



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 28TH DAY OF NOVEMBER, 2001 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; Harry Auerbach, Senior Deputy City Attorney; and Officer John Scruggs, Sergeant at Arms.

Items No. 1371, 1379, 1380 and 1381 were pulled for discussion and, on a Y-5 roll call, the balance of Consent Agenda was adopted.

<p>1365 TIME CERTAIN: 9:30 AM – Introduce Carl Simpson as Director of Bureau of Emergency Communications (Presentation introduced by Commissioner Saltzman)</p>	<p>Disposition: PLACED ON FILE</p>
<p>1366 TIME CERTAIN: 9:35 AM – Amend Portland Comprehensive Plan map and Title 33 Planning and Zoning to facilitate the transfer of planning and zoning code administration for specified unincorporated Multnomah County areas within Portland’s Urban Services Boundary from the County to the City (Ordinance introduced by Mayor Katz; amend Title 33)</p>	<p>PASSED TO SECOND READING DECEMBER 5, 2001 AT 9:30 AM</p>
<p>1367 Authorize Intergovernmental Agreement between the City and Multnomah County to transfer planning and zoning administration for specific unincorporated urban areas within the City Urban Services Boundary from Multnomah County to the City (Ordinance introduced by Commissioner Hales)</p>	<p>PASSED TO SECOND READING DECEMBER 5, 2001 AT 9:30 AM</p>
<p>CONSENT AGENDA – NO DISCUSSION</p> <p>Mayor Vera Katz</p>	
<p>*1368 Pay claim of Jerry D. Rickles (Ordinance) (Y-5)</p>	<p>176093</p>
<p>*1369 Authorize change orders with Par-Tech Construction, Inc. for remodels of Fire Stations 10 and 14 and provide for payment (Ordinance; amend Contract No. 33180) (Y-5)</p>	<p>176094</p>

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<p>1370 Accept contract with Par-Tech Construction, Inc. for remodel of Fire Stations 10 and 14 as complete and authorize the final payment and release retainage (Report) (Y-5)</p>	<p>ACCEPTED</p>
<p>s - *1371 Contract with Entercom Portland for \$49,200 to promote and produce a New Year's Eve celebration and provide for payment (Second Reading Agenda No. 1352) Motion to accept the substitute: Moved by Commissioner Francesconi and seconded by Commissioner Saltzman. (Y-5)</p>	<p>SUBSTITUTE 176100</p>
<p>Commissioner Jim Francesconi</p>	
<p>*1372 Contract with artist Joseph Cotter for copyright assignment and use (Ordinance) (Y-5)</p>	<p>176095</p>
<p>*1373 Apply for \$500,000 grant from National Park Service, Urban Park and Recreation Recovery Program, to undertake Phase II rehabilitation and restoration improvements at University Park Community Center (Ordinance) (Y-5)</p>	<p>176096</p>
<p>Commissioner Charlie Hales</p>	
<p>*1374 Intergovernmental Agreement with Port of Portland to ensure compliance with Federal Aviation Administration regarding wind turbine (Ordinance) (Y-5)</p>	<p>176097</p>
<p>*1375 Interagency Agreement with Portland Development Commission for 2001-2002 professional and technical services for transportation improvements (Ordinance) (Y-5)</p>	<p>176098</p>
<p>Commissioner Dan Saltzman</p>	
<p>*1376 Authorize contract with Friends of Zenger Farm for work on Project Impact demonstration project (Ordinance) (Y-5)</p>	<p>176099</p>
<p>1377 Accept conveyance of one property from Metro to City (Ordinance)</p>	<p>PASSED TO SECOND READING DECEMBER 5, 2001 AT 9:30 AM</p>
<p>1378 Consent to transfer of Gaylen Kiltow Sanitary Service residential solid waste and recycling collection franchise to Portland Disposal and Recycling Service, Inc. (Ordinance)</p>	<p>PASSED TO SECOND READING DECEMBER 5, 2001 AT 9:30 AM</p>

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Commissioner Erik Sten	
<p>*1379 Agreement with Albina Community Development Corporation, Inc. for \$40,000 for the Boise-Humboldt Home Repair Program and provide for payment (Ordinance) (Y-5)</p>	176101
<p>*1380 Ratify previous grant of franchise to Global Crossing Local Services, Inc., and direct the Office of the Auditor to send an Acceptance (Ordinance) (Y-5)</p>	176102
<p>*1381 Ratify previous grant of franchise to Worldcom Network Services, Inc., and direct the Office of the Auditor to send an Acceptance (Ordinance) (Y-5)</p>	176103
REGULAR AGENDA	
Mayor Vera Katz	
<p>*1382 Accept \$40,000 grant from U.S. Department of Justice, Office of Justice Programs, Weed & Seed program for Lents and Brentwood-Darlington neighborhoods (Ordinance) (Y-5)</p>	176104
<p>1383 Adjust FY 2001-02 Budget for Fall Budget Adjustments (Second Reading Agenda No. 1360) (Y-5)</p>	176105
<p>*1384 Authorize the Purchasing Agent to sign a Purchase Order as a contract with ASAP Software, Inc. for an Enterprise License Agreement for Microsoft software licenses (Previous Agenda No. 1364) Motion to take this item back to the Mayor's office: Moved by Commissioner Hales and seconded by Commissioner Francesconi.</p>	REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION
Commissioner Dan Saltzman	
<p>*1385 Accept a performance-based grant from Oregon Energy Service Company to market Portland General Electric Multifamily Residential Energy Efficiency Program and assist property owners with energy conservation projects (Ordinance) (Y-5)</p>	176106

At 10:25 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 28TH DAY OF NOVEMBER, 2001 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; Linda Meng, Chief Deputy City Attorney; and Officer Peter Hurley, Sergeant at Arms.

Commissioner Francesconi arrived at 2:05 p.m.
Commissioner Francesconi left at 2:48 p.m.

<p>1386 TIME CERTAIN: 2:00 PM – Accept Portland Office of Transportation report on utility construction practices (Report introduced by Commissioner Hales)</p> <p>Motion to adopt the Report: Moved by Commissioner Hales and seconded by Commissioner Saltzman.</p> <p>(Y-4)</p>	<p>ACCEPTED</p>
<p>1387 TIME CERTAIN: 2:30 PM - Tentatively approve the proposal of Freightliner LLC and overrule the Hearings Officer’s recommendation for denial of a Statewide Planning Goal Exception, Comprehensive Plan Amendment and Adjustment Review, to construct a wind tunnel facility at riverfront property located on Swan Island, on the north side of N Lagoon Avenue (Findings; LUR 01-00327 GE CP AD)</p>	<p>RESCHEDULED TO DECEMBER 5, 2001 AT 2:00 PM TIME CERTAIN</p>

At 2:56 p.m., Council recessed.

November 29, 2001

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 29TH DAY OF NOVEMBER, 2001 AT 2:00 P.M.

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

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

***1388 TIME CERTAIN: 2:00 PM** – Adopt the fall FY 2001-02 supplemental budget in the amount of \$104,726,040 and make budget adjustments in various funds (Ordinance introduced by Mayor Katz)

176107

(Y-4)

At 2:10 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.**

NOVEMBER 28, 2001 9:30 AM

[roll call]

Katz: Let's take the consent agenda item. I've been requested to pull off 1371, 1379, 1380, 1381. Anybody else want to remove a consent agenda item? If not, roll call on the consent agenda.

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

Katz: Mayor votes aye. [gavel pounded] 1371.

Item No. 1371.

Katz: I need a motion to substitute. The only difference is we're putting in emergency clause. They need to get paid.

Francesconi: So moved.

Saltzman: Second.

Katz: Hearing no objections, thank you. [gavel pounded] sam, do you want to come up? Phyllis has been working on this, but she's on vacation.

Sam Adams, Office of the Mayor: Good morning, my name is sam adams. I work for the office of the mayor. This ordinance approved -- this ordinance was authorized in the current adopted budget to provide programming during new year's eve at the Portland square from 7:00 p.m. To midnight. It has been reduced by the 1.6 amount that all special appropriations, the actual original \$50,000 is now 49,200. The programming will be family friendly, no alcohol, it will include a gated fenced square to ensure security. The music will be swing, blues and adult contemporary and include entertainment from the Portland opera swing cast members. The event is intended to attract families downtown and to help businesses and thus avoid any disturbances. It's a scaled-down version of what we put together for the millenium. The contract you're approving today is with entercom communications, which owns a number of radio stations in the area, and for the \$49,200 entercom will be leveraging that and matching that with promotional spots and producing the event, valued at \$350,000. So it's a very good match for the city's investment. The promotional spots will not only promote the event, but equally importantly they'll be promoting downtown as a destination during the holiday season for people to shop, leisure activities, the city will be on the hook for paying the overtime costs as we would be for most of these events and the emergency clause is necessary as the mayor said to make sure that entercom has the money now to procure the entertainment acts and to the equipment necessary to produce the event.

Katz: Okay. Questions?

Francesconi: Could you sing a stanza from one of the types of music so we get an idea whether we approve?

Adams: Normally I would be very pleased and enthusiastic, but I have a cold today.

Katz: All right. Thank you. Anybody else want to testify? You promised it was only commissioner --

*******:** This was approved three weeks ago through a no discussion item. I just wanted to say that. You know, the 49,000 was approved. Read the agenda. It was two weeks ago or three weeks ago.

Katz: I'll double-check. But i'll approve it again. Roll call.

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

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Katz: Mayor votes aye. [gavel pounded] your turn, commissioner Sten. Item 1379.

Item No. 1379.

Katz: Come on up. Identify yourself. You might as well sit here.

Tom O'Keefe, United Community Action Network: Tom o'keefe, united community action network. The only reason I pulled this agenda item is I did some research and I came to your office a couple weeks ago and I wanted all pdc tax abatements to be provided to me, and you gave me the game I had to pay for them. I need to read those. Because I have found out there was an exemption you gave about eight years ago, you had nothing to do with this, I think kafoury did, but it's your office still, and they gave out \$2.7 million exemption for ten years to receiver place condominiums, 190 units built, second phase. And out of those 190 units, the city asked to provide 5% in low-income units, which was ten studios. I talked to them a couple days ago, and -- to see if the units were still available, because the exemption has not expired. Well, they are available. They used to be \$356 per unit. They are now \$695 per unit. Normal rent would run 780. I asked what type of formulas they were using to calculate rents. There's people ripping off -- anybody that puts -- when you're trying to preserve 1200 units in the core in the central city, and you put this under urban renewal area, any of those units that go into that 1200 pool that fall under a tax abatement are property capital improvement tax exemptions, however you want to put the term. Those things disappear in ten years. They're smoke and mirrors.

