



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **8TH DAY OF JANUARY, 2003** AT 9:30 A.M.

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

Commissioner Leonard arrived at 9:36 a.m.

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

On a Y-4 roll call, the Consent Agenda was adopted.

Motion to elect Commissioner Leonard as President of the Council: Moved by Commissioner Francesconi and seconded by Commissioner Saltzman.

TIME CERTAINS		Disposition:
1	TIME CERTAIN: 9:30 AM – West Side Willamette River Combined Sewer Overflow Project Status Report (Report introduced by Commissioner Saltzman) (Y-5)	ACCEPTED
*2	TIME CERTAIN: 10:00 AM - Agreement with Portland Aerial Transportation, Inc. for project management services for the OHSU/South Waterfront Aerial Tram (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)	177184
*3	Agreement with Portland Aerial Transportation, Inc. for services related to a design competition for the OHSU/South Waterfront Aerial Tram (Ordinance introduced by Mayor Katz and Commissioner Francesconi) (Y-5)	177185
CONSENT AGENDA – NO DISCUSSION		
4	Statement of cash and investments November 21 through December 18, 2002 (Report; Treasurer) (Y-4)	PLACED ON FILE

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<p>5 Accept bid of Columbia Rim Corporation to furnish the remodel of Fire Station 28 for \$1,169,000 (Purchasing Report - Bid No. 101867) (Y-4)</p>	<p align="center">ACCEPTED PREPARE CONTRACT</p>
<p align="center">Mayor Vera Katz</p>	
<p>6 Authorize the City Attorney and Bureau of Planning to participate in proceedings evaluating Metro's compliance with certain periodic review work tasks before the Oregon Land Conservation and Development Commission and the Oregon Land Use Board of Appeals (Resolution) (Y-4)</p>	<p align="center">36116</p>
<p>*7 Amend contract with Adolphson Associates Inc. for planning services to increase the amount to \$25,000 and extend the termination date to June 30, 2003 (Ordinance; amend Contract No. 34388) (Y-4)</p>	<p align="center">177174</p>
<p>*8 Authorize an Intergovernmental Agreement with the Washington State Patrol for periodic rentals of their emergency vehicle operations training facility for the training of City officers (Ordinance) (Y-4)</p>	<p align="center">177175</p>
<p>*9 Amend contract with Police Activities League of Greater Portland to continue the expansion of program services (Ordinance; amend Contract No. 33377) (Y-4)</p>	<p align="center">177176</p>
<p>*10 Amend contract with Group Mackenzie to provide architectural and engineering services for design and construction of Fire Station 12 and provide for payment (Ordinance; amend Contract No. 33187) (Y-4)</p>	<p align="center">177177</p>
<p align="center">Commissioner Randy Leonard</p>	
<p>11 Confirm appointment of Jim Wadsworth, Ramon Corona, Marc Pettibone, Dawn Huddleston, Raye Miles, Carol Lentz, Ernest Warren, Jr., Bob Davie, and Robert Wagner to the Private For-Hire Transportation Board of Review effective January 8, 2003 (Report) (Y-4)</p>	<p align="center">CONFIRMED</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p>*12 Amend agreement with David Evans and Associates, Inc. to provide additional final design services for the Rivergate Wastewater Pump Station Relocation, Project No. 5689 (Ordinance; amend Contract No. 34427) (Y-4)</p>	<p align="center">177178</p>

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<p>*13 Amend contract with Roy Sampsel to assist the City with a Tribal Coordination and Communication Strategy for Portland Harbor and Lower Willamette River natural resource issues (Ordinance; amend Contract No. 33493) (Y-4)</p>	<p align="center">177179</p>
<p>*14 Authorize Intergovernmental Agreement with the City of Gresham for the Johnson Creek Watershed Reforestation Project (Ordinance) (Y-4)</p>	<p align="center">177180</p>
<p>*15 Accept a grant from the Oregon Wildlife Heritage Foundation in the amount of \$5,000 for revegetation work along Balch Creek (Ordinance) (Y-4)</p>	<p align="center">177181</p>
<p>16 Consent to the transfer of Pride Disposal Company residential solid waste and recycling collection franchise to Walker Garbage Service, Inc. (Second Reading Agenda 1520) (Y-4)</p>	<p align="center">177182</p>
<p align="center">Commissioner Erik Sten</p>	
<p>*17 Intergovernmental Agreement with the Housing Authority of Portland for \$40,000 to use Housing Connections Services to support the Hope VI Relocation Effort and receive payment (Ordinance) (Y-4)</p>	<p align="center">177183</p>
<p align="center">REGULAR AGENDA</p>	
<p>18 Adopt Resolution to support passage of State of Oregon Ballot Measure #28 (Resolution introduced by Mayor Katz, Commissioners Francesconi, Leonard, Saltzman and Sten) (Y-5)</p>	<p align="center">36117</p>
<p align="center">Commissioner Randy Leonard</p>	
<p>19 Grant a franchise to Portland Energy Solutions Company, LLC for a period of twenty years (Second Reading Agenda 1437) (Y-5)</p>	<p align="center">177186</p>
<p align="center">Commissioner Dan Saltzman</p>	
<p>*20 Authorize settlement with Severn Trent Systems (Ordinance) (Y-5)</p>	<p align="center">177187</p>

At 11:48 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS 8TH DAY OF JANUARY, 2003 AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Frank
Hudson, Deputy City Attorney; and Officer Curtis Chinn, Sergeant at Arms.

21 TIME CERTAIN: 2:00 PM - Safety Recognition Day award presentation (Presentation introduced by Mayor Katz)	Disposition: PLACED ON FILE
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At 2:56 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.

JANUARY 8, 2003 9:30 AM

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

Katz: Present. We want to welcome commissioner Francesconi back. His surgery was, was a success, so, but he's still using a cane, so don't pick on him. Consent agenda items. Any items to be removed off the consent agenda? Anybody in the audience to want move it off the consent agenda?

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

Katz: Mayor votes aye. All right. Time certain. When commissioner Leonard comes in, I will have to interrupt. What we can do at the end of the morning, can't we? Item 1, everybody, happy new year. Item 1.

Moore: West side willamette river, combined sewer overflow projects status report.

Katz: Commissioner Saltzman.

Saltzman: Thank you, madam mayor, what a way to start the first council meeting of the new year than how we are going to clean up the willamette river. We officially broke ground on the west side big pipe. This is part of the city's largest public works construction project ever. We broke ground at the swan island pump station. Since that time the bureau of environmental services and our prime contractor have proceeded with the implementation of subcontracting, safety, and construction plans. And I am pleased to report that the project is currently exceeding our expectations quite well on our goals for using minority women and emerging small businesses in the subcontracting realm and also the use of other local businesses, as well. It is living up to the building by pumping dollars back into the economy. It's creating jobs at a time when the stimulus is much needed locally. So as the trend continues we will keep a close eye on our cost and time lines.

So far, we are on budget and on time. So, I'd like to invite bes director, dean marriott up here to update the council on the progress of the west side big pipe and we are going to discuss the preliminary work on the east side big pipe because next week, we will be bringing to you an ordinance to authorize a predesigned contract for the east side big pipe and we thought that we would take this opportunity to brief you on that right now. With that, I will turn it over to, over to dean marriott.

*****: Good morning.

Dean Marriott, Director, Bureau of Environmental Services: Good morning, mayor Katz, and members of the council. My name is dean marriott. I am the environmental services director for Portland. Let me just do some quick introductions. To my right is ball ribbon, and paul is, I am sure you will recognize has been before you before. He's in charge of the west side project and he will update you. I knew if I passed out the graphics, you wouldn't pay any attention to them. [laughter]

Katz: You know, you are absolutely right.

Saltzman: Everybody is trying to find their house. [laughter]

Katz: Well, we are trying to find south waterfront for the next item. [laughter]

Marriott: All right, but you have to promise to listen to me.

Katz: All right. I will put mine away.

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Marriott: Next to me is Paul Gribbon, and he will be updating us on the west side projects. To my left is Kim Mattson, who is our division manager for design services. He will talk to you about the next phase that's coming after the west side. And as Commissioner Saltzman mentioned, we will have an item before you next week to, to approve, asking your approval of the predesigned contract for that work. As you can see, things are really rolling now. We are just starting construction on the west side tunnel and we are already doing some predesign for the east side. Behind me right here in the front row is Tammie. She's the project manager for the east side project, so in case you have any questions that we can't answer, we will be sure to turn around and get some help from Tammie. Again, let me take a moment to thank the council for giving us the time. I know you agree with me that this is a very big undertaking for the city, and a very important project, and really represents a significant milestone for us. Let me just take you back quickly to -- see if we can follow along here with the slides. Just to refresh everyone's recollection, the sewer system was started back around the civil war. It was, it was built to convey sewage and wastewater. It wasn't always water treatment. We didn't have that until 1952, just this last fall we celebrated the 50th anniversary of the construction of the Columbia Boulevard treatment. We have come a long way since Portland was founded and how we manage our wastewater. We combined -- the combined system was designed to discharge stormwater and sewage to the Columbia Slough in the Willamette River. It did this through 55 outfalls, 1 of them in the slough and 42 on the Willamette. The city took it in the 1980's to improve the performance of the system, but we really got serious in the early 1990's, designed an initial agreement with the state of Oregon in 1991. We completed our facility's plan and as you recall, the 1991 agreement was amended in 1994. It called for us to finish by 2011, and as the commissioner mentioned, we are on schedule to do that. The first major milestone for us was to control the outflow of the Columbia Slough by the end of 2000, and we were successful at that. The next major hurdles for us is, is the end of 2006. We are scheduled to control the outfalls on the west side. And you will be hearing about the progress on that, and the final goal line for us is the end of 2011, when the system should be totally controlled. You may recall, and I put on the slide that, that the ultimate outcome is, would allow as many as four CSO events during the winter, depending on the size of the storm, and one every three summers, again, depending on the size of the rainstorm. So we will go from having well over 100 events a year down to less than the number that you could counsel on one hand. The total cost this far effort will be in excess of \$1 billion. So, it is a significant, significant investment by the ratepayers in Portland to do our best to clean up the Willamette in Portland. I mentioned the Columbia Slough. It's a big success story for us, and the slough. The bacteria counts in the slough have literally dropped to the floor. When you look at what the bacteria counts in the slough were like prior to the end of 2000, they violated the state standards every year. When it rained, now, we are in compliance with the state standards. The next phase, of course, was to turn our attention to the Willamette, which we are busy doing now. West side and east side tunnels. And now you may want to look at your maps now. West side tunnel first. Pump station on Swan Island, connected to the system so that the, so that the collected wastewater and stormwater will be then pumped to Columbia Boulevard treatment plant for treatment. And the final leg of the tree-legged stool is the east side tunnel, and that will be finished by 2011. So, here to move into the more explicit summary of what's happening on the west side projects, I will give it to Paul.

