

MINUTES OF THE COUNCIL MANAGEMENT COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

January 17, 1985

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

Committee Member Absent: Councilor Cooper

Councilor Present: Councilor Bonner

Staff Present: Don Carlson, Chum Chitty, Jennifer
Sims, McKay Rich, Bob Porter, Steve
McCusker, Ray Barker, Dan Durig, Doug
Drennen, Norm Wietting, Dennis
Mulvihill, Ed Stuhr, Mary Jane Aman

Chairman Van Bergen called the regular meeting of the Council Management Committee to order at 5:30 p.m.

Review of Investment Program with Citizen Members of the Investment Committee

Chum Chitty introduced Susan McGrath, a citizen member of the Investment Committee, to Councilors. He then circulated a memo entitled "Investment Information for the Quarter October 1, 1985 to December 31, 1984" and a booklet entitled "Investment Policies" to the Management Committee. Mr. Chitty reviewed this information, along with the staff report in the meeting agenda packet.

Mr. Chitty reported interest rates on investments continued to decline during the past quarter from an average of 10.46 percent in October to 9.23 percent in December. The State of Oregon, Local Government Investment Pool, consistently produced the highest yield of rates - 1.5 percent higher than major banks for the 30-day period beginning January 1, 1985. Therefore, a substantial portion of Metro's investments have been placed with the state pool, Mr. Chitty said.

Mr. Chitty also reported that after conferring with citizen members of the Investment Committee, it was determined that Willamette Savings & Loan should be placed on Metro's approved list of financial institutions with which the agency can invest funds. The Management Committee had, at their previous meeting, voted to approve this action pending additional approval by the Investment Committee.

Councilor Van Bergen said he appreciated the background information contained in the "Investment Policies" booklet and the continued good work of Mr. Chitty and the Accounting Division. He asked Mr. Chitty if Metro invested funds with institutions who loaned money to South Africa, explaining he had been asked this question by a constituent. Mr. Chitty responded he did not know whether any of Metro's banks had loaned money to South Africa because the banks had not provided him with this information.

Responsibilities of the Council Management Committee

At Councilor Van Bergen's invitation, Councilor Bonner explained the purpose of the Management Committee was to review budget and administrative matters for the Council, make specific recommendations to the Council for action, approve contracts between \$10,000 and \$50,000, and to handle any other matters as directed by the Council. He said he did not want the Committee to function as a "Ways and Means Committee" and the Council would continue to make major budget and administrative decisions.

Councilor Van Bergen said he hoped the Committee would function smoothly and would forward unanimous decisions to the Council for final action.

1. Consideration of Proposals Submitted for a Three-year Contract to Perform Independent Audit Services

Councilor Van Bergen explained the Committee was being asked to recommend a consultant to perform audit services and the Council would approve the contract. Mr. Chitty then reviewed the consultant selection process, explaining the five firms submitting proposals were equally qualified to perform the work, according to the proposal rating criteria. Therefore, staff recommended awarding the contract to Peat, Marwick & Mitchell, the firm submitting the lowest quote for services.

Councilor DeJardin questioned whether a new accounting firm, unfamiliar with the organization, would perform as well as firms more familiar with Metro operations. Mr. Chitty said a new firm would be more likely to evaluate the organization with a fresh perspective. A firm more familiar with Metro's operations could, on the other hand, provide more continuity. Each arrangement had its advantages, he said, and he was confident Peat, Marwick & Mitchell would provide excellent services.

Councilor Kirkpatrick asked if the price quoted by Peat, Marwick & Mitchell were firm. Mr. Chitty responded these prices were firm unless the agency experienced unexpected, major problems with the accounting system. Based on the agency's recent history, Mr. Chitty did not think this would happen.

Motion: Councilor Kirkpatrick moved to recommend the Council award the contract to conduct Metro's financial audits to Peat, Marwick & Mitchell. Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kirkpatrick and Van Bergen

Absent: Councilor Cooper

The motion carried.

2. Consideration of Resolution No. 85-534, for the Purpose of Amending Resolution No. 81-116 to Create a New Classification (Support Services Supervisor)

Jennifer Sims reported staff recommended this new classification be created only if a lease were signed to relocate office headquarters. She said the major responsibilities of this position would be to contract for all matters regarding the office relocation, manage a building management contract, negotiate subleases and supervise the agency's support services functions. Ms. Sims then distributed a Budget & Administrative Services Division organizational chart which illustrated how this new position would augment the existing staff structure.

Ms. Sims explained the Support Services Supervisor position would free the current Administrative Assistant to perform only personnel-related functions, thus upgrading the Personnel unit. She said she would bring a proposal to the Committee in February which would provide more detailed information about how the Personnel unit could be upgraded.

