 Proposed Budget, Phase III Final Recommendations

Jessica Marlitt, Council Analyst, gave the Committee a brief outline of Phase III. She said this was the phase of the Budget when the Committee would be making their final recommendations and proposals to amend or revise the Proposed Budget.

Solid Waste Department

Ray Barker, Council Analyst, summarized his memo to the Committee regarding Solid Waste budget notes. He said he felt an ordinance or amendment was in order to be clear as to how the funding for the 1% for Recycling Program was calculated. In this way, the Committee would know prior to the FY90-91 budget how much was in place for the 1% for Recycling Program. It was suggested that the date be left open. Chair Van Bergen noted being in favor of having a specific date. Mr. Barker said the feeling of the 1% for Recycling Committee was that the September 1, 1990 date might be too soon. Councilor Wyers, Chair of the 1% for Recycling Committee, had no objections to a specific date, but felt November or December would be more realistic. Councilor Gardner expressed agreement and suggested November 1, 1990. In that way the policy would be known well before the review of any review of projects.

Mr. Barker noted the Solid Waste Committee had recommended \$50,000 for a Records Management System. He said that since another department might be undertaking a similar program, his recommendation was that there be careful coordination between any departments pursuing this program. In response to Committee questions, Mr. Barker said he was suggesting a budget note to this effect. Councilor Collier noted the Committee had, at a

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previous meeting, asked Jennifer Sims, Manager of Financial Services, to investigate the feasibility of such a program. Mr. Barker said he had not talked with Ms. Sims, but had talked with Judith Mandt, Assistant to the Solid Waste Director. Ms. Mandt told him the two departments (Finance & Administration and Solid Waste) were not looking at the same type of program. In response to questions from Councilor Collier, Ms. Sims said the program her department was considering was a microfilming project, aimed at reducing the dependance on the City of Portland archives. She said her understanding of Solid Waste's proposal was to do a records management system that organized their record keeping for the Solid Waste Department. Ms. Sims said she did not feel the \$50,000 being proposed would cover all that would need to be done to thoroughly research such an agency-wide program. In response to a request by the Committee, Ms. Sims said she would have an agency-wide report for the Committee at their meeting on Wednesday, April 11.

Staff, in response to questions from the Committee, said the complete list of recommendations for Solid Waste Department budget requests had not been completed. Mr. Barker said he would get the information for the Committee for their next meeting.

Councilor Wyers summarized the memo from Councilors Collier and Hansen, Budget Committee member Bob Palmer and herself regarding a Neighborhood Clean-up Program. She said she wanted to alter the language of the Program to include yard debris taken to a licensed processor. This change would necessitate an increase in the budget from \$33,000 to \$71,000.

Motion: Councilor Wyers moved to delete the \$37,500 proposed for landscaping services at Metro South Station from the Operations Division budget and add it to the annual clean-up events item in the Waste Reduction Division budget.

In response to Committee questions, Mr. Barker said he did not feel a resolution was required at this time. It was noted, however, the issue would need to come back through the Committee process.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Motion: Councilor Devlin moved to accept the recommendations made by Mr. Barker in his memo of April 5, 1990 as follows:

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Prior to the submittal of the FY 91-92 budget, a recommended policy regarding the funding of the 1% for Recycling Program shall be prepared, reviewed by the 1% for Recycling Advisory Committee and the Solid Waste Committee and approved by Council.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Chair Van Bergen referred to Councilor Wyers' memo regarding rate discount study for thrift stores. Councilor Wyers summarized her memo for the Committee, noting she was suggesting a budget note. In response to questions, Councilor Wyers said was going to be a Request for Proposals (RFP) to perform an evaluation on the various types of options of discounts that could be given to thrifts. She was concerned about that criteria and would like the Solid Waste Committee see it before being sent out to the public. Don Carlson, Council Administrator, reminded the Committee that the Council does not have the authority to approve RFP's based on Metro's contract procedures. Chair Van Bergen had a problem with the term "not-for-profit thrift stores," because he felt some thrifts did operate at a profit. Councilor Gardner said that was an issue both the Council and Solid Waste Committee have been struggling with for several years, the difficulty of determining who was eligible and who was not. He felt a study was needed to assist with this determination. In response to Committee questions about whether or not the Solid Waste staff could do such a study in-house, Mr. Martin said the staff has that ability, but would have a scheduling problem.

