

METROPOLITAN SERVICE DISTRICT

DIRECTION COMMITTEE
REPORT

SUBMITTED TO: THE METROPOLITAN SERVICE
DISTRICT BOARD

JULY, 1974

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Summary and Recommendations

In March 1974, the Metropolitan Service District Board established an Ad Hoc Direction Committee to provide recommendations concerning the following subjects:

- . MSD Policy Statement: Defining the Role
- . Metropolitan services to be performed by MSD
- . MSD Board Structure
- . Financial Alternatives
- . Recommended Action

This committee consisted of the following people:

Robert Schumacher	Bruce Clark
Connie McCready	John McIntyre
William Young	Lloyd Anderson
Mel Gordon	Chuck Frost
Roger Mellem	Ron Cease
Don Carlson	Jerry Tippens

After deliberating on this assignment for the last four months, the MSD Direction Committee recommends the MSD Board adopt the following:

1. METROPOLITAN SERVICE DISTRICT POLICY STATEMENT: DEFINING THE ROLE

"The Metropolitan Service District should provide to the Portland Metropolitan Area those public services which can best be provided on a regional basis or which cannot be provided adequately by existing local government."

2. ADDITIONAL METROPOLITAN SERVICES TO BE PERFORMED BY MSD

In addition to presently authorized services defined in ORS 268, the following services should be added in the near future:

Regional Parks and Recreation
Regional Zoo

Further, the following services could be added in the future as required:

Communications (including 911)
Water Supply Storage and Distribution
Art Programs and Cultural Facilities
Jails
Libraries
Regional Sewage Collection System

3. MSD BOARD STRUCTURE

The MSD Board should be a Board of mixed membership comprised of seven locally elected officials appointed by the governing bodies of the local jurisdictions, and not less than four nor

more than eight directly elected members from apportioned electoral districts. Each member of the Board should cast a single vote, with a quorum consisting of the majority of the entire Board. Any action would require an affirmative vote by a majority of the quorum present.

4. FINANCIAL ALTERNATIVES

The MSD Board should proceed in those areas where they have statutory authority at present. Solid waste disposal should be financed with user service charges; and, storm drainage services with special assessments and service charges.

Ultimately the Board should consider seeking from the voters a tax base for a general fund. The MSD Board should consider assuming responsibility for developing and maintaining a regional zoo and for acquiring and developing regional parks and recreational facilities. Authority to provide these services should be presented to the voters in the District some time after the November 1974 election with funding included on the same ballot.

It should be noted that the Direction Committee did not make recommendations concerning the following:

1. Potential boundary changes.
2. Organizational relationship with the Columbia Region Association of Governments

I. INTRODUCTION

On February 8, 1974, the Metropolitan Service District Board established a Direction Committee to advise and recommend a course of action to the Board concerning the following subjects:

- "1. Define the roles of MSD in a policy statement to be used as an evaluation mechanism for defining areas of metropolitan public service which should be provided under MSD jurisdictions;
2. Apply this statement of role to specific metropolitan public services which MSD is currently performing or could perform. Provide a recommendation for or against MSD participation in each area;
3. Recommend a structure for the MSD Board;
4. Recommend an organizational structure for MSD;
5. Summarize the processes required in bringing about the recommendations made above, and provide an action plan and timetable for accomplishing those recommendations, including necessary legislation, financing, etc. Submit these findings in a report to the Board by June 1, 1974."

The Direction Committee held eight meetings between March 21, 1974 and July 8, 1974. The committee consisted of the following people:

William Young, Chairman
Connie McCready
Robert Schumacher
Mel Gordon
Roger Mellem
Don Carlson

Bruce Clark
John McIntyre
Lloyd Anderson
Chuck Frost
Ron Cease
Jerry Tippens

Since the Metropolitan Service District began implementing a Solid Waste Management Program within the three-county Portland area, the MSD Board has intermittently discussed issues that needed some resolution. One issue concerning expanding into those legislatively authorized services such as: public transportation and regional wastewater management. Another involved expanding MSD's authority into new areas. Another issue was the kind of policy board that should be developed to govern an expanding organization. A final concern involved the possible ways to finance the operation of these services. The MSD Board and staff had not the time nor resources to answer some of these questions alone. It was also the desire of the Board to achieve a broader citizen input. For these reasons, an Ad Hoc Committee of interested citizens was formed to discuss and develop some recommendations to resolve these basic concerns.

Contained herein are Summary and Recommendations, Policy Statement, Public Services to be Performed by MSD, Proposed MSD Board Structure, Financial Alternatives and related Appendices.

II. METROPOLITAN SERVICE DISTRICT POLICY STATEMENT: DEFINING
THE ROLE

In discussing a Policy Statement that will define the role for the Metropolitan Service District, the committee was concerned that the smaller jurisdictions be made aware of MSD programs and their effect on that local government. It was suggested that MSD develop procedures that would assure implementation of these concerns. Conceivably, regular MSD Board meetings or public hearings on specific issues could be held in the local government arena.

A continuing problem is the need to define the role and relationship between a functional regional agency and cities and counties. The Direction Committee developed the following Policy Statement as one that could be used to expand into new areas with the support of local governments:

"The Metropolitan Service District should provide to the Portland Metropolitan Area those public services which can best be provided on a regional basis or which cannot be provided adequately by existing local government."

III. PUBLIC SERVICES TO BE PERFORMED BY MSD

In order to evaluate the need for additional functional authority, the committee reviewed the status of presently authorized services. The committee then developed a set of criteria and applied them to a large list of public services. Following is a summary of presently authorized MSD functions, a list of the criteria and the results of the committee's efforts in applying the criteria to the proposed services.

Summary of Presently Authorized MSD Services

1. Solid and Liquid Waste Disposal:

PURPOSE: To manage solid waste systems that include transfer, transport and disposal of any liquid or solid waste i.e.

Garbage
Tires
Demolition
Sludge
Septic Tank Pumpings
Hazardous Materials
Etc.

STATUS: The Solid Waste Plan has been approved. Agreements are being developed with local jurisdictions. MSD is presently implementing processible, non-processible and tire programs. Other programs will be implemented as the need arises. Financing appears to be available.

PROBLEMS: Enabling Legislation should be expanded to include some method for MSD to impose rate reductions through local governments and private collectors to the rate payer.

2. Regional Sewerage Works

PURPOSE: To plan, design, construct and operate regional sewerage facilities i.e.

Interceptors

Treatment Facilities

Outfall Works

Sewerage Residue Disposal

STATUS: Regional Water Quality Plans have not been developed, however, CRAG is seeking designation under PL 92-500 Section 208 to develop areawide plans. Implementation of those plans could be performed by MSD.

PROBLEMS: None apparent.

3. Control of Urban Runoff

PURPOSE: To develop and manage urban runoff control systems, for drainage basins within the MSD boundaries.

