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CITY OF  
**PORTLAND, OREGON**

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**OFFICIAL  
MINUTES**

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A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **10TH DAY OF MAY, 2006** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard, Saltzman and Sten, 5.

Commissioner Sten was excused to leave at 11:31 a.m.

Mayor Potter was excused to leave at 11:55 and Commissioner Adams presided.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Harry Auerbach, Chief Deputy City Attorney; and Gary Crane, Sergeant at Arms.

On a Y-5 roll call, the Consent Agenda was adopted.

<b>COMMUNICATIONS</b>		<b>Disposition:</b>
<b>569</b>	Request of Richard L. Koenig to address Council regarding ongoing negotiation of settlement claim (Communication)	<b>PLACED ON FILE</b>
<b>570</b>	Request of Mark Lakeman to address Council regarding City Repair Project (Communication)	<b>PLACED ON FILE</b>
<b>571</b>	Request of Charles E. Long to address Council regarding the billion dollar boondoggle that will devastate downtown Portland (Communication)	<b>PLACED ON FILE</b>
<b>572</b>	Request of Bruce Broussard to address Council regarding Portland Public Schools (Communication)	<b>PLACED ON FILE</b>
<b>573</b>	Request of Barbara Ellis to address Council regarding a resolution to impeach (Communication)	<b>PLACED ON FILE</b>
<b>TIME CERTAINS</b>		
<b>574</b>	<b>TIME CERTAIN: 9:30 AM</b> - Budget Committee meeting to confirm receipt of FY 2006-2007 proposed budget document and message (Mayor convenes Budget Committee)	<b>ACCEPTED</b>

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<p><b>575</b> <b>TIME CERTAIN: 10:00 AM</b> – Adopt the Toxics Reduction Strategy plan to minimize toxic substances of concern in government operations by using the Precautionary Principle (Resolution introduced by Commissioner Saltzman)</p> <p>(Y-5)</p>	<p><b>36408</b></p>
<p><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p><b>Mayor Tom Potter</b></p> <p><b>Office of Management and Finance – Human Resources</b></p> <p><b>576</b> Create a new classification of Building Inspector/Plans Examiner Trainee and establish an interim compensation rate for this classification (Ordinance)</p>	<p><b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b></p>
<p><b>577</b> Create a new nonrepresented classification of Neighborhood Intervention Specialist and establish a compensation rate for this classification (Ordinance)</p>	<p><b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b></p>
<p><b>Office of Management and Finance – Revenue Bureau</b></p> <p><b>*578</b> Grant a revocable permit to the Portland Rose Festival Association to erect and maintain flags and banners on the ornamental light standards in downtown Portland from May 24 through June 30, 2006 (Ordinance)</p> <p>(Y-5)</p>	<p><b>180108</b></p>
<p><b>*579</b> Grant revocable permit to the Portland Rose Festival Association to use Tom McCall Waterfront Park for its Waterfront Village from May 19 through June 16, 2006 or as approved by the Portland Parks and Recreation Bureau (Ordinance)</p> <p>(Y-5)</p>	<p><b>180109</b></p>
<p><b>*580</b> Grant revocable permits to the Portland Rose Festival Association to hold the Starlight Parade in downtown Portland on June 3, 2006 (Ordinance)</p> <p>(Y-5)</p>	<p><b>180110</b></p>
<p><b>*581</b> Grant revocable permits to the Portland Rose Festival Association to hold the Junior Rose Festival Parade on June 7, 2006 (Ordinance)</p> <p>(Y-5)</p>	<p><b>180111</b></p>
<p><b>*582</b> Grant a revocable permit to Portland Rose Festival Association to close portions of city streets for activities related to the Grand Floral Parade from June 9, 2006 through June 10, 2006 (Ordinance)</p> <p>(Y-5)</p>	<p><b>180112</b></p>
<p><b>*583</b> Grant revocable permits to the Portland Rose Festival Association to hold the Grand Floral Parade on June 10, 2006 (Ordinance)</p> <p>(Y-5)</p>	<p><b>180113</b></p>

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<p><b>*584</b> Grant revocable permit to Portland Rose Festival Association to close certain streets from June 14 to June 18, 2006 to hold its Rose Festival Art Festival, waive fees for some permits and inspections (Ordinance) (Y-5)</p>	<p align="center"><b>180114</b></p>
<p align="center"><b>Office of Management and Finance – Risk</b></p> <p><b>*585</b> Pay claim of Deborah Garvey (Ordinance) (Y-5)</p>	<p align="center"><b>180115</b></p>
<p align="center"><b>Commissioner Sam Adams</b></p> <p align="center"><b>Bureau of Environmental Services</b></p> <p><b>586</b> Accept completion of NW Couch Street Sewer Reconstruction Phase 4 Unit 2 Project No. 6819 (Report; Contract No. 35196) (Y-5)</p>	<p align="center"><b>ACCEPTED</b></p>
<p><b>*587</b> Accept grant funding from the Lower Columbia River Estuary Partnership in the amount of \$78,485 to enhance wetland and riparian enhancement in the Lower Willamette River (Ordinance) (Y-5)</p>	<p align="center"><b>180116</b></p>
<p><b>588</b> Authorize change to the repayment term of Oregon Department of Environmental Quality Clean Water State Revolving Fund loan from the date of first disbursement to the date of first payment (Second Reading Agenda 551; amend Ordinance No. 177898) (Y-5)</p>	<p align="center"><b>180117</b></p>
<p align="center"><b>Office of Transportation</b></p> <p><b>*589</b> Authorize reimbursement agreement with Portland &amp; Western Railroad Inc. to pay for rail improvements for construction of a rail crossing inter-connection at NW 107th Avenue and St. Helens Road (Ordinance) (Y-5)</p>	<p align="center"><b>180118</b></p>
<p><b>*590</b> Authorize an Intergovernmental Agreement with Oregon Department of Transportation for the use of aerial privileges above all Oregon Department of Transportation property and facilities that are in alignment with the Portland Aerial Tram (Ordinance) (Y-5)</p>	<p align="center"><b>180119</b></p>
<p><b>591</b> Authorize contract and provide for payment for the installation of Intelligent Transportation System equipment along 82nd Avenue (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b></p>
<p><b>592</b> Grant revocable permit to Scandals/Silverado to close SW Stark Street between SW 11th Avenue and SW 13th Avenue and SW 12<sup>th</sup> Avenue between SW Washington Street and West Burnside June 16, 2006 through June 18, 2006 (Ordinance)</p>	<p align="center"><b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b></p>

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<b>593</b>	Grant revocable permit to Restaurant Services to close SW Stark Street between SW 10th Avenue and SW 11th Avenue June 18, 2006 (Ordinance)	<b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b>
<b>594</b>	Grant revocable permit to Restaurant Services to close NE 9th Avenue between NE Flanders Street and NE Glisan Street June 16, 2006 through June 18, 2006 (Ordinance)	<b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b>
<b>Commissioner Randy Leonard</b>		
<b>Water Bureau</b>		
<b>595</b>	Update City Water Code to be consistent with current Bureau of Water Works practices and applicable State of Oregon regulations (Second Reading Agenda 554; amend Title 21)  (Y-5)	<b>180120</b>
<b>596</b>	Authorize agreement for acquisition of Glenneva Mathey property in the Bull Run watershed at a cost not to exceed \$350,000 (Second Reading Agenda 555)  (Y-5)	<b>180121</b>
<b>Commissioner Dan Saltzman</b>		
<b>597</b>	Authorize an Intergovernmental Agreement to contribute \$250,000 to the Portland Schools Foundation to study opportunities to improve the efficiency of Portland Public School District No. 1 operations (Second Reading Agenda 557)  (Y-5)	<b>180122</b>
<b>598</b>	Authorize an Intergovernmental Agreement to contribute a \$125,000 collectively to Centennial School District, David Douglas School District, Parkrose School District and Reynolds School District to increase the efficiency of school operations (Second Reading Agenda 558)  (Y-5)	<b>180123</b>
<b>Parks and Recreation</b>		
<b>599</b>	Accept a \$14,200 Noxious Weed Control Grant from Oregon Department of Agriculture to control garlic mustard in Forest Park (Ordinance)	<b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b>
<b>Commissioner Erik Sten</b>		
<b>Fire and Rescue</b>		
<b>600</b>	Apply for a \$650,914 grant from the Department of Homeland Security to upgrade fire station facilities for Portland Fire & Rescue (Second Reading Agenda 560)  (Y-5)	<b>180124</b>

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## REGULAR AGENDA

- 601** Establish a Peak Oil Task Force to assess Portland's exposure to diminishing supplies of oil and natural gas and make recommendations to address vulnerabilities (Resolution introduced by Mayor Potter and Commissioners Adams, Leonard, Saltzman and Sten)

**36407**

(Y-5)

- 602** Accept bid of Triplett Wellman, Inc. for the University Park Community Center Improvements Phase 3 for \$3,922,000 (Purchasing Report - Bid No. 105016)

**Motion to accept the Report:** Moved by Commissioner Adams and seconded by Commissioner Leonard.

**ACCEPTED  
PREPARE  
CONTRACT**

(Y-4)

- 603** Accept bid of Kodiak Bengé Construction for the Martin Luther King Jr Blvd Street Improvements project for \$524,022 (Purchasing Report - Bid No. 105113)

**Motion to accept the Report:** Moved by Commissioner Saltzman and seconded by Commissioner Adams.

**ACCEPTED  
PREPARE  
CONTRACT**

(Y-4)

## Mayor Tom Potter

### City Attorney

- \*604** Amend the drug free zone legal boundary description to correct a typographical error (Ordinance; amend Code Section 14B.20.070)

(Y-4)

**180125**

### Office of Management and Finance – Bureau of General Services

- 605** Authorize acquisition of vehicles for use by City bureaus (Ordinance)

**Motion to accept amendments to the first page of Exhibit A for Development Services 6 hybrid sedans delete hybrid and put in diesel, on the Bureau of Emergency Communications has one mini passenger van put in one mini passenger van diesel powered, on Water Bureau Exhibit A - 3 the 4 Utility Pickups 17,950 GVW put diesel powered, page is 7 Utility Pickups 17,950 GVW put in diesel powered, the 3 Mini Pickups use and if not available in diesel shall buy vehicle diesel powered vehicle alternative:**  
Moved by Commissioner Leonard and seconded by Commissioner Saltzman and gavelled down by President Adams after no objections.

**PASSED TO  
SECOND READING  
AS AMENDED  
MAY 17, 2006  
AT 9:30 AM**

- 606** Declare surplus property located at 1130 SW 17th Avenue (Ordinance)

**PASSED TO  
SECOND READING  
MAY 17, 2006  
AT 9:30 AM**

### Office of Management and Finance – Bureau of Technology Services

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<b>607</b>	Authorize an Intergovernmental Agreement with the Housing Authority of Portland for participation in the Integrated Regional Network Enterprise (Second Reading Agenda 565) (Y-3)	<b>180131</b>
<b>Office of Management and Finance – Financial Planning</b>		
<b>*608</b>	Amend Intergovernmental Agreement with Multnomah County for the continuation and coordination of the City-County public safety collaboration project (Ordinance; amend Ordinance No. 179736) (Y-4)	<b>180126</b>
<b>*609</b>	Amend contract with the Public Strategies Group to facilitate a joint City-Multnomah County public safety collaboration project and provide for payment (Ordinance; amend Contract No. 36358) (Y-4)	<b>180127</b>
<b>Office of Management and Finance – Human Resources</b>		
<b>*610</b>	Authorize a Memorandum of Agreement between the City and the Portland Fire Fighters Association to correct a failure to remit an earned premium to Ted Cassinelli for the period of June 17, 2003 through June 30, 2005 (Ordinance) (Y-4)	<b>180128</b>
<b>Office of Management and Finance – Revenue Bureau</b>		
<b>*611</b>	Revise regulatory provisions for Towing of Vehicles from Private Property (Ordinance; amend Code Chapter 7.24) (Y-4)	<b>180129</b>
<b>612</b>	Remove date of birth, sex, height and weight from Taxicab and Limited Passenger Transportation driver identification cards (Ordinance; amend Code Section 16.40.250 and 16.40.930)	<b>PASSED TO SECOND READING MAY 17, 2006 AT 9:30 AM</b>
<b>Commissioner Sam Adams</b>		
<b>613</b>	Create stakeholder committees and working groups to assist City Bureaus (Resolution) (Y-3)	<b>36409</b>
<b>Commissioner Dan Saltzman</b>		
<b>Parks and Recreation</b>		
<b>*614</b>	Authorize contract with Fazio Gertz Road Property LLC, Batavia Holdings LLC and Peninsula Drainage District No. 2 for Columbia Slough Trail at Fazio/Fed Ex site (Ordinance) (Y-4)	<b>180130</b>

At 12:09 p.m., Council recessed.

**May 10, 2006**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **10TH DAY OF MAY, 2006** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard,  
Saltzman and Sten, 5.

Commissioner Adams arrived at 2:11 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees,  
Deputy City Attorney; and Gary Crane, Sergeant at Arms.

<b>615</b> <b>TIME CERTAIN: 2:00 PM</b> – Accept recommendation of the Portland Planning Commission and Portland Design Commission to accept South Waterfront Public Views & Visual Permeability Assessment report and recommendations (Resolution introduced by Mayor Potter)  (Y-5)	<b>Disposition:</b>  <b>36410</b>
<b>REGULAR AGENDA</b>  <b>Commissioner Sam Adams</b>  <b>Office of Transportation</b>  <b>616</b> Amend the Transportation System Plan and Comprehensive Plan to incorporate the City Freight Master Plan (Second Reading Agenda 568; amend Ordinance No. 177028)  (Y-4, Adams absent)	<b>180132</b> <b>AS AMENDED</b>

At 2:50 p.m., Council recessed.

GARY BLACKMER  
Auditor of the City of Portland

By    Karla Moore-Love  
Clerk of the Council

**May 11, 2006**

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,  
OREGON WAS HELD THIS **11TH DAY OF MAY, 2006** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Potter, Presiding; Commissioners Adams, Leonard,  
Saltzman and Sten, 5.

Commissioner Leonard arrived at 2:10 p.m.

OFFICERS IN ATTENDANCE: Susan Parsons, Acting Clerk of the Council; Linda  
Meng, City Attorney; and Gary Crane, Sergeant at Arms.

<b>617</b> <b>TIME CERTAIN: 2:00 PM</b> – Accept report of the Fire and Police Disability and Retirement Reform Committee (Report introduced by Mayor Potter and Commissioner Saltzman)  (Y-5)	<b>Disposition:</b>  <b>ACCEPTED</b>
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At 2:43 p.m., Council adjourned.

GARY BLACKMER  
Auditor of the City of Portland

By   Susan Parsons  
Acting Clerk of the Council

For a discussion of agenda items, please consult the following Closed Caption File.



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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast.

Key: \*\*\*\*\* means unidentified speaker.

[ The following text is the byproduct of the closed captioning of this broadcast. The text has not been proofread, and should not be considered a final transcript. ]

**MAY 10, 2006            9:30 AM**

**Potter:** Before we begin our official business, we begin each wednesday morning with a question we ask the community. How are the children? The reason we ask that, we know when our children are well, when they're taken care of, when they're well educated, our community is well too. And each week we invite a special guest speaker in, an expert on the subject of children and youth, and today we have mariah. She's 9 years old and is in the third grade. Could you come forward, please? She's in the immersion program, the spanish immersion program at atkinson, she has a brother at hosford middle school, her favorite subject in school is writing. Outside of school she does figure skating, soccer, and basketball, and her favorite activities are travel, art, cooking, and playing with her pet dog boomer. Mariah was born in Portland, has lived her all of her life. Mariah, thank you for being here today. Do you want to introduce your parents?

\*\*\*\*\*: Sure. My dad's name is neil, and my mom's name is alyssa.

**Potter:** Thanks for being here, folks. What would you like to tell us today?  
about schools.

**Potter:** Ok.

**Maraya Keny-Guyer:** My name is mariah, I go to school that is struggling for money. We've been struggling for money for years. We fight and fight for our rights but we don't get them. We go to rallies in Portland and in salem, and we stand on sidewalks waving banners. And we do lots of stuff to help raise money. Some schools might go out of business and teachers aren't getting paid enough. Think of some people who aren't helping, I thank you for your help. Kids who think -- think of kids who might be out of school, think of all those teachers who might lose their jobs. So please, help, because memorandum of understanding is the time, and a lot of kids are depending on you. I'm going to tell you it's a lot of fun to be in school. And I don't want to get out of school just because there's not enough money. If we don't find money, a lot of people will lose their jobs. So please, protest and help teachers, principals, p.t.a., kids, and people to make the world a better place for all. Thank you.

