

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

March 8, 1990  
Regular Meeting

Councilors Present: Tanya Collier (Presiding Officer), Gary Hansen (Deputy Presiding Officer), Roger Buchanan, Tom DeJardin, Richard Devlin, Jim Gardner, David Knowles, Ruth McFarland, and Judy Wyers

Councilors Absent: Lawrence Bauer and George Van Bergen

Presiding Officer Collier called the meeting to order at 5:30 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer Rena Cusma presented the FY 1990-91 Proposed Budget. Ms. Cusma reviewed the budget message, which was contained on page 1 of the budget document.

4. CONSENT AGENDA

The Presiding Officer announced that the following items were on the Consent Agenda for consideration:

4.1 Minutes of December 14, 1989

**REFERRED FROM CONVENTION AND VISITOR FACILITIES COMMITTEE**

4.2 Resolution No. 90-1226, For the Purpose of Supporting the Retention of the Name Dr. Martin Luther King, Jr. Boulevard as the Name of that Street

**REFERRED FROM THE SOLID WASTE COMMITTEE**

4.3 Resolution No. 90-1223, For the Purpose of Authorizing Execution of a Contract with Sweet-Edwards/EMCON, Inc. for Inspection Services at the St. Johns Landfill

Councilor McFarland requested item 4.1 be removed from the consent agenda; Councilor Knowles requested item 4.2 be removed from the consent agenda.

Motion: Councilor DeJardin moved, seconded by Councilor Devlin to adopt item 4.3 of the consent agenda.

Vote: The ten councilors present voted in favor of the motion. Councilors Bauer and Van Bergen were absent.

The motion carried.

5. ORDINANCES, FIRST READINGS

5.1 Ordinance No. 90-339, For the Purpose of Amending the Metro Code Regarding Appointments to the Metropolitan Exposition-Recreation Commission

The Clerk read the ordinance for a first time by title only. The Presiding Officer announced that the ordinance had been referred to the Convention and Visitor Facilities Committee for public hearing.

5.2 Ordinance No. 90-340, Adopting the Annual Budget For Fiscal Year 1990-91, Making Appropriations, Levying Ad Valorem Taxes and Creating Four New Funds

The Clerk read the ordinance for a first time by title only. The Presiding Officer announced that the ordinance had been referred to the Finance Committee for public hearings.

6. ORDINANCES, SECOND READINGS

6.1 Ordinance No. 90-333, An Ordinance for the Purpose of Imposing an Excise Tax

The Clerk read the ordinance by title only for a second time. The Presiding Officer announced that Ordinance No. 90-333 was first read before the Council on February 8, 1990 and referred to the Finance Committee. The Committee held public hearings on February 20 and March 1 and recommended the Council adopt the ordinance as amended.

Councilor Gardner, member of the Finance Committee presented the Committee's report and recommendations. He said that Ordinance No. 90-333A would impose an excise tax on persons using Metro facilities or services. He said that the 1989 State Legislature gave Metro the authority to impose the tax. Councilor Gardner said that the ordinance exempted certain persons and services and set a maximum 6 percent excise tax rate which could be lowered each year as part of the annual budget process. He indicated that the major services to which the tax would apply would be solid waste disposal, the zoo and convention center, and the

monies raised by the tax would be used to fund the general government functions of Metro and to partially fund planning functions of the District.

Councilor Gardner explained that two public hearings had been held. He said that motion to amend Ordinance 90-333 unanimously carried at the Finance Committee meeting of March 1; and the Committee unanimously recommended the Council adopt Ordinance No. 90-333A.

Presiding Officer Collier opened the public hearing; eleven persons testified as follows:

Ms. Wilma McNulty; Lake Oswego, OR provided written testimony in favor of preservation of open space and natural resource areas. That testimony has been filed with the official meeting record and is incorporated in these minutes by reference. She urged the Council to use a portion of the tax for preservation efforts.

