

MINUTES OF THE COUNCIL REGIONAL FACILITIES COMMITTEE
OF THE METROPOLITAN SERVICE DISTRICT

January 28, 1992
Council Chamber

Committee Members Present: Susan McLain (Chair), Tanya Collier (Vice Chair), Tom DeJardin, Ruth McFarland, and Jim Gardner (Acting Member)

Committee Members Absent: None

Other Councilors Present: Roger Buchanan

Chair McLain called the regular meeting to order at 4:30 p.m.

1. Consideration of the minutes of the December 10, 1992 Regional Facilities Committee

Motion: Councilor DeJardin moved to adopt the minutes of the December 10, 1992 Regional Facilities Committee meeting.

Vote: All those present voted aye. The voted was unanimous and the minutes were approved.

2. Consideration of Ordinance No. 92-443, For the Purpose of Establishing a Metropolitan Sports Authority

Pam Erickson, Project Manager, distributed and summarized responses to Council staff's questions regarding the Sports Authority, a copy of which is included in the record of this meeting.

Dan Cooper, Legal Counsel, responded to question five, stating the Legislative power the Council has to operate entities such as a Sports Authority comes under ORS 263.360 giving Metro police power. He said concerning consistency of the Sports Authority with Resolution No. 87-810, he declined to comment. He said Resolutions were Council documents and the Council would have to decide on issues of consistency and resolve them through legislation.

Chair McLain opened the public hearing. Three citizens appeared to testify.

Jack Elder, 37611 SE Kelso Rd, Sandy, supported the resolution. He cited Indianapolis, Indiana, as a model for Sports Authority activity. He said the public/private partnership would benefit the region. Councilor Gardner asked Mr. Elder whom he envisioned paying for the Authority. Mr. Elder said Metro was asked to provide the staffing, and private pledges and donations would support operations. Councilor Gardner asked if private dollars had been secured. Mr. Elder said "no money was on the table but (he) was optimistic it will be there".

Richard Meyer, 621 SW Morrison #400, Portland, supported the Sports Authority. He said the Sports Authority was consistent with the goals of the region and would encourage facilities development.

Len Bergstein, 2226 SW Main, Portland, testified in support of the Sports Authority. He discussed Metro's role as an "incubator" for the project, eventually spinning off into a private sector enterprise.

The Committee discussed whether Metro would "incubate" the Sports Authority or include it as an ongoing program. Metro staff and citizens present to testify disagreed on Metro's long term role with the Sports Authority. Councilor Bauer suggested setting a sunset to review the continuation of the Sports Authority after a designated time period.

The Committee discussed whether the Sports Authority should be included in MERC activity or Metro activities. Councilor DeJardin said visibility would be better for Metro by including the Sports Authority with Metro. Councilor McFarland said the program was more suited to the activities of MERC. She said she favored more events coming to the Portland Metropolitan area. She said the placement of the Authority should be made by determining which would be most effective. Councilor Bauer said Metro should determine the placement.

Councilor Gardner spoke to his support of the concept of the Sports Authority. He questioned if it should be included in government operations at all. He said while the Metro budget was large, most of the funds were tied to specific programs. He said priorities for existing programs should be met before adding another program. He suggested deferring the Ordinance until the budget process began and priorities were identified. He noted the cost of the program was equivalent to a new growth management planner position.

Councilor DeJardin said he appreciated Councilor Gardner's remarks. He said he would support the Ordinance. He said the return on the investment and economic boost to the community warranted the program.

Councilor Collier concurred with Councilor Gardner, noting several programs were understaffed. She said MERC was more appropriate to "incubate" the program. She suggested the Ordinance be presented to MERC for consideration. She also suggested matching funds be proposed before further consideration.

Motion: Councilor Gardner moved to defer the item for further discussion at the budget hearings.

Vote: All those present voted aye. The vote was unanimous and the motion passed.

Councilor DeJardin encouraged supporters to meet match the funding. Councilor McFarland concurred and said other alternatives to a public/private partnership should also be examined.

Councilor Gardner noted that if it was determined to be funded through the budget process, that would not impede starting the program prior to the 1993-94 fiscal year.

Councilor McLain said she would like a more affirmative answer to the question of the Sports Authority being permanent or an "incubator" program.

Councilor DeJardin expressed his support of the Sports Authority but said he recognized the caution to examine other programs for priorities.

3. Work Session to Consider Ordinance No. 92-412, Amending Metro Code Chapter 4.01 Metro Washington Park Zoo Regulations

Dan Cooper, General Counsel, presented his staff report. He said the Zoo regulations had been carried over from the City of Portland's parks regulations. He said the proposed amendments would define and regulate conduct of visitors at the Zoo. He said currently the code regulations apply to both staff and visitors, but the new regulations would only apply to visitors. He also noted the prohibition of firearms would be maintained.

Chair McLain opened the public hearing. No citizens appeared to testify and Chair McLain closed the hearing.

4. Review of KPMG Peat Marwick Letter to Management and MERC's Response

Casey Short, Council Analyst, summarized the KPMG Peat Marwick letter. He noted the letter included a recommendation to consolidate the MERC and Metro accounting functions. He said a task force was formed to examine the issue.

Councilor Collier said the issue of consolidating the accounting functions was included in recommendations made by KPMG Peat Marwick two years previous. She said she was prepared to make a budget recommendation that the consolidation be implemented.

5. Review of Performance Audit Report on MERC's Business Practices

Hal D'Ambrogia, KPMG Peat Marwick, summarized the observations made by the audit, a copy of which is included in the record of this meeting.

Ron Kawamoto, MERC Commissioner, testified to his objections of the work performed by KPMG Peat Marwick. He said the work was incomplete.

Councilor Collier said there was no explanation from MERC for not having consolidated the functions and it was time for Metro to implement those changes.

Mr. Kawamoto responded to the items included in KPMG Peat Marwick's report. He said the rental rates for the facilities were a result of a rate study. He said the deposit requirement for facilities was ten percent, depending on the reputation of the presenter. He said long term planning for the facilities was limited because of lack of funding. He said rates for entertainment coming to Portland was negotiable and 501 C 3 organizations (non-profit) received discounted rates. He agreed a marketing plan would be ideal, but there were no funds to implement it. He said the \$100,000 "float" on ticket sales had been eliminated.

Councilor Collier noted the merger of the personnel function was ordered to take place four years ago and had still not been done.

Motion: Councilor Collier moved to have KPMG Peat Marwick propose a budget recommendation to implement observations five and six in the 1992-93 budget year.

Vote: All those present voted aye. The vote was unanimous and the motion passed.

Mr. Short noted the events settlement issue was still under consideration.

Councilor Gardner said he supported the intent of the observations and approved of KPMG Peat Marwick to moving to Phase II of the audit. He said he approved of implementation of the recommendations, with the exception of events settlement.

Motion: Councilor Collier moved to move the remaining observations to Phase II of the audit.

Vote: All those present voted aye. The vote was unanimous and the motion passed.

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Motion: Councilor Gardner moved to amend Observation 10, noting little resources are available for marketing and the feasibility was low.

Vote: All those present voted aye. The vote was unanimous and the motion passed.

Councilor McLain expressed appreciation for Mr. Kawamoto's testimony. She noted a "same team" spirit was necessary for efficient operations.

With no further business before the Committee, Chair McLain adjourned the meeting at 6:30 p.m.

Respectfully Submitted,



Susan Lee
Committee Clerk

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