**Potter:** Thank you, mariah.

**Keny-Guyer:** You're welcome.

**Potter:** You know, when the legislature meets in january, I hope that your parents bring you to salem so you can tell the legislature the very same thing you told us. Because you're right, funding our schools is really important, And we appreciate you reminding us adults about that. Thank you very much. [applause]

**Potter:** City council will come to order. Please call the roll. [roll call] [gavel pounded] please read the first communication item.

**Item 569.**

**Richard L. Koenig:** Good morning Portland, city council. Thanks for all you folks showing up. Mayor, my name is richard koenig. I've got three minutes. While i'm presenting a newcomer's

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comments to this conversation, you have in front of you a document that was served on city attorney harry auerbach and risk management officer mark stairiker. Just so we're all on the same page, mr. Gray, who has filed this notice claim on my behalf, has said it probably wouldn't hurt to continue to get to establish a condition of estoppel, however, if you want to communicate substantively, if you have any objections or any amendments to any of our agreements, you should go through him instead of me, and he'll convey them to me. Thank you. You will note that mr. Gray has bundled many of the issues that i've been talking to you folks about for some time. That would include the unwarranted deprivation of rights without a statement of who, what, when, and where that i've been subjected to. Now, I have had some concerns about putting all those things together, but he tends to feel that there's a pattern there that could be addressed in one fell swoop, so i'm not in disagreement, but that sets a rather strenuous agenda for us to get through. We'll have to go through a few more items of agreement now that he has outlined those as probably being on the table. But i'm optimistic that with your folks' continued cooperation we can get through it together. In addition to the problems with the police hiring and training policies, we'll go into the conduct of city officers who seem to be lacking the training in dealing with people's rights, observing people's rights. Before we start on those new items, can we just reiterate our agreement? Is there anything that maybe that we've missed, or you've thought about in the last few months that you'd like to talk about now? Are there any disagreements with your former agreements?

**Potter:** You have 25 seconds.

**Koenig:** I think that will be sufficient for you to state yay or nay. Ok. Hearing no objection, I presume that we're all in agreement to date so far, and i'll see you next week and we'll start in on mr. Gray's other items. Thank you.

**Potter:** Please call the next communication.

**Item 570.**

**Potter:** Good morning, mark.

**Mark Lakeman:** Hello, everybody. I'm just here to give a little update on what we've got going on this year. And specifically I want to talk about the village building convergence, because we have a lot of communities involved this year. Before I go that, I want to take you through a few images that you might not have been -- become familiar with yet. Of course as you know, the city repair project began almost exactly 10 years ago when a group of citizens in the sellwood neighborhood started to identify urban planning principles that are pervasive in the country with endemic social issues, and also just inherent challenges to creating a sustainable culture. So we're looking at this aerial view of the grid. We realized an absence of gathering places was contributing to a society where people were simply not talking to each other. So taking a survey not only of western european countries, but also villages from around the world, we came to see a fundamental urban design principle, which was where people's lives intersect, there ought to be a place where their lives come together o that basis these neighbors came together and began to initiate some ideas leading to installations such as this one in sellwood that initially was considered something of a surprise, but was quickly legalized by council at that time because we accomplished a lot of objectives, standing benchmarks of the city, including slowing traffic and raising all kinds of standards of livability. So the intersection repair ordinance was established. But that led to quite a lot of excitement, community building, including in this case the organizing of homeless kids to build a mobile tea house. In this caseworking with outside in cascades project and harry's mother youth program. This was called the tea pony. We've also been bringing together community and large-scale gatherings such as the earth day celebration, here shown in pioneer square.

Commissioner Saltzman spoke I think just a couple weeks ago at that annual event. As you probably have seen, there are these installations popping up around town as of this year, there should be 10 of them. Mostly on the east side. But there are now over 100 installations across the city in all quadrants of the city, and some are as simple as this where people are using kitchen

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response to stamp a brick effect onto the street surface in add to -- in order to reclaim the intersection and transform it into a public gathering place. This is exactly the way pioneer square began, where we took space and made place through a graphic installation on the rooftop of what was then the two-story parking garage of meier & frank. Other installations like this at 19th and Washington, a walking maze. But this is really the point. People who come out and reclaim the commons, are they villagers or criminals? Fortunately in Portland, Oregon, it's legal to do this through a Specific process, working hand in hand with the bureaucracy and city leadership. Am I already done? Ok. So here's just a few images, including dignity village. And other surprising installations like this. It's really the principle that the public can create public art where the public lives. And other more spectacular features like this one at the rebuilding center, also created by the community living within a two-block radius of the building. Just to finish my report, this year we're doing over 28 projects simultaneously at the end of may, working with communities in all quadrants, working with seven schools, six community-based institutions, 12 neighborhood groups, and four cohousing communities.

**Potter:** I want to thank you for all you do for our community. I think city re-- repair is a great program, and I appreciate your leadership.

**\*\*\*\*\*:** Thanks, everybody.

**Potter:** Good work. Please read the next communications item.

**Item 571.**

**Potter:** Remember, you have three minutes, and state your name when you speak.

**Charles E. Long:** Charles e. Long, from Portland. After the christmas holidays are over and the dawn of a new year, there will be a dramatic project in downtown Portland that will really tear up the mall and bring a lot of disruption to the downtown area as the max line from clackamas is developed for the downtown mall. We know what will happen, the jackhammers, the bulldozers, dump trucks, the dust, dirt, delays, the detours, and the departure of consumers and depression of business. This project is premature, although I was told that this project has been discussed at various neighborhood meetings. However, less than 1% of the neighborhood residents attend these meetings, so i'm sure that over 90% don't have a clue of what's going to happen. I don't think it will improve traffic flow. It will not ease congestion, it will make it worse because of the max coming from all directions. It will not improve the downtown or make it a friendly or safer place to shop or socialize. On the contrary, ramming max down the mall will make it more dangerous for pedestrians, for bicyclists, and for bus drivers and riders. Indeed, one scenario has the hapless bus drivers forced to do the tango tangle with a max. The only winner there will be the bus repair shop. The only way this project can be halted is to turn off the spigot from Washington. Tri-met and p.d.c. has forced this boondoggle upon the city with illusory promises. For every consumer coming downtown from the clackamas max, 10 consumers will be leaving from knob hill, pearl, and the south waterfront districts to clackamas town center on the max. This seems to be a pay-as-you-go project, because there is a hint of a huge bond measure that will be necessary to complete the project. I don't think anyone -- anything has been said about this specifically. It also is a plan as you go project, because the reconfiguration of the mall has not been completed. I think this issue should be -- have a public hearing on this whole project in -- on the city council before this boondoggle goes into effect. Thank you. [applause]

**Potter:** Excuse me, folks. We don't clap in this chamber. If you wish to express your support for something, you can raise your hands and shake it like that. That's the limited amount. We do not hold signs up in this chamber, so please don't do that either. Please read the next.

**Item 572.**

**Moore:** He's not able to make it.

**Potter:** Ok.

**Item 573.**

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**Potter:** When you speak, please state your name for the record, and also, you have three minutes.

**\*\*\*\*\*:** Ok.

**Chris Stohsoky:** My name is chris, I represent the democracy for america group.

**Potter:** Excuse me, you're not barbara ellis?

**Stohsoky:** No, i'm speaking for barbara. Barbara is here.

**Potter:** She's the one that signed up to speak. She has to be the one that speaks.

**Barbara Ellis:** I'm barbara ellis. I represent the democracy for america group. We come before you today because we know all governmental bodies are well aware of the adverse impact president bush and vice-president cheney have had these last five years on our economy, on governmental services, and on the protection of people's rights under the u.s. constitution. We have sent you materials, updating their long list of major high crimes and misdemeanors. Among them is the overturning of the fourth amendment by the illegal use of warrantless wire tapping and the up invasion of privacy over the last two years. Other crimes include lying this country into a preemptive disastrous fiscally ruinous and unwinnable war in iraq, and now secretly planning to repeat that crime, this time with nuclear weapons in iran. President bush and vice-president cheney have also conspired to commit the torture of prisoners in violation of the u.s. Federal torture act, as well as violating the u.n. torture convention and the geneva convention, which under article 6 of the constitution are part of the supreme law of the land. In addition, "the boston globe" just recently has reported a count of 750 laws that congress has passed which bush is disobeying by secretly using the signing statement device. In effect, he has nullified congress. Because jefferson's rules, 53, section 603, govern the u.s. House of representatives, they stipulate it must be immediately -- it must immediately take up resolution to impeach submitted by many cities and states, including san francisco. We are requesting that the Portland city council pass such a resolution to impeach both president bush and vice-president cheney. We are willing to submit whatever materials you may request on the resolution, and we have copies for you. That is the end of my statement.

**Potter:** Could you give the copies to the council clerk, please?

**Ellis:** Thank you very much.

**Potter:** Thank you. Thank you folks for obeying our rules. [laughter] that's the peaceful way to do it, isn't it? Thank you very much. Is that the end of communications?

**Moore:** That's all.

**Potter:** Move to the first -- the 9:30 time certain.

**Moore:** Do you want to do the consent agenda first?

**Potter:** Oh, i'm sorry. You're right. Do any of the commissioners wish to pull anything off the consent agenda? Please call the roll.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye. **Sten:** Aye.

**Potter:** Aye. [gavel pounded] move to the 9:30 time certain.

**Item 574.**

**Potter:** I am convening the budget committee for the purpose of receiving the budget message. Committee members receive copies of the budget document late last week. The mayor's message is part of that document, and a copy is also attached. The meeting of the budget committee is continued to thursday, may 11, at 6:30 p.m., at the metropolitan learning center auditorium, where we will take public testimony on the budget. Multnomah learning center is located at 2033 northwest glisan, and I look forward to seeing you all there. Thank you. For now, go back to our regular --

**\*\*\*\*\*:** Reconvene the council as a whole.

**Potter:** Reconvene the council. So Karla, please read -- actually, we're actually ahead of ourselves. Let's go to the regular agenda. Commissioner Saltzman, do you have your folks here?

**Saltzman:** Yes, they're here.

**Potter:** Ok. Please come forward.

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**Moore:** Item 601?

**Potter:** Yes, please read item 601.

**Item 601.**

**Moore:** Do you want the 10:00 a.m. Time certain or --

**Potter:** We're moving ahead to the peak oil task force.

**Saltzman:** Oh, ok.

**Potter:** We can't hear it before 10:30.

**Saltzman:** Ok. I thought you meant the toxic use people. I'm not sure the peak oil people are here yet. Are they? Ok.

**Potter:** Do you wish to move forward --

**Saltzman:** Yes. I'm sorry. I thought we were moving to -- ok.

**\*\*\*\*\*:** [inaudible]

**Saltzman:** Our director of sustainable director office is part of both of these items. It seems like every day in the media we're hearing more about the impending oil shortage and the increase in gasoline prices. I've been meeting with many in our community that are increasingly concerned about the potential of an energy crisis if there was, and some would say there already has been, a significant spike in the cost of oil. The question is, how are we prepared for this as a city and as a region? When you consider that the average plate of food we eat travels over 1,000 miles, this is an important question to ask. The current situation has been described as peak oil. That the world has already arrived at or will soon arrive at the peak of global oil production, which will be followed by an inevitable decline in available supply and rapidly rising oil prices. I have met a number of times with a group called Portland peak oil, a grass-roots group of concerned citizens in Portland who have come together to create community, prepare to do public outreach in anticipation of coming crises, due to the end of cheap energy, and through these conversations and others around our city and region, it's vital that we begin to address these issues now. I very much appreciate the positive feedback i've received from my colleagues on the council who are all cosponsors of the resolution in front of us that would establish a task force. I'm also pleased that the Oregon department of energy has supported this effort and has arranged for a member of their staff to work with this task force. And the office of sustainable development, which oversees many energy challenges we face as a city, will be the lead on this task force and will coordinate with the office of transportation, the bureau of planning, and other relevant city bureaus. And as I said, the resolution before us is to create a task force to spend about six months looking at the issues associated with rapidly rising oil prices, its consequences for us as a city, and as a region, and to report back with recommendations. Those recommendations that the council chooses to adopt will be incorporated into the update of our local plan on global warming in 2007. So with that i'll turn it over to susan anderson, and we have several other invited guests as well.

**Susan Anderson:** Good morning, mayor, council. Susan anderson. This resolution is about answering some basic questions, basic questions about peak oil and the uncertainties that surround natural gas and oil supplies. And then looking at those uncertainties, what will that mean for Portland city government and our community? The task force will look at the kinds of things we do know, and the things we don't know much about. What we do know is that oil and natural gas are essential components of our community and of our economy. We know also that in Portland we're actually somewhat better off than a lot of other places. All five of you sponsored this, that means all you e-- all of you know this is an issue. We've also had a 20- or 30-year history of making smart decisions about land use and transportation, and energy efficiency, and building design, and all of those things help us to be a more energy efficient community. We're using hybrids in our city fleet, we've got biodiesel, we're building a wind farm, we've got 10,000 people riding their bikes to work every day downtown. And we already have a local action plan on global warming. And as part of that plan, there are dozens of items to reduce energy use, increase energy efficiency, and help

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increase our reliance and the development of renewable resources. So that said, we do know some things, but there's a lot we don't know. And some of those things, we really don't know what will happen when oil prices go up dramatically to four or five dollars a gallon or more. We don't know where and how we're most vulnerable, what parts of our community, what sectors of our economy will be hardest hit. And what people will be hardest hit by these changes. Obviously lower income families, the elderly, people who aren't within close walking distance of transit, and people who don't have stores with quality food anywhere nearby them. And finally, and probably first on our list is looking at our own city government. What can we actually do to get ready and to prepare? We don't know how we will keep essential city services functioning. If oil and natural gas supplies are reduced for a short or long period of time, or if prices go up in a significant way more than what we expect, the bureaus currently don't have any plans to relate to this. So this resolution directs us to begin to answer some of these questions. We're very pleased, we went to the Oregon department of energy and they have offered some of their staff time to help us with technical research. We also -- there has been great research done by metro and I believe someone is here to talk to you about that. There will be up to 11 members on the task force. We'd love to have your ideas, people from the community, both scientists, but also looking at economist and people who are involved in city issues. It will be staffed by my office, michael armstrong will be lead staff. But also with help from transportation. I also think we're going to need help from emergency management, from planning, from b.h.c.d., and other bureaus. Usually i'm talking about sustainability, and this is truly an issue of sustainability. Our choices will have a huge impact on our economy, our environment, our community. And we will be back here within a year, probably before the next budget season, probably around december, to come back and tell you what we have learned and what are our recommendations. Thank you.

**Saltzman:** We also have daniel lurch of metro and pam belch of Portland peak oil. And as susan mentioned, metro has been examining this issue and has produced a white paper on the future of oil supply uncertainty, which we'll learn about shortly if daniel is here. Pam is here.

**Pam ?:** Thanks. Just a little background about Portland peak oil. We're very much a grass-roots group, started about two years ago with just a handful of people meeting once a month. We have since grown dramatically to the point where since last june we've been meeting every week on wednesday nights, showing movies, having speakers, having discussions, both around the issue of educating ourselves and fellow citizens about this issue, and talking about how we can prepare ourselves all the way from individually up to the city and metro region. From that small handful of people we've grown to where our wednesday meetings have anywhere between 30 and over 100 people, depending on the topic or the interest in the movie or whatever we're doing that week. In february we formed a working group to work on these policy issues and start a meeting with various government officials, including commissioner Saltzman and it was nice to find that commissioner Saltzman agreed with us about the seriousness of this issue, and then brought this resolution to the rest of council. We at Portland peak oil strongly believe that a local response and preparation is needed as shown by the federal government's response for lack -- or lack thereof to katrina and global warming and other issues. It's fairly clear any response that's going to be meaningful in any short time frame will come from the local level. Portland peak oil has been working on educating people about this issue. We've found that many citizens are unaware of how much the price of energy affects every aspect of their lives, not just the \$3 price of gasoline, but the cost of food, the cost of transportation of goods, the delivery of medical service, ultimately the delivery of their garbage to distances far away. It's going to impact everything. So we are very proud to be citizens of a city that is forward thinking, taking the lead in this, willing to work on a subject that is so critical to ourselves as well as our future generations. And we very much look forward to working with the task force and council as we move forward in preparing for this. Thank you.

