

MINUTES OF THE TRI-COUNTY LOCAL GOVERNMENT COMMISSION MEETING

Held: April 10, 1976 at Otter Crest

MEMBERS PRESENT: Cease, Halvorson, Ballin, Bayless, Blunt, Bogue, Bonyhadi, Brickley, Buchanan, Burgess, Clarno, Coleman, Frewing, Gisvold, Gregory, Hammel, Herrell, Jaeger, Jordan, Kalani, Keller, Kirkpatrick, Landauer, Lindquist, Linstone, Marsh, Mattersdorff, Mays, McGilvra, Montgomery, Moshofsky, Nees, Nightingale, Rieke, Roberts, Rosenbaum, Russell, Schedeen, Seidel, Shepherd, Simpson, Snedecor, Sprecher, Stahl, Stevenson, Stuhr, Telfer, Thorgerson, Tippens, Webber, Yost.

EXCUSED: Bailey, Bullier, Hays, Hoover, Johnson, Johnson, Lang, Nelson, Opray, Schumacher, Schwab.

STAFF: Rich, Garbutt, Bukowsky, Cross, Etlinger, Lamb, Raimondi, Robinette, Stamm.

Students: John Babatunde, Ancil Berri, Randy Byrd, Kathy Farr, Bob Goldin, Brad Post.

Chairman Cease called the meeting to order at 10:00 a.m. Roll call was taken.

INTRODUCTIONS: Charles Warren, Project Director - NAPA
Lea Jenny - Interim Committee on Inter-Governmental Relations.
Don Carlson, Director - Boundary Commission
Gil Gutjahr, Dir. of the Tax Supervision & Conservation Commission
Don Williams, Elections Division, Clackamas County

Chairman Cease explained the Agenda for the Conference.

McKay Rich discussed the written information which will be handed out at this conference; conceptual models and the public information program, and explained the wall maps of the tri-county area.

Cease: The purpose of the Ad Hoc committees which will be working this afternoon is to discuss any issues of concern in the report, as well as anything they feel was omitted from the report. The report will be used as a framework for Phase II. The subject matter for each committee is identical.

Cease commented briefly on the Phase I committee reports, and each committee chairman reported, as follows:

Coleman, Chairperson - Neighborhood Organizations and Citizen Involvement Committee - Public demand for involvement in the government has produced federal and state legislation requiring citizen participation, which has, in turn, produced more organized COs. Community organizations have become the most acceptable method of citizen participation. This provides the opportunity to participate, although not everyone makes use of it. Coleman emphasized the conclusion in the report: This commission must determine the function and role of the COs. If we decide to make a separate political entity of COs, it will alter all other governmental agencies.

Gisvold, Chairperson - Local Government & Inter-governmental Relations Committee - - This committee attempted to determine which services were being delivered by which agencies, and what the problems are in coordinating these relationships. After a functional review, they developed an understanding of most of the functional categories of services provided by local government. They did not touch on land use planning. Human resources needs more study; Gisvold suggested a special committee for that.

Yost, Chairperson - State Local Relations Committee - In examining the relationships between local, state and federal governments, the serious lack of planning became evident. Lack of control over funding makes long-term planning difficult. Two types of government were studied: the layered structure versus the conglomerate structure. They identified two fundamental problems:

1. Inadequate organization, and
2. lack of planning, due to the acuteness of the immediate problems.

When a problem cannot be solved locally, the state gets involved; when the state cannot solve it, the federal government gets involved.

Snedecor, Chairperson - Regional Governments and Agencies Committee.

A thorough study was made of the regional governments. Six major areas of concern were highlighted: 1. There has been a failure on the part of certain regional agencies to publicly justify their existence. 2. There is no clear and common policy whether regional government should be single purpose or general purpose in character. 3. There is no clear delineation of service responsibility or authority by level of government. 4. There is an inconsistency in the boundaries of regional governments. 5. There is confusion as to whom the various regional commission are accountable. 6. Inadequate funding is a problem that can prevent a regional government from functioning efficiently.

Is the system of area-wide government the most appropriate for this region?

Simpson, Chairperson - Finance & Taxation Committee -

There is not enough money to finance local government- to make it work. We tried to find other ways to solve some of the problems. Brief reports were given by each member of this committee.

Stahl, Vice Chairperson (Finance) - The two major areas of concern are:

- 1) The local government has been very reliant on property taxes. This is rapidly changing, but do we really know who is paying the bill of the property tax relief program and the renters relief program? What is the appropriate use of these taxes? There are some areas other than schools which are more closely related to property tax expenditures.
- 2) There are so many layers of government which have been added over the years that we do not have a feeling for what is useful and what is obsolete. If we are going to look at regional financing, the decision must be made as to how these revenues are to be used, and how the system can be simplified.