STATUS: MSD has established the priority for developing solutions for urban runoff within the Johnson Creek Basin. A framework work scope was presented to MSD Board in February.

PROBLEMS: Financing methods have not been established. Public apathy in a major portion of the basin could limit effective development of a viable program. Construction within the basin continues thus increasing the probability of flooding conditions. Other basins under consideration are Fairview Creek and Fanno Creek.

4. Public Transportation

PURPOSE: To develop and manage urban public transportation facilities.

STATUS: The staff has not performed any work in this area because this service is currently being provided by TRI-MET.

PROBLEMS: None apparent.

B. Factors for Evaluating Possible Additional Services

After discussing the presently authorized services as defined in MSD enabling legislation ORS 268, the committee determined it necessary to develop some factors to assist in evaluating suggested additional services for MSD. The following list was developed:

1. Provides economies and equity of scale.
 - . Institutes reduction in administrative costs
 - . Utilizes modern management techniques
2. Responsive to public needs.
3. Provides benefits on a regional basis.
4. Used by the public on a regional basis.
5. Solves apparent needs.
6. Beyond the capabilities of local government.
7. Allows smaller units of government to retain responsibility for local aspects of the service.
8. Fosters public participation.

C. Results

The committee evaluated proposed services by using the above criteria. A matrix work sheet was prepared for that purpose (see Appendix 2). In addition, the committee categorized each proposed service into three groups. Group 1 were defined as those services that should be added in the near future, Group 2 services were those that could be added in the future as the need requires, and Group 3 services were not recommended.

The following list describes the results recommended by the Direction Committee:

GROUP	PROPOSED SERVICE
1	Regional Parks and Recreation
1	Regional Zoo
2	Communications (including 911)
2	Water Supply Storage and Distribution
2	Art Programs and Cultural Facilities
2	Jails
2	Libraries
2	Regional Sewage Collection System
3	Cable Television
3	Regional Street Lighting
3	Garbage Collection
3	General Grant of Authority
3	Ambulance Services (emergency services)
3	Public aspects of Community Health and Social Services
3	Public Housing
3	Management Services (informational sharing system)
3	Regional Planning
3	Integration of Existing Public Regional Agencies
3	Regional Regulatory Authority

IV. MSD BOARD STRUCTURE

The committee had the assignment to evaluate the makeup of the existing governing Board to determine whether or not structural changes should be made to increase the effective use of the MSD. Following is a discussion of the committees efforts:

A. Description of present Board Structure

The present MSD Board Structure as described in ORS 268 consists of seven members each having one vote and representing:

- Cities of Clackamas County
- Cities of Multnomah County
- City of Portland
- Cities of Washington County
- Clackamas County
- Multnomah County
- Washington County

The MSD Board since its inception has utilized one representative from the above jurisdictions with no alternate voting privileges.

B. Need for Modification

The committee reviewed the present MSD Board structure, and discussed the need for a change. Several reasons listed for a change in the present Board structure were:

1. The MSD Board time required as MSD develops will put a strain on the Board's performance and ability to review and decide on critical policy issues.
2. The present Board Structure provides for low visibility with the public. As the MSD Board continues to use its legislative authority in adopting ordinances and regulations, and establishing rates, the public will request closer contact.

3. The present MSD Board has no direct accountability to the voters of the area. As services expand, the need for directly elected Board members will become more apparent.

C. Alternative Board Structures Considered

The following is a listing of alternative MSD Board structures that were considered by the Direction Committee:

1. Apportioned According to Population
 - a. A Board directly elected by the voters either by district, at large, or a mixture of district and at large.
 - b. A Board appointed by the Governor or some other means. Members could be appointed from districts, at large, or both.
 - c. Present Board structure but with votes apportioned on a population basis.
2. Non-Apportioned Board with Equal Voting by Jurisdictions
 - a. Continuation of present Board.
3. Mixed Board Structure
 - a. Board comprised of members directly elected by district and appointed by jurisdictions.
 - b. A Board with bicameral voting procedures. Board members could be mixed elected and appointed or all appointed.

D. Recommended Board Structure

The discussion on this issue elicited different points of view that were eventually somewhat unified. For example, one view was that MSD should limit eligibility for directly elected Board members to locally elected officials. Another view was that

if the Board had two groups of members (directly elected and ex officio local government officials) a majority of both groups would be required for the Board to undertake action.

After a detailed discussion on all issues, the committee recommended the MSD Board Structure be:

"A mixed Board membership comprised of seven locally elected officials appointed by the jurisdictions, and not less than four nor more than eight directly elected members from apportioned areas, and each casting a single vote, with a quorum consisting of the majority of the entire Board and action taking place with a majority of the quorum present."

VI. FINANCING ALTERNATIVES

The Direction Committee discussed the possible financial alternatives available to the MSD Board. They include:

- . General Tax Base
- . Serial Levy
- . Special Assessments
- . User Fee for Specific Programs
- . Grants and Loans

The Committee discussed the possibility of passing a general tax base levy. It was the consensus that the odds for success of such a proposal in the near future would be poor. However, the passage of a special or serial levy for a specific program or activity might be possible.

In addition, the Committee indicated user fees should be pursued for specific programs. Special assessments for single source financing of capital expenditures may also be an appropriate approach since the MSD Board could proceed against some remonstrance. Of course, grants and loans should be sought as new programs develop.

The Committee determined financing on a user fee basis should be developed with maximum speed to finance the MSD Solid Waste Program. Further, MSD should utilize the user fee approach in financing drainage and urban runoff improvements. The MSD Direction Committee recommends the following:

The MSD Board should proceed in those areas where they have statutory authority at present. Solid waste disposal should be financed with user service charges; and, storm drainage services with special assessments and service charges. Ultimately the Board should consider seeking from the voters a tax base for a general fund. The MSD Board should consider assuming responsibility for operating the regional zoo and for acquiring, developing and operating other regional parks and recreation facilities. Authority to provide these services should be presented to the voters in the District some time after the November 1974 election with funding included on the same ballot.

