



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22ND DAY OF MAY, 2002** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Senior Deputy City Attorney; and Officer Michael Frome, Sergeant at Arms.

Item No. 523 was pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATION	Disposition:
<p>496 Request of Plinio F. Crow to address Council regarding the I-5 corridor alternative route (Communication)</p>	<p>RESCHEDULED TO MAY 29, 2002 AT 9:30 AM</p>
TIME CERTAINS	
<p>497 TIME CERTAIN: 9:30 AM – Portland Rose Festival Association update by Executive Director (Presentation introduced by Mayor Katz and Commissioner Francesconi)</p>	<p>PLACED ON FILE</p>
<p>*498 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, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p>176493</p>
<p>*499 Grant revocable permit to the Portland Rose Festival Association to use Tom McCall Waterfront Park for its Waterfront Village from May 17 through June 17, 2002, or as approved by the Portland Parks and Recreation Bureau (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p>176494</p>
<p>*500 Grant revocable permits to the Portland Rose Festival Association to hold the Starlight Parade in downtown Portland on June 1, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p>176495</p>
<p>*501 Grant a revocable permit to the Portland Rose Festival Association to vend and sell Rose Festival items on downtown City sidewalks on June 1, June 5 and June 8, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p>176496</p>

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<p>*502 Grant revocable permits to the Portland Rose Festival Association to hold the Junior Rose Festival Parade on June 5, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p align="center">176497</p>
<p>*503 Grant a revocable permit to the Portland Rose Festival Association to close portions of city streets for activities related to the Grand Floral Parade for formation area from 5:00 a.m. to 1:30 p.m. on Saturday, June 8, 2002; for erection of seating in Winning Way from 8:00 a.m. Friday, June 7 through 4:00 p.m. Saturday, June 8, 2002; and for a float display area after the parade from 12:00 noon Saturday, June 8 through 8:00 p.m. Sunday, June 9, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p align="center">176498</p>
<p>*504 Grant revocable permits to the Portland Rose Festival Association to hold the Grand Floral Parade on June 8, 2002 (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p align="center">176499</p>
<p>*505 Grant revocable permit to Portland Rose Festival Association to close certain streets from June 13 to June 16, 2002 to hold its Rose Festival Art Festival, waive fees for some permits and inspections (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)</p>	<p align="center">176500</p>
<p>506 TIME CERTAIN: 9:45 AM – Direct that NW York Street is named for York, William Clark’s servant, in honor of his role in the Lewis & Clark Expedition and the history of Portland (Resolution introduced by Mayor Katz, and Commissioners Francesconi, Hales, Saltzman and Sten) (Y-5)</p>	<p align="center">36070</p>
<p>507 TIME CERTAIN: 10:00 AM – Increase the commercial solid waste and recycling tonnage fee (Ordinance introduced by Commissioner Saltzman; amend Code Chapter 17.102.155)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p>508 Revise residential solid waste and recycling collection rates and charges, effective July 1, 2002 (Ordinance introduced by Commissioner Saltzman; amend Code Chapter 17.102)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p>509 Revise sewer and drainage rates and charges in accordance with the Fiscal Year 2002-2003 Sewer User Rate Study (Ordinance introduced by Commissioner Saltzman; amend Code Chapters 17.35 and 17.36)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p>510 Authorize the rates and charges for water and water-related services by the City of Portland during the fiscal year beginning July 1, 2002 to June 30, 2003 and fix an effective date (Ordinance introduced by Commissioner Sten)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p>	
<p>511 Statement of cash and investments April 11 through May 08, 2002 (Report; Treasurer) (Y-5)</p>	<p align="center">PLACED ON FILE</p>

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<p>512 Accept the proposal of Burlington Northern and Santa Fe Railway Company and waive the performance and payment bond requirements for crossing improvements located near the Leadbetter and Rivergate Spur Track (Purchasing Report) (Y-5)</p>	<p>ACCEPTED</p>
<p>513 Vacate a certain portion of SE Rex Drive west of SE 52nd Avenue, under certain conditions (Second Reading Agenda 482; Ordinance by Order of Council) (Y-5)</p>	<p>176472</p>
<p>Mayor Vera Katz</p>	
<p>*514 Amend contract with LGA Architects to provide architectural services for design of the Third and Alder Parking Garage Awning Replacement project (Ordinance; amend Contract No. 32401) (Y-5)</p>	<p>176473</p>
<p>*515 Authorize acquisition of vehicles for use by City bureaus (Ordinance) (Y-5)</p>	<p>176474</p>
<p>*516 Sell house located at 1710 SE 39th Avenue for removal as personal property (Ordinance) (Y-5)</p>	<p>176475</p>
<p>*517 Amend purchase order with Vallaster and Corl Architects to provide architectural services for design of tenant improvement projects on the 2nd, 3rd, 4th, 7th and 13th floors of The Portland Building (Ordinance; amend Purchase Order No. 1020867) (Y-5)</p>	<p>176476</p>
<p>*518 Authorize a Historic Preservation Fund grant application requesting \$25,000 to supplement the City's historic resources program, including amendments to historic resources code regulations and developing incentives that promote historic preservation (Ordinance) (Y-5)</p>	<p>176477</p>
<p>*519 Authorize an Intergovernmental Agreement between Portland Community College and the Portland Police Bureau to provide access to the Portland Police Data System (Ordinance) (Y-5)</p>	<p>176478</p>
<p>*520 Accept a \$4,895 grant from the Oregon Department of Transportation for the Truck Speed Enforcement Project (Ordinance) (Y-5)</p>	<p>176479</p>
<p>*521 Apply for a grant from the Oregon Department of State Police, Criminal Justice Services Division, Byrne formula program for Domestic Violence Enhanced Response (Ordinance) (Y-5)</p>	<p>176480</p>
<p>Commissioner Jim Francesconi</p>	

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<p>*522 Accept a grant from U.S. Fish & Wildlife Service through Metro Regional Parks and Greenspaces in the amount of \$20,000 for OMSI-Springwater Revegetation Project (Ordinance) (Y-5)</p>	<p align="center">176481</p>
<p>523 Amend the contract with EDAW, Inc. by \$45,000 for the preparation of a master plan for Waterfront Park (Ordinance; amend Contract No. 33806) Motion to remove the emergency clause: Moved by Commissioner Francesconi and gaveled down by Mayor Katz after no objections.</p>	<p align="center">PASSED TO SECOND READING AS AMENDED MAY 29, 2002 AT 9:30 AM</p>
<p align="center">Commissioner Charlie Hales</p>	
<p>524 Declare the purpose and intention of the City to construct street improvements in the North Marine Drive Extension Local Improvement District (Resolution; C-10000) (Y-5)</p>	<p align="center">36068</p>
<p>*525 Authorize Intergovernmental Agreement with Tri-Met to provide project management services and construction of pedestrian improvements on N Going Street from Interstate Avenue to Basin Street and N Basin Street from N Going Street to N Wygant Street (Ordinance) (Y-5)</p>	<p align="center">176482</p>
<p>*526 Authorize Intergovernmental Agreement with Oregon Department of Transportation for Transportation Growth Management Grant funding for the Inner Foster Road Transportation and Streetscape Plan (Ordinance) (Y-5)</p>	<p align="center">176483</p>
<p>*527 Authorize contract and provide for payment for construction of the Alberta East Streetscape Project on NE Alberta Street from NE 16th Avenue through NE 33rd Avenue (Ordinance) (Y-5)</p>	<p align="center">176484</p>
<p>528 Authorize Intergovernmental Agreement with the Oregon Department of Transportation to provide funding for engineering and construction of transportation improvements on N. Greeley Avenue between Madrona Park and N. Interstate Avenue (Second Reading Agenda 485) (Y-5)</p>	<p align="center">176485</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p>529 Authorize agreement with Tri-County Metropolitan Transportation District of Oregon to establish an experimental bus pass program for the Office of Sustainable Development for FY 2002-2003 (Ordinance)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p>*530 Authorize the execution of purchase or lease and easement documents with the Port of Portland for construction of the West Side Combined Sewer Overflow Project (Ordinance) (Y-5)</p>	<p align="center">176486</p>
<p>*531 Authorize a Memorandum of Agreement with Qwest Corporation to pay the City to relocate a sewer and resolve the existing utility conflict under the NE Stanton Sewer Reconstruction Project No. 6919 (Ordinance) (Y-5)</p>	<p align="center">176487</p>

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<p>*532 Submit an Innovations in American Government grant application to the John F. Kennedy School of Government, Harvard University, for the Ecological Business Program in the amount of \$100,000 (Ordinance) (Y-5)</p>	<p align="center">176488</p>
<p>*533 Authorize a contract with CH2M Hill for the Beech/Essex and Oak Basins Predesign, Project No. 6673 (Ordinance) (Y-5)</p>	<p align="center">176489</p>
<p>*534 Authorize grant application for revegetation activities to U.S. Fish and Wildlife Service Neotropical Migratory Bird Conservation Act grant program in the amount of \$75,000 (Ordinance) (Y-5)</p>	<p align="center">176490</p>
<p>535 Authorize a contract with Thomas G. Edel, consulting engineer, for engineering services to conduct Electric Power System Data Entry and Fault Current Analysis at wastewater and pump station facilities (Second Reading Agenda 488) (Y-5)</p>	<p align="center">176491</p>
<p align="center">Commissioner Erik Sten</p>	
<p>536 Accept the SW Arboretum Hills Water Main Local Improvement District as complete (Report; Contract No. 33088; C-9979) (Y-5)</p>	<p align="center">ACCEPTED</p>
<p>537 Authorize agreements with Kennedy/Jenks, CH2M Hill, and Black & Veatch for an amount not to exceed \$25,000 per firm to provide engineering services for miscellaneous professional services in the area of emergency planning and provide for payment (Ordinance)</p>	<p align="center">PASSED TO SECOND READING MAY 29, 2002 AT 9:30 AM</p>
<p align="center">City Auditor Gary Blackmer</p>	
<p>538 Call Special Elections to fill the unexpired term of Commissioner, Position No. 4, on September 17, 2002 and, if necessary, November 5, 2002 (Resolution) (Y-5)</p>	<p align="center">36069</p>
<p>*539 Amend contract with KPMG LLP for financial audit and other professional services for FY 2000-2001 and provide for payment (Ordinance; amend Contract No. 33762) (Y-5)</p>	<p align="center">176492</p>
<p align="center">REGULAR AGENDA Commissioner Jim Francesconi</p>	

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<p>*540 Agreement with Metropolitan Group to conduct Organizational Development and Cultural Training Needs Assessment for Portland Bureau of Fire, Rescue, and Emergency Service for \$48,460 (Ordinance) (Y-5)</p>	<p>176501</p>
<p>Commissioner Dan Saltzman</p>	
<p>*541 Accept a \$20,000 grant from the Energy Trust of Oregon, Inc. to promote the Energy Trust's green LED traffic light replacement program to local jurisdictions in the Energy Trust service territory and provide technical assistance to potential program participants (Ordinance) (Y-5)</p>	<p>176502</p>
<p>Commissioner Erik Sten</p>	
<p>542 Grant a franchise to Tyco Networks U.S., Inc. for a period of ten years (Second Reading Agenda 388) (Y-5)</p>	<p>176503</p>

At 11:06 a.m., Council recessed.

MAY 22, 2002

RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **22ND DAY OF MAY, 2002** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi,
Hales, Saltzman and Sten, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Kathryn
Beaumont, Senior Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

		Disposition:
543	TIME CERTAIN: 2:00 PM – Amend City Code to remove fees from Property Maintenance Regulations, establish a separate fee schedule effective July 1, 2002 and establish penalties for abatement of Disabled Vehicles (Ordinance introduced by Commissioner Hales; amend Code Chapters 29.50 and 29.70)	PASSED TO SECOND READING MAY 29, 2002 AT 2:00 PM
544	Amend fee schedules for certain construction and trade permit fees and enforcement fees related to plan review, inspection, noise variance and enforcement services (Ordinance introduced by Commissioner Hales)	PASSED TO SECOND READING MAY 29, 2002 AT 2:00 PM

At 2:10 p.m., Council recessed.

MAY 23, 2002

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **23RD DAY OF MAY, 2002** AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales and Saltzman, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linda Meng, Chief Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

Commissioner Francesconi arrived at 2:05 p.m.

<p>S - 545 TIME CERTAIN: 2:00 PM – Approve the City Engineer’s process for evaluating a Suspended Cable Transportation System linking Marquam Hill and the North Macadam District and direct the City Engineer to initiate the Project Assessment process for the Suspended Cable Transportation System (Resolution introduced by Mayor Katz and Commissioner Hales)</p> <p>Motion to introduce the substitute: Moved by Commissioner Hales and seconded by Commissioner Saltzman. (Y-5)</p>	<p>Disposition:</p> <p>SUBSTITUTE 36071</p>
<p>EXECUTIVE ORDER</p> <p>545-1 Temporary reassign all City departments and bureaus to the Commissioner of Finance and Administration (Ordinance)</p>	<p>176471</p>

At 3:42 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

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Closed Caption Transcript of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MAY 22, 2002 9:30 AM

Katz: All right. Good morning, everybody.

*******:** Good morning.

Katz: Council will come to order. Karla, please call the roll.

Francesconi: Here. **Hales:** Here. **Saltzman:** Here. **Sten:** Here.

Katz: Mayor is here. 496.

Item 496.

Katz: I don't see him here, is he here?

Moore: He will not make it today.

Katz: Oh, that's too bad because I heard him last night, the council would have enjoyed it. Let's take the consent agenda items. Any items to be pulled off the consent agenda?

Hales: Yes, I have one.

Katz: 523. Somebody flag that. Is that accurate?

*******:** Right.

Katz: Okay. Any other items? Anybody in the audience to want pull off a consent agenda item? If not, roll call on the consent agenda.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. 523.

Item 523.

Francesconi: First, I would like the emergency clause removed.

Katz: Okay. There's been a request to remove the emergency clause. All right. Could somebody tell us why we are pulling this off?

Saltzman: I requested this be pulled so we could get a better explanation of where we are in the waterfront master plan planning process. We were supposed to be meeting on this in June, have a briefing, so I was curious, two things, about postponing this contract until we know more where the plan is. We had a discussion about the plan several months ago. I know I raise several concerns about the impact, the plan was going to have on future festivals, the waterfront park, and also on commercial moorage and I am just concerned that I haven't heard back anything and that that I want to know that these concerns, what the status is of these concerns, are we going to continue to have waterfront festivals. At waterfront park, and are we going to continue to have commercial moorage and waterfront park, and I just feel a little uncomfortable being out of the loop. That's why I flag this had contract and was hope that go we could postpone this until we have that briefing.

Katz: Well, fair enough. Fair enough for having concerns and pulling it off. Commissioner Francesconi, did you want to respond?

Francesconi: Well, it's May, not June, and we are still in the process of resolving it, so I am sorry that we didn't have a chance to talk about this, but I have the people here. We are not going to postpone the contract. We are going to have a vote on it.

Katz: All right. Anybody want to testify on this?

Francesconi: They are here.

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Katz: Well, come on up. It's been pulled off and we have that available for discussion. Come on up. Okay. Why don't you go ahead.

Harriet Formack, Chair, Citizen Advisory Committee: Good morning. I am harriet formack, chair of the citizen advisory committee. Pardon, I still have a lumpy throat from a cold. We are making major progress with the development of the master plan. However, because there are so many complex issues, we have wound up adding more sessions for public discussion and more interchange with the consultants. As you may recall, when we talked to you before, we indicated general direction. We -- the designers came up with three basic alternatives that were discussed with the public. There was very strong support of one particular direction, but people still had features from the other alternatives that they wanted to see, so we did a lot of work with the consultants back and forth. So, while there were plans for having three major public workshops, there now are four public workshops, and so that the time has gotten extended, so I think that the measure that's before you is an adjustment on the contract to cover some of this additional scope of work that was not contemplated in the first place. I think that what we have tried to do, and I think that we listened to you carefully, when we had that first conversation with you, that you were not interested in having us tidy the place up too much, and to lose some of the character that was there. And I think the scheme that is, that is before us, and working -- in working form right now, is a blend of uses continuing festivals, trying to find a creative solution that establishes a waterfront plaza that can be used for even more mid-scale events throughout the year, so that we don't have the grass damage that has been one of the central problems. And to find some ways to create more opportunity for bikes and the inline skaters and the walkers and the like. And to get rid of some of the problem areas by creating some lasting attractions in the ankeny plaza area. So, thank we did listen to you. We have worked hard with the consultants, and with the community, and I think that we are achieving a balance that will be put forward in this next workshop.

Saltzman: I am not sure what you mean by mid-scale events. I mean, we know that rose festival, cinco de mayo --

Formack: They are huge, they are the largest.

Saltzman: But that's whole lot of other events that truly draw people to the city of Portland or downtown Portland that, for the most part, have no other contact with downtown Portland, except for these festivals, so that's my concern is that we lose that --

Formack: Oh, no.

Saltzman: That aspect, so I heard that, that the waterfront, the Oregon food bank's waterfront blues festival might be eliminated --

Formack: Not at all. Not at all. We got pummeled pretty hard early on by all the festivals and listening to what it was that they needed, and they used principally the bowl and I think that would be better for that sort of concert event.

