

MINUTES OF THE COUNCIL MANAGEMENT COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

May 16, 1985

Committee Members Present: Councilors Van Bergen, DeJardin,
Gardner and Kirkpatrick

Committee Members Absent: Councilor Cooper

Staff Present: Don Carlson, Jennifer Sims, Doug
Drennen, Wayne Rifer, Ed Stuhr, Chum
Chitty, Pat Lent, Kay Rich, Ray Barker

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

1. Review of Investment Program with Citizen Members of the
Investment Committee

Chum Chitty introduced Pat Lent to the Committee. He said Ms. Lent would be working in the Accounting Division to manage daily cash balances and to assist with Metro's investment program.

Mr. Chitty then introduced Rolland Royce to the Committee who represented Oregon First Bank, a division of Moore Financial Services. Mr. Royce presented information about his firm's investment program and asked the firm be considered as an approved institution for Metro's investment program. After the presentation, Mr. Chitty said the Investment Committee would review Mr. Royce's proposal carefully and would make a recommendation to the Management Committee in June regarding approving the institution.

Mr. Chitty then reviewed the report on investments for the quarter from January 1, 1985, to March 31, 1985. He reported that average interest rates on investments increased from 8.16 percent in January to 8.43 percent in March. For the second consecutive quarter the State of Oregon, Local Government Investment Pool, consistently produced the highest yield among the available investment alternatives. However, he explained, most investment funds would probably be transferred to 30-day certificates of deposit early in the next quarter when Investment Pool interest rates started to decline.

Mr. Chitty then reported on information shared at a recent conference he had attended regarding the Attorney General's opinion on an investment program offered by Metropolitan Savings & Loan. The opinion stated the program was not a legal investment for local governments in spite of the fact the institution was soliciting government participation. Mr. Chitty said Metro had not participated in the program.

Mr. Chitty discussed collateral requirements by commercial banks and financial institutions. He explained the state of Oregon currently required 25 percent collateral for all government investments. The Legislature may adopt legislation recommended by the State Banking Division and the State Treasurer that would require 110 percent collateralization of local government funds invested with the state.

Councilor Gardner asked about the status of Willamette Savings & Loan's request to be on Metro's list of approved investment institutions. Mr. Chitty responded their presentation was postponed because they needed more time to prepare a current audit report. He explained although the institution consistently had high interest rates, the risks of investing with them would be greater. Metro had not yet invested funds with them, he said.

Rebecca Marshall, citizen member of the Investment Committee, reported another Committee member, Bonnie Kraft, Treasurer for the city of Gresham, had recently written investment guidelines for the city which were published in National Public Investor Journal in April. She said the Committee would consider incorporating some of those guidelines into Metro's program.

2. Approval of Minutes of the Meetings of March 21, March 28 and April 18, 1985

Motion: Councilor Kirkpatrick moved to approve the minutes and Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kirkpatrick and Van Bergen

The motion carried and the minutes were approved.

3. Consideration of Change Order No. 38 to the Contract with Bishop Contractors, Inc. for the Alaska Tundra Project

Kay Rich reported the change order had resulted because of alterations in work on interpretive exhibits. He said there had been some dispute about whether those changes were properly authorized. After considerable discussion, staff recommended dividing financial responsibility among the subcontractor, the architect and Metro. The change order would allow the architect to reimburse Metro for its portion of the costs in order to keep all the work under the contract warrantee, he explained. A percentage of the architect's fees had been retained and could be withheld if the architect did not reimburse Metro for the expenses. The subcontract's costs had

already been absorbed and were not included in this change order, he said.

Councilor Kirkpatrick asked if a system had been instituted for approving additional work in order to avoid future questions of responsibility. Mr. Rich responded the current change order procedures clearly define the approval necessary to perform additional work. He said, however, staff were being extremely careful in communicating with all parties to define procedures and areas of responsibility. Councilor Kirkpatrick suggested future contract language state that costs related to changes in interpretive work be borne by the contractor.

Motion: Councilor Kirkpatrick moved the Change Order be approved. Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kirkpatrick and Van Bergen

The motion carried and the Change Order was approved.

Councilor Van Bergen suggested staff consider the feasibility of hiring a full time person to supervise major Zoo construction projects. He said the money would be well spent if it would avoid legal problems. Mr. Carlson said staff would be willing to provide the Committee with a report of current staffing and work responsibilities in this area.

