

# **Metro**

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**Metro**

## **Minutes**

**Thursday, December 7, 2017**

**2:00 PM**

**Metro Regional Center, Council chamber**

**Council meeting**

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**1. Call to Order and Roll Call**

Council President Tom Hughes called the Metro Council meeting to order at 2:00 p.m.

**Present:** 7 - Council President Tom Hughes, Councilor Sam Chase, Councilor Carlotta Collette, Councilor Shirley Craddick, Councilor Craig Dirksen, Councilor Kathryn Harrington, and Councilor Bob Stacey

**2. Citizen Communication**

There was none.

**3. Presentations****3.1 2017 Sustainability Report**

Council President Hughes called on Mr. Matt Korot and Ms. Jenna Garmon, Metro staff, to present the 2017 Sustainability Report. Mr. Korot explained that the annual report covered fiscal year 2016-2017. He highlighted that sustainability was one of Metro's six core values and that the report was part of an internal initiative to meet five quantitative suitability goals for the agency. He noted that in 2010, the Council adopted a sustainability plan that mapped out specific strategies and actions to meet these goals. He introduced Ms. Garmon to provide an overview of how the strategies had been implemented thus far.

Ms. Garmon shared how the agency was performing in relation to its five sustainability indicators: reducing carbon, preventing waste, choosing nontoxic, conserving water, and enhancing habitat. She also highlighted strategies the agency was using to achieve these goals, such as installing solar panels at the Oregon Convention Center, buying 71% renewable energy, and using stormwater planters at the zoo. She then provided an overview of Metro's future sustainability efforts, such as: an updated Climate Action Plan for internal operations, advanced energy management and information systems, and a renewable energy strategy.

Ms. Garmon thanked Metro staff, including the Sustainability Steering Committee and Metro’s Green Teams, and the Metro Council for supporting the agency’s efforts.

*Council Discussion*

Councilor Collette asked about toxic materials and their reduction. She also inquired about water conservation and leak mitigation efforts at Glendoveer Golf Course. Councilor Craddick thanked staff for their presentation and asked about Metro’s herbicide policy in its natural areas and parks. She also asked about goals and strategies for the next year’s sustainability efforts.

**4. Consent Agenda**

**Approval of the Consent Agenda**

**A motion was made by Councilor Chase, seconded by Councilor Collette, to adopt items on the consent agenda. The motion passed by the following vote:**

**Aye:** 7 - Council President Hughes, Councilor Chase, Councilor Collette, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

4.1 Consideration of the Council Meeting Minutes for November 30, 2017

4.2 Resolution No. 17-4857, For the Purpose of Confirming the Council President’s Appointment of John Erickson and Reappointment of Deanna Palm, Deidra Krys-Rusoff and Karis Stoudamire-Phillips to the Metropolitan Exposition Recreation Commission

**5. Resolutions**

5.1 Resolution No. 17-4855, For the Purpose of Metro Council's Acceptance of the Results of the Independent Audit for Financial Activity During Fiscal Year Ending June 30, 2017

Council President Hughes called on Mr. Brian Evans, Metro Auditor, and Mr. Tim Collier, Director of Finance and Regulatory Services, to present Resolution No. 17-4855. Auditor Evans introduced the results of the year’s

independent financial audit and thanked the Audit Committee for their contributions. Mr. Jim Lanzarotta and Ms. Ashley Osten, Moss Adams, provided an overview of the audit. Mr. Lanzarotta explained the nature of the services provided as well as the deliverables and the results of the testing that was performed. Ms. Osten discussed the areas of audit emphasis including: internal control environment, management estimates, cash and investments, net pension liability, bond activity, capital assets, revenue recognition, and net position. She highlighted that the audit found no material weakness, significant deficiencies, or issues of non-compliance. She explained that because of this, Moss Adams issued a clean opinion of the agency's financial statements, which signified the highest level of assurance.

Ms. Osten offered several minor recommendations related to account reconciliations, accounts receivable allowance, and unrecorded accounts payable. She suggested that staff create a policy to identify and adjust for receivables that may be outstanding over 120 days. The auditors thanked Metro staff and the Metro Auditor for their help throughout the process. Mr. Tim Collier provided the management response and noted that the results of the audit could be reviewed both in Metro's Comprehensive Annual Financial Report and Popular Financial Report. He invited Mr. Brian Kennedy and Mr. Dan Moeller, Metro staff, up to discuss how they planned to prevent unrecorded invoice incidents in the future, including by providing technical assistance to project partners and creating better processes for tracking down invoices.

