

A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1700 | FAX 503 797 1797



METRO

MEETING: METRO COUNCIL
DATE: November 22, 1994*
DAY: Tuesday*
TIME: 4:00 p.m.
PLACE: Council Chamber

Please note: Special date & day
due to Thanksgiving Day holiday

**Approx.
Time***

**Presented
By**

4:00 p.m. **CALL TO ORDER / ROLL CALL**

- 1. INTRODUCTIONS**
- 2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS**
- 3. EXECUTIVE OFFICER COMMUNICATIONS**

4:05
(5 min.) **4. CONSENT AGENDA** (Action Requested: Motion to Adopt the Consent Agenda)

- 4.1 Minutes of October 27, 1994**

4:10 **5. ORDINANCES, FIRST READINGS**

- 5.1 Ordinance No. 94-575**, An Ordinance Amending the FY 1994-95 Budget by Transferring \$3,884 from the General Fund Contingency and \$8,000 from the Planning Fund Contingency to Materials and Services in the Planning Department For the Purpose of Providing Membership in the Cascadia Task Force and Declaring an Emergency (Action Requested: Refer to the Finance Committee)

- 5.2 Ordinance No. 94-582**, An Ordinance Amending the FY 1994-95 Budget and Appropriations Schedule by Transferring \$46,112 from the General Fund Contingency to the General Fund Office of the Auditor For the Purpose of Adding One Senior Auditor 2/1/95 and Department Office Set-Up Requirements; and Declaring an Emergency (Action Requested: Refer to the Finance Committee)

6. RESOLUTIONS

REFERRED FROM THE FINANCE COMMITTEE

4:10
(10 min.) **6.1 Resolution No. 94-1984**, For the Purpose of Accepting Metro's Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 1994, the Schedule of Federal Financial Assistance for the Fiscal Year Ended June 30, 1994 and the Various Auditor Reports Thereon, and the Letter to Management Provided by KPMG Peat Marwick LLP (Action Requested: Motion to Adopt the Resolution)

Washington

For assistance/services per the Americans with Disabilities Act (ADA), dial TDD 797-1804 or 797-1534 (Clerk).

* All Times listed on the agenda are approximate; items may not be considered in the exact order listed.

REFERRED FROM THE PLANNING COMMITTEE

- 4:20 (10 min.) 6.2 **Resolution No. 94-2039**, For the Purpose of Authorizing Execution of a Memorandum of Understanding (MOU) Regarding Conformity of Portions of the (Air Quality) Maintenance Area Outside of Metro's Boundaries (Action Requested: Motion to Adopt the Resolution Contingent Upon Planning Committee Action 11/17/94)

REFERRED FROM THE GOVERNMENTAL AFFAIRS COMMITTEE

- 4:30 (10 min.) 6.3 **Resolution No. 94-1986**, For the Purpose of Approving Amendments to Bylaws of the Metro Committee for Citizen Involvement (Action Requested: Motion to Adopt the Resolution) Gates

REFERRED FROM THE REGIONAL FACILITIES COMMITTEE

- 4:40 (10 min.) 6.4 **Resolution No. 94-1983**, For the Purpose of Adopting Policies for the Management of the Parks/Expo Fund (Action Requested: Motion to Adopt the Resolution Contingent Upon Regional Facilities Committee Action 11/16/94)
- 4:50 (10 min.) 6.5 **Resolution No. 94-1991**, For the Purpose of Establishing an Advisory Committee to Examine the Final Transfer and Consolidation of Certain City of Portland Facilities at Metro (Action Requested: Motion to Adopt the Resolution Contingent Upon Regional Facilities Action 11/16/94)
- 5:00 (10 min.) 6.6 **Resolution No. 94-1990**, For the Purpose of Establishing an Advisory (Committee) to Examine the Region's Future Options for a Stadium (Action Requested: Motion to Adopt the Resolution Contingent Upon Regional Facilities Committee Action 11/16/94)
- 5:10 (10 min.) 6.7 **Resolution No. 94-1978**, For the Purpose of Adopting the Concept Design for Smith and Bybee Lakes Interpretive Center (Action Requested: Motion to Adopt the Resolution Contingent Upon Regional Facilities Committee Action 11/16/94)
- 5:20 (10 min.) 6.8 **Resolution No. 94-1979**, For the Purpose of Authorizing a Long Term Lease Agreement of Property for a Cellular Telephone Antenna Site at Glendoveer Golf Course (Action Requested: Motion to Adopt the Resolution Contingent Upon Regional Facilities Committee Action 11/16/94)

(10 min.) 7. **COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS**

5:40 **ADJOURN**

Meeting Date: November 22, 1994
Agenda Item No. 4.1

MINUTES

1



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NO. 4.1

The minutes of October 27, 1994 will be provided on or before November 21, 1994 and will be available at the Council meeting Tuesday, November 22. Persons wishing to obtain a copy of the minutes are welcome to contact the Clerk at 797-1534.

4

Meeting Date: November 22, 1994
Agenda Item No. 5.1

ORDINANCE NO. 94-575

5

6

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-575 FOR THE PURPOSE OF AMENDING THE FY 1994-95 BUDGET BY TRANSFERRING \$3,884 FROM THE GENERAL FUND CONTINGENCY AND \$8,000 FROM THE PLANNING FUND CONTINGENCY TO MATERIALS AND SERVICES IN THE PLANNING DEPARTMENT FOR THE PURPOSE OF PROVIDING MEMBERSHIP IN THE CASCADIA TASK FORCE AND DECLARING AN EMERGENCY

Date: November 10, 1994

Presented by: Andrew Cotugno

BACKGROUND AND ANALYSIS

This Ordinance amends the Planning Department Materials and Services budget by \$11,884 and requests a \$3,884 transfer from the General Fund Contingency to partially fund that increase.

The purpose of this transfer is for Metro membership in the Cascadia Task Force, a "cross-border strategic alliance of regional planning, provincial/state, federal agencies, ports, tribal governments, trade centers and alliances working together on cross-border mobility, enhancing our region's competitive position in the global marketplace, and increasing international cooperation along the Vancouver, B.C. to Eugene, Oregon urban corridor."

The Cascadia Project, a project of the Discovery Institute in Seattle, was begun in early 1994 with support from a variety of public and private agencies. Metro, Tri-Met and the City of Portland were a part of the original organizers. Goals for the project are ambitious:

- . Secure broad-based, cross-border community support for renewed and enhanced Amtrak service from Vancouver, B.C. to Eugene, Oregon
- . Unite as a coalition to advocate increased U.S. and Canadian national investment in the incremental development of a high-speed rail corridor and regional transit connections
- . Improve the cross-border passage of people, goods and capital through enhanced technology, efficient intermodal connections and public-private partnerships
- . Encourage cross-border cooperation in the tourism, trade and international marketing of the region
- . Provide a forum for cross-border education and strategic planning in urbanization, sustainable development and environmental regulation

This organization will be a major resource to Metro for two of our long-term interests: high-speed rail and planning for sustainable community development. The high-speed rail committee will provide a broader base of support as we work toward the eventual goal of high-speed rail between Eugene and Vancouver, B.C. The project also will provide a natural network for

information sharing between the three major cities, Portland, Seattle and Vancouver, as we all plan for sustainable development within our individual communities.

The Portland region share of the 1994 dues is \$11,884 and has been divided between Metro, the City of Portland and Tri-Met. This share is a component of the overall Cascadia Commission "Public Sector" budget of \$140,000. Of this, 28.6 percent is the Oregon share based on population to be split between the Oregon Departments of Transportation and Economic Development and the areas of Portland, Salem, Eugene and Albany.

Portland and Tri-Met have been invoiced for their portion of the annual dues. Approval of this Ordinance will allow Metro to remit its portion.

BUDGET IMPACT

This action will result in a decrease of \$3,884 of General Fund Contingency and an increase in the Planning Fund Materials and Services budget. Payments of \$11,884 from Portland and Tri-Met will offset the remaining \$8,000. Under Oregon budget law, the revenue from Portland and Tri-Met cannot be recognized, and therefore requires a transfer from the Planning Fund category.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 94-575.

8

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE)
FY 1994-95 BUDGET BY TRANS-)
FERRING \$3,884 FROM THE)
GENERAL FUND CONTINGENCY AND)
\$8,000 FROM THE PLANNING FUND)
CONTINGENCY TO MATERIALS AND)
SERVICES IN THE PLANNING)
DEPARTMENT FOR THE PURPOSE OF)
PROVIDING MEMBERSHIP IN THE)
CASCADIA TASK FORCE AND)
DECLARING AN EMERGENCY)
EMERGENCY)

ORDINANCE NO. 94-575

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That the FY 1994-95 budget and Schedule of Appropriations are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$3,884 from the General Fund Contingency to Materials and Services in the Planning Department to fund partial payment of dues for Metro membership in the Cascadia Task Force and to increase the Planning Department Materials and Services budget by \$11,884.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect

9

upon passage.

ADOPTED by the Metro Council this _____ day of _____,
1994.

Judy Wyers, Presiding Officer

ATTEST:

Clerk of the Council

KT:lmk
94-575.ORD
11-10-94

10

**Exhibit A
Ordinance No. 94-575**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND:General Expenses							
<u>Interfund Transfers</u>							
581513	Trans. Indirect Costs to Bldg. Fund-Regional Center		303,807		0		303,807
581610	Trans. Indirect Costs to Support Svcs. Fund		519,495		0		519,495
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Gen'l		3,244		0		3,244
581615	Trans. Indirect Costs to Risk Mgmt. Fund-Workers' Comp		6,008		0		6,008
583610	Trans.Direct Costs to Support Svcs. Fund		28,130		0		28,130
583615	Trans.Direct Costs to Risk Management Fund		15,758		0		15,758
<u>Excise Tax Transfers</u>							
582140	Trans. Resources to Planning Fund		2,676,264		3,884		2,680,148
582513	Trans. Resources to Building Mgmt. Fund		55,984		0		55,984
582160	Trans. Resources to Reg. Parks/Expo Fund		544,335		0		544,335
582160	Trans. Resources to Reg. Parks/Expo Fund (contingency)		84,474		0		84,474
Total Interfund Transfers			4,237,499		3,884		4,241,383
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		515,575		(3,884)		511,691
599990	Unappropriated Fund Balance		200,000		0		200,000
Total Contingency and Unapp Balance			715,575		(3,884)		711,691
TOTAL EXPENDITURES		13.50	6,664,018	0.00	0	13.50	6,664,018

11

**Exhibit A
Ordinance No. 94-575**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
PLANNING FUND:Resources							
<u>Resources</u>							
305000	Fund Balance		135,533		0		135,533
331110	Federal Grants-Operating-Categorical-Direct						
	FY 94 FTA S/N AA/DEIS (OR-29-9201)		498,000		0		498,000
	FY 94 FTA S/N AA/DEIS (OR-29-9022)		996,000		0		996,000
	FEMA (Mapping)		200,000		0		200,000
331120	Federal Grants-Operating-Categorical Indirect						
	FY 95 PL/ODOT		657,007		0		657,007
	FY 95 Sec 8 - ODOT		208,363		0		208,363
	FY 95 Metro STP		762,386		0		762,386
	FY 95 ODOT/STP		558,333		0		558,333
	FY 93 FHWA (Trans/Land Use Model)		22,000		0		22,000
	FY 93 STP		247,206		0		247,206
	FY 95 Fed Grant (Travel Modeling)		300,000		0		300,000
	FY 95 ODOT TGM Grant		314,000		0		314,000
	FHWA 1000 Friends Grant		75,500		0		75,500
334110	State Grants-Operating-Categorical-Direct						
	FY 95 Oregon State Lottery		1,079,000		0		1,079,000
	FY 94 ODOT Supplemental		120,000		0		120,000
	FY 93 ODOT Supplemental		145,500		0		145,500
	FY 93 ODOT STP		553,960		0		553,960
	DEQ (Emission Reduction)		59,600		0		59,600
	ODOT - Western Bypass		10,000		0		10,000
	FY 95 ODOT Match for 95 Metro STP		43,629		0		43,629
	ODOT Match for 93 Metro STP		24,417		0		24,417
334210	State Grants-Operating-Non-Categorical-Direct						
	C-TRAN S/N AA/DEIS (WSDOT)		1,577,000		0		1,577,000
337110	Local Grants-Operating-Categorical-Direct						
	FY 95 Tri-Met General Planning		333,333		0		333,333
	FY 95 Tri-supplemental		225,000		0		225,000
	FY 95 Tri-Met - PE/FEIS		47,000		0		47,000
	FY 95 Tri-Met - Westside LRT		14,500		0		14,500
	FY 95 Tri-Met RHCT		25,217		0		25,217
	FY94 Tri-Met General Planning		200,000		0		200,000
	Portland HTC Study		24,961		0		24,961
	C-TRAN - HCT Study		36,096		0		36,096
337210	Local Grants-Operating-Non-Categorical-Direct						
339100	Local Government Service Fee		550,000		0		550,000
339200	Contract Services						
	DRC Storefront Memberships		165,000		0		165,000
	Systems Forecasting Sales		5,000		0		5,000
	Misc. DRC Sales - Maps & Data		19,000		0		19,000
	Various Jurisdictions - Technical Asst.		10,500		0		10,500
341500	Documents & Publications		15,000		0		15,000
341600	Conferences & Workshops		20,000		0		20,000
365100	Donations and Bequests		25,000		0		25,000
379000	Other Miscellaneous Revenue		50,000		0		50,000
391010	Trans. Resources from Gen'l Fund-Excise Tax		2,676,264		3,884		2,680,148
391530	Trans. Resources from S.W. Revenue Fund		346,952		0		346,952
TOTAL RESOURCES			13,376,257		3,884		13,380,141

12

**Exhibit A
Ordinance No. 94-575**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
PLANNING FUND: Expenditures							
Total Personal Services		77.50	4,495,781	0.00	0	77.50	4,495,781
<u>Materials & Services</u>							
521100	Office Supplies		20,700		0		20,700
521110	Computer Software		65,990		0		65,990
521111	Computer Supplies		25,744		0		25,744
521240	Graphics/Reprographic Supplies		36,940		0		36,940
521260	Printing Supplies		2,000		0		2,000
521310	Subscriptions		4,944		0		4,944
521320	Dues		8,157		11,884		20,041
524190	Misc. Professional Services		2,436,890		0		2,436,890
525640	Maint. & Repairs Services-Equipment		76,800		0		76,800
525710	Equipment Rental		5,500		0		5,500
526200	Ads & Legal Notices		29,500		0		29,500
526310	Printing Services		268,200		0		268,200
526320	Typesetting & Reprographics Services		54,500		0		54,500
526410	Telephone		18,000		0		18,000
526420	Postage		67,500		0		67,500
526440	Delivery Services		10,300		0		10,300
526500	Travel		41,430		0		41,430
526510	Mileage Reimbursement		2,900		0		2,900
526700	Temporary Help Services		5,000		0		5,000
526800	Training, Tuition, Conferences		53,135		0		53,135
528100	License, Permits, Payments to Other Agencies		2,870,000		0		2,870,000
529500	Meetings		23,440		0		23,440
529800	Miscellaneous		750		0		750
525740	Capital Lease-Furniture & Equipment		255,471		0		255,471
Total Materials & Services			6,383,791		11,884		6,395,675
Total Capital Outlay			26,750		0		26,750
Total Interfund Transfers			2,045,828		0		2,045,828
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		424,107		(8,000)		416,107
Total Contingency and Unappropriated Balance			424,107		(8,000)		416,107
TOTAL EXPENDITURES		77.50	13,376,257	0.00	3,884	77.50	13,380,141

13

Exhibit B
Ordinance No. 94-575
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Proposed Appropriation
GENERAL FUND			
Council			
Personal Services	888,891	0	888,891
Materials & Services	102,243	0	102,243
Capital Outlay	13,800	0	13,800
Subtotal	1,004,934	0	1,004,934
Executive Management			
Personal Services	314,656	0	314,656
Materials & Services	40,002	0	40,002
Capital Outlay	1,600	0	1,600
Subtotal	356,258	0	356,258
Office of the Auditor			
Personal Services	58,433	0	58,433
Materials & Services	14,000	0	14,000
Capital Outlay	12,319	0	12,319
Subtotal	84,752	0	84,752
Special Appropriations			
Materials & Services	265,000	0	265,000
Subtotal	265,000	0	265,000
General Expenses			
Interfund Transfers	4,237,499	3,884	4,241,383
Contingency	515,575	(3,884)	511,691
Subtotal	4,753,074	0	4,753,074
Unappropriated Balance	200,000	0	200,000
Total Fund Requirements	6,664,018	0	6,664,018
PLANNING FUND			
Personal Services	4,495,781	0	4,495,781
Materials & Services	6,383,791	11,884	6,395,675
Capital Outlay	26,750	0	26,750
Interfund Transfers	2,045,828	0	2,045,828
Contingency	424,107	(8,000)	416,107
Total Fund Requirements	13,376,257	3,884	13,380,141

All Other Appropriations Remain As Previously Adopted

15

16

Meeting Date: November 22, 1994
Agenda Item No. 5.2

ORDINANCE NO. 94-582

17

18

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 94-582 AMENDING THE FY 1994-95 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$46,112 FROM THE GENERAL FUND CONTINGENCY TO THE GENERAL FUND OFFICE OF THE AUDITOR FOR THE PURPOSE OF ADDING ONE SENIOR AUDITOR STARTING FEBRUARY 1, 1995, AND DEPARTMENT OFFICE SET-UP REQUIREMENTS; AND DECLARING AN EMERGENCY.

Date: November 14, 1994

Presented by: Alexis Dow

FACTUAL BACKGROUND AND ANALYSIS

This action requests adjustments to the General Fund Contingency to transfer \$46,112 to the Office of the Auditor for the purpose of:

1. hiring a professional auditor to fill a newly created position,
2. providing the furniture, equipment and training necessary to support that position, and
3. providing other department set-up requirements not included in the budget previously approved.

The Metro Auditor functions as an executive, providing strategic direction and high level guidance in the auditing of Metro performance. The proposed Senior Auditor will be the leading technical/hands-on person on the staff. The position corresponds to similar positions in counterpart entities such as the City of Portland and Multnomah County.

Under the general direction of the Metro Auditor, the incumbent will supervise and participate in planning, preparing and conducting performance audits in accordance with auditing principles. The incumbent is expected to evaluate efficiency and effectiveness of Metro operations and activities; compliance with legal and administrative requirements; the adequacy of internal controls; and the risk of loss and waste or abuse of Metro resources. The incumbent may exercise functional and technical supervision over assigned professional, technical or clerical staff.

Initial projects will include assisting in the development of key policies and procedures and the department overall workplan, in addition to addressing specifics of the workplan.

High level skills are required to assure success since Metro is a large scale, complex organization. The market salary for such a skill set is approximately \$48,000 per annum. With the fringe calculated at 37% and some training, the 1994-95 Personal

19

Services related to this position will be \$27,400, assuming a February 1, 1995, start date. Temporary Administrative Support is proposed for \$3,000 including fringe benefits for a total of \$30,400 in Personal Services.

One-time set-up Capital expenditures (office furniture and computer) for the Senior Auditor position will be \$6,208 and one time Materials and Services expenditures will be \$1,759.

Certain department set-up items have been identified as needs which were not contemplated in the budget previously approved. Also some ongoing Materials and Services related to the Senior Auditor position need to be provided.

one 5-drawer lateral file	1,000
two 4-shelf bookcases	<u>600</u>
Subtotal Capital	\$1,600
one secretary desk chair	\$ 400
standard software packages	1,500
intruder Lock Out software (3)	195
hardware upgrades	500
tuition, training and conference	1,000
software training @ \$175	350
office supplies	500
dues	1,000
subscriptions	200
parking & mileage reimbursement @ Federal rate	<u>500</u>
Subtotal Materials & Services	\$6,145

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 94-582.

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1994-95)
BUDGET AND APPROPRIATIONS)
SCHEDULE BY TRANSFERRING \$46,112)
FROM THE GENERAL FUND CONTINGENCY)
TO THE GENERAL FUND OFFICE OF THE)
AUDITOR FOR THE PURPOSE OF ADDING)
ONE SENIOR AUDITOR 2/1/95 AND)
DEPARTMENT OFFICE SET-UP)
REQUIREMENTS; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 94-582

Introduced by Rena Cusma
Executive Officer on behalf of
Alexis Dow, Metro Auditor-
elect

WHEREAS, The Office of the Auditor is being initiated as of January 2, 1995, as specified in the 1992 Metro Charter, and

WHEREAS, The Auditor elect has reviewed the resources required to perform the duties of the Office of the Auditor, and

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1994-95 Budget; and

WHEREAS, The need for a transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS;

1. That the FY 1994-95 Budget and Schedule of Appropriations are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$46,112 from the General Fund Contingency to the General Fund Office of the Auditor: \$30,400 to Personal Services, \$7,904 to Materials and Services and \$7,808 to Capital.

2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, in order to meet obligations and comply with Oregon

Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1994.

ATTEST:

Judy Wyers, Presiding Officer

Clerk of Council

RSR I:\BUDGET\FY94-95\BUDORD\94-582\582ORD.DOC

22

**Exhibit A
Ordinance No. 94-582**

FISCAL YEAR 1994-95		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
GENERAL FUND							
Office of the Auditor							
<u>Personal Services</u>							
511110	ELECTED OFFICIALS						
	Auditor	0.50	30,432			0.50	30,432
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Sr. Auditor		0	0.42	20,000	0.42	20,000
511221	WAGES-REGULAR EMPLOYEES (full time)						
	Administrative Secretary	0.50	11,578			0.50	11,578
511235	WAGES-TEMPORARY EMPLOYEES (part time)						
	Temporary Administrative Support		0	0.10	2,750	0.10	2,750
511400	OVERTIME		333				333
512000	FRINGE		16,090		7,650		23,740
	Total Personal Services	1.00	58,433	0.52	30,400	1.52	88,833
<u>Materials & Services</u>							
521100	Office Supplies		2,000		1,385		3,385
521110	Computer Software		2,000		2,969		4,969
521310	Subscriptions		300		200		500
521320	Dues		300		1,000		1,300
524190	Misc. Professional Services		5,000				5,000
526410	Telephone		800				800
526500	Travel		1,000				1,000
526510	Mileage Reimbursement		0		500		500
526800	Training, Tuition, Conferences		1,000		1,350		2,350
529800	Miscellaneous		1,600		500		2,100
	Total Materials & Services		14,000		7,904		21,904
<u>Capital Outlay</u>							
571500	Purchases-Office Furniture & Equipment		12,319		7,808		20,127
	Total Capital Outlay		12,319		7,808		20,127
	TOTAL EXPENDITURES	1.00	84,752		46,112	1.52	130,864
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		515,575		(46,112)		469,463
	Total Contingency and Unappropriated Balance		715,575		(46,112)		669,463
	TOTAL EXPENDITURES	13.50	6,664,018	0.52	0	14.02	6,664,018

23

Exhibit B
Ordinance No. 94-582
FY 1994-95 SCHEDULE OF APPROPRIATIONS

	Current Appropriation	Revision	Current Appropriation
GENERAL FUND			
Council			
Personal Services	888,891	0	888,891
Materials & Services	102,243	0	102,243
Capital Outlay	13,800	0	13,800
Subtotal	1,004,934	0	1,004,934
Executive Management			
Personal Services	314,656	0	314,656
Materials & Services	40,002	0	40,002
Capital Outlay	1,600	0	1,600
Subtotal	356,258	0	356,258
Office of the Auditor			
Personal Services	58,433	30,400	88,833
Materials & Services	14,000	7,904	21,904
Capital Outlay	12,319	7,808	20,127
Subtotal	84,752	46,112	130,864
Special Appropriations			
Materials & Services	265,000	0	265,000
Subtotal	265,000	0	265,000
General Expenses			
Interfund Transfers	4,237,499	0	4,237,499
Contingency	515,575	(46,112)	469,463
Subtotal	4,753,074	(46,112)	4,706,962
Unappropriated Balance	200,000	0	200,000
Total Fund Requirements	6,664,018	0	6,664,018

ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED

25

26

Meeting Date: November 22, 1994
Agenda Item No. 6.1

RESOLUTION NO. 94-1984

27

82



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NO. 6.1

The Metro Comprehensive Annual Financial Report was not produced in this agenda packet due to its volume. Copies will be available at the Council meeting on Tuesday, November 22. Persons wishing to receive a copy may contact the Clerk at 797-1534.

