



METRO
Metro Council Regional Facilities Committee
Minutes of the Meeting of
January 27, 1997

Council Chamber

Committee Members Present:

Chair Ruth McFarland, Vice Chair Patricia McCaig, Councilor Lisa Naito

CALL TO ORDER AND ROLL CALL:

Chair McFarland called the Meeting to order at 3:37 p.m.

1. Introductions

None.

2. Consideration of the Minutes of the January 21, 1997 Metro Regional Facilities Committee Meeting

Chair McFarland set aside the Minutes for later consideration by the Committee.

3. Ordinance No. 97-677A: For the Purpose of Amending Metro Code Chapters 2.04 and 6.01 and Declaring An Emergency.

Chair McFarland announced that if the Committee does, indeed, pass Ordinance No. 97-677A out of Committee on this date the following would occur. The hearing will be held before the full Council the second week in February. There was no Council Meeting scheduled for the current week. During the first week of February, Councilors Kvistad and Washington will be in attendance at a transportation-related conference in Washington, DC. Both Councilors will be back the following week, and it will be held before the full Council.

Chair McFarland declared this ordinance was continued from the Meeting of January 21, 1997, it has already been moved and it is not required that it should be moved again for the purpose of discussion. The Chair advised the audience it would be appropriate for individuals to fill out a testimony card for delivery to the clerk should they be desirous of speaking to this issue. A Public Hearing will be opened and every effort will be made to hear each individual wishing to be heard.

Councilor Naito, reported she had spent the weekend researching this matter and had come up with a number of suggestions. She discussed her suggestions with Mark Williams and others in terms of moving forward with the changes with which it was logical to do so. Important to her, is the need to balance accountability in that the Metro Council is ultimately the responsible entity. This does not include the intention for the Council to involve itself on a daily basis with MERC business. Accountability

in terms of knowing the overall policy, goals, and objectives of MERC in advance in a position in which the Metro Council might employ effective use of the reporting system in the determination of goals progress. Staff has worked with her to develop the amendments she is bring forward at this juncture. Councilor Naito then presented her amendments to the Committee. A copy of this document can be found filed with the permanent record of these proceedings in the Metro Council Office.

The first item rephrases one of the findings as well as the second item to allow MERC to operate in the most entrepreneurial, efficient, cost-effective manner. The intent is to enhance MERC's ability to execute this.

The second section addresses the issue of the \$31,000 increase for the exception to the sealed bid requirement. Councilor Naito stated her concern is the Metro Code lists \$25k and the City of Portland is around \$50k. Her thought is MERC should be somewhere in the \$50k range. However, through discussion with the Committee Chair, a \$75k compromise was achieved. This may be an issue for future revisitation.

In item number D, the intent is to increase the accountability provision to make it clear the Metro Auditor is still in a position to perform the duties of her office. This was generally understood, but the specification of her having this ability in terms of auditing was needful.

In item F, there were two concerns. One concern is legal services not be contracted out because of differing interpretation of the same material. The Metro Council does not necessarily wish this to occur due to the potential for being in conflict with MERC on basic legal interpretation. However, MERC needed to be given the flexibility to negotiate on fees for those legal services. This is provided in section F.

Councilor Naito was concerned for the potential for MERC using services other than supplied by Metro. She wishes to have MERC operate in the most cost-effective manner, but she recognizes there are potential impacts on staff here at Metro. Part of her concerns are addressed by the budgeting process which is on an annual basis. She did not wish to have Metro find itself in a situation where MERC announces it will the next day be contracting services out which were previously handled by Metro. This would place Metro in the position of having staff members who are found without jobs. The provision to counter this is a ninety-day written notice clause for the Commission to provide for services previously provided by Metro which MERC has intent to purchase from external vendors.