APPENDIX 1

MSD ENABLING LEGISLATION

ORS 268

Chapter 268

1971 REPLACEMENT PART

Metropolitan Service Districts

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- 268.010 Short title
- 268.020 Definitions
- 268.030 Purpose of chapter; limitation on use; purpose of districts
- 268.040 Exemption from public utility regulation
- 268.050 Initiative and referendum

FORMATION

- 268.100 Initiation of proceedings to establish district; petition or resolution for election; tax base
- 268.120 Establishing district tax base

GOVERNING BODY

- 268.200 Governing body of district; selection; first meeting; chairman; rules of procedure
- 268.210 Employing assistance
- 268.220 Employees' rights when district assumes a function of another public corporation, city or county
- 268.230 District to protect employees' rights when an operating public transportation system is acquired

POWERS

- 268.300 Existence, status and general powers of district; where vested
- 268.310 Powers of district

- 268.320 Voter approval of district actions; assumption of local aspects of functions
- 268.330 Powers when providing local aspects of service; powers for public transportation
- 268.340 Acquisition of property; condemnation procedure; authority to lease and dispose of property; right of entry to survey lands
- 268.350 Contracts of district
- 268.360 Authority to exercise police power; ordinances; rules and regulations
- 268.370 Authority to take over transit system of mass transit district; effect of transfer order

FINANCES

- 268.500 Levy, collection, enforcement of ad valorem taxes; limitation; classification of property for different tax rates
- 268.510 Special assessments; procedure; notice; content; basis of assessments; instalment payment
- 268.520 Authority to issue bonds; limitation; conditions; advertisement and sale
- 268.525 Refunding bonds
- 268.530 Bond elections
- 268.540 Service and user charges; acceptance of grants; loans from cities and counties

PENALTIES

- 268.990 Penalties; jurisdiction

CROSS REFERENCES

District election procedures, Ch. 259

268.030

Domestic water supply districts, Ch. 264

Mass Transit Districts, Ch. 267

Municipal utilities, Ch. 225

People's utility districts, Ch. 261

Sanitary districts and authorities, Ch. 250

268.040

Public utility regulation, Chs. 756, 757

268.050

Initiative and referendum, 254.310 to 254.340

268.100

Formation, changes in organization, generally, 198.705 to 198.955

268.220

Retirement for city and county employees, Ch. 238

268.230

Public transportation employee rights, Const. Art. XI, §13

268.330

Condemnation by municipal corporations, 281.510 to 281.550

Intergovernmental cooperation, 190.010 to 190.110

268.350

Public contracts, generally, 279.210

268.360

Ordinances and regulations, generally, 198.510 to 198.600

268.500

Bonds of districts, Ch. 287

Limitation on power to tax, Const. Art. XI, §11

Municipal corporation lien claims on property sold by county, 275.130 to 275.170

Public borrowing and bonds, Ch. 288

Serial levies excepted from constitutional limitation, 286.060

Tax levies by public corporations, Ch. 310

Tax supervising commission review, 294.610

268.510

City improvements, generally, Ch. 223

Financing of public improvements, Ch. 280

268.530

General elections, Ch. 250

GENERAL PROVISIONS

268.010 Short title. This chapter may be referred to as the Metropolitan Service District Act of 1969.
[1969 c.700 §1]

268.020 Definitions. As used in this chapter:

(1) "District" means a metropolitan service district established under this chapter.

(2) "Metropolitan area" means the Oregon portion of a standard metropolitan statistical area designated by an agency of the United States.

(3) "Improvement" means the facilities and other property constructed, erected or acquired by and to be used in the performance of services authorized to be performed by a district.
[1969 c.700 §2]

268.030 Purpose of chapter; limitation on use; purpose of districts. (1) This chapter is enacted in order to provide a method of making available in metropolitan areas public services not adequately available through previously authorized governmental agencies.

(2) To this end not more than one district may be established under this chapter in any metropolitan area.

(3) Subject to the limitations of state law, the district may provide:

(a) Metropolitan aspects of sewerage, solid and liquid waste disposal, control of surface water, and public transportation; and

(b) Local aspects of those public services that are transferred to the district by agreement between the district and other public corporations, cities or counties.
[1969 c.700 §3]

268.040 Exemption from public utility regulation. Transportation facilities operated by a district, including the rates and charges made by the district and the equipment operated by the district, and transportation facilities operated for a district by a private operator pursuant to a contract between the operator and the district, including the rates and charges made by the operator pursuant to the contract, and the equipment operated pursuant to the contract, shall not be subject to the laws of this state regulating public utilities, including those laws administered by the Public Utility Commissioner of Oregon.
[1969 c.700 §31]

268.050 Initiative and referendum. The

voters of a district may exercise the powers of the initiative and referendum with reference to legislation of the district, in accordance with the laws of the state governing exercise of the initiative and the referendum by voters of districts generally.
[1969 c.700 §28]

FORMATION

268.100 Initiation of proceedings to establish district; petition or resolution for election; tax base. (1) In addition to initiatory action authorized by ORS 198.705 to 198.955, proceedings to establish a district may be initiated by:

(a) A resolution adopted by the governing body of the most populous city in the proposed district and filed with the county governing body, petitioning that body to call the election; or

(b) A resolution adopted by the county governing body of the most populous county in a metropolitan area on its own motion and declaring its intention to call the election.

(2) The petition or resolution initiating formation may request that the election to establish the district be held at the same time as an election at which it is permissible to establish a tax base within the meaning of section 11, Article XI of the Oregon Constitution. If the petition or resolution does so, the election shall be held at such time. The petition or resolution may also request that the proposition to be voted on at such an election include a proposed tax base for the district within the meaning of section 11, Article XI of the Oregon Constitution. If the petition or resolution does so, the proposition to be voted on at the election shall include a proposed tax base for the district, in accordance with the petition or resolution.
[1969 c.700 §4; 1971 c.727 §97]

268.110 [1969 c.700 §5(1), (2); repealed by 1971 c.727 §203]

268.115 [1969 c.700 §5(3), (4); repealed by 1971 c.727 §191]

268.120 Establishing district tax base. A tax base within the meaning of section 11, Article XI of the Oregon Constitution may be established for a district at the same election at which the district is established. If the petition or resolution for initiating proceedings to establish the district contains both requests authorized by subsection (2) of ORS 268.100, the county governing body that calls the election shall confer about the proposed tax base with the governing bodies of all

councils and cities having territory in the proposed district and shall then determine the tax base to be proposed for the district. The proposition submitted to the voters of the district for the purpose of establishing the district shall propose the tax base specified by the county governing body. The tax base so proposed shall be the initial tax base of the district within the meaning of section 11, Article XI of the Oregon Constitution, if the district is established at the election.

[1969 c.700 §6; 1971 c.727 §99]

268.130 [1969 c.700 §7; repealed by 1971 c.727 §191]

GOVERNING BODY

268.200 Governing body of district; selection; first meeting; chairman; rules of procedure. (1) The governing body of a district shall consist of a representative from each governing body of a county with territory in the district, who shall be chosen by that governing body; or, if the district lies entirely in a single county, of two representatives from the governing body of that county, who shall be chosen by that governing body; of a representative from the governing body of the most populous city in the district, who shall be chosen by that governing body; and, if the district lies entirely in a single county, of two representatives of the other cities in the district and in the county, who shall be chosen by a joint convention of the mayors of those cities or, if the district lies in two or more counties, of a representative of the cities in the district and in each of those counties, other than the most populous city in the district, each of whom shall be chosen by a joint convention of the mayors of the cities in his county that lie in the district, except the most populous city in the district.