Gregory, (Management) - Determine financial needs and effectiveness of agencies. Some do very well with the funding available, some do poorly no matter how much money is available because of poor management. Determine the lowest unit cost.

McGillvra, (Communication) - The needs of the taxpayer must be conveyed to the government. Many agencies are created out of crisis, such as the unified sewage agency. There must be a sustained information program - government must improve

its technique of communication. There may already be too many people in the act of citizen participation.

Roberts - Services are funded from many different sources, one of which is revenue sharing. Some of this could be used for regional services and some could be distributed by regional authority, matched by the individual units of government.

Burgess: How does the public feel about a merger of agencies into one?

Roberts said he had introduced a bill on this topic, and it did get as far as a hearing.

QUESTION AND ANSWER SESSION

Coleman: Were you suggesting that local match be put up for regional services?

Roberts: The state could give a larger amount of support for the provision of these services and further encourage the provision of services on a regional basis. The individuals in the region would have better services.

Rieke: What records were the most informative and useful as to how money was being spent? Is the information available in an accessible form?

Simpson: No, it isn't. Most people do not understand where the money comes from or where it goes.

Gutjahr: The records of government in Multnomah County are more easily accessible than those in Washington and Clackamas Counties because of the work of the Tax Supervision and Conservation Commission.

Roberts: The funding and accounting methods are different from government to government.

Bogue: The problem is, there are no accounting systems in this state - - the worst offender is the state itself. An accounting system must be adopted for the auditors.

Burgess: Most cities hire public auditors, in addition to the state auditors.

McGilvra: Auditing is not a very effective system for determining where the money should go. It is an historical record of how the money was spent.

Stuhr: Which agencies are efficient in managing their funds?

Roberts: Tualatin Hills Parks and Recreation appeared to be a good example.

Hammel: We should examine the role of the community organizations first, rather than decide what services should be provided by whom.

Shepherd: If governments provide responsiveness and accountability through community participation, the money will be voted for.

Montgomery: We need to tackle the information flow and accountability. The public has no confidence in government.

Coleman: The trend is to look at services first.

Roberts: When problems arise, instead of trying to improve what we have, we set up new governments.

Thorgerson: Negotiation with unions effects how much control we are going to have over the funds we want to work with?

Stahl: The finance committee wants to examine this area during Phase II.

Burgess: We should look at collective bargaining.

Linstone: We should study what to eliminate before we start adding - - There should be a mechanism which provides a learning process before we make new proposals.

Frewing asked Snedecor if that group reviewed the functions of the government agencies.

Snedecor: Yes - the MSD has power, but no money; they did look at the specifics. Some of the agencies could be combined under one agency.

Rich: In the Montana State Constitution, there is a provision that every ten

years, all of the local governments have to review existing structures and determine if there should be changes in the government structure. In Denver, they had a proposal for a regional service agency with a governing body made up of local officials, but also directly elected to the regional board. After five years, there was to be a review of the structure. We might explore this type of mechanism for formal review in this area.

Webber: Have we looked into contracting for services?

Simpson: We did not see that as a task for Phase I.

Moshofsky: High priority should be given to the process of selecting the people who will manage the metro area.

Cease: There are two main methods - - exofficio or appointed by governor and direct election. There is a general feeling that business is better managed than government.

Stahl: The local governments are attempting to get a unit cost to see if they are economical or wasteful - - they do not have much information to draw from

Buchanan: Government is as efficient as business. One of the things we have to look at is the difference in level of pay and fringe benefits.

Cease: We will have to find additional money or eliminate some services. In Phase II, we will examine the problems we have identified in Phase I. It is expected that we may have substantial disagreements during Phase II, but, hopefully, we can still work together effectively.

Following are the chairpersons for today's discussion groups that will be meeting from 1:30 to 3:15 p.m.:

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|----------------|------------|
| 1. Webber | 5. Frewing |
| 2. Nightingale | 6. Keller |
| 3. Bonyhadi | 7. Bogue |
| 4. Hammel | 8. Telfer |

Meeting was adjourned until 3:30 p.m.

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Reconvened 3:30 p.m. - April 10, 1976 at Otter Crest

Chairman Cease asked if the members felt it was necessary for the staff to produce a consolidated report for public distribution from the Phase I committee reports. It was generally agreed to accept the report in its present form with any minor changes.