30

FINANCE COMMITTEE REPORT

RESOLUTION NO. 94-1984 ACCEPTING METRO'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 1994; THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE FOR THE FISCAL YEAR ENDING JUNE 30, 1994 AND THE VARIOUS AUDITOR REPORTS THEREON; AND THE LETTER TO MANAGEMENT PROVIDED BY KPMG PEAT MARWICK LLP

Date: November 15, 1994

Presented By: Councilor Washington

COMMITTEE RECOMMENDATION: At its November 9, 1994 meeting the Committee voted unanimously to recommend Council approval of Resolution No. 94-1984. Committee members present and voting included Councilors Kvistad, Monroe, Van Bergen and Washington. Councilors Buchanan, Devlin, Gardner and McLain were absent.

COMMITTEE DISCUSSION/ISSUES: Ms. Jennifer Sims, Finance Director and Mr. Don Cox, Accounting Manager presented the Staff Report. Mr. Joe Hoffman, Audit Partner, and Merle Waterman, Audit Manager from KPMG Peat Marwick presented their opinion and findings in the Letter to Management.

Ms. Sims stated that the Resolution No. 94-1984 accepts Metro's annual audit for FY 1993-94 and authorizes the Executive Officer to file the report with the appropriate state and federal agencies. She noted the audit has been completed two weeks earlier than last year and commended the staff for its fine work. Don Cox stated there were six items in the 120 page document that he wanted to bring to the Committees attention:

1) Metro will receive the Certificate for Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. The certificate will be inserted in the Introductory section of the audit;

2) In Note 8 (page 32 of the Audit) the post closure liability for the St. John's landfill is set at \$41.4 million which essentially the same as last year. He noted that Metro spent approximately \$6 million in FY 1993-94 (\$23.9 million to date) on the closure. Metro currently has approximately \$11 million set aside for post closure costs.

3) In Note 4 (page 27 of the Audit) there are disclosures of the budgetary over-expenditures during FY 1993-94. He stated there were five listed three of which were in the Zoo Operating Fund. He noted other over-expenditures are shown in the Audit relating to those Funds dealing with the re-financing of debt which is not a violation of budget law.

31

4) He stated the Audit shows the MERC operations as a Component Unit for presentation on the balance sheet and income statements (pages 6 and 51 of the Audit).

5) In Note 10B relating to Solid Waste System Revenue Bond refinancing he noted there is an economic gain of \$663,872 (page 33 of the Audit).

6) In Note 16 relating to pension plans he stated there is reported an unfunded pension benefit obligation for Metro employees of \$3.8 million (page 40 of the Audit). He noted that the liability has been reduced from the prior years \$4.4 million.

Councilor Van Bergén expressed concern about finding that Metro is in this position. He asked what is the origin and nature of this liability. Ms. Sims stated that the Audit includes historical information on the pension liability (page 41 of the Audit). It shows the District went from a positive position of approximately \$211,000 at 6/30/90 to a negative of \$3.8 million at 6/30/94. During this interval Metro assumed the operation of the City spectator facilities as well as the Multnomah County Parks and Expo operations. In response to a question from Councilor Van Bergen, Mr. Joe Hoffman said such a liability was not uncommon for other governmental jurisdictions or private corporations. Councilor Van Bergen stated he did not agree that Metro should be in this position.

In response to a question from Councilor Washington, Mr. Hoffman stated the \$3.8 million amount was based on a set of complicated actuarial computations made by the PERS actuaries. He noted the major actuarial assumptions are listed on page 40 of the Audit document. Councilor Kvistad expressed concern about the unfunded pension liability stating that everyone needs to remember that this is not Metro's money but rather the employees money. He expressed concern that employees were transferred from other units with an unfunded liability. Ms. Sims in response to a question from Councilor Kvistad stated the pension obligations were not fully funded at either the City of Portland or Multnomah County and those jurisdictions are required to meet their obligations over a period of years just as Metro is. She stated the pension obligations are not tracked by individual persons but rather in the aggregate. PERS conducts a study of each jurisdictions work force and plan every two years.

In response to a question from Council Staff regarding Metro's ability to speed the reduction of the unfunded pension liability by paying a higher rate to PERS, Ms. Sims stated that idea would merit additional research and discussion with PERS. Ms. Sims stated she would research the answers to questions from the Committee and prepare a formal response at a later meeting.

32

Mr. Joe Hoffman, Audit Partner, stated the opinion presented by KPMG Peat Marwick was clean with no findings to report. He noted this is the kind of opinion the Agency wanted.

Mr. Merle Waterman, Audit Manager, presented the Letter to Management which contains Observations of the auditors on various management practices which should be reviewed by Metro to potentially improve performance (See Attachment 1 to this Committee Report). The Observations of greatest concern to the Committee were the six regarding the administration of Federal Grants (pages 2 through 4 of the Letter); and, the Observation on Terminations (page 5 of the Letter).

In regard to Federal grant administration, Mr. Hoffman stated the number of observations should be of concern to Metro and is an indication of a deteriorating grant management system. Chair Monroe instructed Council Staff to prepare a strongly worded memo to the Executive Officer and Mr. Cotugno expressing concern and the expectation the issues in these Observations would be addressed (See Attachment 2 to this Committee Report).

In regard to the Observation on Terminations, Councilor Washington expressed strong concern that employee evaluations were not being completed in a timely fashion thus keeping employee from receiving salary increases in a timely manner. Ms. Paula Paris, confirmed that the observation deals with the problem of performance evaluations for non-represented employees. She indicated in some instances employees received their pay increases from six months to a year after their anniversary dates due to late evaluations. Chair Monroe instructed Council Staff to prepare a strongly worded memo to the Executive Officer and Executive Officer-elect stating that the Council expects employee evaluations to be completed in a timely manner so employees receive their pay increases in a timely manner (Attachment 2). The Chair instructed Council Staff to work with Councilor Kvistad to explore any legislative solutions to this problem and report back to the Committee.

34

DRAFT

11/9/94

October 24, 1994

CONFIDENTIAL

The Council and Executive Officer
Metro
600 N. E. Grand Avenue
Portland, Oregon 97232-2736

Dear Members of the Council
and Executive Officer:

We have audited the combined financial statements of Metro for the year ended June 30, 1994, and have issued our report thereon dated October 24, 1994. In planning and performing our audit of the financial statements of Metro, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure. We have not considered the internal control structure since the date of our report.

A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. However, we noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

During our audit we noted certain other matters involving the internal control structure and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in operating efficiencies. In addition, Metro management has provided us with their responses to these matters which are provided herein.

35

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 2

FEDERAL GRANTS

The following items were identified with respect to the administration of Metro's federal grants:

Observation

The "Grant and Contract Billing Reconciliation" was prepared using Metro's internal source code, not the Catalog of Federal Domestic Assistance (CFDA) number. As the Schedule of Federal Financial Assistance is prepared from this reconciliation and requires CFDA numbers, it was difficult and time consuming to identify the federal money associated with a specific grant.

Recommendation

We recommend that Metro track grants by CFDA number so that federal monies can be appropriately segregated.

Observation

For grants which require Metro to provide matching dollars, the "Grant and Contract Billing Reconciliation" did not provide the proper identification of those funds. These monies were grouped with direct grant revenue or were missing from the schedule entirely. For purposes of federal financial reporting, these matching funds are required to be segregated from grant funds.

Recommendation

We recommend that Metro track these monies appropriately.

Observation

We noted errors which occurred during the year but which were not resolved until the end of the year. The failure to identify and resolve errors on a timely basis creates a large and cumbersome task to be completed at year-end. Errors corrected at year-end and previous estimates updated with actual results caused Metro to refund approximately \$100,000 to granting agencies even though these funds had not yet been received.

Recommendation

We recommend that Metro monitor and reconcile grants on a timely basis to help avoid difficult recordkeeping tasks at year-end and improve the collection and reimbursement of funds to granting agencies.

36

The Council and Executive Officer
Metro
October 24, 1994
Page 3

Management Response

At the present time, grants are tracked by CFDA number, as the source code is directly linked to that number. In order to make certain that this always occurs, management is modifying the grant processing form to include the CFDA number. In addition, management will have the grants managers confirm the CFDA number at the time that they acquire the source code.

At the present time, if grant funds under a common source code are used for both direct and match funding, the distinct uses are identified and recorded separately. Management agrees with the auditor that the assignment of two source codes would improve the segregation of such funds. Management will make this the practice in the future.

Management concurs with the auditors' observation that error resolution on a more frequent basis is desirable. The new grant billing system, now being installed, will enable us to institute a quarterly reconciliation process. Recent improvements in the grant billing reporting system will enable management to track grants billed versus monies received on a current basis.

Observation

During our testwork over Metro's grants, we noted the planning department is generally two to three months late in billing granting agencies to receive reimbursement. Total grant billings for the year ended June 30, 1994 were \$7.05 million. Of this amount, \$1.05 million was billed in June 1994 or later as Metro attempted to bill all grants by year-end. Although the submission of late grant billings does not violate federal grant regulations, Metro must fund grant programs with general fund monies until the reimbursement is received.

Recommendation

We recommend that all departments expedite their processes to provide the appropriate data to billing personnel monthly. If an appropriate billing sheet is not turned in monthly, the department should not be able to spend additional general fund monies for grant purposes. This approach would improve cash flow and provide more timely information regarding the status of grant activities.

Management Response

Management concurs with the recommendation. With adequate staffing now in place, Metro will plan to start billing on a monthly basis. We would like to note, however, that there will still probably be a large number of billings at the end of the year due to the fact that many subrecipients and vendors will continue to wait until the last moment to submit their invoices to Metro for accrual to these grant programs.

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 4

Observation

During our 1993 testwork over grant revenues, we noted that documented reconciliations between the grant billing system and the general ledger were not being performed and reviewed in a timely manner throughout the year, except for reconciliations prepared as part of the fiscal year-end closing procedures. The same is true for fiscal year 1994.

Recommendation

Although reconciliations were prepared at year-end, and all grant expenditures and revenues were properly stated, we recommend that formal reconciliations and adequate reviews be performed on a monthly basis. Timely preparation and review of grant reconciliations will ensure that the general ledger is properly stated and billings to grantors are complete and accurate, thus reducing accounting and other personnel time spent performing year-end reconciliations and preparing and posting adjustments.

Management Response

Management will institute a quarterly reconciliation process. Recent improvements in the grant billing reporting system will enable earlier identification of discrepancies and corrective action.

Observation

We noted a number of grants for which the contract or intergovernmental agreement did not specify whether the entity receiving the grant monies was a "subrecipient" or "vendor". This distinction is important as grant monies received as or given to a "subrecipient" carry additional federal grant reporting and monitoring requirements. In the event Metro fails to properly distinguish these grants, the potential exists for failure to comply with federal grant regulations.

Recommendation

We recommend Metro specifically identify grant monies as either "subrecipient" or "vendor" funds at the time a contract or intergovernmental agreement is signed. Early determination of this distinction will help Metro comply with federal grant regulations in a timely manner.

Management Response

Metro believes that we have appropriately identified Metro as a "subrecipient" or a "vendor" in the past. Management agrees with the auditor that early identification of this distinction is desirable and will take steps to ensure that the identification is made at the earliest appropriate stage of the grant management process.

38

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 5

TERMINATIONS

Observation

During our audit, we noted instances where the personnel department is not notified of personnel or salary changes in a timely manner. This situation has created difficulties in enabling Metro to adhere to the Bureau of Labor and Industry regulations with respect to terminated employees. In addition, delays in reporting and processing salary increases have caused additional paperwork and time requirements to update and correct Metro's grant reports and obtain the correct amount of grant reimbursement.

Recommendation

We recommend that Metro develop and adhere to policies with respect to the timely submission of termination and pay raise information to the personnel department. Timely processing of payroll changes will enable Metro to more effectively adhere to labor regulations, ensure employees are compensated correctly and improve the grant reporting process.

Management Response

The issue of timely processing of terminations and payment of employees is addressed in federal reporting and state wage and hour statutes. Metro has consistently reminded managers and supervisors to process new hire and termination personnel action documentation timely and in accordance with these legal requirements. The most recent memo reminding managers of this requirement was issued by the Personnel Department on July 14, 1994. Management will continue to work with managers and supervisors to obtain timely submission of the required documentation.

CEMETERY RECORDS

Observation

Presently, all cemetery burial records are maintained manually rather than utilizing computerized records. This system is inefficient, in some cases redundant and prone to errors due to the number of manual tasks involved. In addition, it appears that there is insufficient backup of these records and a lack of appropriate safeguards against damage or destruction of the primary burial records.

39

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 6

Recommendation

We recommend Metro utilize a computer to process all burial information and establish policies and procedures designed to prevent the destruction or damage of burial records in the event of fire or other disaster. Implementation of this recommendation will improve the efficiency of processing and maintaining burial records for customers, help reduce the likelihood of human error and protect important data.

Management Response

Metro's Regional Parks and Greenspaces Department will be installing a salvaged personal computer in the cemetery office sometime between January and March 1995 for basic word processing and records management. An upgrade to a faster and more capable system will likely occur before the end of fiscal year 1994-95. Funds have been proposed in the fiscal year 1995-96 budget submittal for additional software. Currently, all new records are put on microfiche twice a year for records retention purposes.

The Finance and Management Information Department will be working with the Regional Parks and Greenspaces Department to incorporate any identified interface and management information system requirements into the request for proposal scheduled for release within the next few months.

COMPUTER ACCESS CONTROLS

Observation

During our testwork over computer access controls to the financial accounting system, we noted the system does not automatically log-off after a set period of time of no activity. Without this control, an unauthorized individual with knowledge of the system but without an approved password could gain access to records by utilizing a currently logged-on and unmanned computer. In addition, we noted passwords are not required to be frequently changed and are changed only upon request.

Recommendation

We recommend that Metro strengthen controls to prevent unauthorized access to the financial accounting system through the use of system activated log-off procedures and the requirement to regularly change user passwords. Strengthening computer access controls will help prevent unauthorized access to the system and possible manipulation of records.

40

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 7

Management Response

Metro's current network procedures require the user to change their individual password for access every six months. While Metro's current MIS application software does not provide a capability to require the user to change their password at given time intervals, the Menu Assisted Resource Control (MARC) software would permit the Information Services Division (ISD) to automatically log off users after a defined time period when no usage is experienced. ISD will reevaluate automatic log off procedures and institute a prudent management strategy. ISD will also reevaluate the time period between network required password reassignment. Finally, ISD will include this security feature as a requirement in the Management Information System request for proposal document currently in formulation.

PARK ACCESS

Observation

Based on our observations of the parking receipt procedures at Metro's parks, we noted the potential for park users to park without paying. When booths at the park areas are unmanned, the collection of parking fees is on an honor system. It is currently possible to obtain parking receipts without paying for them due to the functionality of the ticket machines currently being used.

Recommendation

Metro should develop an alternate procedure to charge park users to improve the collection of parking fees.

Management Response

Access to parks and the control over cash receipts has been addressed by management on several different occasions in the last few years. Parks are unmanned only during non-peak visitation times of the day or year. The additional staffing that would be required to staff entry booths at all times would not be cost effective.

Electronic gate and ticket machines have been investigated but were determined to be error prone (e.g., bill jamming, running out of change, etc.) and highly vandalized. Visitation to several facilities that presently use such machines have lower visitation than that experienced by Metro Regional Parks. Facility staff stated that they were constantly correcting "bugs" in the machines. Future technology may make these machines more reliable and "vandal proof". Costs for such equipment currently approximates \$7,000 to \$12,000.

41

DRAFT
11/9/94

The Council and Executive Officer
Metro
October 24, 1994
Page 8

STATUS OF 1993 MANAGEMENT
LETTER COMMENTS

During 1994, Metro has successfully addressed a number of the recommendations contained in our letter to the Council and Executive Officer dated October 8, 1993. The only comment of significance which Metro has not fully addressed relates to federal grant reconciliations which is included herein on page 4.

This report is intended solely for the information and use of the Executive Officer, members of the Council, the finance committee, management, and others within Metro.

Very truly yours,

42



METRO

Date: November 16, 1994

To: Rena Cusma, Executive Officer

From: Rod Monroe, Finance Committee Chair *Rm, rd*

Re: Audit Letter to Management for FY 1993-94

The purpose of this memo is to express strong concern on behalf of the Finance Committee about several of the Observations from Metro's financial auditor, KPMG Peat Marwick, made during the FY 1993-94 Audit.

Of primary concern are 1) the Observations dealing with the administration of Federal Grants; and 2) the Observation dealing with Terminations.

In regard to the former, the Committee was informed by Mr. Joe Hoffman, Audit Partner from KPMG Peat Marwick that the six observations are new comments and are indicative of a deteriorating grant management system. The Committee was also informed that the responsibility for the financial management of grants rests primarily in the Planning Department or other operating departments which use grant resources. It is disturbing that these audit comments have been made particularly since the Council has provided additional resources to the Planning Department in the past several years to improve its fiscal operations. The Committee expects that the administration will undertake a program to respond to these audit comments. The Committee requests that the administration report quarterly on the efforts to improve the administration of Federal grants. The initial report should be made by mid-January 1995.

In regard to the Audit comment relating to Terminations, the Committee was informed that the comment included concern about late evaluations for non-represented employees which results in late pay raises. The Committee requested that I communicate its strong expectation through you to management personnel that employee evaluations be completed in a timely manner so those affected employees receive their deserved pay increases in a timely manner. Again, the Committee will request periodic reports from the Personnel Office on the timeliness of employee evaluations. The Committee is not interested in information on the evaluations per se but only on their timeliness. Also,

43

Councilor Kvistad will be researching any possible legislative solutions to this problem.

If you have any questions or need additional information, please contact me or Don Carlson in the Council Office.

cc: Metro Councilors
Mike Burton, Executive Officer-Elect
Alexis Dow, Auditor-Elect
Andy Cotugno
Jennifer Sims
Don Cox
Paula Paris
Joe Hoffman, KPMG Peat Marwick

94 Audit.memo

44

BEFORE THE COUNCIL OF METRO

FOR THE PURPOSE OF ACCEPTING METRO'S)
COMPREHENSIVE ANNUAL FINANCIAL REPORT)
FOR THE FISCAL YEAR ENDED JUNE 30, 1994,)
THE SCHEDULE OF FEDERAL FINANCIAL)
ASSISTANCE FOR THE FISCAL YEAR ENDED)
JUNE 30, 1994 AND THE VARIOUS AUDITOR)
REPORTS THERON, AND THE LETTER TO)
MANAGEMENT PROVIDED BY KPMG PEAT)
MARWICK LLP)

RESOLUTION NO. 94-1984

Introduced by Executive Officer,
Rena Cusma

WHEREAS, ORS 297.425 requires the preparation of an annual financial report by Metro; and

WHEREAS, KPMG Peat Marwick LLP, independent Certified Public Accountants, has completed their examination of the financial statements and provided their reports thereon; and

WHEREAS, the Comprehensive Annual Financial Report and the Schedule of Federal Financial Assistance and the auditor's reports thereon, must be submitted to the Secretary of State of the State of Oregon no later than December 31, 1994; and

WHEREAS, the Metro Council's Finance Committee has discussed the reports with KPMG Peat Marwick LLP; now, therefore

BE IT RESOLVED,

1. That the Metro Council accepts Metro's Comprehensive Annual Financial Report for the fiscal year ended June 30, 1994 and audit reports thereon,
2. That the Metro Council accepts Metro's Schedule of Federal Financial Assistance for the fiscal year ended June 30, 1994 and the audit reports thereon,
3. That the Metro Council accepts the Letter to Management prepared by KPMG Peat Marwick LLP.
4. That the Metro Council directs the Executive Officer to file the above reports with the appropriate state and federal cognizant agencies.

ADOPTED by the Metro Council this ____ day of _____, 1994.

Judy Wyers, Presiding Officer

45

46

STAFF REPORT

CONSIDERATION OF RESOLUTION 94-1984, FOR THE PURPOSE OF ACCEPTING METRO'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 1994, THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE FOR THE YEAR ENDED JUNE 30, 1994 AND THE VARIOUS AUDITOR REPORTS THEREON, AND THE LETTER TO MANAGEMENT PROVIDED BY KPMG PEAT MARWICK LLP

Date: November 1, 1994

Presented by: Jennifer Sims
Don Cox, Accounting Manager
Joe Hoffman, KPMG
Merle Waterman, KPMG

FACTUAL BACKGROUND AND ANALYSIS:

The *Comprehensive Annual Financial Report for the year ended June 30, 1994* (CAFR) prepared by Metro's Finance & Management Information Department's Accounting Division is in final form and will be presented to the Council Finance Committee by staff. The final bound CAFR is scheduled for release the week of November 15, 1994 and will be provided to the Council at that time. The completion of the report has been achieved approximately two weeks earlier than the prior year, thanks to the hard work of Accounting staff. The completion of this effort at an earlier time enables the division to bring current fiscal year data up to date earlier for distribution to departments and to move forward on current year work programs, such as the MIS project, FY 96 budget preparation and working on improvements to operations.

Don Cox, Accounting Manager will be present to highlight significant disclosures in the CAFR. Primary attention will be given to:

- Certificate of Achievement for Excellence in Financial Reporting
- Post-Closure Liability Disclosure
- Budgetary Over-Expenditure Disclosure (the number of appropriation categories exceeded has continued to remain small.)
- Component Unit presentation of MERC Operations
- PERS Actuarial Unfunded Liability Status
- Treatment of bond refinancing for accounting purposes.

47

The draft Schedule of Federal Financial Assistance will also be provided by staff at this time.

KPMG Peat Marwick Audit Partner, Joe Hoffman, and Audit Manager, Merle Waterman, will be present to discuss the audit report on Metro's CAFR, the audit reports required by the Single Audit Act of 1984, and the Letter to Council and Executive Officer which contains observations and recommendations for improvement.

Metro staff will incorporate responses to the auditors observations.

The above documents must be filed with the State of Oregon's Division of Audits, the cognizant Federal agency and the Government Finance Officer's Association no later than December 31, 1994. The staff therefore requests the Council adopt the resolution accepting the reports.

PROPOSED ACTION

Adoption of Resolution 94-1984.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends Resolution No. 94-1984 be adopted.

