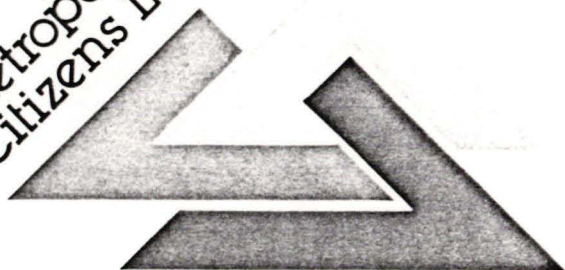


Metropolitan Citizens League



June 22, 1981

Dear Tri-County Legislator:

BOARD OF DIRECTORS

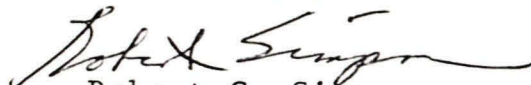
Oliver Larson
A. McKay Rich
Marlene Bayless
Carl Halvorson
Rusty Goldy
Robert G. Simpson
Keith Burns
William Moshofsky
Ronald Cease
Wanda Mays
Jerry Tippens
Jan Egger
Philip Bogue
Charles Kemper
Pat Giardina
Claris Poppert
Robert E. Stacey, Jr.
Melvin Peters
Roy Schnaible, Jr.
Dennis Ryerson
Ned Look


The Metropolitan Citizens League* has strongly endorsed SB 852, which would extend the dues arrangement for METRO (Metropolitan Service District) for an additional four years, and hopes that you will be able to support the bill when it comes up for a vote on Wednesday, June 24.

The 1977 legislation which enabled the creation of METRO authorized it to levy a charge against "the cities, counties and other municipal corporations within the district" not to exceed the rate of 51 cents per capita each year. This authorization was intended only as a transitional measure and was not to be available as a source of revenue beyond June 30, 1981. We have no argument with this approach, but do believe that the transition period provided in the statute was unrealistic.

A major new governmental institution such as METRO simply needs more time to stabilize its organization, develop its constituency and find other sources of financial support. SB 852 would give METRO a more appropriate period of time in which to find additional revenue sources. The bill is worthy of support.

Very truly yours,


Robert G. Simpson
President


Ronald C. Cease, Chr.
Committee on Structure
and Finance

* The Metropolitan Citizens League is a public service forum and action group organized to study and take action on issues and problems of concern to the citizens of the wider Portland metropolitan area. The League currently has approximately 130 members and is supported primarily by membership dues.

The Final Report of the Special Metro Committee

The Metropolitan Citizens League

Report with recommendations on Metro
accepted by the League's Board of
Directors, December 8, 1982

Report released to full League and
the public, December 15, 1982

Report on

M E T R O

To the Board of Directors,
Metropolitan Citizens League:

I. I N T R O D U C T I O N

In January, 1982, the Board of Directors of the Metropolitan Citizens League adopted a motion to establish a special committee to review Metro (the Metropolitan Service District), to critique the organization and its problems, and to make recommendations and "offer solutions in a positive manner." A committee to undertake this task was appointed by the President of the League shortly thereafter. The Committee held its first meeting in early February, met once a week until July and has met on an irregular basis since July. This report completes its responsibility.

The special committee on Metro interviewed a number of individuals: several local government officials, all but one member of Metro's council, Metro's executive officer, several current and former members of Metro's staff, the May primary candidates for the office of Metro executive officer, and representatives of several community groups. The appendix lists all those interviewed by the full committee.

In addition to its interviews, the members of the special committee reviewed the Report of the Metro Special Task Force on Fiscal Management, other management reports and commentaries on Metro, the reports of the Tri-County Local Government Commission, and the ORS sections dealing with Metro. Substantial use was also made of local newspaper accounts.