Ad Hoc discussion committees - The points raised by these groups will be incorporated in tomorrow's meeting. Each committee chairperson gave a brief report, as follows:

Webber - Concerns and interests for Phase II - Motto "Let's shed more tiers", i.e. dispense with unnecessary levels of government. Neighborhoods organizations are sometimes assigned problems which they have no power to correct. In Phase II, they will identify functions, define geographic size of areas to cope with functions, devise a plan to deal with these functions.

Blunt interjected we must determine crisis priorities and how to sell them to the public.

Nightingale - The least government is best. Philosophical differences in government. Discussed goals for Phase II; land use planning; the problems which should be handled at the local level. Major goal: Determine the most effective system of citizen participation. Change the "Financial Disclosure Act". Should

major decisions which affect local areas be made at a higher level. No consensus was reached on this issue.

Bonyhadi - Concept of zero base budgeting, various accounting procedures were considered, as well as employees and employee benefits.

Neighborhood concepts: proper mechanism to encourage but not require citizen participation. There was opposition to COs which are not part of governmental structure. The goal is to reduce government rather than add to it.

Hammel: This group addressed themselves to the neighborhood committee report and decided the commission should give top priority to the role and function of COs. COs should be ad hoc and advisory - - not institutionalized. Citizen participation can best be served by providing a point of contact where opinions can be expressed. Hammel pointed out the paragraph on page 58 of the Phase I Report, ". . . even though local governments are creatures of the state, the state has never planned for the system, or systems, of local government it wants." If there is to be change, it will have to come from the local level.

Property tax should be used for those things related to use of property. The feasibility of this should be reviewed in Phase II.

Measurement techniques for management should be examined. We need to resolve what is going to be our approach, i.e. the most practical basic plan.

Review what is appropriate today vs. what is out of date; example - the county's involvement with veterans' assistance. A special committee could be appointed to examine this.

Frewing - What should be the outcome of Phase II. Define priority functions and services. Consensus was formalization of neighborhoods should not be carried out too rapidly.

Intergovernmental relations: they favor increased cooperation between levels of government; improvement in existing governments.

Add to report: Incentives for local or regional governments to perform their activities in a more rational manner. Property assessment program.

Regional: Should they be single purpose or multi-purpose?

Finance: The state could make it easier for local government to use alternate sources of revenue (non-property tax).

Keller - Concerns for the role of the commission in Phase II - how to develop models for regional government. Planning is needed instead of just reacting to a crisis. An effort must be made to get citizens involved in the planning process. District offices could be established. Planning for government financial structures - differential financing.

Priorities for Phase II: Identify areas where we can be effective in developing legislation which will be useful.

Bogue - There were several issues common to all the reports: 1) overlapping structure, 2) trying to understand the coordination of delivery of public services. Our final report must address these two issues. Deficiencies in the report: Effect of home rule charter counties, what is the authority at the state level to make boundary changes.

Summary statement on page 3 of the report, the assumption that neighborhood committees are useful may not be valid. The consensus of this group was that they should not be institutionalized. Would Portland State University exist now if that neighborhood organization had been strong? Neighborhood organizations should be formed as needed.

Is it proper for local government to opt out of the social security system. Objectives - - come to the conclusion on what level government should deliver what services. Does consolidation of government improve services or reduce cost?

Telfer - This group covered a wide range of discussion material. The main points were: 1) identify management deficiencies, 2) during Phase II, do we want to focus on the neighborhood level, and work up, or the reverse? 3) uninstitutionalized community organizations were favored.

Recommendations for amendments to the summary of Phase I Report, page 3, 1, near bottom of the page, insert "and boundaries" after "functional responsibilities" and substitute "units" for "tiers".

Human services, land use planning and governmental functions should receive more attention than in Phase I.

The following addition was suggested for the Phase I report: Page 30, A: Add "There are some areas with no fire protection at all." Telfer suggested some minor amendments to the Phase I report. It was generally agreed to let the staff handle it, rather than take up time at this conference.

The lack of time precluded a more thorough evaluation of what the regional agencies are doing.

Cease commented on home rule, as part of our report. Bromleigh Lamb and Ken Martin are working on a report covering this topic.

COMMITTEE STRUCTURE: The working committees have been more successful than the meetings of the full commission. The commission members were instructed to give some thought to both the ideal and the practical approach to models of governmental structure for Phase II.

It was felt that there should be more exchange of information between the working committees.

Linstone: More specific guidelines are needed for the next stage.

Rich suggested a functional matrix will assist with this.

The value of using the existing structure was discussed. If you change committees, you may lose continuity, but, on the other hand, it is an opportunity to obtain broader knowledge and a fresh approach.