Ms. Jeanne Orcutt; Gresham, OR provided written testimony opposing the excise tax. That testimony has been filed with the official meeting record and is incorporated in these minutes by reference. She said that she felt a public hearing on the ordinance should be held in each county and said that she felt that 5:30 p.m. was an inappropriate time to hold such a hearing. Ms. Orcutt said that she felt that the issue of imposition of the tax should be decided by the voters of the District. She requested information regarding what portion of the tax would be used to administer and enforce its imposition. Ms. Orcutt expressed concern that the tax in future years might be raised. Councilor Devlin explained that legislation limited the tax to 6 percent per annum of the overall revenues of the District.

Ms. Chris Wrench; Portland, OR said that she was representing Molly O'Reilly, President of Sensible Transportation Options for People. Ms. Wrench spoke in favor of strengthening regional government in the area of urban planning. She said that she and Ms. O'Reilly were concerned about the need to inventory natural resources. She urged the Council to adopt the ordinance to support planning in the area of natural resources.

In response to a question raised by Councilor McFarland, it was stated that the ordinance itself did not dedicate funds to planning for natural areas, but allowed use of the revenues for that function.

Mike Houck, representing the Audubon Society of Portland and member of Friends and Advocates of Urban and Natural Areas said that the Society supported the ordinance. He said that at previous Finance Committee meetings, funding levels for general

planning activities and specifically for natural areas inventory activities had been discussed and that was the basis for the Society's support of the measure. Mr. Houck said that he felt that transportation and surface water management planning would have major impact on natural areas. He said that he felt regional government should seek more stable and predictable funding for planning activities.

Mr. Houck said that he did not feel that the imposition of the excise tax needed to be put to a District-wide vote. He said that the impact of the tax on individuals and businesses would be very small. He reiterated that Metro had the authority to impose that tax.

Ted Runstein, Chair of the Metropolitan Exposition-Recreation Commission, said that he was speaking as an individual, but felt that he was advancing the consensus of the Commission. Mr. Runstein said that he recognized the need for stable funding for general government and planning activities. He said that the Commission was generally supportive of the excise tax, but was unsure how the Commission's facilities could pay their share of the tax when the facilities operated at a deficit. He requested that the tax rate be set as low as possible. Specifically as the excise tax was applied to the Convention Center, Mr. Runstein recommended that concessions, parking and utilities be excluded from the tax.

Jack Adams; Portland, OR said that he felt that the Oregon Convention Center was too new a facility to be included in the ordinance. Mr. Adams also said that he felt that the measure should be decided by the voters of the region.

Frank Gearhardt; Gresham, OR described the measure as a sales tax. He said that he felt that the voters of the region should be given an opportunity to decide the matter. Mr. Gearhardt said that he felt that the Council had a duty to refer the measure to the District's voters. He queried whether failure to submit the measure to a vote of the District promoted public apathy.

Barbara Walker; Portland, OR said that she supported the excise tax. She said that she felt that the excise tax was a fairer and more appropriate method of supporting general government and planning functions than the transfer system. She said that she felt that planning was an essential function of regional government, and noted that she felt that planning assisted both the development and environmental community and facilitated cooperation between. Ms. Walker said that she agreed with previous testimony advanced by Mr. Ted Runstein that exemptions should be allowed for facilities that operated at a deficit. She noted that the cost of the excise tax would be far less than the

cost of an election.

Councilor Gardner noted that the impact of the excise tax would be \$2.00 per household per year.

Phil Dreyer; President, Portland Fair Share; Portland, OR said that he felt that failure to submit the measure to a vote of the District would cause voters to lose faith in the Council and could jeopardize other tax measures. Mr. Dreyer said that he felt that the excise tax was a sales tax. He said that he did not feel that the Council had been "open and above board" regarding the excise tax. He urged the Council to advise the public what the tax would be used for and to tax based on the ability to pay.