The members of the special committee have responded to the charge given to it by the Board of Directors. The report is critical but we hope that it is constructively so. We are not hostile to Metro. In fact, we are strong supporters of the need for such a government within the Tri-County area and have every hope that Metro will respond positively to its problems and difficulties and assume a significant role. We, and we believe that other members of the League are prepared to assist Metro in ways that would be appropriate to the mission and activities of the League.

II. F I N D I N G S A N D C O N C L U S I O N S

Credibility:

Metro has low credibility with the public, local government officials, and the media. Unfortunately, it has a loser's image. There are several reasons for its credibility problem:

1. Metro does not have a secure niche within the political and governmental system. Although it was created by a substantial majority vote, some of the "yes" voters had little understanding of the proposal. And the opposition to its creation was pointed. It remains so today. Opposition is particularly vehement within East Multnomah County and Clackamas County--the proposal for the creation of Metro carried by a good margin within Multnomah County and by a smaller margin within Washington County, but failed within Clackamas County. It is interesting to note

that the locus of concentration for the controversial issues in which Metro has been involved has been in those areas where Metro has the least support.

2. Metro has made mistakes and has not handled several major issues or situations well. In the case of Johnson Creek, for example, it ran head-first into a buzz-saw--it apparently operated on the assumption that it could achieve a quick success and failed to understand the political nature of a long-standing problem that is not subject to a quick fix.

3. The public has little or no knowledge of Metro except through brief items in the newspapers.

4. Metro was established and is coming of age at a time characterized by general public disaffection with government. Metro is a particular "beneficiary" of this disaffection.

Expectations and Response:

Metro's reputation has also been adversely affected by its inability to meet the high performance levels initially expected of it. Upon its establishment it was to be a full-blown and mature institution ready to solve regional problems which other local governments could not. There was a sense--a reflection of the Oregon populist tradition--that electing Metro officials would lead to great achievements. Metro was to be "the model" of performance. These expectations were unrealistic and failed to take into account Metro's need for time to organize, establish roles and relationships, and develop and execute a reasonable program.

The situation was complicated by the fact that part of the media was too quick to criticize and other media organs would not criticize at all. Metro officials and staff responded too defensively, making it difficult to look at issues and problems honestly and admit mistakes. Its friends, fearful of hurting Metro--viewed as "our child" by those who had served on the Tri-County Local Government Commission--failed to provide constructive criticism.

Metro has spent too much time and efforts at image building, efforts which have taken time away from more substantive matters. It makes frequent use of press conferences which often do less to inform than to enhance conflict.

Nature of the Organization:

1. The structure of Metro, its relationships, the types of activities and functions it performs or could perform are little understood, even by some of its officials and staff members. Metro is modeled on an executive-legislative arrangement. The council is to determine policy, approve budgets and appropriate funds, and provide administrative oversight; the executive, to perform policy and management roles. Neither is the creature of the other. It could be argued, and is by some, that a manager form of executive would be a more preferable arrangement for Metro than the current one of an elected executive officer. Certainly, the manager system could work, but it has other problems. The Tri-County Local Government Commission opted for the elected executive system, a decision approved by the Legislature and the voters, and there appears insufficient reason to change it. The problems of Metro are not essentially structural in any case. They are problems of relationships, understandings, attitudes, and

competencies. Changes and improvements in these will go a long way to removing much of the current friction between the council, executive officer, and staff of Metro.

2. Metro is a hybrid organization. It provides direct services (the Zoo and aspects of solid waste), is seeking to provide for a more substantial solid waste program, and has authorization to offer other direct services. But as the successor to the old Columbia Region Association of Governments (CRAG), it also acts as a council of governments--planning, cooperating, coordinating, and distributing of grant funds. The latter activities are essentially intergovernmental in nature, requiring on-going relationships and negotiations with the local governments in the metropolitan area.

The Council:

Only in recent months does one sense that the Metro council is finally putting its act together. Despite many and substantial frustrations, it is beginning to act in a more integrative and mature fashion.