Katz: Tom, do you want to respond to --

O'Keefe: That's what i'm responding to. You've done been ripped off.

Katz: Anybody else want to testify on 1379? Roll call.

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

Katz: Mayor votes aye. [gavel pounded] 1380.

Item No. 1380.

Katz: Do you want to identify yourself for the record?

O'Keefe: Tom o'keefe, united community action network. Go ahead, karla. Next one.

Katz: Anybody else want to testify on 1380? Roll call.

Francesconi: Tom, I know I risk at the next council meeting getting all mine pulled, but when we have a procedure where you can talk to us, that's the way to do it. It's not to pull things off unless you want --

O'Keefe: Not many people can do that.

Katz: We're in the middle of a vote.

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

Katz: Mayor votes aye. [gavel pounded] 1381.

Item No. 1381.

O'Keefe: My name is tom o'keefe, united community action network. Remember, you gave these people a ten-year tax abatement exemption. You took 2.7 million, they don't have to pay that, 1.5 million came from your coffers, 1.3 million -- 1.2 million came from counties and schools. But yet, these units don't exist. You figure.

Katz: Anybody else want to testify? All right. Roll call.

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

Katz: Mayor votes aye. [gavel pounded] all right, everybody. We are now at time certain. Item 1365.

Item No. 1365.

Saltzman: I'm very pleased today to introduce you to the new director of the bureau of emergency communications, carl simpson. Carl has been with us just about two months now, and I think we all recognize the importance the 9-1-1 service, bureau of emergency communications plays as a vital link to our public safety role as a city, as communications is the lynch pin of how our police and fire

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respond as well as our emergency medical providers respond to situation that's are often the most dire situations in a person's life. As the recent events have definitely shown us, we've really strengthened our knowledge and understanding of the vital role that good communications play not only in having good people on the receiving end of those 9-1-1 calls, but also having the ability to make sure that those dispatch calls get out to our police, fire, and emergency medical providers, and as we know, there's a lot of issues these days with the fcc that we need to deal with. We did an extensive nationwide search, we had over 60 qualified applicants and I think we're very fortunate we have Carl Simpson leading Boec today. He comes to us from Colorado with extensive experience in both the private and the public sector with respect to emergency communications, most recently Carl was working as the manager of a large emergency communications company, SCC Communications in Colorado, and before this he was director of emergency communications in Longmont, Colorado. And he's also been on -- he's been on the front lines of emergency communications and he's probably held just about every position one can hold in these jobs, including working as a dispatcher himself in Fort Collins, Colorado, during the late 1980s. So I think this gives him a unique perspective both on labor and management relations. Finally, he's got a stellar track record as the director of communications in Longmont. He achieved many of the goals that were important to me in hiring a new director, and that is achieving a continuously maintaining full staffing. He did that throughout his tenure as director in Longmont. Also keeping recruits. Keeping the new people into the program and making them actually dispatchers and call-takers. He -- he -- his retention of recruit rate improved from 20% to 75% retention during his tenure, and the other important thing is the turnover of regular employees during his tenure dropped to 7%. These are all key issues we're dealing with Boec in an effort to reduce overtime we need to have new recruits and we need to make sure we have full staffing. So please join me in welcoming Carl and his wife Johnnie to Portland.

Katz: I had the opportunity to meet you at an interesting meeting, so I want to welcome you and your wife here. Would you like to say a few words?

Carl Simpson, Director, Bureau of Emergency Communication: Thank you, Mayor, Carl Simpson, Boec Director, Council members, it's a pleasure to be back in Oregon. We lived here for several years and took an assignment in Colorado and we just are thrilled to be back. The challenges presented at Boec are going to keep me busy for quite some time, and I can't tell you how much I appreciate the opportunity and sincere welcome that we've received.

Katz: Thank you. I just want to let you know, you picked the right person, Commissioner Saltzman. When I was in New York I went to their 9-1-1 center, and we spent a considerable amount of time there, and when I raised some of the issues to you, you were very knowledgeable about what needed to be done and I want to congratulate you for thinking ahead on some of the issues you identified.

Simpson: Thank you, Mayor.

Katz: All right. Thank you.

Saltzman: Thanks.

Katz: 1366.

Items No. 1366 and 1367.

Katz: Come on up. Okay.

Bob Clay, Bureau of Planning (BOP): Good morning. For the record, Bob Clay with Portland Bureau of Planning. To my right is Karl Lisle, who served as project manager for this project with the Bureau of Planning, and to Karl's right is Miriam Hecht with the Office of Planning Development Review. I wanted to also mention several other staff who are sitting immediately behind me in Council Chambers this morning and who have also worked on the project. They include Linly Rees, who worked very hard on our intergovernmental agreement, provided us significant legal advice throughout this project that's been in the works now for a number of years. With her is Kathryn

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beaumont from the city attorney's office, susan muir, the director of planning from Multnomah county is also here this morning, and susan played the very instrumental role with our hearings before the Multnomah county planning commission and the Multnomah county board of commissioners. With her this morning is also cathy bussey, who participated with us in the process, and sandra duffy from the Multnomah county council office. Also I wanted to mention susan feldman is here this morning from the office of planning and development review who participated with us, and tom mcgwire played a yeoman's role with respect to goal 5 work and the application of environmental zones to the unincorporated portions of Multnomah county. Tom is not here with us this morning. Briefly I wanted to -- we would like to present both ordinances together --

Katz: Then let's read the other one. 1367.

Clay: Okay. The reason for presenting the two ordinances together is obviously they have important links. First are a set of comprehensive plan amendments and secondly is the intergovernmental agreement that will transfer the authority. Bringing these two ordinances enables the city to assume responsibility for both planning and zoning administration for the unincorporated Multnomah county areas within the city's urban services boundary. The first ordinance makes five comprehensive plan and zoning map amendments and two zoning code amendments to enable the transition. These are technical amendments and not major policy decisions. The significant land use decisions like adopting the new zoning maps have already been made by the Multnomah county planning commission and the Multnomah county board of commissioners. Carlisle will speak briefly in a few minutes to those seven amendments to our comprehensive plan and the zoning ordinance. The second ordinance if adopted would authorize the city to enter into a new intergovernmental agreement with the county to begin planning and zoning administration in the unincorporated areas and miriam hecht from opdr will briefly discuss the i.g.a. after Karl's presentation. I wanted to highlight several key points with respect to both ordinances. First of all, this is a county project that was intended to bring Multnomah county into compliance with the metro functional plan. And that we the city, opdr and the bureau of planning have served as consultants which will continue to serve in that capacity and become service providers under the transfer agreement. Annexation is not part of the project, and it has not been since the beginning. Just to give you a little more history and background, the first agreements between Portland and the county were at first adopted through an urban planning area agreement in 1979. The planning agreements intended to aid in information and increase efficiency with respect to planning. As you may recall, the building permit administration function was transferred over ten years ago, and this is a continuation and a step in that direction. In 1998, Portland city council and the Multnomah county board adopted an urban planning area agreement that was an amendment that expanded new regional requirements for the city county relationship with respect to the metro's functional plan. And it put the city in the position of achieving metro functional plan requirements and compliance for Multnomah county. I wanted to mention that the project was initially supported and spearheaded by city commissioner charlie Hales at the time -- several years ago and former commissioner today commissioner dan Saltzman. They'll remember I think the kick-off of this project a number of years ago now. Areas in Portland urban service boundary are the city's ultimate planning responsibility, and use of Portland's code makes sense because Portland's code is urban and the county's code is rural. Portland would be undertaking a series of changes to comply with the urban growth management functional plan anyway, and most all of those elements we have already complied with. So it makes it a lot simpler and an easier mesh for us to go ahead and administer our code for these unincorporated pockets. On october 11th, after a lengthy public hearing, the county board of commissioners adopted the following items in anticipation of the intergovernmental agreement. The county board adopted new zoning maps for the unincorporated areas using Portland zoning designations. All the easy environmental work was done and the

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environmental overlay zones of the city of Portland were applied to these unincorporated areas. Portland's comprehensive plan and development-related titles of city codes 10, 32, 33, and 34 were also amended, and will be back to you shortly with adoption ordinances for floodplain-related sections of title 17 and 24. We hope next week. I'm sorry, just the county. In addition, we adopted design type boundaries for the metro functional plan as well that were part of the compliance effort. So that's kind of the big picture overview I want to share with you this morning and kind of where we've come from in this project. And Karl and Miriam will talk about the specific elements of the ordinance.

Katz: Go ahead.

Karl Lisle, Planning: For the first ordinance, which is the package of seven technical amendments to the comprehensive plan map, zoning maps and zoning code, I'd like to run through quickly the seven. They're included in the planning commission's recommended report in your packet and it should be fairly straightforward. If you have any questions, go ahead and ask them as we go. The first is a proposed amendment to the Portland comprehensive plan map as it was established under the outer southeast community plan. This proposed amendment would change the Portland comprehensive plan designation for a small unincorporated area to match the current zoning of the area which was not the same as it was established under the outer southeast community plan. That plan established a blanket designation for the area. This is shown in the ordinance on -- in exhibit b. There's a map of this area. It's on the east side of Powell Butte. Beneficiary Butte. Basically the zoning was not -- the current zoning in the area as proposed -- as adopted now by the county board of commissioners was derived by just taking the closest equivalent to what the county zoning had been in the area, and that created a conflict with the established Portland comprehensive plan map designation of R10. The actual current zoning and what we're proposing now to be the comprehensive plan designation matching the current zoning in the area and is a combination of R7, R5, and some manufacturing -- light manufacturing zones.

Saltzman: What map is that?

Lisle: If you look -- it's map 1 and 2. They're included as exhibit b to the ordinance.