#### *Council Discussion*

Councilor Craddick asked about the number of unrecorded invoices and thanked staff for sharing how they intended to prevent such oversights in the future. Councilor Chase recognized the importance of solid fiscal management and

its benefits. He thanked Auditor Evans and the Oversight Committee for their helpful insights. Councilors expressed appreciation for the audit and the Popular Annual Financial Report.

**A motion was made by Councilor Dirksen, seconded by Councilor Stacey, that this item be adopted. The motion passed by the following vote:**

**Aye:** 7 - Council President Hughes, Councilor Chase, Councilor Collette, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

## **6. Ordinances (First Reading and Public Hearing)**

- 6.1 Ordinance No. 17-1408, For the Purpose of Adopting Amendments to Title 14 of the Urban Growth Management Functional Plan to Improve the Regional Growth Management Process

Council President Hughes called on Deputy Chief Operating Officer Scott Robinson and Mr. Roger Alfred, Metro counsel, to present Ordinance No. 17-1408. He explained that the ordinance was first presented earlier in the year and was returning for final consideration now that the 35-day notice period had been completed. He clarified that there were no content changes since the last time it was presented at Council in November. Mr. Robinson noted that the ordinance would amend Title 14 to clarify expectations for cities proposing residential urban growth boundary (UGB) expansions and establish procedures for mid-cycle residential UGB amendments. He then introduced Mr. Alfred to provide an overview of the proposed code changes.

Mr. Alfred explained that the ordinance grew out of the work of the Urban Growth Readiness Task Force and its recommendations. He provided an overview of the code changes proposed, such as the criteria for city proposals, including requiring cities to have a housing needs analysis completed within the last six years. Mr. Alfred highlighted that the rules were thoroughly considered, debated, and amended before being unanimously recommended for

approval by the task force and Metro staff.

*Council Discussion*

Councilor Harrington discussed the code language and recommended that future Metro Councils be kept informed about its meaning. Council President Hughes expressed support for the ordinance, noting that it would help better integrate Metro's goals of successfully utilizing the UGB and building viable town centers. Councilor Stacey expressed appreciation for the language, noting that it would further improve the process.

6.1.1 Public Hearing for Ordinance No. 17-1408

Council President Hughes opened up a public hearing on Ordinance No. 17-1408 and requested that those wishing to testify come forward to speak. Seeing none, Council President Hughes gaveled out of the public hearing. He noted that second read, Council consideration, and vote on Ordinance No. 17-1408 would take place on Thursday, December 14.

6.2 Ordinance No. 17-1415, For the Purpose of Amending Metro Code Chapter 5.04 to Create the Solid Waste Innovation and Investment Program

Council President Hughes called on Mr. Paul Slyman, Director of Property and Environmental Services, and Mr. Kevin Six, Metro staff, to present Ordinance No. 17-1415. Mr. Slyman reviewed Metro's solid waste system and the many services it provided. He explained that the region and its programs needed system certainty and noted that the regional government had an opportunity to help bring it about by encouraging new ideas and helping innervate new players to add capacity and build a more resilient system. He informed the Council that in an effort to support these goals, Ordinance No. 17-1415 would help support innovative ideas that could not come to fruition without

some form of public help. He added that in addition to meeting the needs regarding the garbage and recycling system, the ordinance would also be a tool for implementing Metro's Strategic Plan to Advance Racial Equity, Diversity, and Inclusion, as it would help create economic opportunities and jobs, as well as provide career entry and advancement opportunities. He noted that the proposed program complemented Metro's ongoing conversations around the region about ways to improve the garbage and recycling system.

Mr. Kevin Six provided an overview of the ordinance. He explained that it would amend Metro Code Chapter 5.04 to revise the language describing an old unused program and would establish the structure and the creation of the innovation and investment program. He stated that the purpose of the program was to invest resources to create, expand, preserve, and diversify efforts that advance waste prevention, reuse, recycling and energy recovery, consistent with Metro's regional planning, diversity, and diversion goals. He noted that if approved, staff would return to Council for feedback on the program budget, application process, criteria, and guidelines. Mr. Six explained that staff proposed an initial three-year program for for-profit businesses and non-profit organizations to strengthen Metro's solid waste program and diversity, equity, and inclusion work. He noted that staff also recommended a \$3 million/year program, funded from the solid reserve balance so there would be no direct effect to the per-ton fee or excise tax rate. He provided an overview of the grants that would be available, how they could be used, and the proposed draft application process. He explained that staff

expected to begin soliciting grant applications in spring 2018.