Saltzman: So far we are going along with a track that is going to continue to accommodate festivals on waterfront?

Formack: Right.

Saltzman: And what about the issue of commercial moorage, that's the other concern, people raised concerns about not letting the sport spirit on the Portland bank --

*******:** That -- the Portland spirit on the Portland banks.

Formack: That never came up in the slightest breath.

Saltzman: Well, that's off the table then.

Formack: Well, it never was there. Salmon springs would be continued and enhanced as a moorage area so that even more water craft activity could occur in that area and in the long-term, at ankeny dock, a better dock that could either accommodate high capacity water bus, kind of transportation alternative or something else.

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Saltzman: Okay. Thank you for this explanation.

David Yamashita, Planner, Portland Parks and Recreation: Could I add a few things? I am dave, and I am a senior planner and project manager for the project. Just wanted to say a couple things. One is that this is a very complex project, and there are so many different layers. Many stakeholders have a lot of issues to address, and it seems as if sometimes when we solve one problem, another one is created. And what we tried to do is to find the balance between program uses and unprogrammed uses and this is where it's been -- it's taken more time to work out ideas, to come up with ideas, and then to figure out how this affects the major stakeholders, and in this part of the whole process, this is why we've, I am guessing, at least a dozen more meetings with people, with stakeholders and with other agencies to try and meld all these different issues together. We've worked closely with the events group that dick clark has, has sort of put together, and we've had, I am guessing, six to eight meetings with them to try and test ideas and solutions to see if they work.

Saltzman: The other thing I asked is that you hold some meetings east of 82nd. Have you had any meetings?

Yamashita: We are going to be having an open house display at midland library, I think it's either this week or next, I think it's this week.

Saltzman: A meeting, an open house?

Yamashita: It's on open house and meeting. Its three hours.

Katz: Okay. You don't want to say anything, do you?

Hales: I can comment.

Katz: Okay. Good. Thank you. The emergency clause was taken off, then it will pass onto second. All right, everybody, nine, its 9:30.

Hales: Well, maybe just one comment before we pass onto second. I don't think it necessarily changes the scope, and I think everybody involved with the project understands, but if dick didn't mention it, we should, and that is the, the infrastructure in this park was significantly upgraded, you know, with the last park bond measure and with the huge contribution from the, the groups that use the park, so obviously, you are take that go into account, and you are not proposing to, you know, remodel that infrastructure having just put it into place, but dan, I think that's a reassurance about the, the festivals, is that all the community festivals vested as partners, I negative the amounts, but I believe it was a total of \$500,000, the rose festival, the largest of those, but the others contributed, as well, and we have long-term contracts with them for their use of the park for those, for those events. So, literally, we have sunk a lot of money into that park to equip it with the plumbing and electrical systems and other infrastructure that it needs for these festivals, and no one is proposing to walk away from or dig up or mess with that investment. So, that, that probably more than anything else we could say is bankable as the assurance that that stuff is going to continue to happen there.

Rose Festival Court.

Katz: Okay. Thank thank you, everybody. We have special guests here so before we get to 497, let me invite the court and I was leadership and come on up. Are you still doing something to introduce yourself? Yes, I have to tell you, I had breakfast with this group of young ladies and they are absolutely incredible. The court gets better and better and better. No, you want your -- your parents want to see you on tv. Get behind, get behind the big desk.

*******:** Get behind the big desk and face this way. Get behind the big desk on the other side. And then look at us.

Hales: And you are on camera.

*******:** And then you can watch us. You can watch us and yourselves during the week. Or next week or whatever time it is.

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- *****: Hello. We are the 2002 rose festival court. And we would like to introduce ourselves and give you a preview of this year's rose festival. Shaughnessy.
- *****: Hi, I am shaughnessy and I am from benson high school. I love to write poetry -- inaudible. Something else I am proud of is the beautiful southwest airlines parade saturday june 8th, it's fun for everyone, featuring all flour floats, marching bands.
- *****: Natasha.
- *****: I am from parkrose, I am national honor society president and the team captain of my varsity volleyball and basketball teams. Inaudible.
- *****: You will be sure to see some great competition from some of the best drivers in the sport.
- *****: Sese.
- *****: I am cece from st. Marys. I hope to become a pediatrician and also volunteer at boys and girls clubs. I know there will be some creative kids at the fred meyer junior parade generals june 5th. The oldest children's parade in the country happens down sandy boulevard in the hollywood district and it is just for kids.
- *****: Marshea.
- *****: I am from franklin. I am involved in peer mediation and leadership. The rose festival is the pacific power showcase of floats. See all the floats featured in the grand float parade up close. Don't forget to check out the spirit mountain entertainment states and sponsor exhibits. It is june 8th and 9th at the rose quarter commons.
- *****: Andrea.
- *****: I am andrea from grand. I plan to pursue a doctorate in child psychology and active in unity club and volunteer. Rose festival has thousands of great volunteers who donate their time to excellent programs and rural famous events. Each year, volunteers sign up to work on their favorite project. We all want to be here today --
- *****: Jenny.
- *****: Hi, I am jenny from david douglas. I enjoy traveling and camping and next year I am going to attend the university of Oregon to study environmental science. Did you know the rose festivals environmentally conscious? It's one of the greenest festivals in america thanks to the volunteers who clean up the streets after each of the parades.
- *****: Malea.
- *****: I am from roosevelt. I am a varsity singles tennis player and class valedictorian. A program that's really great is the rose festival kids. These kids participate in community service projects around the city. This program has been an international festival and events award for best community outreach.
- *****: Colleen.
- *****: I am colleen from central catholic. I plan to study business or business law, I was one of the top almond rocca sellers at my school for the past three years. One business you will want to experience is the rose garden store at Washington park. This adorable gift shop is open year around and sells rose theme souvenirs > I am deje from marshal high school. I hope to become a veterinarian and I enjoy hunting and collecting pictures of my favorite movie stars. Come out to see the stars at the Portland general electric show starlight paw rudd present by southwest airlines saturday, june 1st. This features colorful floats, fun-loving groups and of course, all those important marching bands.
- *****: I am caitlin from cleveland. I have a passion for track and basketball, and the school's league president. I know you will find an amazing group of girls, the fred meyer queen's coronation thursday, may 30th, at the arline schnitzer concert hall or you can see us on tv at coin channel 6. Come see us, the fabulous rose festival court and learn all about our wonderful achievements.
- *****: Laura.

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*****: I am lara from lincoln, I will be attending kenyon college in ohio and hope to travel to south africa. I love to learn. I hope you will learn more about the pepsi's waterfront village, with great music, tasty food and be sure to check out the exciting rides.

*****: Roslyn.

*****: I am from madison, next fall I will be a duck at the university of Oregon where I plan to study journalism. I love to play sports and do anything active. One place I know that would be full of activity is the 2002 rose festival air show presented by intel. This year's show features u.s. Air force thunderbirds on saturday and a twilight show on sunday. Don't miss out. It happens on the 17th and 18th.

*****: I am from jefferson. I enjoy playing the piano and singing and I hope to minor in music composition and theory. You will hear some of the best music at the kex festival event. Wonderful high school bands will be showcased in this event. It takes place at pge park on friday, june 8th.

*****: I am leela from wilson. I have held the leading role in three school plays, the lead singer for the jazz band and have a huge appreciation for the arts. The show features the top 150 of the local regional artists and will have great food and entertainment. The festival finds the new home at the east bank esplanade on june 14th through june 16th.

*****: Thank you for having us today. It's great to meet you. Thanks.

Katz: Bye. [applause]

Katz: Thank you so much. And you are wonderful, wonderful ambassador to say this city. Enjoy yourself. Have a wonderful, wonderful time during this very, very exciting part of the city's year, and now speaking of the importance of the city's week, month, year, dick clark. Dick, before you do that, we have adults who have spent time with the court and are responsible for the court. Would you stand up and introduce yourselves, as well? [inaudible] [inaudible].

Item 497.

Katz: Thank you. Dick clark. Aldin, president of the board of directors and executive director of the rose festival association.

*****: We almost feel like the act that went on after the beetles were on the ed sullivan show here. Good morning.

Katz: Good morning.

Aldin Tichner, President, Portland Rose Festival: I am Aldin, the president of the Portland rose festival association.

Dick Clark, Executive Director, Portland Rose Festival: Good morning, counselors and special congratulations to commissioner Sten and commissioner Saltzman for your reelection victories last night. That's wonderful.

Katz: Dick, before you start, let's read 497 to 503, right, karla?

*****: Right, 497 --

Katz: No, to 505.

*****: Sorry. 497.

Clark: Thank you very much. Those ordinances are very important, as we start our planning for next thursday. I would also like to introduce three other team members who are joining us today. First of all, jim franzen, you might remember was the waterfront village director for several years, and now is our auto race director, and he's going to be the president of the rose festival next year. Jenny smith, who is our court event coordinator and merlin clint, who is our associate executive director, so those are some other members of the team helping put on this great celebration starting next week.

Tichner: We are pleased to present you with a dozen red rose this is morning to grace city hall this week. They are just a preview of the beauty that we will be unveiling next week when the 95th Portland rose festival begins. With the theme, imagine the possibilities, this year's festival promises

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to be one of the best ever. And we would invite you to enjoy a 3.5 minute video that captures some of the excitement from last year's festival and it will serve as a reminder of the wonderful events for this year. [inaudible].

Tichner: June the 6th. We will honor dr. Brian drudder of Oregon health science university for his cancer research and miss america at the grand floral parade on june the 8th. We anticipate another outstanding year at the pepsi waterfront village with nearly 300 musical acts, the west, best carnival, food for all tastes and a variety of exhibits for all shoppers. We will feature entertainers from local children's dance troops to a long-time kids entertainer, rusty nails, to volunteer dance groups and musicians from many different Portland ethnic groups. We are happy, also, to greet again the indy cars for the 19th annual g.i. Joe's 200 at the city's own Portland international raceway. Despite some financial challenges this year, the race will continue to be Oregon's largest sporting event and showcase Portland to the world on cbs tv.

Clark: Thank you, Aldin, and thanks for your leadership of the association. Even as we prepare for the 2002 rose festival, we wanted to update the council on some other issues that were -- we are tracking on. Commissioner Saltzman brought one of those up this morning, this that is the waterfront park master plan. We appreciate the spirit of cooperation that we have received from the Portland parks bureau, and their citizens' advisory committee in regards to this master plan. And as you know, the waterfront park is home to our largest revenue-making event and our most visible event, the pepsi waterfront village. We recognize that they have a lot of interests to balance and they have done a good job in listening to special events, especially as of late to take our interests into account, as well. The plan is still evolving. We still have some concerns and those are being listened to. We are hopeful that the final plan will take those concerns into account. We are also working with david and his staff on policy issues surrounding the plan, so that special events will continue to flourish down there. And we are also very conscious of commissioner Hales' comments about the 2.3 million that was spent in 1997 with \$500,000 coming from special event users to make all of this possible. So, it's a delicate balance. It's a work in progress, and we will keep on monitoring it, and ideally we will have an opportunity to present it with the parks bureau sometime this fall. And we will keep you posted on that one. Of equal concern, we are watching the future of the memorial coliseum with the rest of the community. As you know, this has been home to the start of the southwest airlines grand floral parade since 1960. And it hosts thousands of tourists from around the nation who watch the parade, rain or shine, inside the confines of the coliseum. Outside the coliseum, is our tv broadcast area, which will televise the parade to 40 million tv households around the country this year. We look forward to the unveiling of whatever will become the new use of the memorial coliseum. This will allow us to discern whether we need to reroute the parade away from its origination point. We also will work with you on trying to find ways to accommodate those thousands of tourists who come in from out of town and are hopeful to find a seat other than staking out their claim on mlk in a lawn chair. This parade has grown into one of the top four in the nation. It's in the same rank as the roses and the macy's thanksgiving day parade so hopefully you will take the parade's concerns into account as we look at whatever is going to happen to the coliseum and whatever we need to accommodate the potential rerouting of the parade. We also want to give you a short report card on our auto racing program after the festival. It's no secret, it's been a tough year in the auto racing business. We want to discuss ways with the city of Portland and its track, Portland international raceway so, that we can continue to host world class racing at pir. It's important to all of us. The economic impact of the rose festival is about 80 million annually. The auto race program represents \$20 million annually of that economic impact. Working together, we can successfully overcome and work on ways to foresee these challenges and create new solutions. It's really that spirit of cooperation and teamwork that has made the rose

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festival into one of the largest celebrations in the world, and we look forward to working with the city council in the future on continuing that tradition.

Clark: After september 11, we wonder if we could coordinate the rose festival on the same par and scope as in previous years. Through the earnest and steadfast work of the board of directors and the staff of the rose festival association, along with more than 5,000 volunteers, and the city of Portland, we are happy to say that the answer is a resounding yes. In this, our 95th year, we will fulfill our mission, a celebration of the greater Portland region's quality of life, community residents and tourists from around the world, will be able to experience all that is best about this region in themselves and it all starts a week from tomorrow. Thank you very much for your time this morning. We would invite you to ask any questions or make any comments at this time.

Katz: Thank you. Thank you. Questions? Thank you for your leadership and thank you for the roses, and thank you for a wonderful month for this whole community. Appreciate all your hard work.

Clark: We thank you for your support, we wish that we could add a ninth ordinance about the weather, but until you can get that ordinance on the agenda, we appreciate your support of the other eight that we have on the agenda this morning. So, and we will make sure that ought copy of this wonderful video, it's 3.5 minutes and it really captures what's best about the festival, and mayor, you are included in one of the slides.

Katz: Well, of course, we need to have it. [laughter]

Katz: Of course. Thank you, dick.

*******:** Thank you.

Katz: All right, anybody else want to testify? If not, I know you need to go. All right. Thank you, everybody. Have a wonderful, wonderful month. And good luck to all of you. Bye-bye. All right. Let's take a vote now and let's start with 498.

Item 498.

Francesconi: I want to make a brief comment on this one and none of the others. So the rose festival does have three major challenges, waterfront park and to make sure that you always have a home. And you always will I told you would, in parks, and we look forward to having you on the east side, as well, so with the orange festival, that's a good beginning. The second is the whole question of the memorial coliseum, the third is pir so, but because of the \$80 million, and because you are a festival that brings us together and just lets us celebrate and have some fun, because it's so important to our community, we are going to make sure -- we are going to do our part to be your partner in meeting all three of those challenges. Because speaking now on behalf of parks, you are our best partner, but speaking on behalf of the city, it's just so important to us, and we have noticed how you have tried to expand to include the east side and you have always had events there, but you want even more. We have also noticed how you are trying to make this an international festival and you are trying to include our immigrant communities here, but also showcase that we are one community, and -- and you are trying to do that, and we really appreciate it. So, we thank for you all your work. It is teamwork and partnership, but it's also leadership, as the mayor just alluded, and you have the leadership to try to work issues out, like you just did with the central east side on the arts festival, and you sat down and you worked things out in our Portland tradition because you understand that it takes partnership to say make things happen. But you have the leadership that we need and it's a pleasure and an honor to serve with you. Aye.

Hales: It looks like a great year, aye.

Saltzman: Aye. **Sten:** Good job, aye.

Katz: Mayor votes aye. 499.

Item 499.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

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Katz: Mayor votes aye. 500.

Item 500.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. 501.

Item 501.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. 502.

Item 502.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. 503.

Item 503.

Francesconi: Aye.

Hales: Closing streets, huh? Only for you. Aye. [laughter]

Hales: Only temporary and will only for you, aye. [laughter]

Saltzman: Aye. **Sten:** Aye.

Item 504.

Katz: Mayor votes aye. 504.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. 505.

Item 505.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Waive fees for some permits and inspections only for you. Mayor votes aye. Thanks. 945, time certain, 506.

Item 506.

Hales: We have a deem here to talk about this. I think this is a nice piece of work at just the right time. At a time when we are trying to remember our history a bit better in this city. At a time that we are about to commemorate literally the founding event for the northwest and for our city to make it clear who york street was named for. Is a very good idea so, thank for you bringing this forward and for being here today.

*****: Thank you. Ron.

Ron Craig, Filmwork NW, 366 Cervantes, Lake Oswego 97035: My name is ron craig, and I am a native Oregonian. And I am the only owner of filmwork northwest and executive director. What we've been doing for the last three years, working on a documentary, the life of "york," which will air on pbs. We start shooting next july in louisville, kentucky -- excuse me, louisville, kentucky, and then we will end in astoria. We've also completed a children's book as a companion piece to the documentary that's entitled "who was the york," a new look at the lewis & clark expedition, which is the same title of the documentary. York has kind of taken a personal slant with me, being a native Oregonian, my first encounter with lewis & clark was probably as a cub scout, and then as a boy scout, I believe I actually earned a merit badge that referred lewis & clark. But, yet, until I got to college, did I understand that there was this african-american -- the expedition beyond just a servant, as we thought that he was going along to place clark's nickers off the catilloin, well, there was none, but his contribution was incredible, and I feel the fact of being able to dedicate and name the street york for york is going to be one of those things that, that Oregon and Portland, itself, is going to go down in history as being noted for because they have always been kind of the forefront as far as acknowledging people who have committed and dedicated things to the development of this country. The idea that york was a slave is a very poignant and very incredible, but yet at the same time, we are talking about an incredible story about a spirit and about a human being, that very few people know about. As I have gone across the country and lectured, I have been

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designated as the future spokesperson for the national bicentennial council as far as dealing with york and his contribution to the expedition and every time I go out and do a speaking engagement I find that people are just totally in awe as far as what this has done, and it's one of those things, again, that with the bicentennial coming about and Oregon being such a lynch-pin or pivotal place is very important that we go forward with this proclamation. Thank you.