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**Saltzman:** I don't think Daniel is here. I think he thought it would be later. But we do have copies of the paper and we'll email them around to everybody. It's really some excellent research on what are the potential impacts, and it whether set up a lot of the questions that the task force will get to work on.

**Pam ?:** Also, to introduce into the record, we have signatures of approximately 600 citizens that are in support of this resolution as well as a list of about a dozen organizations, including coalition for livable future that have endorsed this resolution.

**Saltzman:** Ok. You can give the signatures to our clerk. Daniel Lurch from Metro has arrived. We were just praising your white paper.

**Daniel Lurch:** Thank you. Sorry I'm late. Little problems on the roadways, despite our fine bicycle system here. I just came in time. All right. My name is Daniel Lurch, I'm a policy associate at Metro, also a graduate student at Portland State University. Whew: Let me catch my breath. Brendan Finn, Commissioner Saltzman's chief of staff, asked me to talk about a white paper I prepared for Counselor Rex Burkholder. The purpose was to look at this issue of oil uncertainty in the world oil supply, and figure out how we can frame it for Metro to approach, what are the issues that Metro needs to think about in looking at this issue. So I actually brought some -- excuse me. I actually brought some handouts, an executive summary of this issue, which I'll distribute to you later. I'm just going to run over some key points of this issue in the few minutes that I have. The title of the white paper is "future oil supply uncertainty in Metro." This was presented to the Metro Council on May 18. Council looked at it, accepted it, the key points looked at, do we actually have a problem here, how can the problem be approached by Metro, and what are the actual things Metro can start to do? So the first point is, do we have a real, legitimate problem? I'm sure that's been talked about already, you are all certainly familiar with the issues of changes in the world economic system, issues of oil supply, oil fields starting to run low, in certain parts of the world. We basically are entering a period of fundamental change in the supply and demand of oil here. That's the main issue. And despite all the different feelings about things like peak oil, things like energy security, energy vulnerability, there is a growing consensus that we're entering a period of uncertainty in the supply and the price of oil here. So that basically establishes this as an issue that we do need to legitimately address. I purposely avoided talking about the issue in terms of peak oil or energy security because that's -- they are in fact debatable. The main issue is we are entering a period of uncertainty. The second point is how is this an issue that we can actually -- what's the -- how do we frame this issue for government to actually have a reason to address it? This really is ultimately a risk management issue. And there are risk factors and risk mitigating factors we need to think about, but ultimately government does have an obligation to act. Among the risk factors are sheer dependence on oil. This is also relatively self-evident. I won't get into statistics about the need for oil for transportation, for agriculture, you're all very familiar with those things. Ultimately oil is an assumed input of our economic system, and also a nonsubstitutable input of our economic and social system. A second risk factor is the volatility that we're looking at in oil prices and supply. As demand goes up and supply goes down, this is going to create a situation where we have increasing volatility in prices. And this is actually going to be a problem in addressing this issue in the future, because sort of like global warming, at any moment prices could be unusually high or unusually low, but the main thing is they're going to be going up and down, which makes it very difficult to predict, which is a problem for government to do things like create budgets, think about long-term land use and transportation planning. And that's the third risk factor, this actual uncertainty. We have volatility, we're dependent on the stuff but we don't know how to plan for it because there's no way to modeling what prices and supply are going to do. So that creates a relatively well-defined risk situation. At the same time, there are risk mitigating factors. The oil supply -- the oil system and our economic system in general are actually quite resilient. And this is sort of the market, and technological determinist argument. Given enough time the market and

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technology will create solutions that will eventually keep things going the way they are. New technologies will come online, there will be executes found for oil that can be used. The problem with these -- with that sort of argument is that the solutions that the market and technology and of creating may be different from society's goals for economic, social, and environmental sustainability. The key argument here I think I believe personally for government involvement, and this is actually reflected in the herish report, which was produced for the department of energy last year, the key argument is that equity issue. As prices and supply change, and the market starts to respond, there is going to be a time period where people on the Fringes of the economy, people who are below average incomes, are going to have a very difficult time dealing with things. There are many people who will afford to buy a hybrid car, and many could buy them in the next five years, and there are many who can't. Those people on the fringes will get left out, and those are some of the reasons why government actually has an obligation to respond. Finally, the third point, how is this something that metro is looking at? I'm really -- I really can't speak for metro. Myself, i'm a policy associate and an intern for p.s.u., any questions about what metro is actually going to do, people will need to go to metro for that. But the main points of the paper looked at are charter responsibilities. The main thing metro is responsible for here is land use and transportation planning, and coordinating those responsibilities. So obviously the way in which oil supply and prices are going to change over the years has enormous ramifications for our assumptions about land use and transportation planning. And there is very interesting conversation that's have been happening. I don't have time to go into that, but just a quick snapshot of that. There are -- there is a window of action within which we can work, and this is kind of regarded in risk management Literature anyway. If we plan too far in either one direction, if we plan for high prices or low prices, or if we plan for all going to one oil substitute or another, we end up reducing our potential future directions in which we can move. So the real risk management issue here is finding the window in which we keep our options open, in which we don't restrict what our future options are going to be. The main point in this section of the paper also was just looking at what are we doing now, and among the planners I spoke with at metro, there was a good sense that the 2040 growth concept was the best selling point for looking at this issue, looking at corridors and centers, promoting public transit, promoting bicycles, that sort of thing. That is really the direction which we need to be headed anyway to address these sorts of issues. So i'll leave it at that. I'm sorry for coming right at the beginning of things. I'll pass this paper out, the full version of this is online at metro's website, and i'd be happy to take any questions you have at this point.

**Saltzman:** Thank you.

**Potter:** Thank you very much.

**\*\*\*\*\*:** I think that's it.

**Saltzman:** Are people signed up?

**Potter:** How many people are signed up?

**Moore:** Six people are signed up. Come up three at a time.

**Adams:** You know how to make an entrance, don't you?

**\*\*\*\*\*:** I just have a notebook.

**Adams:** Yeah, what are you two going to do? [laughter]

**\*\*\*\*\*:** This cirque du soleil thing we've been working on.

**Potter:** Let's go ahead and begin. When you speak, please state your name for the record. You each have three minutes. Why don't you begin on the left.

**Johnathan Brandt:** Thank you, mayor Potter, commissioners. Johnathan brant. I want to thank you sincerely for this task force resolution. I'm here to strongly encourage an emphasis on the public education component of the torsion's charge. There are many people who have a vague idea of what this problem entails. But i'm worried about everyone else. I hope -- Portland peak oil is a volunteer group. We've been doing some outreach, but we have no funding and it's just all



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volunteer. So I hope the city can use its public outreach resources to begin education process when the task force convenes. Not at the end of the year after the recommendations are made. Because the education process for the most part is lacking, or nonexistent on this issue, especially in the corporate media and on the national level. So also the action on the federal level is lacking as well, so I would recommend that impeachment resolution is a good idea too. The public education is equally if not more important than the actual policies recommended by The task force. So again, I just want to thank you for considering that aspect as an important component, and hoping that you'll work on that and support that when the task force convenes. Thanks.

**Randy White:** Mayor Potter, commissioners, thank you very much. My name is Randy White. The reason I'm here today is by default. I seem to have a lot of people stop me on the street these days because I was featured on the cover of "Willamette Week," and somehow become Portland's peak oil poster boy. As somebody that has experimented with trying to kick the oil habit as it's put, selling my car, buying a scooter, riding my bike, trying to work with the energy trust to work on home energy efficiencies, the people of Portland want to continue having a life that they have a sense of maintaining comfort. And it's these comforts that oil provides. And so as this Johnathan stated, we would hope that part of the task force is not only the aspect of what the city government can do as far as emergency management or structure, and having a construct for, this is the program that we have to deal with peak oil, but we would also again stress the education element very much because people are constantly told by -- through advertising and the products that we use that rely on oil and petro inputs that they can continue the lifestyle that we have had up until this point, and it's my personal belief that with the reduction of fossil fuel inputs and without a massive change on a faster level, that the impact of these high prices can come much sooner than people are expecting. So we are very much thankful that you've been open and have been so forward-thinking about the resolution and very much look forward to contributing to the task force.

**Potter:** Thank you.

**Zephyr Thoreau Moore:** Zephyr Moore, Beaverton, Oregon. Governor Tom McCall, in the 1960's, when we had the initial energy crisis, he proposed that all citizens could save energy by using less hot water, and how to do that? Shower with a friend. Well, that worked then, but we're in a bigger energy crisis today. And as previously mentioned, all the things that we use in our life are based on oil. And so whatever we can do to cut our use of oil would be ideal. And I urge -- we've talked about technology today. Well, the technology is over the horizon. There -- a few of us have the Prius, but if we just use low-tech tools, like this screw driver or scissors, you can easily take a useless car dealer advertising that weighs a pound off your car. When you do that, if your car gets 20 miles per gallon, you'll get an extra 35 feet per gallon, because that's how much fuel it took to push the pound. And so all it takes is a screw driver to do that. Many people, Mayor Potter, who made your suit?

**Potter:** I have no idea.

**Z. Moore:** If you look in the inside of the lapel, please look, left or right, you'll look in the inside, and there will be a big label. How big is the label, about that big?

**Potter:** About half that size.

**Z. Moore:** It weighs about a gram.

**Potter:** I'm not going to take it off.

**Z. Moore:** Not yet. All it takes, Mayor, you take scissors and go like this. And now you've got the label off your shirt. And you say, that's nothing. Well, whether you're walking, biking, bussing, or flying, at 25,000 feet and 500 miles an hour, if the label is attached to you, it's moving. And if it's moving, it's consuming oxygen and fuel. So you just take the label off, your Prius will never move that label again. Other things we can do. If the only time you walk on your lawn is to mow it, you don't need a lawn. So plan it with native vegetation. You'll instantly have wildlife. Last week I had five different birds in my back yard because I left the leaves on the ground last autumn, and

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they were all digging in the understory for worms and such. That's all I have. Do you have any questions? Speak. I'm giving you time.

**Potter:** What if commissioner Leonard didn't have to wear those glasses? Would that save much -- [laughter]

**Z. Moore:** Medical, there would be a medical challenge because he would be running into things.

**Leonard:** How much I have saved by shaving my head?

**Z. Moore:** I wouldn't take any more off, randy. [laughter]

**Adams:** And not much.

**Z. Moore:** This is very important. All it takes, ladies and gentlemen, and boys and girls, is screw driver and scissors, and you can instantly take this stuff off your vehicle, off your body. Anything that moves, take it off, because all this stuff resists acceleration. And when you -- to accelerate these things it takes oxygen, fuel, brakes, tires, all this stuff we don't need is created, all the stuff we need is consumed. When you pack around -- please god, take this off your car. It's even ugly: It defaces your car. And the car dealer hasn't said, by the way, I want to thank you for packing around my car dealer advertising over the top of the artwork on your license plate today. Forget it.

**Potter:** Have you shared that with the beaverton city council?

**Z. Moore:** They're next.

**Potter:** Good. I happen to know the mayor there has very large lapels.

**Potter:** Thanks for being here, folks. When you speak, please state your name for the record. You each have three minutes.

**Richard Koenig:** My name is richard koenig. I want to appreciate the city council's having held - - bring focus to the odot program that got instituted about a year ago. The optional titling rule. Now that we can take off our license plate under the optional titling rule, we can save a little more money carrying -- not having to carry those license plates around. I'm sure that more education of the public is needed, but this is why you folks have been so instrumental in helping the peak oil phenomenon. If we all start staying at home as much as we can because we have more money in our pockets, having not had to spend the \$2,000-\$3,000 that's associated with motor vehicle operation, then we can start using that time for producing our food locally and engaging in cottage industries, taking care of our kids, maybe even saving some money in the schools, doing a little bit more educational activities with our own kids. But whether we start -- when we start developing our own resources, our local response, what's going to happen? The taxes that the legislature originally intended truckers to bear are going to go -- the taxes are going to be increased, the truckers are going to pass that on to the folks, and we will have to vote with our pocketbooks about what we really think is essential to bring in to town. The things that we don't think are essential to bring into town will cease to cost fuel as we discard those as relics of the past century. And the things that we really Need, well, we'll probably be more empowered to produce them, not feeling compelled to contribute the couple thousand dollars a year that it takes to be a part of odot's program. Again, I want to thank you folks for helping to highlight that. I'm sure that a lot of us out here are still lacking the information that we're going to come to grips with sooner or later. But if you guys would like to help me present the information that i've been presenting to you in a coherent manner, i'll take your questions, or help you make your comments. Thank you.

**Eric Fruits:** My name is eric fruits, i'm a ph.d. economist. I have worked for the state of california for the attorney general there, evaluating the exxon mobil merger, price spikes in the california market, i've also worked with the state of alaska evaluating the b.p.-arco merger and the impacts on oil production up there. I believe I know petroleum and I know petroleum markets, and i'm here to urge you against the formation of this task force. Simply because it's really based on junk science. I know that because economics is known as the dismal science. And it inked that name because a famous economist in 1800's said that they were in a situation for peak food at that time. That population growth was growing faster than food production and soon we would have mass

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starvation. Within five or 10 years of him writing that paper and earning the name dismal science, we had Advances in the mechanical -- we had improvements in can can, we had the invention -- canning, invention of fertilizer. All those things happened within the declaration we were all going to die from starvation. Similarly, I think we will see advances in technology and not 100 years down the line, but five, 10, 15 years down the line, improvements in automobile fuel efficiency and the production of oil and petroleum products from source that's we have never thought of producing them from. Currently we now produce oil from sand. We produce it from shale. We can also produce it from wood chips and soybeans. All those products are five or 10 years ago I bet none of you heard of biodiesel. I hadn't. But now I don't think you can drive around Portland without seeing a sticker on a car that supports biodiesel. That's an invasion that's new. That's an invasion that can -- that's an innovation that can wean us away, and it doesn't need any intervention. Just as he said we will run out of food, the peak oil proponents say we're going to run out of petroleum. And we will, someday, but many, many years down the road. Well past my grand children's lifetime. It simply is not an issue. Conservation on the other hand is good, and we have an office that handles that, the office of sustainable development can handle conservation. Can educate people on Conservation, and that's a good thing. And that's something that's a valuable service. But the formation of a peak oil task force that has already determined that we are in the peak of oil and that we will face \$5 gas prices is probably not a reasonable thing to do. When I was working for the california state attorney general on their price investigation, that pricing investigation was sparked by \$2.15 oil -- gas prices. By the time our study was completed, gasoline price were \$1.50 a gallon. Thank you.

**Emily Pollard:** Emily pollard of Portland. I've been a court organizer with Portland peak oil for about a year or so. I have a brief statement of gratitude for council and for the city. I feel incredibly fortunate to live in Portland. We have folks within our group who over the past year have flown all over the country to various peak oil conferences, energy conferences all over the country, and they are asked over and over again, "what's it like in Portland? I'm thinking of moving to Portland." and I think there's a tremendous reputation that Portland has in the country of spearheading sustainable developments, sustainable practices and actions, and the incredible grass-roots action that comes from below here in the city. On behalf of the hundreds of people that have passed through the group, I want to state this Is -- this task force would provide a tremendous amount of relief and reassurance to the citizens of Portland who feel this is an urgent issue, along with experts throughout the world, very well-read and well spoken experts, in fact, and we feel that the formation of a task force is more than reasonable to investigate the implications and to come back. This is a very serious issue, and I just want to say the tremendous relief this gives a lot of Portlanders, and just the tremendous pride we feel in this city. Thank you very much for going forward on this. Especially how speedy it's been. We just read about the san francisco resolution that passed a couple weeks ago, and parentally they had been working on that for over a year. So it's amazing within a few short months that we have the go ahead within the city here. So thank you.