(2) The members of the governing body shall be chosen within 30 days after the district is established. Any not so chosen within that time shall be chosen promptly thereafter by the Governor. They shall assume their offices the second Monday after the expiration of the 30 days and shall continue in office until the first Monday of the January of the first odd-numbered year after they become members of the governing body. Their respective successors shall be similarly chosen during December of even-numbered years after the district is established, with each successor to hold his office for two years and until his successor is appointed and qualifies for the office, unless the body that appoints him de-

clares his office vacant and appoints his successor. The successor shall serve for the unexpired term remaining after the vacancy is declared.

(3) The chairman of the county governing body that calls the election on establishing the district shall convene the first members of the district governing body and shall serve as chairman of the first meeting until the members choose a permanent chairman.

(4) At its first meeting after January 1 each year the district governing body shall choose a chairman for the ensuing year. The chairman shall be the presiding officer of the governing body and have whatever additional functions the governing body prescribes for him.

(5) The governing body may adopt and enforce rules of procedure governing its proceedings.

[1969 c.700 §9]

268.210 Employing assistance. The governing body of a district may employ whatever administrative, clerical, technical and other assistance is necessary for the proper functioning of the district, on whatever terms the governing body considers in the best interests of the district.

[1969 c.700 §27]

268.220 Employes' rights when district assumes a function of another public corporation, city or county. Except as otherwise provided by ORS 268.230, a district shall offer to employ every person who, on the date the district takes over a function of a public corporation, city or county in the district, is employed by the corporation, city or county to carry on the function. Where the district employs such a person, the employe shall remain an employe of the corporation, city or county for purposes of any pension or retirement plan he has been included in by the corporation, city or county and shall continue to have rights and benefits thereunder as if he had remained an employe of the corporation, city or county, until the district provides a similar plan for its employes and he is included in the plan. Until he is so included, the district shall deduct from his compensation the amount he is required to pay under the plan of the corporation, city or county; shall pay that amount to the corporation, city or county, which shall credit the amount to him under the plan; and shall make whatever payments the plan calls for his employer to make.

[1969 c.700 §30]

268.230 District to protect employes' rights when an operating public transportation system is acquired. When the district acquires an operating public transportation system, it shall make fair and equitable arrangements to protect the interests of employes and retired employes of the system. Such protective arrangements shall include, but shall not be limited to:

- (1) Preservation of rights, privileges and benefits, including continuation of pension rights and payment of benefits, existing under collective bargaining agreements, or otherwise;
 - (2) Continuation of collective bargaining rights;
 - (3) Protection of individual employes against a worsening of their positions with respect to their employment; and
 - (4) Assurance of employment to persons employed by the mass transportation system acquired and priority of reemployment to persons previously employed.
- [1969 c.700 §29a]

POWERS

268.300 Existence, status and general powers of district; where vested. (1) A district shall constitute a municipal corporation of this state, and a public body, corporate and politic, exercising public power. It shall have full power to carry out the objectives of its formation and to that end may have and use a seal, have perpetual succession, sue and be sued in its own name, and enter into contracts.

(2) Except as this chapter provides to the contrary, the powers of the district shall be vested in the governing body of the district.

[1969 c.700 §§8, 26]

268.310 Powers of district. A district may:

- (1) Acquire, construct, alter, maintain and operate interceptor, trunk and outfall sewers and pumping stations and facilities for treatment and disposal of sewage as defined in ORS 449.075 and engage in local aspects of sewerage transferred to the district by agreement with other public corporations, cities or counties in accordance with this chapter.
- (2) Subject to the requirements of ORS 459.005 to 459.045, 459.065 to 459.105, 459.205 to 459.285 and subsections (1) to (3) of ORS 459.992, dispose, and provide facilities for disposal, of solid and liquid wastes and, by agreement with other public corporations, cities or counties in accordance with this chapter, collect and transport such wastes.
- (3) Control the flow, and provide for the

drainage, of surface water, by means of dams, dikes, ditches, canals and similar necessary improvements.

(4) Provide public transportation and terminal facilities for public transportation, including local aspects thereof transferred to the district by one or more other public corporations, cities or counties through agreements in accordance with this chapter.

[1969 c.700 §10; 1971 c.648 §22]

268.320 Voter approval of district actions; assumption of local aspects of functions. (1) The voters of a district may, from time to time, and in exercise of their power of the initiative, or by approving a proposition referred to them by the governing body of the district, authorize the district to assume additional functions and determine the number, qualifications and manner of selecting members of the governing body of the district.

(2) Local aspects of the functions may be assumed only on the basis of agreements in accord with paragraph (b) of subsection (3) of ORS 268.030.

[1969 c.700 §11]

268.330 Powers when providing local aspects of service; powers for public transportation. (1) To provide a local aspect of a public service the district may take over facilities and functions of another public corporation, city or county, and may exercise powers of the corporation, city or county, in accordance with the agreement by which the district assumes the functions of the other corporation, city or county.

(2) For purposes of public transportation, a district may:

- (a) Contract with the United States or with any county, city or state, or any of their departments or agencies, for the construction, preservation, improvement, operation or maintenance of any mass transit system.
- (b) Build, construct, purchase, improve, operate and maintain, subject to other applicable provisions of law, all improvements, facilities or equipment necessary or desirable for the mass transit system of the district.
- (c) Enter into contracts and employ agents, engineers, attorneys and other persons and fix their compensation.
- (d) Fix and collect charges for the use of the transit system and other district facilities.
- (e) A district shall be entitled to tax refunds under ORS 319.350 and 319.831, as if the district were a city.
- (f) Construct, acquire, maintain and operate passenger terminal facilities and motor

vehicle parking facilities in connection with the mass transit system within or outside the district.

(g) Use a public thoroughfare in a manner mutually agreed to by the governing bodies of the district and of the thoroughfare or, if they cannot so agree upon how the district may use the thoroughfare, in a manner determined by an arbitrator appointed by the Governor.

(h) Do such other acts or things as may be necessary or convenient for the proper exercise of the powers granted to a district by this chapter.

[1969 c.700 §12]

268.340 Acquisition of property; condemnation procedure; authority to lease and dispose of property; right of entry to survey lands. (1) To the extent necessary to provide a metropolitan aspect of a public service, a district may acquire by purchase, condemnation, devise, gift or grant real and personal property or any interest therein within and without the district, including property of other public corporations. In so doing the district may proceed under ORS 35.010 to 35.140 or 223.105 to 223.175.

(2) A district may lease and dispose of property in accordance with ORS 271.300 to 271.370.

(3) For purposes of surveys necessary for its proper functioning, a district may enter upon land, after giving the owner thereof reasonable advance notice of the entry.

[1969 c.700 §§13, 14, 15]

268.350 Contracts of district. A district may contract with any public or private agency for the agency to operate any facility or perform any function that the district is authorized to operate or perform. By contract the district may assume any function of any public corporation, city or county in the district that the district has power to assume under this chapter.

