

MINUTES OF THE MANAGEMENT COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

October 15, 1987

Committee Members Present: Councilors Tanya Collier, Jim Gardner,
Sharron Kelley and Gary Hansen

Committee Members Absent: Councilors Larry Cooper, Tom DeJardin*
and David Knowles*

Councilors Present: Councilor Mike Bonner

Chairman Gardner called the meeting to order at 5:40 p.m.

1. Consideration of Minutes

Motion: Councilor Kelley moved to approve the minutes of
September 15, 1987. Councilor Collier seconded the
motion.

Vote: A vote on the motion resulted in all four Councilors
present voting aye. Councilor Cooper was absent.*

The motion carried and the minutes were approved.

2. Annual Report on Liability and Casualty Insurance Program

Jennifer Sims, Management Services Director, introduced Bob Hawkins
and Dennis Doherty of Jewett, Barton, Leavy & Kern (JBL&K)
Insurance, Metro's insurance brokers. She distributed the annual
insurance report dated October 1987 prepared for Metro by JBL&K.

Ms. Sims discussed ways in which staff were improving Metro's insur-
ance program including: 1) emphasis on insurance requirements for
contractors; 2) providing moveable equipment insurance; 3) screening
potential employees' for driving histories; 4) performing a property
appraisal study for next fiscal year; 5) reviewing general liability
coverages for next fiscal year; and 6) possibly forming a safety
committee. She reported that Metro's loss record for the past year
had been very good. Less than \$9,000 in claims had been paid out
and about \$265,000 had been paid in premiums.

Mr. Hawkins explained Metro had adopted the philosophy of a balanced
self-insurance and covered insurance program. Money saved by self-
insuring in certain areas could be applied to pay for other types of
insurance premiums. In addition to insurance, JBL&K were working
with staff to decrease exposure from contractors and to promote
on-the-job safety for employees. He also commended the way Zoo
staff dealt with visitors which had helped to keep liability expo-
sure low.

*NOTE: Alternates' attendance is not mandatory unless a threemember
quorum is needed. Absent alternate members are not listed in voting
records.

Mr. Doherty discussed a proposed contractor insurance program for the Oregon Convention Center construction. The plan called for Metro carrying insurance for contractors and subcontractors working on the project. A consolidated program would result in cost savings. He explained the program was commonly used in the construction industry.

In response to Councilor Collier's question, Ms. Sims reported because staff would soon evaluate Metro's general liability program, no cap had yet been set for the self-insurance reserve fund. She anticipated, however, that the agency would continue to add to the fund for the next two years -- possibly to a total of \$500,000.

The Committee discussed Metro's program for public officials' insurance. Mr. Doherty reported that due to changes by the Legislature, rates would decrease within a few years and a more competitive market could develop for coverage.

Mr. Hawkins described Metro's environmental impairment liability coverage and the difficulty of assessing the actual exposure costs. Some estimated exposure as high as \$30 million -- the estimated cost of cleaning up an extensive toxic spill.

3. Consideration of an Amendment to the Contract with Browning Ferris Industries to Repair Erosion Damage at the St. Johns Landfill

Jim Shoemake, Solid Waste Facilities Manager, reviewed staff's written report and explained the need for the contract amendment.

Motion: Councilor Kelly moved to approve the contract amendment and Councilor Gardner seconded the motion.

In response to Councilor Hansen's question, Mr. Shoemake said due to the extensive summer workload at St. Johns and because of other priorities, the repair work had been delayed.

Vote: A vote on the motion resulted in all four Councilors present voting aye. Councilor Cooper was absent.

The motion carried and the contract amendment was approved.

4. Consideration of an Amendment to the Contract with EMCON Associates for Engineering Services at the St. Johns Landfill

Dennis O'Neil, Solid Waste Senior Analyst, reported that because of the need to lengthen the life of St. Johns Landfill, staff had contracted for EMCON's engineering services. The proposed amendment

would cover the cost of certain fixed expenses and would allocate a \$25,000 fund for future tasks.