*Council Discussion*

Councilor Harrington asked about the three-year timeframe and the solid waste reserves fund. She also expressed concerns that the program was not related to the update of the Regional Waste Plan. Councilor Craddick inquired about options for future opportunities to develop new, innovative recycling programs.

6.2.1 Public Hearing for Ordinance No. 17-1415

Council President Hughes opened up a public hearing on Ordinance No. 17-1415 and requested that those wishing to testify come forward to speak.

Mr. Eric Wentland, City of Portland: Mr. Wentland, Operations Manager of Greenway Recycling, expressed concerns about the ordinance. He noted that he felt the development of the program had been rushed and there was a lack of transparency and public input. He urged the Metro Council to delay its consideration until proper outreach had been done with the solid waste industry.

Councilor Stacey highlighted that a public process would be performed to develop the program and its criteria if the ordinance was approved.

Mr. Tom Patzkowski, City of Portland: Mr. Patzkowski testified in support of the ordinance. He noted that as an employee of the ReBuilding Center, he was involved in their green workforce development program and supported growth in the industry. He explained that he felt the

ordinance would benefit the public and the region's future as it aligned with the ReBuilding Center's goals to make reuse more popular while creating living wage jobs for targeted communities.

Mr. Stephen Reichard, City of Portland: Mr. Reichard, former Executive Director of the ReBuilding Center, testified in support of the ordinance. He noted that it would support two of Metro's major goals: sustainability and equity. He encouraged the Metro Council to support the ordinance and fund innovative sustainability and diversity programs.

Mr. Nate McCoy, City of Portland: Mr. McCoy, Executive Director of the National Association of Minority Contractors (NAMC) Oregon, spoke in support of the ordinance. He urged the Metro Council to approve the ordinance, noting that it would provide significant community benefits, create opportunities to build equity in Metro's solid waste system, and strengthen industry capacity.

Ms. Amber Omtiveros, City of Vancouver: Ms. Omtiveros testified in support of the ordinance. She explained that the agencies that were most effective in creating positive change were the agencies that provided resources and staff time to implement innovative policies that addressed the region's challenges.

Mr. James Posey, City of Portland: Mr. Posey, of the NAACP, urged the Metro Council to support the ordinance. He provided an overview of his experiences throughout his long tenure with the NAACP, and emphasized that the region's challenges, particularly towards equity, required innovative

solutions.

Mr. Gary Hollands, City of Portland: Mr. Hollands expressed support for the ordinance. He explained that he worked for a company that helped new and experienced truck drivers reach their full potential. He highlighted the severe shortage of truck drivers across the nation and explained that a program such as the one proposed could be a great help to ensuring that the region's solid waste and recycling system had the capacity it needed.

Mr. Alando Simpson, City of Portland: Mr. Simpson urged the Metro Council to support the proposal. He noted that as part of a minority-owned waste company, he felt the proposal would provide a needed opportunity for the region and the public. He explained that the proposal exemplified community leadership and a commitment to both a healthy solid waste system and an equitable region.

*Council Discussion*

Councilor Chase thanked the public for showing up to testify and provide feedback on the ordinance. Councilor Craddick asked staff to respond to Mr. Wentland's concerns about the ordinance. Mr. Slyman provided an overview of the proposed development process, future outreach, and regulatory approach.

Council President Hughes gaveled out of the public hearing. He noted that second read, Council consideration, and vote on Ordinance No. 17-1415 would take place on Thursday, December 14.

6.3 Ordinance No. 17-1416, For the Purpose of Suspending the Requirement to Pay

Regional System Fee and Excise Tax on Certain Non-Putrescible  
Source-Separated Recyclable Materials without a Viable Market and Declaring an  
Emergency

Council President Hughes called on Mr. Matt Korot, Metro staff, to present Ordinance No. 17-1416. He explained that the ordinance was a response to the uncertainty in recyclable markets brought on by changes in Chinese government policies for the recyclables that Chinese companies import from Oregon and many other parts of North America. He informed the Council that if the ordinance was enacted, Metro would not assess the regional assessment fee and solid waste excise tax on recyclables that would have to be disposed of because of the absence of recycling markets. Mr. Korot noted that the ordinance was a companion to an administrative rule authorized by the Chief Operating Officer that allowed for the disposal of recyclables when there were no markets for them.