Katz: Thank you.

Ted Kaye, Treasurer, Portland Lewis & Clark Bicentennial Planning Group, 2235 NW Aspen, 97210: I am ted kay, the treasurer of the Portland's lewis & clark bicentennial planning group. We have proposed that the city affirm that york street, the street in northwest Portland honor william clark's slave who explored what is Portland in 1806. The street was named "york," in 1981 but because there is no record of whom it honors the field is wide open. It's fitting now to use york street to recognize the first black explorer to reach Portland. Clark's man, "york." it will be the first street in the entire country named for york and this action will confirm Portland's place on the lewis & clark bicentennial map. Thank you.

Katz: How wonderful. Good. Good work. Anybody else want to celebrate this? Thank you, commissioner Hales, for bringing it forward to us.

Hales: Thank you, gentlemen. Thank you very much.

Katz: Roll call.

Francesconi: This is actually a terrific thing. Charles jordan is trying to copy you because what we are looking at now, seeing if we can name some parks, particularly on the east side, over some people who have contributed that haven't been recognized, but you deserve the credit for leading the way. Aye.

Hales: I think that there's just some poetry to this designation, here's this street name that was there all along, that people weren't sure why, and now in this time of remembering the lewis & clark expedition, we get to just remind everybody, no, this was named for york. He was on the voyage of discovery. Read about him, watch the documentaries that are produced about him, learn about your history, but it was there all along, all we had to do was rediscover it. Thanks for highlighting it. Aye.

Saltzman: I really appreciate you bringing this to our attention and bringing it to the nation's attention. It certainly is signature to everybody in this country to know about an african-american's contribution to the lewis & clark expedition. Quite frankly, I think to most of us, it's a chapter of history that we know nothing about, so this is one small way of recognizing the contribution of this individual. It does beg the question, though, how many other streets do we have that we don't know the origins of their names, so anyway, I support this, aye.

Sten: Well, thank you very much. It's just terrific, and I certainly wouldn't have known of the story if you hadn't come forward, and it's completely appropriate, and I hope that we can also, and I would love to be of help, if I can, find some way to get something that, you know, after this celebration is over, whether it's a marker or, you know, something that people can go to and learn about this and maybe in the future, with technology, maybe there's a way to get the video playing everywhere, or something, but there ought to be some way that, you know, once the dedication and the celebration are over, that people can remember why this is, and point it out to people so, thanks a lot. It's really a great civic service, and obviously, the right thing to do and makes me feel great to be part of it. Aye.

Katz: Thank for you bringing this forward. I am now reading about york and the lewis & clark expedition because I hope to track it and trace parts of it this year, so thank you. Aye. All right. 507.

Item 507.

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Katz: Why don't we start with 507 and then proceed as normal. Anybody want to testify on this particular aspect of it? Or however people want to deal with it but go ahead.

Susan Anderson, Director, Office of Sustainable Development: The first ordinance deals with commercial solid waste fees. The city code authorizes to us charge up to \$3.50 a ton for solid waste collected on commercial accounts and those fees are used for program activities in the commercial solid waste and recycling program. The fee has been set at \$3.15 for several years, but before us and now sustainable development office has been charging callers only 2.80 because there was actually surplus revenue for several years in the past, and omf had directed that, or had encouraged that to happen. But, that's no longer the case. Our five-year financial plan and working with perform er, we have recommend that had we increase the tonnage fee by \$1 to \$8.80 a ton. The additional revenue will be used to pay for two things. One is what used to be the maintenance bureau's trash can program and the other is the green building program. Of the dollar increase revenue, 30 cents will be going towards the green building program, and 70 cents will be going towards the public trash can service. Beginning back 1997, the solid waste program took over the trash can service from the maintenance bureau and the 70-cent increase will be to cover the cost of service of that program. Per is supportive of the increase and we have worked with the haulers and at this point, they are fine with it, and we would rather have a one-time dollar increase in the fee than having us edge it up, you know, 10 or 20 or 30 cents every year. That's it.

Katz: Questions? Anybody else want to testify? Come on up.

Jim Abrahamson, Chair, Public Utilities Review Board: Good morning. I am jim abrahamson, the chair of purb. I don't know if this is appropriate, but with the council's indulgence I would like to make a brief statement on behalf of purb, itself, and then talk about the solid waste rates. I would like to touch on two subjects. One is the value of purb to the city, and the way in which purb can best impact the growth of future rates. It inn my nearly three years, I have several times been asked the question, what value does purb bring to the city? Some of you have wondered whether it might be time for purb to be eliminated. While it might seem odd, we welcome these questions because they offer us the opportunity to look inside of ourselves to see who we are. We are a group of individuals who represent a broad spectrum of citizen, business, and advocacy interests. We have over time developed a working understanding of the complex issues that face the bureaus as they face and develop projects and programs that impact the rates for basic city services. We strongly believe it is essential for us to closely monitor, track, and participate in, when possible, the bureau projects and programs that could have major impacts on rates. Sometimes the questions we ask and the issues we raise in the course of our participation are viewed as not very helpful, or worse. And it is not our intent, we are trying our best to be the eye his, ears and mouths of Portland rate payers.

We believe that by acting in what has become to be known as the utility watchdog serves rate payers and the city of Portland very well. As we all know, rates for utility services in the city of Portland are high, projected to increase rapidly from the foreseeable future. While many of the bureau programs and projects that are driving our rates upwards are mandated, others are discretionary, or have signature discretionary elements. Sometimes even mandatory programs have signature discretionary spending elements. It is at those points during the projects' design and decision formulation process where purb is very effective in raising issues and asking questions from a rate payers perspective that otherwise might not be asked. Once final decisions have been made, bonds have been sold and the work has begun, there's very little that we can do, except to track the projects' accounting and follow its progress. In a municipal utility structure, customers pay for all costs through rates. There are no shareholders or deferred earnings available to cushion the impact of increasing costs. We believe that one of the best ways for us to make a real impact on increasing future costs is before the final implementation decisions are made. And with that, I would like to speak very briefly to the sol waste rates. The solid waste subcommittee of purb has

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reviewed the changes from the residential solid waste and recycling company. The factors pushing costs upward are clear and understandable. While rate increases are never desirable, without this year's increases to be clearly related to the cost of service and a reasonable and in relation to inflation and other factors that determine all the costs. We would like to thank Bruce Walker of the office of sustainable development and Neil Johnson of BES for providing clear and thorough information to assist us in our review of the solid waste rates for fiscal year 2003. We appreciate having a seat on the solid waste advisory committee and look forward to our continued participation in it. Thank you. I will call you back on the other items.

*****: The other two purb subcommittee chairs will be coming up.

Katz: Anybody else want to testify on the commercial and residential rates?

*****: We are just on commercial.

*****: Just the commercial and I will do the residential, yeah.

Katz: Anybody else on the commercial? Residential?

Anderson: Okay. As Jim outlined every year we look at residential rates, and review the garbage service recycling service and yard debris collection. We review all the hauler financial records and then have an outside CPA firm review the cost reports. This year, we are recommending for the average service, which is a 32-gallon can, 50-cent increase in the cost of that service, this is due to three factors, and all of them are really related to cost of service. First of all, there's a \$4, or almost \$4 increase in the metro tipping fee that's being charged by metro from 63.50 to \$67.45. Second, increased hauler costs and this is related primarily to increases in driver wages and increases also in insurance premiums that are being felt throughout the industry. And then third, lower values for recycled materials. So, the way we do this is if haulers can get more money for the recyclables that they are collecting, we can lower the rate charge to the residents, but in this case, this year, the recycling marks are down a bit and so we had to make up for some of that. So, the 32-gallon can will go up 50 cents. The mini can, which many people use will go up 35 cents and then the large roll carts, the 60-gallon carts will go up about \$1.10.

Katz: Questions? Anybody want to testify on that? Does purb want to make any additional comments on the residential? No. All right. All right. Questions by the council? Fine. Let's move on. 509. There wasn't anybody else.

Item 509.

Katz: As I said, in my presentation of the budget, that we basically agreed, we were able to drop the slightly, very slightly the rate that BES came in with, but we agreed that they had done a very good job in assessing their work plan and the cost of that work plan. I need to say that over and over again, that most, most all of those dollars are going to the combined sewer overflow. Most all of those dollars are going to clean up our river, which is now more than 50% completed.

Dean Marriott, Director, Bureau of Environmental Services: Good morning, Mayor Katz, and members of the council. I am Dean Marriott, Environmental Services Director for Portland. With me is Dave Gooley, the Business Services and Finance Director. Let me just start by echoing, as Mayor Katz just indicated, we have made a significant progress in the last several years, particularly on water quality improvements in the Willamette and the Columbia Slough. I think you all know in December of 2000, we completed the Columbia Slough consolidation conduit, which controlled for the first time in the city's history 13 CSO outfalls that had been charging untreated sewage to the slough.

Katz: How many?

Marriott: 13 untreated charges. We have a few wrinkles to work out over this past winter, but those have all been fixed and so with the rains of this winter and spring, we can say that there are no uncontrolled CSOs reaching the Columbia Slough. We have made dramatic improvements in the water quality in the Willamette River. Some of you may have noted that had we've been doing e-coli

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bacteria sampling in the willamette regularly for the last decade, the trend is very positive and just in the last few years, we've noted a decline of between 30% and 59% of e-coli measured in the willamette, so the willamette is, in fact, showing some signature signs of improvement, so I think for the rate payers, they can feel some comfort that at least they are getting a pretty good return on their investment. The one thing about what it costs to implement a combined sewer overflow program, it is a billion dollars effort by the city. I think it does underscore the need for the congress to consider stepping up to the plate and providing some assistance to the almost 800 communities around the nation that are facing these combined sewer overflow problems. Now, we've been fortunate to have some good support from our congressional delegation this last year, we got an earmark of 1.25 million through the hard work of our delegation. That's helpful. We could frankly use some more assistance and we have asked for some more assistance this year. So, we will keep our fingers crossed and continue to work on that. Environmental services is, of course, both the city's stormwater and wastewater utility. Next year, our overall budget will be 169 million \$76 million operating budget and a \$93 million capital budget. And you can see from your handout that I gave you that the average single family residential monthly bill is proposed to increase by 7.9% a month. This will mean a typical family's residential bill will increase from just under \$37 a month to almost \$40 a month. The capital program is as the mayor indicated, the primary driver of this, of the bill. Just over 50% of the typical residential bill goes to pay for our capital program. The operating expenditures are, we are able to hold those to roughly the rate of inflation. Now, Portland harbor, the cost of Portland harbor is a major increase -- factor in the increase, as well as the cost of, of the billing system. The proposed rates do reflect continuing conservation. We're assuming about a 1.5% cut in consumption by residential consumers and about a 2% reduction from commercial accounts. On the next page, you will see an actual breakout of the bill, of the rates, pardon me, both the residential rates at the top and the commercial rates at the bottom, and you can see they are not all uniformly the same. The 7.9%, which is the figure that we use, does appear on this, but the account service charge has gone up, or is proposed to go up more steeply, and the surface water management or the drainage fees that people see on their bills actually will go up 4.2%, so there is some modest relief there. As far as the influences on our rate structure, basically we have a sanitary volume rates and the stormwater charges, and as I indicated, the increases in the sanitary volume rate do reflect the capital program. The stormwater rates have been buffered somewhat by the fact that due to drainage rate reform, that this council adopted just recently, we are able to bring in some additional 18 million square feet of riparian property owners that had not previously been billed for stormwater charges. Those property owners are now receiving bills, and so that has cushioned the impact on the rest of the ratepayers so, that's a very positive step. And finally on the last page, I just wanted to mention some challenges, some upcoming challenges that we face. Our capital improvement program continues to be signature. We are embarking this year on the west side cso control program as we briefed you in the past. That's a roughly \$300 million construction program that will get underway this year and last for several years. Portland harbor, the ongoing study, investigation part of that cost is included in our financial plan, but any potential cleanup costs are not, so that is still a question mark hanging out there for the future. Of course, the cost, you are very familiar with the costs of the billing system. The costs of continuing to support the existing billing system is included in our financial plan, but any potential future replacement decision of those costs are not included. , and of course, we stand ready when the system does achieve stability to begin the stormwater discount program, and we anticipate that at some point in the future. Now, meeting the bureau's goals of further reducing the rate increases, of course, will be a continuing challenge for us. I can recall the first time I senate front of many of you back in 1994, we were looking at a 13% rate increase, and those double digit rate increases continued for a couple of years. We were able to, with some real hard work and the support of the council, bring those rate

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increases down. They are now 7.9%. We plan and hope and will work hard to bring them down again next year. Our target is 6.5% for next year, so the trend is good. But, we face some, some challenges to do that. Obviously, we have to continue to make this bureau more efficient. We have to increase fees where appropriate. And one I know that we are looking at is the industrial waste fee, which, you know, pays right now only about half of the cost of operating that system, and I think that we will want to talk to you some more in the future about perhaps increasing that. And there's the, the ongoing issue that I have mentioned to you before about the concern I have about the interagency costs. Next year the interagency costs will increase by about 10%. And those are a growing portion of our budget over which we have very little control. And that's a continuing concern for me. But with that, that concludes my presentation. I would be happy to answer any questions you might have.

Francesconi: Actually, I have kind of a longer-range question. On the issue of your challenges, but first let me say that I think commissioner Saltzman, you and the bureau are to be commended for a job well done in terms of the budget. I think you have done a really difficult job, either I understand it better or you are doing a better job. And it's probably, probably, in terms of trying to control cost, but what I am concerned about is, kind of where we are going from here and in terms of your challenges, and so, you know, our citizens really have a terrific environmental ethic, and they want to clean up the river, and that's very clear, but I am also concerned about their ability to pay for it over time, where some of them will be forced into making tough decisions about their own personal budgets, vests cleaning up the river. And so when you add the harbor on top of it, that's where this thing could fall apart if it doesn't fall apart sooner. And I think you alluded to it in terms of the federal responsibility, but where -- where are we going here in terms of -- we don't have any dedicated source to pay for the harbor, and we are having expenses to clean up the river exceeding, at some point some of a residents's ability to pay. I think this is the greatest financial hurdles or issue that the city of Portland has. Can you give me some directions here? Ideas? Give some comfort to our citizens?

Marriott: Well, I wish I could give a lot of comfort to people. It is a concern to me, I know it is of concern to everybody on the council that we're fully engaged in the, in the willamette cleanup, the river renaissance, and our part of that dealing with the combined sewer overflows, restoring the health of our urban streams, is slated to cost just over a million dollars. That's a very hefty load for a city this far size to carry. On top of that, of course, we have the super fund issues to deal with. I think we can find our way through the study phase, none of us is clear what the ultimate liability will be for the cleanup, who will have to pay and how much will we have to ask them to pay or how much will we be asked to pay. That's of great concern to me. I think that's why we have been interested in pursuing the possibility of getting some federal assistance for the harbor cleanup. And there are all sorts of issues that need to be discussed about equity and polluter pays and so on, and I think that we will have several years to work our way through those discussions, but I would certainly like to keep on the table the possibility of the federal government providing some financial assistance to this community in this area in assisting with that harbor cleanup. It took a long time to contaminate Portland harbor. There were many, many contributors, not all of whom are, were in the city of Portland. The Portland harbor is, is a sediment deposition area for the whole willamette, so I think that there is some interesting issues there that could be explored. That, to me, the possibility of federal assistance provides the best hope for some relief for Portland rate payers.

Francesconi: Well, I think it's gotten to the point and we have a lot of priorities, including me, but this has to be our number one federal priority.

Katz: Okay.

Saltzman: I was going to add in response to commissioner Francesconi's assessment that this is a, potentially huge liability facing the city, and I guess that we, as a city council, not necessarily

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concluded that sewer rates will be the way that we actually cover our liability, but certainly, the responsibility of the contributing parties is the number one approach that we all embrace, and that is those who are responsible for this should be paying for its cleanup. The biggest threat to the city is what are called, so-called orphaned sites, which can't be easily attributable to a particular industry, and that's where we would really like federal assistance there, and there is some opportunities. The other goal is to really conduct the cleanup as fast as possible. If we can do this in ten years rather than 20 or 30 years, which characterizes most of the cleanups, we can tremendously reduce the transaction cost, the attorneys, everything else that just, all those billable hours that accumulate over ten years, if we can do that in ten years, rather than 20 years, it's a big savings. But, the big rest of the pie is the orphaned sites and to the extent that the orphaned sites are there, you can bet your bottom dollar that everybody else is going to be pointing to the city as being the contributor to those orphaned sites. And that's going to be a big liability, and that's why we desperately need the federal assistance to help clean up that, and the cost-sharing ratio is about 65% federal, 5% local. But, you can bet your bottom dollar the responsible parties on orphaned sites will be saying it must be the background contamination cost by the city over 150 years worth of history.