[1969 c.700 §23]

268.360 Authority to exercise police power; ordinances; rules and regulations. For purposes of its authorized functions a district may exercise police power and in so doing adopt such ordinances, rules, and regulations as a majority of the members of its governing body considers necessary for the proper functioning of the district.

[1969 c.700 §24]

268.370 Authority to take over transit

system of mass transit district; effect of transfer order. When a metropolitan service district organized under this chapter functions in a mass transit district organized under ORS chapter 267, the governing body of the metropolitan district may at any time order transfer of the transit system of the transit district to the metropolitan district, whereupon:

(1) The governing body of the transit district shall transfer title to, and possession of, the transit system and of all books, records, files, documents, and other property of the district to the metropolitan district.

(2) The metropolitan district shall be responsible for all the liabilities and obligations imposed upon or assumed by the transit district.

(3) For purposes of mass transit the metropolitan district shall have all the rights, powers, privileges, and immunities, and be subject to all the duties and obligations, of a mass transit district under ORS chapter 267, in so far as those rights, powers, privileges, immunities, duties, and obligations are consistent with this chapter.

(4) The boundaries of the metropolitan district shall, for purposes of mass transit, be extended to encompass all the territory of the transit district.

(5) The transit district shall be dissolved and the offices of its directors terminated.

[1969 c.700 §32]

FINANCES

268.500 Levy, collection, enforcement of ad valorem taxes; limitation; classification of property for different tax rates. (1) A district may levy annually an ad valorem tax on all taxable property within its boundaries not to exceed in any one year one-half percent (.005) of the true cash value of all taxable property within the boundaries of such district, computed in accordance with ORS 308.207. The district may also annually assess, levy and collect a special tax upon all such property in an amount sufficient to pay the yearly interest on bonds previously issued by the district and then outstanding, together with any portion of the principal of such bonds maturing within the year. The special tax shall be applied only in payment of the interest and principal of bonds issued by the corporation, but the corporation may apply any funds it may have towards the payment of principal and interest of any such bonds.

(2) Such taxes shall be levied in each year and returned to the county officer whose duty

it is to extend the tax levy by the time required by law for city taxes to be levied and returned. All taxes levied by the district shall become payable at the same time and be collected by the same officer who collects county taxes and shall be turned over to the district according to law. The county officer whose duty it is to extend the county levy shall extend the levy of the district in the same manner as city taxes are extended. Property shall be subject to sale for nonpayment of taxes levied by the corporation in like manner and with like effect as in the case of county and state taxes.

(3) In taxation a district may classify property on the basis of services received from the district and prescribe different tax rates for the different classes of property.
[1969 c.700 §17]

268.510 Special assessments; procedure; notice; content; basis of assessments; instalment payment. (1) A district may levy special assessments against the property within the district in proportion to the benefits such property might have or receive on account of the construction or acquisition of a facility or the furnishing of a service which the district is authorized to furnish. Before such construction or acquisition is undertaken however, the governing body of the district shall adopt a general ordinance which shall provide for the mailing to owners of the property to be assessed at their last-known address, notice of intent to make such improvement and assessment and advising such property owner that each may appear before the governing body to remonstrate against such assessment and to provide for the general method of assessing the property directly benefited and for the recording of assessment liens on such property and for the making of supplemental assessments and rebates.

(2) Action on such an ordinance shall not be taken by the governing body until the expiration of 20 days from the mailing of the notice. The governing body may provide, and state in the notice that the cost of such improvements, construction or acquisition shall be paid in part by assessments against the property directly benefited and in part out of general funds, ad valorem tax levies, the proceeds of the sale of bonds, service charges, or any combination of such sources. The determination of the governing body as to the proportion of cost allocation shall be based on its sound discretion.

(3) Any owner of property which has been assessed more than \$100 for an improvement

beneficial to such property shall have the right to pay such assessment in instalments. Such property owner and the district shall have the respective rights, powers and duties pertaining to assessments as are given to property owners and cities respectively under the provisions of ORS 223.205 to 223.300 (Bancroft Bonding Act).

[1969 c.700 §18]

268.520 Authority to issue bonds; limitation; conditions; advertisement and sale. (1) For the purpose of performing any service that the district has power to perform, the district, when authorized at any properly called election held for such purpose, shall have the power to borrow money by the issuance and sale of general obligation bonds. Such bonds shall never exceed in the aggregate 10 percent of the true cash value of all taxable property within the district computed in accordance with ORS 308.207. The bonds shall be so conditioned that the district shall promise and agree therein to pay the bearer at a place named therein, the principal sum with interest at a rate named therein payable semiannually in accordance with the tenor and terms of the interest coupons attached. The bonds shall mature serially not to exceed 30 years from the date of issue, in like manner as bonds issued under the authority of ORS 287.008.

(2) For the purpose of performing any of the powers conferred by this chapter a district, when authorized at any properly called election held for such purpose, shall have the power to borrow money by the issuance and sale also of revenue bonds and to pledge as security therefor, all or any part of the unobligated net income or revenue of the district. The revenue bonds shall be issued in the same manner and form as are general obligation bonds of the district but they shall be payable both as to principal and interest from revenues only. The revenue bonds shall not be subject to the percentage limitation applicable to general obligation bonds and should not be a lien on any of the taxable property within the corporate limits of the district and shall be payable solely from such part of revenues of the corporation as remain after the payment of obligations having a priority and of all expenses of operation and maintenance of the corporation. All revenue bonds shall contain a provision that both the principal and interest are payable solely from the operating revenues of the district remaining after paying such obligations and expenses.

(3) All general obligation bonds and revenue bonds shall be advertised for sale and sold in the manner prescribed in ORS 287.002 for the sale of bonds of cities.
[1969 c.700 §19]

268.525 Refunding bonds. Refunding bonds of the same character and tenor as those replaced thereby may be issued pursuant to a resolution adopted by the district governing body without submitting to the voters the question of authorizing the issuance of the bonds.
[1969 c.700 §19a]

268.530 Bond elections. Elections for the purpose of voting on the question of borrowing funds by issuance and sale of general obligation bonds or revenue bonds shall be called by the governing body.
[1969 c.700 §20; 1971 c.647 §63a]

268.540 Service and user charges; acceptance of grants; loans from cities and counties. (1) A district may impose and collect service or user charges in payment for its services.

(2) A district may seek and accept grants of financial and other assistance from public and private sources.

(3) A district may, with the approval of a majority of members of its governing body, borrow money from any county or city with territory in the district.
[1969 c.700 §§16, 21, 22]

268.700 [1969 c.700 §29; repealed by 1971 c.727 §203]

PENALTIES

268.990 Penalties; jurisdiction. (1) Violation of any ordinance, rule or regulation adopted by a district shall be punishable by a fine of not more than \$500 or by imprisonment in a county jail for not more than 30 days or by both.

(2) Any penalty for such a violation may be imposed or enforced by the district in the district or circuit court of the state for the county where the violation takes place.
[1969 c.700 §25]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Robert W. Lundy, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.
Done at Salem, Oregon,
on December 1, 1971.

