

MINUTES OF THE PUBLIC WORKS AND TRANSPORTATION COMMITTEE MEETING

Held: August 4, 1976 - 10:45 a.m.

MEMBERS PRESENT: Simpson, Chairperson; Bonyhadi, Vice Chairperson;
Ballin, Clarno, Hoover, Johnson, Webber, Cease

EXCUSED: Schumacher

STAFF: Bukowsky, Garbutt

GUEST SPEAKER: Lloyd Anderson, Executive Director -
Port of Portland

The chairman called the meeting to order and welcomed the guest speaker who was asked to include in his talk the relationship between the Port and other agencies.

ANDERSON

The function of the Port of Portland belongs at the metro level. With reference to the Port's being a state agency - - the other ports along the coast do not operate on the same scale as Portland, and it would be a question of priorities, such as international trade and Port development.

Over the last ten years, we have lost business because we were not adequately equipped to handle containers. We may have waited too long to catch up. During the period from 1971 to 1976, Seattle spent \$125 million in property tax money on dock facilities; Portland spent \$25 million. Dry dock facilities would pay for other improvements over the next five years. In order to be a competitive enterprise, conflicts of interest must be avoided. If we were placed under a regional umbrella agency, popular issues, such as housing, sewers, etc., would take precedence as a more pressing need. The Port must have the flexibility to respond rapidly to marketing conditions. Local government is often not designed to adjust and make quick decisions regarding competition.

Revenue - The Port can operate from the service charges we make, but there are no funds remaining for capital improvements. We have a \$1.8 million operating levy, with a 6% per year increase a \$3 million general obligation bond. We can use \$500,000 of this for operating expenses. The Cook grain elevator will be developed by revenue bonds.

The Port is a member of CRAG, and we cooperate on land use development to comply with local zoning laws. The Port contributes \$50,000 per year to CRAG's budget, in addition to our staff time at meetings. In our relationship with DEQ, they apply the same standards to us as for everyone else. Regarding the air quality case, we worked with DEQ to establish standards and obtained adequate technical information to accomplish our goals.

CEASE: Comparing Seattle and Portland, how does Seattle handle the economic side?

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ANDERSON: Seattle has a governing body of five elected officials. The question of elected versus appointed officials still needs to be resolved. The issue is whether you can obtain the same diverse background of the appointed officials with elected ones.

When we had a Dock Commission and a Port Commission, it put severe limitations on our resources. Putting the Port under another agency would curtail our ability to compete commercially.

CEASE: This Commission is going to have to include in our plan a way to satisfy those who feel there should be some process for an elected system. What accounts for the continued agitation to make the Port officials elected?

ANDERSON: There are many who still feel every governing body should be headed by an elected official. The Port mandate is set out by state law. Is a directly elected Port official going to be able to deliver the service according to the mandate? We do have an elected official at the state level.

WEBBER: The Port has been doing a fine job. What is your reaction to adding other functions to the Port's authority?

ANDERSON: On the subject of mass transit, for instance, we said "no" a few years ago. The Port Commission has no interest in taking on Tri-Met; there are others more qualified to handle that. Bus service on Swan Island has been discussed, but it is not the focus of our attention. Land transit is already being handled by a state agency. The board has stated they have no interest in taking on more responsibility. There could be expanded activity as far as industrial growth outside of the property we own. We could be the coordinating agency in this. Our authorization is not clear.

RICH: If you were more involved in industrial development on a regional level, would there not have to be a direct tie with other agencies?

ANDERSON: The Port would then have to comply with the regional agency and the state controls. We are already working with other agencies, but we must be permitted to have input into land use and DEQ decisions.

We severely and successfully resisted the greenway program along the river. We could not have done that if we were under a regional agency.

SIMPSON: Should your decisions on how to use your money be tied into other agencies?

ANDERSON: Port funds should be separate. There is a serious problem if it takes a year to decide on a need and the financing of facilities - - for instance, the capital improvement program. This happens when the money is covering too broad a range of interests. If you slow down the ability of the Port Commission to act on trade and commerce, our

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competitiveness would be seriously limited. The Tax Supervision and Conservation Authority does review our budget. We would never object to an agency reviewing (but not controlling) our budget.

SIMPSON: Our concern is who should decide how the taxpayers' money is spent.

ANDERSON: The Port is not extracting money from the taxpayers for operations. If you mix up the issues, money for economic development can always be postponed until the facilities are too inadequate for successful competition.

HOOVER: Could you do without the function of economic development and hand it over to the state?

ANDERSON: There needs to be a continuous and consistent effort to plan a program of development. Because of the land we own, we are naturally in economic development.

SIMPSON: Should the entire lower Columbia River be under one authority?

ANDERSON: In a more ideal way, it makes a lot of sense, but even though there might be some duplication of facilities, it is not a very practical idea - - if there were proportional representation, the governing body might all be from this area. The money would probably come from this area to finance another area.

There is something to be said for the governor being able to make appointments. He is able to attract well-qualified people because of the nature of the position.

HOOVER: Would your summary be that you like the Port the way it is?

ANDERSON: Basically, yes. We have been able to function reasonably well so far by cooperating with the local agencies.

SIMPSON: Is there anything that can be done to increase your ability to compete with Seattle?

ANDERSON: Yes, more resources for better facilities. Seattle has a millage authority in their statute - - they do not have to go to the people for funds.,

Adjourned at 11:50 a.m.

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