The Committee discussed whether the \$25,000 amendment should be approved or whether staff should budget those expenses via a formal amendment to the FY 1987-88 budget. Mr. Shoemaker explained the funds would only be spent upon formal communication from staff to the contractors requesting specific work. Any unspent money would be carried over into next year's budget, he said. If staff had to prepare a budget amendment, the additional landfill work could not be completed on a timely basis.

Motion: Councilor Collier moved, seconded by Councilor Hansen, to approve the amendment to the contract.

Vote: A vote on the motion resulted in all four Councilors present voting aye. Councilor Cooper was absent.

The motion carried and the contract amendment was approved.

Councilor Hansen thought the contract amendment request should have been reviewed by the Council Solid Waste Committee because of the technical nature of the work program. Chairman Gardner pointed out the Council's current policy required the Management Committee to approve the contract amendment. To have required an initial Solid Waste Committee review would have taken more time. He explained staff determined which items should first be reviewed by Council committees, taking into consideration of the importance of the subject.

Councilor Collier said she was concerned that some recently awarded contracts had included "contingency funds." She asked the Committee to consider a policy that would provide the greatest public accountability while still allowing staff to perform its work effectively.

6. Consideration of Resolution No. 87-807, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule (to Fund Phase II of the Aquarium Feasibility Study)

Dick Engstrom, Deputy Executive Officer, introduced Bruce Allen of the Portland Development Commission and Steve Lowenstein, Executive Assistant to City of Portland Commissioner Mike Lindberg. Mr. Allen reviewed staff's written report concerning the proposed aquarium project and the need for Metro to contribute \$25,000 to fund Phase II of the Aquarium Feasibility Study. Mr. Lowenstein concluded it would be about one year to 18 months before the Council would decide whether it should recommend the facility be built.

Councilor Bonner introduced citizens concerned about aquarium plans and animal species to be exhibited.

Phyllis Johansen, representing People for the Ethical Treatment of Animals and Director of Animal Aid, said she could not support using animals for entertainment. She did not object the concept of educational aquarium facilities, saying she was very impressed with the Monterey Bay Aquarium. She concluded that animals had rights and Metro should plan a facility that took those rights into consideration. She encouraged the study committee to seek advice from the Cousteau Society and Humane Society.

Barbara Spears, representing Wildlif Northwest, testified she represented over 2,000 members who objected to exhibiting any captive species of marine mammals. Mr. Lowenstein said it was not currently known exactly which animals would be proposed for the aquarium and that animal advocacy groups would have other opportunities for input into the planning process. Ms. Spears also questioned the long-term stability of an aquarium in Portland, given so many other cities had built them. She thought they could be a fad and the public's interest in aquariums would wane. Mr. Lowenstein reported studies of aquariums -- some operating as long as 50 years -- had shown the public's interest would not wane.

Councilor Collier questioned using the term "Feasibility Study" for Phase II when the work program would actually site the proposed facility. Mr. Lowenstein responded that public bodies would still make a final decision regarding whether an aquarium should be built. He explained that part of determining the facility's feasibility would include establishing its feasibility at a certain site. Phase II would examine the tax burden on the public and would give the Council a precise picture in order to make a final decision. He also pointed out it would take five to ten years to plan an aquarium and now was the time to conduct a background study. The planning committee would consist of a broad-based group to avoid predispositions, he explained.

Councilor Bonner reported he had polled his constituents with about 10 percent responding to the survey. Of those responding, 60 percent did not support the aquarium. He read several responses and urged the Committee not recommend the resolution for approval, explaining the region had too many other projects to fund. He proposed the Cascade Exhibit at the Zoo be expanded to include marine animals.

Councilor Kelley said she shared some of Councilor Bonner's concerns but thought the time to make a decision would be after the Feasibility Study was conducted. She was attracted to the economic benefits of the proposal.