Hales: In front of all the other maps.

Lisle: Right. They're called pocket 16 and 17.

Saltzman: Oh, okay.

Lisle: So the area in the dark outline is the unincorporated county areas. You might be familiar with the large area in the middle is Portland Gun Club, and they had had a designation of R5, basically an R5 for as long as we know in the county, and we then converted their zoning to a city R5 to be equivalent, and that created a conflict with the city's comprehensive plan designation as established under the outer southeast community plan of R10. So that's a violation of state law to have that kind of a difference in comprehensive plan and current zoning designations. The other way is okay if the zoning designation is less intense than the comprehensive plan, that's all right, but this is the inverse. So we're faced with a situation of basically two choices, either amend the comprehensive plan designations as they were established under the outer southeast community plan to be consistent with the actual zoning in the area, or basically tell the county they have to change the zoning on all these parcels, which would create some nonconforming uses and unhappy property owners. That's the first one. The second thing is basically establish Portland comprehensive plan map designations all the way out to the urban services boundary in all cases. Some areas have been covered by city of Portland community plans like the southwest community plan has included several unincorporated areas and the outer southeast community plan included those areas, and others in the northwest hills have not been covered, so do not currently have Portland comprehensive plan designations. This would establish those designations to be consistent with the zoning except in the cases where the various Portland community plans have already

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established different community -- comprehensive plan designations. We need to do that because we can't actually apply under state law we can't apply the implementing arm of the comprehensive plan to these areas which is the zoning code unless the comprehensive plan actually does cover the entire urban services boundary. So this would add all the designations to our comprehensive plan map. The third proposed amendment is a minor technical amendment of the location of the urban services boundary. This would bring three parcels, totalling 11 acres, in the canyon area into the urban services boundary. We have been unable at a staff level and working with metro to find out why this area wasn't included in the urban services boundary previously. It's the only case in the forest park area where the urban services boundary is not consistent with the urban growth boundary and staff felt it should be, so we're making this amendment now. The fourth item is to reconfirm and verify the urban services boundary as an element of the official Portland comprehensive plan map. This issue has been up in the air. We haven't been completely sure, we've been treating the urban services boundary as an element of the comprehensive plan map for some time now, but it isn't in the history of the various adoptions of official comprehensive plan maps has never beneficially stated that it is indeed part of an official element of the comprehensive plan map. And now with our zoning and planning administration going extending to the urban services boundary, we felt this was a good time and a good opportunity to make that distinction, that yes, indeed, the urban services boundary has established on the maps, which are actually included in your exhibit as exhibit d to the urban -- to the ordinance, that's where it is and that it should be part of the comprehensive plan map. The fifth item is going ahead and adding the proposed zoning maps as adopted by the county board of commissioners to the Portland's set of official zoning maps so we can go ahead and administer planning and zoning in the areas. And those are also included in your packet, though they've already been adopted by the county board of commissioners, they're included as exhibit b. -- c. And the sixth item is a change to the zoning code. Title 33, which is also included, is exhibit e, title 33, section 730.030, this would establish a different appeals process for type 3 reviews in the unincorporated areas that we're administering. And basically it would remove the city council as a review body in the case of an appeal to a type 3 decision and those would go straight to the luba. And the reason for that decision is it's -- there are several reasons. The county desired that arrangement because currently there is no -- the county board of commissioners and the county planning commission don't play that appeal hearing process now, so it's consistent with sending a hearings official decision straight to luba for the way they do things now, and we felt we all agreed it created a little bit of a strange political situation, seeing as we're contracting to provide a service, but these areas aren't actually within your jurisdiction, our jurisdiction.

Katz: That is very strange. Keep going.

Lisle: And the final thing is to add the -- to amend two plan district maps to include some of these areas as adopted by the county. It's amending skyline plan district area to include several unincorporated pockets and also johnson creek plan district. So that's the end of the technical amendments.

Katz: Did you want to add anything?

Miriam Hecht, Office of Planning and Development Review (OPDR): I was going to discuss the -- miriam hecht, office of planning and development review. I was going to discuss the actual interagency agreement which you have, which is the second ordinance, which is actually the contract to transfer those planning and zoning services from the county to the city. The services are basically doing zoning compliance for building permits which are already processed by the city, but are now sent or processed by county planners for the land use piece, and so that would be a consolidation here. We will also be processing all the land use reviews for these urban pockets, the one change is the appeal procedure. And we would be using city code and city comprehensive plan.

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We would also be providing all the zoning information and general information about land use for these properties as they do in the development services center. We would take over sign permits, because they are kind of land use and kind of mechanical. But they are -- we would also be responsible for erosion control, storm water disposal and floodplain regulations under city regulations, and they would be adopting the city regulations for those and it would be consistent with the city. And then whatever miscellaneous land use services we do. We do a lot of land use compatibility statements for a lot of the state agencies for motor vehicles, olcc and deq. It does not include transportation, the streets are not city streets, so county transportation is still involved in services. It does not include our water bureau for properties that are not served by our water bureau in the -- and the same with fire and environmental services. It's designed to be cost neutral to the city, and the costs are to be covered by higher separate fee schedule, higher land use fees for county residents for county properties, since there's no general fund subsidy to these projects. Also an annual payment from the county that would be reassessed every year to look at the actual work in what we spent and the actual revenues that come in for those services. And then a one-time payment of \$50,000 that's covering all the work that's getting us to be able to getting all their records transferred, getting our computer systems set up and all the notices and things that we hand out up to speed. There is a commitment that we only use one code, that it's the city code, so that it's easiest for the city to administer. So part of the iga is that legislative process that kind of spells out how the county is going to keep current with the city code, which gets amended regularly. So that is part of it. And that's what we're here to answer questions.

Katz: Thank you. Thank you for doing a nice job. Questions? All right.

Francesconi: Thankless job.

Katz: Yes. This is one of the tasks that you want to take off the list quickly. It's an important one, there's no question, and I want to thank both commissioner healing and commissioner Saltzman again for beginning to deal with some consolidation issues.

Saltzman: This truly is a good government idea. It really is. Over time as the county's planning expertise is really developed and rural area planning, and as the city's expertise is always -- has always remained urban planning this, is an idea whose time has come. It took us four years, but it really makes sense for the city to provide the urban planning services for those areas adjacent to our city. It's good work between the county and the city too.

Katz: Thank you, everybody. Anybody want to testify?

Linda Bauer: Linda bauer. Here's an aerial photo of the area, and this is part of what we're going to be talking about today. And here is healthy streams identifying the a quality resource. And in there is also a cover of the permit, cover -- copy of the cover of the permit that opdr issued. I am sending up a color aerial photo of the area we're talking about today. As you can see from this healthy streams map, the area in the large triangle is alan a quality resource. An essential port of this project is designating it as a p zone. The -- remove all of the "a" quality resource on the strip of land next to the triangle, approximately seven years in advance of the water bureau's project on this site. This permit gave the water bureau permission to remove the "a" resource without an environmental review, and would be -- as would be required by anyone else who wanted to remove an "a" quality resource. Opdr told the water bureau to just call it maintenance and opdr would not require the proper review. Maintenance in this case was removing all of the vegetation from the steep slopes of powell butte park, resulting in substantial erosion. Recently bes wanted to restore the banks of johnson creek on some new property they had just purchased. They were required to go through a type 3 process and pay thousands in fees to opdr. Is the message that environmental protection is contrary to the public interest and therefore must be justified? Allowing public agencies to do this kind of damage to fragile resources sets a terrible example for developers and private landowners. Anger and resentment are the result when developers and homeowners are

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required to go to extra effort to preserve natural resources while public agencies are permitted to damage and destroy part of those same natural resources. It is considered bad parenting to have a do as I say, not as I do attitude. Isn't that true for government? The healthy streams concepts holds the promise of substantial future benefits for the entire region on many levels. Allowing an exemption to the current regulations dilutes and degrades all efforts to preserve the functional resources. Whether it's public bureaus removing resources on the recommendation -- recommended pretense of maintenance or whether it's developers ignoring conditions of approval because no one is watching, the damage to the integrity and potential benefit of the project is very devastating. When only some of us have to follow the rules while government and public bureaus are allowed to side step the regulations, we are undermining the willingness of the public to help and risk the potential for success of healthy -- of the healthy streams project. The cost in the long run is much more substantial when the temporary savings created are avoiding the current regulation.

Questions?

Hales: Do we know what the water bureau wanted to do? I'm not familiar with this --

Bauer: Conduit 5, this was clearing in order to lay the conduit.

Bauer: Seven years in advance of the project. With no environmental review. And there should have been in order to remove an "a" resource there should have been an environmental review.

Sten: Should there be environmental reviews under current regulation or under the new healthy streams --

Bauer: Both. It is currently zoned with a "c," but in the esee it was upgraded to an "a." but in either situation, it requires an environmental review.

Saltzman: How does that affect any of the action before us in terms of the iga or the --

Bauer: Well, if we're not going -- if you're not going to save the resource that we already have as a c or a p, then why add new cs or ps because it's meaningless? And that's what you're doing today, is adding the p zone to the county piece of -- that county piece of property that's the triangle. There's now going to be a p on that. But what good is it if nobody pays any attention?

Katz: I guess let me ask the question of the council review -- could this happen today? Do we have enough checks and balances today that we wouldn't repeat this?

Bauer: No. I'm sorry.

Katz: No, your response is no?

*****: Right.

Hales: It's zoned with a c zone designation and it didn't go through environmental review?

*****: Absolutely.

Hales: We ought to look into that.

Katz: Why don't we have both commissioner Hales and commissioner Sten look into that. Because we do make mistakes, and this one -- if accurate, and you're -- you always come in with fairly accurate information, is dreadful. The question I have then is, can we prevent this from happening in the future. And if we --

Bauer: That's my ultimate wish.

Katz: Right. And I think that's why you're here.

Sten: We do make mistakes. We also do allow maintenance in c zones. I want to make sure what we actually did.

Katz: Why don't you let us know through an e-mail and let linda know as well. Thank you, linda. Anybody else want to testify? If not --

*****: These are nonemergency.

Katz: Right. Both of them are passed to second and we'll vote on them next week. All right.