Councilor Naito said the idea here is to give MERC more flexibility within its budget to carry out its operations in a cost-effective manner. There are some policy decisions falling outside the framework of the budgeting process. She does not want the Metro Council or other entities involved to be in a position of responding to a new policy direction which suddenly comes forward. Councilor Naito said she has complete faith in the Interim General Manager and has good things about the way MERC operates its business. As an accountable public agency, we need to be aware of the policies and goals set. Her recommendation has been that an annual business plan be submitted with MERC's budget. Also, that MERC be given the freedom to operate within the context of the business plan after adopted. Concerns with this raised the issue that a business plan is very time consuming process to accomplish. Therefore, added under G that the Commission shall on an annual basis set the goals and benchmarks for the buildings. This will give the Metro Council the framework throughout the year to ensure MERC is meeting the goals and benchmarks set for the facilities.

Councilor Naito said she thinks the amendments to be good and will strengthen the relationship between MERC and Metro in a positive manner.

Councilor McCaig: *"On the section M, where we were dealing with the contracting out of the services where you've made the amendments to delete legal services. There was an issue, the Chair may remember, last time where the district was included with the Commission in the language as part of the negotiations to determine which services would be contracted out. We had a discussion whether the MERC Commission should make the decision on which services should be contracted out, or, whether the district representing either the Executive or the Council, and they participated in that discussion. Did you delete the district from the amendment? I can't tell by trying to do the comparison. Do you remember the discussion?"*

Councilor Naito: *"I do remember that discussion. In here we provide that the services may be provided by the district subject to compensation being paid by the Commission to the district as the district and the Commission may agree upon. That gives the district the ability to negotiate as well in terms of what services it is willing to provide and in what manner and for what length of time."*

Councilor McCaig: *"So, as people testify, I'd like them to address specifically that issue because I think the initial intent as I read was that Metro was not involved in the preliminary discussion on determining which services would be contracted out. So, when people testify, will they argue that back and forth for me so I understand whether that was (unintelligible)."*

"The second issue for me, somewhere along the line I'd like to hear from the Metro staff again about the potential loss or the potential cost to the agency and estimates on the cost to the agency as we contracted out some of the support services. What the dollar amount to that might be. I think we know the answer to that but I want a discussion about what those costs would be."

Chair McFarland: *"In fact, I think we already got a report from our own analyst on that cost."*

Councilor McCaig: *"Without a discussion from Jennifer and Doug which would be helpful if they could do that."*

Councilor McCaig: *"I'm struggling here a little bit with the process because I'm a little confused. What I need to get in my head is a little more, before we start hearing public testimony on the merit of the proposal, there are a couple of individual items that would be helpful if we could get those resolved. Would it be possible to have Mark Williams come up?"*

Chair McFarland invited Mark Williams and Heather Teed to come forth for testimony. She said she does not believe that when MERC goes out for bids for services this needs it needs to be discussed with any staff in this building.

Councilor McCaig: *"Originally the ceiling was \$31,000 for competitive bid. You came back with a proposal for \$100,000; we raised some questions about (it). You gave an example of the need for flexibility and the opportunity to go out and do a quick turnaround. The proposal now is \$75,000. Do you have any other reason why you need it so high when no other local partner has that kind of ceiling for allowing the RFP process and not going out for competitive bid?"*

Mark Williams: *"I think the reason is the nature of these facilities and the nature of the type of business that MERC operates. They are, in many cases, we use the word, 'entrepreneurial' a lot, maybe it's a bit of a mantra. These really are facilities that need to be operated like a business. They need to be operated in a manner that can react quickly to competitive pressures. In many cases, some of our halls are so full that we need to do certain repairs at night or on two or three days. In some cases, there are specialty things that are related to theaters, that are related to these types of facilities.*

"When you require a sealed bid process to go through that, in effect, on many occasions what we are actually doing when we're trying to protect the public is to increase the actual cost to the public because we are hurting minority firms that are often smaller and cannot get in and deal with the amount of paperwork in a sealed bid. We are hurting smaller companies in general that don't have a full time contracts person for government procurement that can go through all these sorts of documents. When we can operate in a faster way, we can get a better price and we can get the work done when we need to.