Paul Gribbon, BES: The contractor was contracted on September 12th and we have done a fair amount of work so far. We are currently under our budget, which I will get into in a little more detail. The two pictures you saw were workers that started at the shaft. This gives you an overview of the, of the schedule, itself. Very simple overview. The tunnel won't start until actually sometime this summer. But, work on the shaft has started. The shaft where our office is, is the main one, where the tunnel boring machines will be inserted, and that work on that slurry wall has already started. You can see Nicoli is the northern-most shaft on the west side of the Willamette. We have

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also started work on the southwest parallel interceptor, segment 3, and we have begun work at the swan island pump station site. This is our forecast for the next six months, as far as the tunnel is concerned, by april, we expect to be starting and installing the instrumentation on the tunnel. The purpose is to monitor the ground movement so make sure that we don't have any unforeseen problems. Nicoli shaft will be the first one completed and we will move down on the west side. The swan island pump station, as I said, will continue, we'll continue to work on that shaft and then southwest segment 3, we hope to have that work done here within the next year. Progress to date, contractor's mobilized onto the site, done a lot of site prep at swan island and nicoli. Shaft construction has begun, as I said, at both nicolai and upshur. There are three segments. One has been completed. Another, two of them are now underway. And our piece of it is the work that, between the -- in the area of the marquam bridge. We started utility work on that, and the two-tunnel boring machines we are using are currently under manufacture and we are expecting to have them delivered by july so they are currently on schedule. The minority women and small businesses. The 24 initial subcontracts, 19 of them have been to machine w-esb firms. We are adding new subcontracts all the time. We identified originally \$13 million in opportunities. Currently, the value of the subcontracts for minority women is \$735,000 to date. We have utilized so far over 100 local businesses, and again, it's a very dynamic number. It keeps increasing. So far, we have created 136 local, local jobs. Here's a list of the, of the minority women and emerging small business firms that have been utilized so far. This list is growing. And these are some of the focuses that have been utilized, and again, this list is also growing. On the public involvement fund --

Katz: Let me interrupt just for a second. On the minority women and esb firms, these are out of town firms, the first list as opposed to the second that are local some.

Gribbon: No.

Katz: No, okay.

Gribbon: They are all local.

Katz: They are all local, okay.

Gribbon: We have an extensive public involvement effort going on, jointly with the office of neighborhood involvement. We have a committee called the businesses for clean rivers, of all the businesses impacted by the works. We meet with them on a regular basis and go over their concerns. We have ongoing site visits to all the businesses impacted by our work. We sent out newsletters. We also do this by e-mail. And we also have our community benefit opportunity program and we have started work on eight of the initial community benefit opportunities that were included as part of this project. And then on the safety front, we have got ongoing safety training. We trained over 250 staff, so far. We have an incentive program in place. We have had no incidents to date, and we intend to keep it that way. On the cost front, this shows a projection of what our cash flow was expected to be you find this -- under this contract. As you have today we expected to spend a little under \$1 million. So far we spent about \$12.3 million so we are about where we expected to be on costs. And for the next quarter, we are now starting an internal audit and what that audit will do is look at all our subcontracts, look at all our progress payments. Look at all our major equipment and material purchases. It's a separate group internally. Our program controls group will do that audit over the next couple of months. That's part of what we want to do as a part of the ongoing series of audits as we go through the project. And as far as the work is concerned, we hope to complete the slurry walls at nicolai and swan island pump station and then begin excavation. And then as I said, the boring machines are supposed to show up in july, and then by late summer, they will, they will be inserted and we will start tunneling.

Marriott: Mayor, what I would like to do, it's up to you if you would like to do questions on the west side project, we could pause and do that, or would you like us to continue?

Katz: Why don't you just continue.

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Marriott: We are now ready to move to the east side, and I will have kim madison.

Kim Mattson, BES: Good morning. I am kim mattson with bes. Before I begin, i'd like to thank the folks that put this presentation together for me. That's tammie, the project manager, christa and nancy. As dean has mentioned, we are set to begin the east side willamette river combined sewer overflow project. That's the design and construction of the east tunnel -- the big pipe on the east side that you see on the map. This project will control the final cso discharges as required by the asfo by 2011 in the willamette river. It will control the final 17 cso outfalls on the east side, and that's from oaks bottom to swan island. It will also relieve the existing east side interceptors to reduce the flooding risk. We have two large east side sewer pipes that run from the pump station near the interchange of i-84 and i-5 to sellwood and then there is a second interceptor that runs from the solar pump station all the way to the lents neighborhood and southeast Portland. When we have big rainfall events, those sewer pipes are full, and they contribute to the basement flooding that occurs in southeast Portland. The construction of this project will relieve that some of that basement flooding risk for us. This project also will be the, kind of the final piece of the, of the cso program for the willamette river and as such, one of our intents is to absolutely maximize the volume of cso discharges that are going to be treated, and that will get to the treatment plant.

Nikolai.

*****: The work will be done in three stages. The project that you will see on the council agenda for next week is the preliminary design -- next week is the preliminary design phase. Some of those -- I want to walk through those specifics for you on those projects. One of the intents is to establish a final tunnel alignment. We will do that by four major activities. We are going to review the existing information that we have. One of the major -- one of the compliments that we have is the work that's been done prior in the willamette cso, predesign effort and cso effort. The tunnel alignment you see on the graphic comes from that earlier effort on the willamette river cso predesign project as a preliminary, preliminary alignment. We will also do a historical and cultural assessment of underground information that we have. We will do an archeological assessment. It's our intent to research the army corps of engineers, the historical society, insurance maps, and recreate the configuration of the east side, including streets from the period of about 1880 to the present day. I will also do a literature review of our underground technical information. It's a loft bridges and bridge approaches and private businesses that are constructed over the years, and there is some soil borings and geo-technical information that we would like to look at. Once we have done that, another task that we will do is that we will do an extensive geo-technical investigation. We will look at -- we mentioned the previous information, we will establish our own underground subsurface boring program and as part of this project we will do a lot of bores on the east side to determine the underground conditions. We will also do some additional computer modeling and model the east side cso system and determine the flows that will be, we will be contributing to the east side tunnel, finalize those flows and determine the points that they need to be connected into the, the tunnel. And finally, based on all that information, we will determine some criteria for evaluating the tunnel alignment alternatives. We will do that and we will make a final selection of the tunnel alternative and alignment. The preliminary tunnel route that you see is, as I mentioned, this comes from the earlier effort in the predesigned project. And -- but it's illustrative because I think it shows well where we are going from and to. Essentially, it's coming from the neighborhood of oaks bottom, past the ross island bridge, around omsi, between the colonel's grocery and the river, past the coliseum, by the railroad yards and into swan island. And it will terminate at the structure on swan island that's being constructed, on the west side cso. This project will be -- well, the tunnel will be approximately 30,000 feet long, like I mentioned from oaks bottom into swan island. And again, it will connect at that structure on swan island. In addition to determining the alignment, where it's going to be in relationship to the river, we will also determine its diameter and depth. Again, from previous information, we expect that the tunnel diameter will be in the range of

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17 to 22 feet and will be approximately 150 feet deep. Also, as part of this project, we will need to determine where we are going to connect the surface sewage system to the tunnel. Where we will drop that sewage down into the tunnel. So, we will be designing some drop shafts. And as part of the project, we are going to establish those drop shaft locations for that final alignment once we have determined that. And to do that, we need to identify the available property that we have on the east side. Obviously, it's pretty tight, and we are going to try to evaluate and consolidate collection points for that surface system so that we minimize the number of drop shafts. We could have as many as 17. We could have one on each outfall. But, right now we are trying to get into the range of 10-14. We also, during this phase, are going to provide for community involvement. It's our intent to start with stake holder interviews with our critical project, stakeholders in the area that we are going to be working, business interest, property owners, those folks, to hear what their concerns are, what the potential issues are on the projects and get them onboard with our work as early as we possibly can. We will also be doing a significant amount of agency coordination and bringing along the other government agencies that will have an interest in the project. Particularly, pdot, the bridge owners, bridge approach owners, the river users, and other people like that. We also, then, will, in addition to the stakeholder interviews and the agency stuff, we will have a very extensive public involvement process, and we will have -- during the 18 months of the project, we will have nine large public meetings. We intend to have 30 to 40 smaller community group meetings where we will keep the public informed of the project progress and we will also get their feedback and hear what their concerns are on what the project is. And we also finally will initiate the community benefit process. We will evolve some criteria for the selection of community benefit projects that will be done during the design phase. We will establish the selection committee to do that work. Laying that groundwork for the design phase where we can solicit nominations from the community about that for community benefits.