Hales: Thank you all for good work. You don't have to all come back next week. You've been at this long enough. [laughter]

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Saltzman: I'd also like to add my thanks to county planning staff, legal council and bob clay in particular, who spearheaded this effort.

Hales: It really was a good cooperative venture. Thanks for a careful, deliberate step cords common sense.

Katz: Thank you, everybody. Item -- we're on our regular agenda. Item 1382.

Item No. 1382.

Katz: Is anybody here? Come on up, and we just want to give the good news, we've been a weed and seed community for a long time in north and northeast Portland, and now we are in southeast Portland.

Sharon White, Site Coordinator, Lents-Brentwood-Darlington Weed and Seed: I'm sharon white, the site coordinator for the lents brentwood darlington weed and seed. I'm -- I just came in case you had questions.

Katz: Okay. Do you want to tell the council what the \$40,000 will be used for?

White: Sure. This is funding from the u.s. Department of justice, and \$40,000 is going to the east and southeast precinct, and it will be used mainly for police overtime to do some specific activities in our two target neighborhoods, and they'll be a small portion of it that will be used to purchase some equipment to supplement their resources such as laptops, binoculars, and things like that.

Katz: Hurry up and spend it before they change their mind. [laughter]

Francesconi: As the mayor said, it has been a long time coming for southeast, so thanks for all your work. Can you give us a little glimpse into the future as to the types of revenue you might generate over the next couple years and the kinds of needs that you hope to address through this program?

White: Sure. The whole concept of the weed and seed is a strategy designed to join partnership and leverage resources. So the initial funding from the u.s. Department of justice is intended to be seed money to get some other activities going so it is our intent to partner up with different individuals and either support with their doing and bring it into our target neighborhood, or acquire some additional funds to help do that. And our weed effort, we've been really successful in joining together collaborative Portland public schools with Portland police, children and family services, community policing, parole and probation, and that will continue to go on really strongly, and now we're trying to work on more of our seeding effort, which is putting in the positive programs into the community. Part of that is going to be supporting our safe haven sites. We have four of those, two in lents and two in brentwood darlington, and we do a lot of after-school programs at three of the s.u.n. Schools, so we'll continue to support those. We're also working towards developing a transportation system that would help link kids between waddles boys and girls and other activities between the two target neighborhoods with the intention of growing that into something larger with outer southeast. So that's -- we're just going to develop something small with a long-term plan of growing it. Those are the things that come to mind right now.

Katz: Okay.

Francesconi: Thank you.

Katz: Thank you very much. Anybody else want to testify? If not, roll call.

Francesconi: I hope this seed grows into -- i'll stop the analogy. I hope it grows big and strong for -- and it combined with the other things now happening in southeast on the positive side. And as we look at poverty moving there, this is actually very important. But your strategy of leveraging with other people and building on what is already happening is a good one. Aye.

Hales: Good program. Aye.

Saltzman: Great program. Aye.

Sten: Aye.

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Katz: Thank you. I am very excited that it's moved out to southeast now. It's high time. Aye. [gavel pounded] all right. Did you want to add anything?

*****: No. Thank you.

Katz: Okay. 1383.

Item No. 1383.

Katz: Roll call.

Francesconi: I want to -- since this is the normal vote, i'd like to say a couple things. The retreat got us off in a good direction. I hope we can figure out how to build on that. Because this budget was not too painful because of the good work of the mayor and because we delayed some things. The next one is going to be much more painful. So hopefully this process we've begun can help. I also think it might be good if during the holiday season we as a council get together and do something just fun. I think it would be something we ought to suggest. I'd like to suggest right now. Anyway.

Katz: And have the press there with us?

Francesconi: No. They don't have to come. Just do something fun. In terms of the more particulars on this, I guess on parks, one, mayor, I appreciate you leaving the restrooms open longer, because we proposed cuts of them, and also -- the hours, and also I appreciate you leaving some money in the parks trust fund. I know the council, maybe the public thinks we asked for a lot of resources for parks, and I appreciated your support yesterday. I just want you to know we're also the parks foundation has now raised \$180,000 from the private secretary for park needs and we're also working with solv to have volunteers help us, churches and volunteer groups maintain the parks. And we're cutting back on building new things. Now is the time to invest in what we have. I guess what i'm trying to tell the council is we're trying to address these issues. The other thing is I want you to hear from mary huff. She's the new operations manager. We're soon going to be able to show you the number of acreage we have over time and the maintenance costs per acre of the different kinds of parks, and this is something that I think the council has wanted for a long time. Shortly we're going to be able to present that to you. I wanted to have it by yesterday, but we want to make sure it's totally accurate. In terms of fire, fire has been taking a lot of cuts over the years. We really are to the point where we could manage this cut in this budget, but we are to the point that we cannot go further. And I think maybe the council might believe me in the sense i'm willing to actually cut parks more than fire. In the future. Although we're going to try to avoid that. Anyway, thank you all for this. Especially you, mayor, for putting this together. Aye.

Hales: Aye.

Saltzman: Aye.

Sten: Aye.

Katz: Well, we accomplished our task. I hope that we don't need to come back in january, but i'm afraid that that might be necessary to continue the balancing for this year. We'll manage is that. The question of course is what happens afterwards. And that will be more difficult. Aye. [gavel pounded] all right. 1384.

Item No. 1384.

Katz: I probably left at the appropriate time last week and gave the gavel to commissioner Francesconi, who adjourned the council. So I will take a motion to take this item back to the mayor's office.

Hales: So moved.

Francesconi: I was going to give you the honor of that motion. Second.

Katz: Any objections? Hearing none. [gavel pounded] 1385.

Item No. 1385.

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Dave Tooze, Office of Sustainable Development: Good morning, mayor Katz. Members of the council. I'm Dave Tooze with the office of sustainable development and I'm here to answer questions you might have about the grant and contract you're considering this morning. If I could I'd like to take a couple moments and give you a brief outline of what's happening here. As you all are aware, and as our constituents are aware, emergency prices have taken sharp, sharp increases this year. Over the last 13 months gas prices have gone up 40% and most recently PGE electric rates for residential users up 32%, businesses between 37 and 53%. Very sharp increases. Portland general electric has been on the energy efficiency side very proactive with their programs and ramping up those programs to help customers that want to mitigate those bill increases. The program has increased by 300% over last year, for example. The contract before you represents one of those efforts of Portland general, and it also represents the continuation of the partnership relationship that we've had with PGE and with other utilities targeting the multifamily sector. As you might recall we've been around for quite a while serving this segment of the population. Rental housing is a tough one to deal with because usually the renters pay the bills, the energy bills, while the owners are responsible for improvements. So there's a disconnect from who pays for the improvement and who receives the bill savings. PGE has partnered with a local company that specializes in energy efficiency installations, and their expertise is to do it very rapidly, very quick deployment of energy savings devices. The program has targeted 8,000 multifamily units within PGE service territory to be reached by the end of this spring. By the end of January, all of those 8,000 will be enrolled, and that's the role we'll be playing, we'll be contacting -- we are right now actually, beginning to contact property owners, introducing the offer, finding -- signing them up so they can be served very quickly and before the end of the heating season, see energy saving devices installed. This is the most comprehensive program that PGE has ever offered to the multifamily sector. And what's great about it is for the tenants that are living in the units and for the owners, there's no direct cost. Costs are being paid for by PGE out of their rate base. So it's a program we're excited about, we're glad to be partnering with both this company and PGE, and I'll be glad to answer any questions you might have.

Katz: What is it they actually do?

Tooze: Thank you for asking. There are two levels of free installed measures. The first they call instant savings measures. Generally those are installed inside the unit to a resident -- the resident's home. They include things like compact fluorescent light bulbs, low-flow shower heads, water heating devices, caulking, weather-stripping and thermostats. On the outside of the unit, they'll be offering free insulation for under floor areas and in some cases in ceilings. There will be some optional measures that will be offered, these are for pay measures that the owner can choose, and those include high performance windows, front end loading washing machines, and low water use toilets. And I should mention that the Portland water bureau is a partner on the toilet replacement piece -- toilet replacement piece as are other water districts throughout PGE's area. PGE is trying to do this comprehensively and offer both energy and water services that really get the job done quickly, but do it comprehensively.

Katz: Okay. Questions? Anybody here want to testify? Roll call.

Francesconi: We appreciate this program from PGE, but we need more of this from PGE and others. I guess commissioner Saltzman this, is proving your point, that energy efficiency is not only good for the environment, but it's good economically. Aye.

Hales: Aye.

Saltzman: This truly is a good partnership between the office of sustainable development and PGE. As David said, there is this disconnect in the multifamily market where most apartments are heated with electricity, which is the one source of energy that's rapidly increasing in price, and yet the owners of the property don't see those price increases, it's the tenants. And this really helps deal

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with that disconnect, gets the tenants' electricity bills down considerably with the types of conservation investments you just heard of and also is generally welcomed by the property owners too, especially given the price is free. Aye.

Sten: Aye. Good job.

Katz: Mayor votes aye. [gavel pounded] thank you, everybody. As you know, our 2:30 item for the findings for freightliner has been rescheduled for december 5th. We'll have one item on the agenda this afternoon. We stand adjourned until 2 o'clock. [gavel pounded]

At 10:25 a.m., Council recessed.

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NOVEMBER 28, 2001 2:00 PM

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

Katz: Present. 1386. Well, let's get rid of 1387. 1387.

Item No. 1387.

Katz: All right. There is a request that we reschedule this to wednesday, december 5th, at 2:00 p.m., time certain. Any objections? Hearing none, so ordered. All right. 1386.

Item No. 1386.

Katz: All right.

Hales: Don, in particular, thank you for good work on this. You know, in the federal government they have czars for things. We need to have a street czar, and I think issue who would get that title here, but our street czar and the city engineer and app have worked hard on this issue, which, as everybody has seen, has literally torn up the city over the last couple of years. In fact, ironically the council approved, as we should have, two routine franchises this morning for telecom firms that need to operate in our right-of-way, so the question is, can we do that and still have usable streets and a commercially successful downtown, and they have tried to thread that needle with this report.