"One of the things I do need to emphasize is that MERC procedures still call for over \$31,000 to be done on a competitive basis through an RFP process. You're authorizing between thirty-one and seventy-five an RFP process rather than no selection process at all. Hire your cousin, that's not what we're asking for here.

"Madam Chair, if I might back up a little bit, because there has been the question raised on section M. I want everyone to be clear on what this means. It will be a decision of the Commission by duly-adopted resolution whether or not to purchase a particular service from Metro or outside of the Metro umbrella. That decision will be made by the Commission.

"Where the Commission is considering purchasing a service from Metro, I envision a negotiation between Metro and the Commission on the type of service and the price. If both parties agree, fine. If either party does not agree, if either the Commission says, 'No, the price is too high or service isn't what we want,' or Metro says, 'No, the price is too low or we don't want to provide you that service,' either party can say no to that. So, it is envisioning an arms' length transaction between two partners on the provision of services by Metro. The decision on whether or not to purchase a service from Metro will be a Commission decision."

Councilor McCaig: *"Thank you for the for the clarification. Does the current language that Councilor Naito has proposed delete the reference to the district in order to provide the Commission with the authority to negotiate without involving Metro? If you look at page eighteen of the original ordinance, this is where we got caught last time. This isn't a big deal other than we had some confusion over and I think these are things (we) should probably want to get straight before we adopt this ordinance. Whether the Commission has to negotiate or get approval from the Council or the Executive on the services you want to contract, it's clearly your intent not to. Does the ordinance reflect that now?"*

Mark Williams: *"Both the ordinance as it now exists and the amendment before you both do the same thing in that regard. They give the Commission the power to decide what services it needs and where to purchase them. That is not a decision that the Commission will need advance approval from Metro for. The other issue is the price of the service which is a different issue and that certainly requires Metro approval."*

Councilor McCaig: *"And that's a separate issue and so just because I disagree with your reading on this. I'm going to point to page nineteen out of thirty and make sure that our clerk has that we want to delete the 'As the district' language on the top of that page. Because currently it reads 'Provided by the district subject to compensation being provided by the Commission to the district as the district as the district and the Commission.' (Do) you understand where I am?"*

Mark Williams: *"I understand where you are. Maybe I can explain how that wound up getting in that fashion. It used to say, 'Subject to compensation being provided by the Commission to the district as the district may required.' Which envisioned Metro telling the Commission, 'This is the service and this is what it costs and thou shalt buy it.' Now it says 'Subject to compensation being provided by the Commission to the district as the district and Commission may agree upon.' Which envisions an arms' length negotiation."*

Councilor McCaig: *"Thank you. I get it. So the intent is that the MERC Commission will determine those services to be contracted out. If the services to be contracted with Metro, there will be a negotiation with Metro to determine the price and a has that. The engrossed version has that?"*

Mark Williams: *"Exactly. The engrossed version has that and the amendments you are now considering have that as well with the exception of legal services which are handled differently in the amendment before you."*

Councilor McCaig: *"This is not included in Councilor Naito's recommendation, and I just want to push a little bit on the proposal to eliminate the notification of the Council after an ordinance has been adopted by MERC. You have recommended to reverse that process which is you give ample notice of an agenda item and then the MERC Commission has the opportunity to vote on it. The opportunity for the Council to intervene is before the agenda item, not after the fact. I think it provides you more flexibility the other way which is why I'm pushing on it. It's not because I'm trying to tighten it. It's, in fact, because I think you have more flexibility the way it currently is. As it is now, the MERC Commission can pass an ordinance and it takes four Members of the Council, three Members, why three?"*

Chair McFarland: *"That's just the way it is."*

Mark Williams: *"That is actually one of the issues this is trying to address. The current Code allows three Members of the Council, not a majority, to hold up MERC action in what has been in some cases, months, which has resulted in financial cost. Particularly on construction stuff, where we then had to wait and contract out later in a less desirable bidding environment. What this does, essentially, in our view, is shifted from three to four because it requires a positive action."*