Katz: Let me just add that, I think that we also need to be very concerned about some of the industries that have gone to Multnomah county to ask for a major decrease in the value of their property for the contamination that's on their property, and if either Multnomah county grants it, which they haven't been doing that as of now, but if the legislature gives them the ability to grant that, not only are we going to lose a tax base of considerable amount of dollars, but the whole principle of the polluter paying will disappear, and that's something that we need to keep our eye on. That that is a policy that ought not to leave here, for here in -- ought not to leave the city. That the polluter pay, whether it's us or whether it's industries or other, other governmental unions so, we need to keep an eye on that whole game that's being played somewhere else. Hi. Where are you from? [inaudible].

Katz: Welcome to Portland. Further questions? All right. Anybody want to testify on these? Come on up. Whoever from purb? Come on up.

John Wish, Chair, Sewer Subcommittee, PURB: Thank you, mayor Katz, council, I am John Wish, chair of the sewer subcommittee, for Portland utilities review board. I just want to remind the audience that all of our purb meetings are open to the public and we welcome comments and questions from the public. While we have concluded that the 7.9% increase in bes rates is justified, we remain concerned about the effects of the cis, billing system, and the level of utility rates. The cis was supposed to decrease billing costs, but since the beginning of the implementation, bes has experienced significant increases in the cost associated with billings and collections. The costs of the billing system are deflected in the rate structure as mentioned. Under the old billing system, going back two years, fiscal year 2000, 2001, bes billing related costs, including meter readings were much lower. They were 175 for residential, 517 for large businesses. The forecasts for this next year is 271 for residential, 838 for large businesses. That's a 55% and a 62% increase in billing costs, just for bes. Bes has met the commitments of the financial plan by reducing or deferring other expenditures. Bes has been very open and helpful in giving purb an understanding of how they have met these cost reductions. Examples include a budget constraint in terms of things that they were planning to do this year, but, and next year, but are unable to. Finally, purb is concerned that the quarterly billing makes the rates seem even higher. We, on purb, do not believe a \$40 million capital expenditure is necessary for instituting monthly billing. While Portland's rates are among the highest in the nation, we remain concerned about the overall level and the planned increases in rates due mainly to billing and federal mandates. Thank you.

Katz: Thank you. Okay. Questions? Thank you. Anybody else want to testify on sewer and drainage rates? All right. Let's move onto water-related service rates. Bye-bye.

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Item 510.

Mort Anoushiravani, Administrator, Bureau of Water Works: Good morning, mayor Katz, and the members of council, I --

Katz: Move the mike. The sound is a little low, karla, I think you turned -- you turn it had down because of the video.

Anoushiravani: Well, what I would like to do is go over the rates for the water bureau for the fiscal year 2002-2003. I wasn't going to spend a lot of time on the budget discussions, but we can get into that if the council has some questions about it -- but before --

Katz: Before I forget, after you do your presentation, because I didn't really have time in my budget message to the council or to the public to talk about the aspect of the rates that, that we are going to be using to deal with security issues.

Anoushiravani: Yes, yes, I can go over that a little bit. Before I do that, I would like to thank commissioner Hales for his support of the water bureau over the years because I believe this is going to be the last time I am going to be before the council, and he has been a valuable supporter of the program. I would like to do that.

Hales: It has been a pleasure working with you.

Anoushiravani: Thank you, commissioner.

Katz: I thought that this was an announcement, then. That just went over my head. Before commissioner Hales leaves.

Anoushiravani: Right, just thanking commissioner Hales for his valuable support of the water bureau over the years.

Katz: Got ya.

Anoushiravani: What, what we are proposing has been included in your budget, mayor, is the retail rate increase of basically 8.8%. And that has two components in it, if you will. It has a 5.5% for the csl and 3.3% that covers our request of service level packages, and that is composed of two components. One is the security package that we have, which has a capital component, which is looking at covering and looking at the open reservoirs throughout the years and some operational and maintenance costs in providing it over the next few years with a few other security measures for the water. Also, it has the .6% place holder, if you will, for the new proposed utility relocation, reimbursement policy that the council would like to implement. One of the rates is the demand has dropped overall system-wide about 3% below what it has been, and also as a part of that, the commercial demand, actually, has dropped 5%, which is, which is basically reflective of the whole recessionary time that we have been. And we do expect that over the next couple years that that would rebound as we are going to get more businesses here in town. Also, in the budget we have included additional costs that we have to incur over the next year or so to bring, to bring completion to the cis implementation and those costs have been more than covered by all the cuts that we have made in terms of our programs. We have cut 40 positions in the budget, and basically, all other costs cuts that we have done over the last year or so to cover that cost. The typical regional bill will go up about \$1.17 a month. It would go from, from 13.43 to 60 a month, and -- to 14.60 a month, and the water bill regionally represents only 5% of the total utility, monthly burden, if you will, so it's not a major part of the, of the cost of utilities to our ratepayers. Also, as in the past we have included a low income discount program for the ratepayers and the total cost of that, that has several different components to it, but it's basically 500 -- 530,000 a year, we can provide that. Our system, the charges are only going up by 4.5%, and we still have one of the lowest charges in the region. If I may just add, we actually do have sdc for affordable housing, and we applied that toward the last few years and it has been used at the rate of about a couple of 100,000 a year. That would basically help with that effort, also. Just comparing our rates over the last few years, our average rate increase has been about 3%, including all the costs, if you will. If we hole the constant

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dollars to 97, \$98, our actual increase is less than .2% a year, given the fact that we have been doing a lot more, that shows all the cuts and all the efficiencies that, that we've been able to generate and garner in the bureau to hold rates basically flat. One of the things that you had asked me to do, mayor, is when we do the rate composition, you would have liked to see the sewer rates, also. And we have asked bes to provide that to us, so no, I have it on one, one graph for you, or one chart for you, if you will. If you look on the water charges, obviously, we are still one of the lowest rates in the, rates in the region, and then when you look at the combined, obviously, the picture changes.

Katz: That's the reason that I wanted you to do that.

*******:** Right. Right.

Katz: I can see your reluctance not to want to do that.

Anoushiravani: No, that was okay. I was just going to talk about water rates.

*******:** Go ahead.

Anoushiravani: The other thing I was just going to share with you, guin, to give you a little bit of a sense of our cost comfort to other providers in the region, are the sdc charges, as you can see, we are basically 25, 30% lower than everybody else, in the region, and then again, but that basically translates to our cost of services, than the other providers in the region. And the last thing is just a pie chart that I know you, you have seen it several times over the years, basically, again just to, to show what the total utility burden is, the water rates are only like 5%, when you compare that to, to the power, 30%, or the natural gas that is, that is 34%. We are still having several challenges that we have to deal with. We do have, we do have an expanded capital program that we have to figure out how we are going to fund it and how to plan for it and all of that. There are major decisions that are coming up over the next few months through the next few years dealing with the long-term liability of the water system and all that, and my comment to the council is basically, we are going to do everything that we can to keep the rates to a minimum, but because of the needs of the system, you know, that's going to be a challenge to keep it, you know, just the inflation rates or whatever they have been over the last few years, if you will. I will be glad to answer any questions.

Katz: Thank you. Questions?

Saltzman: On the low income discount rate, is that correct? 34.80 a year is the maximum? The maximum we provide to a single family home for a discount?

Anoushiravani: This is just one component of it, commissioner. There are actually several components. This is just a 30% discount. There is actually an emergency voucher and then there is, and then there is some other assistance in the programs, too. The total cost of low income assistance we provide is 530,000 a year.

Sten: The 34 is 34% of the water share of the bill. It would be another 39.88 divided by 30% times 12. [laughter]

Saltzman: Thanks.

Sten: Whatever that is.

Katz: Further questions? Okay. Purb?

*******:** Mayor Katz, commissioners, thank you for the opportunity to comment. On behalf of purb I offer the following observations and commence.

Katz: Do you want to identify yourself?

Jay Formick, Chair of Water Committee, PURB: I am jay Formic, chair of the water committee. The purb is relieved to see progress in the collection of receivables. However, we are very concerned with the performance and cost of the open vision customer information system. We will closely monitor the system's progress through the remainder of this calendar here when open vision is expected to be fully stabilized. We will be most interested in seeing progress made in fining a replacement system in early 2003. The purb appreciates the effect Oregon's depressed economy has played in reducing the demand for water and the corresponding drop in revenue suffered by the

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water bureau. It might take years for revenue streams to recover from this. Therefore, we believe that it is imperative that the water bureau do everything it can to reduce costs and the purb commends the water bureau for its serious efforts to control costs hitherto. The purb supports strategies to reduce waste and create efficiencies so that permanent cost reductions can be identified and implemented. However, care must be taken to avoid trading short-term gain for long-term pain. The purb notes that many of the cost reductions made for fiscal year 2002-2003 might amount to deferred expenses that will place upwards pressure on rates in the future. The purb is concerned about the conversion of some operational expenses to a cip expense, while our analysis of this conversion revealed nothing that was inappropriate, the purb reminds the water bureau and the city council that this amounts to a one-time transfer with limited value as a method of cost control. The purb has unresolved questions about whether such a shift of expenses might actually increase future operating costs. We will continue to work with the bureau to understand how that might, how that might play out. The purb notes that over one-third of the rate increase for water is attributed to o and m and capital expenses associated with the security package. Many of the security-based improvements are accelerated capital investments previously scheduled to be implemented later in the decade or, perhaps, beyond that. On the whole, the purb supports this move, but there are parts of the security package of which we remain skeptical. We will work with the bureau to better understand the justification for some of those security measures we feel are of dubious value. The purb notes that .6% of the rate increase is attributable to the proposed change in the city's utility line relocation policy. The purb supports the concept of a policy that allocates costs of line relocations fairly between the water bureau and other city bureaus. We will be looking at this policy in-depth at our next meeting and have a report back to the council. With the pressures of inflation reduced demands, cis related expenses, utility-line relocation and enhanced security bearing down on the water bureau, a rate increase of 8.8% for fiscal 2002-2003 is, however, painful and inevitable outcome. But, let's put this in perspective. This year's rate increase push as typical residential bill above what it was prior to rate reform. It is also telling that while the annual average growth in typical residential bills has been between 2.9% over the past four years, the growth in commercial and industrial bills has been significantly higher. Over the past four years, the average annual rate of growth for these account types has been 11.3% for commercial, small commercial accounts and 12.5% for medium accounts and 15.4% for large industrial accounts. Notwithstanding the fact that an 8.8% increase in water rates is one of the highest in years, the purb finds no part of mayor Katz's proposed budget for the water bureau that is out of line or excessive. The purb supports the mayor's revised budget and rate increase. This concludes my testimony. Thank you very much. If you have any questions --

Katz: Questions? Thank you. Thank you for all the work you have done.

Francesconi: Before I leave, mayor, if I may be so indulged here, jim opened purb's testimony with comments about the value of purb, and I would like to reiterate that for the commission and give you a chance, if you would like to quiz me or jim about what the meaning of those comments were, or, perhaps, that's a subject for a future meeting.

Katz: Let's keep that as a subject for a future meeting, but I appreciate all the work that you have done, and I just want to let the council, you know, blame me if you have to, but my message to the purb has always been push a little bit, push a little bit, push a little bit, with the clear understanding that we are partners, but your role is to analyze, to assess, and to push, and I thank you for doing that. Okay. Anybody else want to testify on any of these items? 507 to 510 gets moved to second. We are on a regular agenda now. 540.

Item 540.

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Francesconi: Council, this is -- we are here on the fire bureau, I wanted to give just have vince give a brief status report regarding our diversity efforts in the bureau. Both before and after the situation with firefighter pfizer.

Katz: There's a hum.

*******:** I can't get rid of it.

Hales: Electronic gremlins day here.

Katz: Go ahead.

Vincent Woods, Fire Bureau: Good morning. Vincent woods from the human resource coordinator of the fire bureau. Thank you for your time, mayor and council. I did want to update you on where we are at this point. To get to the level where we are with the metropolitan group, this is kind of a result of some workplace behave issues that we are responding to on behalf of the chief and the bureau, we decided that it was important for us to get a real good sense of how we are culturally within the bureau, and to identify where we might need some training and some help to kind of help us better understand how we want to be, kind of the, a workplace where we are free of bias and any other type of problems that might exist with the employees, so the employees feel like they are working in a good, healthy environment so we went through a proposal process to identify some providers who might be able to provide this cultural assessment service. The idea behind the assessment was to kind of get a good feeling for where we are as a bureau, and if there were some training that was needed on an ongoing basis, just to specifically what kind was necessary to we are just not throwing dollars at training for the sake of training so we think this assessment approach is the best idea for us to go ahead and get a good sense of what we are as a bureau and to have them help identify where we are and what, what types of areas we need for improvement going forward. So, as I said, we went through a proposal process. We had approximately 20 to 25 providers on a national basis respond to our inquiry for the proposal to do the work. We went through a selection process and landed here with the metropolitan group, it's a local group, who we think presents the best balance of going in and identifying the assessment and giving us some ideas for directions on where we need to go forward from there. In addition to that, during the time that we've gone through identifying who the provider has been, we have worked with, with the chief to continue to do some things to rectify our problem and make sure that we are continuing in a manner that's going to keep us progressing forward, and improve the workplace environment that we have. And with that in mind, we have taken some of our hr rules that have been just recently passed by you and modified them to become general orders around workplace behavior, inappropriate conduct. We also have used that as an orientation piece for new employees when they come into the bureau to make sure that they are clearly aware of the standards that we have for workplace behavior, the chief has decided that he would visit each station on a personal basis between his visits and make sure he gets that message out, as well. We have identified some outside training for people that were involved in some of the incidents that kind of drove this to make sure that they are continuing to get training in areas that, that will prevent this type of behavior for continuing, as well, so we think that we are progressing on in the manner and not letting things drop and we think that this will be an additional piece to help us move forward. The goal of the -- this will be an additional piece to help us move forward. We think this will help us find where the training opportunities are but that this is not something that's going to have to be done on a regular basis. We want the training to be designed in a manner where we are self-sufficient and part of the fabric that we are going on what we are doing and learn to do this on what we do on a regular basis so whole probably be in front of you again asking for approval of whatever training opportunities are identified through the course of the assessment but we wanted to take this opportunity to get the ball rolling, and I think that we are going if the right direction.

Katz: Thank you. Questions?

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Saltzman: I just, one question, I am curious why the, why you are waving the city code requirement that the selection committee include at least one outside person with knowledge in this area.

Woods: Excuse me, sir? Could you repeat that again, circumstance please? I didn't understand your question.

Saltzman: Part of this ordinance and the selection of this firm waives the requirement that the selection committee contain an outside person with expertise, outside of government, with expertise in this area. You are waiving that requirement in this selection committee. I am curious why. It's number five, paragraph number 5.

Woods: I don't have that in front of me, I am sorry.

Saltzman: Actually, I never knew this was part of our city code, but we have at least an outside person from one person from outside government, not all selection committees. Do you know anything about this, jim?

Francesconi: No.

Saltzman: Okay, well.

Francesconi: The whole idea behind this is to get outside people, so the irony is this is an outside group because we don't want to evaluate ourselves. That's the whole purpose behind this. So, we are getting an outside group, so maybe there should have been an outside -- I have no knowledge, but the intent behind it is that, is that exactly to get outside people looking at us.

Saltzman: Okay.

Francesconi: I will look into it.

Katz: Thank you. Anybody else want to testify? Roll call.

Francesconi: Well, I just appreciate the seriousness at which the fire bureau is taking this issue. When it comes to the issue of training and preparation, nobody is better than the fire bureau but maybe we haven't focused in exactly the right areas, especially in training, so the whole idea is to get outside folks to look at us, then to measure it and as an aside, we've tied the chief's pay to it, in terms of performance measurements, although we didn't have to do this because the chief wants to do this. He's already visited more than half of the stations, all the shifts with this being the focus, so vincent, it's terrific having you onboard. You, along with the office has been a terrific benefit to the fire bureau so, we are setting up an outside team to measure our progress to see how we are doing, so thanks for all your work. Aye.

Hales: Aye.

Saltzman: Good work, aye.

Sten: Aye.

Katz: Mayor votes aye. All right, 541.

Item 541.

Susan Anderson, Director, Office of Sustainable Development: Susan anderson, director of the office of sustainable development. This is a small item but it's on the regular agenda because we are hoping it will grow into a larger item over time and adds a bit of money to our budge. Recently, pdot and osd worked together to retrofit all the red and green traffic lights in the city, and to led's light emitting diodes and this will save the city \$300,000 a year and 7 0% in maintenance costs. It ends up that most cities haven't done this around the state. So this is a grant from the energy trust that hopes to change all that, and so we are going to, to provide staffing out of our office to go and mark and explain the technical details and the financial details of how you go and do this for other cities. The grant is just for \$20,000 and it covers our costs. It's important because this is the first grant from the new energy trust of Oregon, and the energy trust was set up beginning march 1st to replace what were all the electric conservation programs run by pge and pacific power and the new nonprofit will be the group that develops programs and contracts out services, so beginning in

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march for pge and pacific power are no longer running directly the programs, unless the energy trust has decided to contract back either with them, with private companies, or with groups like the sustainable developmental office. So this is their first grant out. They also have contracts now that they are working on with pge and pacific to continue some of the current programs that are going on, but we have great hopes that they will be working with us more closely in the future to integrate energy conservation and water conservation and recycling programs together as a package out in the community. So, that's it.