Brant Williams, City Engineer, Office of Transportation: Okay. Good afternoon. Brant williams, city engineer with the office of transportation. I am here to report back on the efforts that pdot has put into try to deal with this situation that commissioner Hales is talking about. At the same time, we have been trying to deal with some of these efforts, app -- this has been a significant issue for them, also, and they formed a construction management task force to take a look at this particular issue, and have come up with a series of recommendations and the report that they came up with is included in the packet of material that you have. And we have chris coppa here from app to speak to the council you about their report and to comment on our activities that we're up to. Two years ago, pdot went through a fairly significant reorganization. At that time, vic rhodes committed to a strategic effort to look at a number of things, and one of those had to do with the problem that we are seeing with utility cuts. Of course, as we all know, the activity level for utility cuts has skyrocketed over the past four years. Telecom, the amount of activity has gone from 125,000 lineal feet of street-cutting up to almost 600,000 lineal feet in the year 2000. When you combine that with all the other utilities, public and private, we see about 1 million lineal feet of street cutting on our city streets, which, of course, is a significant problem. I think you have heard quite a bit about our street maintenance backlog. It averages around 500 miles of street for needing some type of street maintenance. The liability of that is valued at around \$70 million and with all the increased congestion and all the utility work that's been going on, that value, of course, is growing. Besides the maintenance costs, the impacts are also to the users, which, of course, include not only motorists but pedestrians and bicyclists. They have to deal with the impacts, but, but as app will talk about, the, the significance on business activity is, is pretty great, and that's something that we want to address as part of these efforts and the recommendations that app has come up with. We focused our efforts in various different areas. The first has to do with inspections. We've made an effort to fully staff our inspection programs so that we can more aggressively deal with the amount of street cuts and the level of street cutting activity that we are seeing. One of the real positive things that we have been able to do is go after what we call "warranty" inspections, and that is to go back and look at the cuts that were made a few years ago and see where there's problems. If we have seen some settling or, or some cracking, we can go back to the utilities and have them fix those problems and we've been, like I said, aggressively

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going after that in the cbd area, and i've seen a noticeable improvement to those cuts where we have had problems in the past. We have done about half of the cbd, and when we are done with the downtown area, we will go out and deal with the rest of the city. Another area that we focused our attention is on the specifications for street-cut repairs. We've improved the type of backfill that can be used for some of the smaller trenches, and we have looked at, to reducing the number of joints, if you have --

Katz: I'm -- issue I am particularly interested in that because that's where I -- a lot of the complaints come in, but you need to speak in english.

Williams: As in the backfill or the joints?

Katz: The joints. Which joints?

Williams: Well, when you go in and do a street cut, you typically have two joints where the patch is, going down the street. And what we are looking at doing is the problem is, is that you have limited street space, so you have these utility cuts that almost overlap with each other, and you end up with all these joints going down the street.

Katz: Seams?

Williams: Seams, correct, yeah. Where water can get in and that's where we see, that's the weakest part of the repair is right at those seams. So, what we want to do is wherever the seams are close to each other, we want to -- the utility that goes in and creates a new seam or a new cut, we want them to, to patch up to the previous seam, instead of leaving so many joints in the street, we'll try to reduce the number of joints or seams in the street by having them increase the size of the asphalt patch. Which will help with the structural integrity of the patch, but also will help, you know, adjusting the aesthetics and the rightability of the streets.

Katz: And they will improve the fill?

Williams: Yes. We are looking at, um, for street cuts that are less than 12 inches wide, we have a problem getting in and actually doing the compaction of the fill that we put in. Just because of the machinery that we have, and the equipment, we can't get in there and do the kind of fill that we would like to do, so, or the kind of compaction, so we're talking about using controlled density fill, which is more of a concrete slurry, that sets up and works really well for those smaller types of cuts. I think you probably have seen, mayor, a lot of the little 4-inch cuts for telecommunication lines, and it's really hard to get in there and do compaction of those lines, so this type of fill that we're talking about will set up really well and hold up well, and so that's one of the changes that we're proposing here.

Saltzman: On patching the seams, I want to make sure I understood you. So if somebody comes in to do a new seam, and it's adjacent to a seam that was done a few months earlier, they have to also put a new patch over that adjacent seam?

Williams: Well, we had a lot of discussion about how far the next utility would have to deal with the seams. What we ended up with in our proposal is any seam within 2 feet of this new trench, the utility would have to do a patch up to that point. So, if the entire trench is within that 2 feet area, then they would more or less have to repatch that old trench that was, that was already there.

Hales: Talk about the moratorium, if you will, after a street has been repaved. I think that's an important issue.

Katz: Totally repaved or repaved this way?

Hales: Totally repaved. Resurfaced.

Williams: Typically, we do just basic pavement overlays where we go in and overlay a street or reconstruct an entire street but any time we do a -- reconstruct an entire street. But any time we do a two-paving job, we put a two-year moratorium cuts on the street. Like three years ago now, main

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street was rebuilt just on the other side of the Portland building, and we had a 2-year moratorium on that street, so we would not allow any utilities to cut that street. Now that the two-year moratorium is up, a utility could go in there and cut that street. What we're proposing is to increase that moratorium from two years to five years, and I know app has some concerns about what that means, as far as being able to provide services to new buildings and to upgrade on services and things like that. We hope to develop some criteria for some type of exceptions for primarily new developments so, that we don't restrict the access to, you know, critical utilities.

Katz: Could you request them to do the entire street all over again?

Williams: Well, that's one of the things -- we're looking at maybe not redoing the entire street but possibly doing an entire lane or half of a street, depending on the size.

Francesconi: How about paving streets in southeast and southwest? [laughter]

Williams: Yeah, well. After the downtown, we'll get to those, so.

Katz: All right. We're going to continue. This, I think, this has been one of the areas that a lot of people have complained about now, aesthetically, it looks like a disaster has hit.

*****: That's right.

Katz: But, I am now concerned about the actual structure of the streets and what you are really saying is that you are going to improve it dramatically?

Williams: Well, through improved inspections, and the different -- the improved fill, I think that you will see better street cuts out there, if there is such a thing as better street cuts.

Francesconi: Is the reason to go from 2 to 5 years, is it the effect on business? Or is it from a transportation standpoint, something about the quality of the street?

Williams: It's more the quality of the street. The life of a street really goes down when you start putting in street cuts, of course, I mean, that's intuitive, and so when, when we invest, you know, millions of dollars into our streets, we hate to see them turn around a year after and have them all cut up and everything. So, it's somewhat a subjective time, again, in the past it's been two years. We feel like given the tight resources that we have and the concerns from citizens, and when you pave a street and it looks really nice and then you come by right after that, and we haven't coordinated correctly and the utilities cut the street, we all hear about that.

Hales: Well, particularly since a lot of people, when they see that work, assume that it's us digging up the street we just paved, thus reinforcing old feelings about government and efficiency, and it isn't 99% of the time, it's a private utility cutting the street under their franchise authority, but the citizen doesn't understand that distinction, and thinks that it's one public works crew following another one around, and no coordination.

Francesconi: Well, I can appreciate that. But, five years strikes me as a little long so the idea of some exceptions, maybe --

*****: Yeah.

Francesconi: And some signs, that it's not us, it's them.

*****: That's right.

Hales: I like this idea of an exception for new development. I mean, I think that we have to work on that one.

Katz: But they do have to then repave --

Hales: We ought to look at that question, what do they have to do. But if somebody is going to convert a vacant lot or a surface parking lot to a building and there is no need for telecom service for a parking lot, it's reasonable for us to figure out how to get telecom service and other utilities in there. So, that within, to me, makes a lot of sense. It's not like the existing buildings haven't had

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some opportunity to connect to the world here in the last few years, but we need to hear more from app about that issue.

Katz: Let's keep going and then we will get here.

Williams: Okay. One of the areas, though, that we really feel like we can make some significant improvements and which will go along with the moratorium, is just how we coordinate our paving program and then capital projects, so that's one thing that we really need to focus on. Our current way of how we deal with our overlay paving program is that we send out this laundry list of streets to all the utilities and other agencies that are interested, and we ask them to review that -- those streets, the list of streets and determine which ones they are going to be doing work on and check them off and when they check them off, we take them off our list. Well, they are more or less driving our paving program that way. And so, what we want to do is get a better handle on it, and instead of sending out a list of proposed streets, we want to send out to utilities a notice that these are the streets we're planning to pave. And then through longer term coordination of our planning program, or paving program, and all of our capital projects, and hopefully getting information from the utilities on what their projects are all about, we can better coordinate those streets that we would like to pave to make sure that the utilities are already out of there. Now, that's going to take kind of a philosophical change on how we do business but also, the utilities are going to have to come to the table and play more, also. Currently, we've been working with a lot of the other infrastructure bureaus, as well as bureau of planning, to better coordinate our cips. And we have just recently done these open houses for next year's list of cips for all the bureaus, and I think that was a good effort. What we still need to do is look at coordinating our construction of our capital projects, and so that's one effort that I know that app does support, and something that we would like to do more of, and we're going to need some resources to do that. At one point we were looking at, at thinking about a full-time position to help all of the bureaus and all of the other transportation agencies and utilities coordinate our capital projects. I think given a little bit of the downturn in the amount of activity that's going on right now, that we could probably scale back a little bit along those lines. But, we still need to put some resources to doing this kind of construction coordination. And that includes tri-met, Multnomah county, o do the, of course the city and the utilities -- odot, and, of course, the utilities. We have had a pretty significant effort in a program called, keep Portland moving. That was a seat of the pants effort to try to deal with all the bridge work that Multnomah county has been looking at doing, and they have been doing over the past year and plan to do over the next couple of years. And so this key Portland moving effort is somewhat of a model for how we might want to do this city-wide. But definitely, we need to do more paving and capital project coordination. The other thing we are looking at doing is also having quarterly utility coordination meetings. Currently we actually have coordination meetings every other week, but because of the number of those, we get very poor attention, and what we're proposing is to go to quarterly meetings where they are more mandatory, and try to get -- make sure all the utilities are there, we're all talking about the various projects that are going to be occurring over the next quarter, and we can coordinate some of those efforts better. So, the one other area that we are looking at is where we can do joint use of utility trenches. When telecom's do come to us and to get permits to cut the streets, they are interested in joint trenching. If there is any way that they can do that, they save money and they would like to do that. The problem is, trying to make that happen and getting enough of the utilities together so that they understand where they are going, and so that they can joint trench like that. So, there is incentive on their part to do that. It's just trying to make sure that the utilities are all there and they all want to go in the same place.