The Metro council suffers from many of the same dysfunctions of local government councils: an unwillingness to deal with long-term policy questions; non-agreement on policy; and failure to understand the difference between administrative interference and administrative oversight. But the council also suffers from other problems. While it is not too large and in fact may be too small for effective representation, it may be too large to operate effectively as a policy body, at least without more cohesion and leadership.

Council members indicate little agreement in their characterization of the council's role and its relationships to the executive officer. Several seem to view it merely as an advisory body to the executive officer. Apparently, the statutes have been of little help here.

Despite the suggestions of some councilors, they are not volunteers. They are unpaid, but they are elected officials of a governmental body and have a solemn obligation to the public to perform their responsibilities to the best of their abilities. Unfortunately, the council has been tarnished by one or two members with low attendance records at council meetings.

The council seems uncomfortable with its political role. Moreover, while the record of several councilors in the development of their constituencies and in providing information to the citizens of their districts is impressive, the record of most of them is not very good. Constituency activities, of course, require substantial time and an understanding and acceptance of their importance, both to the political positions of the councilors and to the public's knowledge and acceptance of Metro.

The size of the Metro council requires the use of committees. The council has created committees but does not appear to have used these very effectively. It recently hired its own staff person and Cindy Banzer, the current council presiding officer, has demonstrated that an active and committed chairman can have a substantial impact on pulling the body together. However, it should be noted that she has essentially been working on a full-time basis to do this and, like other councilors, she is unpaid.

The Executive Officer:

The Executive Officer is a major policy maker of Metro and is its chief "politician." He is also responsible under the law for the management of the institution. Metro's current executive officer is an effective politician and appears to work well with local government officials. However, he is not a manager and, although he need not be involved in direct day-to-day management activities and supervision, he cannot escape responsibility for the poor management that has plagued Metro. He shares responsibility with the Council for this--he, because he is responsible in the final analysis for the performance of the management team and staff, and the council, because it did not perform its management oversight role.

There is little purpose in detailing Metro's management difficulties here. In the first place, they have been reported extensively, and, secondly, much of the current management team has joined Metro over the last year and has been instrumental in substantially improving the management record. Suffice it to say that the operation of Metro during the first two or three years of its existence could be characterized as management by intimidation and "kill the messenger who brings the bad news." Communications were poor and as problems with the accounting and computer systems developed, the staff was intimidated from bringing this news to the top management. Under these circumstances it is not surprising that staff morale was not good and, although morale is still not what it should be, the reasons for the problem are different than they were.

The good news is that the management record of Metro has improved. There has been progress in providing monthly reports on revenue expenditures and Metro is making more effective use of the computer system. The 1981-82 audit was completed in mid October of this year while the 1980-81 audit was by comparison completed in February of this year. Don Carlson was hired as Deputy Executive Officer about a year ago and obviously was a good choice for this top management role.* The Executive Officer and the Deputy appear to work together well and there now appears to be an atmosphere of management by cooperation instead of intimidation. However, communications are still not what they should be--as evidenced by the saga of the energy recovery facility, management is not adequately keeping the staff informed of developments or is not providing sufficient directions.

*Carlson spends a great deal of his time on financial management. While this is a most essential job, it may not be the best place for utilization of his broad-gauged management talents.

The Staff:

There has been substantial turnover in the Metro staff since CRAG and the old Metropolitan Service District were combined to create Metro almost four years ago. The CRAG staff was composed almost entirely of planners, while Metro currently has few planners on its staff. The staff--smaller than it was--is generally of good to excellent quality, largely young, idealistic, and politically naive. Metro's record of hiring technicians is quite professional; its record for other staff positions is mixed.

Metro's staff, particularly those individuals who can be characterized as technicians or professionals, are suspicious and disdainful of the politicians (top management and councilors). This is perhaps not surprising, considering the situation in

other governmental organizations. However, it is an obstacle to cooperation and communication between the various components of Metro and is patently inappropriate. Fortunately, this anti-political attitude does seem to be softening.