Katz: Thank you. You amaze me. You always find a little bit of money to continue growing and doing good work. Thank you. Anybody else want to testify? Roll call.

Francesconi: Very good, aye.

Hales: Better mousetrap, aye.

Saltzman: Great work and certainly in keeping with our reputation of being first, I am pleased to see we are the first recipient of a grant. Aye.

Sten: Aye.

Katz: Mayor votes aye. Thank you. 542.

Item 542.

Katz: Roll call.

Francesconi: Aye. **Hales:** Aye. **Saltzman:** Aye. **Sten:** Aye.

Katz: Mayor votes aye. And we stand adjourned until 2:00.

At 11:06 a.m., Council recessed.

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May 22, 2002 2:00 PM

Katz: the council will come to order. Karla, please call the roll.

Francesconi: Here. **Hales:** Here. **Saltzman:** Here. **Sten:** Here.

Katz: I'm present. 543.

Items 543 and 544.

Moore: Amend city code to remove fees from property maintenance regulations, establish a separate fee schedule effective July 1, 2002, and establish penalties for abatement of disabled vehicles.

Katz: Okay. You want to read the other one, too? Karla, why don't you read 544.

Katz: Okay.

Margaret Mahoney, Director, Office of Planning and Development Review: Thank you, Mayor Katz, members of the council, I am Margaret Mahoney of the office of planning and development review. We put at each of your place as summary sheet that recaps what is in the two ordinances before you. It covers the construction program fees and our noise variance fees and then the other ordinance covers housing code fees. The summary that we provided shows, in the intent of each fee, whether it's a new fee and when it was last increased, if it was an existing fee, and then the need for the, the fee increase, itself. Most of these are to cover -- to meet our cost recovery goals under the financial policies that apply to our fund. The housing code enforcement fees represent an increase in our existing enforcement fees plus the institution of a new fee for dealing with disabled vehicles on private property. The -- those last two, the increase in the code enforcement fee and the, excuse me, the disabled vehicle fee are necessary to replace the general fund that was needed to come out of that program. So, those -- in terms of significance in the amount of revenue raised, the, the largest fee increases here are the electrical permit fees, which represent an overall fee increase and should generate about \$115,000 in new revenue. The plumbing permit fees, which are an average of 8% increase, are projected to raise about \$111,000 in new revenue. The signed permit fees are projected to raise 46,000, and then the, the combined fees in housing are projected to raise 420,000. The other fees are very minor in terms of revenue that they raise, but they cover areas where we have -- we are expending resources in terms of services but not recovering costs. And then in a couple of cases, there are modification to say the fee schedule to meet requirements that we have from the state in how we set up our fees, particularly deferred submittals and payments. We have, as we do each year, put out the information of the various industry groups that we work with. We have had staff meet with some of the groups and explain the fees. We've gotten very little feedback, at all in, terms of concerns about the fees.

Katz: Okay. Questions?

Hales: The opdr fee increase hearing, and the room, that's empty, that's a good sign.

Mahoney: We are coming back to you twice more, so, you know, nice if the next two were just like this, but we will be coming about that in a couple weeks with the land use fees and then subsequently the sight development fees.

Katz: Okay. And this includes the housing inspection fees?

Mahoney: Does include the housing inspection fees.

Katz: All right, so that -- that fills a part of the budget hole?

Mahoney: It fills a \$420,000 --

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Katz: And then you will come back with the next one? All right, anybody want to testify? On either one of them? No one? Fine, it passes. Both of them pass onto second. And we stand adjourned until 2:00 tomorrow.

At 2:10 p.m., Council recessed.

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MAY 23, 2002 2:00 PM

Katz: Good afternoon, everybody. The council will come to order. Karla, please call the roll.

*****: Francesconi.

Katz: He's here.

Hales: Here. **Saltzman:** Here.

Katz: Present. We have one item before you. Item 545.

Item 545.

Katz: I just want to say that the planning commission during the deliberations on marquam hill felt that they had to be some more, some additional information with regarding to the issue we are talking about. The suspended cable transportation system and they have urged the council to move forward with pdot's resolution and we are going to hear from pdot right now on what they plan to do and why they plan to do it and the time line that they propose.

Hales: We have a substitute?

Katz: Oh, yeah, let me just see here. And we have -- right, because you had some amendments that you had added onto it, and you will show that to us on the graph. And so there's a substitute and take a motion to introduce the substitute.

Hales: So move.

Katz: A second? Do I hear a second?

Saltzman: Second.

Katz: Any objections hearing none so, ordered.

Hales: He will explain the differences.

Katz: They will explain the differences. All right, let me see one second, susan and gill, is anybody here from the planning commission, as well?

*****: I will represent them.

*****: You will, okay.

Brant Williams, City Engineer, Office of Transportation: Okay. Brant williams, city engineer with the office of transportation. Pdot has been tracking the marquam hill plan process since its inception, as part of the planned development process, transportation analysis was performed to look at all the traffic and access related issues associated with potential additional development on marquam hill. A peer review panel was formed to review the analysis and also to make some recommendations about what kind of ways to address the traffic impacts and the access issues associated with the marquam hill plan. One of the recommendations for addressing the access issue between the marquam hill and north macadam was a -- what we call a suspended cable transportation system, such as a tram or a gondola. As part of the discussions, it became very apparent there were a lot of unanswered questions and more information that was needed. Thus, it also became apparent to us that systems such as this would probably either be built by or permitted by the office of transportation. So, pdot started thinking about, about how best to get this information in front of the public, and in front of the council and thus, we came up with this process that's before you today. This process is very consistent with how pdot does project development, and as you know, we have had quite a bit of success with this kind of process. Given the unique aspects of this particular project, we have incorporated into it plenty of opportunity for council involvement, as well as plenty of opportunity for public participation. We have asked the planning commission for advice on the process and we received quite a bit of good feedback from the planning commission, as well as the community associated with the public hearings with the marquam hill plan. We have taken that information and incorporated much of the advice into the

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process, itself. That's the reason for the amendment today. We are asking for the endorsement of the council on this process and direction to proceed with this work so that we can return with the report for our council's deliberations on the marquam hill plan in the next month or so. Of course, matt brown is our project manager for pdot and he will take you through the various aspects of this process and also gill kelly will want to speak about this.

Matt Brown, Project Manager, Office of Transportation: Okay, project manager with the Portland office of transportation. Just run through fairly quick show here. We have a lot of people that probably want to give some comments today so, I will try to keep this as brief as possible. Again, just a couple of pieces of background on the marquam hill plan. We are not here to discuss, obviously, those recommends -- recommendations. Those will be coming to you, but a couple of pieces out of that plan that really lead was to where we are today. A lot of background information. I am going to list a few pieces here that will provide as part of that. There's a study on the ways to connect the marquam hill area with north macadam as part of the student connector intercampus study. There is a report by the battelle institute on sort of the synergy issues. This would be on bioscience and how those elements would work between the two campuses. The buttke report, basically looked at traffic issues on and around the marquam hill area, and was a basis for a lot of the traffic and transportation work that was done as part of the marquam hill plan.

There was also land availability analysis that was. That looked at alternative locations for ohsu and the central city area. Including the north macadam district and a lot of the transportation work that went on was, of course, reviewed by a peer review panel, outside experts to look at some of the transportation issues. This isn't supposed to be a complete list of the recommendations about a few of the things lead us to where we are today. First there was -- part of the recommendations that pob forward wad that there is an ohsu presence in north macadam, both desired and appropriate. That's a good place for them to grow in the city. And second, that that could be part of a larger strategy for establishing the sciences technology quarter in the south-central city area as part of a larger economic development strategy for, for the city, and that -- the key to these two elements are that the, the connectivity and accessibility are key to the success of those two strategies and those two recommendations, so when you look at sort of the diagram of what that science and technology quarter is and sort of where it's centered, you will see not only what the green dash line there is showing as part of the tram alignment as it was conceived as part of that planning effort but also the, the streetcar extension down from psu into north macadam, as well as the access to the regional transportation facilities there. Those are all important parts of the accessibility required to make this concept work. We heard a few different pieces come through this process during the last few months. First from the peer review panel we heard the suspended cable transportation system is a valid system. We think it is justified but there are other thoughts, some other alignments and systems that you might want to consider. For instance, looking at a gondola and additional alignments. Second, the planning commission, their deliberations and hearings on this felt that they really needed some additional information on this system before they could proceed with any kind of policy or regulatory decisions. They felt that there wasn't enough there basic follow them to forward on some specific policy regulations. And third, that both the community and planning commission were heard strongly that this system needs to be evaluated alongside with something other than an aerial system, for instance, the surface shuttle bus system, that's basically the nature of the amendments on the resolution front you deal with, with that issue. And there's -- that's, you know, in various terminology, people have referred to as either the shuttle alternative or no-build alternative, meaning don't build the tram. So, these two pieces are coming together. We have the marquam hill planning process, which again is sort of on a separate process here and will be

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coming to council in june. And we have this system of cable transportation evaluation process running concurrent with that. And just to sort of define maybe try to understand the differences between those two, when we look at the scets process, we are talking about evaluating the alternatives and looking at the, sort of the basic design features of those alternatives, whereas the marquam hill effort is focused more on the policies and regulations that are required to encourage the kinds of things that need to happen on marquam hill. So let me talk about the overall --

Katz: Is this the last slide? We will follow it on the hard piece.

Brown: And there's -- this will be blown up a bit more, as well, as I go along, so it will be -- a bit more readable. The evaluation process that we came up with has five essential steps, and I want to point out that this is basically -- this is the city engineer, pdot's recommendation on how we feel the process should go. This is, again, as he alluded to, similar to other processes that we go through in studying and evaluating transportation projects. Part of this, we asked the planning commission for their advice on this. We were interested in how this fit in with the marquam hill plan and how they felt the process could be improved in order to address some of the things that they are hearing or concerned about. And I think it does a good job of dealing with that planning and commission advice in that process. I want to walk through each one of these pieces briefly. Face one is where we are today talking about process development. It is part of the planning commission work, which is the third box on there. We went to them for some advice, and we are here today to ask for city council approval of this process. And this is, this is a specific piece that planning commission asked to be included. We didn't originally have in our process. They pull that had out and they felt the process needed to go both to them as well as to city council for consideration. So, essentially, the time frame for that is that we are asking for action on that today and if we proceed, that would be complete today, and the action that we are asking for is to approve the process and direct the work to commence. Phase two the next, the bulk of the work we are heading into right now, and what we are asking to commence. We are calling the project assessment phase. And this is really looking at a series of alternatives that we could evaluate and generate for connecting marquam hill to the north macadam area, including both tram and gondola alternatives, as well as a shuttle bus alternative, and those will all be measured against a set of evaluation factors, which we have included as part of our work plan, which is exhibit a on this. Part of this process would include then a report back to council with a decision at that point on, on which alternative is the best, the most appropriate. It is very possible that council could tell us at the end that there is no, no preferred concept and that we shouldn't proceed with this any further so, there are few various actions that council could take at the end of this step. We would like to return with a draft report on this to council and have this material available by june 19th so that it could be sort of part of the deliberations on the marquam hill plan and additional information to be factored in there. Ultimately the action we would be asking for is to approve or reject the city engineer's recommendation on this phase. I will talk a little bit more specifically about project assessment in a minute. The next three phases follow after the first two and will be done if required, if we come out of these with a decision to proceed with some sort of project. Third piece is looking at policy evaluation and development, you know, if we come out of this with some sort of aerial system that has certain kinds of characteristics, do our policy, support that kind of a system why they don't, needing to development policies, what are the land use processes that we might need to set up to deal with certain kinds of issues that might arise out of any given alignment. We are not sure how much work will be needed here until we sort of figure out and get a grip on what some of the systems might look like and the preference might be. At the end of that, if there is a city council that needs to approve or reject the policy recommendations. The policy piece, I should point out is,

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a piece that the planning commission suggests that we add as part of our process. It's not something that he had originally thought of or included as part of the process. Design development really then builds off of, and I am going to start assuming from this point forward that we have some sort of aerial system, the next two steps are predicated on that. If it is a no bill, then obviously we wouldn't be going through these steps, so --

Saltzman: Is no build an option? I haven't heard you say yet.

Brown: Well no build, yes, it is, and I would like to return to that in a second, if I could. The design criteria, first of all, in this design development we would be building off of work that had been done in phase twos and three in the sense that we would have some sense of preferred design for this preferred alignment and system, and we would be able to then think a little bit more about what this looks like and, for instance, you know, if it is an aerial system, what do the towers look like, the landings look like down at the base. How do we design the public spaces around those to work as, as a really great public place. And part of that also would be, would involve generating design alternatives, and I think that one of the stronger concepts we have been throwing around is that that would generate through a design competition so that's basically the point at which that would happen. We would be working with a design commission, historic landmarks commission through, through this process and getting their advice on both the criteria, as well as the designs, and again, at the end of this phase, we would expect to come out with a recommendation on a proposed design concept, so again, after the phase 3 decision, if that's made, we would be asking for action to either approve or reject a design concept, and then looking pretty far out at sort of the implementation piece of this, getting into the hard engineering, one thing that I want to point out here that's, I think, critical is that up until this point, we probably don't have enough information to go through a lot of, of land use review processes. We need to really develop any kind of system to a point where you would actually be able to measure it against whatever land use process is required to go through. So, perhaps in that policy piece, you know, we are identifying what land use processes there might be, our ability to, perhaps, get through those, how might this, the projects stack up against the criteria but the actual review would probably take place at this point when you actually have a more specific proposal to run through that review process. And this is, basically the last phase after the phase 4 decision, and really the city council, you know, if needed at this point, would be, you know, if this were a public project then there may be a contract to approve at the end, but that's not a given out of this process at all. So, that, in essence, is the process, and phase one is actually the action today, the process development is what we are wrapping up today. The phase two would be initiated today, and when we actually assess the alternatives and phases 3 to 5 would proceed only if council approves one of the alternatives, and that's essentially you know, if we say no, then this process doesn't go any further. That is, you know, the no-bill alternative. Let me talk just the last piece, the project assessment. This is the work that we will be going through, just take a couple of minutes here. There are some basic pieces of our work plan. One includes transportation modeling. We are especially interested in sort of coming out of the peer review panel. What would a midpoint stop on this look like. How might that function with the transit corridors along barber but also include looking at some things like how much ridership we could anticipate on any of these systems. Alternatives development, looking at the various alternatives for connecting those campuses, developing those to a point where we are, we understand what the impacts of them are and can evaluate them, and then evaluating those alternatives coming out with the city engineer's report at the end. On the public process piece, I will go that in a second and then ultimately coming back to city council action. Quick point a quick point on the alternatives evaluation, the evaluation factors are listed in exhibit a. There are a

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variety of the factors that we went through, essentially, that we could use to measure, even underneath each one of those bullets, there are a number of specific items that we would look to evaluate the systems on. In terms of the public process, there is a few key components. First I will be conducting a number of stake holder interviews, just talking to a lot of the folks that have been involved in this, from the past number of years, and trying to get a real solid foundation for what folks are thinking and what their views are. There's been a lot of work that's gone on so far up to this date. We would hold either public workshops or open houses to review some of the alternatives information. There would be periods for the city engineer's reports that will be produced out of this. And then, of course -- there would be periods of review for the city engineer's reports. So, we are asking for three points of action from council. First, is to approve sets evaluation process. Second, direct work to commence on phase 2, which is the project assessment piece, and third, to direct us to return with some of that information by June 26th. That will wrap that up.

Katz: Did you want to deal with --

*******:** Let me talk about the no-build, and then Gill, why don't you come on up here and you guys stay here.

Saltzman: You said the rejection constitute as no build, I don't agree with that. I think a no-build has to be evaluated with the alternatives. It's sort of in the sense of an environmental impact statement analysis, which sounds to me like what you are talking about.

Brown: A no-build, in that case is, more often than not used as a baseline, not necessarily a choice. And I am jumping -- you know, I am making an assumption here that I think it would be good to have a discussion about this, but one of the assumptions I am making here is that folks in general, what I have heard, and, you know, Gill may be better to talk about this than I, but one of the things that I have heard is that people in general want to see north -- oh, grow in the central city and north macadam, in particular. And that in doing so, you have to figure out some way of connecting those two areas better. That no-build is essentially not really an option, and in doing that, that's sort of mutually exclusive. It is useful in the sense it provides us a baseline to compare to, but I haven't heard anyone say we should actually be holding no-build out there as a choice to make. I think a lot of people have used that as a euphemism for no tram in wanting us to evaluate a shuttle bus option or some other means for connecting the two areas. So there again, I think it's open to interpretation and Gill may be better to address sort of what we have heard out of that process.

Katz: Gill, move closer to the mike.

Gill Kelley, Director, Bureau of Planning: Would you like me to address that specific question -

Katz: Yeah. Why don't you answer and then, and then address the more general, what you wanted to share with us in the first place.