*****: Then we will see something that looks like this, which is a 30% design plan sheet. This comes from the west side cso tunnel project, and about their 30% completion. There will be 200 plus sheets similar to this, and it will be bound and that will be our final project deliverable for this phase of the work. As I mentioned, our intent is to complete this preliminary design phase. The final alignment, final depth and alignment by june of 2004. -- and the alignment by june of 2004, and that will extend from 2004 until december of 2008, and we will hopefully have -- got a jump on our construction phase and begin the work in june of 2006. It will be completed at the end of 2011.

Our selection committee has gone through the consultant selection process, and we are making a recommendation and which will be on the council calendar next week to select parsons, brinkerhoff, quade and douglas to do this work for us. The total contract amount will be \$4,544,000. We have a -- in this phase, we have an mw-esb participation of \$1,224,203. A preliminary design will be complete by june of 2004, at which time we will be before council again with a contract amendment to complete the final project design. This is a list of the m-w-esb participation that we have at this time and the preliminary design phase. You can see that it's quite extensive. It's 26.9% currently. I guess it's back to christine. We are just about done.

Katz: All right. Can we put the lights on?

*****: Certainly can.

Marriott: Okay. I just want to mention that we will be back -- We will be back next week with this preliminary design contract for your approval, and we would like to talk to you about when you would like to see us again on the west side update. We had thought about this summer would be a good time. The tunnel machines will be here by then. We will be just about ready to insert them to start their work. We would like to know what frequency works best for you.

Katz: All right. We will ask the council. Let me, let me ask a question. You know this community has been looking at and talking about changes on the east side of the river. And all of those visions and dreams never really materialized. We now have been charged by the i-5 trade and

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transportation corridor study to take a look at a variety of -- or actually, begin looking at funding a variety of options to help trade and freight movement and reduce congestion. In addition to that, there was a request to take a look at the inner core transportation corridors. It was of i-5 and i-405, the circle. You are moving over now onto the east side, the question that I have is how much discussion can we have with you, using your knowledge base on all of this because you have a tremendous knowledge and background on this. Look at other options on the eastside that may make some sense, and we are talking, I just want to say flat, we are talking way down 25 years or whatever, but I don't want to lose the opportunity now as you begin looking at the water tables. You begin to looking at the design as you begin to looking at construction of these huge pipes. What other opportunities we may have, so I would like to have that conversation with the two of you, the three -- whoever, dean, just to see --

*****: Right.

Katz: Just to see whether that would -- that would fit into what we are going to have to do in the next couple of months.

Marriott: We are glad to do that. Mayor, I would be happy to talk to you about who you would like us to interact with. Certainly, all of the information that we will gather, the technical information, the property ownership, the rights-of-way and everything will be available --

Katz: Well, it's more big-picture thinking, as opposed to honing it down on anything specific.

Marriott: We certainly don't want to locate our drop shafts or something in a place that the transportation officials say, oh, that's going to create a problem 20 years from now. So, this is a good time to get our staff and if you approve the contract, the parsons staff involved, go ahead and do that.

Katz: I'd like to do, at least to see if what i'm thinking of makes any sense at this point in time now that you are going over on the east side, and then begin to formulate how we integrate it into the next steps that we are going to be taking to meet the obligation of the i-5 trade corridor. All right. Thank you. Further questions? And then, of course, I want input from the council members, but I want to first even know whether I am on the right path on this one. That means that you have to think outside of your path.

Marriott: We can do that.

Katz: Okay.

*****: We will do that.

Francesconi: Maybe three questions, three questions. One is, you know, you mentioned agency cooperation.

*****: Yes.

Francesconi: How are we doing with inner bureau cooperation? I have heard that maybe it's going well, but I have heard that maybe, there maybe an issue with one bureau. Are we all on the same page here?

Marriott: That's a good question, commissioner. I think that we are doing very well. We, um -- what's interesting about this whole program that started in the early '90s is we focused on north Portland and the columbia slough project because it was the smaller of the three tunnel projects, as a learning experience. We have taken those lessons and now applying them to the west side, and one of the things that we learned was the utility relocation issues are significant. You have got to get them done and get them out of the way as quick as possible. So, we have learned a lot of those lessons and we are working much better now with all of the utilities, including our own water bureau. We have the engineers sitting down, working on issues to make sure that they don't continue to crop up, and --

Francesconi: Is there a timely mechanism for resolving the deputies so the contractor doesn't sit there and it costs more money when there is a legitimate dispute? Is there a way to quickly resolve it?

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Marriott: Yes, and I think what we are doing is giving -- getting the right people together, and we have already made great progress in resolving any of that. I am not aware of any outstanding disputes right now.

Francesconi: In a timely manner?

Marriott: Yes. I mean, to be frank, we have had some problems. As you might expect, in any project of this size, and about all I can tell you is that we have been able to work through them.

Francesconi: You know, I expect us to have problems on some of these complicated things. The key is that we resolve them quick so that we can move on. The second, can you say more about the type of community benefits that may be available? To choose from?

Marriott: What I can do is describe the benefits we have already proved. In north Portland, along the slough you probably have seen, if you have driven along Columbia Boulevard west of I-5, the new sidewalk and landscaping along Columbia Boulevard, the earthen berm that shields the neighborhood from Columbia Boulevard, this is in direct response to what the neighbors had wanted.

They also wanted more access to the 40-mile loop trail so east of our plant we have a pedestrian trail through a nature area and it connects with the pedestrian bridge over the slough. So, those are just some examples of what we did on the north side. On the west side, we have done -- we are in the process of doing traffic projects on Southwest Virginia. We are doing some vegetation along the greenway. Along Southwest Macadam. We are doing some planting along the river near riverplace.

On the east side, because we are doing work on Swan Island, as well, with the major pump station, we are doing some sidewalk improvements on Going Street. We are actually working with a neighborhood park in an area called Roy Beach. They wanted a community garden. They wanted some help with that. So, we are helping to contribute to that. Doing street planting in the Goose Hollow area. University Park Street program, and we just approved -- actually, contributing to the Parks Bureau effort to do planting in the South Waterfront, what used to be North Macadam, we are using some of the community benefit funds to help them do the greenway planning. So these are the kinds of things that as Kim mentioned we will have public criteria before we even start the east side projects, so -- and then we will solicit ideas. What we did on the west side, we got over 90 suggestions from neighborhood associations, friends, groups for projects that they wanted to see enhance their neighborhood, enhance the livability of the neighborhood because as I have consistently pledged to you, we want to make sure that when we finished, our project, in an area that we leave the area better than were we arrived.

Francesconi: Okay. Then my last question -- we talked a lot about -- and I asked you about it and you answer it had terrifically -- about citizen involvement and public information about the benefits of the project and what -- what the tax ratepayers are getting in exchange. Given the feeling of many of our citizens that were on the -- that we're on the wrong track as a city and given the importance of fiscal accountability and the ability of government to do important infrastructure for an important benefit, like cleaning up the river, how successful are we being in communicating that we can do things that are important to our citizens at a cost even below what was expected? Are we able to -- and it's hard.

*****: Yeah, it is.

Francesconi: But, are we able to get the message across that we are conscious about cost, we are doing all we can, but we're doing this in a cost-effective way and we are accomplishing something with partnership in the private sector that's important to our citizens? Are we kind of getting this story out?

Marriott: Well, commissioner, it's a great question, and I think that you have actually framed the challenge right in your question, that it is a difficult assignment for us. Certainly, conveying good news is -- seems to be always more difficult than conveying bad news. We are trying -- I have talked to commissioner Saltzman about how we can -- how we can work together. He has access to outlets that I don't, and we have staff that can assist in getting more places and getting this word out.

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I know that we do an annual mailing to every household in Portland, a little riverview newspaper. We are planning to do another one this year. The message of that is, is just as you say. What we have accomplished and how we are paying attention to cost effectiveness. But, I welcome any suggestions from any members of the council at any time about how we can do a better job.

Katz: Council?

Saltzman: I was going to add, as you recall when we awarded the construction contract, commissioner Leonard wasn't here, we had several members of the minority subcontracting community here to protest -- not to protest but to raise concerns that they weren't comfortable that we were going to follow through on our commitments to have a substantial amount of minority women and emerging small business subcontracts. Today in the audience, you see nobody from that community, and that's probably because we are exceeding our goal by about a factor of three. And I think that we have 35% minority women, minority and small business subcontracting going on right now. That's way above our goal. So, part of the, of the good story here is that, you know, a lot of these people are out working now. If you look at some of the firms that are working for us right now, you will see that some of these are some of the same people who were here last fall or last summer raising concerns about whether we were going to, to -- the contractor was going to follow through on that so, I think that that's a success story to date so far. We need to remain vigilant on that front, and we will.

Katz: I want to follow up on part of the discussion that just occurred. Through a lot of different venues, what I am discovering, and I think what all of us have known, is that much of the public doesn't understand that a rate dollar isn't a general fund dollar, or it can only be used for certain purposes, and I think part of the, the disbelief that, that the communities, whether it's the state of Oregon or the city doesn't have resources is because the distinction between dollars is really not clearly understood. So, I think it would help, and I keep asking both pdot and now you and the water bureau and pdc, all of you who use dollars that are not discretionary dollars, that can only be used because you are actually dealing with one of your projects that is paid for by the ratepayer, have the ability to explain that on your posters that -- thanking the public. I am trying to do a little bit of the marketing for you, by thanking the public for giving us the opportunity with the ratepaid dollars not only to clean up the river, but also to provide these public benefits. So people begin to make the connection between -- the dollars that are available for specific programs not available for anything else, and those that are available for general purpose, okay?

Marriott: That's a great idea, mayor. As a matter of fact, we have been talking about actually being so bold as to take out some ads, "thank you ads," to report progress to the public. For instance, we have just -- we have finish this had phase of the project. We are starting this phase, and all of this has been because we have been able to make use of your ratepayer dollars wisely. Something like that.