Motion: Councilor Wyers moved the Committee recommend the following budget note regarding the proposed \$6,000 rate discount study for thrift entities:

That the Request for Proposals (RFP) to perform a rate discount study for not-for-profit thrift entities shall be reviewed by the Solid Waste Committee.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Councilor Wyers then introduced her memo of April 5, 1990 regarding a disposable diaper educational brochure. She said this item referred to a resolution to fund the diaper education

brochure which had passed the Solid Waste Committee and which would be coming to the Council for their consideration. The brochure could be produced and distributed for about \$9,500, which was the funding she was requesting be added to the Waste Reduction Program budget.

Motion: Councilor Wyers moved a line item for \$9,500 for diaper education.

Councilor Collier asked how the figure of \$9,500 was arrived at and what it would buy. Councilor Wyers said it was arrived at after a discussion with the Public Affairs Department regarding how many brochures could be done. It was also noted the brochures were intended to be distributed mainly to new parents.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Mr. Barker then reviewed his suggested alternatives for addressing the \$351,000 shortfall: 1) reduce the proposed contingency; 2) decrease the unappropriated balance; 3) reduce the amount of proposed discretionary expenditures; 4) increase the rates by approximately \$.30 per ton; and 5) a combination of the above. Councilor Collier asked if he had a recommendation other than those options. Mr. Barker said he did not, but his least recommended alternative would be to raise the rates. Councilor Collier asked if the unappropriated balance and the contingency were to be used to make up a shortfall this year, would not the situation be the same next year. Don Carlson, Council Administrator, said it would carry forward in future years.

Chair Van Bergen opened the public hearing at 6:40 p.m.

Anne McLaughlin, City of Portland, said she was there as a representative of the City to support the Solid Waste budget requests for special funding to assist local governments in implementing improvements in the recycling systems. She said a grant from Metro was helping the City work on implementation of recycling depots in apartment buildings and they would like to see the continuation of that program to local jurisdictions.

Bill Martin, Washington County, testified in favor of the programs Ms. McLaughlin mentioned. He said he was in agreement with her comments.

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Carrie Heaton, Clackamas County, also spoke in favor of the Committee's approval of the Solid Waste budget requests for recycling containers for local jurisdictions. She noted the single family and multi-family container programs currently in place in Clackamas County have been very well received by both the tenants and the haulers. In response to questions from Chair Van Bergen, Ms. Heaton said the containers belonged to the garbage company.

There being no further public testimony, Chair Van Bergen closed the public hearing at 7:00 p.m.

In response to a request from Councilor Collier, Mr. Martin explained to the Committee the background of the methane gas study. He noted the amount of gas expected from the capping of the landfill was now estimated to be greater than originally expected. He felt it was important to look at that issue again to see if the considerable energy potential the gas represents could be utilized. Chair Van Bergen stated he was not in favor of any additional methane gas studies. Mr. Martin told the Committee his recommendation would be to finish the study to determine if there had been any changes that might make it more desirable for Metro to be in the business of gas recovery again, either for energy production or for resale.

Mr. Martin briefly described the changes he was requesting to the Solid Waste Proposed Budget (contained in his memo of April 9, 1990) and explained to the Committee his reasons for requesting those changes.