Kelley: Okay.

Katz: Now, you are representing -- this is delicate, everybody. I need to clarify. This is -- you are representing the planning commission recommendations, and then maybe a little bit of your own.

Kelley: If you don't mind why don't I do it in reverse order. I would prefer to represent the planning commission's point of view about this and come back and answer that specific question.

Katz: Okay. As long as you answer it, that's fine.

Kelley: Rick Michaelson, chair of the planning commission, asked me to represent the commission's action on this. He couldn't be here this afternoon. We have provided you with a letter from him dated today, and in fact, there were a number of revisions to it right up through

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today, so we apologize for the late delivery. It is short, however, and I think conveys all the important information about their, their motion. Before describing that, let me just give a bit of context in addition to what matt has already provided to you. The planning commission did complete its deliberations on the marquam hill plan at their last meeting. And added to and refined a number of the staff proposals and I think on the whole, added to the value of that plan and made it a very good document and have forwarded that to you for your action, and that action will be coming to you for hearing on june 26th and we expect that you will be acting on the marquam hill plan sometime thereafter, probably in july. And although they added to the staff framework and made a number of changes, they specifically deleted references to a suspended cable transportation system from their motion, and let me explain that a bit more carefully. The staff had proposed a number of land use policy language that would support the suspended cable transportation system as, as the sort of general alternative of choice in connecting marquam hill and north macadam. The planning commission and now I am getting into their action. The planning commission did not feel that there was sufficient information in front of them to make that judgment, and therefore, removed references to that system, other than that it should be studied. They left in place language, and this goes partially to the question just asked, to, to enhance the range of access alternatives to marquam hill, including further consideration of an additional fast, reliable transportation system that links marquam hill with north macadam and the regional transit system so, they felt comfortable with that, what they were not comfortable doing was saying that, given the information that they have, that an aerial system was of necessity, that efficient, reliable system. So, they struck that from the plan, and instead, what they did was reviewed the proposal which they brought before them, to review, and asked that we work with them, which we have done to include their thoughts into that process, and that has resulted in a couple of the amendments in front of you. But the basics of their motion were as follows. There was not sufficient information available at the time of their action. To make recommendations about the advantages and disadvantages of a proposed aerial system, and therefore, they deleted references to the suspended cable transportation system from the marquam hill plan and decided to defer all action on code amendments until further work had been done. They did recommend, however, that additional study be done as matt outlined on the suspended cable transportation system and other alternatives, including the no-build alternative. Specifically, they advise that this evaluation be based on the types of studies you might see in an eis or federal 106, section 106 process, and at root here, and they clarify this on the record, they were not interested, necessarily, in the process or the sort of the droppings of the process for those federal processes, but they were interested in the substance of how they are done, which is to say they evaluate a broad range of alternatives, not just a narrow one, and against a broad range of criteria, and so they talked with matt at the meeting about the fact that there would be several alignments for an aerial system that would be studied, as well as a no-build alternative, which might include the notion of relying on other means, nonaerial means of connecting the two sites, so that was -- and there was quite a discussion about examining the more frequent use of shuttle buses. They didn't limit it to that alternative, however so, there could be more than one means of achieving the no-tram alternative, as it were.

Saltzman: The alternative basically means the no suspended cable alternative?

Kelley: Exactly.

Saltzman: The shuttle would be the no-build alternative?

Kelley: Right. I think the sentence here in the memo is very important, and that is that, in addition to examining alternatives against criteria, that the concept of mitigations be included in with the evaluation, and the point here is that I will quote from their letter, the review of mitigation efforts

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must be integral to the evaluation. In this way the option with the greatest benefit, the least negative impacts, and the best options for mitigation can be selected. Beyond this, they had some discussion about wanting to give advice throughout the process on, on the mitigation criteria and on conceivably on the alignments and alternatives. They did anticipate that once more information was known about these alternatives, that then it was the appropriate time for a decision maker, themselves, or you, or both, to consider what kinds of policy, specifically land use policy might be needed to implement that, that system and evaluate those, those alternatives. They just didn't feel ready to evaluate them at the time. They also asked that there be time in this process for adequate public input and consideration of that public input. And I think that matt has tried to reflect that in there. They also felt that what was implied in this was a potentially a city-wide look at policies for aerial systems, if that were the chosen system, so to look at it in a set of criteria broader than just the marquam hill plan. With regard to considerations in the alternatives, and matt spoke to some categories, they have recommended that the, the evaluation of the potential system must consider neighborhood impacts, transportation access, and efficiency, project feasibility, implementation costs, maintenance and operations considerations and public safety. They, by the way, felt the public safety considerations for both the people using the system and those people residing or, or walking underneath the system. They also advised matt that parking, itself, could be a potential impact of this that is the need to add parking for users of the system, could, itself, have impacts. Now, just to make clear, this was not precisely the chart that they were reviewing. They were reviewing the two charts that are attached to the letter here. This was developed kind of as a composite from that discussion, and on further reflection. That matt has done in the interim period of time. This, essentially, if I can stand up for just a moment and point to this, their point was they couldn't -- they felt that they couldn't do this step, the policy evaluation step until more information was known about the systems, so I think this order reflects that. What they discussed about the one explicitly in -- that wasn't explicitly in their motion was the traffic engineer might find their input useful as commenters on what the preferred concept is. In any case, what they concerted and pdot and other potential users applied, was that this could end up at this box or at this box with a no-decision. That there could be reasons for not proceeding any further. So, there's definitely, at this step and this step, the possibility of, of -- it looks like it won't be feasible based on any number of factors. Those factors are broad and discretionary so, I think this process reflects that in the enact that there are a couple of hearings at each of those steps, give the council the benefit of hearing from the broad range of interest groups that are involved to hear that and to make that kind of decision, so I think that all parties understood that right through step three, there could be a decision that this may not go.

Katz: Did you want to add anything else?

Kelley: No, I think that we -- we worked with matt in the intervening days since the planning commission action, and specifically, changed the resolution in a couple of ways.

Katz: Why don't you go over that, since I think that commissioner Francesconi asked about that.

Kelley: Let me get to the resolution. I have an underlined copy here. I assume that that's what you have in front of you? I am going through the resolution, itself.

Saltzman: I have something labeled "substantive." no underlining.

Katz: Well, go ahead, identify the changes.

Kelley: On the third "whereas," clause --

Katz: You can see, it's --

Kelley: At the end of that, it specifically adds, now, including consideration of a no-build, we have in parentheses shuttle bus alternatives. It may not need to be exclusively shuttle bus we

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meant to say some other way of satisfying other than an aerial system would be the alternative. On the sixth, "whereas," clause, incorporating the management advice, we have inserted on the third line down after "transportation system," we have inserted the clause "including consideration of shuttle bus alternative." again, that could be broadened or redefined as an aerial system alternative or alternatives, plural. And then in the first, or excuse me, in the second paragraph, toward the end, it notes that we would return to council, I should say that pdot would return to council with a drafted report by June 26th. We are not necessarily forcing a council decision on that date, but that that's the date on which you will be hearing the Marquam Hill plan and we would like to give you a progress report on the work today on the study of alternatives.

Katz: Okay. Questions?

Francesconi: And I am not opposed to this amendment, but I just want to make sure I understand it. I want to make sure pdot understands it and I want to make sure the parties understand what we are evaluating here, and that's why I am asking these questions, okay. Now, so are we -- is, gill is, matt correct that we are assuming that the goal here is having ohsu at Macadam under any of these scenarios.

*******:** Well, the --

Katz: Bring the mike closer.

Kelley: Let me generalize about that, and I will try to be specific about what the planning commission has said. They have not yet decided on the Marquam, or excuse me, the north Macadam plan that is now before them for hearings. But, it was clear to me from the conversation that nearly everyone involved both in the planning commission and the testifiers would like to see ohsu survive and thrive and continue to exist in the central city. There were questions about how much development on the hill, what character, what measures would be used to limit and control it and guide it, and I think the commission did address those in the Marquam Hill plan and their plan does have policy language that speaks to the importance of retaining that institution in the central city. So, I think as a policy matter, that's correct. The, the issue that has plagued those discussions and hasn't yet been complete and had needs completion through this process is how you would connect those two sites, and the planning staff, along with the transportation staff, had introduced a lot of information into the record that in our opinion felt supported the need for some kind of aerial system, although we were not ready to choose an alignment or a mechanical system, but the commission felt, particularly after hearing from the public, that they weren't quite convinced yet and needed to understand more about how a particular system might look, feel, and what its impacts would have to make that kind of policy judgment.

Francesconi: And I think that that part is good and this is the point, before I saw the amendment, the way I was trying to view this, is before the decision can be made on what type of connection, especially an aerial connection, we need to know the neighborhood impacts, we need to know access and efficiency of the transportation system, we need to know the feasibility. We need to know the implementation costs, we need to know maintenance and operation, and we need to know public safety because there could be circumstances where all that even outweighs ohsu at Macadam. So, we need to know all those factors before we make a decision, okay. And so that makes sense to me, and we need experts to give us that information.

Kelley: I think that's correct.

Francesconi: Where I am having trouble is, then if you conclude based on this that it's not feasible or practical or fair or the burdens are too much, by default, you end up with a no-build alternative. Not by default, but by decision. See, that's why I was approach -- that's how I was approaching it, and I think that that's what matt was saying when you were testifying. So that's how I was

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approaching the no-build alternative. Where I am having trouble now is on the shuttle bus side, and the reason I am having trouble is you have the neighborhood impacts, there are going to be a different kind of answers on those questions, but then that gets to the economics of who is right, ohsu or the neighborhoods about the shuttle bus being the way to do it to build the development, and that's the debate that we can have, but I am not sure pdot has the expertise to answer that, and I don't know if it's already been answered somewhere else. See, it's a different set of criteria, and I think we are mixing apples and oranges here, unless I am missing something.

Kelley: Yeah, I think you are pointing out something important, let me first just clarify for the record that I think everything you described about the first tree was also reflective of what the staff proposal was, the distinction in that was that we felt we had gotten enough information to support that an aerial system was warranted as one of many generic alternatives, but we also felt that a subsequent process like this one was needed to study particularized impacts and alternatives and that you could end up with a no-answer based on the impacts were just overwhelming and couldn't be mitigated. The difference here in the planning commission's thinking is they didn't want -- they want to go back and look harder at the broader stages of alternatives.

Francesconi: But I thought that that was done. Am I wrong?

Kelley: We did provide information on that. The peer review people looked at that question. The information we developed in the -- we feel in the patel report and also in the surveys we conducted on campus supported the kind of frequent interconnection you could only achieve with an aerial system but that was what the staff had concluded. The commission didn't consider that sufficient, and asked that in this process, nonaerial solutions also be examined. So, in broadening that range, you are absolutely right. It's not exactly apples and oranges but they are different, and you will need to look again as a council when it comes before you at the end of the second box, you will need to ask that question, you know, if it be shown that shuttle buses times could be decreased slightly or even substantially and the frequency improved, on balance, is that enough to serve the need. That's a question that you are going to be asked to look at.

Francesconi: Well, the problem I am having also with that is, we could conclude one decision but the people may who, we want to invest, may conclude something else.

Katz: Yeah, and you will hear about that.

*****: I am glad you have your job and not my job. [laughter]

Katz: We will hear about that. We will hear both sides on that, and that's part of the evaluation that the council is going to have to make. All right. Go ahead.

Saltzman: Well --

Katz: I need to get a reading. We have a 6:00 budget hearing tonight. How many want to testify? Okay. If those are just the hands, we are okay.

Saltzman: I guess, you know, one of the problems that I have been struggling most with is, and I have been proceeding down the course and telling everybody who asks what my opinion is of the tram is, we will wait until I make a decision on the marquam hill plan. So, I guess my first question is what is the relationship between the pdot process and the actual decision on building the tram or not.

Kelley: That was a good question, and we tried to answer that by using this graph a bit, it is somewhat simplistic but it shows, essentially, the marquam hill plan is recommended by the planning commission, coming forward to you again hearing june 26th and the decision sometime in july. At the same time, I think what pdot is proposing --

Saltzman: If there is no longer any language in that plan --

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Kelley: There is one in the plan that says some kind of rapid connection between the two sites is warranted. And it says that this kind of study should begin and the planning commission acknowledged that it would begin within a few weeks prior to your hearing. So that at least you might have relatively more information, whether it's completely sufficient or not, how much they can develop, but at least you would have more information than the planning commission had about alternatives, and I believe that pdot is preparing a report which would be released prior to that date so at least there would be information out there about these alternatives in one package. So that would be there in time for the record of your hearing. Again, so there's a bit of kind of a merger in time in there. That process, however, would continue on, and essentially you will have to make this decision on that date but you know more about this to make this decision. This process would then -- the remainder of this process would continue on --

Saltzman: So by the time we get to where they join, that's the completion of phase two. Am I correct? Or phase one? Phase one?

Williams: No, that's not quite correct. When they come together there with the city council, what you will have is a report. You won't have the final set of recommendations and then -- we will come back subsequently after that --

Saltzman: So if we approve the plan, you move on and refine the alternatives and do the policy evaluation and development work and then at that point when, all that is done, city council actually makes a decision on, on what, whatever, which tram, no tram, is that, is that correct?

*******:** What we are really talking about council digesting some alternatives here. This may be somewhat after this point, but you have the report by this point.

Williams: That's correct.

Kelley: And you would make some decision about a preferred system, but is preferred for the purpose of digging it through the policy and evaluation phase, so there's really not -- I would say a hard decision.

Saltzman: Except we will have presumably narrowed down the preferred alternative?

Kelley: Yes, but I would imagine that the policy discussion will need to --

*******:** Still look --

*******:** Examine the entire report, in other words, have something to bounce that on.

Saltzman: And that decision is roughly, what's our time line for this?

Kelley: For this one?

Saltzman: Yeah. Just give you a rough.

Brown: Don't know. Depends on what kind of system we come up with at the end, really. How, how, how much policy do we have to evaluate how much is out there. I mean, it might be as much as a year in the making or it may be a very short time frame, just depends on the, what we come out of at the end of phase two with.

Francesconi: A year? Did you say a year?

*******:** That's what he said.

Brown: I mean, there's a lot of planning commission steps in here. There's a lot of work on evaluating and developing that, that policy, and it just depends on the kind of system that comes out and what its impacts are, and --

Katz: But --

Brown: That's one, that's one end of the extreme, obviously. I am being absolutely conservative on that end.

Katz: We have been -- this has been conversation now for a long, long time.

Brown: I understand.

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Katz: All right.

Brown: One of the things, too -- one other thing, too, I think you are going to be presented with -- you could reach a different policy. I described the process, according to their adjustment to this. So, there is sort of a check-point here on the whole big question, but following this process here, you would get into just the general planning -- the comprehensive planning -- what kind -- the kind of review -- that's the basis here. [inaudible].

Katz: Talk about design and final engineering and all of that, is that what you are referencing to the longer period of time, matt? Not the decision?

Saltzman: Land use, too.

Brown: Well, I am actually refer to get the third box. If we came out of that at some point and for some reason we had to amend the entire central city plan, you know, in some way and go through that land use process, then it would be a pretty long process. We may come out at the end of that and say our policies are appropriate and we don't need to go through that -- it will be a shorter timeframe.

Katz: So the issue is the council's decision on how to proceed with enough information to have beforehand. Okay. And -- all right. Thank you. Let's open it up for public testimony.

Katz: Three minutes and there is a little timer at the bottom of the screen that gives you a clue as to how much time you have.

Bob Gerding, Gerding Edlen Development, 101 SW Main #1100, 97204: Good afternoon, mayor, council members. My name is bob gerding. I am a principal in the firm of gerding edlen development. I also hold a ph.d. in biochemistry and have 15 years of experience in research and medicine. As the council knows, our company is the developer of numerous properties in Portland, including the block, the five-block redevelopment of the blitz weinhard brewery. We are currently actively working on the primary planning for a 28-acre development in the north macadam area, which would be anchored by signature development by ohsu. Today, I am here as a member of the board of world aerial transportation, inc., which we call patti, for short. Pat mccross, who is the president of patti would be here today, but is out of the country. You have received a letter from mr. La crosse that I believe is in your packet regarding this resolution. Patti is a 501-c-3 nonprofit corporation formed to design and construct a suspended cable transportation system to interconnect marquam hill, the streetcar, bus systems and the emerging employment center in north macadam. We have modeled patti after the Portland streetcar, inc., which worked so successfully to design, build, and now operate the streetcar. Patti supports and asks the council to approve the resolution from the office of transportation allowing the city engineer to complete the evaluation and bring to council in june a recommendation on the suspended cable transportation system. When we were aware of the resolution, it did not have the, the no-build or other alternatives in it. But, we still are -- we are formed essentially in response to a need by the department of transportation to have a sponsor for the building of this system, much like the streetcar needed a sponsor. We are very excited at the prospect of a new transportation system in Portland, and about embarking on a design process and competition hopefully worldwide, which would bring the highest standards of architectural design to an aerial system that will become one of our communities' landmarks. Putting on my biochemist hat the council needs to understand how critical it is for researchers, doctors, and educators at ohsu, along with their research partners and private companies to have essentially unrestricted access to each other. What ohsu has called synergy is absolutely real. The type of medical break-throughs that will happen at ohsu just don't happen in the lab alone. They happen in surgical suites, in the clinics, in the classrooms, and they happen in hallways and conferences and over coffee. They are the product of the best minds working, walking and talking

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together all day, every day, and every setting around the university. A high-speed connection between marquam hill and north macadam is the essential link to allow this to happen effectively creating a single campus. Ohsu has made signature progress getting to this point but the window for them to advance as a major player in the biomedical revolution is now and it is a window that will not be open for long. Now is the time for Portland to enter into a partnership with ohsu to help it succeed so it can help us diversify our economy, create new high-quality jobs --

Katz: Time.