**Potter:** Thank you folks.

**Potter:** When you speak, please state your name. You each have three minutes.

**John O'Brien:** John o'brien, i'm a volunteer with Portland peak oil. I have a statement i'd like to read. Thanks for doing this. We often eat more in oil now by weight than we do the food itself. Measured in calories, it's at least seven, maybe 10 times oil-to-food. We're eating our children's future. And we face an uncertain future ourselves. We won't be able to afford this. If gas prices triple in 20 months as some have anticipated, prices for food may triple as well. And if the world economy collapses, it's dicey right now with the strait so narrow, whether we eat will depend on how close the food is to us. And whether we have food security. We can grow a lot of our own food, but not if we eat the seed corn. We need to start banking two or three years' worth of food to

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keep us going while we make the necessary changes. We're downriver here from two river systems which carry themselves through great farming country, but there is a move afoot to remove the locks on the willamette near Oregon city for some reason. We'll need those locks to return to cheap river transport, to keep ourselves fit. We'll need rail as well. Food security is the most important thing, but as a musician, i'm reminded of the musical equivalent of the burning of the library at alexandria. The death of the harpsichords during the french winter of 1790. Instruments from the pal as of versailles and elsewhere, the pride of handel, the bach fantastically, rubens painted on some of these. They were split into kindling by the dozens, hacked, splintered and burnt, a fragrant night fire of spruce and maple. With 15 or 20 flickering faces lit up around it. And these instrument were burned In joy. Can you believe it? In the night winter of 1790, happily burned, by tuneful peasants who wanted only not to freeze to death that very night. Can I blame them? How on earth do we think we can avoid doing exactly this sort of thing or worse, when cheap energy is gone and it gets cold? Are we just naturally a warmer people?

**Christine Caruso:** Good morning. Christine caruso, a member of the Portland planning commission. I'm actually here today as a private citizen. I just wanted to thank mayor Potter and members of city council for considering this peak oil task force resolution. I wanted to also thank the members of Portland peak oil for bringing the resolution forward today. As a member of the Portland planning commission, I wanted to just make you all aware that we discuss peak oil at almost every single meeting that we have now. It comes up in various conversations. However, we are not the body that can actually enact a lot of the topics that we discuss. I wanted to outline a few of them for you. Number one that comes up a lot is measure 37 claims. It concerns us greatly that we are allowing claims to go forward and I understand the fiscal reason for that, but it's clearly driven by suburban sprawl, and it does threaten viable agricultural land, and we really need to seriously consider the impacts of that. The closure of some small neighborhood schools through the Portland public school system has also come up in conversation. One question that we asked ourselves is, are we indeed shifting the cost of running school buildings to the cost of gasoline to run buses to ship these children to and from their schools that they used to be able to walk to and ride their bicycles to? Today's freight master plan also came up in conversation. We asked, should we continue to focus solely on trucks, moving truck freight through the city, or should we start to recapture our railroad infrastructure to move goods and should we seriously start considering intraurban rail to actually move people as well, urban growth boundary. That comes up in conversations at the commission quite frequently as well. Should the urban growth boundary continue to be a physical ring that rolls out around the city and increases in size, or should we start looking at other ways to control growth so that we actually have nodes of activity that spread out like fingers and that viable agricultural land is actually placed in between these fingers, so we're not continuing to drive food production farther and farther away from our city, and therefore increase the cost much bringing it into the people who will need it. So these are just a few of the topics of the commission actually discusses. We don't have the power to act on many of them, but you do, and I encourage you to support the formation of this peak oil task force. I think it's vital to the continual growth and improvement of Portland, the metro region, the state of Oregon, and this place that we call cascadia. And if we are the first people to do it, I applaud all of us for thinking so far ahead. Thank you.

**Stephen F. Johnson:** My name is stephen johnson, i'm the president of american clean coal fuels, born and raised Portland resident. My business is part of developing the first wave of alternative to conventional oil infrastructure, developing energy dense fuels from coal. It's one of the best options we have, but I wanted to come up here today to support the Portland peak oil resolution because i've spent a lot of time studying this particular issue, and the bottom line is that we have not discovered more oil than we've produced in a single year since 1981. Currently oil production is outskipping discoveries by approximately 6-1. So at the current rate, unless we miraculously start finding more

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oil somewhere, we will run out. There is debate over what year that will happen, whether it's this year, 2010, 2015, but the year is rather immaterial. We know it's going to happen sometime in the relatively near future, and there's been a large body of material published in this topic. So what I started doing professionally was focusing on what can we do to bring on new Alternatives. And there's been talk about moving to biofuels, or to hydrogen, or some other type of alternative, and although many of these are viable options, we start running into problems. In the hydrogen area, the technology just is not quite there yet, and currently our best source of hydrogen is natural gas or oil. It's a very expensive fuel. For biofuels, you start having the problem of displacing agricultural land for fuel production. And most people will not talk about the energy that goes into the actual growing process. The reason I'm here today to urge you to support creation of this is because based on all of the research I've done, which is many months worth before launching on a professional -- launching on a professional career path and finding an alternative to this, the primary conclusion is that we cannot continue supporting ongoing consumption at the rates that we're doing it. We have to learn how to do more with less, so some options have been discussed here today, I am not an expert in the demand side response and how we can go about reducing our consumption, but certainly urban development such as the pearl district or other options where we can get transportation infrastructure to something that doesn't consume as much oil is the way to go. Thank you.

**Potter:** Thank you, folks.

**Moore:** That's all who signed up.

**Potter:** Ok. Call the vote.

**Adams:** I want to thank everyone involved in putting together this resolution, and as commissioner -- as commissioner of transportation, I look forward to having active participation from the bureau of -- city bureau of transportation as part of the process. As manager of both the Portland office of transportation and the bureau of environmental services, which among other thing runs the city sewer agency, we're working hard to substitute oil-based products, petroleum-based products as much as we possibly can. We are converting as many of our fleet and our equipment to biodiesel, and to hybrid equipment as well. In terms of transportation and the natural environment and sewers as an area of policy initiative for me, we are working on -- we will be working with metro and the other communities in the region on a new regional transportation plan for the region. We've already discussed this as a key strategic issue to be mindful of as we put together the new r.t.p., as it is known, to last the next five to seven years. City council has given tentative approval to begin two important rail-related projects out of the bureau of transportation. One is to rezone around existing rail stops that were not rezoned for transportation oriented development, and key to the benefit of that is to avoid trips, alternative fuels are really important, but also to The extent our planning efforts can avoid trips. That's an important part of solving -- putting together this puzzle, and that's why it's important planning is part of the three bureau that's are sort of in the lead on this. Also our desire to be a platinum designated city for bicycling. To provide safe routes to schools for kids. To -- all these efforts in part. They're not only good for the environment, they're not only good for your health, good for livability of the city, but I think they also recognize that at a minimum petroleum-based efforts are going to become more expensive. One thing that I think that this task force can focus on that some task force are more successful at than others, and that is to localize the action plan. There's a lot of work that's been done nationally on this issue, other cities have done a lot of work. I hope the task force is informed by that. You take a look at all the efforts that are going on in all the bureaus, and then try to localize the call to action to folks. So we know it's about avoiding petroleum-based trips, but how is the best way to do that for Portlanders? So taking the national advice and localizing it down to very practical message and education for Portlanders here. So I look forward to this. I think it's great we're doing it. I think it is actually the right time to do it

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before we're in the full throws of a crisis -- throes of a crisis. In many ways that crisis has begun. I'm happy to vote aye.

**Leonard:** I cosponsored this because I believe in a long-range plan. For those that testified today that suggested we have petroleum products available at least through our grandchildren, clearly are not students of history. Two or three generations of people don't even amount to a blink in the eye of the history of the earth. For those -- for the last testifier who said it doesn't matter when it runs out, it will run out, and we have to plan for it, I agree. I agree with those that think that, and say that, because in my view they get it. But I'll jump ahead and make a speculative prediction, that this task force is going to come back with a recommendation that says it will be devastating when we run out of oil. We need to develop alternative sources of fuel. And I've reached a conclusion. I've spent some time looking at this subject, and I've been pushing in a certain direction, and I want to take a moment and talk about that and why. Europe is decades ahead of us, and understanding how to best use what resources are available on the planet to fuel vehicles. 60% or more of the passenger vehicles that they sell in Europe are small, compact, diesel-powered vehicles. And the reason they use Diesel-powered vehicles is because diesel engines get 40% better mileage than a similarly-sized passenger vehicle. They get about 10,000 miles between oil changes. They're simple to operate, there's no bank of batteries that are needed, they don't even use spark plugs. For the average working class person, a diesel vehicle, I'm going to give a plug here, Jetta, Golf, Passat, is the way to go in terms of not spending a lot of money keeping that car going. With the new mandate that the feds have effective July 1 of this year, 2006, the United States will finally do what every other country in the world has done and mandate a reduction in the sulfur content of diesel. Which will allow them then to burn as cleanly -- cleaner than similarly equipped gasoline engines. It's important, the mayor and I have had a very good discussion about this. It's caused me to do a little more digging into the subject. In fact, this month's edition of Popular Mechanics has an article, and I'm going to reference some of the facts from here, if anybody is interested they should read it. It's about alternative fuels. Biodiesel and petrodiesel gallon for gallon contain the same amount of energy. That's a very important fact in this discussion. Ethanol and gasoline do not. Ethanol contains about 60% of the energy of a gallon of gas. The reason that's important is, if you fill your Jetta with biodiesel, you will notice absolutely no difference in the miles per gallon. They will get the same mile per gallon, whether they burn biodiesel or diesel made from petroleum. Unfortunately, a gasoline engine that has 100% gasoline from the pump that gets, for instance, 20 miles a gallon, if you burn it with E-85, which is 85% ethanol, will only get 14 miles a gallon. And I don't think people have focused in on yet that you're going to burn a lot more fuel to get the same distance when you use ethanol. I want to mention the price of gasoline. This is a politically sensitive subject. When I first ran for the council somebody said, what would you do to economize on fuel? I said, I'm sorry you asked me that, because somebody is going to put this in writing and use it against me. I would impose a tax to raise the gasoline to \$5 a gallon and use the proceeds to develop alternative energy sources and other means of transportation. Unfortunately European countries are doing that. They figured that out. And they use that surplus dollars to -- dollars to develop alternative methods of fuel, transportation, and achieve that through a tax. We allow the big oil companies to take all the money, and pay off their execs up to a half billion dollars when they walk out the door. And that's the state of our federal government's focus on. Reducing our dependents on foreign oil is making those that run oil corporations filthy rich. There's also a new technology that's coming that I think is exciting in terms of biodiesel. Gasoline hybrids are excellent. They get up to 50 miles a gallon. However, an identically equipped vehicle, same size, same weight, that is a diesel hybrid, which exists in Europe, gets 70 miles a gallon. So based on all of that, sometime back I asked the water bureau's chief engineer to do an analysis. He's an extremely thorough man, and based on his analysis I issued a directive from January -- I think it was January, February of this year from that point forward, no vehicles, no vehicles purchased by the

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water bureau could be anything but a diesel-powered vehicle. And when I heard, there's just not the same types of vehicles produced, I went online, found every diesel vehicle that's made, supplied that to them, and we're making that work. So if they have a passenger gasoline vehicle today when that is replaced, it shall be a passenger diesel-powered vehicle. That's important to do, but it's more symbolic than anything else. What we really lack here in this country is an adequate supply of biodiesel. And i'm working with some in the city right now to address some of those supply issues.

That is forthcoming. But today when I picked up "the Oregonian," just this morning, riding in on the bus that uses 5% biodiesel to get me here, I read an article that said in aberdeen, Washington, and we just had a meeting about this subject yesterday with susan and others, and none of us knew about it because we were touting north dakota having an \$80 million -- 80 million gallon biodiesel production plant in north dakota, and it's the biggest in the u.s. Well, this morning aberdeen, Washington l. Now have the biggest in the united states. They're producing in cooperation with the state and with the port of whatever the port is, a 100 million gallon biodiesel plant, which will be by far the largest biodiesel production plant in the united states. As i've said to others here, nothing is going to heal the urban rural split in the state of Oregon. Nothing other than cold, hard cash.

Eastern Oregon farmers grow the canola, we buy it, we use it. That will do more to fix the politics in this state in my view than anything else. And one last thing that I would say is, I have two parts of me that drive this. One is an environmentalist part, and one is an isolationist part. And this initiative appeals to both of those sides of my personality. In the best way possible. So i'm very pleased to vote for this. Aye.

**Saltzman:** I certainly appreciate all the passion Members of city council have for this issue. But I want to thank Portland peak oil for their assistance in drafting this resolution. And I want to assure people who -- whether it's concern whether we truly have reached peak global oil production, or whether it's excessive, agreeedy, windfall products, that oil companies take advantages of, we're facing an era of rapidly rising prices, and I think it bodes well that we take a good look at that. The task force will have all diverse points of view, from people who don't believe peak oil is really here, to those who obviously do. And we welcome somebody from the planning commission to be on that as well. I appreciated the ideas you had suggested. I'm pleased to move forward with this, and with will do this in six months and come back to council for recommendations. I'd appreciate -- I appreciate everybody's passion and interest in this. Aye.

**Sten:** Thanks to commissioner Saltzman for putting this together. I'm of course glad to cosponsor it. A couple thoughts. I had the opportunity to meet with the peak oil group who meets every wednesday at st. Francis dining hall, and I was pleasantly surprised to walk in and see 80 or 90 people there. It was huge group, and they were very focused. I think that bodes well. From my point of view, whenever the peak is coming is just similar 30 going to define whether or not we're in a crisis of I think life and death proportions, or we have an opportunity to get things going much smarter and better now. And in either case it calls for quick action, and a short analogy I would make is that we are the only 70 in the country that's -- there will be more soon because localities are getting this, to make significant progress on global warming. And i've had the honor to lead those efforts for quite some time. Back in the 1990's when I was working on these issues people would say, why do your citizens care about global warming? And I would say i'm not sure they do, because at that point it was not clear everybody was tracking it. But they care a lot about livability, land use, environmental protection, about recycling, renewable sources of energies, alternative transportation, and those are the things that make them want to live in our city. It turns out if you run a city that's a place you want to live because you're doing smart policies, you emit less. And I think that's a very, very important bottom line. All of our efforts are not adequate to the task of what needs to be done to turn around global warming and to respond to a world without oil. But I think with this resolution, it will allow us to hopefully prioritize issues and Tie them to a greater sense of community purpose and work with private sector, nonprofit, citizens to say, here are the

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next steps this community can take on. And if we get moving very quickly, we'll be better prepared if a true shock hits, and it very well might, or if it does not, we'll be able to build a much stronger economy, a much more sustainable community by getting out front on these issues now. It's hardly too soon by anybody's standards. Even if you accept which I'm not sure I do, and I'm not an expert on timing, I think this makes sense in any situation, the argument that the gentleman made today that we have two generations worth, we should get going. Because to truly transform the economy we're going to need at least the middle ground of the scenarios. You don't want to be -- I think there's an opportunity here, but even the alternative energy technologies that will be necessary, solar or whatever else, depend on petroleum-driven factory set-ups to produce them in any scale. So we have an enormous transformation to take on, which will take many years. So if the less scary scenarios are true in terms of oil, we have our chance to transform the economy, but the longer we wait while have a dire situation, because this is not stuff that will happen. We -- in a year or two, it's something that will take a lot of work. So for me I'm really excited about this. I think it will give us direction, it will give some of our most articulate voices much more of a platform and a seat at the table to figure this out. And I expect the community is going to respond very positively, and as we always do in Portland, with some vision and hard work. So it's a great pleasure and I look forward to the next step of this, which is actually working with the task force. Aye.

**Potter:** I fully support this task force. I really appreciate the leadership of commissioner dan Saltzman, and the Portland peak oil. I appreciate all the work done here. I think all of us should take a big gulp of air and realize that we're run can out of oil. But more importantly, the faster we convert to other sources of energy, the more money stays in Oregon. And helps our economy. And improves our environment. So to me this, is a win-win, and I appreciate the people who are going to be on this task force and I look forward to seeing those recommendations and implementing them in our fair city. I vote aye. [gavel pounded] [applause] folks, we show our affection by raising your hands like this. That way we don't have disruption. Thank you very much. We'll go back to our 10:30 time Certain. Please read item 575.

**Item 575.**

**Saltzman:** Not entirely unrelated to the previous topic of peak oil, any toxic substances we use in government are in fact derived from petroleum products. But preventing pollution has long been a common practice in many city bureaus. And we can point to countless exof how bureaus have shown great innovation in reducing their use of hazardous substances. I believe there is a significant opportunity to build on these existing efforts and to foster collaboration among the bureaus on additional toxics reduction efforts. In september of 2004, the city council document a resolution -- adopted a resolution to reduce the use of toxic substances in government operations. Today I'm pleased to introduce a resolution to adopt the resulting city of Portland and Multnomah county's toxic reduction strategy. The actions outlined in the strategy seek to build on existing city efforts and provide the city an opportunity to exercise our leadership in choosing safer alternatives whenever nontoxic methods are effective, available, and affordable. And once again I'll turn it over to susan anderson and michelle creme from the sustainable development office.