Councilor Bonner did not think the aquarium proposal part of any economic development strategy and suggested the facility could become an economic liability to the public given the current stock market climate.

Motion: Councilor Collier moved to recommend the Council adopt Resolution No. 87-807 and Councilor Hansen seconded the motion.

Councilor Hansen said he supported the motion because the concept of "aquarium" needed to be clearly defined before it could be brought to the voters for a decision. However, he explained, that project needed to be weighed with other priorities requiring tax support including schools.

Vote: A vote on the motion resulted in all four Councilors present voting aye. Councilor Cooper was absent.

The motion carried and Resolution No. 87-807 was recommended for adoption.

(NOTE: The request for the budget amendment to fund Phase II of the Aquarium Feasibility Study was included in Resolution No. 87-814 and was considered by the Council on October 22, 1987. Therefore, Resolution No. 87-807 was withdrawn from consideration.)

5. Status Report on the Implementation of the Data Processing Plan

Metro's Data Processing staff presented an overview of their division's work activities -- current and planned -- and of the agency's coordinated plan for data processing. LeRoy Nollette, Data Processing Manager, introduced division staff who would explain the units work activities in detail.

Richard O'Quinn, Data Processing Operations Analyst, reported on Metro's hardware procurement plan. He explained the system was designed to ensure hardware was housed in safe environments, that security systems were implemented to guard against unauthorized access to equipment, that equipment would be well maintained, and that mechanisms were in place for inter-agency networking. Mr. O'Quinn also reported that a main consideration in planning the system was to ensure for adequate growth.

Jeff Booth, Data Processing Operations Analyst, described the process for selecting new accounting software. Staff were preparing a request for proposals modeled after one recently prepared by Clackamas County. Vendor lists were compiled from those used by other jurisdictions. A mandatory vendor conference was scheduled for the end of November, proposals were due at the end of December,

and the Council would be asked to award a contract for the new system at the end of January.

In response to Councilor Collier's question, Mr. Booth and Ray Phelps replied staff would run dual accounting systems until the new computer system was operating smoothly.

Audrey Lloyd, Data Processing Systems Analyst, reported that PCs were now used for most document generation and software had been standardized for word processing, budgeting, database management and desktop publishing uses. Staff were now exploring standardized software for graphics, geographical and demographical information, facility and landscape design, personnel records and statistical analysis. Mr. Nollette added that PCs would soon replace the out-dated central WANG system.

Mr. Phelps reported that no computer or software purchase could be made without the advance approval of the Data Processing Manager. That approval would help achieve competitive pricing and high agency-wide standards, he said.

7. Consideration of an Amendment to the Contract with Rittenhouse-Zeman & Associates for Africa Exhibit Soils Testing at the Zoo

Bob Porter, Zoo Construction Manager, reviewed staff's written report.

Motion: Councilor Kelley moved, seconded by Councilor Hansen, to approve the contract amendment.

In response to Chairman Gardner's question, Mr. Porter explained the original Scope of Work had been calculated based on past, less advanced projects. The City of Portland had required much more testing than was originally anticipated. He thought the City's increased inspection requirements rigorous but pointed out an added level of security would result from the testing.

Vote: A vote on the motion resulted in all four Councilors present voting aye. Councilor Cooper was absent.

The motion carried and the contract amendment was approved.

8. Consideration of the Budget Review Process for FY 1988-89

Councilor Collier requested this item be set over until October 29, 1987. The hour was late and she pointed out the item deserved adequate consideration. There were no objections to her request. Ray Barker, Council Assistant, said the schedule for making a recommendation to the full Council would be November 12, 1987. Councilor

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Hansen requested Mr. Barker prepare a memo to all Councilors advising them the matter would be before the Management Committee on October 29 and inviting Councilors to attend or to submit their comments.

There being no further business, Chairman Gardner adjourned the meeting at 7:40 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "A. Marie Nelson".

A. Marie Nelson
Clerk of the Council

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