Meeting Date: November 22, 1994
Agenda Item No. 6.2

RESOLUTION NO. 94- 2039

49

50



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS: 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

52

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 94-2039
EXECUTION OF A MEMORANDUM OF)
UNDERSTANDING (MOU) REGARDING) Introduced by
CONFORMITY OF PORTIONS OF THE) Planning Committee
AIR QUALITY MAINTENANCE AREA)
OUTSIDE OF METRO'S BOUNDARIES)

WHEREAS, The boundaries of the Oregon portion of the Portland/Vancouver Interstate Air Quality Maintenance Area (AQMA) were mutually agreed to by the Oregon Department of Environmental Quality (DEQ) and the federal Environmental Protection Agency (EPA) in the 1970's; and

WHEREAS, Metro's boundaries were established by Chapter 268 of the Oregon Revised Statutes and the Metro Charter; and

WHEREAS, Governor Straub designated Metro as the Portland metropolitan area planning organization (MPO) in 1979; and

WHEREAS, The Oregon portion of the Interstate AQMA does not comply with the federal air quality standard for Ozone; and

WHEREAS, Federal clean air legislation (the Clean Air Act) requires states to prepare State Implementation Plans (SIP's) for attainment and maintenance of federal air quality standards; and

WHEREAS, The Clean Air Act and implementing regulations require that transportation projects, whether or not they use federal funds and whether or not they are proposed in MPO transportation plans (i.e., the RTP) and improvement programs (i.e., the TIP), must demonstrate conformity with SIP's; and

WHEREAS, This conformity is established in Conformity Determinations prepared pursuant to federal regulations; and

WHEREAS, Metro prepares the Portland Area Conformity

Determination for approval by officials of the federal Department of Transportation; and

WHEREAS, Portions of the Oregon portion of the Interstate AQMA located in unincorporated portions of Multnomah, Clackamas and Washington Counties and in the rural incorporated cities of Banks, Gaston and North Plains fall outside Metro's boundaries; and

WHEREAS, The federal Metropolitan Planning Regulations (23 CFR Part 450) were jointly adopted by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) in November, 1993; and

WHEREAS, The new regulations require that an agreement between the MPO, state air quality and transportation authorities and affected local jurisdictions must be signed by the Governor which defines how conformity with the SIP will be determined for regionally significant transportation projects planned to occur in those portions of the Interstate AQMA outside Metro's boundaries; and

WHEREAS, In the absence of such an agreement Metro is required by the new planning regulations to assume all transportation planning responsibilities for such areas; now therefore,

BE IT RESOLVED,

1. That the Metro Council authorizes execution of a Memorandum of Understanding included in this Resolution as Exhibit A, which would specify how conformity with the SIP will be determined for both locally and federally funded, regionally

significant transportation projects planned in those portions of the Interstate AQMA outside Metro's boundaries.

2. That ODOT, DEQ, Tri-Met, and Clackamas, Multnomah and Washington Counties, and the cities of Banks, Gaston and North Plains will each also need to approve this MOU for it to become effective.

3. That upon approval by each party listed in the MOU, Metro staff is authorized to recommend the MOU to the Governor for approval.

4. That Metro staff is authorized to take such other action as may be needed to see that, upon final approval by the Governor, the MOU is submitted to the appropriate FHWA and FTA officials.

5. That this Memorandum of Understanding will expire at midnight, September 30, 1995, unless renewed by all signatories.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

94-2039.CU
TW:lnk
10-13-94

55

56

EXHIBIT A

MEMORANDUM OF UNDERSTANDING FOR ANALYSIS OF
TRANSPORTATION PROJECT CONFORMITY WITH THE OREGON STATE
IMPLEMENTATION PLAN FOR OREGON PORTIONS OF THE
PORTLAND/VANCOUVER AIR QUALITY MAINTENANCE AREA (AQMA)
OUTSIDE METRO'S JURISDICTION

This Memorandum of Understanding is executed pursuant to the Metropolitan Planning regulations contained in 23 CFR Part 450.310(f) which state:

"If the metropolitan planning area does not include the entire nonattainment or maintenance area, there shall be an agreement among the State Department of Transportation, State air quality agency, affected local agencies, and the MPO describing:

- [A] The process for cooperative planning and analysis of all projects outside the metropolitan planning area but within the nonattainment or maintenance area.
- [B] The agreement must also indicate how the total transportation related emissions for the nonattainment or maintenance area, including areas both within and outside the metropolitan planning area, will be treated for the purpose of determining [SIP] conformity...
- [C] The agreement shall address policy mechanisms for resolving conflicts concerning transportation related emissions that may arise between the metropolitan planning area and the portion of the nonattainment or maintenance area outside the metropolitan planning area."

This situation occurs in the Portland area. The Metro MPO boundary does not encompass portions of the Portland/Vancouver Interstate Air Quality Maintenance Area (AQMA) which is in nonattainment status with respect to the National Ambient Air Quality Standards for Ozone established in the Clean Air Act Amendments of 1990 (hereafter, "rural AQMA area"). The rural AQMA areas of concern are depicted in Attachment 1 to this Memorandum, and encompass portions of unincorporated Clackamas, Multnomah and Washington Counties (the Counties) and the incorporated cities of Banks, Gaston and North Plains in Washington County (hereafter, the Cities). (It should be noted that the region is also in non-attainment for Carbon Monoxide. However, the boundary of the Oregon portion of the maintenance area for Carbon Monoxide is the same as the MPO boundary and is therefore not germane to this MOU.)

Under 23 CFR Part 450.308(a), a formal agreement must be approved by the Governor sanctioning an MPO boundary that is less than the AQMA boundary and which specifies the manner in which requirements of Part 450.310(f) (above) will be addressed. In the absence of such an agreement, Metro is required to implement all the metropolitan planning requirements identified in Part 450 for both rural AQMA and MPO boundary areas.

Metro has historically accounted for transportation facilities included in the entirety of the three counties, including those portions outside the MPO boundary but falling within the AQMA boundary, to ensure accuracy of its regional transportation model. Metro has also historically accounted for population and employment data within the entirety of the three Counties (and Yamhill and Clark Counties as well) for similar reasons. Metro shall continue to undertake these analyses contingent upon their continued identification as work items in the Unified Work Program and the availability of adequate planning funds.

Metro prepares the Portland Metropolitan Area Conformity Determination pursuant to 23 CFR Part 450.324(b), and consults with the Oregon Department of Environmental Quality (DEQ) regarding details of these Determinations. In the last four years in which Conformity Determinations have been required, Metro's analysis has included all regionally significant projects proposed within the entire Oregon portion of the Interstate AQMA. The MOU ratifies continuation of this practice.

Air quality matters affecting that portion of the Interstate AQMA in Washington State, including conformity of transportation related emissions with Washington State's SIP, are entirely the responsibility of Washington State governmental entities and are not addressed in this MOU.

A. Cooperative Planning and Analysis Process

1. Transportation system planning in rural AQMA areas shall be the joint responsibility of ODOT, the Cities and the Counties, with facility ownership establishing specific project-level responsibility as is currently the case. Demographic assumptions used in the planning process, both historical and projected, shall rely upon Metro's regional forecasts. Metro shall be responsible for transportation system planning (pursuant to the federal Metropolitan Planning Regulation) within its established boundaries which, it is agreed, shall be less than the boundaries of the Oregon portion of the Interstate AQMA unless otherwise amended pursuant to applicable state law. This declaration is responsive to 40 CFR Part 308(a).
2. ODOT Region 1, the Cities and the Counties are responsible for declaration to Metro of planned, regionally significant transportation projects proposed for implementation in rural AQMA areas. Failure to declare such projects to Metro shall cause the projects to be omitted from Metro's regional emissions analysis. Under Section 176(c)(2)(C) of the Clean Air Act, "a transportation project may be adopted or approved by a metropolitan planning organization or any recipient of funds designated under Title 23 U.S.C. or the Urban Mass Transportation Act... only if it comes from a conforming transportation plan and TIP."

Federal authorities interpret this section of the Clean Air Act to mean "projects must be included in a regional emissions analysis which demonstrates that the plan and TIP

58

would still conform if the project were included." (Federal Register, Vol. 58, No. 225, p. 62204, November 24, 1993) Local agency approval of any regionally significant transportation project not analyzed in Metro's regional emissions analysis, whether the project were federally or non-federally funded, would constitute a violation of the Clean Air Act and the Oregon State Implementation Plan. Such approvals could cause federal authorities to sanction the transportation program of the entire Portland area.

Therefore, upon discovery that a federally or non-federally funded, regionally significant transportation project in the rural Interstate AQMA area has not been assessed for conformity with the SIP, parties to this agreement shall withhold right-of-way and construction funding until the project shall have been included in a regional emissions analysis prepared by Metro.

3. Project declarations shall specify both when facility construction *and* operation are expected relative to "analysis years" adopted in the MPO Conformity Determination. For the FY 1995 Portland Metropolitan Area Determination, these years are 1995, 1996, 2000 and 2010. Metro, in consultation with DEQ, shall notify ODOT and the Cities and Counties of changed analysis years which may be adopted from time to time.
4. Project declarations shall define project design concept, scope and phasing sufficient to permit analysis of air quality impacts and, to the extent feasible, shall provide estimates of cost and source(s) of committed and/or anticipated revenue. The intent of revenue declarations is that only projects assured of funding, and thus of construction, shall be modeled. The interpretation of engineering specifications for purposes of defining system modelling parameters shall be conducted by Metro staff pursuant to reasonable professional practice and in consultation with project sponsors.
5. Prior to EPA approval of the State's Air Quality Conformity Rule (currently in development pursuant to 40 CFR Part 51 and 93), a regionally significant project occurring within a rural AQMA area shall have the meaning defined in 40 CFR Part 51.392, as augmented by the list of exempt projects contained in Part 51.460 and 51.462, or such other definition as may be agreed to in consultation between Metro, ODOT, and DEQ. After EPA approval of the State Rule, the meaning shall be as defined in the Rule, or as may be defined in the process of consultation provided for in the Rule. Metro's consultation with DEQ regarding rural Interstate AQMA area projects selected for analysis shall occur at the same time as Metro's consultation with DEQ regarding overall system definitions used in making Conformity Determinations pursuant to 40 CFR Part 51.402(c).
6. Prior to EPA approval of the State Conformity Rule, the threshold for project significance within the MPO boundary shall continue to be the more rigorous standard of "typical inclusion in Metro's regional transportation model," or such other standard

59

as may be adopted by Metro after consulting with DEQ. After EPA approval of the Rule, the definition shall be as defined in the Rule, or as may be defined in the process of consultation provided for in the Rule.

B. Treatment of Emissions Forecasts

1. Emissions resulting from regionally significant projects occurring both inside and outside of the MPO boundary shall be computed by Metro in a combined quantitative analysis meeting requirements of the 40 CFR Part 51 and 93 SIP Conformity regulations. The computation shall also sub-quantify emissions attributable to both the rural and MPO portions of the AQMA. The combined emission estimate shall be used as the basis for determining whether, on the basis of the region's phased air quality attainment status:
 - a. Total mobile source emissions are less in the milestone years than in 1990 or such other base year as may be adopted from time to time; and
 - b. Total mobile source emissions are less in each milestone year assuming implementation of the proposed regionally significant projects, than would occur without their implementation; and/or
 - c. Total emissions fall below the mobile source emission budget as may be specified in the Attainment SIP revision mandated by 40 CFR Part 51.

C. Conflict Resolution in the Event of Nonconformity

1. Quantification of emissions attributable to regionally significant projects will result in the TIP and/or RTP either passing or failing the above described "build/no build" and/or emission budget tests. In the event of a failure of any of the three tests, ODOT, Metro, the Counties, the Cities, Tri-Met and DEQ will cooperate in defining actions outside the metropolitan boundary necessary to achieve conformity of proposed projects with the SIP. The JPACT/Metro Council process will be relied upon to identify TIP/RTP amendments needed to demonstrate SIP conformity of projects occurring within the metropolitan boundary. Appropriate amendments or actions may include deletion of highway expansion projects, programming of transportation control and/or demand measures or a combination of these two approaches.
2. To the extent that deletion of highway expansion projects is pursued to demonstrate conformity, due weight in the selection process shall be given to the relative contribution of rural AQMA area emissions relative to MPO-area emissions. Countervailing considerations may include safety and preservation benefits of modernization proposals together with such other technical and administrative criteria as may be deemed appropriate by a majority of the Metro, County, ODOT and DEQ representatives. Should a project occurring within one of the Cities be proposed for deletion, the affected city shall have one vote in the cooperative process in actions regarding the project.

60

3. To the extent that programming of new transportation control and/or demand measures is pursued to demonstrate conformity, the selection of such measures shall be made by the MPO for reductions within the MPO portion of the AQMA, pursuant to 23 CFR Part 450.312(c), and by ODOT and/or Tri-Met, the Cities and the Counties for reductions attributable to rural AQMA areas. DEQ shall be consulted regarding the methodology employed by Metro for crediting of emission reductions attributable to all such measures as may be committed to by either the MPO, ODOT and/or Tri-Met, the Cities and the Counties.

4. The provisions of this MOU shall expire at midnight, September 30, 1995, unless renewed by all signatories. In the event this MOU (or an MOU substantially similar) is not renewed, an alternative approach for determining conformity shall be established.

Agreed to this _____ day of _____, 1994.

Rena Cusma
Executive Director, Metro

Donald Forbes
Director, ODOT

Lydia Taylor
Interim Director, ODEQ

Beverly Stein
Chair
Multnomah County Comm.

Ed Lindquist
Chair
Clackamas County Comm.

Bonnie Hays
Chair
Washington County Comm.

Tom Walsh
General Manager
Tri-Met

Barbara Roberts
Governor
State of Oregon

Howard Steinbach
Mayor
City of Banks

Brett Costelloe
Mayor
City of Gaston

Robert Kindel, Jr.
Mayor
City of North Plains

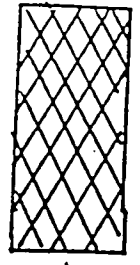
Rod Monroe
Chair
JPACT

61

62

Attachment 1

Map Key



Rural
- AQMA
Areas

- AQMA
Bound-
ary

- MPO
Bound-
ary



64

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-2039 FOR THE PURPOSE OF AUTHORIZING EXECUTION OF A MEMORANDUM OF UNDERSTANDING (MOU) REGARDING CONFORMITY OF PORTIONS OF THE AIR QUALITY MAINTENANCE AREA OUTSIDE OF METRO'S BOUNDARIES

Date: October 13, 1994

Presented by: Andrew Cotugno

PROPOSED ACTION

Adoption of this Resolution would constitute Metro's approval of a Memorandum of Understanding (MOU) which describes the process of determining conformity with the State (Air Quality) Implementation Plan of transportation projects occurring outside Metro's boundaries but located inside the Oregon portion of the Portland/Vancouver Interstate Air Quality Maintenance Area (AQMA). To become effective, the MOU must also be approved by ODOT; DEQ; Clackamas, Multnomah and Washington Counties; the Cities of Banks, Gaston, and North Plains; and then by the Governor.

TPAC has reviewed this Memorandum of Understanding and recommends approval of Resolution No. 94-2039.

BACKGROUND AND FACTUAL ANALYSIS

The federal Clean Air Act has long required federal officials to assure that no project which receives federal assistance will impede attainment and/or maintenance of federal air quality standards. This aspect of the Clean Air Act is especially directed at federally funded transportation projects. However, the Clean Air Act and implementing regulations also prohibit local agencies from approving non-federally funded projects unless assurance is provided that air quality standards will not be adversely affected. This assurance is provided in a qualitative and quantitative "Conformity Determination" prepared by Metro. The Determinations assess transportation projects recommended in the RTP, and which are allocated funding in the TIP or which are proposed by local agencies, for their consistency with goals and programs established in Oregon State (Air Quality) Implementation Plan (SIP). Metro prepares a Determination when either the RTP or the TIP is amended to include or to remove projects of regional air quality significance or when local agencies propose such projects.

The MOU that is the subject of this Resolution is made necessary by a discrepancy between boundaries of the Portland/Vancouver Interstate AQMA and Metro's boundary. The Interstate AQMA boundary was established in the 1970's by DEQ and EPA. Metro's boundary was established by ORS 268 as amended by the Metro Charter approved by the electorate in 1992. The Interstate AQMA boundary includes portions of rural Clackamas, Multnomah and Washington Counties which lie outside Metro's boundary including the incorporated cities of Banks, Gaston and North Plains. The

65

issues addressed by the MOU are who is responsible for determining transportation project conformity in these rural Interstate AQMA areas and the procedures to be used for making the determination and for resolving any disputes.

The MOU is made necessary by a provision of the metropolitan planning regulations recently adopted by FHWA and FTA. Section 450.308(a) of the regulations specifies that, in the absence of an MOU resolving these issues, Metro will be responsible for carrying out all federal MPO planning requirements within the entirety of the larger Interstate AQMA boundary.

The MOU is included as Exhibit A of the Resolution. It clarifies that Metro already conducts most of the population, employment and transportation modeling work needed to conduct Conformity Determinations within the entirety of the Interstate AQMA. Metro performs these modeling tasks within the scope of work approved annually in the region's Unified Work Program (UWP). Metro will continue to perform the modeling tasks so long as the UWP continues to approve of such work and provide adequate funding for Metro's efforts.

The MOU would formally designate Metro as the entity responsible for determining whether emissions resulting from regionally significant projects occurring outside its boundary, but within the Interstate AQMA boundary, conform with emission budgets and other criteria established in the SIP. It specifies the procedures that would be used to prepare the Determination, including the definition of regionally significant projects requiring conformity analysis and importantly, new responsibilities of local governments and ODOT to report planned projects to Metro for analysis. Also addressed are consultation procedures and the mechanisms to be used in settling disputes, should any occur. Finally, it has a sunset provision and will expire at midnight, September 30, 1995, unless it is renewed by all signatories.

This MOU addresses only issues pertinent to the Oregon portion of the Portland/Vancouver Interstate AQMA. Transportation planning and air quality conformity in the Washington State portion of the Interstate AQMA are the responsibility of appropriate Washington State government entities.

Recommendation of the Executive Officer

The Executive Officer recommends adoption of Resolution No. 94-2039.

Meeting Date: November 22, 1994
Agenda Item No. 6.3

RESOLUTION NO. 94-1986

67

68

GOVERNMENTAL AFFAIRS COMMITTEE REPORT

RESOLUTION NO. 94-1986, APPROVING AMENDMENTS TO BYLAWS OF THE METRO COMMITTEE FOR CITIZEN INVOLVEMENT

Date: November 9, 1994

Presented by: Councilor Gates

COMMITTEE RECOMMENDATION: At its November 8, 1994 meeting the Governmental Affairs Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1986. Councilors Gates, McFarland, Van Bergen and Wyers voted in favor. Councilor Buchanan was absent.

COMMITTEE DISCUSSION/ISSUES: Council Analyst Casey Short presented the staff report. He said the bylaws of the Metro Committee for Citizen Involvement (MCCI) need to be changed to accommodate the change in the composition of the Council, from 13 to 7 members. Councilor Gates met several times with MCCI representatives to discuss potential changes. Mr. Short said the MCCI approved revisions to the bylaws at its November 3 meeting, and those revisions have to be approved by the Council to become effective. He referred to his memo noting five changes from the draft in the committee packet, which the MCCI made at its meeting.

MCCI Vice-Chair Bob Bothman discussed the history of discussions of the bylaws, and noted the MCCI's approval of the revisions was unanimous.

Councilor Gates summarized the major changes, including: the change in number of members to 27, with no alternates; limitation of two years in any MCCI office; and change in the Mission and Purpose to be more general in scope and leave specific work items to an annual work plan. Mr. Bothman also pointed out there is a change in the nomination process. The new process will have nominations made by a committee consisting of a representative of each of the three County Citizen Involvement Committees and two MCCI members, rather than have the County CIC's make the nominations from their county.

In response to a question from Councilor Van Bergen, Mr. Bothman said he thought the changes would work.

69

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING)	RESOLUTION NO. 94-1986
AMENDMENTS TO BYLAWS OF THE)	
METRO COMMITTEE FOR CITIZEN)	Introduced by Governmental
INVOLVEMENT)	Affairs Committee

WHEREAS, Resolution No. 92-1580, adopted on May 28, 1992 and amended twice thereafter, approved the bylaws of the Metro Committee for Citizen Involvement (MCCI); and

WHEREAS, The voters of the Metro area approved the 1992 Metro Charter at the General Election in November, 1992, which included the reduction in the number of Metro Councilors from 13 to 7; and

WHEREAS, The MCCI bylaws provide for a member from each of the 13 Council districts, which requires the bylaws to be changed to conform with the reduction in the number of Council districts effective January 2, 1995; and

WHEREAS, The MCCI bylaws require amendments to be approved by 2/3 of the full MCCI membership and by a majority of the Metro Council; and

WHEREAS, The MCCI approved bylaws amendments at its meeting of November 3, 1994; now, therefore,

BE IT RESOLVED,

That the Metro Council approves the amended bylaws for the Metro Committee for Citizen Involvement, attached as Exhibit A.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

71

METRO COMMITTEE FOR CITIZEN INVOLVEMENT (METRO CCI) BYLAWS

November 4, 1994

Article I
NAME

This committee shall be known as the METRO COMMITTEE FOR CITIZEN INVOLVEMENT (METRO CCI).

Article II
GEOGRAPHICAL AREA

The area served by this committee shall be the entire area within the boundaries of Clackamas, Multnomah and Washington Counties.

Article III
MISSION AND PURPOSE

Section 1. The Metro CCI is the citizens' committee in Metro's office of citizen involvement required by Section 28 of the 1992 Metro Charter. It is the mission of the Metro CCI to develop and maintain programs and procedures to aid communication between citizens and the Metro Council and Executive Officer [advise and recommend actions to the Metro Council on matters pertaining to citizen involvement as Metro creates and implements a participatory regional planning partnership to address areas and activities of metropolitan significance. The Metro CCI will encourage citizen participation by a broad cross section of the community and will provide or facilitate a direct line of communication between citizens and Metro and between existing citizen involvement groups and Metro.]

[Section 2. The Metro CCI is a permanent committee and was established by Metro (Ordinance No. 91 418B). The Metro CCI will serve as the officially recognized citizen participation resource committee committed to the success of citizen participation in the Metro regional planning process.] In order to fulfill its mission,

[T]he Metro CCI will:

Review and make recommendations on the citizen involvement activities of Metro's various departments and operations to ensure their efficiency and consistency;

E[e]valuate the citizen involvement processes and promote the expansion of citizen involvement at Metro, and coordinate with existing citizen involvement organizations; [- The Metro CCI will-]

Assist Metro to establish and maintain citizen involvement processes for Metro's activities, in order to facilitate effective citizen involvement in the fulfillment of Metro's

responsibilities, including involving citizens of all cities and counties in the tri-county area;

A[ass]ist Metro in complying with applicable federal and state mandates [~~LCDC goals~~] regarding citizen involvement;

Prepare and adopt an annual work plan and present it to the Metro Council and Executive Officer not later than March of each year;

Submit to the Executive Officer an annual budget request for the Office of Citizen Involvement, and present the Office's budget to the Council during the Council's consideration of the budget;

Review and evaluate Metro's citizen involvement program annually and report to the Metro Council and Executive Officer on its evaluation.