Staff morale continues to be a problem for Metro and an issue that should command major attention of top management. However, a major reason for poor morale today is the low credibility of Metro which is not amenable to a quick turn-around, and job insecurity.

Direct Service Functions:

Metro is involved in two major direct service areas: the zoo and solid waste. The zoo has high credibility, is well managed, and operates essentially as a discrete unit. Solid waste is quite a different situation altogether. Metro did get a lift with the recent vote of the Board of Commissioners of Multnomah County concerning the proposed Wildwood landfill site, but it has received little but bad news in reference to the proposed energy recovery facility. Merits of the proposal aside, it does seem that Metro let the discussions and decisions concerning the facility go on too long. The council really got into the act relatively late. Failure of the executive officer and the council to communicate in reference to this project and to operate as component parts of the same organization has been costly.

Finances:

Metro has short- and long-term financial difficulties. Grant programs, which have provided much of its revenue, are in decline. Its authorization to levy a per capita charge against cities and counties will expire July 1, 1985--this authorization was extended for four more years during the last legislative session, but six of the seven members of the House Committee on Intergovernmental Relations signed a letter indicating that this would be the only extension they would vote for and that Metro would have to find other financial resources. Revenue from the per capita charge which brings in approximately \$580,000 a year is the major source of Metro's discretionary funds.

Metro's general fund depends heavily on "contributions" from zoo and solid waste revenues. These contributions are used for Metro administrative and overhead expenditures. These charges may be excessive.

Role of Local Governments:

Officials of the local governments within the Portland metropolitan area played direct roles in the CRAG and old Metropolitan Service District organizations. Under the current Metro structure they do not play a direct role and do not appear to have the same commitment to the operations of the new institution as they did to the old--it is not their "baby." Metro's executive officer understands the importance of local government support to the success of Metro and has done well in relating to local officials. However, more needs to be done to enhance their understanding and get their support for the development and resolution of areawide issues and problems.

Metro's Successes:

The analysis of Metro would be incomplete and distorted if the impression were left that Metro's record is characterized solely by problems and failure. In fact, Metro has some substantial successes to its credit.

Metro enjoys a superb record in the transportation area. It has done an excellent job in transportation planning, working with and getting local governments to work together and with it. It has aided local governments in various transportation projects and it has played a significant leadership role in garnering public support and getting funds for light rail projects.

It also needs to be said that, despite the many frustrations in the solid waste area, it is to Metro's credit that the public now has some understanding and interest in solid waste problems and program needs. There may be major disagreements as to the efficacy and desirability of particular solid waste projects, but there is little disagreement that we have a regional problem.

III. CONCLUSIONS

Metro is in difficulty. It has low credibility with the public and local government officials. It has made mistakes and not handled some issues and situations well. It has short- and long-term financial problems.

But the picture is not all bleak. Metro has some real successes to its credit. Though frustrated and showing evidence of low morale, its officials are no longer green. There is substantial evidence of growing institutional and political maturity. Organizational kinks are being resolved. Metro still has great potential to respond to regional issues and problems which confront the Tri-County metropolitan area. It is a government in place. Change may be needed, but we don't want to "throw the baby out with the bath water." If the first four years of Metro's existence have taught us anything, it is that organizations don't spring full blown as Athene from the head of Zeus--they are created, they evolve, they have problems, and they need time to solve these problems and mature!

The Tri-County area needs the services and leadership of Metro.