**Susan Anderson:** Thank you, mayor, council, susan anderson, with me here is michelle creme, our senior program coordinator and lead on the toxic strategy. Most of the days, like today, when I'm up here I'm talking about sustainability and focussing on a healthy environment, a healthy economy, and a healthy community. But today the focus is on our own personal health, the health of our kids, and the health of our friends. Another piece of sustainability we don't talk about, it's something we really need to focus on more. Each and every day each of us are hit by dozens and dozens of toxic contaminants that are present in all of us. These pollutants over time accumulate in our bodies, in ourselves, we're exposed to these things at home, at work, when we're outside, when we're inside. It's everyday things, cleaning products, plastics, transportation fuels, pesticides, and lots of other things that we come in contact, even our food. These contaminants are components or risk factors



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in all sorts of diseases, in many different kinds of disabilities, and premature deaths. The toxic reduction strategy that you're considering takes some important steps to both reduce our use of these materials, but also to reduce our exposure to those materials that we feel we still must use. So the first question really is why do we need a strategy like this? Unfortunately the facts speak for themselves. 14 air pollutants in Multnomah county exceed health-based Benchmarks and six are 10 times higher than the benchmarks. The willamette river is contaminated with industrial and agricultural toxics using -- whoops. It's not up there. There we go. That talks about the strategy, that there's different pollutants that exceed the benchmarks and that there's many areas that are -- that way exceed the benchmarks. Willamette river has many different issues related to toxicity. Chemicals used in fire retardants are showing up in the breast milk of women in Oregon. We have a much higher asthma rate than the national average here in Oregon. And we found also several studies have found lower income families in Portland are disproportionately exposed to toxic substance and pollution. And it seems all of us have either a friend or loved one who at the age of 35 or 40 in the past year or two have died from various cancers. All of these things, the strategy is not going to solve any of these problems. Not in and of itself. And we know that. But it does take us in the right direction, especially in areas that city bureaus can actually impact and can directly control. The strategy will help us lead by example and hopefully town expire and teach others to do the same. It was a very collaborative effort. The process to develop this strategy. We worked with Multnomah county, we worked with various city bureaus, we worked with scientist and health professionals from ohsu, from Portland state, from the Oregon center for environmental health, folks from metro, the Oregon environmental council, and many other concerned citizens. These people were part of a work group who met monthly, back since I think it was the fall of 2004 when we got started. The group the included water bureau staff and b.e.s. staff, and then parks, p.&d, pdot and other bureaus reviewed the draft documents. The work group received a tremendous amount of feedback on these drafts. So they have changed considerably over the past couple of months. Many times the comments we were getting were in direct conflict with each other. So we worked carefully to understand both viewpoints and the various issues. I'm definitely sure in are people in this room who feel like this strategy does not go far enough. And there's also in the room -- others who feel it's too restrictive, so we're probably at a good starting point in terms of what should be in the strategy. The strategy is based on the idea called the precautionary principle. The old adage that an ounce of prevention is worth a pound of cure. It's about preventive action, it's not waiting for the canary to die in the mine, it's about Making choice that's reduce our risk. The goal of the strategy is to use the precautionary principle as a framework to replace toxic substances, materials, or products of concern with viable and least toxic alternatives. The strategy will be implemented in conjunction with Multnomah county. This is actually our fifth effort between o.s.d. and the county we've done over the past few years. We started with jointly sponsoring the sustainable development commission, second the global warming policy, third, we had the food policy council, and then the sustainable procurement effort. All of these things we've done jointly and now the toxic strategy. We found, and I think other bureaus are beginning to find that working jointly with the county or metro or the state agencies has allowed us to pool our limited staff resource and avoid duplication of efforts and achieve various economies of scale. So how do we reach this goal? The strategy contains 40 specific actions to be taken. These include a complete inventory of chemicals that are used in the city, evaluating products that we use, and also evaluating just about everything we purchase, and then eventually developing ways to recycle and dispose of the items we do purchase. The strategy recognizes that how a product or the toxicity of a product is just one factor in the products we're looking at. And it does need to be balanced with other factors in terms of, is the replacement product available, can we find it, how much will it cost, will it affect warranties, will it patty murray. So toxicity is a huge issue, and a huge component in our decision-making, but it can't be the only one. These products still need to be able to work. We still need to

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be able to do the work we need to get done as the city. The strategy is very much a living document. It will be reviewed and updated on a regular basis. We're -- the measures that are in here, the objectives are from what we know right now, and blah we know two or three years from now may be different and we may be able to make changes. So to close we all know that our health is related to what we eat and drink. If you eat too much of the wrong stuff, you're going to get heart disease, you're going to have more risk of diabetes, and all these other things, but we often forget our health is also directly related to where we work, to where we live, to our homes, how with travel, the air we breathe, and the stuff that we come in contact with. So this strategy is really about the future and it's about our kids, and it's just common sense. So thank you. We also have several people, and I think commissioner Saltzman, you have a list.

**Saltzman:** Right. Next up we have david schaff from the water bureau, tom feeley, bureau of general services, david mcallister from parks, and I think don gardner from transportation.

**David Schaff:** Good morning. I'm david schaff, the acting director of the water bureau. We're a very -- we're very happy to be here and express our support for this initiative. In the last 18 months the water bureau has spent a lot of time, effort, and energy on completing an inventory of all of our in town and watershed facilities for chemical products. We've coordinated the disposal of unwanted products, we recently last summer eliminated 10 pallets over hundreds of gallons of old unused products, over 1300 containers to the metro hazardous waste recycling facility. That includes out of date paints, epoxys, barrels of gasolines, things that have been on our shelves for 20-plus years. We've managed to reduce our product inventory of toxic chemicals and products from 2250 down to 1450.

That's a 29% reduction. In addition, we've implemented a centralized material safety and data sheet program that enables us to know the current inventory at any one of our facilities target specific chemicals for reduction and elimination, so, for instance, we can produce a list of all products that contain lead that's in our inventory. And we've implemented a procurement process where all new products are very viewed and approved before they're purchased. One of the strengths of the strategy that susan just talked about is that we think it will help foster collaboration between our bureaus, especially around shared issues like vehicles, building maintenance, and materials. We like the task force structure, it's an effective way to get input from all the bureaus and build on efforts that are already in place. Things that we do we can share and things that other bureaus do that we don't that they can share with us. And we are basically here to say we're ready to move forward with the toxic reduction strategy. We're excited to get started, and reducing toxics in the workplace is an important goal for us. We create a consumable product, and it's important for us to remove as many of the toxics in our environment as we can. Thank you.

**David McAlliser:** Good morning, mayor, members of the council. David mcallister, Portland parks and recreation city nature manager. Many of you know Portland parks and recreation has been a leader through our integrated pest management program and developing practices that reduce both the impacts from and our reliance on potentially toxic substances. These management practices have garnered for the bureau and the city the first recognition as the first park system to receive the coveted salmon safe certification. For a parks bureau, and Portland to maintain its leadership in Sustainable practices, we must do more to enhance coordination among the county and city governments, better define best management practices that we use, and improve our inventory and our procurement processes. The comprehensive set of actioning outlined in the toxic reduction strategy bring as coherent process for improving the city, county practices in these areas, and I might add that we want to go forward through this strategy and maintain ourselves as leaders.

And through the development of more innovative and practices and procedures, outreach to our community and our businesses and show them how they can also practice better sustainable practices. So we're excited about that. Parks is here to endorse this strategy as a way to maintain its leadership in sustainable practice well into the future, and i'm happy to join the rest of the bureaus in this endeavor. Thank you.

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**Adams:** I have a question for you. How many pesticide/herbicide-free parks do we have in the city right now?

**McAllister:** We have currently, commissioner Adams, we have a steady going on that -- a study going on that involves three different parks. It's a study, a three-year study. This -- and this again is part of our integrated pest management program. We're trying to look at even alternatives to any use at all, not simply reducing them. So this is a three-year program, we have begun last year, the second year of the program. Three -- the three parks and this particular study is looking at maintaining the quality of the parks for our citizens, and looking for the alternative use of pesticides by volunteers that will do work in these parks to maintain the quality of the areas.

**Adams:** So you have -- is it fair to translate that into we have three pilot projects, three parks where we're not using pesticides or herbicides to see how they go?

**McAllister:** That's correct.

**Adams:** Which three parks are those?

**McAllister:** Lair hill is one of them, and i'm -- I can't recall the other two. One thing I will mention is that we are going to come back to council with the results of the study and lay out what is accomplished, how these have performed, and look for your guidance from there.

**Adams:** And how many parks do we have in the city?

**McAllister:** Oh, my gosh. Many. I don't know the number.

**Adams:** Good answer. How is it looking so far, the pilot efforts?

**McAllister:** The first year has -- we think it's a great effort. And not only that, we've had great cooperation with the nonprofit group that's representing the coalition of people. And we've been really excited about both the effort and enthusiasm on the part of these people to get out there and to Get involved in their park systems, because that's generally what we'd want all citizens to do. But it was established in the protocols this first year, getting people lined out and has involved a lot of time in the part of the bureau to get these work groups organized, to get them the equipment they need. I'm very comfortable with the processes as it moves forward.

**Saltzman:** Next we have don gardner and many golick from transportation.

**Don Gardner:** Good morning, i'm -- don gardner. We're very supportive of this. Pdot has been actively involved in toxic reductions for about 10 years now. Most of this is through our maintenance bureau who uses most of those consumables, but the issue I think that's not brought up in here but commissioner Adams did bring it up is the -- in our regional transportation plan and efforts, because one of the things that's in the toxic reduction is to talk about air pollution, and to try to make those changes that we can do that can help in that area. The other one is just to let you know, we've trained about -- we helped develop a program with the office of sustainability, about 150 of our staff and sustainable practices. What we found was that the more that we gave information to our employees the more they tried to do this. And they became the most active, especially at the maintenance bureau, in trying to find alternative energy sources, how To reduce their toxics. We think the structure they set up, bureaus can work together, share the information as david said, work together, and be very supportive of this. I think it's a great step, gives us a structure to do it rather than each bureau trying to figure out what they're going to do on their own, and what information they can get from others. This gives us a centralized way to do it. Marny was going to talk about some of the things with have done to give you a quick update on where we're at.

**Marni Glick:** Marni glick, as don said i'm going to highlight a few of the things we've done over the last couple years. Just a couple of examples. The brie of maintenance is no longer using oil-based products to clean and remove asphalt from our shovels and other equipment. Petroleum-based solvents have been a standard in the construction trade. Instead we're using so i-based cleaning products to clean our equipment. In this product is safer for the environment and for our employees' health. Instead of using heavy duty institutional cleaning products to clean our facilities

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we're now using citrus-based cleaners. These products are nontoxic and more environmentally friendly. To remove graffiti from concrete structures and signs, crews will use the least toxic graffiti remover possible. Pressure washing with hot water, with or without baking soda is used first. If this is not effective, crews will then use other products with relatively low hazards. We have a comprehensive recycling program at the bureau of maintenance, and we recycle a wide variety of things from aerosol cans to electronic equipment, old signal parts and things like that. So we're doing the best we can to keep things out of the landfill. We also have a pollution prevention field team which meets twice a month, and it's composed of supervisors and field crews, and it's done -- as don as said, we found people who work in the field are the best judge of what it needs -- what is needed for them to do their jobs. This has been a forum for vendors to demonstrate new products. We're constantly keeping our eye out for new products that might be available to test them and to evaluate them. And we expect that as more things come out on the market, we'll be able to further reduce our toxics. In addition, we also like the water bureau make regular trips to metro's household hazardous waste as we discard -- dispose of unwanted hazardous products as we find substitutes, we'll take the things that we're no longer using and dispose of them properly.

**Gardner:** We're very supportive of this. We've been working at it a long time. We like this format, we think it will work well. So we strongly endorse it, and Hope you vote aye.

**Potter:** Let me ask you a question. I've heard or read some time ago that concrete emits carcinogenics. Is that true?

**Gardner:** I wouldn't be able to answer that question, but we could find out. I've never heard it.

**Potter:** I read it in some magazine a few years ago. I'm curious about that, in terms of looking at alternative surfacing for our city streets, if that is the case. We have a huge amount of concrete here in the city. If it's true, it's obviously not doing our population any good.

**Gardner:** I have never heard that, but I will certainly look.

**Potter:** Could you let me know?

**Gardner:** I will.

**Saltzman:** Let us all know.

**Adams:** I had a chance when i'm out helping them fill potholes, otherwise known as reducing their productivity, that they really do practice what you've heard today in terms of soy-based products, taking care when they're out in the community, not only in the materials they work with, and how they clean and keep the machinery going, but also their impact right at the -- if they're patching a hole near a drain, they're careful that it doesn't go into the drain. So I just wanted to thank you and your colleagues for your attention to that level of detail, because it does protect the environment.

**Saltzman:** Our last invited guests are matthew lashua with Commissioner rojo's office and nahel patel.

**Matthew Lashua:** Good morning. Matthew, i'm staff to commissioner rojo de steffey, and for me personally it was an honor to work with the amazing city and county staff as well as the work group. Commissioner rojo de steffey couldn't be here this morning, but she did write some testimony and i'd like to share that with you. Mayor Potter, commissioners, thank you commissioner Saltzman for bringing this strategy to the council today. It is my pleasure to support your good work. I will be bringing this item to my colleagues in our board meeting tomorrow. From the initial workshop on the precautionary principle, cosponsored bite sustainable development back in 2004, I have supported the efforts to reduce toxics in Multnomah county's business practices. In our community, low-income and underserved populations are disproportionately exposed to toxic substances and pollution and their children bear great risks of health effects. These are the people Multnomah county serves and this strategy supports a fundamental goal of Multnomah county. To support healthy people and healthy communities. The toxics reduction strategy is a wonderful example of a collaborative effort between the city of Portland and Multnomah county, producing positive results and benefitting the whole community. I encourage

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continued work Between the city and county as partners with the efforts in implementing this toxics reduction strategy. I also look to future opportunities in together promoting a sustainable community and future. Thank you.

**Neha Patel:** I'm the program director for the Oregon center for environmental health. I the served as the cochair for the toxics work group that was charged with developing this strategy. The center's mission is to protect public health in the environment by promoting alternatives to the use, disposal, manufacture and release of toxic chemicals. This mission can really be found at the foundation of the strategy that you're considering today. Reducing toxics in city and county operations is not a new thing, and there are many programs we've heard about that are currently going on. I think with this strategy, it provides an overarching comprehensive plan to really track proper gris over time, and start to phase out persistent biocumulative toxins, many which of -- many of which can be linked to chronic and acute disice. In 2004 the center partnered with the sustainable development commission to propose the original resolution calling for the toxics reduction strategy to be developed using the precautionary principle. And the precautionary principle provides a framework under which the city and county can really Set the bar even higher for target reductions within model programs and beyond. Under the leadership of the city's office of sustainable development and the county's sustainability initiative, every aspect of this process has incorporated the tenants of the precautionary principle, which include prevention of new toxic chemicals, and also the inclusion of external and internal stakeholders. We envision in the 21st century a world where our food and air and water is clean and where our children are healthy and thrive. And with the adoption of this strategy, the city and county should really be commended for leading the community and also the nation by example and the center is really looking forward to working with local government and our other community partners toward this shared vision. Thank you.

**Saltzman:** That completes our invited testimony.

**Moore:** We have one person signed up.

**Jeanne Roy:** I'm jean roy, speaking from the perspective of a citizen. I just recently returned from a writing retreat for two months. One of the things I was writing about were -- i'm writing nine fact sheets on environmental stresses to the planet. Wynn of those was global warming, and one of those was toxic chemicals. And so I am aware, i'm very aware of this topic, and that, for example, 3,000 new chemicals are being produced by the private sector each year. Cumulatively we've got 82,000 chemicals that are emitted into the environment. Some of these are causing cancer, some are causing birth defects, some are lowering the birth -- the sperm count of human males, some are lowering the i.q. of children or causing other learning disabilities. And I want to -- I think it was appropriate that susan focused on local human health, but it's actually a broader issue. Wildlife is affected as well. There have been huge die-offs of seals and of birds because of the toxic chemicals. Fish are found with tumors, frogs are found with both female and mail reproductive systems. So toxic chemicals are having a huge impact. This strategy will not stop all these toxic chemicals from being produced and entering the variety. But what it says to me is that the city is being responsible. The city is saying, we're -- we are voluntarily going to get our own house in order. And so that's what i'm proud that that is happening. So with this strategy I think you're saying we're going to look at the toxic chemicals of the greatest concern and find replacements for those. The other aspect which hasn't been mentioned yet is the city using your purchasing power to have an impact. And the purchasing power of local governments is enormous. So if the city and the county and other local governments come on board, that will help -- have a large impact. I assume you'll pass this and I want to thank you ahead of time.