Pat Boose; Portland, OR testified that she had considered the issues of need and size in her deliberations on the excise tax. She said that she felt there was a need for the tax, especially in the planning component and that she felt that the tax was minimal, and therefore did not merit referral to the voters. She noted the cost of referral to the voters was less than the tax itself.

Kevin Gernhart; Portland, OR questioned how much of the tax would be used for planning functions and how much to support bureaucracy. Mr. Gernhart stated that he felt that planning should be a long-term project and said that in his observation, the projects he saw were short term. He took exception to characterizing the excise tax as "minimal."

The Presiding Officer closed the public hearing.

Motion: Councilor Gardner moved, seconded by Councilor Devlin to adopt Ordinance No. 90-333A.

1st Motion to Amend: Councilor Ragsdale moved, seconded by Councilor Knowles to amend Ordinance No. 90-333A as follows:  
7.01.050 Exemptions

(a) The following persons, users and operators are exempt from the requirements of this Chapter:

. . .

- (6) Users who are sublessees, subtenants, sublicensees, or other persons paying compensation for the use of the Metro ERC Facilities [to lessees, tenants or licensees of Metro ERC Facilities] including payments by users for concessions or catering services made to

the Commission or its agents but not users who purchase admission tickets for events at Metro ERC Facilities that are available to members of the general public. (Brackets indicate deleted language, underlines indicate added language.)

Councilor Ragsdale said that this amendment would impose excise tax on Metro ERC Facilities' rentals, concessions, event labor, utility service and parking from the excise tax. He said that the amendment would be revenue neutral because it would be the same amount as what had been projected under the transfer system.

Councilor Knowles said that he supported the amendment and pointed out that the amendment would shift hotel/motel tax dollars into Metro. He noted that in the upcoming year, approximately half of the operation expenses of the Convention Center would be supported by hotel/motel taxes. Councilor Knowles noted that the Convention Center had a relatively narrow base of support and that it was critical to maintain the competitive stance of the Convention Center.

Councilor Wyers asked if the impact of the amendment Councilor Ragsdale proposed would cause rate increases in other areas. Councilor Ragsdale replied that it would not.

Vote on 1st Amendment: Nine councilors voted in favor of the amendment. Councilor Wyers opposed the amendment. Councilors Bauer and Van Bergen were absent.

The motion to amend carried.

2nd Motion to Amend: Councilor Wyers moved seconded by Councilor McFarland to amend Ordinance No. 90-333A to delete all existing language in Section 3 and replace it as follows:

"(a) This ordinance shall be referred to the electors of the District for their approval or rejection at the election to be held on June 26, 1990. The Office of General Counsel is directed to submit an appropriate ballot title to the Council for approval.

(b) If approved by the electors, this ordinance shall be in force and effect from and after July 1, 1990."

Councilor Wyers said that she felt the amendment she proposed would provide better representation and build Metro's credibility

with its constituents. Councilor McFarland spoke in favor of the amendment and said that she felt it important to refer the excise tax to allow the voters to respond. She cautioned the Council to use persuasion rather than coercion in the imposition of taxes. She said that she felt that the majority of the voters were in favor of the excise tax but were also in favor of voting on the tax.

Councilor Devlin said that in previous Finance Committee hearings, he had opposed the measure's referral to the voters because of the issue of timing. He said that most of the planning programs were at a stage where unless they received necessary funding, they would be in "desperate condition" in the upcoming year. He said that following an election, there would be a 30-day certification period. If rates were to be adjusted, legislation required they be legislated 90 days in advance of collection. He also stated that he did not believe that the measure should be referred to the voters.

Councilor Gardner said that he opposed the amendment and referral to the voters. He said that he felt that as elected representatives the Council had responsibility to make certain decisions for their constituency and that when decisions of major magnitude arose, it was the representatives' responsibility to refer those major issues to the voters. Councilor DeJardin stated that he felt the Council's role was weakened if all matters were referred to the voters. He said that he felt that by not referring each matter to the voters he felt the representatives were more accountable.