Katz: They may be offended that we are using money for ads, but the point is that you do put things up on the roads. Pdot and pdc does it all the time. But, other than the name of the organization, there is a -- there isn't usually any message to it, and all i'm saying, is you know, thanks for your gas tax dollar that was used to fix this, this stretch of the road so that we educate the public because I think certainly through polling and through discussion, focus groups and through e-mails and letters and everything else, the distinctions aren't clear. Anybody else? All right. Anybody else want to testify? All right.

*******:** Thank you very much.

Katz: Thank you. Roll call.

Francesconi: Oh, just -- you are doing very good work, and commissioner Saltzman, you are in charge of this, and you are doing a, an excellent job of trying to hold the rates down and deliver an important, you know, city goal. Actually, a state goal in terms of water quality and the importance of the rivers. So, you are all to be commended. The most important thing, you know, I asked you

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about how do we communicate with the public. The most important thing is to just do the job with excellence and manage it well and be as cost effective as possible. And so once -- and you are doing that through this. Keep flagging to us problems that may develop and it's good that we are cooperating with the bureaus because that can drive up costs. I do think that we need to communicate it. I am not sure it should rest all on the bureau to do that. I think the mayor has been right in that we need a public information not just to communicate with our citizens what we do as a city. So, we should have the capacity to give you some help. Your job is to do this, manage this project and get it done. I am not sure that it's your job to actually have the expertise to also communicate with the public. I mean of course you need to be conscious of it, but there -- it needs to fit into a larger strategy. So, I am hoping we might be able to revisit it through the budget process, even though I know that it's a difficult thing. The last thing that I am going to say, and I promised council -- my new year's resolution is only to do this three times through the whole year. So here I am using my first one. What's -- there is a similarity between this project and our italian sister city to be, which is coming up later in the month. And that similarity is -- we have this italian contractor here doing this project. This italian contractor is building a tunnel. He was selected by the italian government from balogna to florence, so you have a high quality contractor here. Aye. **Leonard:** I followed this project closely in the legislature, and, and I just want to say, as a guy that grew up in northeast Portland and used to go to the columbia slough, it frightens me now to think of that, what a wonderful turnaround that has been for anybody who hasn't walked up and down the columbia slough to see the benefits that that body of water has received into this project and other efforts. It's just amazing. I remembered marge took me some years back to, to the old st. John's dump, and we got off with a bunch of legislators and everybody else went, that's nice. You were here when it was -- you weren't here when it was a dump, because you wouldn't say that, it's pretty nice, if you had seen it before. It's good to see that -- we are correcting the sins of our past, for sure, on one generation, and that's tough. But, i, as a life-long Portlander, greatly appreciate this project and it's a long time coming. Aye.

Saltzman: Well, I want to thank the bureau of environmental service staff and our staff of our contractor and all the subcontractors who are making this project, making this project go. This is a major -- it is the largest public works project in Portland's history. There's a lot of complexity, but there's a lot of commitment, I think, and I know there is a lot of commitment on the environmental service staff and I know the contractors, this is just a lot of pride in what we are doing to clean up the river to really make this a, a landmark public investment. I think that there's a lot of good suggestions here about how we need to sort of get that semi-final out about how sewer ratepayer dollars are cleaning up the willamette river. But one they can that we have seen is a lot of tolerance. Businesses, we have seen it on southwest jefferson, on southwest columbia, burnside when businesses had to be closed down, have their burnside closed down for a month or so or have major construction going on in front of their tavern, it's amazing how tolerant these business owners are because they know what it's going for. It's going for a clean river. That buys us a lot of good will, and we will need that good will because we will be tearing up lots of concrete, drilling big holes so, we are going to be trying people's patience, but I am really impressed with the citizens of Portland and how the tolerance and the support they have shown for the large goal here of a cleaner willamette river and a clean columbia slough. Aye.

Sten: Well, I want to commend commissioner Saltzman and the team, it's going very well. People are struggling to pay the higher sewer bills, and when they connected to the cleanup that's going on, people can say, this is something that we need to do. When they think it's just, just bills going up, it's very difficult. I think that people are proud of it. I actually had, had the great privilege to be the commissioner a few years ago of bes and I remember when we put the pipe in at columbia slough, and I took a kayak ride along the columbia slough with some activists. And I mean it was nasty. It was really, you know, a sewer pipe that ought to belong to nature. And it's remarkable, the change,

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and I think it's longer and more complex, but those things take years and cost a lot of dollars, you know. The future is ahead of us where we can actually see that we are not doing what we have done to the willamette for so many years, and it's very exciting and it's, it's, essentially, you know, I won't go on and on. I think that the problem we face in the community that we essentially engineered the entire city way back when to dump everything into the rivers and re-engineering it is a billion dollars task. I think that you're doing a terrific job of spending a, the billion dollars well and getting thing right. So good job. Aye.

Katz: Somebody said, we are correcting the sins of the past. I am thinking about measure 28 that's going to be on the agenda in a few minutes, that we could be sitting here and talking about the sins of the past if we don't do the things the right way the first time. And so this is a project that makes those corrections, and both commissioner Sten and commissioner Saltzman and dean, you ought to be congratulated. Yes, you do have the resources. It isn't a general fund project but your views did wisely. You have educated the public, although we need to do more of that, and you are providing major community benefits. But most importantly, you are cleaning the jewel that runs through the city, and that's one of the top priorities for this city and the city council. So, more to come. Thank you. Aye. All right. Items -- let's read items 2 and 3 together.

Items 2 and 3.

Katz: Commissioner Francesconi and I are sponsoring this item, but let me, let me just say that when i, when I talk to businessmen and women, especially entrepreneurs, I ask them -- what do you do during a recession? What, what are your opportunities during the recession? And the response is, we plan for the future. We think about how we can get out of the recession. We think about what we need to do. We think of new ideas. So, the resources, when they are there, or we are able to get the resources from a variety of, of places, when there's venture capital available, we then build on these visions and on these dreams. This is a part of all of that. It's a venture capital. It's ohsu, the future of this community, it's the new economic development opportunities. It's jobs. It's transportation. It's development of another part of the city to maintain our urban growth boundaries and the livability of this community. And there are opportunities here that today we still don't quite understand because we are not only drawing the vision for the future but now we are beginning to design it and I think next -- hopefully this year, beginning to throw some dirt around and start building it. And providing those wonderful opportunities for our community. So, what you have before you -- I introduce this again, a little bit more big picture than just the issue about the tram. We have transportation opportunity here that is -- without controversy -- that is unique for this city. Unique for a lot of cities but there are cities that actually have these methods of transportation, and a desire on the part of pdot and on the part of pdc, on the part of planning, on the part of ohsu and on the part of private citizens in the nonprofit, if this will be built, it will be a design that we would all be very proud of for the next hundred years. So, what you have before you is, is a, an agreement with a private nonprofit group to manage all of the issues that are required to manage through ohsu and the tram. And to also manage the competition. I hope it will give us, again, an opportunity to talk about the future of south waterfront and to talk about the importance of developing this part of the area for the community. For people who are going to live but, but for people who are going to work there and the jobs that are created. So this morning, these two issues are here before us. Now, let me go back, and then I won't say anything at the time that we vote. We talk again about so, where are you getting the mope to do this? -- where are you getting the money to do this. That issue, that issue needs to be identified. We have systems development charges that are available for developments like this. The transportation charges to make sure that the infrastructure and the parts of the new parts of the city can, can handle -- can handle traffic and transportation. I will let commissioner Francesconi go into that a little deeper. We have tax increment financing by the Portland development commission that, that is derived because you are actually building something on this land. Without it, there would be no tax increment financing, and that, then, is available only

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in tax increment financing districts. And then we have a private group that's involved, also, in raising some of this money. So, it is one of the ways that this community thinks about how we can, how we can put packages together that will not impact negatively any other service here in the city. That's a long explanation and maybe it's the start of a new year and you are going to hear a lot of that from me, but I promise if I do that at the beginning of the conversation, I won't do it at the end. [laughter]

Katz: Commissioner Francesconi?

Francesconi: I will not make that promise but I will be brief on both ends of this. [laughter]

Francesconi: Maybe two general points. As the mayor said, but in a down economy, it's important that we focus on job creation and here we have probably the premiere institution in our city. And we need to build on it, that's ohsu. That's more than 11,000 jobs. And here's an opportunity to do something right now in this down economy that can help all of our citizens. The second thing in a down economy is we need to generate more resources in terms of development. Commercial, residential. Here is an opportunity to develop south waterfront. It isn't going to happen until we build this tram, so here's an opportunity to act and the council has done the difficult thing and has acted. Now that we act, let's do it in the right way. Let's do it in a way that protects the integrity of the environment and terwilliger parkway. Let's do it in a way that adds benefit to the neighborhoods that are essential. And let's step into the future and create the science and technology quadrant. This tram is the key to all those things. In terms of funding, what we are talking about is some public money to jumpstart this thing because we have to move the project, and that money is coming from capital construction dollars or these development charges that would be generated in this part of town right there. This big project. That money cannot be used for maintaining, fixing potholes or maintaining the roads. It's a one-time capital dollar. By investing it here in this project, it's projected to bring back to perform do the \$6 million more than we are putting in. So, it also makes economic sense to do this, and so we are going to proceed and we are going to step into this, 21st century, right way. Pat la crosse, do you want to come forward, and matt brown?