Section 2. The mission and purpose specified are not exclusive; any specification of purpose or mission is not intended to limit the scope of the Metro CCI's activities nor limit the yearly work plan that may be adopted by the Metro CCI; the mission and purpose of the Metro CCI shall be construed liberally.

~~[Section 3. In order to facilitate effective citizen involvement in the planning and development of all matters affecting the quality of life and the livability of the Tri County community, the Metro CCI shall assist Metro to:~~

~~a. Provide a citizen involvement process during the development and review of Metro's regional planning activities, including implementation of the Regional Urban Growth Goals and Objectives (RUGGO), development of new functional plans, and periodic review of the region's urban growth boundary.~~

~~b. Develop opportunities for citizens to become involved in a forum for identifying and discussing areas and activities of metropolitan significance.~~

~~c. Involve the citizens of all cities and counties within the Tri County area in the process for the development and implementation of regional growth management strategies.~~

~~d. Coordinate citizen involvement activities associated with the Joint Policy Advisory Committee on Transportation (JPACT) so that citizen involvement in regional transportation planning is linked and consistent with citizen involvement in regional growth management efforts.~~

~~e. Coordinate with existing citizen involvement organizations to ensure the existence of a citizen involvement process (1) to allow review and comment on the regional land use and growth management issues affecting or affected by local comprehensive plans or plans of state and regional agencies, and (2) during the discussion of land use and growth management issues of regional or subregional significance.~~

~~f. Provide a citizen involvement process if coordinating links with Vancouver and Clark County, Washington, and other parts of the State of Oregon are established by Regional Policy Advisory~~

~~Committee (RPAC) or Metro to address land use and growth management issues of common interest.~~

~~g. Develop programs that educate and inform Tri County citizens about citizen involvement in the regional planning partnership.~~

~~h. Develop programs for public notification about citizen involvement on specific Metro or regional issues and activities.~~

~~i. Promote and advertise citizen involvement opportunities to be used by Metro and Metro staff.~~

~~Section 4. Additionally, with the assistance of Metro staff, the Metro CCI shall:~~

~~a. Work with Metro staff in planning and participating in the annual Metro growth conference.~~

~~b. Report regularly (at least twice annually) to local citizen involvement groups on the proposals and actions of the Metro CCI, RPAC, JPACT and Metro.~~

~~c. Confer with Metro and Tri County officials about ways to enhance citizen involvement.~~

~~d. At the request of a member, review and evaluate the citizen involvement process on a specific Metro or regional issue and, upon a majority vote of the Metro CCI, report to the Metro Council on its evaluation.~~

~~e. Review and evaluate Metro's citizen involvement program and budget annually and report to the Metro Council on its evaluation.]~~

Article IV MEMBERSHIP

Section 1. Composition of the Metro CCI

~~a. The Metro CCI shall have twenty-seven (27) [~~19~~] members. [Each member position shall have an alternate.] Membership shall consist of:~~

~~1) Three (3) [~~1~~] representatives from each of the seven (7) [~~13~~] Metro Council Districts (for a total of 21 [~~13~~]);~~

~~2) One (1) representative from each of the areas outside of the Metro District boundaries of Clackamas, Multnomah, and Washington Counties (for a total of 3);~~

~~3) One (1) representative from each of Clackamas County's Committee for Citizen Involvement (CCI), Multnomah County's Citizen Involvement Advisory Committee (CIAC) and Washington County's Committee for Citizen Involvement (CIC) (for a total of 3).~~

~~[b. A Metro staff member shall act as a non voting adviser for the Metro CCI.]~~

~~b[e]. Members [and alternates] shall not hold government elected office [be elected officials] nor be Metro employees; however, special district elected officials are eligible.~~

~~[d. Alternates for each member shall be appointed to serve in the absence of the regular members (and shall be encouraged to attend meetings on a participatory but non voting basis).]~~

c[e]. Members [~~or designated alternates~~] shall [~~be expected to~~] represent the interests of their constituency at all meetings of the Metro CCI.

d. Members will be required to declare any conflict of interest in advance of any discussions or votes, and will not vote on those issues for which a conflict exists.

Section 2. Membership Selection Process

~~[Members and alternates for the]~~ Metro CCI members will be appointed using the following process:

a. Metro [~~Committees for Citizen Involvement (CCIs) and County Planning Organizations (CPOs)~~] will advertise openings on the Metro CCI in January and July of each year to citizens of the region, [~~utilizing ads, mailings, etc. but, at a minimum,~~] and will notify recognized neighborhood associations and citizen participation organizations of openings on the Metro CCI. Metro elected officials and [±] interested existing citizen organizations will be encouraged to solicit applicants to fill openings on [asked to nominate members and alternates to] the Metro CCI. Applications shall include a statement of interest, a community service resume, and a statement of commitment signed by the applicant [~~and, if possible, a nomination by an existing citizen organization~~].

b. Metro will collect the applications and convene a nominating committee consisting of five members: one representative of each county citizen involvement committee; and two members of Metro CCI whose positions are not being considered for nomination. The two Metro CCI members may not reside in the same county. [~~sort them by county and distribute them to each county citizen involvement committee.~~]

c. The nominating committee shall meet to review the applications and forward nominations to the Metro Council. The nominating committee may interview the applicants, but the committee has the authority to decide whether to conduct interviews. [~~CCI/CIAC organizations from each county shall meet to review the nominations and select the members and alternates from that pool of applicants~~]. Each Metro Councilor shall be invited and be given a reasonable opportunity to attend the meeting and participate in the selection process for nomination of the representative(s) from his/her [~~their~~] district. If a Councilor is unable to attend the meeting, he or she may communicate oral or written comments to the chair and members of the committee prior to the meeting of the nominating committee [CCI/CIAC]. [~~Separately, each County CCI/CIAC shall appoint their representative and alternate to the Metro CCI. In the case of overlapping jurisdictions the county with the greatest population in the district will convene a meeting of the county CCI/CIACs affected and make the nomination.~~]

d. One nomination for each vacant [~~of the 38~~] position[s] shall be forwarded to the Metro Council for appointment to the Metro CCI. Applicants must be nominated by the nominating committee to be considered for appointment by the Metro Council, which shall make appointments through adoption of a resolution. If any nominee is not appointed, the Council shall provide a written

~~statement to the nominating committee on the reasons why the nominee was not appointed, and the committee shall submit another nomination. [Nominations shall be confirmed or not confirmed by the Metro Council. If a nomination is not confirmed it shall be returned to its originating body for a subsequent nomination.]~~

Section 3. Duties

The duties of each member [~~and alternate~~] shall be to implement the Mission and Purpose of the Metro CCI as stated in Article III of these bylaws.

Section 4. Tenure.

a. Each Metro CCI member[s]'s term [~~and alternate's term~~] of appointment shall be three years, except during the transition [~~initial~~] period as stated below in Section 4(~~c~~[b]) of this article [~~these bylaws~~], expiration dates of terms through December 31, 1997 shall be as stated in Section 4(c). Members may serve a maximum of two consecutive full three year terms with an absence of one year before they can requalify. A member whose initial appointment was to fill an unexpired term or was for a term of less than three years may serve up to two additional years, but in no case may a member serve more than eight years consecutively. Members seeking reappointment cannot participate in their own selection process.

b. Metro CCI positions will be numbered from one to twenty-seven [~~nineteen~~] as follows:

Metro CCI Positions Corresponding to Metro Council Districts:

Metro CCI Positions	#1-3:	Council District	#1
	4-6 [2]:		#2
	#7-9 [3]:		#3
	#10-12 [4]:		#4
	#13-15 [5]:		#5
	#16-18 [6]:		#6
	#19-21 [7]:		#7
<hr/>	#8:	#8	
<hr/>	#9:	#9	
<hr/>	#10:	#10	
<hr/>	#11:	#11	
<hr/>	#12:	#12	
<hr/>	#13:	#13	

County Positions Outside Metro District Boundaries:

#22 [14]:	(Clackamas Co.)
#23 [15]:	(Multnomah Co.)
#24 [16]:	(Washington Co.)

77

County Citizen Involvement Committee Positions:

#25 [17] : (Clackamas
Co. CCI)
#26 [18] : (Multnomah
Co. CIAC)
#27 [19] : (Washington
Co. CCI)

c. In order to provide for continuity in membership in the period of transition from thirteen Council districts to seven (in accordance with the provisions of the 1992 Metro Charter), position numbers established in the Metro CCI bylaws adopted on May 28, 1992 and term expiration dates as established in Resolution No. 92-1666 are assigned as follows:

<u>Original Position Number</u>	<u>New Position Number</u>	<u>Term Expiration Date</u>
<u>1</u>	<u>10</u>	<u>12/31/95</u>
<u>2</u>	<u>7</u>	<u>12/31/97</u>
<u>3</u>	<u>19</u>	<u>12/31/95</u>
<u>4</u>	<u>8</u>	<u>12/31/96</u>
<u>5</u>	<u>4</u>	<u>12/31/96</u>
<u>6</u>	<u>5</u>	<u>12/31/95</u>
<u>7</u>	<u>1</u>	<u>12/31/97</u>
<u>8</u>	<u>20</u>	<u>12/31/97</u>
<u>9</u>	<u>16</u>	<u>12/31/95</u>
<u>10</u>	<u>2</u>	<u>12/31/96</u>
<u>11</u>	<u>21</u>	<u>12/31/96</u>
<u>12</u>	<u>13</u>	<u>12/31/95</u>
<u>13</u>	<u>11</u>	<u>12/31/96</u>
<u>14</u>	<u>22</u>	<u>12/31/95</u>
<u>15</u>	<u>23</u>	<u>12/31/97</u>
<u>16</u>	<u>24</u>	<u>12/31/96</u>
<u>17</u>	<u>25</u>	<u>12/31/97</u>
<u>18</u>	<u>26</u>	<u>12/31/96</u>
<u>19</u>	<u>27</u>	<u>12/31/95</u>

Terms which commenced prior to January 1, 1995 shall continue through December 31, 1994. All terms ending December 31, 1997 shall begin January 1, 1995. Terms of positions #4, 5, 8, 10, 11, 13, 16, 19, 21, 22, 24, 26, and 27 will be continuation of terms begun prior to January 1, 1995. Terms of positions #3 and 9 will be one-year terms for the transition period only; terms of positions #2, 14, and 17 will be two-year terms for the transition period only.

~~[For the first three year term, membership will be staggered as follows:~~

~~One Year~~ #4, #5, #8, #11, #13, #16, #18

~~Two Year~~ #2, #7, #10, #15, #17

~~Three Year~~ #1, #3, #6, #9, #12, #14, #19]

d[e]. Members will be expected to attend all regularly scheduled meetings and special meetings. ~~[Unexcused-a]~~ Absence from regularly scheduled meetings for three (3) consecutive months shall require the Chair to declare a vacancy in the position. The vacancy shall be filled through the nomination and appointment process described in Section 2, above. ~~[designated alternate shall be appointed to fill the unexpired term of the member and a new alternate shall be nominated by the original nominating body.]~~

Article V OFFICERS AND DUTIES

Section 1. Officers

a. The Officers of the Metro CCI shall be a Chair and Vice Chair to be elected by a majority vote of the members present at the first meeting and annually in December ~~[June]~~ thereafter. The Chair shall set the agenda, preside at all meetings and shall be responsible for the expeditious conduct of the Metro CCI's business. In the absence of the Chair, the Vice Chair shall assume the duties of the Chair. Both the Chair and the Vice Chair are entitled to vote on all issues ~~[, except their own reappointment to the Metro CCI].~~

~~[b. Metro shall provide a staff member to serve as Recording Secretary for the Metro CCI. The Recording Secretary shall be a non-voting member of the Metro CCI and the Steering Committee.]~~

b[e]. The Chair, Vice Chair and three additional Metro CCI members elected by a majority vote of the Metro CCI members present at the first meeting and annually in December thereafter, will serve as the Steering Committee for the Metro CCI. The Steering Committee shall advise the Chair in determining meeting agendas, shall review matters to be considered by the full Committee, and shall review and coordinate the work of Metro CCI subcommittees. The Metro CCI shall attempt to elect a Steering Committee that is broadly representative of the geographic areas and interests of the total membership of the Metro CCI. The Steering Committee may act in an emergency or temporary manner for the Metro CCI, but such actions shall be reviewed by the Metro CCI at the next regular meeting.

Section 2. Term of Office

Officers and Steering Committee members shall hold office for a period of one year, from January 1 through December 31 corresponding to the calendar year. Officers may serve no more than two consecutive years in the same office.

Article VI
MEETINGS, CONDUCT OF MEETINGS AND QUORUM

Section 1. Regular meetings of the Metro CCI shall be held monthly at a time and place established by the Chair, after consultation with the membership. Special or emergency meetings may be called by the Chair or a majority of the members of the Metro CCI [~~polled by the Recording Secretary~~].

Section 2. Notice

a. Notice, agenda and draft minutes of all regular meetings shall be mailed [~~by the Recording Secretary~~] to all members [~~and alternates~~] of the Metro CCI at least five (5) regular business days before such meetings.

b. Metro shall maintain a mailing list of persons and organizations who have expressed their interest in citizen involvement and the Metro CCI. Notice of Metro CCI meetings shall be mailed to everyone who has asked to be on that list.

Section 3. A majority of the members in filled positions [~~(or designated alternates)~~] shall constitute a quorum for the conduct of business. The act of a majority of those present at meetings at which a quorum is present shall be the act of the Metro CCI.

Section 4. The Chair may create subcommittees. Subcommittees may include people who are not Metro CCI members. The Chair shall appoint subcommittee chairs. Subcommittee chairs shall be Metro CCI members. [~~Subcommittees may be appointed by the Chair.~~]

Section 5. All meetings shall be conducted in accordance with Robert's Rules of Order, Newly Revised.

Section 6. The Metro CCI may establish additional rules of procedure as deemed necessary for the conduct of business.

Section 7. Metro shall provide staff to handle Metro CCI business, correspondence and public information. Other Metro resources may be called upon as necessary.

Section 8. [~~The Recording Secretary~~] Staff shall prepare formal minutes of meetings for distribution at the next regular meeting subject to Metro CCI approval. Metro shall keep on file all minutes, as well as [~~7~~] a current roster of members and any other records of the Metro CCI's actions as necessary and appropriate. Approved minutes shall be forwarded to Metro Councilors and the Executive Officer.

Article VII
AMENDMENTS AND REVIEW

Section 1. Amendment and Repeal of Bylaws
These by-laws may be amended by a majority [~~two-thirds~~] vote of the

full membership of the Metro CCI (14 votes) and adoption of a resolution by ~~[a majority vote of]~~ the Metro Council. Written notice of proposed amendment or repeal and the nature thereof shall have been given to the membership of the committee at least one consecutive month prior to the date of the meeting at which the amendments are to be considered.

Section 2. Review of Bylaws

Bylaws will be reviewed at least every three (3) years. ~~[The first review shall occur no later than 1995.]~~ Written notice of such review shall be provided before the review.

82

Meeting Date: November 22, 1994
Agenda Item No. 6.4

RESOLUTION NO. 94-1983

83

84



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS. 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

85

98

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING) RESOLUTION NO. 94-1983
POLICIES FOR THE MANAGEMENT)
OF THE PARKS/EXPO FUND) Introduced by Executive Officer,
) Rena Cusma

WHEREAS, Metro has assumed operating responsibility from Multnomah County for a group of facilities referred to as Parks and Expo Center, and

WHEREAS, through an intergovernmental agreement, Multnomah County is scheduled to transfer ownership of these facilities to Metro on July 1, 1996,

WHEREAS, the capital and operating needs of these facilities exceed their combined revenues, and

WHEREAS, funding needs and the upcoming transfer negotiations have raised numerous policy issues, and

WHEREAS, a staff working group has researched, discussed, and made recommendations for these issues, and

WHEREAS, the Council wishes to provide policy direction regarding the funding and management of the Parks and Expo Center facilities,

NOW, THEREFORE, BE IT RESOLVED:

1. That the Metro Council hereby adopts the recommendations attached as Exhibit A.
2. That the Executive Officer is directed to pursue the recommended actions attached as Exhibit B and to recommend additional policies to Council where appropriate.

ADOPTED by the Metro Council this ____ day of _____, 1994.

Judy Wyers, Presiding Officer

87

RECOMMENDATIONS

EXPO CENTER - Capital Improvements

- A. Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA. These essential needs should be addressed only to the point that they can be supported using Fund balance during the period that the IGA is in effect.
- B. In order to maximize the ability to meet public needs and to generate future revenues, a major capital reinvestment program at Expo should be a high priority.
- C. Several of the required improvements at Expo would require closing the facility; experience indicates that closure usually results in the loss of some annual business permanently. It is, therefore, desirable to build new (expansion) space, for which management staff believe there is a demand anyway, before addressing the renovation of the existing space.

EXPO CENTER - Funding

- D. Because of the magnitude of capital needs, cash financing will take too long to protect existing facilities and to meet public needs; leveraged financing is therefore essential. A number of mechanisms should be considered including: General Obligation Bonds; Revenue Bonds; Capital/Lease Financing; and Internal Financing.
- E. Consideration should be given to including major Expo capital needs in the anticipated upcoming Oregon Convention Center expansion vote.
- F. Net Expo operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center. This funding strategy should be authorized for the period up to July, 1997. Before July 1997, the Council should review this funding strategy and either authorize its continuation or implement an alternative funding source which addresses Parks needs. The goal should be to reduce or eliminate Expo support to Parks at the earliest possible date.

All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).

EXPO CENTER - Funding (Continued)

- G. Expo should have a renewal and replacement account funded annually based on a capital maintenance plan. The facility should also have a capital improvement plan.
- H. Expo revenues above the \$325,000 guaranteed to Parks should be reinvested in Expo to protect the asset and maximize revenue.

PARKS - Operating and Capital Maintenance Support

- A. All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).
- B. Metro excise taxes should also be levied on Parks goods and services, and these tax revenues should be dedicated to the support of Parks operations.
- C. Net Expo Center operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center.
- D. Metro should immediately begin a process to identify a funding strategy for Regional Parks. A new revenue source should be identified and secured to support parks operations and ongoing capital maintenance no later than July, 1997.
- E. Although the magnitude of deferred work and problems is smaller than at the Expo Center, a high priority should be given to a capital reinvestment program at Glendoveer Golf Course.
- F. Net operating cash flow from Glendoveer Golf Course and any other Parks operated enterprise activities should remain with Parks.

90

PARKS - Operating and Capital Maintenance Support

- G. Parks facilities should have a renewal and replacement account funded annually based on a capital maintenance plan. These facilities should also have a Council-approved capital improvement plan.

PARKS - Other Issues

- H. Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA for these facilities (none are identified at this time.) These essential needs should be addressed only to the point that they can be supported using the beginning fund balance and any Expo net revenues generated during the period that the IGA is in effect.
- I. The Council should establish policies, criteria and a procedure for responding to requests from other agencies to assume responsibility for existing regional parks and natural areas. This policy should be consistent with the concept of creating a "regional" system of parks and greenspaces.
- J. Acquisition/development of new Parks/Greenspaces land/facilities should be addressed through potential G.O. bond issues, grants, donations, and revenue-supported debt; not through general purpose Metro resources. (These costs are, therefore, not addressed by this report.)
- K. Non-General Fund funding sources should be identified in advance for meeting new operational requirements associated with new land, facilities and operations.
- L. When a new funding source for Parks operations and maintenance is secured, the Parks functions should be budgeted in a separate fund. Expo should be budgeted as part of MERC at that time.
- M. All facilities, programs and functions covered by the IGA should be evaluated for organizational fit with the Parks Department mission and reviewed for "regional significance." Those that do not fit should not be transferred. The Pioneer Cemeteries, in particular, should be evaluated in this manner.

GREENSPACES

- A. If the Greenspaces Bond Measure passes, a funding source is required to cover those acquisition, development, construction, operations, and maintenance costs which cannot be covered with Bond funds. Metro should immediately begin a process to identify a funding strategy for these requirements.
- B. If the measure is defeated, the Greenspaces program should be reviewed to determine if it should be modified in view of its continuing revenue requirements and its apparent lack of public support for funding these requirements.

RV PARKS

- A. The Expo RV site should be built to maintain eligibility for state RV registration fees, unless it conflicts with the future council policy as to the primary use for the facility (Expo support vs. regional recreation) and the council priorities for recreational experience, facility aesthetics and revenue generation.
- B. If an RV Park is built at Blue Lake Park, it should be managed by Parks either directly or under contract.
- C. Options and recommendations for the Expo RV Park management ownership, design, and revenue flow should be developed when the positive feasibility of such a facility has been determined.

GENERAL RECOMMENDATIONS

- A. The Council should adopt criteria and "bottomline" policies to guide the Phase II IGA negotiations.
- B. Phase II negotiations should be initiated in May, 1995, if possible.

92

RECOMMENDED ACTIONS

- ◆ Adopt working group November recommended policies - Res. No. 94-1983.
- ◆ Adopt policies on assuming responsibility for additional existing regional parks.
- ◆ Propose new operating revenue source for parks maintenance and operations.
- ◆ Propose new operating revenue source for Greenspaces.
- ◆ Evaluate facilities, programs and functions covered by the IGA for fit with Parks Department mission and review for "metropolitan concern".
- ◆ Adopt policies (criteria) for IGA Phase II transfer.
- ◆ Initiate IGA Phase II Negotiations
- ◆ Define a strategy and propose funding for Expo major capital needs
- ◆ Research options and make recommendations for the Expo RV Park management and revenue flow.

q3

CP4

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 94-1983 FOR THE PURPOSE OF ADOPTING POLICIES FOR THE MANAGEMENT OF THE PARKS/ EXPO FUND.

Date: November 16, 1994

Presented by: Doug Butler
Jennifer Sims
Charlie Ciecko
Pat LaCrosse

Background

Earlier this year, Councilors Monroe and Hansen, as Chairs of the Finance and Regional Facilities Committees respectively, convened an informal task force which included representatives from Finance and Management Information, General Services, Parks, MERC, the Executive Office, and Council. The purpose of the task force was to analyze and make recommendations regarding the management of the Parks/Expo Fund. More specifically, the task force was asked to consider how the potential net revenues from the Expo Center should be distributed between Parks and the Expo Center.

The task force met several times and began gathering information to help answer these questions. As the task force understanding grew, so did the range of issues and concerns which it felt were directly related to the original questions. The result was that the project goal was expanded to read: "Establish a sustainable financial plan which will support healthy, viable operations for both the Park/Greenspaces and Expo Center operations."

Once a good understanding and sufficient background information was developed, the task force then identified a number of key issues and held a series of meetings to develop recommendations for addressing each of them. The attached report is the product of this effort. It is important to underscore that this report presents a consensus recommendation. Many of the issues were discussed and debated at length but we are now in agreement and prepared to support every recommendation.

The report summarizes our findings and recommends a number of policies as well as an action plan for the implementation of those policies. The proposed Resolution, if adopted by the Council, will formally adopt these policies and the action plan.

Recommendation

The Executive Officer recommends approval of Resolution No. 94-1983 and acceptance of the related report.

95

96

M E M O R A N D U M



METRO

Date: November 9, 1994

To: Regional Facilities Committee

From: Doug Butler, Director of General Services
Charlie Ciecko, Director of Parks and Greenspaces
Pat LaCrosse, General Manager, MERC
Jennifer Sims, Director of Finance and Management Information

Re: Parks/Expo Fund Management Report

The attached report provides a compilation of the findings and recommendations of a staff working group assembled to address management issues related to the Parks/Expo fund. Through a team process, we were able to achieve a consensus. We all support the findings and recommendations in this report.