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> I think from the city's standpoint where we could invest our time more wisely is dealing with the congested areas, and a few months ago, don, I think, brought to council this notion of a congested area utility location ordinance, and that was for the Portland energy solutions to do the chilling plant up around the brewery blocks and down stark street. And those are the kinds of efforts that I think we need to do to try to combine our utilities into certain locations so that we can maximize the use of the right-of-way, and try to get better joint use of those trenches. Whenever we can, we try to install spare conduits. Again, with the brewer re blocks, we are able to do that, and so that utilities would not have to come back in and cut the streets but could use those spare conduits that are already in place. And one other thing that we're working on with bes and commissioner Saltzman's office is the idea of using our sewers to put in fiber optic lines. And I think that would be a, a good direction to go and I know that bes has taken a look at that and has a report that they are preparing and will, I think, be coming to the council to talk about that. So, so that's pretty much what the city has been looking at. App has three or four other recommendations that they will talk about in more detail, having to do with weekend moratoriums, extending the hours for downtown construction and into the evening between -- from 6:00 in the evening until 9:00 in the evening. Right now, if you work after 6:00 at night, you have to get a noise variance to do that work, and I understand that's fairly easy to get those variances up to 9:00, just that you have to go through the process and that's time consuming and the thought is that if we just go ahead and allow utilities to do work up until 9:00, and then we cut it off at that point, that it would work much better all the way around.

Francesconi: Make it until 2:00 in northwest Portland. [laughter]

*******:** Well, we were joking around about that before the session. But. [laughter]

Williams: And then the last one has to do with notification, and again, the communication coordination is the big issue. And that's true for retail and businesses in the downtown area, and so what we would like to do is work with app to develop some ways that we can get utilities to provide notification to all ground floor retail in the vicinity of where they are going to do business, and the notice would be required five days before they are in there doing the work, and then if there is any modifications to their work, they need to renotify those businesses to let them know like they are not going to be doing it at that time, and it's going to be done, you know, a few weeks later, whatever. Also, app has volunteered to, if we get them the information, they will let the business, or the building owners and managers know that the utility work is going on. So, our next steps, we will --

Saltzman: Is this downtown or city-wide?

Williams: Right now it's just downtown, right. It's something that we could look at. We probably want to start out with downtown and see if, if it works fairly well, we might want to expand it then.

So, the next steps, we want to bring ordinances to the council to deal with the increase in the moratorium for street cutting of newly paved streets. Right now we have a draft ordinance that will be routing around to everyone to review and will be back to council hopefully in january to have you take a look at that. Also, we will need to do some changes to the code regarding permit notifications in the downtown area, as well as this noise variance issue from 6:00 to 9:00, so we will get back to you regarding those two ordinances, and then we are reviewing those changes to our specifications right now, and hopefully, those will be in place by february. So, we hope that you think that we're on the right track here, and we would like your support for the various ordinances that we will be bringing back to you, and if you have any other comments or questions of me, I will take those. Otherwise, I think I will turn it over to the app representative.

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Katz: I have a question. You know that we have been facing these issues for a long time. If you were king for a day, what else would you add on here?

Williams: Well, I --

Katz: You can jump in, too. [laughter]

*****: Don would love to be. [laughter]

*****: He's king for a year. [laughter]

Katz: No, seriously. Forget the task for a minute.

Williams: I think what we really need is for the utilities to come to the table and to let us know what their plans are for the next five to ten years, 10 that we can better plan our efforts and -- so that we can better plan our efforts, and I think that they have been reluctant to do that because they feel like that information is proprietary and just having them talk with us and let us know what their plans are would be a great help to us. But as far as dealing with the inspections, specifications and things like that, I think that we are on the right track here.

Hales: Well, brandt is being polite, as is his custom, but let me put words in his mouth, I think if he were king, he would want us to vote for the resolution and mean it when we come to page 3 and the paves coordination thing because that's a big change. Because up until now, the utilities, public and private, dan and erik, this will affect those bureaus and how they operate, not just them, also the gas company and everybody else, but up until now, everybody -- the utilities basically had to veto to say, don't pave that street right now because we are going to be doing something in there. And this is -- this is a, is a paradigm shift whereby the city engineer says, we have got to pave the street. We can't put it off any more. We are paving it next year, if you all need to do something in there, do it this year. And that's a pretty big change. It's an important change. A very cost effective change. Because, then we can put in the moratorium for five years and say, get it right the first time, or stay away for five years. And we need to mean it when we vote for this because our own bureaus and other people are going to have some, some amount of difficulty adjusting to that new world order, but I think it's a very responsible move that we need to make but we need to understand it isn't just telling people to go off and be nice. We're saying, this man is in charge of the street surface and the rest of I need to get under it before he repaves it, and I am willing to say that, but we have got to be clear about that.

Katz: Let me -- does he technically have the authority?

Hales: You mean, this authority already?

Katz: Yeah.

Hales: I think you do.

Katz: With our own bureaus. With the city utilities.

Williams: Well, with all utilities, we permit all utility work.

Katz: So you have the right -- you have the authority?

*****: That's right.

Hales: Technically.

Williams: Technically, yeah. [laughter]

Hales: But, it's nice when the cititown says, go use it.

Williams: We can't -- can extend the more -- can't extend the moratorium. I can't extend that to five years.

Katz: But, either you have been reluctant -- well, either you have been reluctant or you have done your job and others have basically told you where to go? Which is it?

*****: Well, we --

Hales: Don't answer that question.

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Katz: And did you -- [laughter]

Saltzman: Why can't -- I can understand private utilities --

Katz: Don't let him off the hook.

Saltzman: Bes, sewer plans, water ambulance are not proprietary information, shouldn't we be able to accomplish that, at least, that coordination function? I realize there will always --

Williams: We should. And the underway with the capital oversight committee, that was initiated by ling in bes because of his desire to better coordinate the projects. I think it has just been, we have not been aggressive in doing so. And I think we all realize that the time -- the time to do that is now.

Katz: All right, king of the year, you haven't been aggressive enough.

Don Gardner, Bureau of Transportation: Well, don gardner, transportation. And I will take some of that heat because brant wasn't here and I have been here a long time. I think the thing that to remember is what's happened to us is that over the years, utility work used to run around 5 or 600,000 feet a year. It escalated as we started the capital projects for sewers and water started to do a lot of work. The '96 telecom act changed the world. Five years ago we were all sitting here, commiserating, oh, my god, will we be a wired city and have all the utilities we need? We are now the best wired city in the united states. We got there at some expense. We wanted those facilities to happen and we did everything we could to make it happen. Business didn't change at the maintenance bureau, and we didn't push them hard enough, as far as this coordination issue. It is now to the point that our street right of ways are so small, they are so full, especially downtown, that we can't go on that way. The other one is on the paving thing, is since it was a limited number and we had such a huge backlog of streets, it was okay to say well, tell us which ones you are going to do some work. What we have done now is this is a major change. We're telling everybody and this includes the privates, and it's not that big of a problem with the public utilities because they have a list. We want a four-year rolling capitalist. We understand there will be new buildings. There will be emergencies. There will be things that nobody, you know, foresaw. But, on your regular plan, don't just wait until the end and tell me, oh, I just thought I am going to do work there, and what happened to the maintenance bureau, is oh, I am planning it but then they don't get the capital and they go -- so they never do their work, either. So next year we put the list out, they go I am going to do work there. I didn't get funded and it goes on. What happens is streets that could be repaired today for "x" dollars are costing us "x" plus because we waited 3 to 4 years. The change is, given the amount of work that we have and the impacts that we're having on the streets is we want a four-year rolling capitalist. You will give us that list, if you give us the list, we will work with them. If they don't give us that, it's too bad. We're there. We're paving. Find another way to serve. We will always work with people when there's a need. And we have always been fairly flexible with trying to make sure because we understand those services are needed just as much as the street or anything else. But, it's time for them to step to the table and play with us.

Katz: I love your passion on that. [laughter]

Francesconi: You are a good advocate. You have a good lawyer there.

*******:** I know. [laughter]

Gardner: But, it's time to get a hold of this, and we're hearing too many complaints and seeing too much expense to the public that's resulting from utility work, and it's time -- and most of the utilities have been very flexible. They try to work with us, and it's going to be a shift for them, and you will probably -- when we come back with our specks and our code changes, you will probably hear some people, especially from some of our favorite telecom companies telling you how much they don't like this. I don't think that we have a real option any more. So, that's my two bits.

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Francesconi: Where else besides the downtown is this a problem?

Gardner: The big concern is downtown because most of the telecom work has been concentrated in the inner city. We have a few loops but we have done a pretty good job of coordinating, where you get joint trenching, like there's a big loop done across the bridges and out through the lloyd district. We have anywhere from 72011 companies in one set of trenches because we were able to get a hold of them. But the problem is downtown and we're still going to have a problem in downtown, even though the buildout and rings are done, you don't have what they call the last mile.

Which is where we have a lot of hope for us being able to use the sewer, is that they have the ring, but now they have to get to, the buildings, so you have a lot of these little one, two-block cuts, and those are just as disruptive as 11-mile trench thing like at&t will so, so we are going to have to work on the last part, and that's part of the reason we are pushing very hard because we know they are going to be doing that last mile. So, we need to get them -- and given the way that they are businesses work, they don't build in advance. Like sewers and water will build because they know services are going to be needed in the future so they have a capital plan and build out. These guys wait until somebody has a client and says, I now have a tenant and need it. We are going to try to put them in the position, you are going to have to put some capital up front to serve the client in the future, not wait until the last minute and say, oh, yeah, it's a brand new street and we know the service is needed, so go and what can our street. And if you do, then come back and fix it and not justification a patch, but fix it. And that's kind of where we're at on that one.

Katz: Excellent. Thank you. Further questions? All right. App, come on up, and members of the task force. Anybody else want to testify? Okay.