Gerding: And in the process, bring the finest medical care to all Oregonians. Thank you.

Katz: Thank you.

*****: Next. You are next.

Janet Kelly, President, Corbett-Terwilliger Lair Hill Neighborhood Assoc., 6414 SW Virginia St., 97201: I am janet kelly, and I am the president of the corbett terwilliger lair hill neighborhood

association. And on behalf of this association I bring four concerns regarding this pdot resolution to you for redress. First, I must protest the unseemly haste with which it was brought to council. I was never told that this pdot resolution would be presented to council today, learned of it late tuesday afternoon from a friend, had to call the bureau of planning and ask for a copy of the resolution, this is a violation of the city's own public process set forth in the citizen involvement policy of the southwest community plan that was approved over a year ago. I represent nearly 4,000 people in the neighborhood most directly affected by this proposal, and I should have been told. Second, we believe that the viable alternatives are not being explored and never have been. The residents of my neighborhood have long asked to be heard regarding a suspended cable transportation system, and back in march of 2001, adopted a resolution saying among other things we strongly urge ohsu and the city of Portland to study and implement more reasonable connection alternatives, which have fewer impacts on our neighborhood and on our city. And we were ignored. Again, on march 6th of 2002, we passed another resolution saying among other things, we strongly urge ohsu and the city of Portland to fair and will honestly study and implement more reasonable and less intrusive connection alternatives, such as fuel shuttle buses or telecommunication that will meet ohsu's connection needs. And not adversely impact the livability of our neighborhood and our city as an aerial system might. We are still being ignore and had believe no fair and honest study has yet been undertaken. Our third problem, we feel that the planning commission directives were ignored in this resolution, and I think that gale kelly has covered a great deal of this. We were hoping that a system similar to the federal government's environmental impact system would be followed in evaluating the feasibility of a tramway system. They were given instructions to consider particularly a no-build alternative and impacts on a historic district. And the pdot resolution before us meets neither of these directives. They have ignored the fact that this is a historic district and decided that the alternatives were accepting either a tram or a gondola, which to us seems a little like asking if we would prefer be headed or hanging. The planning commission process also mentioned an explosive acknowledgment of the need to develop a city-wide comprehensive policy and regulatory framework for a suspended cable system. The city z after all, propose changing the zoning code throughout the city, not just in north macadam --

Katz: Keep going, but I am not going to let for you a long time, just finish --

Janet Kelly: Accommodate an aerial wrap system, and yet this pdot resolution clearly states the work plan does not represent a city-wide approach. This aerial way is either a viable method of transportation that will be copied throughout the city or it is an expensive system that should never

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be adopted at all. Either way, a city-wide comprehensive policy is required. Can I give you my last paragraph?

Katz: How long is it? Summarize it, don't read it.

Janet Kelly: I will be quick. It's clear that pdot is spending scarce resources studying a transportation scheme that will exacerbate not relieve the transportation problems that we have in our neighborhood. It is being planned to connect two of the most inaccessible points in Portland. Even ohsu knows that marquam hill is relatively inaccessible, especially during times of employee commute and north macadam is equally inaccessible with only one road in and out of the southern boundary, bancroft, the road with the spaghetti factory. It will be the site of 3000 homes and 10,000 jobs. It will be gridlocked, especially during times of employee commute. Pdot would be better serving Portland if it solved the traffic problems in the development --

Katz: Thank you.

Glenn Bridger, SW Neighborhoods Incorporated: Good morning, I am glenn bridger. I am here presenting southwest neighborhoods incorporated, your coalition of neighborhoods in southwest Portland. I live at 940 southwest vincent place. I serve as the swni transportation chair. I am here to cover two key elements that you have heard before. The first one is public involvement. Public involvement is extremely important to process in southwest Portland. You know that you have enacted activities regarding our southwest community plan that brought public involvement forward and also brought forth a very good southwest community plan, and we believe that that public involvement process should be a part of this process, also. This is a major investment in southwest Portland, and we believe that it should have a due public involvement in our area. Now, what I am talking about public involvement we are not against a strong ohsu. As a matter of fact, they are part of our community and many of our people in our community work and get their livelihood off of a successful ohsu, so we want a strong ohsu. But the second part I want to emphasize has been brought up before and that is the no-build alternative. That is a part of the presentation that the planning commission made, that there must be a good evaluation no-build alternative. I personally have been involved in public capital improvement projects since the mid '60s and have seen how much better decisions we make when it came into being and we started using good, honest, no-build evaluations as a part of our decision-making process. So, we need to have the no-build options discussed and evaluated to the same extent as the build options are in this document, so that, an honest decision, the best one for our community can be made. With that, let me say public involvement and no-build options.

Katz: Thank you. Thanks.

Steve Stadum, General Counsel, OHSU: Good afternoon. My name is steve statem. I am general council for ohsu, and I am leading ohsu's development team in our planning for the ohsu complex in north macadam. We are working with homer williams advisors and the partnership of gerding, and the master planning of a 28-acre core area of north macadam, including the planned ohsu facilities. Our development plan for that core area exceeds the vision that the city has in mind and will show once again that Portland knows how to create successful and exciting neighborhoods. In this case, the plan creates a dense mixed use center for thousands of jobs, thousands of housing units and supporting retail hotel open space and other services that will make this area as vibrant as any comparable area on the west coast. It's no secret that ohsu has concluded that a high-speed aerial connection between our development in north macadam and our campus on marquam hill is critical to our ability to succeed. With our mission and our vision of creating a major biomedical technology center in the central city. The city's own commission peer review panel of transportation experts arrived at the same conclusion, and the reason that a high-speed

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aerial connection is the right solution that it is the only transportation system that will be sufficiently timely and consistent to meet the unusually high connectivity requirements of a health and research institution. The problems other major medical research centers are facing where they have widely spread facilities without dependable high-speed transportation confirmed this view. For example, the university of california at san francisco has halted further development of its mission bay research complex. They have discovered they are unable to retain their top researchers simply because they can't provide them the ability to move easily between the separate parts of that institution. While we believe the tram is the best solution, we understand that the city needs to evaluate reasonable alternatives, and that the council believes that the evaluation should also include a no-build or shuttle or other alternative, we strongly urge you to add to the evaluation factors a consideration of the economic consequences of these alternatives since not all alternatives will have the same effect on how north macadam will develop including ohsu's role down there. Specifically, we urge you to consider amending the resolution to include consideration of those economic consequences as you weigh the alternatives. With this additional evaluation factor, we believe the process at the office of transportation as outlined allows the council to consider the full range of reasonable alternatives and we urge to you adopt this resolution and to allow your staff to complete their evaluation. We are concerned, however, also about the length of time the process may take and we also urge you to insure this process is completed in a timely manner so that we can proceed with our facilities' plans. Ohsu in Portland cannot afford to fail in this partnership for the 21st century. We must give ourselves every chance to succeed and the high-speed aerial connection is a critical ingredient in our recipe for success. Thank you for your leadership and your partnership with us.

Katz: Thank you.

Francesconi: A couple of questions. So when you say timely, what does that mean?

Stadum: Well, we would certainly like to see the, the initial phase of this process come back to the council no later than june 26th as was reported by the staff, and we would like to see the policy alternatives considered at that time, if possible, or very shortly after that. We have to make some decisions and our partners down in north macadam have to make some decisions very soon about what kind of development and whether we can do it and how we will finance those developments, so the sooner the better. I don't want to set a deadline on the council, but we are very anxious to have this completed and we've been at this for quite some time.

Francesconi: So when you are -- the second question, when you are saying, put an economic analysis as one of the conditions, is that another way of saying that if you do the shuttle bus alternative, you are not going to expand macadam?

Stadum: It may be. I think that we have looked at the shuttle bus alternative and we are convinced at this time that it won't work for us in north macadam if those alternatives are considered, we will look at it again, just like the council will, but at this time, we would not plan to go down there because we are convinced it won't work programmatically.

Francesconi: Does that answer also apply to the gondola or any other alternatives?

Stadum: We favor the tram. I think any suspended cable transportation system that meets our criteria of, of timely and consistent, if it's otherwise feasible, we would be very open to what -- having looked at it internally we think the tram is the best of those but we wouldn't rule out the others.

Francesconi: Okay. Thank you.

Katz: Thank you. Go ahead. Move over so you can get the mike.

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Richard Stein, President, Friends of Terwilliger, 901 SW Westwood Dr., 97201: Good afternoon, my name is richard stein. I come today with kind of a vision piece after working with friends of terwilliger for many years, I am currently the president of that board. I have watched the -- our support for this idea of the aerial suspension system erode over the years, and i'd like to see if there's a way to reignite that and get some enthusiasm back onboard.

Katz: I may give you an extra minute. [laughter]

Katz: Go ahead.

Stein: One of the things that we have noticed --

Francesconi: She wants to add good luck, too. [laughter]

Stein: Yes, I know. One of the things that -- part of this process that has gone on is that many of our concerns have not -- we have felt haven't been fully addressed over the months, but we do feel the planning commission's report does address these things, and we support with what they have done there. The issue here to me seems to be that ohsu needing to possibly link these possible two campuses have goals that are maybe at odds with the neighborhood and the sensitive environmental nature of terwilliger, and so my idea here is maybe that I think that the idea of the tram needs to be looked at on, as maybe being taken over by the city or by metro or by tri-met. And let's, let one of these organizations take this, this ball and run with it. And for that -- I see that this could be a great public process that would actually be a landmark event for Portland and put us on the map maybe for the right reasons. So, I brought a few pictures that I quickly whipped out here today to show you some of what our six issues that I think would be key components that could help this project.

Katz: Go ahead. Go through them quickly.

Stein: Yes. One, is at the bottom to put a parking tower at the bottom. We need to have parking down there that makes it more accessible for more people to use the tram, and also could relieve the traffic on terwilliger boulevard. The second is a connecting -- oops. There went my support. - - there went my support. Second is a connecting loop, I could see the streetcar coming in, the tram going up to the hill, and develop a pathway and walking back down to the streetcar. So that people could take and enjoy the city and then enjoy the beautiful forests that we have right in our city. Third, create a worthwhile destination at the top. Some type of interpretive center. Some type of, I was thinking of crown point, they are redoing that in the gorge right now. Well this could be a our Portland crown point where people come and find a worthwhile destination at the top. Make money. Here's something where I feel as though --

Katz: Council, give him enough time to finish his six.

Stein: I only have two more here. And ohsu could use bus passes like they do now with tri-met and their staff could use it very easily that way and beyond that, it becomes a great tourist attraction. Use extraordinary design, that would really be 100-year project that we would be proud of, our children's children can be proud of what we did back here. And finally, compensate the homeowners and make sure that there's a balance that's going on with that, too.

Katz: Thank you very much.

Eileen Lorber, 6740 SW 11th Dr., 97219: My name is eileen, and I am a resident of hillsdale and I am representing just myself as a member of the public. I have a long-standing relationship with ohsu, not currently, as I am an md, and dmd graduate from there, was an employee twice, was a volunteer for many hours, and perhaps will be there again. I am very supportive of ohsu. I am not supportive of the tram, and I would love to present really organized testimony on this, but I didn't find out about this until yesterday, this is very similar to the marquam hill plan being published ten days before the hearing on it. There isn't sufficient time for public input. I am just a person. I

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don't have any particular issue, other than being a hillsdale resident. I think that this has city-wide impact, visually and I also think that the impact on traffic through my neighborhood, although that's not my primary concern, and inner southwest Portland needs very seriously to be considered.

Again, the planning commission recommendations almost mandate a slowdown in this process so that things can truly be considered such as a no-tram alternative, which is added, you know, just sort of on the end of these sentences in your resolution. The process here without a time frame doesn't give any, what do I want to say, any reassurance that there really will be public input.

Portland is known for a place that listens to say neighborhoods and listens to individuals. I think I saw that in my neighborhood when we put in the transition housing project or whatever that was and moved it, and everyone was happy in the end, it took a little longer than it was originally intended but we saved an environmental setting. We used land that wasn't as if -- and people didn't oppose it just because it was a homeless transition, housing project. Again, I'm not opposing this simply because it's an aerial system. But going through a historic neighborhood isn't just the mitigation needs to not just be to the owners of the homes but to all of us who lose a historic neighborhood. We lose our history by losing this neighborhood's character. And I just can't stress enough that -- and then secondly, the terwilliger corridor being the most beautiful part of our city in my own opinion. It's gorgeous. It's not a good place to send tourists. It's absolutely inappropriate to have tourists on the 9th floor of hospital south. When I was a medical student there and recently, patients are transported right through there because of the sky bridge. They need to be and have to be and that's the way it's set up that way. The sky bridge, by the way, is a fabulous thing that connects to, connects via and doernbecher and connects university hospital. So it's like there's a balance here between things that work really well and things that don't work at all. I want to ask the most important question of all, is this visionary or is this the cart before the horse. Is ohsu going to build enough need at north macadam to absolutely use this very, very expensive option that will not be reversible. I mean, without going back and tearing down concrete things, which will probably have. [no audio]

Lorber: Taking back 20 plus million and the \$100 million or whatever to clean up the site and build the whole thing there. It's not reversible. Is there really going to be a need or is it going to be built and then it's there and the historic neighborhood is gone and the view from terwilliger is really compromised, and then you find that gosh, I guess we didn't really need it as much as we thought we did.

Katz: Thank you.

Lorber: And then you will all have to answer for that because of this process, not including the public.

Katz: Thank you.

Larry Beck, No Tram Group, Marquam Hill Plan Citizen Technical Advisory Committee 3307 SW Corbett Ave., 97201: Larry beck, live on southwest corbett and I have been working with the no-tram group and also in the mayor's citizen technical advisory committee for the marquam hill plan. I am happy that rick michaelson you submitted a letter so that will shorten what I have to say, and gill gave us some information on that. The planning commission is held, two days' worth, ten hours of public testimony about marquam hill, 80% dealt with the tram and most of it negative. They held three work sessions, spent a lot of time talking about the plan, and the resolution and the work plan and the diagram that we see today doesn't really reflect what planning commission had asked for, and I think it's very important that that be corrected and that that advice be included. We have some amendments today that matt has put together and what concerns me is that we have cobbled a bit of language into that to say, oh, and study some other

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things. But what is the title of this? The suspended cable transportation system analysis. It's not a connection alternative analysis for north macadam and marquam hill so we are kidding ourselves if we think we are looking at alternatives with something designed like this so we need to change that. We really need to change the focus and rethink this process because it just doesn't do it at this point. Yeah, I think it's, you know, I almost feel like scolding a bit and I don't know who to cold and I feel like scolding pdot and bureau of planning and maybe even the commissioner and the mayor -- commissioners and the mayor that this is coming on so quickly after last week. We have all spent a year and a half working on this. I've been to every one of the planning commission sessions and no mention was made of this last tuesday. It all comes out in an e-mail on friday afternoon from the bureau of planning you couldn't even open until this monday, that's not the way that process is supposed to work in this city and I don't think that we should be approving something today that very few people had a chance to look at and we get amendments on this morning at 10:00. That's not the way it's supposed to work. We really deserve better. And I think what we need to do is take a step back. We need to give it some time. I hope you don't take action on this today. I am sorry commissioner Sten isn't here. We need more time. Planning commission recommendation, they were very clear in their analysis that this wasn't a basic utility, as the bureau of planning has been pushing. It's not like a sewer line or like a power line. It's something completely different. It's not called out in our code, in Portland city code says if it's not in the code it's prohibited and that's where we start from trams are prohibited in the city of Portland. It's not just a title 17 transportation analysis. The tram, if it were built over the proposed alternative on gigs goes partially over right-of-way and partially over parkland. That has to involve the title 33 land use process, and pdot can't do that. That's not their bailey wick, so we have got to look at other areas. There does need to be a single process and as mr. Michaelson said in his letter, they are encouraging something like an eis or the federal 106 process for historic districts that includes a true alternative analysis, so that's what it needs to be. Needs to be very clearly be that. So I have mentioned the title, i've mentioned the process, and we talked a bit about the no-build and I am glad that was clarified. We are not talking about let's not build in north macadam. We have never suggested to not build in that area. No-build specifically refers to whether we build a tram or whether we build something else. We submitted testimony and a study to the planning commission that documented an 8.5 minute average connection time between north macadam and marquam hill including the morning and evening commute times, that's solid evidence you need look at and the planning commission look at to see whether this boone dog connection is even necessary so we do suggest you take a look at that but in this resolution, in the work plan, in the, in this chart here, let's clearly call out in the process, or the project assessment phase, no-build, and so the process will end right there, so these things need to be changed and come back to you a little bit later so it's clearly that so we know what we are looking at, otherwise the work of the planning commission really has been wasted and I think they put a ton of time in. I know a couple of the commissioners are here. It's very important their work be considered in this process or they are going to wonder why they put the time in.