Robert W. Lundy
Legislative Counsel

CHAPTERS 269 AND 270

[Reserved for expansion]

APPENDIX 2

PROPOSED MS D SERVICES

EVALUATION MATRIX

MSD DIRECTION COMMITTEE
EVALUATION OF PROPOSED MSD SERVICES

	Regional Parks & Recreation	Regional Zoo	Communications	Water Supply Storage and Distribution	Cable TV	Art Programs & Cultural Activities <ul style="list-style-type: none"> . Coliseum . Auditorium . Exposition Cen. . Civic Stadium 	Jails	Libraries	Sewage Collection Systems	Street Lighting	Solid Waste collection	General Purpose Powers	Ambulance Services	Community Health & Social Services	Public Housing	Management Services	Regional Planning	Integration of Regional Public Agencies	Regional Regulatory Authority
Provides Economies & Equity of Scale																			
Responsive to Public Needs																			
Provides Benefits on a Regional Basis																			
Used by the Public on a Regional Basis																			
Solves Apparent Need																			
Beyond Capabilities of local Government																			
Allows Smaller units of Government to retain responsibility for local aspects of the service																			
Fosters Public Participation																			

LEGEND

- Y = Yes
- N = No
- D = Don't Know

COMMENTS:

APPENDIX 3

DIRECTION COMMITTEE MINUTES

METROPOLITAN SERVICE DISTRICT

DIRECTION COMMITTEE

R O S T E R

MSD BOARD

Robert Schumacher

Connie McCready

CRAG BOARD

William Young

Mel Gordon

ADMINISTRATION

Roger Mellem, Multnomah County

Don Carlson, Boundary Commission

Bruce Clark, Washington County

John McIntyre, Clackamas County

Lloyd Anderson, Port of Portland

CITIZENS

Chuck Frost, Washington County

Ron Cease, Multnomah County

Jerry Tippens, Washington County



MSD DIRECTION COMMITTEE
MINUTES OF MARCH 21, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young
Chuck Frost
Roger Mellem
Jerry Tippens
Don Carlson
John McIntyre
Bruce Clark

STAFF IN ATTENDANCE

A. McKay Rich
Charles C. Kemper
Jean Woodman

Mr. Kemper opened the first meeting of the Direction Committee with a brief review of the MSD Board's intent in organizing the committee. He stated that the Board had set June 1st as the scheduled report date. The members then considered the following procedure agenda items:

I. ELECTION OF CHAIRMAN

Mr. Frost nominated Mr. William Young as Direction Committee Chairman. Mr. Mellem seconded the motion.

Mr. McIntyre moved that the nominations be closed. Mr. Tippens seconded the motion. The motion carried and Mr. Young was elected Chairman by unanimous vote.

Mr. Carlson nominated Mr. Chuck Frost as Vice Chairman. Mr. McIntyre seconded the nomination. The nominations were closed and Mr. Frost was elected Vice Chairman by unanimous vote.

II. QUORUM AND VOTING

A quorum will consist of six members of the eleven member committee, and a simple majority of the members present will rule on a motion.

III. MEETING DATES

Two meetings in April will be held on the 2nd and the 23rd at 7:30 P.M., at the CRAG office. Thereafter the meetings will be held on the 1st and 3rd Tuesdays of the month, at 7:30 P.M., at the CRAG Office.

IV. DISCUSSION OF PROPOSED COMMITTEE REPORT

The members reviewed staff's proposed committee report outline dated March 1974, and discussed what they felt the MSD Board's charge was to the committee. Staff will outline a definition of regional services and criteria to be used in determining regional services. The committee will consider the intent of the original MSD Bill and review the items identified in the Statutes before determining MSD areas of involvement.

It was agreed that Keith Burns and Pat Whiting would be invited to attend the Direction Committee meetings. It was also agreed that space would be allocated on the meeting agendas for public participation.

The meeting adjourned at 9:10 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF APRIL 2, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
John McIntyre
Chuck Frost
Jerry Tippens
Don Carlson
Bruce Clark
Ronald Cease
Mel Gordon

STAFF IN ATTENDANCE

A. McKay Rich
Charles Kemper
Lyle Balderson
Jean Woodman

I. MINUTES

Mr. Clark moved to approve the minutes of March 21, 1974 as submitted. Mr. Carlson seconded the motion. The motion carried unanimously.

II. PUBLIC INFORMATION EXCHANGE

Mr. Young welcomed guests and invited them to participate if they wished.

III. DISCUSSION OF PRESENTLY AUTHORIZED SERVICES

Mr. Kemper reviewed the Solid Waste Program and Johnson Creek Drainage Program which the MSD is presently involved in. In discussing drainage management Mr. Kemper stated that the Board had directed staff to develop a pilot drainage program for Johnson Creek. This report is at present going through the Technical committee and will be on the Board agenda for April 12, 1974.

The members discussed the various studies that have been performed on the Johnson Creek flood plain and the MSD financial problems of studying and implementing an improvement program for the area. Mr. Kemper indicated that out of approximately 70,000 parcels of land in the basin only about 5% were directly affected by the flood situation, but that a user fee on the entire basin was under consideration by the District. Mr. McIntyre suggested that the District purchase the land in the Johnson Creek flood plain now for resale after improvements or for use as parks and recreation. There was a general consensus that MSD should be looking at a drainage program for the entire MSD area first, rather than consider only one flood plain at a time.

IV. DEVELOP CRITERIA FOR PROPOSED REGIONAL SERVICES

The members reviewed staff's 10 listed criteria for evaluating proposed regional services for MSD, and amended them to read as follows:

1. Will the proposed service achieve economies or equity of scale?
 - . Will it institute a reduction in administrative costs?
 - . Will it utilize modern management techniques?
2. Will the proposed service solve an apparent need?
3. Will the proposed service be responsive to public needs?
4. Will the proposed service provide benefits on a regional basis?
5. Will the proposed service be utilized by this public on a regional basis?
6. Will this service allow, the smaller units of government to retain responsibility for local aspects of the service?
7. Is the proposed function currently beyond the capability of local units of government?

It was agreed that the affect on public participation will also be considered.

MSD Direction Committee
Minutes of April 2, 1974
Page 3

The members felt that in proposed areas of service, the District must first consider the major points of 1) does a regional problem exist; and 2) is the problem beyond the capability of previously authorized governmental units.

The members will consider the listed criteria again at the April 23, 1974 meeting, and will also look at the initial question of existing problems in the area.

The meeting adjourned at 10:00 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF APRIL 23, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
Don Carlson
Mel Gordon
John McIntyre
Jerry Tippens
Robert Schumacher
Ronald Cease
Don Barney
Bruce Clark
Chuck Frost
Roger Mellem

STAFF IN ATTENDANCE

Larry Rice
A. McKay Rich
Charles Kemper
Jean Woodman

I. MINUTES

Mr. McIntyre moved to approve the minutes of April 2nd, 1974 as submitted. Mr. Carlson seconded the motion. The motion carried unanimously.