Matt Brown, Project Manager, Portland Office of Transportation: Good morning. My name is matt brown, I am the project manager with the Portland office of transportation. I am here with pat la crosse, the chair of the Portland aerial transportation inc. I will just start off with a couple of quick comments just to give you a sense for what's in front of you. I am going to turn it over to pat. Just a bit of background. We are here in november where we asked to you pass a resolution. You passed a resolution approving our design development process for the next piece of the tram. That included a design competition. It is sort of part of the process for furthering the design of the tram. And we also asked for a commitment to, to support funding for the project of \$150,000 that would go to Portland aerial transportation, inc., as part of the city's contribution for the design competition, asked us then to return specifically with where does the money come from, how is that going to work and the contract to do that. So, that's the background. The two contracts in front of you today, the first is for the design competition. Just a couple of brief points on that. The competition, itself, is going to begin, essentially, in january. 23rd and 24th, the four design firms that have been selected will be here for an orientation session, the kickoff, the competition. I think that we have four excellent teams. I will talk about them again in a second, but great teams to work with. There's a budget for the competition of \$325,000. Of that, of the various parties and private parties and the Portland aerial transportation, inc., have raised \$175,000 and the city is providing the other \$150,000. The second contract is, is for, sort of a catchall for a number of issues, but project management construction, operations evaluation. There are a number of issues that we think are very important that need to happen concurrent with the design process. We will be looking at what are the operating costs for the tram and the operating characteristics. How will we build this tram. How, how will we get the cable from mark ad hill down to the district. How far in advance to we

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have to order the cable. All those issues that are really unknown at this point need to be defined fairly soon. Again, all this is really on, on the basis of needing to and sort of buying into this idea that we need to get this project on the ground and up and running by the end of 2005. It doesn't leave us a lot of room to sort of wait around for answers to come to us. So, that second contract will help to define a lot of that. A couple other things that it will do will be developing a contract, a contractor selection process through that. This is starting to think about the movie of apollo 13, when the guys are sitting in the cockpit saying, doesn't it make you to feel that you are sitting on a low-bid government project here? I think we need to take a different approach to the tram, as well. We really want qualified contractors to be bidding on and building this project. And in order to do that, at some point in the future, we will probably be back here at council asking you to, one, you know, exempt us from the low-bid process so that we can go to a construction management, general contractor process where we can select through a competitive process the most qualified contractor to perform this work. So, a lot of that work will be developed through that contract, and I think a lot of the information coming out of this will help inform our development agreement discussions that are going on right now. The budget for that is \$200,000. Again, the city will put in \$100,000. Patti will put in the other \$100,000. These are sole source contracts with patti. I don't think that we could find any other contractor out there in the tee that would be willing to put up over half of the cost for any work that we are talking about here. But we have acknowledged them as the project sponsor, and they are really the most appropriate source to contract with. We mentioned a bit about the sources of funds. They are coming from the system development charges and from tax increment financing, so both dedicated sources for this district. And just to wrap up before I turn it over to pat -- I sat through the interviews with all seven of the design firms that we had here in Portland back in early december. And as a landscape architect, someone who went to design school, got interested in that side of the profession, it's easy to lose sight of kind of the excitement that can be generated around working with folks like this, you know. It's real easy in the day-to-day to lose track of what, what is truly inspiring about the design. And what was interesting to me is sitting through all the firms' presentations was really over the course of two days, becoming kind of re-inspired about my field and really seeing that these people could bring that kind of energy to others here in Portland, to the project, itself. I am really excited about the four firms that have been selected. I can picture working with any one of them. I could picture any one of them working well with the Portland community. And I think that that's probably even more important than whether they can work with me, is how well they are going to work with, with our neighborhoods and with our community. So, with that, I am going to turn that over --

Katz: Matt, before you go you go, I am so happy that we can reexcite you and reinvigorate you with design issues because that's going to be my goal is to have you sit here every single time and say that. And I hope that you bring the, these three to the council so that we can excite the council on design initiatives.

Brown: Absolutely.

Pat Lacrosse, Chair, Portland Aerial Transportation Inc.: Madam mayor and members of council, I am pat la crosse, and I currently serve as the chair of Portland aerial transportation, inc., known as the patti board. In recent months you have recognized patty's role in the tram. You have asked us to move ahead with the design competition and directed us to work with pdot to identify operational issues. We have been very busy with all these tasks. As you know, we are well along with the design competition and are now beginning the construction design process. We are pleased to reported that we picked four final design competitors last week. They include the angela graham firm of los angeles and switzerland, shop from new york, and u.n. Studios from amsterdam, and we have presentations of some of their sample work up here on the boards. The four firms we'll visit and attend community meetings here in Portland late this month, and will appear at aia forums here in february. I should note that their ability to manage sensitive community issues will be

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critical in making our final choice. I'd also like to note that matt has copies for council of a letter from aia to me that -- wherein they indicate their support for the project and for the process that's underway. Seven-member jury will manage the final competition, leading to a recommended firm in early april. At which time we will return to council. That seven-member jury is very impressive, and we have information on each of the seven jurors, if you would like it, but it includes from Portland diana, brad, from allied architecture, and bob from cgf. I'd also like at this time to note, I think, steve stam is present, another board, patti, and for myself and for the board I want to express, as matt said, how confident we are as a result of the great ideas and enthusiasm shown by the competitors in the process. We think the tram has captured the attention of the design community and we look forward to the unique inventive solution that we think will result from this effort. As matt noted our budget for the competition is \$325,000. Of this amount, \$175,000 has been committed. By patti, board member organizations, and we are asking council for the remaining \$150,000. The second ordinance as was noted begins the serious work of examining the tram engineering construction, maintenance, and operational issues. You asked us to begin this work in your last resolution. We are prepared to and these issues while we complete the design work so that the construction information gathered will not only help us in the design but also in getting early information on cost, funding, and other technical issues. We think it's critical that we proceed quickly, if we, as a community, are to, to complete designs, manage a public review process, fund and build the tram and have it operational by the end of december of 2005. Our goal is to be positioned to move forward with final design and construction this fall with all financial and impact issues addressed. The budget for this effort is \$800,000 and we are asking council to participate -- the budget is \$200,000, and we are asking council to participate with this, the other is committed by the member organizations of patti. We have been very busy this first year, and we have grown to a board of ten members. We have been asked by the corporate terwilliger hill neighborhood to work with them on greater neighborhood involvement in planning for the tram. A request that we welcomed. We have also received a request from the sweeney neighborhood group and we anticipate similar interest being expressed by others. We know we need to improve communication with the neighborhoods and the public, in general, as the project accelerates. We discussed these requests last week at our board meeting and resolved to invite interested neighborhoods to form a citizens' advisory committee to advise us. Mike lindbergh, who is a board member, john perry, another board member, and myself will host a meeting on january 16th with the neighborhoods to begin forming a cac. The model we are using is similar to that used by psi in building the streetcar. We look forward to the establishment of a cac and to improve communication with the community. Thanks for the opportunity to speak, and I am happy to answer any questions, if you have them.

Katz: Thank you. Questions? All right. Let's -- don't go away. Don't go too far, though. Anybody want to testify on this item? Has anybody signed up? Steve? Did you want to come up and say something? You are here. We don't get to see you very often.

Steve Stadum, Oregon Health Sciences University: Good morning, members of the council and mayor. Brings back fond memories. We, I think at ohsu, and my name is steve statum. I am an employee at ohsu, and also a member of the board of patti. I think ohsu and the city have established, begun to establish a great partnership on a variety of levels. This is just one of a number of things that we have going with the city that I think are all going positively. I would just say, I want to underscore what the mayor and commissioner Francesconi said. I am somewhat involved in economic development issues around Portland and the community, and I have to say that I think this is the single best project that we have going in this community. When you look at it at all levels, for ohsu, it's a great opportunity. For the community, we have three levels of job creation here. We have construction activity. We have ohsu and other institutions going down to macadam. The south waterfront for jobs. And then we hope to spur bioscience, private bioscience industry down there. We have the opportunity to reconnect the neighborhoods to the river. We

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have a great environmental story down there. I think it's just a fantastic opportunity, and I am so pleased that, that, I think that many of us in the community, including the council have come to appreciate that. It's not perfect, and there are things that we need to continue to improve. But, it's a wonderful opportunity. I would just say that the tram development process through patti, I think, is going very well. We think that it gives ohsu, speaking for ohsu now, the whole -- having just gone down to ucsf, for example. The university in california, a major medical center in the by a area. They have problems down there because they are out of space. They are on a hill by the golden gate park, and they are out of space. They are under a square footage cap, not a parking cap, a square footage cap, and so they have begun to develop the mission by a area, which the south pacific railroad previously had for 100 years through the landfill. They are now developing that. The problem with that area is, it's 30 minutes away. It is not a good connection, and they are already running into problems with the development of that project. This is a strategic event for ohsu and the city and the community, and I think it's a real exciting opportunity. I just want to thank the council for the continued support. I do think this tram design competition is very, very exciting. I don't know anything about architecture but I sat through those interviews and some of these firms are -- some of these people are geniuses. They are creative people. They have not just transportation things, but all sorts of design work that have been breath-taking in their vision and the impact that they have had, the positive impact in the different communities. And I will tell you from the design competition manager, rick, the past architecture magazine editor, this project has captured the imagination of the design community internationally. We are talking with firms -- these firms are, are the -- some of the leading firms in the world right now. So, we are just very excited about it, and we do think it gives an opportunity to have more dialogue on what the south waterfront area can be. That will be part of what these design teams are looking at. So I just want to thank you for the opportunity to work with the city on this project.

Katz: Go ahead.