Councilor Gardner stated that he felt that the time to debate referral of the excise tax to the voters was when the Legislature debated authorizing Metro to impose the tax. Councilor McFarland objected to Councilor Gardner's statement and said that she objected to feeling coerced to operate in a certain manner because it was too late to successfully accomplish a mission by another method. Councilor Hansen urged the Council not to refer the measure to the voters. He characterized the excise tax as a small tax that would accomplish much good in the future.

Councilor Wyers said that she was committed to the broadest possible base of citizen involvement within regional government. She said that she felt that the Council had an obligation to refer the measure to the voters.

Vote on 2nd Amendment: The vote was taken resulting in Councilors McFarland and Wyers voting aye. Councilors Buchanan, DeJardin, Gardner, Devlin, Hansen, Knowles, Ragsdale and Collier voting nay. Councilors Bauer and Van Bergen were absent.

The second motion to amend failed to carry.

Vote on Main Motion: Eight councilors voted in favor of the motion to adopt Ordinance No. 90-333A as amended. Councilors McFarland and Wyers voted against the motion. Councilors Bauer and Van Bergen were absent.

The motion carried, and the ordinance was adopted.

Presiding Officer Collier recessed the Council at 7:30 p.m.

The presiding officer reconvened the meeting at 7:40 p.m.

## 7. RESOLUTIONS

### 7.1 Resolution No. 90-1185, For the Purpose of Authorizing an Intergovernmental Agreement with the City of Portland to Fund Area Improvements in the Vicinity of the Oregon Convention Center

Councilor Knowles presented the Convention and Visitor Facilities report and recommendation. He said that the Convention and Visitor Facilities Committee had recommended the resolution's adoption in order to help fund area improvements in the Convention Center area including: 1) transportation, 2) street light improvements; highway improvements and a truck marshalling area. He noted that public and private contributions would fund the improvements. Councilor Knowles said that the resolution would approve an intergovernmental agreement to transfer funds budgeted for this purpose to the City of Portland.

Motion: Councilor Knowles moved, seconded by Councilor Ragsdale to adopt Resolution No. 90-1185.

Councilor Gardner spoke in support of the resolution and noted that the funds would be Metro's contribution to a pool of funds that would finance a wide variety of improvements in the Convention Center area. Councilor Ragsdale asked if the truck marshalling area had identified funding. Councilor Knowles replied affirmatively and stated that the truck marshalling area had been identified as one of the elements of the joint fund, but it was not a line item. Councilor Ragsdale asked if the Metro LID obligation would be reduced by this contribution. Councilor Knowles said that it would not.

Vote: The ten councilors present voted aye. Councilors Bauer and Van Bergen were absent.



The motion carried.

7.2 Resolution No. 90-1189, Providing for the Adoption of Bylaws for the Joint Policy Advisory Committee on Transportation (JPACT)

Motion: Councilor Ragsdale moved, seconded by Councilor Gardner to refer Resolution No. 90-1189 back to the Intergovernmental Relations Committee.

Councilor Ragsdale explained that at an earlier JPACT meeting that morning, JPACT had approved amendments to the resolution and that he felt it appropriate to refer the resolution back to the Intergovernmental Relations Committee to discuss those amendments.

Vote: The ten councilors present voted in favor of the motion. Councilors Bauer and Van Bergen were absent.

The motion carried.

8. COUNCILOR COMMUNICATIONS & COMMITTEE REPORTS

8.1 Progress Report on Committee Discussion of Department Priorities and Objectives

Councilor Collier announced that budget notebooks had been placed in each councilor's tray in the Council Office.

Councilor Knowles reported that the Convention and Visitor Facilities Committee had not met on the priorities and objectives. He said that he had met with staff and at the next Convention and Visitor Facilities Committee meeting the priorities and objectives would be developed.