II. PUBLIC INFORMATION EXCHANGE

No response.

III. DEVELOPMENT OF FACTORS FOR EVALUATING PROPOSED REGIONAL SERVICES

Mr. Kemper reviewed the changes in the criteria for evaluating prospective regional services. The amendments were made by the Committee members at the April 2, 1974 meeting. The rewritten guidelines met with the members approval.

IV. EVALUATING EXISTING AND PROPOSED REGIONAL SERVICES

The members considered eight services proposed by the MSD Board as regional concerns. These items are listed below with amendments to numbers 3, 4 and 6 made by the Direction Committee:

1. Regional Parks and Recreation
2. Regional Zoo
3. Communications (including 911)
4. Water Supply Storage and Distribution
5. Cable Television
6. Art Programs and Cultural Activities
 - . Coliseum
 - . Auditorium
 - . Exposition Center
 - . Civic Stadium
7. Jails
8. Libraries

The following items were added to the list for purpose of review and discussion:

9. Regional Sewage Collection System
10. Regional Street Lighting

11. Garbage Collection
12. General Grant of Authority
13. Ambulance Services (Emergency Services)
14. Public Aspects of Community Health and Social Services
15. Public Housing
16. Management Services (Informational Sharing System)
17. Regional Planning
18. Integration of Existing Public Regional Agencies
19. Regional Regulatory Authority

The members will be supplied with portions of the CRAG document Urban Outdoors listing the various parks in the region to help them in evaluating item No. 1 "Regional Parks and Recreation".

All 19 items will be evaluated by each member for their regional implications using the listed criteria developed by the Committee.

V. OTHER BUSINESS

The next two meetings of the Direction Committee will be on May 14, 1974 and May 21, 1974.

The meeting adjourned at 10:00 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF MAY 14, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
Connie McCready
Bruce Clark
Robert Schumacher
Don Carlson
Mel Gordon
Ron Cease

STAFF IN ATTENDANCE

Charles Kemper
A. McKay Rich
Jean Woodman

I. MINUTES

Mr. Clark moved to approve the minutes of April 23, 1974 as submitted. Mr. Schumacher seconded the motion. The motion carried unanimously.

II. PUBLIC COMMUNICATION

No response.

III. SELECT PROPOSED SERVICES

The members reviewed the 19 proposed services developed by the committee at the April 23, 1974 meeting. Each member rated the 19 services using staff's matrix outline, and the following rate categories:

- 1 = yes - area of concern.
- 2 = maybe - future area of concern.
- 3 = no - not to be considered at this time.

After review and discussion by the committee members, the following priority ratings were developed and approved:

- 1 Regional Parks and Recreation
- 1 Regional Zoo
- 2 Communications (including 911)
- 2 Water Supply Storage and Distribution
- 2 Art Programs and Cultural Facilities
- 2 Jails
- 2 Libraries
- 2 Regional Sewage Collection System
- 3 Cable Television
- 3 Regional Street Lighting
- 3 Garbage Collection
- 3 General Grant of Authority
- 3 Ambulance Services (emergency services)
- 3 Public aspects of Community Health and Social Services
- 3 Public Housing
- 3 Management Services (Informational Sharing System)
- 3 Regional Planning
- 3 Integration of Existing Public Regional Agencies
- 3 Regional Regulatory Authority

IV. REVIEW AND DISCUSS POSSIBLE BOARD STRUCTURE

The members reviewed alternative MSD Board structures suggested by staff as follows:

1. Present MSD Board structure of 7 members elected officials from the jurisdictions with each having one vote.
2. A mixed Board of 4 elected officials from the jurisdictions and 5 members directly elected each having one vote.
3. Nine members directly elected to the Board each having one vote.

Several members were in favor of the mixed Board, however, there was some feeling that this would not stimulate active participation on the part of the directly elected members. Mr. Young felt that the MSD Board should be structured similar to the CRAG Board in order to accomodate an easier merger of the two organizations in the future.

It was agreed that the members will consider possible Board structures and bring their proposals to the next meeting on May 21, 1974.

V. SELECT PROPOSED BOARD STRUCTURE

Tabled.

The meeting adjourned at 10:00 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF MAY 21, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
Ron Cease
Don Carlson
Connie McCready
Roger Mellem
Lloyd Anderson
Chuck Frost

STAFF IN ATTENDANCE

A. McKay Rich
Charles Kemper
Lyle Balderson
Jean Woodman

As there was not a quorum present until late in the meeting, the members informally discussed future MSD Board structures, and whether to utilize a one man, one vote or a weighted voting system.

Mr. Young suggested moving toward a Board comprised entirely of local elected officials with a weighted voting system as the CRAG Board is now. He felt this would generate fewer differences between the two Boards and allow a smoother merging of the two agencies. Several members, however, preferred the mixed Board with a one man, one vote system. The members discussed their concerns with the various possibilities and which one would most lend itself to solving the problems of the services MSD is dealing with and the additional services the Committee is proposing.

It was agreed that staff would suggest additional Board structures for the members consideration at the June 4, 1974 meeting, and Mr. Young requested that all the members attend. It was also agreed that the meeting time will be changed to 8:00 P.M.

CORRECTIONS TO THE JUNE 4, 1974 DIRECTION COMMITTEE MEETING

1. The first motion on Page 2 was made by Mr. Tippens rather than by Mr. Cease.
2. The first motion on Page 3 carried by a vote of 7 to 2 rather than a vote of 8 to 1.



MSD DIRECTION COMMITTEE

MINUTES OF JUNE 4, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
Mel Gordon
Bruce Clark
Jerry Tippens
Ron Cease
Connie McCready
Don Carlson
Chuck Frost
Roger Mellem

STAFF IN ATTENDANCE

A. McKay Rich
Charles Kemper
Jean Woodman

I. MINUTES

The Minutes of the May 14, 1974 meeting and the May 21, 1974 meeting were approved as submitted.

II. SELECTION OF MSD BOARD STRUCTURE

Mr. Kemper reviewed staff's outline of three alternative MSD Board structures as follows:

1. Apportioned According to population
 - A. Board directly elected by the voters either by district, at large, or a mixture of district and at large;
 - B. Board appointed by the Governor or some other means. Members could be appointed from districts, at large, or both;
 - C. Present Board structure but with votes apportioned on a population basis.

2. Non-apportioned Board with Equal Voting by Jurisdictions
 - A. Continuation of present Board.
3. Mixed Board Structure
 - A. Board comprised of members directly elected by district and appointed by jurisdictions.
 - B. Board with bicameral voting procedures. Board members could be mixed elected and appointed or all appointed.