Councilor McCaig: *"I appreciate the three to four, that makes a difference. I don't understand from the last year's activities that we ever stopped any ordinance from being enacted."*

Mark Williams: *"It may not have been last year, Councilor, no, it has happened in the past. I'm thinking in particular about a concessions project at the Oregon Convention Center where we did go out to bid. The contract review was requested. It was held up. I believe we didn't contract out for that. Actually, ultimately the Council took no action, I believe. It was simply held up. Then, at that point, the resolution went into limbo, and it stays there until there's a positive action. We wound up paying significantly more money for that exact same project some six (or) seven months down the road."*

Councilor McCaig: *"Maybe I'm confused, but I remember that we negotiated because of the concerns that the Council was inferring too much in MERC's actions. We negotiated a new process which was that Commission could in fact adopt something and it would take, I thought it was four, but three Members of the Metro Council within ten days of that action to take action to stop it from being implemented. Without it, the ordinance was adopted and could be implemented. That was new language that was adopted since I've been on the Council and has, in fact, worked. It's never been called into action. I think that gives you more flexibility."*

Chair McFarland: *"I'm going to speak to that. Prior to us adopting that new language, the only difference was instead of it just sitting over here for ten days for us to act on it, they had to come and come in front of this Committee and report on it. We still had the same ability to hold it up if three Councilors disagreed with it. I have to tell you, as far as I'm concerned, if we take this out and demand that they let us look it after the fact and decide whether it's all right or not, for me, it's a deal breaker."*

Councilor McCaig: *"Madam Chair, I appreciate that. I'm not trying to be more invasive on sole of my first trial. I'm trying to make sure that the proposal you've got in fact, isn't going to provide you more trouble because you're gonna have as example Councilor McFarland gave last week, an individual Councilor calling. And it will only take one person to try to keep something off the agenda which I think is more detrimental than having something on the agenda adopted and forcing us to get three votes to stop it from being enacted. So, I'm genuinely concerned about that you might find the proposal you have before you more interfering, with more interference than the one that was just recently adopted. So, that's my reason for the concern."*

Heather Teed: *"If I can offer one bit, maybe this will help clarify. Whether it ever got to the point where three or four Councilors disagreed, some of our concern has also been that we have to wait the ten days. So the Commission has approved a construction project, for instance, but we have no indication from the Council whether they agree or disagree or think it's fine and dandy, whatever. So, we have to wait those ten days. Sometimes that kind of pushes the envelope when we're trying to get a project done in the time allotted or based on some dark days we have available, those sorts of things. So that's been a concern as well."*

Councilor McCaig: *"And then I'll be done. So the tradeoff for you, and you truly are more comfortable, is that you would rather have formal process by which you provide ample notice to the Council. And that you may get a call from whoever the Presiding Officer is, one Councilor out of the seven that says, 'I don't know very much about this but I've got some concerns and I don't want it on the agenda.' That the MERC Commission would rather have that relationship with the Council than the flexibility to go ahead and enact it and force the Council to come up the three votes within ten days to stop it."*

Mark Williams: *"We do view that as a better process than what we have now. I just might add we do expect and we do get phone calls when we're doing something that bugs somebody. We know that may come. A phone call from one elected official will be something we will listen to quite a bit. A phone call with four votes on their side will be something that we listen to quite a bit more I would imagine. We think that, at least, if we adopt a resolution in a public meeting we've given our agenda to every elected official at Metro and every government in the region that, if people are going to come and be upset with it, we're going to hear about it. The Commissioners will get a chance to evaluate that before they take action, but at least their actions will be final and in any state of limbo for ten days. So, yes, the answer to your question is we prefer that process."*

Councilor McCaig: "Okay."