Saltzman: Since you wanted to stroll down memory lane a bit, let me take you there. I am still concerned -- this is all great visionary stuff, but we still haven't figured out who is paying for this. That concerns me. Certainly, last november when we, when I raised concerns about getting \$150,000 for the design competition, and it concerns me are as much today because it doesn't seem like we are any closer to figuring out who was paying for what. What's the city paying for. What's ohsu paying for. What are the developers paying for. There was supposed to be an agreement last fall, and we have not reached an agreement. I just -- I was speaking with pat and matt yesterday on this very topic, and I just kind of wanted to get this out on the record. You told me, pat, yesterday and I would be inclined to agree that if we don't have agreement about who is paying for what by april 1rst when we are supposed to go from, into final design, you would not recommend going into final design and construction on the tram. Is that correct? Yeah. So, I know you are one of the parties to these negotiations and I know that we are a party to this negotiation. The concern is that the longer we don't have an agreement, to my mind, the greater the propensity that the city is going to end up picking up a larger share, maybe an inappropriate share of this, and maybe perhaps out of general fund revenues, which I don't think is appropriate. So I just want to get that out on the record. I hope this agreement will be reached about not only the tram, I mean, there is other infrastructure, too, but, you know, this is all great visionary stuff, but who is going to pay for it is pretty fundamental to making the vision.

Stadum: Well, I actually agree with all your concerns, and I don't think that the project should go forward if we don't have an agreement. We are actively working. I can tell you that I have been sitting through 7:00 a.m. Meetings at pdc's offices. People have their nose to the grindstone and we do have a package that we will be presenting. I hope you will have the opportunity to vote on the development agreement in march, along with ohsu's board and the pdc commission. But, we made - - we actually made a lot of progress, but until we are done, it doesn't appear like there's progress.

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But, I think the last three months has been -- and matt has been involved with it, to a large extent. There's been quite a bit of movement. We are not there but we are very close, and I think that we will be getting that march date. I am with you -- and also, frankly, if we don't hit that, the project starts to lose its schedule and if you lose that, then it gives other problems because you don't have the funding. There is a lot of reasons we need to hit the schedule.

Katz: Let me see what steve just shared is accurate. I am monitoring this almost weekly trying to identify the -- not only for the tram, but for the total project how much, what mechanisms are we going to be using, and it is not general -- it is not the dollar that can be used for the purposes that the city currently uses its discretionary dollars. And beginning to see, as steve says, it come together. It's not quite there yet. But, I have more comfort than I had a month ago.

Francesconi: I just want to add to this, I am not part of this, and I appreciate commissioner Saltzman's statement, I want to clear that ohsu has to contribute to this tram, number one.

Stadum: Ohsu will.

Francesconi: And it has to significantly contribute and then number two, is not only is not going to come from the general fund in the city, the city's portion but it's not going to come from the maintenance fund of transportation. In other words, we are not going to fund this tram out of any resources at pdot that go to maintaining our streets, roads, period. Those two are -- I guess my second statement is not directed at you but it's directed at matt, who agrees with me, and --

Katz: Yeah, I think that there is a general agreement so, let's say it again. The total cost of this project, the operation, the maintenance, the construction, whatever, will not be funded out of dollars that will be used for general services here in the city. All right. Having said that, there's nobody else testifying. Roll call.

Francesconi: Just briefly. We have, we have a good brand in Portland but not a sufficient brand to take us where we need to be as a city. We have a good brand, or statement because we, we have a very high quality of life, and we care for this special place and we are not going to sacrifice it for anything. But, we have to take the step to revitalize our city, and move it forward. This tram represents that. Ates signature statement about where we are going, that we can do difficult things.

That the mind is important to us. That the new economy is important to us. We are not going to sacrifice the neighborhoods or the environment, but we are going to step forward and we are going to do this. It's a statement. It's going to be so the design is important because it's going to send a statement about who we are becoming as a city. And to do that, the city has to do difficult things, which we have done. That are painful. But, we have to partner with people who have expertise, like pat la crosse, and then we need private sector money. You put public-private together to move forward. It's not just public money, it has to be significant private dollars. We are going to move forward and we are going to do this. Aye.

Leonard: I have, fortunately, the opportunity to meet with pat and matt this morning and expressed a fundamental concern that I have had with the project, and that is something that I have learned in my public outreach work in the last year, is a symptom of concern with citizens in Portland, that is the appearance of public involvement but not, in fact, public involvement. In other words, the city does provide a number of forms for people to express their opinions, but it would appear it falls on, on deaf ears. Pat, I felt like, adequately addressed that concern of mine in this process. He got what I was talking about and had his own examples of problems like that in the past. I greatly appreciate that that concern has been addressed. And of course, I met with the doctor here recently and the team at ohsu with another concern that I had. And that is I believe that the city needs to reinvest and recommit itself to developing itself economically to create jobs to broaden the tax base.

And one of the concerns that I had was that ohsu, in fact, wouldn't broaden the tax base because it's a public corporation. They do not pay property taxes. I've been persuaded, however, that because of the kinds of businesses that will crop up around supporting that, that will more than make up for the loss of revenue that ohsu will pay in the development in north macadam. The last thing I would

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say, steve, you mentioned that there were a number of geniuses involved. I am a year behind in watching movies, and last night I watched for the first time "a beautiful mind." the main character in that movie, obviously, was a genius. So, I hope, I hope that we can balance those with creative minds to be intolerant of the right and obligation that the public has to have input and those that are listening, actually listening with their ears. That, for me, is going to be a threshold issue as this goes forward and other projects that the public has meaningful input, and that where decisions are being made, they can influence those decisions. That's very important to me. Aye.

Saltzman: Well, I think this is really exciting, the competition, the agreement to start doing the, the, all the management issues and figuring out, you know, when you need to order cable and things like that. These are all things that need to be happening, and simultaneous with figuring out who will pay for everything, so this is really exciting. I am really pleased that the corporate terwilliger neighborhood has asked to be more formally involved as the southwest neighborhood coalition. Those are good signs, and I am pleased that patti has responded so well by, by forming this citizen advisory committee. I think that this is going to be a really exciting design process, and ultimately, a very exciting project. Aye.

Sten: Well, I agree with what's been said so, I won't repeat it. It's off on the right-foot and it's a controversial project, and I think that it, it -- you know, you can't do something like this without having some downsides, but I think the upsides so heavily outweigh it that I am looking forward to seeing the next steps. We need to get the agreement done and there is nothing like a deadline. Aye.

Katz: Aye. Next item. Roll call on three.

Item 3.

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

Katz: I said I wasn't going to, going to talk on one item, but let me add something on this one. I had to sit here quietly during the debate on this issue and was -- had to hear some testimony that was painful for me to hear as the criticism was mentioned with regard to the post-card image, all right. What that really is all about is what you are seeing here. We are doing this -- this city is doing a design initiative. That is part of the planning bureaus task and part of one of my priorities, that as we continue to build this city, that we don't tear down historic buildings, a, and b, that what we build especially when there are sitting resources, whether it's tax increment financing or federal dollars or lid dollars, that what we build is something that we can all be very proud of. And this is the beginning of it, and I never did think when we thought about the design initiative that this would be the first project, but it has, it is, and it's very exciting. I want to thank the patti board and ohsu and matt brown because he's a landscape architect and not an engineer. Aye. Thank you. He didn't hear it. That's all right. All right. We will go to the regular agenda. Item 18.

Item 18.

Katz: I have asked the rest of the council whether they are willing to add their name onto this resolution, which was my intent, but in light of the holidays and people not being around, it didn't get done so, if there are any objections, i'd like to suspend the rules and add the rest of the -- I would like to suspend the rules and add the rest of this onto the resolution. We have been asked in the past, and even currently to get involved on national and international issues, and some of us have been reluctant but we are not reluctant and we have a responsibility to be involved in issues that affect this community and issues that affect this state. This morning, I opened up the Oregonian in the metro section, and saw a picture of a gentleman and the article talked about the elimination of general assistance. I was on the ways and means committee in 1975 and began my career on the ways and means committee, and that particular program was always in jeopardy, and it was in jeopardy because there were no matching funds, federal funds because it dealt with single people, mostly but not totally men. The sense was that they could go find work and get housing and maintain a lifestyle without any help from the government. Well, the legislature made a decision

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that that program can be cut and in light of all the cuts, that was one of the first to go because there wasn't any federal funds. That's a sad day. A sad day for Oregon. And it will have its repercussions here in the city of Portland. The second issue is a couple of weeks ago, we had a conference, a business community and the governor and our senators put on a conference that talked about economic development. It talked about what was important to Oregon. What was important to this city, and it was really just several things. First, you have got to live in a safe city. And we'll talk about that at some other time. The city is still a safe city. And second, you have to have a place to educate our young people. Our children who k-12, community colleges and higher ed. And you have to prepare them to be not only good citizens, but prepare them for careers. You had to have the infrastructure, the socio, economic, physical infrastructure that makes this community and this state the very special, special place that it is want the city of Portland is a very special place. You heard about the council members talking about it today. And for us, it's a very special place because we take care of our most vulnerable of citizens and because we try to do whatever we possibly can as a council, even though it's not our responsibility, to take care of the schools. And because we are now, again, refocused our efforts in the creation of jobs in providing a climate for people to think about expanding and to attract new jobs into this community. But, if you all read the literature about what makes Portland and what makes Oregon very special, it is the fact that very bright people from all over this country make a decision to come here because we have a very diverse economy, we have a geographical diversity, we have decent schools. We have opportunities for people to grow. We have a 24-hour city. We have thought clearly about what kind of a city we are ready to build. They come here and are a class -- we call them, a new word now, "the creative class," that's here that creates jobs for us and that creates the resources that are natural for us to continue the work of the special city. Without good schools, without the physical, socio, economic resources, this is not going to be a place that people are going to want to come to create those jobs. It is not going to be a place that people want to invest their dollars. Now, is this a difficult time? You bet it is. People are struggling. People are out of work. But, you can't, you can't ignore what we have to do as a community. And for the majority of the citizens in this community, it's \$114 additional a year, a little less than \$10. For some of us on this council, it will be far more. And we need to be willing to say, yes, for a short period of time, this is what we are going to do. We are doing this because we care about the community that we live in. We care about Oregon. We care that if we get out of the recession, we, at least have, our basic services intact. So that's the reason that, that I felt the need to make that statement as a council, as a city, and give the opportunity of people in this community to come and address this, this very same issue. Times are tough. The economy will recover. We are beginning to see some signs now. This is a short-lived tax increase. And it's something that the legislature should have done, period, end of story. It's something that legislators in the past and governors in the past supported and got done to get us out of the recession of the '80s. We don't have that opportunity today. The legislature failed us. But, we do have the opportunity to make a statement and urge the public to think about, about Oregon and to think about Portland for tomorrow. So that we don't sit here 20 years, 30 years, and say oh, the sins of the past. We have to correct them now. I tell you, it will be a lot more expensive. That's a long statement but I told you that I will do that in the beginning and I won't do it at the very end. So, but let's open it up for testimony.

