

MINUTES OF THE METRO COUNCIL MEETING

January 21, 1999

Council Chamber

Councilors Present: Rod Monroe (Presiding Officer), Susan McLain, Ed Washington, Rod Park, Bill Atherton, David Bragdon, Jon Kvistad

Councilors Absent:

Presiding Officer Monroe convened the Regular Council Meeting at 2:04 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATION

Mayor Gene Grant, City of Happy Valley, 11311 SE Ct., Clackamas, Oregon, 97015 introduced himself to the Council. He read into the record a letter he had sent to the Council yesterday concerning Ordinance No. 99-794. (A copy of which may be found in the permanent record of this meeting). He added that Councilor Atherton called him and said that he was in agreement to meet with the Happy Valley Council concerning this matter before further action of the Metro Council was taken. He felt that this was resolved. He asked for questions and comments.

Councilor McLain said she appreciated the letter. She thought that the comments that he had made were extremely appropriate. When Mr. Atherton brought this proposal to the Council at the beginning of the year, she and the Presiding Officer wanted to make sure that they allowed all councilors to bring forward any issues or ideas that they felt were important. By putting it on an agenda and having the Presiding Officer send it to a committee, they were simply trying to make sure this process for discussion could be started. She did not believe that there was anyone on the Growth Committee or anyone she had talked to that felt that this was a short term turn around vote. This was an issue that a councilor was interested in and they wanted to make sure he had a forum to discuss it. She appreciated Mayor Grant coming before the council and felt it cemented what the council had tried to do.

Mayor Grant said when he wrote the letter he did not understand the process. His first incorrect assumption was that this ordinance was on for a vote.

Presiding Officer Monroe thanked Mayor Grant for his input and indicated that the ordinance he had been concerned about would be referred to the Growth Management Committee. Councilor McLain, Chair of the Growth Management Committee and Councilor Atherton would be discussing when and if it was appropriate to hold public hearings on the ordinance. The mayor would be notified well in advance of hearings being held so that he and others who were effected would have plenty of opportunity for input.

The Presiding Officer noted for the record that all councilors were present for the meeting.

Art Lewellan, LOTI, 3205 SE 8th #9 Portland, OR said he had been doing presentations before Metro concerning his ideas on light rail for the past several years. He noted the first map he had brought before council concerning leaving the South North light rail on the east side of the river. He said he felt that we should try again on the South North light rail. Seattle had voted their light rail proposal down in 1995 and then reintroduced their light rail plan within the space of one year and it passed. He thought that the alignment had to be changed, this was the only way he felt that there might still be a chance for South North. He suggested the ideas of an electric bus system in the downtown transit mall area. He noted his streetcar designs and ideas. This year he had introduced a comparison of east and west bank alignments and the central city streetcar. He felt that the east bank alignment had one junction that made it a very efficient design, providing faster service. He had also presented his expanded streetcar and electric bus system to Lloyd Center, PSU and into the west side. He shared his latest design which combined light rail, streetcar and electric bus. He shared his approach to the regional transit system which included a light rail to the airport and light rail across the Glen Jackson Bridge to Vancouver Mall. He concluded by saying that he did not support the currently proposed South North light rail alignment.

3. EXECUTIVE OFFICER COMMUNICATIONS

None.

4. AUDITOR COMMUNICATIONS

Alexis Dow, Metro Auditor, said the Metro Charter mandated that she performed continuous investigation of Metro's operations including both financial and operational audits. State law required that financial audits be performed by an outside independent public accounting firm. To that extent she had contracted with Deloitte and Touche, and international public accounting firm to perform the financial audit of Metro's financial statements.

She introduced Mr. Don Riggs, partner in Deloitte and Touche and the individual who oversaw Metro's financial audit.