Chair McFarland Opened the Meeting for Public Testimony at 4:07 p.m.

Kathleen Johnson Kuhn, Northwest Business Committee for the Arts, 221 NW 2nd Avenue, Portland, Oregon 97204: *"I'm here with Bing Sheldon who is a Board Member of the Business Committee for the Arts. We would just like to speak in favor of the work you're doing to provide MERC more independence, but with accountability. I would just like to say, initially, that I want to really thank Councilor Naito as well as Councilor McCaig for your in-depth evaluation of this and you're getting up to speed. It is very complex. Many of us have worked years and years and it seems clear to us but I really understand it's new for you and I want to thank you. Also, thanks to you, of course, Councilor McFarland, you've really been committed to this work."*

"Philosophically, the business community in support of the arts feels very strongly about a more flexible system for MERC to run MERC facilities. We do appreciate and understand the importance of accountability but think that we can get to that with global budgeting and clear criteria or goals that can be measured annually. We're looking for as much flexibility and independence as possible within the context of accountability, as well."

"One of the very important pieces to the Business Committee for the Arts is for MERC to be able to buy its own services. We look back at the original City/Metro consolidation agreement which never intended services to be consolidated with Metro services, but in fact, but for facilities to be consolidated. Somehow, over the years, those things got mixed up in personnel, as you know, and finance got merged, consolidated rather than stayed separate. It certainly may be best for MERC to buy certain services from Metro. Giving them that option to evaluate that seems very critical. So, with that, I just say thank you and would be glad to answer any questions and Mr. Sheldon is here to make comments, as well."

George Bing Sheldon, Northwest Business Committee for the Arts, 221 NW 2nd Avenue, Portland, Oregon 97204: *"I would only like to add that this an excellent example of a partnership between private interests and the public interest. I think it's a commendable first step and I think one that, in time, will be viewed as being quite novel and one that, hopefully, will be repeated elsewhere. So, I thank you very much for all of your effort and let's go forward and hope for the best because I think this is a very good start."*

Roy Jay, Oregon Convention and Visitor Services, 9045 SW Barbur Boulevard, Number Three, Portland, Oregon 97219: *"As many of you know, I only show up when I feel it's important. I just want to echo the support of what I've already heard. I know that Councilor McFarland and everybody else has worked a long time to try and bring this to this particular point. I think we're almost to that point with modifications. Councilor Naito, I do want to commend you for the little write in where it is not required there should be a ninety day advance notice just to make sure Metro is kept in the loop of some of these things that are going on."*

"I guess the MERC proposal from my standpoint is probably more of an entrepreneurial situation when deals come up. I know it has happened in the past they have to be able to act real fast. Me being in private business, I know that's the way it is, too. You know, if you think long, you think wrong, and then it's gone. So, I think that the seventy-five thousand dollar ceiling is not necessarily unreasonable for not only the Convention Center, but maybe for some of the other facilities because we have to start thinking

progressive instead of trying to get caught up in all the bureaucratic red tape that is necessary. So, I'm just here, basically, as a support to make sure that we proceed on and be proactive instead of reactive all the time.

"The only thing that I would like to add as my own personal concern is to make sure that this process of being able to send contracts out without all the unnecessary red tape is to make sure that women and minority-owned businesses are also able to benefit. I know that we have adopted some policies in the past, and I would expect your support to make sure that those policies still stay in effect regardless of who is administering the contracts. That is very, very important. I think I just heard somebody else echo it from when they were up here, too. This particular process allows some things to happen that may not have happened in the past. So, that's why I'm here. I'm in a fifteen minute meter and I don't want to spend up a lot of your time."

Chair McFarland encouraged Mr. Jay to remain long enough to hear her response to him. She said he may have not been here the last time to hear the testimony, but there are rules MERC has set up under which to operate. Those rules are every bit as stringent if not moreso that Metro's own rules for women and minorities. There is also a part in MERC's contract for first source recruitment within an immediate area for employees and businesses.