While this report represents substantial progress in identifying and resolving these issues, much work remains. The group intends to proceed by working on the Action Items listed on page 12. As a first step, we are recommending that Council adopt a resolution similar in form to the attached draft in order to clearly establish its policies and a framework for future work.

cc: Don Carlson
Rena Cusma
Dick Engstrom
Rod Monroe

JS/bjc

C:\JS\MISC.RESMEMO.doc

PARKS/EXPO FUND MANAGEMENT REPORT

Prepared through a team effort by

*Co-Chairs: Doug Butler, Director of General Services
Jennifer Sims, Director of Finance & Management Information*

**Chris Bailey, Expo Manager
Jeff Blosser, Convention Center Director
Charlie Ciecko, Director of Parks & Greenspaces
Pat LaCrosse, General Manager, MERC**

November 8, 1994

**Kathy Rutkowski, Research & Analysis
Barb Chapman, Clerical Support & Production**

98

Parks/Expo Fund Management

Project Goal: Establish a sustainable financial plan which will support healthy, viable operations for both the Parks/Greenspaces and Expo Center operations.

Objectives:

- ◆ Define Parks and Expo operating and capital requirements for the next 5 years.
- ◆ Outline 5-year operational strategies for Parks and Expo including a schedule for improvements, acquisitions, etc.
- ◆ Identify opportunities and strategies for increasing fund revenue and funding identified needs.
- ◆ Identify key questions/issues which must be addressed in order to determine whether to accept these facilities permanently.
- ◆ Make recommendations to address identified policy issues.
- ◆ Prepare an action list to help implement recommendations.

Parks/Expo Fund Management Background

1. Operational control of the Expo Center along with a number of regional parks, natural areas, and historic facilities have been transferred from Multnomah County to Metro under the terms of an Intergovernmental Agreement (IGA) which became effective on January 1, 1994.
2. For at least the term of the IGA, it has been assumed that some revenues from the Expo Center would be used to help offset the shortfalls of the other facilities. (Under the terms of the IGA, the Parks/Expo capital and operating needs are included in a single fund and it was assumed that their combined revenue stream is adequate to meet these needs.)
3. Under the terms of the IGA, Metro must initiate negotiations to accept these facilities permanently by July 1, 1995, must execute a final agreement by January 1, 1996 and must actually transfer the property to Metro by July 1, 1996. (Failure to meet these terms results in the automatic termination of the IGA.)
4. Barring new discoveries, it is assumed that this property will be transferred to Metro permanently as scheduled (or sooner).
5. A feasibility study for new revenue-producing facilities was initiated by the County. Based on the results of this study, Metro is pursuing in more detail the possible construction of RV Parks at the Expo Center and at Blue Lake Park.
6. Council has passed a Resolution to place a Greenspaces General Obligation Bond measure on the ballot in early 1995. Passage would have a profound effect on the Metro Parks program. No operations funding source has been determined for supporting new Greenspaces acquisitions if the measure is approved by the voters.
7. Metro is levying excise tax on Expo Center goods and services and has indicated an intent to do the same for Parks in FY 1995-96. The Council has had an implied policy of dedicating these excise tax revenues back to the County-owned facilities but recently suspended that policy to help pay for Greenspaces program needs.
8. MERC has adopted a business plan which identifies many capital improvements needed at Expo, but this plan does not include a funding/construction strategy. The plan requires updating to reflect more recent experience (i.e., required projects, priorities, and costs).
Parks staff have prepared a needs assessment which identifies many capital and operating needs for Parks. A funding strategy has not been determined.

100

Parks/Expo Fund Management Findings & Recommendations

EXPO CENTER

Findings

1. Expo Center has consistently generated a positive net cash flow in the past and it is believed that it can generate even more in the future with improved management and an adequate capital improvements program.
2. The Expo Center is in need of major capital improvements in order to meet health, fire and life safety requirements as well as a number of ADA requirements. It is not practical to consider these improvements without also considering a number of discretionary improvements for maintaining, improving, and expanding the facility in the future.
3. Projected Expo revenues are not adequate to fund both an ongoing support to Parks and needed Expo capital improvements.

Recommendations

Capital Improvements

- A. *Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA. These essential needs should be addressed only to the point that they can be supported using Fund balance during the period that the IGA is in effect.*
- B. *In order to maximize the ability to meet public needs and to generate future revenues, a major capital reinvestment program at Expo should be a high priority.*
- C. *Several of the required improvements at Expo would require closing the facility; experience indicates that closure usually results in the loss of some annual business permanently. It is, therefore, desirable to build new (expansion) space, for which management staff believe there is a demand anyway, before addressing the renovation of the existing space.*

Recommendations

Funding

- D. *Because of the magnitude of capital needs, cash financing will take too long to protect existing facilities and to meet public needs; leveraged financing is therefore essential. A number of mechanisms should be considered including: General Obligation Bonds; Revenue Bonds; Capital/Lease Financing; and Internal Financing.*

EXPO CENTER

EXPO - Recommendations (Funding) (Continued)

- E. *Consideration should be given to including major Expo capital needs in the anticipated upcoming Oregon Convention Center expansion vote.*
- F. *Net Expo operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center. This funding strategy should be authorized for the period up to July, 1997. Before July 1997, the Council should review this funding strategy and either authorize its continuation or implement an alternative funding source which addresses Parks needs. The goal should be to reduce or eliminate Expo support to Parks, and secure adequate funding for Parks, at the earliest possible date.*
- All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).*
- G. *Expo should have a renewal and replacement account funded annually based on a capital maintenance plan. The facility should also have a capital improvement plan.*
- H. *Expo revenues above the \$325,000 guaranteed to Parks should be reinvested in Expo to protect the asset and maximize revenue.*

Parks/Expo Fund Management Findings & Recommendations

PARKS

Findings

Operating and Capital Maintenance Support

1. The parks and other facilities included in the transfer from Multnomah County to Metro require sizable capital support and on-going operating subsidies.
2. Since the passage of Ballot Measure 5, Expo Center revenues have been used to subsidize parks programs. In FY 94/95, the amount of the subsidy is approximately \$400,000 (9.6% of the Department's budget).
3. Many Parks facilities have capital needs in order to meet health, fire and life safety needs as well as a number of ADA requirements. In addition, a large list of improvement projects have been identified to improve customer service, to increase capacity, and to create revenue-generating opportunities.
4. The Parks Department has completed a needs assessment which identifies unmet needs for the "current operation". This includes needs for: staff, development of management plans, miscellaneous materials and services, deferred capital maintenance, and capital improvements. The current level of funding support does not address these needs.
5. A survey of other park providers reveals significant subsidy of parks programs from "general funds" or other dedicated resources such as "niche taxes". Levels of subsidy range from a low of 35% (Oregon State Parks) to a high of 100% at the City of Gresham. City of Portland, the largest provider in the region receives 77% of its budget from the general fund.
6. With implementation of Phase II of the IGA County, "pick-up" of certain costs may be discontinued. These include:
 - Oregon Historical Society Contract
 - Special District Assessments
 - Sheriff Coverage at Regional Parks

Lack of county support for these items would increase operating funding requirements.

PARKS

PARKS - Findings (Continued)

7. Analysis of Regional Parks funding sources indicates a high potential for instability. Examples include:
 - User Fees - fluctuate widely due primarily to weather conditions.
 - Multnomah County Natural Areas Fund - derived from land sales at Edgefield farm. Sales have been suspended and it is unclear whether Multnomah County will commit these resources in Phase II of the IGA.
8. The Report of the "Presidents Commission on Americans Outdoors", 1987 concluded:

"...Americans are willing to pay fees and taxes dedicated to outdoor recreation. But the public feels strongly that money collected for recreation fees should be retained to increase outdoor opportunities, not sent to the general treasury".
9. The City Club's "Report on Portland Metropolitan Area Parks" suggests "judicious charging of user fees that do not unreasonably restrict access."
10. Metro should be sensitive to public sentiment regarding the disposition of funds generated at park facilities or from park and greenspaces programs.

Findings

Assuming management responsibility for existing parks/greenspaces.

11. At least two planning projects are underway to acquire and develop new "regional" parks. They are Old Growth Grove (NW Multnomah County) and Whittaker Ponds (NE Portland). Operations and maintenance funds will be required if plans are implemented.
12. The Port of Portland has approached Metro about this agency's ability/willingness to assume management responsibility for three Columbia River Islands and additional shoreline along Marine Drive.
13. The City Club "Report on Portland Metropolitan Area Parks" concluded: "Significant natural areas in the region whether inside or outside the jurisdiction of formal park systems.....would be better served if owned, operated, and funded by a regional authority with demonstrated park-management capabilities."

PARKS

Recommendations

Operating and Capital Maintenance Support

- A. *All Metro excise taxes generated by Expo-related goods and services should be dedicated to support existing Parks facilities (i.e., not for new acquisitions).*
- B. *Metro excise taxes should also be levied on Parks goods and services, and these tax revenues should be dedicated to the support of Parks operations.*
- C. *Net Expo Center operating revenues (after providing for regular operating, capital maintenance, and contingency needs) should be shared with Parks on a continuing, predictable basis. Specifically it is recommended that the first \$325,000 of net Expo operating revenues be dedicated to Parks operation support. Any revenues above \$325,000 should remain with the Expo Center.*
- D. *Metro should immediately begin a process to identify a funding strategy for Regional Parks. A new revenue source should be identified and secured to support parks operations and ongoing capital maintenance no later than July, 1997.*
- E. *Although the magnitude of deferred work and problems is smaller than at the Expo Center, a high priority should be given to a capital reinvestment program at Glendoveer Golf Course.*
- F. *Net operating cash flow from Glendoveer Golf Course and any other Parks operated enterprise activities should remain with Parks.*
- G. *Parks facilities should have a renewal and replacement account funded annually based on a capital maintenance plan. These facilities should also have a Council-approved capital improvement plan.*

Recommendations

Other Issues

- H. *Only essential (fire, life, safety, ADA) capital needs should be addressed prior to a final determination on the disposition of the IGA for these facilities (none are identified at this time.) These essential needs should be addressed only to the point that they can be supported using the beginning fund balance and any Expo net revenues generated during the period that the IGA is in effect.*

PARKS

PARKS - Recommendations (Continued)

- I. *The Council should establish policies, criteria and a procedure for responding to requests from other agencies to assume responsibility for existing regional parks and natural areas. This policy should be consistent with the concept of creating a "regional" system of parks and greenspaces.*
- J. *Acquisition/development of new Parks/Greenspaces land/facilities should be addressed through potential G.O. bond issues, grants, donations, and revenue-supported debt; not through general purpose Metro resources. (These costs are, therefore, not addressed by this report.)*
- K. *Non-General Fund funding sources should be identified in advance for meeting new operational requirements associated with new land, facilities and operations.*
- L. *When a new funding source for Parks operations and maintenance is secured, the Parks functions should be budgeted in a separate fund. Expo should be budgeted as part of MERC at that time.*
- M. *All facilities, programs and functions covered by the IGA should be evaluated for organizational fit with the Parks Department mission and reviewed for "metropolitan concern." Those that do not fit should not be transferred. The Pioneer Cemeteries; in particular, should be evaluated in this manner.*

Parks/Expo Fund Management Findings & Recommendations

GREENSPACES

Findings

1. Passage of the Greenspaces Bond Measure in Spring of 1995 will result in the need for "land banking" funds. If 6,000 acres are acquired, it is estimated that "land banking" costs will be approximately \$500,000 annually.
2. Once new lands are acquired, funds will eventually be needed to develop appropriate facilities and programs for public use and enjoyment.
3. Once lands are developed, funds will be necessary to cover the cost of on-going operation and maintenance.
4. Federal funds which provide a significant source of funding for Greenspaces activities are subject to availability and approval processes beyond Metro's control. These funds should not be considered "dependable" over the long term.

Recommendations

- A. *If the Greenspaces Bond Measure passes, a funding source is required to cover those acquisition, development, construction, operations, and maintenance costs which cannot be covered with Bond funds. Metro should immediately begin a process to identify a funding strategy for these requirements.*
- B. *If the measure is defeated, the Greenspaces program should be reviewed to determine if it should be modified in view of its continuing revenue requirements and its apparent lack of public support for funding these requirements.*

Parks/Expo Fund Management Findings & Recommendations

RV PARKS

Findings

1. The feasibility of developing RV parks at the Expo Center and at Blue Lake Parks should be determined in the near future as the potential to generate net cash flow to support Expo/Parks appears preliminarily to be very good.
2. MERC and Parks staff each feel strongly that their agency should manage the proposed RV Park at Expo Center.
3. The decision on management of the Expo RV Park need not be made at this time.
4. State RV Registration Fees must be utilized to support "county" parks.

Recommendations

- A. *The Expo RV site should be built to maintain eligibility for state RV registration fees, unless it conflicts with the future council policy as to the primary use for the facility (Expo support vs. regional recreation) and the council priorities for recreational experience, facility aesthetics and revenue generation.*
- B. *If an RV Park is built at Blue Lake Park, it should be managed by Parks either directly or under contract.*
- C. *Options and recommendations for the Expo RV Park management ownership, design, and revenue flow should be developed when the positive feasibility of such a facility has been determined.*

Parks/Expo Fund Management Findings & Recommendations

GENERAL RECOMMENDATIONS

- A. The Council should adopt criteria and "bottomline" policies to guide the Phase II IGA negotiations.
- B. Phase II negotiations should be initiated in May, 1995, if possible.

PARKS/EXPO FUND MANAGEMENT

WORKING GROUP RECOMMENDED ACTIONS

- ◆ Adopt working group November recommended policies - Resolution No. 94-1983.
- ◆ Adopt policies on assuming responsibility for additional existing regional parks.
- ◆ Propose new operating revenue source for parks maintenance and operations.
- ◆ Propose new operating revenue source for Greenspaces.
- ◆ Evaluate facilities, programs and functions covered by the IGA for fit with Parks Department mission and review for "metropolitan concern".
- ◆ Adopt policies (criteria) for IGA Phase II transfer.
- ◆ Initiate IGA Phase II Negotiations
- ◆ Define a strategy and propose funding for Expo major capital needs
- ◆ Research options and make recommendations for the Expo RV Park management and revenue flow.

C:JENNIFER/PARKEXP0.024

Rev. 11/08/94

110

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections -- Expo Center

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Revised Budget	Preliminary Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Beginning Fund Balance-Undesignated	690,000	443,254	539,927	568,186	933,260
Beginning Fund Balance-Restricted	243,000	0	0	0	0
Rental	518,620	570,005	592,805	616,517	641,178
Reimbursements	0	30,955	32,193	33,481	34,820
Concessions/Catering	443,560	1,221,400	1,270,256	1,321,066	1,373,909
Parking	660,842	690,943	718,581	747,324	777,217
Utilities	0	47,169	49,056	51,018	53,059
Other	78,460	41,429	43,086	44,809	46,601
Interest	0	26,000	21,853	35,895	50,844
Total Resources	2,634,482	3,071,155	3,267,757	3,418,296	3,910,888
EXPENDITURES					
Personal Services	476,444	524,455	550,678	578,212	607,123
Materials & Services	660,302	1,233,245	1,282,575	1,333,878	1,387,233
Capital Outlay	393,000	26,350	100,000	100,000	100,000
Interfund Transfers	204,895	236,816	247,993	271,737	285,163
Contingency	56,587	185,362	193,325	201,209	209,436
Subsidy to Regional Parks	400,000	325,000	325,000	0	0
Total Expenditures	2,191,228	2,531,228	2,699,571	2,485,036	2,588,955
FTE	11.70	12.00	12.00	12.00	12.00
Surplus/(Deficit) in Resources	443,254	539,927	568,186	933,260	1,321,933

ASSUMPTIONS AND ADJUSTMENTS

- Revised FY 1995-96 to reflect the preliminary Expo Center budget prepared by MERC, with the following exceptions:
 - Interfund transfers reflect the amounts identified and forecasted in the five year plan instructions
 - Capital outlay does not include the \$165,100 that is funded by restricted fund balance. The restricted fund balance is assumed to be fully expended in FY 1994-95 and is not reflected in FY 1995-96
- Rental revenue in the Expo Center five year plan assumed income from the RV parks beginning FY 1995-96. The RV income and expenditures have been eliminated for this analysis.
- Parking revenues in the Expo Center five year plan assumed an increase in parking fees beginning FY 1995-96. The Expo Center preliminary budget for FY 1995-96 does not assume this increase. For purposes of this analysis any increase in parking fees has been eliminated.
- The preliminary FY 1995-96 Expo Center budget is the basis for the following three years. The following assumptions have been made for succeeding years:
 - 4% annual increase in all resources except beginning fund balance and interest
 - Interest calculated at 4% of ending balance
 - 5% annual increase in personal services
 - 4% annual increase in materials & services
 - Capital outlay remains constant beginning FY 1996-97
 - Assumed interfund transfer estimates provided in the five year plan
 - Contingency is 10% of total personal services, materials & services and capital outlay (see note #5)
 - Contingency is assumed to be fully expended each year and not available for carry over into the next year.

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections -- Expo Center

5. Contingency assumes 5% for general uncertainties of the department, and 5% for potential modification in the practice of reimbursed labor. If the reimbursed labor practice is changed this amount would be expended each year as personal services. It is likely this practice will be changed to become consistent with practices at the OCC.

112

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections Regional Parks and Greenspaces Department (Baseline Projections)

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Fund Balance - Undesignated	\$160,000	\$221,775	\$215,775	\$0	\$0
Fund Balance- Restricted	256,494	10,098	0	0	0
Expo Subsidy	400,000	325,000	325,000	0	0
Excise Tax Earned on Parks	0	95,270	98,000	105,000	107,000
Excise Tax Earned on Expo	84,474	81,000	84,000	88,000	91,000
Transfer from the General Fund	509,335	520,000	500,000	500,000	500,000
Enterprise Rev./Glendoveer Golf Course	699,188	617,860	617,860	692,003	692,003
Other Enterprise Revenue	754,479	911,490	947,950	985,868	1,025,303
Pass-Through Funds/Marine Fuel Tax & Map	135,000	140,000	145,600	151,424	157,481
Pass-Through Funds/R.V.	321,437	249,394	259,370	269,745	280,535
Grants	937,267	478,321	239,000	0	0
Natural Areas Fund/Mult. City Transfers	465,979	1,343,332	281,354	292,608	304,312
Smith and Bybee Lakes Fund	25,429	44,179	45,946	47,784	49,695
Misc. Other Revenues	0	4,000	4,000	4,000	4,000
Total Resources	\$4,749,082	\$5,041,719	\$3,763,855	\$3,136,432	\$3,211,329
EXPENDITURES					
Personal Services	\$1,701,637	\$1,877,286	\$1,971,151	\$2,069,708	\$2,173,193
Material & Services	1,890,812	1,309,890	1,113,391	909,367	945,741
Capital	417,236	1,135,514	51,000	51,000	51,000
Interfund Transfers	447,025	429,586	484,426	528,000	556,439
Contingency	70,597	73,668	156,777	151,504	158,497
Total Expenditures	\$4,527,307	\$4,825,944	\$3,776,745	\$3,709,579	\$3,884,870
Total FTE	44.85	48.05	48.05	48.05	48.05
Surplus/(Deficit) in Resources	\$221,775	\$215,775	(\$12,890)	(\$573,147)	(\$673,541)

*** For Information Only *** Expenditures By Division

Administration Division Approved Programs

EXPENDITURES					
Personal Services	203,455	234,330	246,047	258,349	271,266
Material & Services	11,300	21,253	22,103	22,987	23,906
Capital	1,965	3,465	2,500	2,500	2,500
Total Expenditures	216,720	259,048	270,650	283,836	297,672
Total FTE	4.00	5.00	5.00	5.00	5.00

Operations & Maintenance Approved Programs

EXPENDITURES					
Personal Services	1,041,803	1,106,052	1,161,355	1,219,423	1,280,394
Material & Services	615,739	642,779	668,490	695,230	723,039
Capital	38,525	55,750	45,000	45,000	45,000
Total Expenditures	1,696,067	1,804,581	1,874,845	1,959,653	2,048,433
Total FTE	32.35	33.35	33.35	33.35	33.35

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections Regional Parks and Greenspaces Department (Baseline Projections)

FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget

Planning and Capital Dev. Approved Programs

EXPENDITURES					
Personal Services	456,379	536,904	563,749	591,936	621,533
Material & Services	1,263,773	645,858	422,798	191,150	198,796
Capital	376,746	1,076,299	3,500	3,500	3,500
Total Expenditures	2,096,898	2,259,061	990,047	786,586	823,829
Total FTE	8.50	9.70	9.70	9.70	9.70

ASSUMPTIONS AND ADJUSTMENTS TO PRELIMINARY BUDGET

1. The department's preliminary FY 1995-96 budget is the base for future years estimates. The following adjustments have been made to the department's preliminary FY 1995-96 budget.
 - The Expo subsidy has been reduced from \$412,000 to \$325,000 to reflect the Management Report Recommendations
 - The excise tax earned on the Expo Center has been dedicated to Parks operations to reflect the Management Report recommendations.
2. Excise tax earned on parks operations has been dedicated to parks operations to reflect the Management Report recommendations.
3. The excise tax rate is assumed to be 6.0% for all years beginning FY 1995-96.
4. The Expo Subsidy has been eliminated beginning FY 1997-98 to reflect the Management Report recommendations
5. The transfer from the General Fund has been fixed at \$500,000 per year beginning FY 1996-97. Amount based on previous years' allocations.
6. Glendoveer revenues assume fee increases in FY 1995-96 and FY 1997-98. Assumes revenues remain constant in other years.
7. Assumed 4% annual increase in other enterprise revenues, pass-through resources, and Smith/Bybee transfer beginning FY 1996-97.
8. Assumed 50% reduction in grants in FY 1996-97, and elimination of grants beginning FY 1997-98. Assumption based on reduction in grants between FY 1994-95 and FY 1995-96, and information contained in the department's five year plan. A reduction in grants corresponds with an equivalent reduction in materials & services each year.
9. FY 1995-96 preliminary budget included approx. \$1.072 million in transfer from the Mult. County Natural Areas Fund for capital land acquisition. For future years estimates both this resources and expenditure has been eliminated prior to the application of any other assumption.
10. Assumed 5.0% annual increase in personal services beginning FY 1996-97.
11. Assumed 4.0% annual increase in materials & services beginning FY 1996-97.
12. Allowed a flat amount of capital outlay per year to be basic minimum needs and emergencies. Amount based on previous years.
13. Assumed Interfund transfer estimates provided in five year plan. Transfer estimates were based on the FY 1994-95 budget and allocations, and assumed no increase or growth in either the support functions or the operating departments.
14. Assumed contingency equal to 5.0% of total personal services, materials & services, and capital outlay. Assumes contingency is fully spent each year.
15. The analysis does not include the estimated beginning fund balance believed to be available at the beginning of FY 1995-96.