Don Riggs, Deloitte and Touche, said this was Deloitte and Touche's first year audit of Metro. He said the audit had gone fairly well. In addition to the audit of financial statements, in June 1998, Ms. Dow had contracted with his group as part of the internal control to take a look at the financial modules of People Soft that had been implemented to date. Their firm issued a report July 1st with some observations related to those financial modules which had been put in place. The financial statements were included in the comprehensive financial report. He said in addition to the financial statements, even though they were not responsible for the bulk of the report, as a matter of course, they did read everything that went into the CAFR and make sure it was consistent with their financial statements. There was no problems with this. Their audit opinion, date December 9, 1998, was conducted in accordance with generally accepted auditing standards as well as government auditing standards because of the federal financial funding that Metro received. In addition to the financial statement reports, their firm had issued a report related to OMB circular A133, the Federal Financial Assistance Reports. He pointed out that this was a qualified opinion due to the year 2000 issue. The standard setting body for governmental entities issued a pronouncement last year requiring governmental entities to put in their footnotes where they stood on the Y2K issue to date. He said that footnote was unauditible. In addition his firm had issued a management letter as well as a letter on the Y2K issue that said even though they had issued an opinion on the financial issues their opinion did not give any kind of assurance related to Y2K. He said there were no difficulties in completing the audit. He pointed out two

areas which required a lot of judgment: the self insurance reserves and the post closure liability for the landfill.

Councilor McLain felt it was important for the public to understand what he meant when he said the Y2K was not auditable and why he was qualifying his comments in that area.

Mr. Riggs responded that the Governmental Accounting Standards Board issued a technical bulletin which was effective for any audit report issued after October 31, 1998, which required Metro to record in the footnotes to its financial statements the discussion of the Y2K issue. He said there was really no way to actually know how the Y2K issue would be known until the year 2000.

Councilor McLain said on the Metro investments being brought up to market value, she asked him to summarize the reasoning in his report.

Mr. Riggs said there was another pronouncement issued effective for Metro this year that said investments should be marked at market value.

5. MPAC COMMUNICATION

Councilor McLain said there were five councilors at MPAC. They worked together on the prioritized list of the work plan, especially in the areas of financing and Regional Framework Plan and Functional Plan compliance areas. They would be talking more about that with their partners in the next two weeks and carry forward that discussion at the Growth Committee the first week of February.

6. CONSENT AGENDA

6.1 Consideration meeting minutes of the December 17, 1998 and January 7, 1999 Regular Council Meetings.

Motion: **Councilor McLain** moved to adopt the meeting minutes of December 17, 1998 and January 7, 1999 Regular Council Meetings.

Seconded: **Councilor Park** seconded the motion.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed unanimously.

7. ORDINANCES - FIRST READING

7.1 **Ordinance No. 99-792**, Amending the FY 1998-99 Budget and Appropriations Schedule in the Support Services Fund by Transferring \$270,000 from contingency to Materials and Services and Capital Outlay in the Administrative Services Department for Unanticipated Expenditures in Information Management Services; and increasing the total FTE in the Administrative Services Department by 1.0 FTE System Analyst; and Declaring an Emergency.

Presiding Officer Monroe assigned Ordinance No. 99-792 to Council for January 28, 1999. He noted that this ordinance would be on the agenda for the informal meeting council had with the Executive Officer next week.

7.2 **Ordinance No. 99-794**, For the Purpose of Repealing Ordinance No. 98-786C which added the Urban Reserve Areas 14 and 15 to the Urban Growth Boundary.

Presiding Officer Monroe assigned Ordinance No. 99-794 to Growth Management Committee.

8. EXECUTIVE SESSION, Held pursuant to ORS 192.660 (1)(h), to consult with legal counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Members Present: members of the media, Larry Shaw, Dan Cooper

9. COUNCILOR COMMUNICATION

Councilor Kvistad acknowledge that his sister, Kristi, had been selected for the Seattle Symphony Choir.

Councilor McLain wondered when would be the appropriate time for conversation or direction from the Executive Session.

Mr. Cooper said he believed they had been given direction. Councilor McLain said she would check with him later for same.

Councilor Washington asked which councilors would be at the evening public hearing in Clackamas County. Councilors Monroe, Atherton, Park, Bragdon and Kvistad responded that they would be present.

10. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Monroe adjourned the meeting at 3:00 p.m.

Prepared by,

Chris Billington
Clerk of the Council

Document Number	Document Date	Document Title	TO/FROM	RES/ORD
012199c-01	1/20/99	Faxed letter concerning Urban Reserves 14 and 15	TO: Council FROM: Mayor Grant, City of Happy Valley	Ord No. 99-794