"I have to tell all of you and this true and I have said it over and over is: If we pass this ordinance, it is our ordinance, and if we find something that we think is amiss in it and that we want to go back and change, we can do that."

Councilor McCaig: *"I just want to convey just because of the number of people in the room. I think people are here under some concern about our support for the ordinance. Our interest in this has to do with what we as Councilors are going to be held accountable for in making sure that the right tools are in place to hold us accountable. Hold us accountable, not necessarily the MERC Commission. I have supported a long time a greater distance between the Commission and the Council."*

"My difficulty, as we move through this, is trying to understand the appropriate tension between the MERC Commission and the Council. That was my question about the ten day waiting period and the adoption. I think you want as little opportunity for us to mess around with the details and as much flexibility as possible for us to support broad policies and goals. Somewhere in between, as elected officials, we're going to be held accountable if there are mistakes made. Probably more so than the MERC Commission. I'm just looking for that tether. I don't know how long that line should be."

"One final comment about all of this which is, there is going to be an impact to this agency if we allow MERC to contract out specific services. We're going to have a loss in some dollars. I understand it's not a loss in dollars, that's not the right way to say it. The estimate is that we're going to have to absorb more cost here if some of those services are contracted out. I think we have a responsibility to know what those costs are. I think it's going to have an effect on the agency. So, that's my only struggle for today. I just want to get through that before we go forward."

Roy Jay: *"You know the other side of this coin, too, though is the voters and the public out here are constantly looking for more efficient ways to run governments and quasi agencies and things of that nature. I think that this particular amendment somewhat addresses that because it allows the powers to be at MERC to be able to put together deals maybe at a better price than what what Metro could probably do."*

Councilor McCaig: *"Which, again, I think is a great thing. I think that would be terrific and support that contract going out for those purposes. But, it would be irresponsible of me not to want to know how we're going to absorb some of those costs at this end with this agency. We've got to ask that question, which doesn't imply that we don't want to do it, but we've got to know so we can budget on this end for some of those additional costs."*

Joe D'Alessandro, Executive Director, Portland Oregon Visitors Association, 26 SW Salmon Street, Portland, Oregon 97204: *"I appreciate here and briefly testify in support of this ordinance. I understand Councilor McCaig's comments and appreciate that, especially the accountability process. As far as POVA is concerned, we think that these buildings are not only critical to the economy but also to the quality of life of the region. (We) do very briefly feel that this ordinance will enable us to be more competitive and operate the buildings in partnership with Metro, with MERC, and with the community in a more effective and efficient manner. We're supportive of it."*

Larry Harvey, 22830 SW 93rd Avenue, Tualatin: *"I would like to be clear today because I am here actually as a private citizen. However, I have brought back with me just a small amount of institutional memory . some of the steps that preceded these to get here. I am pleased to be able to come back and again offer a few comments. I don't think that anyone has said anything that needs to be repeated. I'd like to express my appreciation for Councilor McCaig's very specific wording in appreciation for the appropriate tension that needs to be created there. Because I think without the appropriate tension some of the accountability factors could be forgotten."*

"I've often made an analogy on this particular relationship as to what we're trying to create here is an analogy of the body, if you will. Perhaps I'm not the best qualified person in the room to talk about the biological aspects of that. But, nevertheless, there are important reasons that the body functions certain ways and I think this Council and what this Committee and previous committees have created here is a relationship between some of the parts that cannot function without the rest of the parts. So, your part here is very important today and we appreciate the support. There has been a lot of uneasiness as we've gone through this process to figure out what levels of responsibility and accountability you need to be involved in all of this agreement."

"Notwithstanding, some of the concerns of the lodging industry, which I expressed repeatedly in my former position as their Government Affairs Director. There's a certain amount of uneasiness there, but we also have a certain amount of trust. That industry has placed its trust in you as elected officials. We believe that you've come to the point of making the appropriate and right decisions about how accountability should be maintained to the best benefit of the community."