114

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT

Financial Projections

Regional Parks and Greenspaces Department

(Additional Needs Assessment for Existing Programs)

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Fund Balance - Undesignated	\$0	\$0	\$0	\$0	\$0
Fund Balance- Restricted	0	0	0	0	0
Expo Subsidy	0	0	0	0	0
Excise Tax Earned on Parks	0	0	0	0	0
Excise Tax Earned on Expo	0	0	0	0	0
Transfer from the General Fund	0	0	0	0	0
Enterprise Rev./Glendoveer Golf Course	0	0	0	0	0
Other Enterprise Revenue	0	0	0	0	0
Pass-Through Funds/Marine Fuel Tax & Map	0	0	0	0	0
Pass-Through Funds/R.V.	0	0	0	0	0
Grants	0	0	0	0	0
Natural Areas Fund/Mult. Cty Transfers	0	0	0	0	0
Smith and Bybee Lakes Fund	0	0	0	0	0
Misc. Other Revenues	0	0	0	0	0
Total Resources	\$0	\$0	\$0	\$0	\$0
EXPENDITURES					
Personal Services	\$0	\$259,808	\$303,541	\$363,270	\$367,853
Material & Services	0	529,552	774,429	1,060,745	1,094,177
Capital	0	25,000	0	3,000	0
Interfund Transfers	0	67,550	78,921	94,450	95,668
Contingency	0	40,718	53,899	71,351	73,107
Total Expenditures	\$0	\$922,628	\$1,210,790	\$1,592,816	\$1,630,905
Total FTE	0.00	6.30	7.30	8.30	8.30
Surplus/(Deficit) in Resources	\$0	(\$922,628)	(\$1,210,790)	(\$1,592,816)	(\$1,630,905)

*** For Information Only *** Expenditures By Division

Administration Division Approved Programs

EXPENDITURES					
Personal Services	0	0	0	0	0
Material & Services	0	0	0	0	0
Capital	0	0	0	0	0
Total Expenditures	0	0	0	0	0
Total FTE	0.00	0.00	0.00	0.00	0.00

Operations & Maintenance Approved Programs

EXPENDITURES					
Personal Services	0	69,213	103,415	123,122	115,799
Material & Services	0	0	0	0	0
Capital	0	0	0	0	0
Total Expenditures	0	69,213	103,415	123,122	115,799
Total FTE	0.00	1.00	2.00	2.00	2.00



Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT

Financial Projections

Regional Parks and Greenspaces Department (Additional Needs Assessment for Existing Programs)

FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
Adopted Budget	Prelimin. Budget	Estimated Budget	Estimated Budget	Estimated Budget

Planning and Capital Dev. Approved Programs

EXPENDITURES					
Personal Services	0	190,595	200,126	240,148	252,154
Material & Services	0	529,552	774,429	1,060,745	1,094,177
Capital	0	25,000	0	3,000	0
Total Expenditures	0	745,147	974,555	1,303,893	1,346,331
Total FTE	0.00	5.30	5.30	6.30	6.30

ASSUMPTIONS AND ADJUSTMENTS

1. Additional needs assessments includes only personal services, materials & services, and capital outlay associated with new staff levels, required for maintenance of current program levels or proper operations of regional parks. This analysis does not include needed deferred capital maintenance or capital enhancement projects.
2. Additional needs assessments were estimated using the department's five year financial plan and the Departmental Needs Assessment prepared by the Regional Parks and Greenspaces Department. These documents were compared to the Department's preliminary FY 1995-96 budget, and the forecasted estimates of this analysis called "To Meet Existing Resources."
3. It is assumed no additional revenues will be forthcoming to the department as a result of the additional needs assessments.

116

Parks & Expo 5 Year Projections

REGIONAL PARKS AND EXPO FUND MANAGEMENT REPORT Financial Projections Regional Parks and Greenspaces Department (New Operations)

	FY 1994-95	FY 1995-96	FY 1996-97	FY 1997-98	FY 1998-99
	Adopted Budget	Estimated Budget	Estimated Budget	Estimated Budget	Estimated Budget
RESOURCES					
Fund Balance - Undesignated	\$0	\$0	\$0	\$0	\$0
Fund Balance- Restricted	0	0	0	0	0
Transfer from the General Fund	0	0	0	0	0
Enterprise Rev./Glendoveer Golf Course	0	0	0	0	0
Other Enterprise Revenue	0	0	0	0	0
Pass-Through Funds/Marine Fuel Tax & Map	0	0	0	0	0
Pass-Through Funds/R.V.	0	0	0	0	0
Grants	0	0	0	0	0
Natural Areas Fund	0	0	0	0	0
Smith and Bybee Lakes Fund	0	0	0	0	0
Total Resources	\$0	\$0	\$0	\$0	\$0
EXPENDITURES					
Personal Services	\$0	\$0	\$58,532	\$108,229	\$187,569
Material & Services	0	0	76,850	121,574	178,887
Capital	0	0	33,000	39,500	54,500
Interfund Transfers	0	0	15,511	28,681	49,706
Contingency	0	0	6,735	10,772	16,838
Total Expenditures	\$0	\$0	\$190,628	\$308,756	\$487,500
Total FTE	0.00	0.00	2.00	3.00	5.00
Surplus/(Deficit) in Resources	\$0	\$0	(\$190,628)	(\$308,756)	(\$487,500)

*** For Information Only *** Expenditures By Division

Operations & Maintenance

EXPENDITURES					
Personal Services	0	0	58,532	108,229	187,569
Material & Services	0	0	76,850	121,574	178,887
Capital	0	0	33,000	39,500	54,500
Total Expenditures	0	0	168,382	269,303	420,956
Total FTE	0.00	0.00	2.00	3.00	5.00

ASSUMPTIONS AND ADJUSTMENTS

- Includes only those costs associated with Land Banking Operations in the event the Greenspaces Bond Measure is approved. It is assumed that new staff and materials associated with the acquisition of land under the bond measure, would be paid from bond proceeds.
- All information was taken from the Regional Parks and Greenspaces Departments, FY 1994-95 five year financial plan.

117

118

Parks & Expo 5 Year Capital List

EXPO CENTER

Recommended Essential Capital Expenditures During the IGA Period

Description	Why Required	Estimated Cost
1. South Hall Emergency Generator	Meet Life Safety Code	\$10,000
2. Upgrade South Hall Restrooms	Increase Capacity	60,000*
3. Main Hall Generator Landscape	City Requirement	45,000*
4. KPFF Structural Study	Determine Code Requirements	30,000*
5. Level I Assessment of Site	Determine Hazards/Liabilities	20,000
6. Dike Assessment	Determine Hazards/Liabilities	XX,XXX
7. ERA Study	Analyze Revenue Enhancements	25,500*
8. Expo RV Park Study	Determine Costs/Revenue Potential	XX,XXX**

*Underway/completed at Multnomah County expense

**Funding approved in current budget

Recommended Expo Capital Improvement Plan (Beyond IGA)

Description	Why Required	Estimated Cost
1. South Hall Restrooms Upgrade	Increase Capacity	\$61,000*
2. Structural Upgrade		
A. Vertical Loading	Meet Code	XX,XXX
B. Seismic/Lateral Loading	Meet Code	XX,XXX
3. ADA Improvements	Meet Code	58,000
4. Upgrade Lighting (Int. & Ext.)		450,000
5. Paint Interior and Exterior		185,000
6. New Heating & Ventilation		130,000
7. Asbestos Abatement (Ph. II-IV)		220,000
8. Parking Lot Repair		XX,XXX
9. Replace Asphalt Floor		300,000
10. Replace Hall C Roof		306,000
11. Repair/Enhance Dike		XX,XXX
12. Parking Lot Landscape	Triggered by Major Renovation	XX,XXX

*Balance needed beyond work done by Multnomah County

119

Parks & Expo 5 Year Capital List

PARKS

Recommended Parks 20-Year Capital Maintenance Plan

Description	Why Required	Estimated Cost
1. Oxbow Park Toilets	ADA, OSHA	\$266,730
2. Oxbow Park Play Equipment	ADA, OSHA	16,500
3. Oxbow Park Flammable Storage		2,450
4. Upgrade 911 System		7,550
5. Wast-Oil Disposal System	DEQ	1,000
6. Blue Lake/Oxbow Wash Rack	DEQ	60,000
7. Oxbow Campground A Lift		13,600
8. Rebuild Lone Fir Driveway		34,794
9. Blue Lake ADA Improvements	Meet Cod	10,500
10. Bybee ADA Improvements	Meet Code	3,400
11. Maintenance Mgmt. System		9,750
12. Oxbow Fire Road Improvements		31,750
13. Close Lone Fir Vault Openings		1,600
14. Replace 284 Blue Lake Picnic Tables		58,220
15. Replace 150 Oxbow Picnic Tables		31,101
16. Replace Shelters at Oxbow Park		30,400
17. "High Ranger" Boom Truck		50,1000
18. Rebuild Sauvie Island Boat Ramp		2,450
19. Solid Waste Disposal Equipment/Plan		160,000
20. Expand Office Space at Oxbow Park		30,000
21. Upgrade Oxbow Park Water System		333,750
22. Remove Sand at East End of 43rd Ramp		5,000
23. Replace Sauvie Island Boat Dock		7,490
24. Rebuild Multnomah Cemetery Driveway		36,000
25. Dredge Boat Basin at 43rd		15,000
26. Replace Camp Shelters at Oxbow		30,800
27. New Lift on Blue Lake Pathways		45,783
28. Replace Blue Lake Shade House		2,500
29. Update Oxbow/Blue Lake Base Map		7,500
30. Replace Oxbow Out-Buildings		2,100
31. Fence East Side Columbia Pioneer Cemetery		2,400
32. 200 Gallon Sprayer		5,400
33. Resurface Sauvie Island Boat Ramp Parking Lot		3,471
34. Regrade Mt. View Stark Cemetery Driveway		5,000

Parks & Expo 5 Year Capital List

PARKS

Recommended Parks 20-Year Capital Maintenance Plan

Description	Why Required	Estimated Cost
35. Replace Blue Lake Drainage System		24,000
36. Oxbow Park Roadway Lift		50,000
37. Add 22 Snap Valve Heads at Blue Lake		1,100
38. Turf Renovation at Oxbow		10,000
39. Grade/Pave Columbia Pioneer Driveway		6,152
40. New Domestic Water Lines at Blue Lake		449,000
41. Upgrade Blue Lake Electrical System		32,000
42. Second Pay Phone at Blue Lake		2,500
43. Expand Wood Storage at Oxbow		5,600
44. Convert Blue Lake Irrigation to Automatic		60,000
45. Replace Curry Building Doors		2,000
46. Install Fence at Blue Lake		79,700
47. New Windows at Lake House		12,254
48. Window Coverings at Lake House		1,000
49. New Carpet at Lake House		3,825
50. Equipment Needs (Cost/Benefits):		
Pickup Truck	\$15,000	
Trailer	5,000	
Mower	12,500	
Flail Mower	3,300	
Ice Machine/Cooler/LH	5,200	
Total		\$41,000
51. Roof Replacements at Blue Lake (Safety; Cost/Benefit), (10 Structures)		171,800

The following items are scheduled for FY95-96

- a) Oxbow Park play equipment replacement
- b) Flammable liquid storage building - Oxbow
- c) ADA - Howell Territorial Park
- d) Roof replacement - Curry Building (Blue Lake)

This list is in priority but may be changed if conditions deteriorate at any one facility.

121

221

Meeting Date: November 22, 1994
Agenda Item No. 6.5

RESOLUTION NO. 94-1991

123

124



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS. 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

125

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING AN) RESOLUTION NO. 94-1991
ADVISORY COMMITTEE TO EXAMINE THE)
FINAL TRANSFER AND CONSOLIDATION) Introduced by Councilor
OF CERTAIN CITY OF PORTLAND) Sandi Hansen
FACILITIES AT METRO)

WHEREAS, Metro and the City of Portland entered into an agreement in 1989 to transfer the operation of certain City-owned facilities to Metro for management as phase one of a two-phase agreement; and

WHEREAS, The facilities (Civic Stadium and Portland Center for the Performing Arts) have been operated by the Metropolitan Exposition-Recreation Commission (MERC) for five years; and

WHEREAS, The original agreement anticipated a more complete consolidation of City-owned facilities within the MERC system as soon as possible after January 4, 1992; and

WHEREAS, Metro and the City approved amendments to the agreement in 1992, which included a deadline of June 30, 1993 for agreement on language to implement further consolidation; and

WHEREAS, Since target dates for concluding further consolidation have passed, it is now timely that the two governments revisit the agreement, update any provisions needing updating, and negotiate phase two of the agreement leading to consideration of transfer of title to the facilities to Metro;

WHEREAS, The MERC Commission adopted Resolution No. 94-74 at its meeting of November 9, 1994, which recommends that Metro and the city of Portland in 1995 examine the final transfer and consolidation of certain City facilities at Metro; now, therefore,
BE IT RESOLVED by the Metro Council:

1. That a special advisory committee be established to review all aspects of past, current, and future facilities managed by MERC to assess finances, organization, overall costs and budget, and any other items related or affecting consideration of the permanent transfer of these and future facilities.
2. That the committee be composed of two Portland City Council members appointed by the Mayor, two Metro Councilors appointed by the presiding officer, the Metro Executive Officer, two

126

- MERC Commissioners appointed by the Chair, and two citizen members one each appointed by the Mayor and Presiding Officer.
3. That the committee will be appointed and begin no later than July 1, 1995 and will study the issues for no more than one year and will issue a report with recommendations to both elected bodies, MERC, and the public.
 4. That the recommendations will deal with all relevant issues including:
 - A. Observations on the financial operation and health of MERC itself;
 - B. An appropriate model for operation and management of the currently existing MERC system of facilities;
 - C. The potential for transfer of additional City-owned facilities to Metro, for inclusion in the system of facilities currently managed by MERC;
 - D. Whether, when, and in what manner the title to the city-owned facilities should be transferred;
 - E. Integration of the recommendations of the joint advisory committee on Stadium issues into this scope, as those recommendations may affect finance, management, and operations.
 - F. Other issues as deemed appropriate by the committee.
 5. That the effort will be supported by staff from Metro, MERC and the City, and contracted consultants to the extent the parties agree on payment.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

127

Meeting Date: November 22, 1994
Agenda Item No. 6.6

RESOLUTION NO. 94-1990

128

129



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS. 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

130

131

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ESTABLISHING) RESOLUTION NO. 94-1990
AN ADVISORY COMMITTEE TO EXAMINE)
THE REGION'S FUTURE OPTIONS FOR) Introduced by Councilor
A STADIUM) Sandi Hansen

WHEREAS, Civic Stadium is owned by the City of Portland and is now nearly 70 years old; and

WHEREAS, the Metropolitan Exposition-Recreation Commission has operated Civic Stadium for five years and is knowledgeable about its operation and condition; and

WHEREAS, the loss of the financial support of the Memorial Coliseum's profits in the last two years, which were used to subsidize operations and capital improvements at Civic Stadium, has caused Civic Stadium to operate at a substantial loss and to diminish its financial reserve; and

WHEREAS, The Civic Stadium Business Plan developed by the MERC outlines the need for major capital improvements of as much as \$10 million over the next five years; and

WHEREAS, the MERC has entered into a 3-year lease with the Portland Rockies baseball team which will begin in the spring of 1995; and

WHEREAS, The MERC is pursuing a strategy to effect operating and capital improvements to attract more spectators to Civic Stadium, increase per capita revenues at events held in the Stadium and maximize financial performance of the facility; and

WHEREAS, A Major League or Triple-A baseball franchise would require a new or largely renovated stadium as a condition for selecting Portland; and

WHEREAS, The MERC, at its meeting September 14, 1994, reviewed these issues and recommended a public process to develop a public consensus regarding the future of Civic Stadium before a financial crisis occurs that leaves no choice but to close the facility;

WHEREAS, The MERC adopted Resolution No. 94-71 at its meeting of November 9, 1994, which recommends that Metro and the City of Portland in 1995 examine the need for location of and cost for an outdoor stadium in the Portland metropolitan region; now, therefore,

132

BE IT RESOLVED, That the Metro Council:

1. Declares its intent, jointly with the City of Portland, to establish an advisory committee to consist of representatives of the City of Portland, Metro, MERC, the Portland Metropolitan Sports Authority, and citizens from throughout the Metro area, whose charge will be to:

- Analyze the Portland metropolitan region's need for an outdoor stadium and make findings on the need for a stadium in the region;
- Analyze the condition of Civic Stadium, including the cost to renovate it for continued use and for use by a Major League or Triple-A franchise;
- Analyze the current costs and opportunities of Civic Stadium versus a stadium at a different location;
- Recommend a course of action on continuing or ceasing use of Civic Stadium;
- Recommend in favor or against steps to build a new stadium, either at the existing site of Civic Stadium or an alternate location;
- Project the costs of ongoing operating and capital costs of all recommended actions, including a recommendation to close Civic Stadium;
- Recommend a way to provide ongoing operating and capital revenue to sustain a stadium operation.

2. Directs that this committee shall be formed and start its work no later than August 1995 and complete its work and present a report and recommendations to Metro and the City within 18 months.

3. Directs that adequate resources be provided to the committee to assist it in making determinations about the cost of renovating Civic Stadium, the cost of siting and building a new stadium and the ongoing operating and capital expense of a stadium facility.

ADOPTED by the Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

133

Meeting Date: November 22, 1994
Agenda Item No. 6.7

RESOLUTION NO. 94-1978

134

135



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS. 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

136


137



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council 

RE: AGENDA ITEM NO. 6.7

The report "Smith & Bybee Lakes Interpretive Center - Conceptual Design" is a companion document to Resolution No. 94-1978. The report will be distributed separately from this agenda packet and will be available at the Council meeting November 22, 1994. Persons wishing to obtain a copy in advance may contact the Clerk at 797-1534.

138

139

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING) RESOLUTION NO. 94-1978
THE CONCEPT DESIGN FOR SMITH) Introduced by Rena Cusma
AND BYBEE LAKES INTERPRETIVE) Executive Officer
CENTER)

WHEREAS, in the *Natural Resources Management Plan for Smith and Bybee Lakes*, adopted by Metro Council on November 8, 1990, via Resolution No.90-367, construction of an interpretive center for the Smith and Bybee Lakes Natural Area was identified; and,

WHEREAS, in the *Recreation Master Plan for Smith and Bybee Lakes* adopted by Council via Resolution No.92-1695, in November, 1992, the need for the interpretive center in the lakes area was outlined; and,

WHEREAS, a concept design for the interpretive center was developed through a public process, including participation of the Interpretive Center Concept Design Advisory Committee and two public hearings; and,

WHEREAS, on September 27, 1994, the Smith and Bybee Lakes Management Committee recommended that the Council adopt the proposed concept design for the interpretive center; now, therefore,

BE IT RESOLVED,

That Metro Council adopts the concept design for the interpretive center proposed for Smith and Bybee Lakes as attached in Exhibit A; and,

That Council supports staff efforts to develop funding sources external to the Lakes Trust Fund for the purpose of funding construction of the interpretive center.

ADOPTED by Metro Council this _____ day of _____, 1994.

Judy Wyers, Presiding Officer

140

141

STAFF REPORT

ADOPTION OF CONCEPT DESIGN FOR SMITH AND BYBEE LAKES INTERPRETIVE CENTER

Date: November 16, 1994

Presented by: Jim Morgan

HISTORICAL DEVELOPMENT

As part of Metro's responsibilities in managing the Smith and Bybee Lakes Natural Area, an interpretive center will be designed and built within the area. Construction of an interpretive center was identified in the *Natural Resources Management Plan for Smith and Bybee Lakes*, adopted by Metro Council in November, 1990, and in the *Recreation Master Plan for Smith and Bybee Lakes* adopted by Council in November, 1992. As outlined in both plans, the primary function of the interpretive center is to provide education about the natural resources of the Smith and Bybee Lakes area: its history, its present conditions, and what can be done to enhance it. Conveying the natural and cultural history of the lakes area and offering opportunities for environmental education to schools and the public were clearly the major functions of the interpretive center as identified in the public process during development of the concept design.

The concept design and the design process were presented to the Council's Regional Facilities Committee August 3, 1994. Members of the committee raised issues regarding the concept design and implementation procedures, to which are addressed below.

FUNCTION AND SIZE OF BASE BUILDING

In determining the total size of the interpretive center, the first step taken was to determine specific needs for the interpretive center, thereby, determining the desired functions and space allocation that needed to be incorporated into the design of the building.

Demand Analysis

The potential demand for a facility as proposed for Smith and Bybee Lakes will extend beyond the immediate vicinity. According to a study by Envirosphere Company, viewing and studying nature is one of the fastest growing recreational activities in the state of Oregon. Oregon State Parks projects an 8.5% annual growth rate in nature study, which includes interpretive displays and viewing wildlife, and reports 68% of visitors to Oregon Parks participate in wildlife viewing. The regional trend in nature study is reflected in information on national interest. According to U.S. Fish and Wildlife Service, 70% of the U.S. population enjoys wildlife viewing and studying as least as part of another activity.

142

Comparable Facilities

Within the Portland metropolitan region, there is no facility that is a clearly analogous to the Smith and Bybee Lakes proposed development. The facility most analogous is Tryon Creek State Park, located in southwest Portland and northwest Clackamas County. Readily accessible to downtown Portland and from Interstate 5, the park features Tryon Creek running through forest habitat. Interviews with the director and volunteers indicate that demand exceeds supply in terms of on-site educational programs, and the current nature center space is inadequate for meeting all other use demands.

<u>Tryon Creek State Park</u>		<u>Smith/Bybee Lakes Area</u>	
Total Area:	625 acres	Total Area:	2,000 acres
Nature Center:	5000 sq. ft.	Interpretive Center	15,000 sq.ft.
Instructional Shelter	2000 sq. ft.		
Resident Ranger House:	1200 sq. ft.	Caretaker's Residence	1,500 sq.ft.
Shop + Storage Shed	1500 sq. ft.	Workshop/Storage	1,500 sq.ft.
Visitors:	430,000/yr.		
School Use:	1 to 2 groups/day		

Regional Facilities

Comparing the proposed facility at Smith and Bybee Lakes Natural Area to other facilities in Oregon provides perspective of space allocation for specific purposes.

<u>Facility</u>	<u>Annual Attendance</u>	<u>Total Bldg. (sf)</u>	<u>Interpretive Space (sf)</u>	<u>Education Space (sf)</u>
Tryon State Park	430,000 (1993)	5,000	1,120	1,000 (classroom, shelter)
Inskeep Center	120,000 (1991)	1,600	1,600	2,400 (shelter)
High Desert Museum	196,000 (1991)	40,000	25,000	1,000 (classroom)
Warm Springs Museum	NA	25,700		
Oregon Trail Museum	NA	23,000		
Smith/Bybee	--	15,000	7,600	2,650 (classrooms, library, education shop)

143

Environmental Education

The current demand from local schools for facilities and access to the lakes area is very high. For example, Roosevelt High School, which is approximately one mile from the proposed site for the center, has formally adopted Smith and Bybee Lakes Natural Area as the focal point for their Natural Resources Pathway in their Renaissance 2000 Program, and included the resource area as a focal point in a number of their other pathways. In this program, freshman students chose a tract that they follow throughout high school, graduating with an advanced degree focus, such as Natural Resources.

Less than 4500 feet from the proposed interpretive center site lies George Middle School, where current curriculum for a number of classes focus on the lakes area. These teachers anticipate additional utilization of the resource area if there were protection from the weather, classroom/lab facilities on-site, and greater accessibility available.