Motion: Councilor Devlin moved to approve the requested changes indicated in Mr. Martin's memo of April 9, 1990.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Motion: Councilor Devlin moved that the budget shortfall that's been identified, the \$558,000, be covered by doing an evaluation of the excise tax potential vs. actual imposition; the first priority to apply that difference to the shortfall, the remaining balance to be funded from a combination of cuts in contingency, unappropriated balance or budgeted expenditures either in personnel or materials and services and for Mr. Martin to come back with a recommendation to that effect and for Council

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staff to come back with a recommendation to that effect on April 19.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Metro Washington Park Zoo

Jessica Marlitt summarized her memo to the Committee, noting she had only one recommendation; to fund a horticultural/landscaping project in next fiscal year's budget for a total amount of \$75,000. Of that amount, \$25,000 would be directly allocated for expenditure and \$50,000 would be set aside for matching funds to be distributed on a 50/50 basis with donations or revenues. In response to a question from Chair Van Bergen, Kathy Rutkowski, Associate Management Analyst, explained the reason for having the funds in contingency rather than unappropriated balance. She said once funds are placed in an unappropriated balance they cannot be touched. Sherry Sheng, Zoo Director, told the Committee she was in full concurrence with Ms. Marlitt's recommendations.

Motion: Councilor Gardner moved the Committee approve the adjustments recommended in Ms. Marlitt's memo of April 9, 1990.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Convention Center Project

Neil McFarlane, Project Operations Manager, presented his memo to the Committee. He said the two issues before the Committee were related to budget footnotes recommended by the Convention and Visitor Facilities Committee. One of the recommendations deals with priorities for the use of the \$2.1 million in contingency funds; the second was how to budget the \$2.1 million. Mr Carlson told the Committee one budget footnote was the setting of the priority on the expenditure of the \$2.1 million. The priority would be the claims settlement first and building improvements seconds and include a statement that prior to the expenditure of those funds the Executive Officer would need to bring the settlement claims back to the Committee for review. Mr. Carlson said staff had no recommendations as far as changing the dollar amounts of these budgets.

Motion: Councilor Devlin moved footnote no. 1 indicated in the memo of April 5, 1990 as follows:

First priority for the use of the Bond interest earnings remaining (approximately \$2.1 million) shall be settlement of construction claims.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Motion: Councilor Devlin moved the second priority shall be completion of the Skyview Terraces, provided however, that expenditure of these funds for such work shall not be authorized by the Executive Officer without the prior approval of the Council, and providing the Council the opportunity to review the status of construction claims.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

Motion: Councilor Devlin moved the following footnote from Councilor Knowles memo of April 5, 1990:

Expenditure from Account #574500 (\$2.1 million in bond interest earnings) shall be in accordance with the following procedures:

1) Claims/Construction Cost Settlements: Any construction costs or claims ensuing from the current construction contract (within the overall scope as currently approved by the Council), shall be reviewed with the Council Convention and Visitor Facilities Committee prior to formal approval by the Executive.

2) Scope Increases: Any new or substantially improved additions to the building spaces shall be approved by the Council prior to authorizing the contractor to proceed.

Vote: Councilors Collier, Devlin, Gardner, Van Bergen and Wyers voted aye.

The motion carried unanimously.

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Chair Van Bergen noted there were citizens present who wished to address the issue of the domed stadium. He said the discussion on that issue was scheduled for the April 11, 1990 meeting, but if anyone present wanted to speak now they were welcome to do so.

The Chair opened the public hearing at 7:55 p.m.

Jeffrey Liddicoat, Portland, testified as being opposed to a sports arena. He said he felt the public would not accept such a facility and hoped Metro would not spend the money for a sports facility study.

Robert Wattenburg, Portland, said he was in agreement with Mr. Liddicoat. He felt Metro should concentrate more on building facilities directed toward families, such as the Zoo. He did not feel citizens in the Portland would support a domed stadium and Metro should concentrate on projects that would benefit the liveability of Portland, not the visibility of Portland.

Craig Eckhoff, Portland, was there to testify on behalf of the homeless in Portland. He said the fact that there were homeless people meant there were not enough jobs or affordable housing. He suggested the local governments contribute electrical and plumbing facilities for the "tent cities" currently in existence in the area. In return, Mr. Eckhoff said the residents of these "cities" would contribute one or two days at specified labor jobs; i.e., trash pickup, brush clearing.

There being no further public testimony, the Chair closed the public hearing at 8:17 p.m.

There being no further business, the meeting was adjourned at 8:20 p.m.

Respectfully submitted,



Ann Brunson
Committee Clerk

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