"I called the President of the TriCounty Lodging Association and informed him that I would be here, offering the comments of the industry and reminding this Committee of that. There's no problem with my doing that since I actually served on that Transition Team as well. If there are any questions, I could probably refer to previous answers that were offered if that's the case."

Martha Richards, Oregon Ballet Theater, Incoming President of the PCPA Advisory Committee, 1120 SW Tenth, Portland, Oregon 97205: *"I just want to say how much I appreciate you getting your arms into this over the weekend, Lisa, and understanding every single part of it. As someone who has been a part of these processes for a long time, it's really very gratifying to see that kind of work done on these ordinances. The PCPA Advisory Committee is very supportive of the ordinance as it presently is"*

drafted. We would encourage you to have a memory of this conversation so that in the future if that were to happen we would still be able to get the show on because that is for our place the most important part of what we do is making sure the show gets on. Sometimes in the past our delays have affected our ability to get the show on. So, that is my primary reason for being here is to thank you for your hard work and show our support for this ordinance."

Chair McFarland commented that this is exactly what is being attempted is to get the show on the road.

Councilor Naito acknowledged appreciation for Ms. Richards' comments. She allowed she had been unable to conduct research on the personal interactions having transpired between the various agencies over the past few years. This has provided an interesting backdrop to this process. Councilor Naito thinks the idea of setting goals and common vision on an annual basis will be of benefit to all involved parties as implementation progress is achieved on this ordinance.

Bill Bulich, Metro Regional Arts and Culture Committee, 309 SW 6th Avenue, Portland, Oregon 97204: *"I did want to add some things and some comments here just because our agency, though a little different than MERC in that it was created by Metro, three counties, and the City of Portland as an independent agency. Nevertheless, a regional agency tied to you and accountable to you. I think, as a good example of what we're trying for here, although in a slightly different structure. It's RAC's job to really look at what I sometimes call the ecology of the arts, the interrelation of audiences and organizations and programs and facilities. Facilities are an incredibly important part of what we have here in order to make the arts healthy and strong and vital and make our communities healthy and strong and vital. So, this long process to arrive at a state of greater health for our facilities is an incredibly important one for which we appreciate your efforts in this chapter here which feels like it's one of the last ones although really that's just a new beginning. So, just to say thank you and I'll leave a packet for you, Lisa, and we'll look forward to working with you. Thanks."*

Multnomah County Commissioner Tanya Collier: *"Thanks, Ruth, it's been a pleasure working with you on this. Like Larry Harvey, I have a little bit of institutional memory which I promise not to go into. Besides, I've told you all before in various settings. I want to reiterate, though, before you is this one piece, which is this ordinance, which you have obviously lots to say about and you know lots about it. Behind that ordinance is our desire, on the County and the City Council also, to keep the regional facilities as regional facilities. As part of the agreement that was worked out with so many people before it got to you, the issue of MERC being able to do business in a more entrepreneurial manner is absolutely critical to that. So, as I watch your discussion, and I'm not quite sure the direction it's going in, I feel like I should come up here and I should tell you how critical that piece of it is no matter what your decision ends up being. The work behind the piece of work you see reflects a coalition of both the public and the private interest that have been sort of faithful to the purpose of the task which Larry brought home over and over again. That's to increase the tourism endeavors."*

"We tried, when we worked out the agreement between the City and County, to make the dollars that we were contributing, which will be substantially more than what you were getting, also more flexible so that they could be used for all of the buildings. Whereas, before they mainly were targeted at the Convention Center. So, what we're trying to do is bring live the concept of all the regional facilities. Since it was so controversial about MERC's ability to do business, that then became integral with all of the negotiations."