Otto Schell, 3611 NE Klickitat St., 97212: I work at alameda school in northeast Portland. It may be the biggest elementary school, but if not, it's close. I was asked to talk to you about the human face about what's going on at our school. In the time that i've been there, we lost our music teacher. We lost our child development specialist. We lost our school secretary for 650 kids. We have one secretary, so we, as a community, raise the money to buy back that position. It's kind of amazing to me how generous our community has been so far, but we can't do it all. We have a library that was donated to us by alumni, who has moved away decades ago, built us this library. We have a half-

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time library. So, we, as a community, are asking you to support measure 28. We also want people to know that if Alameda is experiencing this, this is a solid middle class, bumper middle class neighborhood, there is a lot of little schools that don't have that generous support of the community.

We raise tens of thousands of dollars every year to, to buy back things that are going away, and if we have measure 28 fail, it's another nine days of instruction time loss at a minimum. And we are afraid to know what else is going to happen. I've been down to Salem with a handful of other people who are here today and others, and we have gotten very little traction with that approach, too, so I think that it's time that you, like you said, Mrs. Mayor, we need to let people know what's going on in these schools, and how things are really sliding. They are talking in our school, not only about, about 15 days and nine more days, if 28 fails, but then next year, 1-35 ratio for students.

Well, you know, you can't get the job done. But, it just -- the mission of educating kids will start really sliding downhill. We are lucky in our community because we have a lot of support but it's a lot of other schools that are not going to get that support. Thanks for your support on measure 28 and your statements earlier.

Katz: Why don't you grab the mike.

Kristin Wallace, Assistant Vice Principal, Portland State, 8740 SW Wakkila Terr., Beaverton, OR 97007: Thank you. Kristen Wallace, I want to thank you, the members of the Portland city council for giving me this time to speak with you. And I also just want to clarify that as an elected official myself, I cannot -- I am unable to take a position on the ballot because I do receive a stipend from student fees so I would like to start the statement today by saying that I am here not to advocate but just to give you basically some information, basic information about our budget and the situation. Right now our enrollment is up this fall term by 9%. We have 23,000 students attending the Portland State right now. When the legislature adjourned in 2001, they approved our budget from, for the 2001 to 2003 year biennium, and our budget was \$144 billion. Since then, they have already reduced our budget by \$7.1 million. In September, the legislature, they directed another cut towards us for \$450,000. And then this December, we had another cut of \$1.7 million. So, regardless of the outcome of measure 28, the university system has taken significant cuts, reducing our budget by 9.2 million. PSU's share of the cuts now identified by the legislature in House Bill 5,100. If the measure fails, an additional \$5.6 million they would take, once again, and in order to address the \$5.6 million cuts, we have already attached a surcharge of \$120 this term. I have been registering students to vote for the last two days, and it's pretty astonishing, you know, how the students are taking this on and basically sharing the burden right now. But in the event that the measure does pass, students will be refunded the \$120 surcharge. So, with that, I will just conclude by saying measure 28 cuts would further complicate the budget for us, and the 2003-2005 biennium. Thank you.

Katz: What is he wanting you to say?

Wallace: Well, I have to take Spanish for, to major, right, and it's currently full right now, and so students are, you know, being turned away sometimes, I mean, our classes are full. Our enrollment has gone up, and that's honestly the situation. People are getting pink slips, you know. Our faculty basically saying your contracts aren't being renewed, so I didn't want to go there because, you know, but it is.

Katz: Thank you. Go ahead.

Mike Roach, Paloma Clothing, 0123 SW Curry St., 97239: Mayor and commissioners, thanks, thank you very much for this opportunity to, to testify today. My name is Mike Roach and I work at Plummet Clothing, I reside at Southwest Curry Street. I want to approach this -- I am also a parent after 6th grader in Portland public schools but I am wearing my business hat today. I'd like to point out that business is the engine that can ignite the economic recovery, but the essential services of education, public safety, and human services that the Mayor mentioned also support the business community. They don't exist over here in the business community with the wall between it over

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here. Both directly and indirectly, those public services support the business community. So, if we cut these essential services yet again, we will limit the economy's ability to recover more quickly and more strongly. We all agree that that's what we need to have happen. I will just give you two quick illustrations of how, how these essential services connect to the business community. First of all, Nike executives last week were quoted as saying that the \$700 million in spending cuts already made, particularly in education, have made it more difficult for them to relocate employees to Oregon. And to, into key positions that they need filled. Even closer to home to my partner and I is the recent announcement by the chief justice of the Oregon supreme court that if measure 28 fails, starting March 1st, courts will close on Fridays and therefore no longer admit shoplifting cases. Shoplifters will receive citations and fines. It isn't hard to imagine shoplifters high-fiving each other to that news at the same time chills go up the spines of main street retailers like ourselves. One can only hope that shoplifters are not registered to vote. Seeing our fraying public education feature lifted on the front page of the New York Times, which is read by 1 million people, a million people around the world read the New York Times, was a wakeup call, I think, to all business owners, large and small, in the state of Oregon. It's time to get our state back on track, passing measure 28 is a logical and necessary first step. I usually the council to vote yes on this resolution.

Katz: I neglected to add that and I want the council to do something. The public safety aspect is really a very serious one, and I have said, you know, you could close on one Wednesday, not on Friday. Because in Multnomah county closing on Friday means nobody goes in or out of jail. So I called Wally Carson, who is the chief justice of the court, and I had urged him to please reconsider the uniform system statewide. I have written a letter that I want all of you to sign. To urge him to reconsider, to allow at least Multnomah county court system to make a decision on how they want to manage themselves during this budget crisis. So, thank you for reminding me.

*****: You are welcome.

Katz: My apologies to you, Karla, you should have gone first. We are elected officials and we extend that to the elected officials, so go ahead.

*****: Thanks.

Karla Wenzel, Chair, Portland Public School Board, 3131 SW Fairmont Blvd., 97239: I'd rather defer to these parent extraordinary people on my left and right. Karla Wenzel, I am a parent after 8-year-old and a 4-year-old. I live in southwest Portland at 3131 southwest Fairmount boulevard. My daughter is the second grader. I am also the chair of the Portland school board in my fourth year on the board, and Commissioner Francesconi, I hope that your recovery is going well and happy new year and I hope that all of us can do better for our city and for our citizens this year than we did last. I want to first start out by thanking you for bringing this on your agenda and allowing some testimony and voting to encourage the voters in the city of Portland to pass this very important measure. Many of us out in the field and parent folks are also working hard at our local schools to mobilize our communities outside of our local schools to also support this very important ballot measure. You are going to hear from two of the more active parents on my left and right. You heard from Mr. Shell earlier. What I wanted to highlight briefly is that as folks are beginning to realize as I hear the copy conversations in my local coffee shop, that ballot measure 28 affects this year, and it affects this school year, this budget year. We have budgeted at Portland public schools for the \$9.5 million that is the revenue that could be cut from ballot measure 28 this year. So, what would happen if ballot measure 28 did not pass is in addition to all the cuts that have been in the news, such as contracting out our custodial services, our proposals to shorten the school year, no cost of living for our teachers, furlough for all the district employees, closing two neighborhood schools, cutting spring sports. Cutting outdoor school, among those that there are a host of decisions that have yet to be made. The December revenue forecast that came in hit Portland \$4 million. We have yet to cut the \$4 million that came with the December revenue forecast and what ballot measure 28 would do, if it failed, is we would then get to cut -- get in cut-mode again and we

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would have to cut another \$9.5 million. Because it falls in the middle of the year, and the choices that we have in the middle of the year to manage that sizable cut is that we are looking at days. Right now, we are not filling any vacancies that are coming up at the district. We're cutting all kinds of things administratively and programatically mid year as we can. If we were to propose class size increase and response to ballot measure 28 failing, it would generate schedule changes for most of our high school kids, increase class sizes, and bumping and we still would not get the kind of savings that we need because of the health care costs and the notice requirements under various contracts to folks when you are proposing to lay them off. So, the school board is looking at taking it in additional days as you have heard referenced.

Katz: Is it already to extend the time?

*****: Oh, thank you. I need to learn from that. I'd also, i'm sorry --

Katz: Not too much.

Wenzel: I will be fast. Thank you. I appreciate the indulgence. I also, as folks in this room and probably the commissioners and mayor Katz, you know that there is no state solution. That the folks who are encouraging a no-vote have no solution to this problem and to the hit to schools and social services, and the bottom line, I guess, for Portland public schools is that we are working to focus every single dollar on preparing our students for college in the workplace. We will continue to do that, and continue to be that focused, despite the money challenges and the instability of our financial situation, students are continuing to achieve in the Portland public schools at record levels due to the extraordinary efforts of our teachers in the trenches, and our principals and the other staff, and we will continue to do that. Ballot measure 28 certainly would help, and I appreciate the leadership of the mayor and the council in this regard. Thank you.