**Adams:** With regoing to Introduce standards or goals in the city by bureau or functional area that we can then report on? Progress towards those quantifiable or qualitative goals?

**Anderson:** I'm going to ask michelle to come up too.

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**Adams:** Sorry.

**Anderson:** You know I don't actually know.

**Michele Crim:** Michele Crim with the office of sustainable development. What the strategy does is set an overall goal which is to replace those substances that we're using that may be of concern by 2020. We didn't establish clear -- we're going to reduce lead by so much percentage, mainly because we don't have that information right now. So one of the foundation building recommendations that is in the strategy is to do a comprehensive inventory of what do we have, similar to what the water bureau has done. What are on our shelves, what are we using every day, what are the quantities we're using and once we have that information and can look at the constituents that are contained in those products, then we can begin to develop some specific goals and measure our progress towards reaching those goals. Right now we just didn't have that level of information citywide or countywide, but plan to get there within I think the first five years.

**Anderson:** One thing we will do is come back every year and basically say, here's what we know right now, and ask you to document goals that affect things that we can change right away.

**Adams:** In transportation, and in -- as you experienced in the city's wastewater treatment plant where we've gone to a less toxic alternative, disinfectant for the water, we actually in those bureaus we keep track of the toxic substances and our goals for reducing their use. Would you take as a legislative intent to add to this that we not wait the five years that we try to where they're available, and obviously they're not available everywhere, but for those bureaus that do have measurements and goals that we memorialize it as part of your toxic plan and report on that starting next year?

**Anderson:** Absolutely.

**Adams:** If you don't have them you can't report them, but where you do. I didn't see where it sort of says start reporting on what we use and how we use it, where the information is available. Thank you.

**Potter:** Further questions? Thank you, folks. Karla, please call the roll.

**Adams:** I want to thank commissioner Saltzman for bringing this forward. I think it's very important. The one area that's going to be interesting because in are trade-offs and I know this is reducing toxic substances, is in the area of invasive species where we're being overtaken by ivy and now this mustard garlic stuff, and we are falling way behind in our efforts there, and invasive species strategy will be coming forward in the next 30 months, discussing where in the city we think we can handle it, Get a handle on it by manual work, and where we think pesticides might have to be used in the controlled manner. So I look forward to having that discussion with council and making sure that that effort sort of runs through this working group as well for their feedback before I bring it back to council for consideration. Thanks. Aye.

**Leonard:** This is a very green day on the city council. I appreciate all this work. Aye.

**Saltzman:** This is an action plan, and there are countless benefits to efforts like this. Lower cost related to pollution control, as commissioner Adams just talked about, the wastewater treatment plant recently replaced chlorine with a less toxic disinfectant that's not only safer to the employees and the environment, but also saves \$200,000 annually. Reducing toxics improves the safety of our emergency response personnel, particularly firefighters, as they encounter less toxic environment and building materials present when they respond to fires. It creates economic development opportunities as well. Coastwide laboratories a. Portland company started in 1937, is now an industry leader in producing nontoxic janitorial and industrial cleaning products and supplies. And it supports and enhances the quality of life of our citizen and our citizens yet to be here too as we heard, many of the impacts on newborns are quite disturbing. Some of the evidence related to toxic substances. So it's an action plan, I want to thank particularly -- it does include by the way our purchasing as well, the ability of our purse. I want to thank Multnomah county, the Oregon center for environmental health and all the other community partners. I also want to thank b.e.s. And water that participated in the work group as well as parks, transportation, purchasing, that provided

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ongoing guidance and feedback in the development of this strategy. So I think working together we do move closer to our vision of a more sustainable healthy community. Aye.

**Sten:** I want to thank commissioner Saltzman and all the partners, this is a sophisticated and very important strategy in my estimation, and it builds on action that's already happening, which I think is great. I look forward to the day our parks are completely toxic-free and I know we're well on the way to getting there. Via soon who is 2 who has asthma, I do believe there's a family history, but I do believe the alarming rates of childhood asthma and cancer are tied to this country's use of toxic substances. And I don't think there's anything more important we can do than find good ways to get them out of our system. And gosh forbid we employ a few more people to bead. There's plenty of folks looking for work in town. I think we have to get back to a more clear mentality of what's important in this country and I think the quickest and fastest way to clean things up is often the most harmful in the long run. So I appreciate all your efforts and look forward to helping you. Aye.

**Potter:** Once again thank you commissioner Saltzman, and also in Multnomah county, commissioner rojo de steffey, appreciate the fine cooperation and always o.s.d. is in the front. We appreciate all the work your office does. I vote aye. [gavel pounded]  
[Commissioner Sten left at 11:31 a.m.]

**Potter:** Please read item 602.

**Item 602.**

**Jeff Baer:** Good morning mayor, members of city council. I'm jeff baer, the director of bureau of purchases. Before you is a purchasing agent report recommending award for the university park community center improvements to triplett wellman for the -- in the amount of \$3,922,000. Just to highlight a couple issues, we had worked with the Portland parks and recreation to identify 18 different divisions of work for potential subcontractor opportunity and the result of that was 9.3% minority business enterprise participation, and 11.4% of emerging small business. So with that i'll stop and address any questions you might have.

**Adams:** It looks like you did a great job in dividing the work up, and unless in my familiar -- i'm somewhat familiar with a list of what Firms are available out there, and we didn't get a lot of bids for the work that was not going to be self-performed. Is that what i'm to understand? Can you tell me, did we get a lot of bids for the work that was not going to be self-performed, but they were just not low bidder, or not responsive?

**Baer:** Let me take a look here.

**Adams:** This is exactly the kind of stuff most of our minority or smaller firms should be winning, and it looks like we got one minority firm that can do two --

**Baer:** It's two different minority firms for two different types of services. For hvac and welding. We did the -- the contractor did receive quite a number of different bids from minority women emerging small business and for a variety of reasons, I don't have that in front of me right now, but I can get that. They chose to either self perform or to award to noncertified firms. And mostly that's dependent upon the cost or the subcontract amount they get from those subcontractors. And I would like to emphasize that what we do, we don't stop the good faith effort process at this point once we award the contract. Our staff continues to work with the contractor to identify additional divisions of work for potential subcontracting opportunities.

**Adams:** Just so that i'm clear here, the work that they're -- the top table minus the work they're self-performing Still leaves a lot of divisions of work that should be right accessible, and we should have minority firms available, or women-owned firms available for that work. So I would like you to continue to aggressively pursue these.

**Baer:** And we will.

**Adams:** These kinds of -- the parks work is our single best opportunity. It's just the basic sort of maintenance work that if we can't get minority or women-owned firms to be successful there when

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we get into the more technical stuff on the utilities, it's harder to divide the work up and to find firms that qualify. So i'd really ask you to pursue that, continue to pursue that.

**Baer:** We will.

**Adams:** Thank you.

**Saltzman:** I did note in your report in terms of their good faith efforts they did solicit 53 bids, seven in each division of work. And they received four bids.

**Adams:** Four bids for what?

**Saltzman:** For each of the subcontracting division of works. They solicited 53, received seven, and they're using four.

**Adams:** Right.

**Potter:** Other questions? Karla, please call the roll.

**Adams:** Aye. **Leonard:** Aye.

**Saltzman:** I just want to say this is part of our parks levy pa passed in 2002, one of the things we -- one of our capital improvement assist expanding the university park community center, and I think as you all know, it's nearby new columbia. And there's a very fascinating collaborative effort emerging there with a new boys and girls club being constructed right next to the new rosa parks elementary school, the school district is constructing, and now with our addition of 12,000 square feet of space to the university park community center, we're all going to be sharing each other's facilities it's going to be a great place for families and kids. Aye.

**Potter:** I want to know if I should have first received a motion to accept the report.

**Moore:** We're ok when we don't do that, aren't we, harry?

**Saltzman:** Move to accept the report.

**Potter:** Second.

\*\*\*\*\*: [inaudible]

**Leonard:** Do we have to hear sam again? Can't we just get an aye?

**Adams:** Ok. Jeff, if you would come back up here, via few more questions. Aye.

**Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye. [gavel pounded] please read the next item.

**Item 603.**

**Jeff Baer:** For the record, jeff baer with the bureau of purchases. This is another purchasing agent report for the northeast martin luther king jr. Street improvement, and to this is the award to kodiak benge construction in the amount of \$524,022. Though are a women business enterprise, so 100% is going to a wbement but they also have identified an 18% for minority business participation. So this is one of the good Successes we have in terms of --

**Adams:** 100%?

**Baer:** 100%.

**Adams:** Good job, jeff.

**Potter:** Questions? Call the roll.

**Saltzman:** Move to adopt the report.

**Adams:** Second.

**Potter:** Call the roll.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye. [gavel pounded] please read the next item.

**Item 604.**

**Potter:** This is an emergency vote. It correct a typographical error on the description of one of the boundaries. Please call the vote.

**Moore:** Do you want to take testimony?

**Potter:** Are there people to take testimony from?

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.



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**Potter:** Aye please read 605.

**Moore:** Do you want to take the emergency ordinances before you have to leave?

**Potter:** Yes.

**Item 608.**

**Stacy Jones:** Good morning. Stacey Jones from financial planning, sitting in for Don Carlson, the project manager, and is in southern Spain right now there. Are two items before you, 608 and 609, related to the safety coordination project. In the first phase of the project an outcome indicator map of the public safety system was created, and in phase two, which is where we are right now, three work teams have been formed to pursue three of those Opportunities. Emergency management, West County patrol, and river safety. So the first item, 608, amends the i.g.a. With the county to cover phase two of the project. In phase one the costs were split 73% city, 18% county and 9% citizen crime commission. In phase two they'll be split 50/50 between the city and the county. So this is a better deal for the city in phase two. The second item before you 609, amends the contract with the consultant who is coordinating the project to cover phase two costs. Phase two costs aren't to exceed \$500,000, so the city's costs won't exceed \$38,250. And that will cover the initial work for the emergency management team, which was postponed fairly early in the process. The work for the West County patrol team, which was very recently postponed, and the complete work for the river safety team, which is ongoing and expected to be complete in about a month.

**Saltzman:** That I that -- say that again?

**Jones:** The West County patrol team was postponed. They had done considerable work and gathered considerable data and the team sponsors, Mayor Potter and Commissioner Cruz at the county made a choice at that time to postpone the work.

**Saltzman:** Does that mean it's dead?

**Potter:** No.

**Jones:** The city costs can be fully covered with a special appropriation in the '05-06 Budget. I'd be happy to answer any questions.

**Potter:** This is a nonemergency and moves to a second.

**Harry Auerbach:** It's an emergency.

**Potter:** Oh, excuse me. 605.

**Moore:** Do you need to take a roll call.

**Potter:** Excuse me, 608. You're right. Is there a sign-up sheet?

**Moore:** There was and no one signed up.

**Potter:** Please call the vote.

**Adams:** I have the opportunity to work with the mayor on this project, and it's been very good thus far were sort of election season upon us. We need to sort of wait till probably after the primary elections to get moving again. We've got the West side, which the mayor will probably talk about, and we've also got river patrol, which is making good headway, and this allows us to continue both of those projects and also to continue the overall joint budgeting of public safety resource that's we're working towards. Aye.

**Leonard:** Aye.

**Saltzman:** I'm pleased to support this. I just hope the West side law enforcement, each one of those areas represents an opportunity for us to collaborate and operate officially, and we shouldn't be ducking. I know the West County patrol issue has been talked about since I was a county commissioner and there's always reasons why we don't do it. It will save the county money, it makes more sense for Portland police to provide the unincorporated Multnomah County patrol on the West side, so I hope it's not the demise of that idea. Good idea. Aye.

**Potter:** Speaking of West side patrol, the issue for the county is they have to drive quite a ways to provide the West side patrol. They provided in three areas. One is on Sauvie Island, and that's surround order three sides by other jurisdictions. And then the West -- along the West hills are a

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number of spots in Multnomah county but outside of Portland. And then the dunthorpe area, the other primary patrol area. So we're talking about that. One of the issues is that Multnomah county sheriff has a different patrol staffing for those areas than the Portland police bureau does. And obviously in trying to save money, we provide a higher level of service and cover to our districts and so right now we are discussing that, but it was decided that we should wait until at least after the election before we continue the discussion, because it's going to mean some significant changes for one party or the other in terms of how we provide that service. Aye. [gavel pounded] ok, please read item 609.

**Item 609.**

**Potter:** This was already described previous. So go ahead and --

**Moore:** No one signed up.

**Potter:** Call the vote.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye please read item 610.

**Item 610.**

**Ed Ruttledge:** Good morning, labor and employee relations manager. This ordinance would authorize a memorandum of agreement between the city and the Portland firefighters association to pay a premium that was earned but had not previously been paid. The Portland fire bureau and the Portland firefighters association have a robust labor management process, and through this process the anomaly was discovered and seeks to be repaired through this memorandum of agreement, and that's why it is a memorandum of agreement rather than a settlement agreement through the grievance process. This was resolved prior to there being a grievance.

**Potter:** Questions? Thank you, folks. Anybody signed up.

**Moore:** I didn't have a sign-up sheet.

**Potter:** Call the vote.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye. [gavel pounded] please read item 611.

**Item 611.**

**Potter:** This is emergency vote, requires -- did you wish to discuss this?

**Marian Gaylord:** This is fairly straightforward. Marion gaylord, towing coordinator in the revenue bureau. Most of the changes being recommended have just been identified over the two years that the greatly revised private property impound towing code has been in place. We've identified a couple of typographical errors and some areas where we felt clarification was needed. There are several definitions, one in particular we had combined vehicle owners and vehicle owner agents and that has created some problems with, we needed to split them out so the towers have a better understanding of what -- who is authorized to pick up a vehicle and who is not. Some references to the revisions in city code 724020, which had to do with the private -- the pay and park and nonpay private parking facilities to make this code match up with that. Requirement that private property impound towers and particularly those who are not also city tow contract towers must cooperate fully with police if a vehicle is identified as a possible stolen vehicle. A prohibition against making false statements, misrepresentation or nondisclosure of information pertaining to any of the activities regulated by the code, and finally, a change that was recommended by our city attorney that had to do with when new administrative rules are proposed, the towers or any citizen has the right to appeal those administrative rules. An ad hoc committee of private property impound administrative rules appeals board was provided for in the original code, but there was also a provision for an appeal of their determination To code hearings. And having gone through two years of appeals on those administrative rules, the city attorney recommended that that appeals board decision should be final. Anyone who is still unhappy with the -- those findings could go directly to a writ of review, rather than going to code hearings which would require a de novo

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hearing, which is very time consuming, and it does not change the towers' rights to appeal any determinations that are made by the bureau dr. Or myself.

**Potter:** Has this been discussed with the towing companies?

**Gaylord:** Yes.

**Potter:** What's been their reaction?

**Gaylord:** They're pretty much neutral about the whole thing. They were invite first degree think wished to come and testify today. But they chose not to.

**Potter:** Do we have a sign-up sheet?

**Moore:** We did, and no one signed up.

**Adams:** Could you summarize this and how this changes any policy relating to towing on private property?

**Gaylord:** It makes very little change to that. It's really kind of secondary considerations. For example, with the definition changes, if you have a tower who is being approached by somebody who wants to pick up a vehicle, we need to be very clear were who is authorized to do that and what sorts of documentation they need to have. Which your question related to the appeals change, particularly, or --

**Adams:** I think I have that. I just want to know maybe beyond that, are there any other policy changes that we need to be aware of?

**Gaylord:** No. No. This is all really just how keeping -- housekeeping.

**Saltzman:** The board of appeals currently exists?

**Gaylord:** It's an ad hoc board. If there is an appeal of an administrative rule, then this board is called together and they conduct a hearing.