"So, I wanted to come today and listen to what was happening and to see what the amendments were going to be. I think, Lisa, you've done a great job in keeping intact the pieces that we care so much

about. I want to thank you for doing that and being flexible. Also, to offer myself or anyone on the County Commission, and for that matter, anyone on the City Council, our willingness to talk with you as this moves through your process so that we can continue to do everything we can to keep these facilities intact under a regional umbrella. I understand there will be another resolution or ordinance coming forward that then talks about Metro's responsibility in regionalizing the funding base so that we can, ultimately, take very, very good care of these facilities as we move forward. I'll be happy to answer and questions that you have."

Councilor McCaig: *"I just want to get it on the record we don't need necessarily from Jennifer and Doug, but that I think the estimate of the cost to the agency, again for our planning purposes when we put the budget together, depending upon what MERC decides to contract out could be anywhere from six hundred thousand to 1.2 million dollars, including the legal services. Does that sound right? Maybe someone does need to come forward."*

Doug Butler, Director of Administrative Services: *"You're correct. The current amount of money that MERC spends for services from Metro is \$1.37 million per year, including the legal services. . . . There are basically twelve services within that, and there will also be discussion about whether to change the level or type or scope of service as well as whether or not to buy the service. So, there are thousands of possible combinations."*

Councilor McCaig: *"The second question had to do with whether there was any comment from MERC or the City or the County on the proposal that we eliminate the opportunity for the Commission to contract the legal services out. That's a new edition."*

Chair McFarland: *"That is one of the amendments that we put in here today. I'm assuming that, up to this point at least, they had comment or we would have gotten a card from them."*

Multnomah County Commissioner Tanya Collier: *(Part of this testimony was lost because a microphone was not in use during its entirety.) ". . . to the County Commission. I think Melissa from Gretchen Kafoury's office is here and she can take that back, too. I can't think of any reason why that would be bothersome.:"*

Chair McFarland: *"The one thing I would like to say to this is that if any of us and any of you find something in this if indeed we pass it out today, we will have over two weeks to look at it. (We will) try again to deal with concerns if there are further concerns here, particularly from our governmental partners that have not had an opportunity to look fully at these amendments."*

Motion: *Councilor Naito moved the second amendments to Ordinance Number 97-667(A).*

Councilor McCaig: *"Would it be appropriate to make a friendly amendment or at least hold out for further discussion the contracting?"*

Chair McFarland: *"I would suggest if you are still uncomfortable with this I think a friendly amendment would be the way. Or, ask to take to take this section out and pass the rest of it. I would like for you to make a friendly amendment to it."*

Councilor McCaig: *"I would support it all. I'm just not comfortable yet with the seventy-five thousand dollars, but it's a minor piece. So, I could deal with that at the full Council after more research. As long as I could bring that back up at the full Council if it is enough of a deal."*

Chair McFarland: *"We like to do the majority of the work at the Committee level, but there's no rule that says we can't continue that work. So, you're comfortable with voting it this time."*

Vote: *The vote was 3-0 in favor of adopting the second amendments to Ordinance Number 97-667(A).*

Chair McFarland *changed the ordinance to Ordinance Number 97-667B, encompassing the amendments brought forward by Councilor Naito, asking for a do-pass recommendation.*

Motion: *Councilor McCaig moved to change the Ordinance Number to 97-667B, that it encompass the amendments brought forth by Councilor Naito, and forward it to the full Metro Council with a do-pass recommendation. Councilor Naito seconded the motion.*

Vote: *The vote was 3-0 in favor of changing the Ordinance Number to 97-667B, encompass the amendments brought forth by Councilor Naito, and forwarding the ordinance to the full Metro-Council with a do-pass recommendation.*

Chair McFarland announced Ordinance Number 97-667B would be brought forward and will appear on the Metro Council Meeting Agenda for February 13, 1997. The Metro Council Meeting scheduled for February 6, 1997 would not have all of the Metro Council Members in attendance.

5. Adjourn

There being no further business to come before the Committee, Chair McFarland declared the Meeting adjourned at 4:30 p.m.

Prepared by,

Cora Elizabeth Mason
Council Assistant