IV. RECOMMENDATIONS

The Committee submits the following recommendations for review and action by the Board of Directors of the Metropolitan Citizens League:

1. Metro should recognize its credibility problem, understand that the acts of commission and omission of its officers and staff have contributed to the problem, and begin development of an agenda for credibility building. While the main ingredients for the improvement of Metro's credibility with the public and local governments are time and performance, a number of short-term improvements could be effected. Metro should seek the help of the Metropolitan Citizens League, the City Club, and other civic and community groups to assist it in this regard.
2. Efforts should be made to bolster local government commitment to and a stake in the operations and performance of Metro. Metro has used workshops to inform and communicate with local government officials. These have been helpful and should be continued.
3. Review should be made of the State statutes governing Metro and recommendations made to clarify and spell out the roles and relationships of the Metro council and the executive officer.
4. Metro's executive officer and council should make every effort to improve the morale of Metro's staff and officials and continue improvements in communications. Periodic workshops on communications and morale building would be helpful.
5. The Metro council needs to be more constituency oriented. Councilors need to spend more time building and informing their constituencies, and they should be assisted in these efforts by some funds provided by the council for constituency mailings and related activities.
6. The Metro council needs help in developing its policy and administrative oversight roles.
7. The role of the presiding officer of the Metro council should be enhanced. The council has adequate authority to do this.
8. The committees of the Metro council need to be streamlined to expedite deliberations and actions.
9. Councilors who cannot find time to attend council meetings should resign.
10. Metro should employ a person with skills and experience in financial management. The Deputy Executive Officer should spend more time dealing with general management issues, relationships, and communication needs.
11. The executive officer and the councilors should jointly review and consider all of the options in the area of solid waste and develop new plans and strategies. Frustration over the energy recovery facility (or the Wildwood landfill proposal) should not be permitted to derail or retard forward movement in solid waste.

In addition to its specific recommendations on Metro, your committee makes the following three general recommendations. While these recommendations fall outside the committee's charge, committee members believe that they would be helpful and do meet the spirit of the charge.

1. Citizens with a metropolitan perspective and a supporting interest in metropolitan governments should be more active and visible in taking stands on metropolitan issues and candidates for office.

2. The Metropolitan Citizens League needs to improve its organization and performance. A metropolitan-wide, activist-oriented citizens group is needed more than ever. The League should develop working relationships with the City Club and other civic organizations, seeking to develop some common agendas on many of the serious problems facing the metropolitan area in the years ahead.

3. The Metropolitan Citizens League should on its own or in cooperation with other civic organizations and local governments 1) review the missions of the regional governments within the Tri-County area, their relationships with one another and with the cities and counties, and their revenue sources and needs; and 2) make recommendations on both a short- and long-term basis and develop an action program to accomplish these recommendations.

Respectfully submitted,

George Beard
Lynn Dingler
Muriel Goldman
H.L. Griffith
Darleane Lemley
Wanda Mays
Burke Raymond
Larry Sprecher*
Ronald Cease, Chairman

*Due to an extensive travel schedule, Larry Sprecher was unable to participate in the final discussions and decisions of the committee.

A P P E N D I X

PERSONS INTERVIEWED BY THE FULL COMMITTEE:

Jack Nelson, Mayor of Beaverton
Joy Burgess, Mayor of Milwaukie
Lucille Warren, Washington County Commissioner
Don McIntyre, President of EIEIO
Larry Rice, Public Works Director of Washington County and former director of CRAG
Tom VanderZanden, Director of the Policy and Projects Division,
Department of Environmental Services, Clackamas County, and former staff member
of Metro
Bob Stacey, 1000 Friends of Oregon
Ken Jones, member of the Metro Task Force on Fiscal Management
Warren Iliff, Director, Washington Park Zoo
Burton Weast, Director of Public Affairs, Homebuilders Association of
Metropolitan Portland
Gretchen Bennet, 1982 candidate for the executive officer of Metro and former
staff member of Metro
Dan Mosee, 1982 candidate for the executive officer of Metro and former
Multnomah County Commissioner
Bruce Etlinger, Metro Councilor
Bob Oleson, Metro Councilor
Ernie Bonner, Metro Councilor
Mike Burton, Metro Councilor
Cindy Banzer, Metro Councilor
Craig Berkman, Metro Councilor
Marge Kafoury, Metro Councilor
Corky Kirkpatrick, Metro Councilor
Jane Rhodes, Metro Councilor
Charles Williamson, Metro Councilor
Betty Schedeen, Metro Councilor
Rick Gustafson, Executive Officer of Metro
Don Carlson, Deputy Executive Officer of Metro
Jennifer Sims, Director, Management Services, Metro

In addition to the above, individual members of the special committee talked
to other local government officials and community group representatives.