The public schools within four miles of the interpretive center site are two high schools (Roosevelt and Jefferson), three middle schools, and eleven elementary schools. With increasing budgetary restrictions, especially regarding travel allocations, it is anticipated that more public schools will want to utilize local resources for curriculum development. Private schools within this radius include University of Portland, as well as several private middle and high schools.

Staff has received many requests for on-site interpretive tours and curricula development from at least one-half of the local schools, with additional requests coming in from schools throughout the region. A more thorough assessment of present and projected demands from local schools and communities, as well as the region, for environmental education utilizing the lakes area will be made by the environmental education intern recently employed in the Smith and Bybee Lakes Management Program.

APPURTENANT BUILDINGS

Buildings in proximity to the interpretive center that are necessary for maintaining both the center and the entire natural area include the caretaker's residence and the maintenance facility. A caretaker's residence is needed on-site to insure there is 24-hour security provided for the interpretive center investment. Providing the caretaker with a residence on-site, at a reduced rental rate, has proven to be a cost-effective means to providing security in relatively remote locations, such as that found at Powell Butte. Since a permanent staff member is envisioned for managing the entire natural area, locating a ranger/caretaker's residence adjacent to the interpretive center will provide security during hours when the interpretive center is closed. A 1,500 square foot residence is assumed,

144

with a two-bay garage for storing both work and personal vehicles. This is comparable to those at Oxbow Regional Park and Tryon State Park.

A maintenance building is essential for providing workshop and storage space for maintenance vehicles and tools. This facility will serve the entire management area as well as the interpretive center and its associated facilities, similar to facilities at Oxbow Regional Park and Tryon State Park.

OPERATIONS AND MAINTENANCE

Projected operations and maintenance costs for the interpretive center and caretaker's residence were made using the most recent data available from Building Owners and Managers Association (BOMA). Using 1994 BOMA Experience Exchange Report, data was used for those building in the Portland area less than 50,000 square feet.

Estimated Annual Maintenance Expenses:

	<u>Area (ft2)</u>	<u>\$/ft2</u>	<u>Total</u>
Base Building	15,300	\$3.91	\$59,823
Caretaker Residence	1,500	\$3.91	<u>\$ 5,865</u>
			\$65,688

This annual estimate includes cleaning, repair and maintenance, utilities, security, and administration costs. The primary source of revenue for meeting operations and maintenance costs is the interest generated annually from the Smith and Bybee Lakes Trust Fund. With the current fund at approximately \$3.2 million, and assuming an annual interest rate of 3.5% (conservative), approximately \$111,200/yr. would be available from the trust fund without depleting the principal. Other funding sources for annual operation and maintenance costs may be user fees associated with renting interpretive center facilities (i.e. meeting room, classrooms, concert space). Educational institutions, such as Portland School District, may fund specific educational programs at the site that would contribute to on-going maintenance needs.

Other management responsibilities will also compete for interest funds generated from the trust fund principal each year, such as personnel (natural area manager) and operations and maintenance for other facilities within the management area (i.e. trails, signs, parking areas, boat launch). At this time, it is envisioned that the environmental education program staff will depend, to a large extent, on sources external to the Lakes Trust Fund and volunteers.

145

Projected Staffing Needs

For the functions envisioned for the interpretive center, a bare-bones staff would include:

- 1 full-time director
- 1 9-month position
- 1 3-month position
- 15-20 regular volunteers with 4-hr. shift/week.

The director and 9-month seasonal staff would teach classrooms groups (15 students per group) 5 days a week. The volunteers staff the information/desk/bookstore. The 3-month seasonal staff person helps cover interpretive programs in the summer, while the director takes vacation, raises funds, and conducts administrative responsibilities. Funding for these positions may come from the interest generated from the trust fund after other expenses are met. Based on the current principal, every 1% increase in the annual interest rate yields an additional \$32,000 in interests. With educational programs focusing on local schools, additional grants or fees may be obtained for providing specific educational services.

PROJECT SCHEDULE

Much of the project schedule is dependent on the availability of funds for design and construction. It is anticipated that most of the funding sources will be external to the Lakes Trust Fund for the following reasons:

- (1) a project of this magnitude could deplete the trust fund severely or entirely, thus, leaving little to no principal for generating interest earnings to meet operations and maintenance needs;
- (2) presenting a funding request to potential contributors where an operations and maintenance fund is clearly provided for perpetuity is more likely to be successful; and,
- (3) the public support and attractive attributes of this project makes it highly eligible for many potential funding sources.

Fund Raising

Fund raising for the project will focus for public as well as private sources. Potential sources for which this projects may be eligible for funding include, but not limited to:

Public

Smith and Bybee Lakes Trust Fund

North Portland Enhancement Fund

St. Johns Landfill funds (generated from gas exploitation)

Portland Bureau of Environmental Services (sewer improvement projects)

146

Port of Portland (mitigation obligations)
Federal appropriation (supported by Oregon delegation)

Private
Meyer Memorial Trust
Lila Wallace-Readers Digest Fund
Bullit Foundation

The fund-raising strategy will be developed in more detail with the assistance of a contractor with experience in developing a funding program. In the FY94-95 adopted budget, \$10,000 was allocated for a personal services contract ("B" Council designation) for funding development.

Options

The base footprint of the interpretive center building is limited by the amount of land above the flood plain. Any expansion of the building base beyond current design will require filling of wetlands, which will require additional permits and is philosophically in opposition to the focus of the center. The base building could be downsized if certain functions were deemed inappropriate or not cost-effective.

Assuming all the functions included in the design are appropriate and necessary, the size of each area according to the intended function can be adjusted independently only at the expense of changing the entire building design. Maintaining the same relative proportions, a proportional downsizing of the entire building is limited to what is the smallest acceptable area for certain functions that have either lower legal limits (i.e. bathrooms) or practical limits (i.e. office, kitchen).

There are different scenarios, based on the availability of funds, that will dictate the implementation schedule.

Scenario 1 - Total Funds Available

Nov. '94 - Oct. '95	Total Funding Secured
Nov.'95 - April '96	Final design with construction drawings Select Contractor
May '96 - Sept.'97	Construct base building, caretakers residence, maintenance building, trails, canoe launches, parking lot and walkways
Oct.'97	Open to Public

147

Scenario 2 - Limited Funds

If construction of the project is limited by cost, construction may be phased according to a rational implementation plan and available funds. A construction schedule may be phased similar to the manner outlined in the *Recreation Master Plan*, as suggested below.

Phase I Residence and Maintenance Buildings, Boat Launch, Trails

Rationale: A caretaker/ranger is needed on-site immediately following completion of what is outlined in the recreation plan as Phases I and II. These phases include completion of the Interlakes Trail, two observation platforms, boardwalks, and signs (Phase I); and completion of the trail circumventing the lakes, a boat launch, and parking lot (Phase II). With complete access to all parts of the management area, a boat launch, and a parking lot available to the public, security and maintenance needs will require a caretaker and maintenance facilities.

Facility	Est. Cost
Parking Lot	\$ 91,000
Canoe Launches	\$ 47,000
Caretakers Residence	\$ 97,500
Maintenance Building	\$ 90,000
Sub-Total	\$325,500
Soft Costs (20%)	\$ 65,100
Total Phase I	\$390,600

Phase II Construct Interpretive Center Base Building

Rationale: A functional interpretive center could go on-line without all the exhibits and site improvements available. Given more time for implementation, some of these features may be obtained through contributions and volunteer efforts (i.e. plantings, test plots, rooftop features).

Facility	Est. Cost
Base Building	\$ 1,760,000
Walkways	\$ 35,000
Site Lighting	\$ 30,000
Signs	\$ 55,000
Fixtures, furniture, equipment	\$ 100,000
Sub-Total	\$1,980,000
Soft costs (20%)	396,000
Total Phase II	\$2,376,000

148

Phase III Exhibits and Remaining Features

Rationale: Flat panels, 3-dimensional and diorama exhibits may be developed during the completion of Phase II or as funds become available, while being able to provide a quality experience at the interpretive center. Rooftop planting features and the test plots can be nurtured over time with community service groups and volunteers. Much of the plants and materials required for landscaping will be obtained from native plant sources that are readily available. However, cost estimates are provided to be consistent with cost estimates given in the interpretive center concept design report.

Facility	Est. Cost
Flat panels	\$250,000
3D	\$144,000
Dioramas	\$132,000
Planting/Irrigation	\$ 50,000
Wetland Interpret.	\$ 40,000
Sub-Total	\$616,000
Soft Cost (20%)	\$123,000
Total Phase III	\$739,000

Adoption of the concept design does not obligate any additional funds at this time. There will be no anticipated budgetary impacts for FY95-96 as a result of adoption of the concept plan. The development of a funding strategy will initially focus on obtaining funds exclusively external to the Lakes Trust Fund for construction of the interpretive center. After a reasonable period (through FY95-96) of using this strategy, the fundraising strategy will be evaluated with the guidance of the Council.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends that Council adopts Resolution No. 94-1978.

149

Meeting Date: November 22, 1994
Agenda Item No. 6.8

RESOLUTION NO. 94-1979

150

151



METRO

DATE: November 16, 1994

TO: Metro Councilors
Executive Officer
Agenda Recipients

FROM: Paulette Allen, Clerk of the Council *PA*

RE: AGENDA ITEM NOS. 6.2, 6.4, 6.5, 6.6, 6.7 AND 6.8

Please be advised that this Council agenda packet is being printed early to facilitate mailing, faxing and in-house distribution to all agenda recipients and that the Agenda Items noted above are all slated to be considered by the Regional Facilities Committee this date and/or the Planning Committee November 17. The Committee reports will be distributed in advance to Councilors and will be available at the Council meeting Tuesday, November 22. Persons wishing to receive Committee reports before that date are welcome to contact the Clerk at 797-1534. Thank you.

152

153

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING) RESOLUTION NO. 94-1979
A LONG TERM LEASE AGREEMENT)
OF PROPERTY FOR A CELLULAR)
TELEPHONE ANTENNA SITE AT) Introduced by Rena Cusma
GLENDOVEER GOLF COURSE) Executive Officer

WHEREAS, GTE Mobilnet representatives have approached the Regional Parks and Greenspaces Department to negotiate a long term ground lease for a small cellular telephone facility on the edge of Glendoveer Golf Course; and

WHEREAS, The purpose of the antenna site is to improve the quality of cellular service to the East Multnomah County area; and

WHEREAS, Metro desires to receive rent and GTE Mobilnet desires immediate service improvements during negotiations on a long term lease; and

WHEREAS, The City of Portland has six cellular telephone antenna sites under lease, including a water tower-related site leased to GTE Mobilnet that create a local "market" for these special leases; and

WHEREAS, GTE Mobilnet has agreed to pay Metro the same rate and abide by the same terms as its long term lease with the City of Portland; and

WHEREAS, The cellular antennas operate a very low power that is exempt from Portland's detailed land use requirements for high powered facilities; and

WHEREAS, The Metro Council adopted Resolution No. 94-2028 on September 8, 1994, authorizing a temporary lease with GTE Mobilnet and authorizing the Executive Officer to negotiate a long term lease; and

WHEREAS, Negotiations for a long term lease have been concluded, and the lease agreement along with a supplementary agreement with GTE Mobilnet, to accomplish the painting of the water tank, are attached; now, therefore,

BE IT RESOLVED,

1. That the Metro Council hereby authorizes the Executive Officer to execute the long term ground lease with GTE Mobilnet for a cellular telephone antenna site at Glendoveer Golf Course, attached as Exhibit A.

2. That the Metro Council hereby authorizes the Executive Officer to execute a supplementary agreement negotiated with the long term lease to accomplish the painting of the water tank in substantially the form of Exhibit B attached.

154

ADOPTED by the Metro Council this ___ day of _____, 1994.

Judy Wyers, Presiding Officer

155

EXHIBIT A

CELLULAR SITE
LEASE

THIS LEASE, entered into and effective as of the _____ day of _____ 1994, between Metro, a Municipal Corporation of the State of Oregon ("Lessor"), 600 Northeast Grand Avenue, Portland, Oregon 97232-2736 and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, 15575 Southwest Sequoia Parkway, Portland, Oregon 97224 ("Lessee").

1. Lease Description. Lessor owns the "Glendoveer" Tank Site property described on "Exhibit A," attached hereto (the "Property"). Lessor hereby leases to Lessee certain space on the water tank (the "Tank") located on the Property for Lessee's antennas as shown on the Site Plan attached hereto as "Exhibit B". Lessor also leases to Lessee a portion of the property, indicated on "Exhibit B" for Lessee's equipment shelter together with a non-exclusive easement for interconnecting cables between Lessee's equipment shelter and Lessee's antennas on the Tanks. The said Tanks, antenna space, and easement for cables shall collectively be described as the "Premises" herein.

2. Term. Subject to Section 6 and 7, this lease shall be for a period of twenty (20) years. The twenty year period shall commence on the effective date of this agreement. Lessor grants Lessee the right to renew the underlying lease for an additional 10 year term.

3. Payment Provisions. (a). Lessee shall pay Lessor, as rent, the sum of one thousand four hundred forty-one dollars (\$1,441) per month during the first year of the Lease unless such payments are offset as a result of lessee having painted the "Tank" pursuant to Subsection (b) (below). At the beginning of each year thereafter, the monthly rent shall automatically be adjusted in the proportion to the change in the "All

156

Items" category of the Consumer Price Index for Urban Wage Earners and Clerical Workers, published by the Bureau of Labor Statistics of the U.S. Department of Labor for the Portland Metropolitan Statistical Area (1982-84 = 100) (the "Index"). The first adjustment shall be based on the amount, if any, by which the aforementioned Index for the first calendar year of the Lease term has changed from the Index for the calendar year preceding the commencement of the Lease term. Subsequent adjustments will be based on the amount, if any, by which the aforementioned Index for each subsequent calendar year of the Lease term has changed from the Index for the calendar year of the preceding 12- month period. If the aforementioned Index is discontinued, the parties agree to use a locally available comparable substitute. Rent shall be payable on the first day of each month, at such place as may be designated by Lessor, except that rent for the first month shall be paid upon execution of this Lease, and Lessor acknowledges receipt of the same. All rental payments shall also include an itemized statement showing any deductions made from the rent for such phones and other items and services provided by Lessee to Lessor as allowed by the terms of the Lease. Lessor may request, and Lessee agrees to provide, cellular phones and/or related electronic items, together with set-up installation, and other peripheral services, in lieu of any portion of the monthly rental amount; provided, however, that requests for such phones and other items and services may be accepted by the Lessee only if in writing, only if bearing the approval of the Operations and Maintenance Supervisor of the Lessor, and only if attached to any such approved request is a written estimate from the Lessee itemizing the individual costs for the phones and/or other items and services to be provided to Lessor by Lessee. All cellular phones and/or related electronic items provided to Lessor by Lessee as any part of the consideration for the Antenna Site Lease, including those phones provided as described in Section 5(h) of this Lease, shall become the property of the Lessor at the time of acceptance of delivery from Lessee. All maintenance, repair and replacement costs for the phones and/or

157

electronic items are the sole responsibility of the Lessor unless otherwise specifically agreed upon via modification of the Lease by both parties, or other written agreement approved by the Operations and Maintenance Supervisor of the Lessor and by the Lessee. (b) Offset to lease payments. In further consideration, Lessee has agreed to clean and repaint the water tower owned by Lessor and Lessor has agreed to an offset in rent up to \$21,000.00 to reflect the cost expended by Lessee for said cleaning and repainting.

4. License. Lessee has been granted a license (the "License") by the Federal Communications Commission (the "FCC") to construct a cellular radio communications system in the Portland Metropolitan Statistical area. Lessee shall be authorized to use the premises as a cell site for such system, as more fully described in Section 5 below.

5. (a) Use of Site. Lessee shall have the right to erect and maintain on the Premises cellular and microwave antennas on the Tank together with an equipment shelter for housing of electronic equipment related to the antennas and cellular system, interconnecting cables (collectively hereinafter referred to as the "Cell Site Facility"). Lessor acknowledges that is has been apprised on the extent of such construction as depicted on Exhibit "C" attached hereto. Design review and final details of the site modifications and equipment building depicted on Exhibit "C" shall be approved by the Lessor prior to installation. The Lessor shall be notified in writing two weeks prior to the start of installation work at the Premises. Lessee shall restore Lessor's property at the Premises to the same condition as found at the start of the installation work as soon as all installation work is completed. All improvements (antennas, cable, cellular equipment and emergency power) except the equipment building (as depicted in Exhibits "B" and "C" of this Lease) shall remain the exclusive property of the Lessee and shall be removed by Lessee at the termination of this lease. The equipment building shall become the property of the Lessor at the termination of this lease unless

18
158

the lease is terminated prior to the 20 year term pursuant to either Section 6(b) or Section 7 of the lease herein. Lessee, upon termination and removal of said antennas and cables from the premises shall restore and repaint, to the Lessor's satisfaction, any areas specifically damaged by the attachment and/or removal of the antennas and cables from the water tower and Premises.

(b) Maintenance. The Cell Site Facility shall be erected and maintained at the expense of Lessee, and at its sole risk. Lessee shall maintain the Cell Site Facility including antennas, equipment shelter, generator and other equipment, cables and any other components of the Cell Site Facility. The Lessor shall maintain the security improvements (fencing, gate) and all landscaping on the Property.

(c) Indemnification. Lessee will defend, indemnify and hold harmless Lessor, its officers, agents and employees, from any liability, loss or damage Lessor may suffer (including any reasonable attorneys' fees and expense) as a result of claims, demands, actions, suits, costs or damages against Lessor of any kind whatsoever in connection with or arising out of (1) any violation of law, ordinance or covenant or condition of this Lease by Lessee, its agents, employees, invitees or visitors or (2) any injury or damage occurring to any person or to property of any kind belonging to any person from any cause or causes whatsoever while on or in any way connected with any portion of the Premises during the term of this Lease. However, this provision shall not be construed to relieve Lessor from responsibility for any loss or damage caused to Lessee or others solely as a result of negligence or willful acts of Lessor or its employees. Lessee shall give Lessor prompt notice in case of casualty or accidents on the premises. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause other than Lessor's sole negligence, and Lessee waives all claims in respect thereof against Lessor.

159

(d) Utility Services. Lessor understands that Lessee may be required to supply the Premises with utilities and/or to improve the present utility service to the Premises. Lessee shall have the right to install utilities on the Premises. Lessor and Lessee agree to negotiate in good faith to determine the manner in which any such utility services will be supplied to the Premises.

(e) Access. Lessor shall provide Lessee access over the Property to the Premises at all times during the Lease. Lessee shall provide Lessor with a key to any of Lessee's locks on gate(s) in fences surrounding the Property.

(f) Services to the Premises/Liens. Except with respect to activities for which Lessor is responsible, Lessee shall pay as due all claims for work done on, and for services rendered or material furnished to, the Premises, and shall keep the Premises free from all liens.

(g) Water Tank Maintenance. Should Lessor be required in the course of normal and customary maintenance to make repairs, repaint, or replace structural members of Lessor's water tank(s) upon which Lessee's antennas and cables are mounted, Lessee shall pay any incremental cost of said repairs, repainting, or replacement caused solely by the presence of Lessee's antennas being attached to Lessor's water tank(s). This incremental cost payable by Lessee shall be the difference between competitive bids obtained by Lessor from reputable contractors to repair, repaint or replace structural members of the water tank(s) upon which Lessee's antennas and cables are attached and bids to repair, repaint, or replace structural members of the water tank(s) without said antennas and cables attached. Should the work to be performed by Lessor require the temporary removal of any Lessee's antennas and/or cables, all costs of said removal shall be borne by the Lessee.

(h) Lessor Cellular Phones. As a one-time consideration, within 60 days of the execution of this Lease by both Lessee and Lessor, Lessee shall provide, install and activate to and for Lessor fifteen (15) cellular phones. Nine cellular phones

160

shall be Motorola Ultra Classic H+ portable phones, each with leather case and spring clips. Six cellular phones shall be Motorola "Alpha Classic" portable flip phones, each with leather case and spring-clips. All fifteen phones shall be equipped with batteries and "Rapid Charge" battery chargers. Lessor shall be responsible for setting up and activating service from any vendor. All fifteen phones shall be provided in a fully functional state, ready for Lessor's use. All fifteen phones shall be set up so as to be compatible with the Metro's phone system, including all functions available to 797-prefix cellular phones.

(i) Radio Interference. Lessee shall protect any future Lessor-owned transmitter and receiver installation from any form of radio interference from the Cell Site Facility. Protection shall include but not be limited to: transmitter intermodulation, receiver intermodulation, or spurious radiation. Lessor shall not allow to be installed on Lessor's Tank any radio transmitter and/or receiver installation not existing and/or approved for installation on the effective date of this Lease without providing all existing Lessees the opportunity to review proposals for such installations. Lessor agrees to provide a 90-day period, beginning at the date of written notification to Lessee(s), to allow negotiations between existing and/or proposed Lessee(s) to discuss mutual radio non-interference, before Lessor allows any such proposed installation.

(j) Tank Removal. Should Lessor determine that removal of the Tanks on the Lessor's property is in the best interest of the Lessor's responsibility to provide its services, the Lessee shall have the option of relocating their antennas and cables on the property. Lessee's option to relocate on the property is, however, subject to the Lessor's right to terminate under Section 6(b) of this lease. Relocation of the antennas and cables shall comply with all City of Portland land use, zoning and building permit procedures, and require the prior written approval of the Lessor, which shall not be unreasonably withheld. Lessee shall have the option to renegotiate the payment provisions should relocation of the antenna and cables be required because Lessor

161

determines that removal of the Tanks on Lessor's property is in the best interest of the Lessor's responsibility to provide its services. Lessor shall provide Lessee written notice 24 months in advance of removal of the Tanks, subject to Lessor's right to terminate with less than 24 months notice under Section 6(b) of this Lease.

6. Termination By Lessor. (a) Lessor shall have the right to terminate this Lease, by written notice to Lessee, if an event of default by Lessee occurs and if Lessee has not corrected such default or begun correction within 30 days after written notice from Lessor. An event of default by Lessee shall occur if Lessee (1) fails to pay any rent on or before the date due, (2) fails to fulfill any obligations or term of this Lease, or (3) is deemed insolvent, makes an assignment in bankruptcy, or fails to secure dismissal of an involuntary bankruptcy, or petition within a reasonable time.

(b) Lessor may terminate this Lease if, in the sole judgment of the Lessor, Lessor needs the premises as part of Lessor's responsibility to provide its services, provided Lessor gives Lessee written notice 24 months in advance of Lessor's need to re-enter the Premises. Lessor may terminate this Lease by giving less than 24 months advance written notice to Lessee, for reasons of public health, safety or water supply reasons which in the sole judgment of the Lessor requires Lessee's exclusion from the Premises.

7. Termination By Lessee. Lessee shall have the right to terminate this Lease, by written notice to Lessor, upon the occurrence of any of the following events:

(a) If Lessor defaults in observing any covenant or term hereof and fails to correct such default or commence correction of such default within 30 days after written notice from Lessee.

(b) If the approval of any agency, board, court or other governmental authority necessary to construction and/or operation of the Cell Site Facility cannot be obtained, or if Lessee reasonably determines the cost of obtaining such approval is prohibitive.

162

(c) If Lessee reasonably determines that the Premises are not appropriate for a Cell Site Facility for technological reasons, including, but not limited to, signal interference.