**Saltzman:** The appeal is only about administrative rules, about a person who feels they were improperly towed.

**Gaylord:** If a citizen feels they were improperly towed, they appeal to me. They file a complaint. And a determination is made. Generally speaking what this is talking about is tow companies that are going to want to appeal an administrative rule they don't like.

**Saltzman:** I've heard a lot of people complaining to me, particularly in the minority community, were predatory towing still going on. Have you gotten many complaints lately?

**Gaylord:** I'm not sure that there's been a real increase in complaints, but I think people I have spoken to that have made complaints have been more comfortable with the process and the fact they're getting the information where -- we're making a much more concerted effort to make sure they have The information about how to complain.

**Saltzman:** If people call city information and referral and say I want to complain about a tow --

**Gaylord:** I've only had a couple of referrals from them. Most of them come directly to me because we require that the tow companies post a list of citizen rights that includes the contact information for the towing coordinator.

**Saltzman:** Ok. Thanks.

**Potter:** Call the vote.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.

**Potter:** Aye. [gavel pounded] please read item 614.

**Item 614.**

**Saltzman:** I'm going to turn this over to robin from parks to explain it.

**Robin Grimwade:** Mayor, commissioner, we're here to seek your approval to authorize a contract with forest grove road limited liability company, batavia holdings limited liability company, and the peninsula drainage district. This contract if approved enables the city to realize another segment of the columbia slough trail by virtue of the development parks will assist the developer by preparing the land use applications and undertaking any mitigation works associated with the proposed trail. The agreement represents a concerted and collaborative effort between bureau of development

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services, parks, the peninsula drainage district, and the city attorney's office to find the solution to a complex and long-standing land issue pertaining to the property.

**Potter:** Robin, I notice there's about \$3,000 a year mains on it. Do you bill that into your budget so it comes part of the general fund request? How does that work?

**Grimwade:** It will be built into general fund o&m request, but that maintenance allocation won't come into effect until the trail becomes -- the trail becomes accessible to the community, which could be year 2011, 2012.

**Potter:** Other questions? Please call the vote.

**Adams:** Aye. **Leonard:** Aye.

**Saltzman:** This does represent a wonderful addition to the -- our trail network in the city, and I did want to thank peninsula drainage district and batavia holdings who helped create this solution for us to work through this together. Aye.

**Potter:** Aye. [gavel pounded] Is that the last emergency?

**Moore:** That's the last one.

**Potter:** I have an excused absence. Who takes over since --

**Moore:** Commissioner Adams was the previous president before commissioner Sten.

**Adams:** Thank you, mayor. My understanding is we go to 605.

**Moore:** Correct.

**Item 605.**

**Adams:** This is a second reading? Moves to a second reading.

**Moore:** It will move, after testimony.

**Jeff Baer:** Jeff Baer with the bureau of purchases. I just want to alert council that this authorizes us to work in conjunction with city fleet to purchase those vehicles described on the ordinance itself, and so if passed, if moved to a second reading we would then move into the acquisition phase.

**Adams:** Any questions from council?

**Leonard:** Yes. I have three amendments. Exhibit a, some of the directive I've given happen I think after these were in the pipeline in terms of vehicles. So exhibit a, the first one which is the bureau of development services at -- no. I have no copies. On the fly. So the -- they're fairly simple amendments. The first page of exhibit a for development services 6 hybrid sedans, I would delete hybrid and put in diesel. Which will actually be substantially cheaper than the \$28,765 shown. And then on the next page, bureau of emergency communications has one mini-passenger van, and I would put in one mini-passenger van diesel-powered, and those are available. And then we skip down to water. It's still in exhibit a. There are three different pages. The first is four utility pickups, 171950 g.v.w. I would put diesel-powered. The next page is seven utility pickups, 17950 g.v.w., again, diesel-powered. And finally, the last part of my amendment is they've asked for three mini-pickups, and I would Use -- I did write this down, if not available in diesel, shall buy vehicle - - diesel-powered vehicle alternative.

**Adams:** Is there a second for this amendment?

**Saltzman:** Second.

**Adams:** Any objections? Amendment is approved.

**Leonard:** And David is in the audience. If there's any operational issues with this, we have a week for the water bureau to come and address whatever, because these are -- the water bureau ones are ones that were -- we've discussed previously that have been in the pipeline, so we just make to -- need to Milwaukee sure we're all on the same page. If there's a problem we have a week.

**Adams:** Is there a further discussion or any sign-up.

**Moore:** I didn't have a sign-up sheet, but I don't think anyone is here to talk about it.

**Adams:** Is anyone here to testify? Any other discussion by council? Let's move on to second reading of 605.

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**Leonard:** Do we have to vote on the amendment?

**Adams:** I already did that.

**Leonard:** Oh, i'm sorry.

**Adams:** 606.

**Item 606.**

**Adams:** This is the second reading.

**Moore:** First reading.

**Adams:** It is the first reading.

**Diana Hokula:** Diana with the office of management and finance facilities division. This is a request to declare surplus, a very old and deteriorating and consequently expensive building used by the Police bureau, and it's the first step in relocating the division to another location that would be much more suitable for their work, and is a property that is currently city owned.

**Mike Palmer:** Mike palmer, i'm in the management services division for the police bureau. Part of our facilities master plan, one of our priorities was to relocate the current property to a more modern and efficient facility. We feel we have done that with a plan we're putting forward today. The ordinance today is the initial process in that phase. And we're very excited about this project.

**Adams:** It's been budgeted and all those good things? Ok. Any other questions from council?

Thank you very much. Karla, I have an asterisk next to this one. Is it not --

**Moore:** 606 is not an emergency.

**Adams:** Ok.

**Saltzman:** Fits not machine, I want to commend the police bureau and purchases -- bureau of general services for finally moving ahead on this. I've toured the police evidence building and it's long overdue for nicer -- they deserve nicer headquarters, as do all the evidence they contain. And I think the property you're declaring surplus will probably be very -- interest for redevelopment, too.

**Adams:** Moves on to second reading. That gets us to item 607. This is a second reading.

**Item 607.**

**Adams:** Please call the roll.

**Adams:** Aye. **Leonard:** Aye. **Saltzman:** Aye.

**Adams:** We're now going to hear item 612.

**Item 612.**

**Adams:** Good afternoon.

**Dawn Yamasaki:** Good afternoon. I'm dawn Yamasaki the regulatory supervisor with the revenue bureau. The reason we brought this ordinance forward is the current information on the taxi and lpt driver permits includes date of birth, sex, weight, height, photograph, permit number and the driver name. The driver's license number is also printed above the photograph. The code requires that the permit itself be posted in a prominent place within the cab and visible to passengers. The private for hire transportation board and both the company and driver standing committees recommended some of that information. Such as date of birth, sex, height and weight. As a result of complaints from industry representatives, taxicab drivers report they've had passengers often make demeaning comments with regard to their height, weight that sort of information. And they also fear identity theft issues because the date of birth is posted there as well. In November of 2005 we surveyed 10 cities, five smaller and five larger than Portland. Las vegas and nashville require the date of birth, sex, height and weight. All of the other cities -- charlotte, cleveland, denver, fort worth, oklahoma city and tucson -- do not. And we had no information available from new orleans. We also consulted with the Portland police bureau and they had no objection to us removing the date of birth, sex, height, and weight because they rely on driver license information when needed in enforcement efforts. We believe this will increase

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compliance with the posting requirements due to decreasing the fear that drivers have of having personal information posted and recommend your passage.

**Saltzman:** Will it still display name?

**Yamasaki:** Name, picture, permit number and expiration date.

**Saltzman:** But not their license number?

**Yamasaki:** No.

**Saltzman:** Their permit.

**Adams:** Any other questions or comments from council? Thank you very much. This moves to a second reading. That brings us to item 613.

**Item 613.**

**Adams:** The chapter two.12 of the city code states time spent in a group or commission created by city council through approval or ordinance or resolution is exempt from the city's lobbying regulation. The 56 items, 56 groups that you have before you were not created by the city council but with this resolution they will be. Today, for instance, p-coil is not on the list but any task force created by the city council such as today's vote on p-coil, they are automatically exempt. This is the necessary transition work to go back and create these 56 groups and I am sure we found, we found a lot of bureau working groups that folks didn't necessary reno existed readily and so I am sure there will be others as we go forward that we will just include any group that we, that we create moving forward is automatically exempt. We are also just to note we are in the six-month trial process of this. We have 25 organizations that are registered as lobbyists at this point. The issue of how this particular piece works compared to the rest of it, is something that we will have an opportunity to look at based on experience and fine-tune at the end of the six-month trial period.

**Leonard:** I appreciate that explanation because that was exactly what I was going to raise but I am trying to -- I am sorry. The issue of naming all of the stakeholder groups as opposed to just saying any city authorized stakeholder group. And you address that in your remarks because the obvious problem today was we created a stakeholder group that's not listed. But I am trying to see in here in the language --

**Adams:** That's the actual code language there.

**Leonard:** I guess I am having a hard time. It says the resolution asks council if --

**Adams:** Those are the actual, the quote -- the code languages.

**Leonard:** Time spent participating to board economy created by -- from the lobbying regulation. But then you name --

**Adams:** So again, these groups that we are voting on today were not created by the city council. And so this is a necessary transition so they are covered under the exemption in the lobbying regulation and had a chance to confer with the mayor up here and he seemed fine with moving forward.

**Moore:** There was another -- a late request to continue this until next week.

**Adams:** All right.

**Leonard:** There was? By?

**Moore:** By the mayor's office.

**Leonard:** Well, I like the idea of where you are getting at but I would also -- it would make me feel better because I just, we were just talking and you explained that to me and I want to make sure that we are doing it in a way that reflects what you are trying to do. And I am just on the fly not seeing how that does that.

**Adams:** Right here the code language is pretty clear.

**Leonard:** But then you name these others and it doesn't say --

**Adams:** Again, these were never created by the city council. So we have to go back and create these in order for them to comply with --

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**Leonard:** Shouldn't it say any, created after this date need to be part of this list or something to differentiate? Because I am not -- I am not understanding how this language makes it clear that these are old task forces that were created from this point forward. We don't need to amend this ever time we create a task force because it looks like we, reading this --

**Adams:** We don't.

**Leonard:** I mean --

**Adams:** This is not a code amendment.

**Auerbach:** This is a resolution to recognize these groups which would then fit them within the definition, the exception to the definition of lobbying.

**Leonard:** You are comfortable from this point forward if we create, like we did today, that that falls under the definition of --

**Auerbach:** Yes.

**Leonard:** So we don't have to amend this resolution?

**Auerbach:** Correct.

**Leonard:** Ok.

**Adams:** This is totally -- what do you look at --

**Mary Jo Markle:** Retroactive.

**Adams:** This is retroactive. Between now and the end of our six months, I am certain there are groups that will be reminded and we will bring those forward. We don't have some groups caught in limbo.

**Leonard:** Just to be clear on the record we are not intending every time we take a, create a task force to amend this ordinance to include them as a named task force.

**Adams:** No. This is a resolution. Not an ordinance.

**Leonard:** Gotcha.

**Auerbach:** What commissioner Adams has said you may wind up with some others that were overlooked and created but not recognized so you may have some more backfilling for preexisting ones but as the council creates them going forward they will fall within the exemption already in the code.

**Leonard:** Great. Thanks.

**Adams:** Unless there are other questions or comments? Call the roll.

**Leonard:** This moves to -- is this --

**Adams:** It's a resolution. Aye.

**Leonard:** Aye.

**Saltzman:** Aye.

**Adams:** That gets us to the end of our agenda and we are recessed until 2:00 p.m. Thank you.

At 12:09 p.m., Council recessed.

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**Closed Caption File of Portland City Council Meeting**

This file was produced through the closed captioning process for the televised City Council broadcast.

Key: \*\*\*\*\* means unidentified speaker.

**May 11, 2006                      2:00 PM**

[ roll call ]

**Potter:** Please read item 617. [reading agenda item]

**Item 617.**

**Potter:** Commissioner Saltzman.

**Saltzman:** Thank you, mr. Mayor, members of the council. In january of this year, the resolution we passed which created the reform committee, in that same resolution the council unanimously agreed that we would refer charter amendments to the voters for the november general election. Encompassing the concepts presented by the reform committee. I'm grateful the reform committee has completed its work in such a timely manner, to allow myself and my colleagues here time to meet that time line. And now i'd like to have shannon callahan, who is on my staff, give a brief summary of the committee's work. She was also the facilitator of the reform committees.

**Shannon Callahan:** I'm shannon callahan. [inaudible] independent review committee, the i.r.c. to oversee a comprehensive analysis of the city's fire and police disability and retirement system, fpd&r. In december of 2005, the i.r.c. presented its findings to council. Council conducted three work sessions regarding potential reforms to the fpd&r and resolved to create the reform committee.

The committee consisted of 16 individual members including citizen representatives, members of the fpd&r board of trustees, staff members from council offices, the Portland city auditor and members of the police and fire associations. The committee met 12 times encompassing approximately 24 hours of discussion in addition to numerous hours reviewing information and preparation for the committees work. Every member of the committee actively engaged in the discussion and worked together collaboratively to present these concepts and this report to council. An important basis for the committee's work was the collaborative consensus model the committee developed for itself. The committee defined consensus is not necessarily being the particular ideal of any individual member, but concepts all members of the committee would live with within the particular areas they were assigned to work by council. Thus the committee today presents approaches to address comprehensive reforms to both the pension and disability systems for council's further discussion. In preparing these approaches, the -- for council, the committee gathered additional information as well as addressed and talked through previously unaddressed issues to present informed options for council's consideration. In regards to the pension system, the committee's guiding principle for pension reforms was that they need to be both fiscally responsible and fair to public safety officers. The committee submits that the pension system for new hires should be prefunded. The city of Portland is currently facing an unfunded liability of \$1.64 billion.

This liability is expected to grow to \$8 billion in 40 years' time. Prefunding the pensions for new hires would provide a more responsible pension system. The committee does not recommend the pensions of existing fpdr members are prefunded, as it is too costly. In addition, the committee recommends all current members of the fpdr system should retain their current benefits. As to the specific system for new hires, the committee does snot have a specific recommendation. But submits the following to council. The committee believes moving all new hires into the pers would -- the pers pension system would provide significant savings to the tax payer over time. However the pers pension system poses an element of risk to beneficiaries that does not currently exist in the



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fpd&r pension system. As to the inclusion of social security, if o-- the pension system for new hires going forward the committee does not believe social security is a good financial option to either the taxpayer or the beneficiaries. The committee believes a better financial option would be to make a contribution to the individual account portion of the officer program. In regards to the disability system, the committee recommends first that a provisional -- for subrogation be added to the charter. Would it allow the system to collect third party insurance claims and result in decreased cost of the disability system. Secondly, the committee believes that having light duty positions available for injured officers is essential to reducing disability costs. In addition, the committee believes financial incentives for both the fire and police bureaus should be in place to reduce their costs. The committee believes this can be accomplished through intergovernmental agreements through the fpd&r funds and the bureaus. As to the specifics of the disability system, the committee is forwarding to council two approaches for making necessary reforms. One approach is using the state workers' compensation system and making a few additions. The workers' compensation plus package. The second approach is to substantially reform the current fpd&r disability system. The committee designed the workers' compensation plus package to recognize those occupational illnesses unique to firefighters and police officers that are part of the current fpd&r system. Additionally, the committee would increase the level of pay under the workers' compensation system from 66% to 75% of the weekly base pay. Under conditions similar to those as in the current charter. An alternative approach is offered by the committee is to substantially reform the current fpd&r disability system. The propose type the committee developed removes the board of trustees from making decisions in the claims making process, as well, it makes substantial changes in the membership of the board of trustees. Currently the fpd&r board is the first decision-maker in the disability claims process. In the reformed model, an independent expert and disability claims management would be the first decision-maker, using fpd&r rules. The claims process for the revised fpd&r disability system as compared to the current decision making process on page 14 of the committee's report. This approach also would include changes to the membership of the board of trustees. Currently the board of trustees encompasses 11 members. The committee recommends changing this to a five-member board. This revised board would include two citizens who are experts in the field of disability and/or pension systems, neither of these two members would be a beneficiary of the system or past or present employer of the fire or police bureaus. These two members would be appointed by the mayor and subject to the approval of council. One member would represent the fire members of the system. Another member would represent the police members of the system. The fifth member of the board would be a representative of the city. The committee felt the council should decide who this fifth member should be, but the committee submits the member should either be the mayor or the mayor's representative or a named member of the city's management team. However, the committee felt this member should not be a beneficiary of the system or past or present employee of the police or fire bureaus. City staff is working to provide additional fiscal analysis on these approaches and recommendations as contained in the report. Presently a council work session on fpd&r reforms is scheduled for may 23 followed by a public hearing on may 31. Thank you.