4. Consideration of Resolution No. 85-573, for the Purpose of Amending the Classification and Pay Plans for the Metropolitan Service District (Personnel Officer, Data Processing Manager and Information Systems Analyst)

Jennifer Sims explained although the Council had approved the FY 1985-86 budget which included approval of the new positions effective July 1, 1985, staff was requesting this action in order to start the hiring process as soon as possible.

Councilor Van Bergen asked if the Budget Committee had commented on the staffing changes. Don Carlson replied staff had presented the proposed changes as a key budget issue but the subject did not generate committee discussion.

After discussion on the appropriateness of the salary range recommended for the Data Processing Manager position, Councilor Kirkpatrick requested staff return with information comparing the

recommended salary ranges for the Personnel Officer and Data Processing Manager positions with those paid by other jurisdictions. It was agreed staff would present this information, along with complete job descriptions, to the Committee for consideration at 5:00 p.m. on May 23. If recommended for approval, Resolution No. 85-573 would appear on the Council Consent Agenda for the meeting of June 13.

Councilors Van Bergen and Kirkpatrick stressed the importance of receiving complete information in a timely manner in order to make good decisions, especially when the Committee would be asked to make recommendations to the full Council.

5. Consideration of a Proposal to Reorganize the Solid Waste Policy Alternatives Committee (SWPAC)

Ray Barker reported that since this item was last discussed by the Management Committee, Councilors Gardner and Hansen had attended two SWPAC meetings: one to get feedback from SWPAC members regarding Management Committee considerations; and one to present a draft of proposed changes to the SWPAC bylaws. Mr. Barker said SWPAC members had three general concerns about the proposed changes: 1) a 16-member committee could be too large; 2) the purpose of the committee needed better definition; and 3) to whom would SWPAC report and advise?

In discussing the above three concerns, Mr. Barker said the current SWPAC group consisted of 16 members although some positions had been vacant. The purpose of the committee was defined in the draft document entitled "SWPAC Reorganization Proposal," distributed to members and included in this meeting's agenda packet. He explained many of the objectives listed in that document were also included in the existing SWPAC bylaws.

Mr. Barker then requested the Committee discuss the proposal and reported that any changes to be discussed with SWPAC. Based on comments received, he would work with Councilor Gardner to redraft the SWPAC bylaws. A resolution adopting the bylaws would then be considered for recommendation to the full Council, he explained.

Councilor Gardner reviewed additional suggestions made by SWPAC. The committee requested one member be appointed to represent the recyclable materials market. Councilor Gardner said he would prefer no new members be added and that the recyclers already represented on the committee would have a keen understanding of the materials market. In explaining the "SWPAC Reorganization Proposal", he said the document was not intended to define purpose, but rather to define why the committee should be reorganized. He said when the bylaws were redrafted, the most significant change he would like to

include would be provisions to have SWPAC serve as a way Metro could communicate with Metro citizens. For example, during the Solid Waste Management Plan adoption process, SWPAC could conduct public hearings on the plan. The system would function the way most planning commissions relate to city council's, he explained.

Councilor Kirkpatrick expressed concern about Councilor Gardner's recommendation saying she thought most Councilor's would prefer to hear public testimony. She did not want to create a situation where citizens would have to testify before both SWPAC and the Council. She thought a compromise solution could be reached if Councilor Gardner could develop a plan where technical members of SWPAC and Councilors could receive public comment at the same meeting.

After considerable discussion about possible roles for SWPAC and the committee structure, the Management Committee agreed that Councilor Gardner should return to the June Management Committee meeting with draft, revised bylaws for Committee consideration. A key factor for consideration would be to create a more influential SWPAC.

6. Review of the Work Plan for the Position of Council Assistant

Ray Barker reviewed his current job responsibilities as reported in the meeting's agenda materials. The Committee added the following responsibilities to the current list: 1) Council budget analysis; 2) analysis of progress on Council-related priorities and objectives; and 3) coordinating the recruitment of new SWPAC members should the committee be reorganized.

Councilor Kirkpatrick clarified that the Council Assistant's role in the regional parks study should be that of getting the project started. Once funding was secured, the IRC should coordinate the conduction of the study, she said. The Council Assistant would then work to coordinate support and funding for other regional studies.

There being no further business, Councilor Van Bergen adjourned the meeting at 7:15 p.m.

Respectfully submitted,



A. Marie Nelson
Clerk of the Council