4165

PROPOSAL TO ESTABLISH A METROPOLITAN STUDY COMMISSION

It is the Citizens' League intent to pursue the establishment of a metropolitan study commission in the coming months.

The study commission would be an independent group of community leaders (civic, business, labor and government) with a broad gauged mandate. Its focus would be on metropolitan issues, problems and governments--a look at problems and needs with a realistic look at the future. The commission would be a continuation of the efforts of the metropolitan community to provide effective means to solve area-wide problems started 20 years ago through the creation of the old Metropolitan Study Commission. That Commission, created in 1963, brought about among other things, the creation of the Columbia Region Association of Governments, enabling legislation for the creation of the Metropolitan Service District, the Portland Boundary Commission, and a City-County Charter Commission. A second step towards metropolitan government reform was taken in 1973 through the creation of the Tri-County Local Government Commission. That body brought about the enabling legislation which resulted in the merger of CRAG into the Metropolitan Service District, thus creating the "new" Metro.

SPECIFICS OF THE PROPOSAL

Creation of Commission - We propose that the Citizens League Board of Directors appoint the members of the Commission from a list of names developed by an Ad Hoc Nominating Committee. The Ad Hoc Nominating Committee would be chaired by the President or another representative of the Citizens League and be made up of representatives from each of the four regional entities (Tri-Met, Metro, Boundary Commission, and the Port), plus the Tri-County League of Women Voters, the Metropolitan Area Chambers of Commerce, Labor Councils, the Futures Group, and others. The responsibility of the Nominating Committee would be to develop

a list of names of community leaders from business, civic, labor and government sectors. The Study Commission should consist of 30 to 40 members.

Scope of Review: It is important that the mandate of the study be broadly gauged yet specific enough to develop realistic recommendations for improvements to our metropolitan governance system. The Commission should study and make recommendations on the following:

1. Metropolitan Government Structure:

- o What are the current and suggested relationships among Tri-Met, Metro, and the Boundary Commission?
- o Are there changes necessary to improve the existing structures and to accomodate the provision of additional functions at the regional level, i.e., parks, libraries, jails, etc.?

2. Metropolitan Government Functions:

- o Given the current local government situation are there additional functions or needs which realistically are suited to be provided at the metropolitan level?
- o What changes need to be made to build metropolitan response?

3. Metropolitan Government Finance?

- o What sources and amounts of revenue are needed to assure stable, long-term funding of metropolitan area-wide services?
- o What changes need to be made to tap these revenue sources?

Timing of Review - The Study Commission will likely make recommendations which will require changes in state legislation. It is imperative that the Commission's work be completed by the end of August 1984. We would not officially appoint the Commission until there is some indication of substantial financial support as indicated below.

Funding of Study Commission - In order to do a credible job it is imperative

that the Commission have staff support--a full-time staff director and part-time clerical support at a minimum. We suggest a budget of \$50-75,000, these funds to be contributed from the governmental sector by Tri-Met, Metro, the Port, the Boundary Commission, and the State of Oregon, and from the business community and private foundations.

Summary - It is time for this community to reassess the functions and organizational relationships at the metropolitan level. Recent publicity about problems of funding parks, libraries and jails in this region are testimony that new ideas and approaches are needed for the provision of public services. Metro's current discussion of "taking over" Tri-Met also shows that relationships are changing. It is crucial that all the current interest and activity be channeled into an orderly and coordinated effort for a constructive outcome to occur. The metropolitan area does not have the time, energy or resources for individual efforts at governmental reform to become a reality. The "next step" in our evolving metropolitan governmental system will require the cooperation of all positive interested parties for the thought to become a reality.