

## **Metropolitan Exposition-Recreation Commission**

### **Resolution 97-15**

For the Purpose of Changing the Commission's Role in Providing Stage Labor Services.

**Whereas**, the Commission currently provides stage labor services to its customers at its performing arts facilities; and,

**Whereas**, the Commission in that capacity acts as a governmental "middleman" between the Commission's customers and the employees who perform stage hand labor for events taking place at Commission facilities, by employing stagehands directly and "passing through" this cost to the customers; and,

**Whereas**, the principal community based users of stage labor in the Commission's facilities have requested that the Commission abandon the practice of employing stage labor itself, and allow the users of the facilities to directly employ stagehands themselves,

#### **THE COMMISSION FINDS AS FOLLOWS:**

1. The Commission's primary business is as an operator of spectator, trade, exposition and sports facilities.

2. The Commission's primary role is to provide an array of venues for appropriate events to take place in the Portland Metropolitan region.

3. Stage labor is a crucial part of the production of most events which take place at Commission performing arts facilities. The employees who perform this labor are highly trained, specialized and qualified, and have performed this work at a very high level of competence. The provision of stage labor services to the users of the Commission's facilities is, however, a secondary activity for the Commission. It is inefficient for the Commission to serve as the stagehands' employer, when in reality these individuals are performing labor for the Commission's customers. The practice of having the Commission employ stage labor and pass this cost through to its customers detracts from the Commission's primary goal of providing venues for events to take place in the Portland Metropolitan region. This "pass-through" management structure also interferes with what should be a direct relationship between the users of the Commission's facilities and the employees who actually perform these crucial tasks.

4. No logical business purpose is served by the Commission continuing to act as a governmental "middleman" for the provision of stage labor services to the Commission's customers. The continuation of this practice would detract from the Commission's primary business purposes, and is not an appropriate business activity for the Commission to be involved in at this time.

5. The Commission should therefore be responsive to the requests of the principal community based users of stage labor services, and take action to allow the Commission's customers to employ stagehands directly, rather than require them to continue to use the Commission as a governmental "middleman."

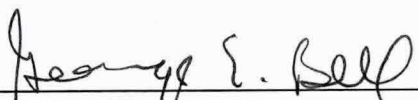
**BE IT THEREFORE RESOLVED:**

1. Effective July 1, 1997, the Commission shall no longer provide stage labor services to users of its facilities.

2. The General Manager is authorized and directed to take whatever actions are necessary to carry out the terms of this Resolution.

Passed by the Commission on April 9, 1997.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Secretary-Treasurer

APPROVED AS TO FORM:  
Daniel B. Cooper, Metro General Counsel

By:   
\_\_\_\_\_  
Kathleen Pool  
Senior Assistant Counsel

## MERC STAFF REPORT

**Agenda Item/Issue:** Determining the Commission's Role In Providing Stage Labor Services

**Resolution No:** 97-15

**Date:** April 9, 1997

**Presented by:** Harriet Sherburne

**BACKGROUND:** Through implementation of changes outlined in the 1994 Business Plan, PCPA has more carefully managed use of all facilities; increased utilization of each theatre with expanded attendance; and increased the number of commercial events including full-week runs of touring Broadway shows. In addition, as greater financial resources have become available through earned income and government funding support, management has directed a greater portion of total PCPA resources to maintenance and repair of the properties and capital improvements. As a result, it has become necessary and appropriate that PCPA concentrate focus on maintenance and repair of the properties rather than serving as a service provider to our users.

Through a series of incremental actions over several years, MERC has become the provider (employer) of part-time stagehand labor required for events presented by third party users booking the PCPA theatres for their productions. As a result, PCPA Operations Department has become the governmental "middleman" between the presenter/user and the stagehands involved with each production and performance. Today, the presenters using PCPA facilities are predominately professional, sophisticated business entities, with skilled management and high production standards. The presenters determine the size and character of each production as well as the stagehand labor required to support their respective shows; they supervise all aspects of the show including scheduling, load-in, performance and take-out of each production, managing stage personnel and performing artists, etc.

Under the Business Plan mandate, PCPA must apply its expertise and resources in the areas of greatest productivity: this includes management of the properties as a lessor, but does not include acting as a service provider. Therefore, it is appropriate to make the business decision to cease being the provider of on-call labor required to stage productions in PCPA facilities. This business decision matches the expressed desire of major PCPA users to be directly responsible for managing stagehand labor involved in their productions.

This issue deals primarily with PCPA; however, staff recommends that the Commission make this decision applicable to all MERC facilities.

**FISCAL IMPACT:** Those who present events in PCPA facilities would become directly responsible for stage labor; therefore, pass-through activity for stage labor would be eliminated from the PCPA annual budget, reducing both expenditures and the off-setting reimbursement income. The net financial impact on MERC will be minimal.

**RECOMMENDATION:** Staff recommend that the Commission approve the proposed business decision as reflected in Resolution 97-15.

December 11, 1996

Ms Harriet Sherburne  
Executive Director  
Portland Center for the Performing Arts  
1111 SW Broadway  
Portland, OR 97205

**CONFIDENTIAL**

Dear Harriet:

**RE: PCPA/Labor Issues**

As the major local producing arts organizations based in PCPA facilities, we have a strong interest in the way business is organized and operated in these facilities -- including the manner in which professional and consistent quality labor is provided to the users.

We are aware that the three year agreement with IATSE, Local 28, negotiated by PCPA and which expired on June 30, 1996 has been extended for one year through June 30, 1997.

Each of the organizations identified below must manage its program of annual performances to meet their respective artistic missions, while striving for financial stability. In order to do this, each of us must pay attention to every aspect of each production to manage our costs professionally and effectively.

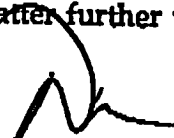
This letter serves to advise PCPA management and staff that we wish to be the direct employers of the stage-hand labor in the PCPA facilities, and that we no longer wish to have the government act as an intermediary on our behalf.

We look forward to discussing this matter further with you in the near future.



Johann Jacobs  
General Manager  
Oregon Ballet Theatre

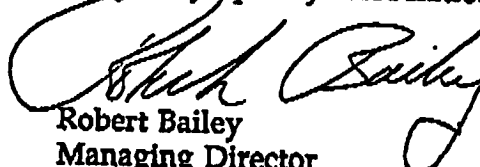
Sincerely,



Don Roth  
Executive Director  
Oregon Symphony Association



Elizabeth Huddle  
Producing Director  
Portland Center Stage



Robert Bailey  
Managing Director  
Portland Opera Association