Mr. Korot stated that the ordinance would help Metro be more resilient during a potential crisis in case the situation worsened and would also keep the system functioning during such changes. He noted that the ordinance was limited to six months due to the uncertainty of the situation and a commitment to following through with a more considered process with stakeholders and the public if extended action was needed. He emphasized that he would keep the Metro Council updated as items progressed.

*Council Discussion*

There was none.

6.3.1 Public Hearing for Ordinance No. 17-1416

Council President Hughes opened up a public hearing on Ordinance No. 17-1416 and requested that those wishing to testify come forward to speak.

Mr. Terrell Garrett, City of Portland: Mr. Garrett expressed concerns about the ordinance. He explained that he felt it was important to forgive fees and taxes when needed in order to respond to emergencies, but emphasized that he felt such actions should be done by commodity, instead of by hauler or facility.

Council President Hughes gaveled out of the public hearing. He noted that second read, Council consideration, and vote on Ordinance No. 17-1416 would take place on Thursday, December 14.

## 7. Ordinances (Second Reading)

### 7.1 Ordinance No. 17-1412, For the Purpose of Amending and Readopting Metro Code 7.03 (Investment Policy) for Fiscal Year 2017-2018

Council President Hughes stated that the first reading and public hearing for Ordinance No. 17-1412 took place on Thursday, November 30. He informed the Metro Council that Metro staff was available for questions.

#### *Council Discussion*

Councilor Dirksen stated that he would be voting against the ordinance, as he felt it was unnecessary and ill-advised. He explained that he felt it would reduce staff's financial flexibility and could prevent such companies from investing in more environmentally sustainable policies in the future. Councilor Stacey expressed support for the ordinance. Council President Hughes also supported the ordinance, noting that it aligned with Metro's goals financially and

environmentally.

**A motion was made by Councilor Stacey, seconded by Councilor Harrington, that this item be adopted. (Please note: Councilor Chase left the meeting before the vote on Ordinance No. 17-1412). The motion passed by the following vote:**

**Aye:** 5 - Council President Hughes, Councilor Collette, Councilor Craddick, Councilor Harrington, and Councilor Stacey

**Nay:** 1 - Councilor Dirksen

#### **8. Chief Operating Officer Communication**

Deputy Chief Operating Officer Scott Robinson provided an update on the following events or items: the Metro Central Community Enhancement grant awards and two upcoming meetings to discuss a potential future housing bond. Mr. Robinson also announced that the Metro Community Giving campaign had reached its goals for both participation and dollars donated. He thanked the staff that led and contributed to the campaign.

#### **9. Councilor Communication**

Councilors provided updates on the following meetings or events: the Value Pricing Advisory Committee, the Willamette Falls Legacy Project partners meeting, the Southwest Washington Regional Transportation Council, the Main Streets on Halsey project, and the Emily G. Gottfried Human Rights Awards luncheon.

#### **10. Adjourn**

There being no further business, Council President Hughes adjourned the Metro Council meeting at 5:17 p.m. The Metro Council will convene the next regular council meeting on December 14 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Nellie Papsdorf".

Nellie Papsdorf, Legislative and Engagement Coordinator

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 7, 2017**

<b>ITEM</b>	<b>DOCUMENT TYPE</b>	<b>DOC DATE</b>	<b>DOCUMENT DESCRIPTION</b>	<b>DOCUMENT No.</b>
<b>3.1</b>	PowerPoint	12/07/17	Sustainability Annual Report	120717c-01
<b>4.1</b>	Minutes	12/07/17	Council Meeting Minutes for November 30, 2017	120717c-02
<b>5.1</b>	PowerPoint	12/07/17	Moss Adams Audit Results	120717c-03
<b>5.1</b>	Handout	12/07/17	Popular Annual Financial Report	120717c-04
<b>6.2</b>	PowerPoint	12/07/17	Solid Waste Innovation and Investment Program	120717c-05
<b>9.0</b>	Handout	12/07/17	Community Enhancement 2018 Grant Awards	120717c-06