Chris Kopca, Downtown Development Group: Good afternoon, mayor, city council. Chris coppa, downtown development group. Chairman of the construction rights-of-way task force for app. Tom shustrom, he can introduce himself and he's a committee member.

Tom Sjostrom, Morgan Park Real Estate Services: Morgan state real estate services and I also served on the task force. Appreciate the opportunity. I would like to offer -- I am hoping in editorial comments, tom will walk you briefly through some of the primary recommendations of the report. App formed its task force actually in advance of, or at least not knowing that the city was thinking about the same issue. And we had just sort of reached the boiling point in terms of the construction going on and the impact of the businesses and said, we are going to need to approach the city about this. Let's collect our thoughts and candidly it took us a few meetings to get through the horror stories about what people were living through and sort of get onto the productive mode, okay, about what do we want to do, and then we found out that similarly, the city, for a bunch of reasons, regarding the telecom and the enforcement of the 1996 telecom act were pushing you along to rethink some things, and so we said, let's team up together and look at this together so we met with the city several times, various bureaus of the city and we interestingly also met with and invited all the major utilities, gas, water, sewer, telecoms candidly, on the latter group we didn't get a lot of direct input. People are awfully guarded. I think brandt is gentlemanly and chose his words carefully but it's sort of interesting. We sort of developed two economies with the right-of-way. Historically there has been some above grade economy with traffic and customers and business, and the below grade stuff was, were utilities. They were basic services. You were guaranteed your return based on the state law and the pressures weren't there. Now you have an underground economy. You have private players looking to make a profit. Actively competitive, fiercely competitive and run their own business and run a system just like we run above ground and we have been running into each other and that's a dynamic change when you think about that because there's no guarantees when you are not a regulated utility. You are really fighting for

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market share and dollars and return. And so, candidly, app, and both tom and I are on the boma board, as well. We could easily have those hats on, as well, our observations are almost identically the same. We found ourselves in the situation of having to testify down at the state about some proposed legislation dealing with telecoms and the city and the city's right to regulate, testifying in favor of continuing the programs that the city has using the city engineer, the city czar, if you will, and our membership is composed of some of those private utilities on other side. So it was a pretty dicey issue for us, but in the end, the right-of-way is that important of an issue. And it needs to have the balance and perspective that I think that we were able to help bring to the table. You know app is not at all supportive of everything the council puts forward but I want to tell you that today we are. Goer going to take some exceptions, they are significant but modest. I will tell you we also put on the table some issues that I wish were a little further along. I am personally a little disappointed that the environmental services recommendations about the use of the sewer line aren't here today. We finished our committee report in august, and I was sort of hoping we could package all this up and there was initially some misgivings, I will take it as a favorable statement, the comments offered there is a report coming that would endorse the notion of using the storm sewer lines. But, we're not the first city. I mean, this isn't like we are cutting teeth. It's indianapolis, albuquerque, a few other places have -- places internationally are doing this, so I am - - I would like to see you help push on that side of it, as well. And we will get to that in a bit more in a second here. With that being said, I guess there's a couple of general comments, again, before we get to the specifics. We want, and we will support pdot retaining the use and the control and the management of the right-of-way. It's a very serious issue, and while you don't see it before you today, it was a huge issue at the last legislature. I know there is litigation going on. You should know in some states, the telecom industries have prevailed and the state utility commissioner decides how you manage coordination of streets. When street cuts are offered. It would be a terrible system. It would be a essentially system so we are here in support of the city actively pursuing the control and management of the right-of-way. We will join with you in testimony. We will join with you however to retain that control, and we want you to know that. That's not the issue on the table today but, if we lose that one, we lose a lot so we want you to know that. We think it's a fight worth fighting. And we would help you fight it. We are in an interesting predicament in that a number of us at the table, and when we first met, it was retailers and office building owners. We are the users of the service so we are asking for the service that creates the chaos that we are create and go we know that, so we hope that there was some rough-handed justice in the recommendations in terms of what we need and get and we will talk about that more in a second in terms of the refinements of our recommendations to the engineer's report. And we suggest, this is a good time to enact these changes now. We're in a bit of a lull. Too often when you try to make a change at the height of a market, no matter whether it's a good or bad idea, it's a change and it gets confrontational. I think now, given the marketplace is a good time to talk about enacting most of these changes. I think that it's, you know, not a low point but certainly a more even keel point so I think that the timing is fortuitous, as well.

Kopca: I'd like to say that we -- the construction coordination task force met for nearly a year, and we had great participation in the city. We appreciated that a lot because on occasion, when we get involved in a task force at the app, we don't get the adequate participation. We wind up not going any place so we appreciate that. I would like to take a shot at answering the king for a day question, if I may?

Katz: Well, I didn't ask that. [laughter]

*******:** He can still be king. I just want to give him some ideas.

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Katz: Okay.

Sjostrom: I personally think the city needs to look at a humongous conduit filled with raceways that the city then leases to users. The city would own it, install it, and that's a big ticket item, understand that. But, it's been done in other cities, and it seems like the problem is people going back to the same thing the last guy did. So we understand the problem very well. We didn't really want to stop the construction for obvious reasons. We requested many times. Our members have requested that construction, and we -- we're talking about a new economy and we're talking about jobs and we're talking about businesses and that's all stuff that app really wants. But, we, we kept coming to the conclusions there must be a better system, and, you know, if, if you look at any street corner in downtown Portland, you can city where traffic has been impacted by what's going on in the street, itself, that isn't traffic, and so it was important to us to come up with some recommendations that we thought could help solve some of the problems. First, we looked at the notion of construction preretail weekends. Now, retailers plan events six months or so investing a lot of money in what they are doing to plan for some weekend when they might have a particularly large sale when they would promote their business. It's conceivable when they have made these plans and spent a lot of money, that a telecom would set up in the street the day before and block access or block visibility to their place of business, and it's harmful for retailers in the downtown area. And you have probably all had an opportunity to talk to a retailer about that problem because it's happened on lots of corners. The task force recommends that two weekends be identified where the downtown retail community may be assured that no right-of-way construction will undermine their effort. This would be in addition to the construction moratoriums already in place.

Katz: I was going to ask. Okay.

Sjostrom: So, at least two additional weekends during the year when that would happen.

Saltzman: Throughout the entire downtown?

Sjostrom: Throughout the entire downtown. This construction-free concept would work similar to the holiday construction moratorium and works in the context of app's new downtown branding campaign, which I am sure you are familiar with. Where we are creating targeted strategies to market the retail core. App knows that if we do -- if such a moratorium is endorsed, that then it's incumbent upon us, along with the downtown retail council, to create -- make those weekends real events, to generate traffic in the downtown area for those businesses and make it not just a weekend where there's no construction going on but it's just like any other weekend. We think that that's important and we're committed to being involved in doing that.

Saltzman: Are these two floating weekends?

Sjostrom: I think we would have to talk to retailers and find out what would be about its best.

Saltzman: You don't have something time-wise?

Sjostrom: We don't have something specifically in mind. But for instance, it could be the weekend before valentine's day or another day when retailers do a lot of business but we have not identified those weekends yet. The second thing we think is important is the best practices notification procedures. The task force found that often, notification responsibilities were subcontracted with the construction work. The city requires the businesses be notified in the area that construction is going to take place. What we found was that the contractor that got the work had somebody go out and do it, and though many of them were diligent in doing it, they didn't go back and tell you if the work wasn't going to start. You know, say it was delayed two weeks. And then that, that, the result was that the retailer really had no notice at all. So, we want to be involved in, in trying to make sure that a reasonable process of notification. We still would make the contractor responsible, or make the, the company that was doing the cut responsible, but we think

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that, that app can help with that. We have lots of ways of notifying our members of what's going on in the downtown area and we think that app will be able to help with that, also. But, we think it's important that that notification process be made very clear to anybody who is going to cut the street, any kind of construction on the street, and then it would be moved forward as something that really means something to the people who get the notification. And then thirdly, mayor, as you mentioned, nighttime construction, we think Portland has approached the notion of construction in kind of a five-day a week, normal workday perspective, and that's worked for many years, you know, normal workweek schedule. The task force believes, though, that to some degree, the solution to construction impacts is a nighttime work schedule. Similar to what has been done in the office moving industry, and if you look downtown, any night of the week, after 6:00, you can see moving vans parked in front of a building. That's something that I arrange a lot, and it happens at night and on the weekends and most of the people aren't very much aware of it. Such changes requires a shift in the industry, not a change in one or two companies. That said, we believe that there is wisdom in extending the construction hours to 9:00 p.m., thereby, opening and closing the routine, one of the things that happens is they have they have to pull off their work because of rush hour. You know, minimize the impact on the street, and once the rush hour is over, they don't have enough time to come back on the job, and so we have squeezed construction into a very narrow time frame during the daylight hours. We think that by letting them work at night, up until say 9:00, very little impact on the neighborhood, it would be the impact on how long it takes to do the job. And then lastly, we think that, it's time to look for some real innovative kinds of things. The task force encourages the city to pursue strategies being explored elsewhere, including common trenching, co-location, capacity overbuilding and use of the city's sewer system for fiber optic lines. That's been discussed and we think that that's important. We really wish that we had had that report. The strategies may or may not work but certainly should be explored as viable solutions to minimize the right-of-way disruption. We, we think that, that cooperation between the city on this issue and private sector through app has been really good, and we're pleased with what we have been able to do there. And we would like to see the recommendations move forward and as commissioner Hales has said, we want to see some teeth in what we are doing because it's important to the downtown, overall, important to the members of app and the businesses located down here. Chris?