Cease said that anyone wishing to change their committee assignment will have that option.

Roberts: The nature of the committees should be voluntary.

Cease: Should committee form be changed?

Moshofsky suggested only three committees might be appropriate.

Blunt: suggested rotating people on committees.

Hammel: How do we address the problems of functional goals?

Burgess: Ad hoc committees should work on some issues, such as framework, i.e. are we going to look at a two-tier system.

There were no further comments on this subject.

MEETING ADJOURNED until Sunday at 9:15 a.m.

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The conference was reconvened 9:15 a.m., April 11, 1976.

Ad hoc committee report.

A motion was made and seconded to accept the five-committee reports with the following amendments: Page 53, paragraph Vii. Criminal Justice Agencies should read Criminal and Civil Justice Agencies.

Page 3, last line should read "responsibilities and boundaries among the various units of government";

Cease: Any necessary changes can be made when we consolidate this report for the final version. This is an in-house document and not yet an official commission report.

It was clarified - - the Commission is directing the staff to make any necessary corrections or modifications in the Phase I report.

Russell: How are we going to put community organizations in the report?

Frewing: moved to delete items 1. and 2. at the top of page 3. and substitute: "The most important work of the commission regarding community organizations is to adopt a consensus opinion on their functions relative to other governmental units and levels. Questions of structure, accountability and finance are contingent on the definition of functions.

Bonyhadi suggested eliminating the word "other" in the above statement.

Coleman suggested the meaning of the wording is the same, but the emphasis is different. The function is the major aspect of the COs, but not the major issue.

A motion was passed to delete "as a priority issue" from item 1. at the top of page 3.

Shepherd moved to amend item 3. at the top of page 4 - change "between" to "among".

Hammel moved to delete the sentence on page 58 beginning with "In fact, . . ."

Roberts: We are not making the most effective use of this time by going over the report line by line. Roberts suggested (this was not a motion) we instruct the chairmen and the Executive Committee to prepare a summary of the report. This was generally agreed.

Yost: suggested the staff use the material from the Saturday discussion groups to prepare a consolidated report.

Hammel: The report in its present form is a working document for Phase II.

Burgess moved we receive the Phase I Report with no further amendments. The motion was seconded and passed (after a count of hands).

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Reconvened 10:30 a.m. - April 11, 1976

Hammel reminded the chairman of a Commission rule that there be no smoking in the meetings. The rule was reaffirmed.

Simpson presented the ad hoc committees' Work Program for Phase II and moved that we adopt the Models for the two-tier and the three-tier structures as a guide for Phase II. Motion was seconded by Yost and was passed.

Yost: While the two-tier system of government is desirable, it may not be achievable.

Cease: The committees will look at both the two-tier and three tier models.

Linstone: The guidelines for the timing of implementing our recommendations for changes in legislature should be clearly set out.

VOTING ON GUIDELINES

Motion: Delete last sentence under Goals, beginning with "Services should . ." Failed.

Motion: Insert the last sentence of Goals, under Guidelines #1, and eliminate the words "closest to the people". Motion was seconded and passed.

Motion: Delete the word "comprehensive" in the Goals. Failed.

Motion: Burgess moved to insert the word "lowest" into Guideline #1. Passed. Guideline #1 will now read: "Provide services, in so far as possible, at the lowest level of government that can economically and efficiently provide them."

Motion: Shepherd moved to substitute Guideline #2 for the first sentence under Goals. Failed.

After a brief discussion, a motion was made that the staff should be responsible for arranging the order of the Guidelines. Motion passed.

Motion: Hammel moved that under Guideline #1, the word "responsively" be added after "economically". Passed.

Motion: Gregory moved to delete "single-purpose into multi-purpose" under Guideline #2. After considerable discussion, this motion failed.

Motion: Accept Guideline #2, as is. Passed.

Motion: Accept Guideline #3. Passed.

Motion: Accept Guideline #4. Passed.

Motion: Accept Guideline #5. Passed.

Motion: Moshofsky - Guideline #6, add "evaluating" after the word "monitoring". Motion passed.

Motion: Hammel - Guideline #7. after the word "develop", add "a governmental structure that includes a system for" . . . Failed.

Motion: Moshofsky - Guideline #7, after the word "develop", add: "a governmental structure which assures". . . Failed.

Motion: Mays - Guideline #7, delete the word "meaningful". Failed.

Russell proposed the word "meaningful" be left in Guideline #7.

Motion: Roberts - Guideline #7, after the word "develop", add "means for meaningful". Passed.

Motion: Simpson - Guideline #7, add "without adding a separate tier or unit of government." Failed.