Councilor Gardner reported that the Zoo Committee had met regarding the budget priorities and objectives and would continue their deliberations at their upcoming meeting. He said that the Committee's report would be finalized after their March 15 meeting. Regarding Finance Committee's responsibilities, Councilor Gardner said that the Finance Committee would review the Phase 1 Performance Audit and mid-year budget adjustment for the Finance and Administration before making their recommendation on goals and objectives. He stated that the Committee's recommendations would be submitted prior to the Budget Committee's review of that portion of the Proposed Budget.

Councilor Ragsdale reported that the Intergovernmental Relations Committee had reviewed policy issues regarding the Planning and

Development Department and had developed recommendations. He said that at the Committee's upcoming meeting, policy issues regarding the Transportation Department would be considered and forwarded to the Budget Committee.

In other Councilor Communications, Councilor McFarland reported that she was a member of the Hanford Advisory Committee and had attended a meeting the previous week regarding disposal of hazardous waste. She said that the advisory committee had discussed shipment of hazardous waste to salt caves in New Mexico. She said that while the timetable for the shipments had been erased, planning for shipment of the waste through Oregon was still underway. She said that the Committee had discussed safety issues and response teams. Councilor McFarland said that studies regarding radio active iodine would be conducted on persons who were children residing in three counties surrounding the Hanford area between 1940-1960.

Councilor Devlin reported that he and Councilor Bauer had been serving on a Washington County Solid Waste Committee. He said the Committee intended to present a conceptual plan in April and May to the Solid Waste Policy Advisory Committee and briefing to the Council.

Presiding Officer Collier announced that the Council policy retreat had been scheduled for April 14. She urged each councilor to attend. The Presiding Officer also announced that she had scheduled a meeting for Council committee chairpersons for March 22 preceding the regular Council meeting.

#### 4.1 Minutes of December 14, 1989

Motion: Councilor McFarland moved, seconded by Councilor Wyers to adopt the minutes of December 14, 1989.

Motion to Amend: Councilor McFarland moved, seconded by Councilor Wyers to amend the December 14, 1989 minutes to as follows:

On page 1, reflect Councilor McFarland as being present under "Councilors Present." On page 9, reflecting consideration of the main motion on Resolution No. 89-1134A, amend to show Councilor Knowles voted in favor of the motion and Councilor McFarland voted against the motion.

Vote on Amendment: The ten councilors present voted in favor of the motion. Councilors Bauer and Van Bergen were absent.

The motion to amend carried.

Vote on Main Motion: The ten councilors present voted in favor of the motion. Councilors Bauer and Van Bergen were absent.

The motion carried.

4.2 Resolution No. 90-1226, For the Purpose of Supporting the Retention of the Name Dr. Martin Luther King, Jr. Boulevard as the Name of that Street

Councilor Gardner pointed out that the Convention Center was located on Martin Luther King, Jr. Boulevard. He said that he felt that if a measure to change the name of Martin Luther King, Jr. Boulevard were on the ballot, and if the measure were successful, it would create a harmful perception nationwide and be detrimental to attracting visitors to the Convention Center, Portland and Oregon. Councilor Gardner commented that he felt that Dr. King Jr.'s contributions to the world were significant enough that every person would benefit from a reminder of his life and the principles of equality and racial harmony that he represented. He noted that to have significant and much used facilities named for Dr. King would serve as that reminder.

Motion: Councilor Gardner moved, seconded by Councilor Knowles to adopt Resolution No. 90-1226.

Councilor Buchanan asked that the record reflect his support of the resolution. Councilor DeJardin also stated his support of the resolution.

Vote: The ten councilors voted in favor of the resolution. Councilors Bauer and Van Bergen were absent.

There was no other business, and the meeting was adjourned at 8:05 p.m.

Respectfully submitted,



Gwen Ware-Barrett  
Clerk of the Council