Kopca: I guess I would like to talk about the moratorium a bit more and then just reflect on a couple points that tom offered. We're supportive of extending the moratorium five years, candidly, scares us. This comes as no surprise to brandt or don. It is not just the nervousness of going from 2:00 to 5:00 and the doubling of the term. There's different dr there are different kinds of cuts. There is the group that comes in and says, look, I want to lay a new loop or a new line. Most telecoms, and we are principally talking about telecoms because most of the gas and water lines are, on occasion, you have an upgrade but generally speaking, it's the new industries. They lay a line or a loop, and oftentimes I will use an example. It's broadway and 4th. And they just run the length of downtown, and that's the system that gets put in initially or parts that get put in initially. And then what they do is take laterally off of that, as customers, a block or two off, need service, and candidly, you might not know for a while that you need service. From a lateral. And the utilities don't -- the city doesn't require laterally, which maybe is a discussion that we could have, but they don't put in the laterals until they have a specific need because they are profit-driven, not a typical utility or a public utility. And so, best efforts aside, I have a building, a tenant that needs a service. A year ago I would have said, don't need t they, in turn, won't extend it because nobody will pay for it and all of a sudden you have a tenant who not only wants that service, but I will give

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you an example, I have, I suspect tom is the same. You have an insurance company with a local office, and all of their offices nationally use the same system. And if you can't deliver that system, they don't locate either in that building or maybe downtown or whatever because their entire network is patched into a particular private provider. And so just saying no for five years is a pretty brazen statement and we are just asking for some cautionary language, some cautionary thought, about that. We do worry a little bit about the closest thing the city has to an administrative czar is the city engineer, not that he's not an unreasonable person but you really have to go hand in hand and make your case. And we are relying on the kind of trailer language that don offered when he came up, which is we will try and work. We have a policy. We're going to be more aggressive, we will be the repaving standards are clearly moving up. But, just to say no, probably isn't a good thing for business, either. I will submit that main street is an anomaly. Main street is dominated by government buildings. They are single user so at best, they are operating off the same phone system for the whole building.

> I will tell you in all the buildings we own and tom owns, you have multiple users and you have multiple providers, and so I think that main street is not quite the same as many other streets that you will see. I think it's a good reference. I just don't think it's a particularly good example in terms of the full breath of the issue.

Francesconi: I am sorry, I have to leave early but this has been fascinating.

At 2:48 p.m., Commissioner Francesconi left.

Kopca: We will ask you to be cautionary about that language. We would ask you for a review after two or three years, if it's going to be a five-year program. We just think it probably needs a little more refinement than going from 2:00 to 5:00.

Hales: I think that's a good compromise because -- from 2:00 to 5:00. Given our budget information, we are not going to be resurfacing those streets. The moratorium only goes into effect after we have paved the streets so we are not in large danger of having a large scale moratorium downtown, unfortunately. But, I think that reviewing it after three years and seeing how it's working and dealing with these exceptions, issues, I would rather try to make a five-year moratorium effective than water it down to three and hope that we sand off the problems by doing that, and I would rather take the five-year approach and work with you on those issues. I think we need to send a signal to people, going from 2:00 to 3:00, going from 2:00 to 5:00, oh, this is a change, and I would like that to be --

Kopca: We took it that way. We sat up pretty tall when we heard that number so you got our attention.

Hales: And there is others who we want to get, also. So we want that effect. One question I had in looking at the -- i'm inclined in your direction on this extension of the construction period, I think we probably should do that. How does it work now on pile driving? Is that an automatic exception? In other words, one of the few activities that probably wouldn't work out very well after 6:00 is pile driving and that would work out spectacularly poorly.

Kopca: I will be glad to relinquish the chair back to anybody from the city you want, but my understanding is this -- we're only -- our recommendations are only dealing with utility work in the right-of-way. We're not talking about all construction, and secondly, there are still -- I believe this ordinance is only dealing with utility work, not -- I don't believe it's dealing with all construction, although you can hear that from the city engineer.

Hales: I thought you were talking about --

Kopca: Only about utility work in the right-of-way, and secondly, there is still noise ordinance that would directly run into at least pile-driving. There are two ways to put it in piles. You auger

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or you drive. They both have noise, one has substantially more than the other, and the noise ordinance still would apply after 6:00. You just would be able to do the work without getting a special permit. It's not that you can't often get it today. It's just one more thing that you have to do, the notion you have to get an exception. It just is -- it's sort of just like moving the 2:00 to 5:00 to get your attention you have meaning with it. We're really saying if we could find a way to let people, maybe take two hours off for dinner and let their crews off for dinner and come back to work, that's sometimes a cheaper alternative than closing up for the day and buttoning up and doing a job in five days where otherwise you might have done it in three or four. And so that's the kind of thing that we are asking for. The last small comment I will offer, and I don't mean to debate the point with tom, but to your question, commissioner Saltzman, about whether it be the whole, for these two weekends that we would mutually select and promote, we weren't sure whether it had to be the hole downtown or principally the retail corps which is where people come down for the art galleries and the shops so, we would like to have that conversation a little more, so, there are probably some areas in downtown down that you could still do things that wouldn't impact the traffic we are trying to draw so, we didn't see it as all or nothing.

Katz: Further questions?

Saltzman: I just wanted to say on the report about using the sewers and fiber optics, I have this report and you are welcome to it. It's a favorable report. I just thought -- I just saw it two weeks ago. If you want to stop by my office.

Kopca: That could go a long way to helping this moratorium. There is lots of places where these lines actually, I think, go on the top of the sewer, not the bottom because you never use the top of the sewer. They get suspended. It's a way to lay-line without cutting the street, so it's really a very effective way to help get to that -- me putting some teeth behind that moratorium.

Saltzman: Also, a lot of our focus has been on the fact that we are building gigantic overflow pipelines, one along the west and one along the east side so a lot of the focus has been on how we can accommodate fiber optics there, but you are right, there are other ramifications, too, and I think that they are all spoken to in the report.

*****: We look forward to it. Good. Thank you for your time.

Katz: Thank you. Anybody else want to testify? If not, I will accept a motion to adopt the report.

Hales: So move.

Katz: Do I hear a second?

Saltzman: Second.

Katz: Roll call.

Hales: Well, I want to thank our staff here at the city. Not just pdot but the other bureaus that need to work together on this, and the good collaborative effort that we have had with app. This is a move in the right direction. I think what you are hearing, brandt, is that the council does want you to exercise this authority fully and properly and make sure that we spend our scarce dollars on repaving and in an intelligent way that's defensible to the people that pay for this. So, i'm very enthusiastic about these changes and look forward to being able to navigate around the central city a little more easily myself. Aye.

Saltzman: Well, this looks like a great report and I am pleased to see the support for this from app. And I think -- your overrule point is real good. There is still -- all of your points. There is still a lot of work to move ahead here, particularly on the coordination function, and I think that we will look to you, brandt, and don to be more assertive, and certainly, when it comes to our bureaus, you know, don't hesitate to come directly to me if that's a problem. But, I also am speaking with

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the private utility and I think this moratorium will definitely get their attention more, too. And I think these are all good steps. The suggestions of the two additional weekends, I think, make a lot of sense, and certainly, with pursuing the whole idea of getting fiber optic in the sewer lines is probably, you know, an ideal solution because it not only will eliminate the street repair and damage but also can be a revenue source for the city of Portland, as well. So, we'll be moving ahead on that, as well. Aye.

Sten: Well, it's a really good piece of work, and I never thought that don had any problem being aggressive but in this case, this is the right way to go and I think that you really -- the passion you brought is real impressive. It's important. We have been worried about this a lot from the telecom standpoint in the sense that we don't want to slow down getting these facilities into town but it obviously wasn't working and I think you really struck the right balance. I also think that hopefully with downtown, we still have some major issues but inning the rings are there, for the most part, and so hopefully, I think that this moratorium approach should be able to work. It will take a little bit of flexibility, but from the water standpoint, certainly, we will not have any problem once we know what we have to do to coordinate, I think that will be done and app has done a great job on this, too, so I appreciate it, and we want to have an orderly process and get the city wired and I think that you struck the right balance. Aye.

Katz: I agree with everything the commissioners have said. Rather than assertive, I would use the word "aggressive." and especially our own bureaus, but also the privates, as well. App, thank you. This was very constructive. This is one area where we hear from our customers over and over again, do something. It's not good enough. And as everybody said, you struck the right balance. Let's bring the ordinance in sooner, rather than later, and let's get moving. Aye. Thank you, everybody. We stand adjourned until 2:00 tomorrow.

At 2:56 p.m., Council recessed.

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

Katz: I know, but just note who's here and commissioner Hales is on city business.

Mark Murray, Bureau of Financial Planning (BFP): Mark murray, financial planning. Jordan will actually make the presentation here, but just as a way of introduction, this is done twice a year normally, major supplemental. The fall one is usually -- in fact they're both usually fairly technical in nature. This one, for instance, has carryovers of grant funds that need to be recognized and another -- a number of other adjustments related to other debt funds, for instance. I'll let jordan address the particulars in the summary report.

Jordan Epstein, (BFP): Jordan epstein, bureau of financial planning. This is supplemental budget that appropriates over \$104 million among 16 different funds. There are large increases of about 14.5 million in the sewer system fund and the sewer system rate stabilization fund. They're kind of reciprocal transfers set up because of changing cash conditions within the sewage operating fund based on some experience with the billing system they feel that it's prudent to have both cash transfers set up at this time. The spectator facilities operating fund is appropriating over 16 million.

That money is going to be used to pay off debt in the civic stadium project, finish paying some bills on the work that's already completed, apply money toward some p.g.e. Park programs, and put some -- 1.4 million toward memorial coliseum improvements. Three of the housing funds, housing community development, housing investment, and home grant funds, are also significantly increasing their budgets. Much of it is for carryover of prior year projects that weren't completed. There are some -- well, three of the projects that the hcd fund is funding are in the general fund, which is why the general fund is included in this budget. The other significant thing is three of the working capital funds, facility services, fleet services, and communications services, are each increasing about \$3 million. In the facilities case there were some incompleting projects from last year that they're carrying over, plus they're carrying over \$1.4 million from pdc to complete the mounted police project unit. Fleet vehicle purchases from the prior year that weren't completed being carried over. About 2.5 million to complete this year. And communications, over 2.7 million in beginning balance, which includes a \$750,000 one-time credit from qwest, which has been rolled back into that reduced rates for customers. And about a million from higher than planned revenues and reduced expenditures and 804,000 carried over from prior year projects. Those are the highlights of the budget.

Katz: Questions? Anybody want to testify? Roll call.

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

Katz: Mayor votes aye. Thank you, everybody. We stand adjourned. [gavel pounding]

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