**Potter:** Questions from the commissioners?

**Adams:** It was unanimous?

**Callahan:** We were not a voting committee. We use add consensus model, so as I explained, all members define that as being not necessarily their particular ideal, but concepts they could live with. So only -- there were a lot of things discussed in addition to what's being forwarded in this report, but only those things that we could reach consensus on under that definition are being forwarded to council.

**Adams:** Thanks.

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**Potter:** Thank you. I just want to clarify a few things for the folks in the room. The purpose of today's council hearing is to receive the report. We will be taking no public comment, because we will be having specific times later for that to occur, on may 31, and there will be a council work session on may 23. What we did, however, do is provide for the committee members who wish to make statements, that they can. So two that have signed up are charles rosenthal and eva schweber. Will you please come forward?

\*\*\*\*\*: I'm not eva. [laughter]

**Potter:** That's probably a good thing, charley.

**Charles Rosenthal:** For her. My name is charles rosenthal. I've been a member of the 1999-2000 fpd&r charter review committee, the 2006 reform committee, the fpd&r board of trustees since july of 2001. I appreciate the council's attention to the flaws in the fpd&r statutes and rules. I eagerly look for council's corrections to provide fair, equitable and secure pensions, and disability support for our firefighters and police officers. This is achievable within the same economic constraints the rest of the city lives with. I support the reform committee's report because it presents timely and realistic options for council action. Further, the participation of the mayors and the commissioners' staff has brought to council many more ideas and options for consideration. Options that did not receive committee consensus approval. But you've heard about them, I hope. I will address two options which are in the latter category, or Were not discussed in depth by the committee. Number one -- the new disability system and its administration, whether it's workers' comp or the prototype, should be controlled by the council, as are other city entities. First, the current independent budget and expenditures process must be changed to place fpd&r in the common budget cost loop, not independent of it. Second, council and the fpd&r board must have means for improving, tuning, and responding to experience and changing conditions. The long delays and awkwardness of charter change are not hallmarks of top-notch management. Charter language should permit flexibility and constraining language should be minimized. Number two -- the administration of the new fpd&r disability system should be in an organization, experienced, and disability and rehabilitation activities, and capable of absorbing the excellent fpd&r staff. This should also be able to provide services, both special to fire and police, and within the environment cognizant of treatment of other city employees. It shouldn't be an entirely unique organization. Number three -- this option that I bring before you is a departure from my reform committee colleagues. Our report describes a board for the prototype system which is suggested to have one firefighter, one police officer selected by union members, two citizens, and one city representative. I have no difficulty predicting that the union people will be strong advocates for their members. Must remember that they sleep in the same station houses, they ride in the same patrol cars, they know one others' families, it is impossible to believe that they can be unbiased. They would be inhuman if they weren't biased based on their joint experiences. So I strongly suggest a larger board with two more citizen members to counter balance the effect of the union members. Thank you for your attention.

**Potter:** Thank you. Eva?

**Eva Schweber:** I am eva, and in the past year I have served on two committees that have closely examined Portland's fire, police, disability, and retirement system. As well as having attended the vast majority of the independent review committee's meetings. The details of the system's flaws can be complex and arcane, but as you -- as all the reports indicate, the systems have huge implications not for the benefit -- just for the beneficiaries, but for the well-being of the city of Portland. We're forming a disability and pension components is critical. But there is also a great need to clarify the city charter about the basis upon which the fpd&r levy is assessed. The city charter refers to the levy being assessed at the same time and in the same manner that other taxes are levied. Prior to the passage of measure 50, this language was adequate. However, now that property taxes are assessed either on assessed value or real market value, the ambiguous language leaves the city

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vulnerable to dire consequences, including having the fpd&r unfunded liability fully compress all serial levels or having to use the city's general fund to pay pensions for retired police officers and firefighters rather than the salaries of current employees. In fiscal year 2004-2005, fpd&r's levy rate was \$1.46 per \$1,000 of real market value and \$2.25 per thousand dollars of assessed value. Prefunding the fpd&r system will require a temporary increase in the levy in order to both prefund new hires as well as continue to pay as you go for beneficiaries. The working assumption is that the fpd&r levy is based on real market value, but this has not been tested in a court of law. The members of the city club of Portland recommend making the city charter explicit, that the full 2.8mils be assessed on real market value. This is a simple housekeeping issue, but it is an issue that left unaddressed exposes Portland to great financial risk. I commend the council for taking on the politically challenging task of reforming the fpd&r system. You have now heard from three committees, committees that included citizens at large, as well as fund beneficiaries and experts in the field of human resources. We now look to you to take action. None of these issues are new, but I argue that you -- now have a road map to reform what must be followed. As the elected leadership of the city of Portland, it is incumbent upon to you find the balance point between the stewardship of public resources and protecting our public safety employees. Thank you.

**Potter:** Thank you. Are there other members of the reform committee who wish to make a statement? Please come forward and Gary please come with him.

**Jeff Furnish:** I'm Jeff Furnish, the chair of the former chair of the independent review committee, also served on the transition committee. I agree with many of the comments that have been made by the -- prior two speakers. As you know, this program has been the subject of many prior studies.

The i.r.c. and the transition committee have come many -- have come much farther than prior efforts. The package may be at a point where every accountant would vote for it, but for all the voters to support it will take dedication on the part of the council to craft an explainable package and to keep it in front of the citizens until the November elections. I originally became involved in this effort because of my concern about the unfund liability and its potential impacts on the city, and I agree with the editorial staff of "the Oregonian" when they made a comment last winter this, is the most important thing the city council will do this year. I wanted to focus on three specific issues that I think are left open in the transition committee's report. First of all, on the question of the structure of the board, I think progress has been made on -- in referring a prototype to you. As you know, the structure of the existing board must change for one thing, and perhaps Gary will comment on this, my understanding is the city auditor believes it's a conflict for him to continue to serve on the board. So for that reason alone, there must be some restructuring of the board. As has been mentioned, the recommended prototype downsizes the board, reduces its role, and guarantees that a majority of the board members would be nonbeneficiaries. These last two elements are key. I think claims adjudication should be done by technical experts and not involve the board. If the board's role is expanded beyond the recommendation, then it should be a completely independent board. That is no beneficiary should serve on the board. The second issue I want to discuss was workers' compensation. We've very recently had a memo from the city attorney indicating some concerns if the structure going forward was that all future claims were placed under the workers' compensation system. I must say I'm disappointed to see this opinion at this late date. The i.r.c. was clear in its questions in this area to the city attorney, and the i.r.c. got different answers on this.

However, if the latest opinion is the one that's relied on, I'd suggest the voters be asked to approve charter language placing all new hires into officer and workers' compensation. I believe this will raise many fewer legal issues than the future claims approach that the city attorney has concerns about. I think it would also be acceptable for the new hires to have a workers' compensation plus benefit package, but I think it's critical that whatever package is adopted administration should follow the state workers' compensation model. The third issue I want to talk about was defined contribution benefits. In this process, again, I think as has been mentioned by the prior speakers,

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the unions have had basically one mode of operation. And that is to constantly bargain for benefit improvements, even though neither the i.r.c. or committee was a bargaining environment. The i.r.c. and this committee have been able to craft a package that provides equivalent or better retirement benefits to new hires, and everyone agrees prefunding must occur going forward. The unions request an additional contribution be made to officers on their behalf. Essentially as this system matures, each 1% of contribution granted would cost the taxpayers \$1 million per year in today's dollars. Now, the unions have advanced various arguments for this additional benefit, including their lack of coverage under social security. But as you've heard, everyone agrees social security coverage for new hires would not be a good expenditure for the city's or employees' money and would cost each group, the city or the employees, each group, more than what is delivered in total benefits. I urge the council to recognize the necessity of change in this program with taxpayer support, and to consider the economic impact on the taxpayers before agreeing to any additional contributions on behalf of the public safety members. Thank you very much.

**Leonard:** I'm unclear about the contribution. Are you talking about the -- what would normally be called the pickup, or the employees contribution.

**Furnish:** No. I think that recommendation is -- that that contribution be covered. But the union representatives have asked that beyond that, there is a portion of the ops set known as the individual account program where there would be an additional percentage contribution on behalf of the members to that program. In fact, I believe in the report they indicate that's a required basis of their support of the consensus recommendations that you're receiving. My point is that the -- without making any additional contributions, the analysis by the outside experts has shown that the new members will receive an equal or better income replacement at retirement under the package without any additional contributions, given that we're asking the taxpayers to step up for additional funding to prefund these benefits, I'm just asking you to consider that fact because bargaining will continue, that you consider that fact before making any additional financial commitments to the taxpayers.

**Leonard:** Thank you.

**\*\*\*\*\*:** I did want to talk about the independence issue, which is what in the --

**Potter:** Could you --

**Gary Blackmer:** Gary Blackmer, Portland city auditor. Independence is the phrase that auditors use in talking about potential conflicts of interest. The idea of any appearance of a conflict of interest is really of utmost concern to them, and those standards have gotten increasingly more stringent, especially Arthur Andersen was a great example of an organization that was not only auditing, but it was recommending to management practices that it should undertake, and ultimately auditing those practices. So that was a major violation of independence and audit standards have changed. Needless to say, they've changed since 1946, when my office became responsible for administering the fire and police disability retirement fund, but they've gotten much more stringent from that standpoint. From the standpoint of what I think is important in the recommendations that came forward, and the committee provided them in the report, was that there are three hats that I wear related to fire and police disability retirement fund that are all violations of audit standards. Number one, I am a trustee and I have a vote on the board. And so I'm involved in policy setting and decisions. Number two, the administration of it is in my office. That doesn't mean that my office sets policy, but Babette Heftly the administrator and I work regularly on a variety of issues related to the daily operations in the office. And number three, as the administrator I have a shared hire-fire decision on that administrator position with the rest of the board. All three of those are violations of the audit standards as they're now stated. So I had recommended that it be removed from my office so that I could conduct audits in accordance with audit standards of the fire and police fund. I think that's the best use of my office, and it's one of the recommendations that the city club came out with, that it needed to have independent audits. My office can do that if it were

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not administering the staff and participating in the votes on various decisions. I want to say the staff is excellent, professional, babette heftly is a real extremely qualified, highly professional leader, and I respect her a great deal and I think they all carry very important values when they're conducting their work, and I'd hate to lose them as part of my team, but I recognize the importance of public accountability and that's at the bottom. What I can best could do to serve the public. In terms of what you face with the decisions before you, I think all of the key issues that I saw as a trustee came forward in the two groups that have studied this and brought forward information. And I think it's -- you have a lot of options and they've been laid out and analyzed, and so ultimately the decision before you is difficult, but it's also one that I think they have explored what the options are, the consequences, the benefits, and disadvantages. So I think you're in a good position to make decisions. So thank you.

**Potter:** Thank you. Other members of the committee? Ok. Do any of the commissioners wish to make a statement?

**Saltzman:** I wanted to thank some people. I want to express my gratitude to every member of the reform committee for all your hoard work and tireless devotion to this important issue. I want to particularly thank charley rosenthal, the citizen member of the current board of trustees for his work on this committee and on the board. Jeff furnish, who chaired the independent review committee, judy clark, who also cochaired the independent review committee, judy rice, who has now been a member of three committees that have studied fpd&r reforms. Eva, author of the city club report and jack finders of the Portland firefighters association, bob lemon of the firefighters association, and a member of the board of trustees, captain mike rees of the Portland police commanding officers, robert king of the Portland police association, mark chamberlain of the Portland police association, gary blackmer, our city auditor, member of the board of trustees, austin from the mayor's office, mary joe markolt with commissioner Adams office, sarah with commissioner Leonard's office, rich rodgers of commissioner Sten's office, and my own chief of staff, brendan finn and beth, and shannon callahan, who has facilitated this process. I think the work product we have today is a good one and I believe it will serve as the basis of the reforms to the fpd&r system. And the options and approaches presented are well thought out and thoroughly researched. So I want to thank all of you again.

**Potter:** Thank you. Council is adjourned until 6:30 p.m. tonight. We're meeting on the city budget at metropolitan learning center's auditorium at 2033 northwest glisan. We're adjourned.

**Parsons:** Excuse me, do we need to take a vote accepting the report?

**Potter:** Oh, excuse me. Then we're unadjourned. Do we need to call the roll again? [ roll call ]

**Adams:** Here.

**Leonard:** Well I wasn't going to say anything but since we're going to vote, this was a very important process --

**Adams:** I thought this is just the roll.

**Potter:** Would you like to comment on the roll?

**Adams:** It's the vote.

**Parsons:** Accepting the report.

**Adams:** Oh ok, I said here I thought we were calling the roll again. [laughter]

**Potter:** That's what I thought, sam.

**Leonard:** Some of us were paying attention.

**Adams:** I voted here. [laughter]

**Sten:** Safe vote. [laughter]

**Adams:** Subject to debate. I'm sure -- what do I do? What can I do? I heard that we had to take roll again, so I voted here.

\*\*\*\*\*: [inaudible]

**Potter:** Don't we need a motion and thus someone makes the motion and we second it?

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**Linda Meng:** The agenda item before you is to accept the report. I think you can just go ahead and vote on accepting the report.

**Adams:** Can I vote, then?

**Meng:** Yes, you can vote.

**Leonard:** We've been waiting for you to vote.

**Adams:** Ok. I too want to thank everyone involved and I want you to know that I will take the work very seriously and dig into it very deeply. I'm sure I will have to have some individual conversations with a number of folks that have worked on this. And I too want to thank Mary Joe Markel, who is leaving on a three-month vacation in a number of days, but who has attended almost all the meetings and done a good job of representing me on this group and at the same time representing the group's work back to our office. So I'm very happy to vote aye.

**Leonard:** Well, I've actually talked to Mary Jo, she's not leaving on a vacation, she's going down to work in the south to help people.

**Adams:** Did I say vacation?

**Leonard:** Yes, you did. She's doing anything but taking a vacation.

**Adams:** Sabbatical.

**Leonard:** I actually appreciate the work she's going to do for our fellow citizens. But as I was saying, this has been a very important process, and I think it has been somewhat tempered by the reality that it's one thing to emotionally pass something that you think goes after what you may want to have happen versus having the voters actually accept it. And my focus throughout this process is not just for us to adopt something that makes people feel better, but actually do adopt something that has a chance of the voters passing. Which in my political experience is what really counts at the end of the day. And I think we have taken a huge step in that direction, and I'm satisfied that we are moving ahead a process to reform a system that has all the important players on board without which any one of which, I don't mean to identify just any particular component of this process, but any one of which was not on board this process in my opinion spells doom for the voters, for a hope of the voters approving this change. So up to this point as with accept this report, I am comfortable that we're laying the ground work to do the really hard work, which is after the council adopts something to make the case to the voters to pass it. That is going to be hard, it is -- we may all accept that easily, and we may see the wisdom of that. The voters will see a tax increase. We need to explain to them why this is important, why it's important for the future of our city, why it's important for the fiscal stability of our city, and hopefully have all our partners on board helping us fund that message. That is a key ingredient to success. So I too appreciate this hard work, and am happy to vote aye.

**Saltzman:** Aye.

**Sten:** I agree, -- I want to thank everybody for their perseverance. I think we are close to a package. I think there's a couple of key choices that have to be made. My concerns in January were similar to Commissioner Leonard's that we were not ready to take this out and we needed to keep working. I think we have a little flurry of work to do, but I think we're very close to something that will pass hopefully and I think will make everybody proud. So you should all be proud of the work you've done. I look forward to working with you on the next step. Aye.

**Potter:** I certainly appreciate the work of the committee. Each and every one of them. You know, I guess the only point I disagree with Randy, I'm not sure it's going to cost the taxpayers, because one of the things I would like to see is the difference between what the increased cost for the pension side is versus the decreased cost for the disability side. It could even out, it could cost somewhat more, but I think one will tend to offset the other. So I am interested to find out what those numbers are so we can look at that, and I think that will help us then in terms of going after the community and having this discussion with the larger community. I vote aye. Now we are adjourned until 6:30 p.m. tonight. [gavel pounded]

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At 2:43 p.m., Council adjourned.