Shepherd proposed we have a count of hands when voting, instead of verbal response. After considerable discussion, it was agreed Guideline #7 should read, as follows: "Develop a means for meaningful citizen participation at all levels."

Motion: Guideline #8, delete entire #8 (previously #7) on the basis that there is no "model" management procedure. Passed.

Motion: Telfer - New Guideline #8, "Develop equitable methods of public finance within the Tri-County area." After comments and discussion, this motion passed.

Motion: Shepherd - Guideline #9 - Recommend that the state not mandate services by local government without providing the revenues for these services. After comments and discussion, this motion passed.

Motion: Webber - Guideline #9, add "from state funds". Failed.

Simpson outlined structural Models II and III (two-tier and three-tier system) to be used with Guidelines for Phase II and referred to his presentation, on pages 3 and 4 of the March 18 Commission minutes. The metro units we now have would be included in these models and offer a means whereby the people could affect government at their level.

Simpson suggested that the Commission accept these two models as a Guideline for Phase II.

There followed a discussion on the wording for Guideline #10.

Stahl suggested we add the word "framework" to the models.

Mattersdorff: Add the explanation that these models might be consistent with one another.

Hammel: Make it clear that these models are only suggestions for directing our efforts in Phase II, so that all committees are working along the same guidelines and subject to discussion and modification by each committee.

After clarifying the point that these Guidelines are a suggested framework for discussion and do not limit the studies of the committees, the following motion was made by Roberts: Guideline #10 should read, "Prepare proposals for consideration by the Commission that would achieve Guidelines #1 through #9 according to Models II and III, attached." Motion approved.

Motion: Shepherd - add to the Goal, the last line of our Statement of Purpose - "In fulfilling its responsibility, the Commission will endeavor to advance equity, efficiency, economy, responsiveness, visibility, accountability, citizen participation, political feasibility and actual service needs." Approved.

DISCUSSION ON COMMITTEE STRUCTURE

The ad hoc group chairman suggested we basically retain the five committees we have. Cease said they would continue to pursue the specific areas they have, but each of them would also take a look at both models. This suggestion has also been discussed with the Executive Committee.

Yost - In Phase II, we have to look at both structural and functional aspects, in order to develop recommendations for Phase II.

Bayless - suggested the following functional committees: Human resources, public safety, finance.

There were numerous comments for and against restructuring the committees.

Roberts suggested four functional committees.

Telfer - Change committee structure to include: Finance, political structure, management, functions, with all committees looking at both models.

Moshofsky suggested we leave it up to the Executive Committee to assign tasks to the committees.

Motion: Roberts - Retain the five existing committees, using the dual approach, with some modification to include the new members. Passed.

Motion: Roberts - Instruct the Executive Committee to make new assignments to the committees on the basis of functions. Passed.

Cease: If anyone wishes to change their committee, they may notify the staff.

The committees will be drawn up to provide continuity from Phase I to Phase II.

Ken Martin and Bromleigh Lamb will finish their report shortly on constitutional and statutory provisions relating to government reorganization.

Blunt: Pointed out that any legislation we propose will have to be developed by this fall.

Coleman: There will be long term changes, in addition to our short term recommendations, to include the ideal and the practical approach.

Linstone expressed his concern that this Commission not ignore the continuing changes in society while we are preparing our long term legislative recommendations.

PUBLIC INFORMATION

Kirkpatrick briefly outlined the public information and citizen participation program, budget and timetable (C-36) which was distributed at the conference. This document (C-36) was accepted, in concept, at the last Executive meeting. These costs are only estimates and will require more research.

A Public Information Committee will be formed, with members who would like to participate.

Burgess emphasized the importance of the language on page 2 of the Public Information Report which states "The Commission needs to provide an early opportunity for these groups to contribute positively in the development of alternatives." In order to assure citizen support, the PR committee needs to have the manpower to meet the deadline.

It was noted that there was no mention of this conference in the Sunday Oregonian. In answer to Mr. Russell's question, Cease said we have always operated on the principal that all our meetings are open to the public. A meeting notice has been sent out by the staff to all media in the area.

Schedeen suggested the Executive Committee be asked to consider people with PR experience to fill current commission vacancies.

Motion: Burgess - Accept the C-36 Information Report and form a Public Information committee. Passed.

Stuhr asked when the new committees will begin to meet. Cease said the staff will arrange this and send out a notice.

NEXT FULL COMMISSION MEETING WILL BE THE THIRD THURSDAY, MAY 20. It was agreed that there is no need for another full commission meeting in April.

ADJOURNED 1:00 p.m.