Motion: Councilor Van Bergen moved that Resolution No. 85-534 be recommended for adoption by the Council, pending approval of a new building lease. Councilor DeJardin seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kirkpatrick and Van Bergen

Absent: Councilor Cooper

The motion carried and the Resolution was recommended for adoption.

3. Consideration of Possible Reorganization of the Solid Waste Policy Alternatives Committee (SWPAC) and the Rate Review Committee (RRC)

Ray Barker presented a brief history of why staff had been requested by the Council to investigate reorganizing the solid waste committees. Dan Durig further explained that SWPAC was formed by the old MSD organization for specific purposes that were no longer applicable and the major emphasis of the Solid Waste Department had undergone considerable change since the Committee's inception. RRC, however, was established by the Solid Waste Franchise Ordinance for the purpose of reviewing solid waste disposal rates, he said.

Mr. Barker then reviewed the results of a survey recently obtained from five Councilors regarding the two committees. The findings of this survey, demonstrating support for a committee to discuss solid waste issues. Mr. Durig said staff recommended a committee model that would merge the two committees. More residential disposal service users could be represented on the committee as well as government and industry representatives.

Councilor Kirkpatrick said any new committee must have a clear purpose in order for it to be effective. She thought an ad hoc, special purpose committee would be more effective than a standing committee.

Councilor DeJardin agreed with Councilor Kirkpatrick, but said the committee could also be an excellent opportunity for Metro to build a power base for solid waste issues and programs. Community, corporate and government leaders should be represented, perhaps an appointee by the Governor, he said. Councilor DeJardin also suggested Metro employ the use of community artists to creatively promote its solid waste programs and to call attention to important issues.

Councilor Van Bergen said he would strongly recommend combining the two committees into one but thought it wise to not reorganize until the Council had a clear purpose for the new committee.

Councilor Gardner said he wanted to investigate this issue further before making his recommendations. However, he said he thought the new committee could serve as a large base of supportive citizens as well as a power base as suggested by Councilor DeJardin.

Councilor Van Bergen requested staff discuss the Management Committee's comments with the two solid waste committees and report back to the Management Committee as soon as possible regarding comments received. The Committee would then be in a better position to make a recommendation regarding reorganization, he said. In response

to Mr. Durig's invitation for Councilors to attend the solid waste meetings, Councilor DeJardin suggested staff first ask the solid waste committees if they would like to meet with the Council. If the committees request Council participation, Councilors would be glad to meet with the committees, he said.

4. Consideration of Change Order No. 33, from Bishop Contractors, Inc., on Alaskan Tundra Project at the Zoo

Kay Rich reported Change Order No. 33 was necessary to extend the final completion date for the Alaskan Tundra Project. The project was requiring more time than anticipated due to corrective work to water systems, he said. The change order would also provide for the extension of basic construction overhead expenses.

Motion Councilor Kirkpatrick moved that Change Order No. 33 be approved. Councilor Gardner seconded the motion.

Vote: A vote on the motion resulted in:

Ayes: Councilors DeJardin, Gardner, Kirkpatrick and Van Bergen

Absent: Councilor Cooper

The motion carried and the change order was approved.

Report on the Negotiated Bid Process for the Zoo's Bear Grotto Renovation Project

At Councilor Van Bergen's request, Kay Rich reported the initial stage of the Bear Grotto bid negotiation process was progressing smoothly. The selection committee, of which Councilor Van Bergen is a member, had received 14 applications from interested contractors. Two applications had been eliminated from further consideration. Interviews with the remaining 12 contractors would commence next week, Mr. Rich said, and the selection committee would narrow the field down to three or four finalists. Project costs would not be discussed during this initial screening process.

Keith Larson of Jones & Jones, the architectural firm designing the exhibit, explained the finalists would be given a set of drawings for the project from which to calculate their bids. In an effort to control construction quality, a list of approved subcontractors would be provided to the finalists. Any subcontract bid submitted over \$10,000 would be subject to further review by the selection committee. Mr. Larson said the finalists would also be given the opportunity to share cost saving ideas with the committee.

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Councilor Van Bergen said he clearly understood the need for the negotiated bid process after meeting with the selection committee. The Bear Grotto exhibit was a unique design and quality and aesthetic control were of primary importance. Councilor Van Bergen said the Management Committee would support this process for future, major projects as well as the selection committee's recommendation for this contract award.

There being no further business, the meeting was adjourned at 7:30 p.m.

Respectfully submitted,



A. Marie Nelson
Clerk of the Council

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