(d) At any time if the License is revoked, materially amended or suspended.

8. Effect of Termination. Upon notice to terminate by Lessor or Lessee under Section 6 or 7 above, the Lease shall terminate and be of no further force and effect, except for the requirements set out in Section 5 and Section 15.

9. Real Property Taxes. Upon commencement of the Lease, real property and/or excise taxes for the Premises shall be the responsibility of the Lessee. Lessee shall annually furnish proof to the Lessor that any taxes due have been paid. Should the Lease be terminated by either Lessor or Lessee, Lessee shall be responsible only for a prorated amount based on the date of termination of the Lease.

10. Insurance. Lessee shall maintain public liability and property damage insurance including automobile liability insurance and a fire legal liability endorsement, that protects Lessee and Lessor and its officers, agents and employees from any and all risks, claims, demands, actions and suits for damage to property including without limitation cracking or breaking of glass, or personal injury, including death, arising directly or indirectly from Lessee's activities or any condition of the Premises, whether or not related to an occurrence caused or contributed to by Lessor's negligence. The insurance shall protect Lessee against the claims of Lessor on account of the obligations assumed by Lessee under this Lease and shall protect Lessor and Lessee against claims of third persons. The insurance shall provide coverage for not less than \$200,000 for personal injury to each person, \$500,000 for each occurrence, and \$500,000 for each occurrence involving property damages; or a single limit policy of not less than \$500,000 covering all claims per occurrence. The limits of the Insurance shall be subject to statutory changes as to maximum limits of liability imposed on

163

municipalities of the State of Oregon during the terms of this Lease. The insurance shall be without prejudice to coverage otherwise existing and shall name as additional insureds Lessor and its officers, agents and employees. Notwithstanding the naming of additional insureds, the insurance shall protect each insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured. The coverage must apply as to claims between insureds on the policy. The insurance shall provide that the insurance shall not terminate or be canceled without thirty (30) days written notice first being given to the City Auditor. If the insurance is canceled or terminated prior to termination of the Lease, Lessee shall provide a new policy with the same terms. Lessee agrees to maintain continuous, uninterrupted coverage for the duration of the Lease. Lessee shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required by this section. The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of the Lease by Lessor. A copy of Lessee's liability insurance certificate will be forwarded under separate cover.

Lessor shall have the right to review the limits of insurance required by this section at any time this Lease is renewed. In the event Lessor reasonably determines that such limits should be increased or lowered, Lessor shall provide notice to Lessee of such determination and Lessee shall, if the limits are increased, modify its coverage to comply with the new limits and provide Lessor with an updated certificate. Under no circumstances shall Lessor be responsible for or provide insurance to cover loss or damage of Lessee's equipment or personal property.

11. Force Majeure. If a material portion of the Premises or Lessee's improvements thereon are destroyed or damaged by fire, windstorm or other

164

catastrophic event, Lessee may elect to terminate the Lease effective as of the date of the damage or destruction by notice given to Lessor in writing not more than 45 days following such date. In such event, all rights and obligations of the parties shall cease as of the effective date of termination, except for the requirements set out in Section 5 and Section 15.

12 Sublet/Sublease. Lessee may not assign or sublet the Premises at any time for use as a cell site for a cellular radio communications system or for any other purpose without the prior written approval of the Lessor, and no such assignment or sublease shall relieve Lessee from any of its obligations hereunder.

13. Notices. Any notice required or permitted under this Lease shall be given when actually delivered, or 48 hours after deposited in the United States mail as certified mail, addressed to the addresses as specified below, or as from time to time changed by either of the parties in writing.

Lessor: Metro
Operations and Maintenance Supervisor
Regional Parks and Greenspaces Department
600 NE Grand Avenue
Portland, Oregon 97232-2736

Lessee: GTE Mobilnet of Oregon
Limited Partnership
Attn: Network Systems Manager
15575 SW Sequoia Parkway
Portland, Oregon 97224

With copy to: GTE Mobilnet Incorporated
Attn: Legal Department
245 Perimeter Ctr. Parkway
Atlanta, Georgia 30346

14. Rental. If this Lease terminates at a time other than the end of one of the specified rental periods, then the rent shall be prorated as of the date of termination,

165

and in the event of termination for reasons other than default of Lessee, all prepaid rent shall be refunded to Lessee or paid on its account. In the event of termination due to default of Lessee, any prepaid rent shall be retained as the property of the Lessor.

15. Succession. This Lease shall run with the Property described in Exhibit "A". This lease shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Any successor to Lessee arising as a result of withdrawals of existing partners, admissions of new partners, transfers of interest of partners, or incorporation of the Lessee shall be deemed the Lessee hereunder for all purposes of this Lease (including this sentence). Lessee and its assigns, if any, shall only use the site for a cellular radio communications system. Other forms of communication must be approved by the Lessor prior to implementation.

16. Payment Location. Per Section 3 ("Payment Provisions") the place designated by Lessor for payment of the monthly rent for the Antenna site Lease

Premises is:

Metro
Accounts Receivable
600 NE Grand Avenue
Portland, Oregon 97232

or such location as may be requested in writing by Lessor's Department Director.

Payment shall be by a check made payable to Metro.

166

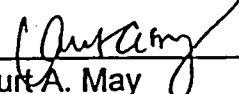
IN WITNESS WHEREOF, the parties hereto have executed this instrument, any corporation signature being by authority of the Board of Directors.

METRO

Rena Cusma
Executive Officer

GTE MOBILNET OF OREGON

By: GTE Mobilnet Incorporated
Its General Partner

By: 
Kurt A. May
Area Vice President- Northwest

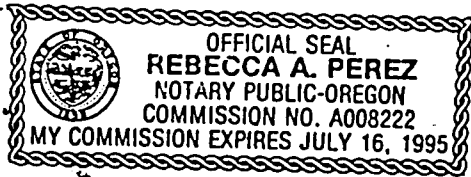
167

ACKNOWLEDGMENT

STATE OF OREGON)
) ss
COUNTY OF WASHINGTON)

The foregoing instrument was acknowledged before me by Kurt A. May, Area Vice President--
Northwest,

Subscribed and sworn to before me this 7th day of NOV, 19 94.



Rebecca A. Perez

Notary Public for the State of Oregon

My Commission Expires: 16 Jul 95

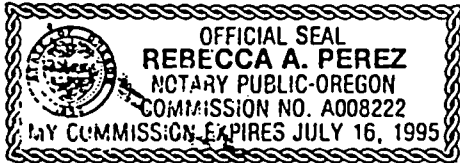
168

ACKNOWLEDGMENT

STATE OF OREGON)
) ss
COUNTY OF MULTNOMAH)

The foregoing instrument was acknowledged before me this day by Rena Cusma, Executive Officer on behalf of Metro, a metropolitan service district.

Subscribed and sworn to before me this 7th day of Nov, 19 94.



[Handwritten Signature]

Notary Public for the State of Oregon

My Commission Expires: 16 Jul 95

169

EXHIBIT "A"

Exhibit "A" attached to and made a part of that certain Antenna Site Lease entered into by and between METRO as Landlord, and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, as Tenant, and dated October 31, 1994.

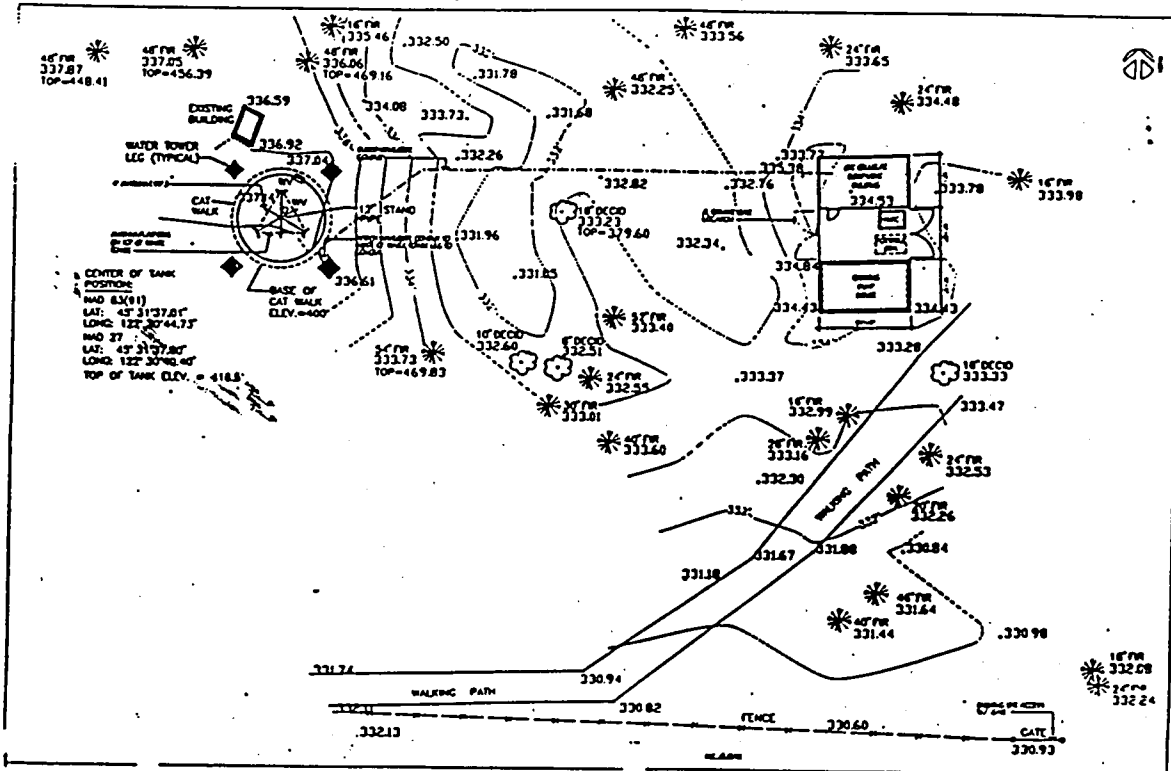
Legal description: Section 35, 1 North, 2 East, TL, 300, 1.96 Acres, Map 2944.

Initials: lay

170

EXHIBIT "B"

Exhibit "B" attached to and made a part of that certain Antenna Site Lease Agreement entered into by and between METRO as Landlord, and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, as Tenant, and dated October 31, 1994.



Initials: _____

171

EXHIBIT "C"

Exhibit "C" attached to and made a part of that certain Antenna Site Lease Agreement entered into by and between METRO as Landlord, and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, as Tenant, and dated October 31, 1994.



Initials: *CS*

172

173

Recording Requested By and)
When Recorded, Mail To:)
)
GTE MOBILNET OF OREGON)
LIMITED PARTNERSHIP)
15575 SW Sequoia Parkway)
Portland, Oregon 97224)
Attn: Network Systems Manager)

FOR RECORDER'S USE ONLY

MEMORANDUM OF LEASE

STATE OF OREGON

COUNTY OF WASHINGTON

This Memorandum of Lease is made and entered into on _____, between METRO, A MUNICIPAL CORPORATION OF THE STATE OF OREGON ("Landlord") whose address is 600 Northeast Grand Avenue, Portland, Oregon 97232-2736 and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, by GTE Mobilnet of Oregon, Inc., it's General Partner ("Tenant"), whose address is 15575 SW Sequoia Parkway, Portland, Oregon 97224.

WHEREAS, Landlord hereby leases to Tenant, and Tenant is leasing from Landlord, upon and subject to the terms, covenants, conditions, limitations, and restrictions contained in that certain lease dated _____ ("Lease") between the parties hereto, that certain real property situated in the City of Portland, County of Multnomah, State of Oregon, more particularly described on Exhibit "A" attached hereto and made a part hereof ("Leased Premises").

The term of the Lease is for twenty (20) years, commencing on _____, subject to Tenant's option to extend the term for one (1) additional period of ten (10) years each upon the terms and conditions set forth in the Lease.

The rent and other obligations of Landlord and Tenant are set forth in the Lease, to which reference is made for further particulars. In the event of any conflict between the terms and provisions of the Lease and those contained in this Memorandum, those contained in the Lease shall govern and be controlling.

IN WITNESS WHEREOF, Landlord and Tenant execute this Memorandum.

LANDLORD:

METRO

By: _____
RENA CUSMA
Executive Officer
Tax ID Number: 930-63-6311
Date: _____

TENANT:

GTE MOBILNET OF OREGON
LIMITED PARTNERSHIP

By: GTE Mobilnet Incorporated,
Its General Partner

By: Kurt A. May
KURT A. MAY
Area Vice President--Northwest

Date: 11/5/94

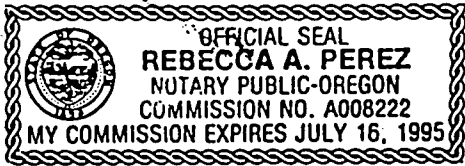
174

ACKNOWLEDGMENT

STATE OF OREGON)
) ss
COUNTY OF WASHINGTON)

Before me, the undersigned authority, on this day personally appeared Kurt A. May, Area Vice President--Northwest, and acknowledged to me that being duly authorized, signed the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein stated and in the capacity therein stated.

Given under my hand and seal of office this 7th day of NOV, 19 94.



[Handwritten Signature]

Notary Public in and for the State of Oregon

My Commission Expires: 16 JUL 95

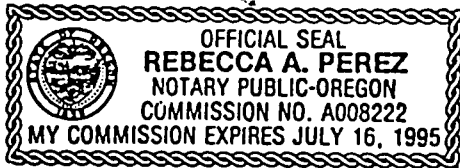
175

ACKNOWLEDGMENT

STATE OF OREGON)
) ss
COUNTY OF MULTNOMAH)

Before me, the undersigned authority, on this day personally appeared Rena Cusma and acknowledged to me that being duly authorized, signed the foregoing instrument and acknowledged to me that he/she/they executed the same for the purposes and consideration therein stated and in the capacity therein stated.

Given under my hand and seal of office this 7th day of NOV, 19 94.



[Handwritten Signature]

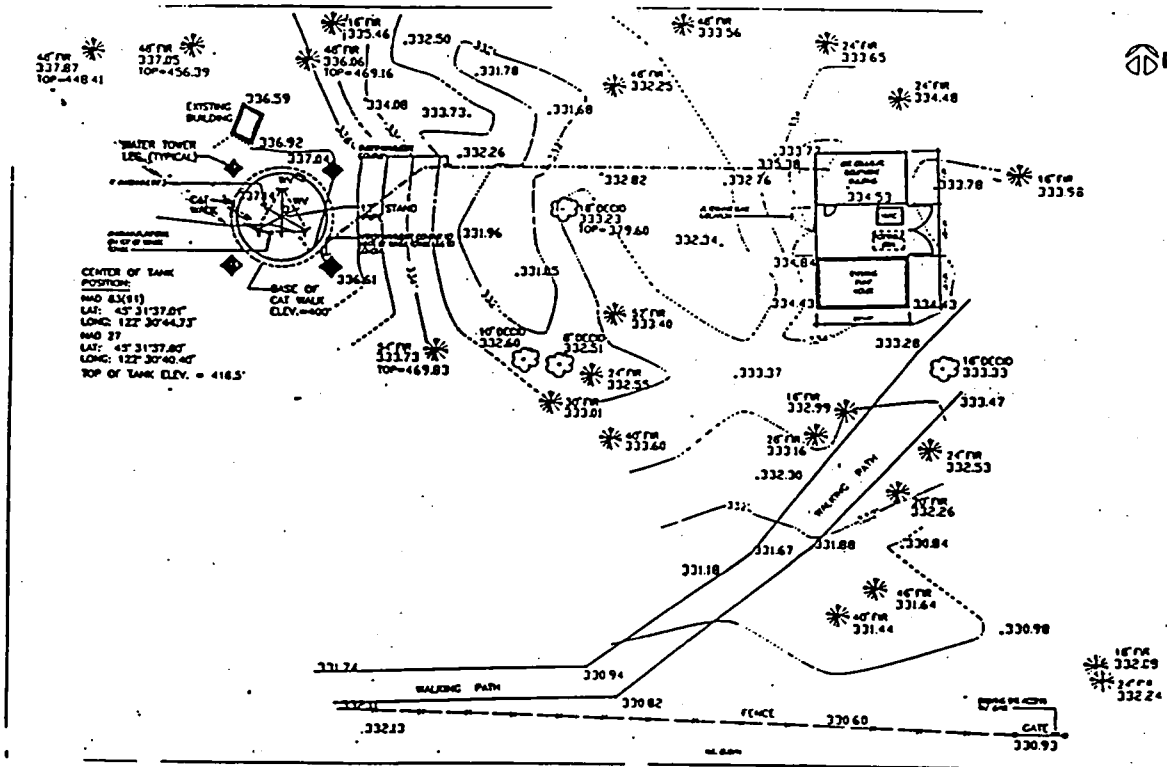
Notary Public in and for the State of OREGON

My Commission Expires: 16 JUL 95

176

EXHIBIT "A"

Exhibit "A" attached to and made a part of that certain Memorandum of Lease entered into by and between METRO, A MUNICIPAL CORPORATION OF THE STATE OF OREGON, as Landlord, and GTE MOBILNET OF OREGON LIMITED PARTNERSHIP, as Tenant, and dated



Initials: Car

ANTENNA SITE PAINTING AGREEMENT.

THIS LEASE, entered into and effective as of the _____ day of _____, 199___, between METRO and GTE MOBILNET AN OREGON LIMITED PARTNERSHIP.

RECITALS

1. Metro and GTE have entered into an Antenna Site Lease for use of adjacent property and an existing water tank on Glendoveer Golf Course for up to twenty years.
2. The metal tank needs a paint job during summer temperatures to maintain it for the use of both parties to this agreement. This work is an important part of the Antenna Site Lease transaction.
3. The lease was not completed in time for painting the tank during the 1994 summer season.
4. The parties intend to use a contractor selected and secured by GTE with GTE's payment to the contractor, reducing GTE's lease payments.
5. The parties intend that either the temporary facilities will continue in use until the tank painting is completed or the design of the antennas will allow for the painting within the terms of this agreement.

AGREEMENTS

1. GTE agrees to retain a licensed painting contractor to repaint the exterior of Metro's elevated water tank located at 147th and Glisan Streets on the Glendoveer Golf Course to accomplish in 1995 the tasks described in Exhibit "A" attached and incorporated herein. The painting work shall be done at temperatures between 65° and 80°.

178

2. Metro agrees that GTE may reduce its Antenna Site Lease payments to Metro until GTE has recovered its actual payment to the contractor in an amount not to exceed \$21,000. GTE may begin setting off its monthly lease payments upon execution of this agreement.

3. GTE agrees to seek the 1994 bid price in Exhibit "A" and to require the contractor to guarantee its work in writing for a period of at least two years.

4. GTE agrees to limit the contractor's access, set up and materials to its leased property.

5. This agreement may be terminated by either party upon thirty (30) days written notice to the parties' representatives identified to receive notice in the Antenna Site Lease Agreement. If this agreement is terminated, GTE shall immediately begin making double monthly payments until any lease payments set off in advance of the painting have been repaid in full.

GTE Mobilnet of Oregon

Metro

By: _____
Network Systems Manager
Date: _____

By: _____
Title: _____
Date: _____

KLA
1227

179

EXHIBIT A



COMMERCIAL & INDUSTRIAL COATINGS

18421 S. Ferguson Rd. • Oregon City, OR 97045 • (503) 631-2351 • FAX (503) 631-8458

August 1, 1994

Mr. Pat Evans
GTE Mobilnet
15575 S.W. Sequoia Parkway
Portland, OR 97224

Subject: Repaint The Exterior of Elevated Water Tank Located at 147th & Glisan

Dear Mr. Evans:

Our price to repaint the above referenced tank would be \$19,800 (nineteen thousand eight hundred). For this price we would provide the following:

- (1) Pressure wash all surfaces to remove all deleterious materials.
- (2) Spot power-tool clean areas of corrosion and loose paint.
- (3) Spot prime all surfaces cleaned to bare steel with Rodda Paint Co. Barrier III rust inhibitive primer.
- (4) Provide a 2-coat finish system of Rodda Paint Co. #5380 alkyd aluminum paint.

The above coating system is fast-drying which would greatly reduce the possibilities of overspray damage.

If you have questions or need further information, please call.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Smith', written over a faint grid background.

Steve Smith
President

SRS/esm

180

181

REGIONAL PARKS AND GREENSPACES STAFF REPORT

RESOLUTION NO. 94-1979 FOR THE PURPOSE OF AUTHORIZING A LONG TERM LEASE AGREEMENT OF PROPERTY FOR A CELLULAR TELEPHONE ANTENNA SITE AT GLENDOVEER GOLF COURSE

Date: November 8, 1994

Presented by:
Charlie Ciecko, Director
Regional Parks and Greenspaces

FACTUAL BACKGROUND AND ANALYSIS

GTE Mobilnet currently has a temporary lease agreement, Resolution No. 94-2028, with the Regional Parks and Greenspaces Department that was passed by Council on September 8, 1994, for a cellular phone facility that is attached to an existing water tank on the edge of the Glendoveer Golf Course near S.E. 148th Avenue and Glisan Street in Portland. This is an unused portion of the golf course near the property's fence line adjacent to S.E. 148th Avenue. This corner contains the water tank used to store pumped well water for use on the golf course facility. Coincidentally, the tank is in need of maintenance in the form of a very expensive long-term paint job. As a supplementary agreement to this Resolution, we have attached an agreement for GTE Mobilnet to complete out this paint job.

Borrowing on the City of Portland's extensive experience with these cellular phone sites, we have negotiated a long term lease agreement blending GTE's proposal with Portland's September 1992 lease of a similar water tank site to GTE. The Portland agreement calls for a 20 year lease with CPI cost of living adjustments to the price each year. GTE is requesting a similar 20 year lease with Metro.

The cellular antennas operate at very low power and are not similar to high powered radio and television broadcast facilities. The Office of General Counsel has confirmed that Portland has detailed regulations of high powered radio and television facilities and has created a special zoning district around the Healy Heights to protect the public. However, under these detailed regulations, cellular telephone antennas are within the low power exemptions to those regulations.

GTE desires to immediately improve the service in the East County area. It has entered into long term ground leases with the City of Portland in the past. Borrowing from Portland's experience with six existing cellular telephone antennas, this proposed long term lease would replace the existing temporary lease agreement, Resolution No. 94-2028. The long term lease has been negotiated on the basis of full equity with the agreements made by GTE with the City of Portland. This means that the rent, at \$1,414 per month, is the same rate that GTE is paying Portland for the "Patton Tank" site.

182

Staff Report
November 8, 1994

As the attached vicinity map indicates, GTE's facility will be located directly north of an existing pumphouse and they will be able to service this facility through an existing gate in the cyclone fence. Neither the access nor the facility will interfere with GSR's use of the property, golf play or the existing jogging trail.

As stated earlier, GTE Mobilnet has agreed to accomplish the painting of the water tank as a supplementary agreement to this Resolution. GTE will pay for the cost associated with this paint job by reducing its Antenna Site Lease payments to Metro until GTE has recovered its actual payment to the contractor in an amount not to exceed \$21,000. GTE may begin setting off its monthly lease payments upon execution of this agreement.

A GTE representative will be present at the Council committee meeting to answer questions about the long term lease agreement for this antenna site.

Executive Officer's Recommendation:

The Executive Officer recommends adoption of Resolution 94-1979.

183