There was some discussion on limiting Board membership to already locally elected officials whether appointed by jurisdictions or directly elected to the Board; however, some members felt this restriction would be too limiting to the membership and would not solve the issue of Board member accountability. There was some feeling that the constituency of Board members should be with both jurisdictions and with the citizens, and that a system could be developed that would incorporate both areas.

The weighted voting system versus the one man-one vote system was raised for discussion and applied to the theory of a mixed Board structure with the directly elected members representing apportioned districts.

Mr. Cease moved that the committed go on record in favor of the concept of direct election for some portion of the MSD Board. Mr. Gordon seconded the motion.

Mr. Frost moved to amend the motion to limit eligibility of directly elected members to already locally elected officials. Mr. Mellem seconded the motion.

Question was called on the amendment, and the amendment failed three in favor and six against.

Question was called on the motion, and the motion carried with six in favor and three against.

Mr. Frost moved to recommend that the directly elected Board vote in such a manner that it represents both the jurisdictions within the district and population within the district. The motion did not receive a second.

Mr. Cease moved in favor of Board membership made up partly of popularly elected representatives and partly of appointments by local jurisdictions. Mr. Tippens seconded the motion.

MSD Direction Committee
Minutes of June 4, 1974
Page 3

The question for Mr. Cease's motion was called, and the motion carried with eight in favor and one against.

Mr. Frost moved that the Board membership be limited to individuals who are officers of existing local governments. Mrs. McCready seconded the motion.

The motion failed with three in favor and six against.

Mr. Cease moved in favor of a Board comprised of 11 members, 7 appointed from the jurisdictions and 4 directly elected by 4 equal districts in population; each person having a single vote. Mrs. McCready seconded the motion.

Mr. Tippens moved to amend the motion to read "not less than 4 nor more than 8 directly elected members." Mr. Mellem seconded the motion.

Question called on the amendment, and the amendment carried with 7 in favor and two against.

The question was called on the amended motion, and the motion carried with 7 in favor and two against.

Mr. Clark moved that a quorum exists with a majority of elected members present and a majority of appointed members present. Mr. Gordon seconded the motion. The motion failed.

Mr. Gordon moved that a quorum exists with a majority of all members present and action may be taken with a majority of the quorum present. Mr. Mellem seconded the motion. The motion carried with six in favor and three against.

As a result of the above action, the Direction Committee is recommending a mixed Board membership comprised of 7 locally elected officials appointed by the jurisdictions, and not less than 4 nor more than 8 directly elected members from apportioned areas, and each casting a single vote, with a quorum consisting of the majority of the entire Board and action taking place with a majority of the quorum present.

III. DEVELOP POLICY STATEMENT DEFINING THE ROLE

The members considered staff's proposed statement defining the role of MSD in areas of service to the district.

Mrs. McCreedy moved to amend the statement to read: "The Metropolitan Service District should provide to the Portland Metropolitan Area those public services best provided on a regional basis." Mr. Gordon seconded the motion. The motion carried with one vote against.

It was agreed that this policy statement was broad, and the members would consider it further at the next meeting.

The meeting adjourned at 10:30 P.M. The next meeting will be on June 11, 1974 at 8:00 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF JUNE 11, 1974 MEETING

MEMBERS IN ATTENDANCE

Bill Young, Chairman
Mel Gordon
Ron Cease
Don Carlson
Jerry Tippens
Roger Mellem

STAFF IN ATTENDANCE

Charles Kemper
Jean Woodman

I. MINUTES

The Minutes of June 4, 1974 were approved with two corrections: 1) the first motion under Selection of MSD Board Structure was made by Mr. Tippens; and 2) the first motion on Page 3 carried with a vote of 7 -2.

II. DEVELOP POLICY STATEMENT DEFINING THE ROLE

The members considered the following policy statement developed at the June 4, 1974 meeting: "The Metropolitan Service District should provide to the Portland Metropolitan Area those public services best provided on a regional basis."

Mr. Cease moved to amend the policy statement to read: "The Metropolitan Service District should provide to the Portland Metropolitan Area those public services which can best be provided on a regional basis or which cannot viably be provided by existing local government."

Mr. Mellem seconded the motion. After some discussion on including specific services, the motion carried unanimously.

III. RECOMMEND POSSIBLE MEANS TO FINANCE PROPOSED SERVICES

The members discussed MSD's authority to utilize special assessment taxes and user fees as a means of revenue. Mr. Gordon suggested that the committee urge the Board to develop some history in the area of solid waste and perhaps take over the City of Portland's landfill as a means of obtaining revenue. Mr. Young felt that without a general tax base, the MSD would not be able to operate effectively.

Mr. Cease moved to urge the Board to proceed in those areas where they have statutory authority at present and proceed in the solid waste area with user service charges; the area of storm drainage with special assessments; and ultimately, consideration of going for a tax base for the general fund.

Mr. Tippens seconded the motion. The motion carried unanimously.

Mr. Tippens moved to recommend that the Board aggressively pursue user fees in the area of solid waste as a revenue source and to do so immediately. Mr. Mellem seconded the motion. The motion carried unanimously.

The members considered possible funding for the two priority items developed by the committee for MSD areas of interest: 1) zoo and 2) parks and recreation. It was agreed that both items were popular and could survive in a tax base vote by the people.

Mr. Cease moved to recommend the Board consider assumption of those responsibilities identified as No. 1, zoo and regional parks and recreation, and consideration of taking these functions to the voters sometime after the November election with funding included on the same ballot.

Mr. Gordon seconded the motion. The motion carried unanimously.

IV. REVIEW REPORT OUTLINE

Mr. Kemper reviewed staff's outline of the Direction Committee Report to the MSD Board. It was agreed that staff will develop

MSD Direction Committee
Minutes of June 11, 1974
Page 3

a complete document with a brief summary for the Chairman's use in presenting the document to the MSD Board. The Committee will meet again on the 9th of July to consider the report before submitting it to the Board on July 12, 1974.

The meeting adjourned at 10:00 P.M.



MSD DIRECTION COMMITTEE

MINUTES OF JULY 9, 1974 MEETING

MEMBERS IN ATTENDANCE

William Young, Chairman
Bruce Clark
Don Carlson
Ron Cease
Roger Mellem

STAFF IN ATTENDANCE

Charles C. Kemper
Jean Woodman

As there was not a quorum present, the members informally considered the following items of business:

I. MINUTES

The minutes of the June 11, 1974 meeting were approved as submitted.

II. DIRECTION COMMITTEE REPORT DRAFT REVIEW

The members reviewed the draft copy of the committee report developed by staff and suggested word changes to pages 2, 3 and 9 of the report and to the second and third pages of the summary.

A quorum of the committee gave its approval of the outline of the report at the June 11, 1974 meeting and the members now present were satisfied with the final document. The report will be presented to the MSD Board at the July 12, 1974 Board meeting. Copies of the document will be sent to the Board members and members of the Direction Committee.

The meeting adjourned at 9:10 P.M.