

MINUTES OF DIRECTORS MEETING

LANE COUNTY MASS TRANSIT DISTRICT

September 22, 1975

The board of directors of Lane County Mass Transit District met on September 22, 1975 at 7:00 P.M. in the City Hall, pursuant to adjournment from its meeting of September 16, 1975.

Present:

Richard A. Booth
Jack J. Craig, Treasurer
W. Gene Davis
Daniel M. Herbert, President, presiding
Kenneth H. Kohnen, Vice President
Glenn Randall, Secretary
Ruth Shepherd
Richard Bryson, Counsel
Fred C. Dyer, General Manager
Mavis Skipworth, Recording Secretary

Phyllis Loobey presented a staff analysis of issues to be considered by the board in preparing an ordinance effecting an income tax, and a table of procedures and time sequences necessary to implement a tax on incomes from 1975 and 1976.

Following discussion on whether it would be advisable to attempt implementation on 1975 income, Mr. Herbert said he believed more information about the tax should be disseminated to the public and the board should receive public comment in drafting an ordinance.

Mr. Craig suggested the board refer the issue to the voters and that at least twenty public hearings be held throughout the district to learn the public feeling. Mr. Randall noted that as this tax would affect the entire county and not just the service district, the hearings should be held throughout the county.

Mr. Booth expressed the opinion that the issue has been before the public and action should now be taken. Mr. Herbert noted that although public comment was received by the special advisory committee for finalizing their recommendations, the board has not held a public hearing on implementation of the income tax.

Discussion followed on the uncertainty of the amount of revenue that could be realized from the income tax.

Mrs. Shepherd asked about the long term projection of revenue requirements to know what tax monies would be needed. Mr. Herbert advised that this information is available in the TDP. In response to a question by Mrs. Shepherd of whether the income tax would overlap or be a substitute for the payroll tax, Mr. Herbert expressed the opinion that the board would not know how much revenue would be available until the tax became effective and would have to maintain the payroll tax until this is known.

Mr. Booth moved the board proceed to implement the income tax to be effective on 1975 income. Mr. Davis seconded the motion.

Mr. Craig expressed concern for the short time frame this would afford, and urged the board to consider the credibility and future of the district. He spoke in favor of carrying a petition to the people to show good faith. Mr. Randall said he believed the tax should not be arbitrarily imposed, but the district should inform the public of its need and give the people an opportunity to support the tax.

Mrs. Shepherd said she favored referring this to the voters and a campaign of education be conducted for the public. Ms. Loobey expressed the need for careful research and analysis of the many issues through the ordinance process and advised of the difficulty of implementing the tax on 1975-76 incomes.

Mr. Dyer advised that the district can provide a public information program but cannot campaign for the tax and noted that a successful local campaign requires sponsorship and financing which cannot come from public funding.

Mr. Davis expressed the opinion that the payroll tax had been forced upon a minority and he believed the income tax to be fair and equitable, but did not wish to jeopardize its passage by rushing the process.

Mr. Booth withdrew his motion and Mr. Davis withdrew the second.

Mr. Craig moved the board place this issue on referral to the November 1976 general election, and in the meantime study the issues, give public information and hold public hearings. Mr. Booth seconded the motion.

Mr. Herbert said the board should disseminate information to the public and prepare an ordinance before putting it to a test. He moved to amend the motion by deleting "referral to the November 1976 general election." Mr. Davis seconded the motion. Following further discussion, Mr. Herbert withdrew his amendment and Mr. Davis withdrew the second.

The question was put and voting favorably were Craig and Randall, opposed were Booth, Davis and Herbert. Mrs. Shepherd abstained and the motion failed.

Mr. Craig then moved the board prepare two ordinances to enact the income tax, one for the board to institute action, and another with a clause for referral, and to instruct the staff to develop necessary information so the board could act on either. Mr. Randall seconded the motion. Following discussion, the question was put and voted upon favorably by Craig, Herbert and Randall, opposed by Booth and Davis. Mrs. Shepherd abstained and the motion failed.

At Mr. Randall's request, the chairman declared a 10 minute recess.

The board again convened and Mr. Randall moved the staff be instructed to prepare an ordinance implementing an income tax for the district. Mr. Davis seconded the motion and it was approved unanimously.

Mr. Randall then moved that the staff use the basis of 10% surtax on the state tax in preparing the resolution. Mrs. Shepherd seconded the motion and it passed with a unanimous vote of approval.

Mr. Randall further moved there be a \$5.00 minimum tax. Mr. Booth seconded the motion and it carried unanimously.

Then followed a review of the issues discussed and action taken for the staff to continue study and analysis and report to the board at the October 21 meeting. Mr. Bryson advised that the board would need to consider (1) if the board will exercise its authority to tax non-residents, and (2) if individuals may allocate their income. Mr. Herbert asked the staff to give further study on these issues.

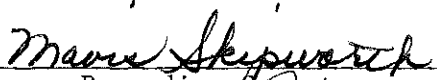
Mr. Kohnen entered the meeting.

Mr. Herbert called for public participation. There was none.

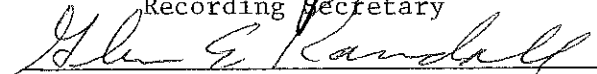
Mr. Herbert read a proposed news release describing the board's action to implement the recommendation of the Special Advisory Committee on Revenue Sources of an income tax as a long term revenue source.

Mrs. Shepherd moved to direct the staff to provide the board with a cost estimate of conducting a campaign in support of action the board would take. Mr. Randall seconded the motion. Mr. Kohnen said he believed it advisable to wait on this until it is known how much support and financial assistance is offered. The motion was voted upon favorably by Randall and Shepherd, opposed by Booth, Craig, Davis, Herbert and Kohmen. The motion failed.

The meeting was adjourned.



Recording Secretary



Secretary