Katz: Larry. Thank you.

David J. Redlich: Good afternoon. I am david rutledge, president of the homestead neighborhood association. My commends today are rather disorganized as I just found out about this hearing at 10:00 on monday evening. And have a very good time to read the documents and I have had no time to read the amendments. I didn't even know there were any amendments to this document that were created, presented earlier today. And I am going to speak to the issue of public involvement. From almost day one is has seemed to many observers that the marquam hill plan, the tram has

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been a decision that's been in search of a process. This goes back to the access that was denied to the neighbors during the tours sponsored by the mayor's office, the hilt given to the council and the planning commission, and proceeded on for the last year up until motion recently when we have a situation where documents are released, in this case, the marquam hill plan, ten days prior to the actual hearings on the marquam hill plan giving my neighborhood association ten days to analyze the document, to get feedback from my neighbors, to prepare a response, and to be prepared for the hearing. The timing was such that at no time did I have an opportunity to go back to the neighborhood at large because of the accelerated time frame. This is more of the same. This body has an obligation to bring the public abroad-based public involvement into this issue, and frankly in my estimation it has been derelict in its duty. That's why i've said this is a decision in search of a process. I want to clarify first of all, most importantly, that my neighborhood does not oppose ohsu, pursuing its goals. In fact, many in my neighborhood, myself included, are supportive of the goals that they are working towards. Where we draw the line is where the burdens and the impacts cross from their property onto our neighborhood and onto the parks in our neighborhood. And we are simply not willing to bear that burden. We have been bearing this burden for 0 years now. We have put forth these items to the city and not one of them has been implemented. And we are drawing a line here. The tram is more than just -- the whole marquam hill plan is more than just the tram, but it's the traffic that is putting on the limited transportation infrastructure in my neighborhood, but the tram is most visible because it's so egregious in the impacts and the narrow benefit that it presents. The peer review that has been referred in support of this was a very narrow process. Yes, technically, it is possible to put more cars on the road. Yes, it is possible to technically build a tram. But, at no time did that peer review ever consider whether or not it was simply a good idea for livable communities, livable neighborhoods to build a tram and put the added traffic on the limited road network of my neighborhood and on the terwilliger parkway.

Katz: Thank you.

Irwin Mandel, 1511 SW Park: Good afternoon. Irwin mandel, 1511 southwest park avenue. People of little imagination think of the possibilities for a connection between ohsu on the hill and south macadam that you haven't come up with. Let me suggest some of them to simple, simply a ropeway or a ground buses. First of all, you might have thought about having an elevated busway, you know, bidirectional, put it up on nice concrete pylons, so we have an elevated busway. Also, you might have suggested an elevated cable car system, not just the gondola ropeway but a full-fledged cable car system. Or, third perhaps Portland is ready for its first monorail, suspended monorail directly between the hill and south macadam. And since I am a great fan of science fiction, in addition, and the way this process is going, it may take long enough so that you could have a magnetic monorail that is not just simple mechanic going on a monorail. Now, my friend over here came up with an even greater suggestion. How about an underground pneumatic tube connecting it.

Katz: Actually, we thought of that one. We thought about it.

Irwin Mandel: Okay. You don't even need cars, you can shoot the people directly through the tube. Ignore t. [laughter]

Katz: Using water. We thought of that.

Irwin Mandel: Water? If you provide snorkel equipment in the process, sure, why not.

Francesconi: Are you paying for these, irwin?

Irwin Mandel: What?

Francesconi: Are you paying for these?

Irwin Mandel: Am I angling?

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Francesconi: Paying for them? Paying:

Irwin Mandel: Oh, paying for it? No, good heavens. That's your job. Not mine. [laughter]

Francesconi: That's what I thought.

Mandel: But anyway, thank you for listening to me. [laughter]

Katz: Karla.

Moore: That's all who signed up.

Lili Mandel, 1511 SW Park Ave.: I want the last word. This won't take long.

Katz: Oh, okay.

Lili Mandel: I am very short.

Katz: Whether we agree with you or not you are always welcome, both of you here. Short or long.

Lili Mandel: Thank you. It's not a question of, if it's a good or bad idea. But the tram shouldn't trample on the Portland public process. One more statement, people were very concerned about time. Yes, it takes time but democracy, unfortunately, does take time. There's one thing I was sitting here and I just can't keep quiet about. Someone showed a picture of a parking tower for tourism. Well the tourists are going to appreciate, again, our parking architecture. This, I could not bear without a comment. Thank you.

Katz: Thank you. Anybody else? What? No, you have testified already. [laughter]

Katz: You want to testify again? One second then. Anybody else want to testify? Okay. Amanda.

Amanda Fritz: Amanda fritz, speaking only for myself. I want to clarify that the planning commission didn't recommend having this hearing today. I think it was everybody's impression that it would happen after June 26th because then you are going to be able to make the policy decision about whether this, this proposed system can comply with the comprehensive plan whether it's a good idea on balance and what kinds of zoning code amendments need to happen. As one of the previous testifiers said, it's currently not exhibited by the zoning code, so we should be having the policy discussion first and I think it's very, very unfortunate beyond unfortunate that we are having this hearing today. Secondly, I just wanted to make the point that there is not enough time for appropriate public involvement and public testimony before June 19th. Especially if we are going to do some kind of EIS or 106 process, and I would like to you answer that recommendation from the planning commission as to whether that is something that should be included. But, either way, June 19th is three weeks away or so, and that's not enough time for a proper public involvement. I would also like you to answer the question about whether this should be a city-wide policy, and I also want to clarify that the planning commission's recommendation Opt Marquam Hill plan includes several alternatives of the no-build scenario including things like a fleet of cars that could be used, improvement to say Sam Jackson Park Road. There are various other things other than the shuttle bus, and I think that several people both in the testifiers and those considering making the decisions thought that the alternatives had not been sufficiently considered. We are not persuaded by the studies that the taxpayers paid for in the Marquam Hill plan and felt like this needed more discussion on what the alternatives could do.

Saltzman: Question, of Amanda.

Katz: Go ahead.

Saltzman: I guess first of all, I should ask you when the planning commission did take out all the language referring to the suspended cable transportation system and sort of advised a more thorough process, were you supportive of that or were you objecting to that?

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Fritz: No, I think that it was pretty unanimous. I shouldn't speak for the planning commission, I am unauthorized to do that, unfortunately, if we had more time we could have had somebody here, but yes, I think that there was a definitely feeling there wasn't adequate evidence to either support or deny this proposed system, and the council, yourselves, a year or so ago said that the tram should be considered a part of the marquam hill plan. It hasn't -- all of the aspects of it haven't been properly considered and so the planning commission is recommending that it go into its separate process, it needs, there needs to be time for that process.

Saltzman: I understand that, so there was a decision to remove the decision and put it into this age-separate process, that may look like an eis. The type of studies are section 106. So you agree or disagree that the process that has been set forth here today looks at those types of issues. It's not a formal eis and nobody here is saying that it has to be a formal eis in the federal sense of the word, but do you believe this process does look at the full advantages and disadvantages of each option?

Fritz: I don't see how it could possibly do that in three weeks, but you said you did. It's really difficult for me to say because I also just saw this on monday and amendments were flying back and forth this morning, so it's not clear to me exactly what is being proposed for this process.

Katz: Gill left? He left. Okay. Come on up.

*****: Gill had to go to a river renaissance --

Katz: Let me just -- susan, just because you are the staff person, did you hear anything that needed to be clarified for the council?

Susan Hartnett, Bureau of Planning: Nothing significant

Katz: Identify yourself for the record.

Hartnett: Susan hartnett, bureau of planning. I don't think that there was anything in what I heard that's significant in terms of, of difference of perspective or anything like that.

Katz: Okay.

Francesconi: What about public notification of this hearing? --

Saltzman: What about public notification of this hearing?

Hartnett: Matt brown e-mailed me the resolution last thursday and I forwarded it to our community and technical advisory group list which is over 50 individuals, and I did also forward it to all the members of the planning commission last thursday so, we did the best we could with short notice. Last week at the planning commission hearing or discussion on the marquam hill plan, there was a specific question asked about when this would be considered by council and I told them that I believed it would be in the next couple of weeks. -- and I told them that I believed it would be in the next couple of weeks.

Saltzman: Did you want to -- was there any response to say anything that was said?

Katz: From the pdot, anything else you want to add? That you have heard or anything --

*****: The only thing that I might add is that --

Katz: Identify yourself.

Williams: Brant williams, city engineer. The eis process, which what was referred to as an eis-type process and many of the criteria that we are looking at through this process is consistent with how typical eis's are conducted. The time frame associated with normal eis's, for your information, can be anywhere from a year to, to two or three years. That's mostly due to the level of review by typically the state and federal agencies, but many elements of what we are talking about here is consistent with eis processes, especially looking at a no-build alternative.

Katz: So what you are referencing are the neighborhood impacts, all the lists of items on this sheet.

Williams: Correct.

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Saltzman: Were you going to say anything else?

*******:** I guess --

Saltzman: I can't help but agree that that's a very ambitious load to do in about three weeks, even though it's still a draft report. I mean, do we have the resources and the ability to also provide adequate public process?

Williams: Well, we do agree that it's a fairly ambitious schedule. We want to get as much information to the council for your deliberations.

Saltzman: It's an ambitious scope too

Williams: That's correct. And quite a bit of work has been done looking at various different alternatives, including some of the work that was done for the shuttle option, and we want to incorporate that and build upon it, so we will do that over the next three to four weeks. We will bring this draft report to council. If it's not enough information for the council to make a decision regarding the marquam hill plan, we will continue our efforts until you do have enough information to make that decision.

Hartnett: Commissioner Saltzman, one thing I would mention is that probably back around january when the peer review group completed their work and recommended that some additional work be done, we began, to the degree that we could, to undertake that work so, for example we have been doing some transportation modeling work with perform do the and metro and tri-met. At that time, we weren't exactly sure where that information was going to go in this process, and at this point, I have turned it over to matt quite willingly, but that's what brant is talking about when he says that we have been trying to move forward starting back in january of gathering the additional information that the peer review groups suggested. It hasn't progressed to the point where there was sufficient information from the planning commission's perspective on specific alternatives or specific technologies, but there is quite a bit more information than what the planning commission heard in january.

Saltzman: Does the environmental impact approach that's recommended by the planning or whatever this process, which we are more or less saying is our assessment approach, does it include economic criteria? As ohsu has mentioned? Is that -- as one of the factors that goes into advantage, disadvantage?

Brown: I would also ask brant to help me with this, but it does typically the eis processes do include, you know, the full range of impacts, so it would include the types of economic impacts you would see in the communities.

Saltzman: So that is our intent here, too, then? To look at economic criteria in this process?

Williams: Actually, I have to say, I would have to look into that because this other project that we have been working with odot on the mlk viaduct, which you are familiar with, there was not an economic analysis done as part of the environmental assessment there so I would have to go back and talk with the staff at the department of transportation and see what criteria is there regarding economic analysis.

Saltzman: Okay.

Hartnett: The other thing that I would add is that as gill was saying just before he left, that one of the, one of the things that we are hoping the council can achieve in this moving forward with that phase two right now is when we come back in june for consideration of the marquam hill plan, some of what has been done as part of the marquam hill plan really is something of an economic analysis. It's not necessarily an economic analysis of the range of transportation alternatives but it does speak to the potential economic benefits for the city and ohsu's expansion. So I think that the

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graph you pointed to back here is kind of our attempt to say let's get some more information and bring it together at some point in the future for the council to look at in more detail.

Saltzman: I would recommend we find a way. I know the viaduct is probably governed more by state and federal law but this is really our own process so we ought to find a way to get economic criteria and it's not really the aggregate benefits to the city, or cost to the city, it's really the relative economic criteria associated with each one of the options looked at. That's what ohsu's point was and it's a fair point, and, you know, it's an appropriate point that we all have to consider in our decision-making so we might as well have you look at that and have the public have a chance to look at that, too.

Katz: Okay. Further questions? All right. Discussion? Is council ready to make a -- take a vote on it. Roll call.

Francesconi: Well, i'm going to vote in favor of this. I wish the process, and it's nobody's fault, had been a little better but if we delay the process now, it's going to shorten even more the public involvement on the type of transportation connections that we want. I guess I have some, some preconceived notions here that have to be tested, and so I want you to test them in this report. One preconceived notion is that everybody agrees to, we want ohsu and macadam, as opposed to this suburb so I am not asking for any feedback on that. There's a lot of reasons and we can talk about that later. My preconceived notion is to actually do that, at least from ohsu's standpoint. People need to hear me. It's going to take an aerial tram to do that. Now, the question is, what is the neighborhood impacts, what's the transportation access, what's the feasibility, the implementation costs, the maintenance and operation and public safety, and what are the tradeoffs, and that's what I really need from you. Now, if I am wrong about shuttle buses will actually make them invest in north macadam, let me know but I find that hard to believe. I think that we should -- anyway. So maybe you will discover something I am unaware of. On the -- I also believe that the gondola will have a disproportionate impact on terwilliger parkway and the park and it's going to cause so much damage, I find that hard to believe that that's an alternative. But, I will look forward to seeing that from your study here. So, what I am really looking for is, you know, the, what's the impact. I think that rick michaelson actually said it right in a sentence in his -- the option with the greatest benefit, and to the city, the least negative impacts and the best options for mitigation, so frankly, that's what I am looking for from you in this report, and I think that under the circumstances, you created a process that will allow that answer. My last, along with other information that we are going to get from marquam hill process, et cetera, my last comment is, I want your report here by june 26th. At that point, we can determine whether we need more information, aye.

Hales: Well, I think this is a reasonable process for making a technical evaluation or pairing a technical evaluation with a land use question that's already underway, and I think it should be started now, if not sooner, so we will have to start it now. I guess just a quick footnote, process matter, the formalities matter and we have got to deal with that but just a quick footnote about the people involved. The council knows these folks pretty well but for the community's sake, brant williams doesn't have a devious bone in his body and is a fair-minded person and is easy to work with. Matt brown fits that evaluation, also, but some of you may have worked with matt in dealing with the difficult contentious issue of local improvement districts in southwest Portland, and he managed to do that and have people feel like the process was fair and that he was fair and that he was open-minded, so if that's any reassurance to folks that are worried about this process, I have the highest confidence in these two people and more importantly, so do the neighborhood activists who work with them, and matt in, particular because he worked with people at the neighborhood level on those issues, so I think that you can rely on these folks to be accessible, to be open-

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minded. So work with the community. Again, on a difficult question, and one that's not, obviously, popular, but frankly, neither were local improvement districts. Aye.

Saltzman: First of all, I want to just make sure that the report is due to us on the 19th, not the 26th, as it says here on this diagram because too much planning work, we get everything right in time, just in time, and that's not sufficient for reading it. So, it says 19th here so that's when I am expect that go draft report. When I first heard this far whole change to the process of really calling out the whole suspended transportation system and treating it in this independent process, rather than as part of the marquam hill plan, albeit, the idea originated from the planning council, I really felt it was detracting, at least from the perception of impartiality that the council should have when it considers the marquam hill plan and a decision about the appropriate time of -- type of connection between north macadam and ohsu. And in many respects I still feel this does seem to be a little bit of the cart before the horse. But, I am also -- but that seems to be the way the planning commission wanted us to proceed and it's not an invalid procedure -- way to procedure. It's an ambitious schedule. It's a lot to cover but I also know as you have pointed out, it's been preceded already by a lot of information that has been generated and the public has had a chance to participate in, even though that schedule, too, was relatively short but you have allowed yourself time, when I hear of two, ten-hour planning commission sessions, that's a lot of time. So I am going support this resolution. I just want to echo the request, again, one more time that we not be presented with this on the 26th, that we get it, as well as the interested public, have this report june 19th. Aye.

Katz: I need to confess that I was somewhat disappointed that the planning commission pulled this piece out at that time, but they, they spent a lot more time on this issue than I did. And so I respect that. I can be disappointed but I can also respect it. I have to tell you when I heard that we were going to proceed on this and I asked, and who is going to be doing this? And the answer was, matt brown. And I went, phew: [laughter]

Katz: So, commissioner Hales, I second that. I think I have worked with matt several times on very contentious issues, like the entire council, and he's going to be a pleasure for everybody to work with. He has a fine, sterling reputation. Not that the two of you don't. But, he's been given assignments by some of you to make things that are very difficult happen, so I think that it's in good hands. And susan, we will hold off until the marquam hill plan comes to us before we give you kudos, but I know it's been -- it's been hard work, as well, aye. Susan, you wanted to say something about the date? I want to clarify.

Hartnett: I just wanted to clarify for commissioner Saltzman that the marquam hill plan associated documents will be available on june 7th. So, it's just the pdot report that's coming out on the 19th. So there will be more time on that.

Katz: I think that's what he wanted.

*****: As long as it's here by the 19th.

*****: Thank you very much.

Katz: We stand adjourned until 6:00 tonight [Council budget work session].

At 3:42 p.m., Council adjourned.