*****: Mayor Katz and city council members --

Katz: Identify yourself for the record.

*****: I was going to do that in a second.

Katz: Oh, sorry.

Bobby Regan, 1907 NW Mill Pond Road, 97229: I am bobby rigam, 1907 northwest mill pond road. I am very pleased you are considering this resolution in support of measure 28 today for the special income tax and I strongly urge you to support it. I am a parent with two sons in Portland public schools. My son's elementary school this week, they added 20 new students. Both of his 4th grade classes have 34 children. I can't imagine with measure 28 failing or a solution not in sight at this point what next year and following years will be like. It's very frightening. I'm a die-hard public school advocate. I am on the steering committee for the statewide coalition for school funding now. I was the field organizers for 26-2, the local campaign, and I am vice president for community and parents for public schools, which is a Portland chapter of a national organization. I believe quite literally that healthy -- quality public ed education is essential to a healthy state, economy, and healthy communities. Today as I talk to you, I am scared. Not just for our kids not just for our schools, and want just for the neediest in our society. I am scared for our city and I am scared for our state. Measure 28 is clearly not the answer to Oregon's economic woes, and it will not stop all future spending cuts, but it will provide temporary stop-gap, emergency funding to help fill some of the shortfall. It should help our schools, our city, and our state begin to turn around to economic recovery. I just spend this past week in sun river with sisters from new york, new jersey, california, and georgia. When I talked about what's happening in our schools, 15-24 days cut from Portland alone, no custodial employees any more, no school police. Class size of 30 and more, and no spring sports, their jaws just dropped. Even my two ultraconservative stickers who initially laughed at my "tax me" button, questioned how Oregonians could allow this to happen. Measure 28 isn't about saving schools, though. It's about helping to turn around Oregon's economy. We need a shot in the arm and we need it now. So, I am very grateful to you for considering the public statement in support of this measure. I will be even more grateful to you for any efforts you can

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make either individually or as a group to encourage our state legislators to work together to develop long-term, stable and adequate source of funding for k-12 education as well as human services and public safety. That's a goal that we can all embrace. Thank you.

Katz: Thank you. Go ahead.

Mike Rosen, 6005 SE 20th Ave., 97202: Hi. I'm Mike Rosen and I live at 6005 Southeast 20th Avenue, and I am the parent of two elementary school students in Portland public schools. I want to thank the council and the mayor for providing us this opportunity to talk to you on this important issue. Our elementary school is located in the Sellwood, West Moreland neighborhood of Southeast Portland. For the last five years I have been active in the PTA and I support them through grant-writing and fundraising. Here's my perspective. This year, we hit bottom. We raised thousands of dollars last spring to provide each student just ten hours of art for the whole year. We canceled seven hours, or 70% of that program because we were informed in November of the loss of an additional three weeks of the school year. It was just not enough time to meet the critical demands in school and provide services like art even if we raise money for it. Even in the face of loss of critical services, art, music, library, computer instruction, adequate custodial service and guidance counselors, parents have rallied to fill in the gaps. But with the gross erosion of school funding the gaps can no longer be filled in by parents. So I am here to tell you that I agree with Tom Kelly, chairman of the Oregon Business Association, when he says Oregon needs excellence in our education system and other key public services, if we are to attract and hold new business to this state. And the passage of Measure 28 is the best in-term step toward the development of a long-term sustainable state budget. That will, in turn, help to revitalize Oregon's economy, leap to a strong and durable economy, and help sustain an acceptable quality of life for all Oregonians, not just students, but seniors, children, and our most vulnerable citizens. As Governor Kitzhaber said yesterday, Oregon's economy will not recover through the disinvestment and critical state services. Thank you.

Katz: Thank you.

Katz: Anybody else that didn't sign up that wants to testify?

Sho Dozono: Good morning. I reside at 2808 Southwest 23rd, Portland, Oregon. I've been in front of the council many times before on advocating my majors, last year it was on the children's initiative talking about how important our children are to the community. This morning, I am here to speak on behalf of the ed, not only the education advocates but one business person that's been involved and supported k-12 education for a number of years. Last time Mayor Katz and I were honored to lead 30,000 people, citizens of Portland, Oregon, through the downtown streets to advocate in 1996 for support of our educational system when, when Portland public schools were faced with cutting 500 teachers from their payroll. I think that we spoke loudly to the community and spoke throughout the state how important our schools were, but here in 2003, we are faced with another opportunity to speak up, to be counted. In 2001, I and Bob chaired the local option campaign and the city of Portland passed the majors in spite of the requirement to have 50% voter turnout, we passed it but we passed it 50 million a year for a five-year levy. Speaking loudly of, that education was important to our communities' vital health. I am also the past chair of the Portland Chamber, so I can speak as a business leader, and in our discussion and in our business round-table discussion, education is critical to the health of our economy. We cannot recoup business to say come to our legion or employees to come when we are looking at closure of schools nine days, 14 days, 15 days. I read an article several days ago, it's a statewide problem. Certainly, it's a critical issue for the city of Portland but don't forget the city of Portland, there are four other school districts beyond Portland public schools. So, you really are recommending to the citizens of our community to stand up and be counted. This is a public issue. This is not about a political solution, not a business solution. Every single one of us who have the right to vote must vote with our conscience to say, not only education is important, but our Oregon economy coming back is critical.

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And this is as other speakers have said, a stop-gap measure. It's a short-term, not a total solution. We all understand that. But, a failure of this major is going to be so detrimental that we will not recover. Once the message, has bobby mentioned in her comment about speaking to people from outside the community, we are in the national news talking about how horrible Oregon economy is. How the investment we are making to the education system -- you cannot imagine once that message is out there, how can we recover when people aren't looking at Portland public schools being the shortest school year in the country, without spring sports. I applaud the Oregon sports authority and damon stoudamire who stepped forward to really stop that in the spring sport campaign, but this is really critical for us. I urge -- and I want to thank the city council for having the courage to really speak on behalf of all of us to say that this is important. So, thank you very much for the time this morning. I want to encourage all the citizens, recognizing the cable audiences, as well, to vote for our public institutions. This is a critical time for us. Thank you very much.

Katz: Thank you, sho. If there is nobody else to speak, our roll call.

Francesconi: Maybe just three messages that, that, you know, I need to hear through this, and sometimes it's hard for me to hear them. I think the first is, you know, our citizens of this state are good people, and they care about schools and they care about our vulnerable citizens. So the factor in the situation, you know, the message that the voters are hurting, too, economically, which the mayor said, I think is something that we need to hear, and that means that we have to redouble our efforts, which the school board is doing. The city council needs to do to make sure that we are spending tax dollars wisely and that we are being efficient with the resources that come from the taxes of seniors and other people. We need to remember that and act on it. The second message, which I think we need to emphasize much more, is we have reasons to be frightened as bobby said, but we have reasons to be hopeful, as karla said, so with diminishing resources, test scores are rising at the elementary level, and the focus is unrelenting on preparing our kids to make it, you know. That's what we want for our kids. That means into college, into the workforce. That's the focus. And so I think that we need to talk more about excellence in our schools and a little less about despair in our schools. More about the good things that are happening, less about the cuts. Voters are not going to be motivated to spend their precious resources unless they see they are getting excellence for their kids. So, the schools cannot be the schools that are, that our grandparents went to. They have to be changed. The image has to be changed, and then that has to be communicated. That's the second message. And it's the hardest one, and then we need to, I guess a third message, and we will get into this later, we cannot wait for the legislature or the governor to fix this permanently. We need to come together with an interim plan that includes more accountability, excellence in education, and more regional or local funding. To do that, we can't have every group having their own ideas about how we are going to do this. We need to have a unified plan by april where everybody comes together and does -- and gives us some things, and we create that plan. The final statement is, those in this, you know, I saved this, I am not sure why I did. But on december 8th there was a headline in the metro section. Those most at risk will lose. So, I am violating the rule. I am talking about the cuts now. But, and then there was another section the quote was "across the board we are pulling the mat out from vulnerable citizens many of whom don't have the families who are going to be able to help." I knew that I was getting better through this recent convalescence. I had my wife to take care of me. There are people that don't have the families, who are not getting better and who are going to go through this alone. We are not that kind of city and we are not that kind of state. Aye.

Leonard: Well, I think I appreciate maybe more than anybody here the statement the mayor made and the statement that jim just made, given the mixture of personalities I have recently come from. It's really, for me, just short of overwhelming to work with four people, all of whom could have said the same thing. Both the mayor and jim Francesconi -- commissioner Francesconi -- I am not used

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to that. I hope you all appreciate that. That's very inspiring. This is a subject I care very, very deeply about, and I was involved in the passage of this in the legislature. And it was, it was because of the subject that I am deeply appreciative of the writers of the Oregon constitution who had the foresight to, to make statements that are made by members of the legislature in the foot of the legislature, and I was given to be -- some of my floor speeches very angry. Exactly precisely because of the things that I just heard. Because these are not -- there is some issues that are cerebral for me that frankly I have to deal with because they are here. There is others that cause me to be here. This is one of them, one of the reasons i'm here, literally. I was raised in the Portland public school district, Portland public schools. I am here because that school system was available to me, Portland community college was accessible and available to me. And finally, christian Portland state university. Commissioner Francesconi hit the nail on the head in one way, you missed it in another. Your passion for people who fall through the cracks is real. Kids who do well in school and conditions like this, somebody might argue with me, but I believe come from homes that are functional, supportive, and caring. They will always do well. I just believe that. The kids that we are not talking about here today are the ones that I am concerned about, are the ones in the school system who come from homes that aren't functional, aren't supportive, and they get lost in the maze. Those are the kids that this kind of funding measure helps identify. By reducing classroom size, giving teachers the opportunity to identify those kids, and help them. That's who we are talking about. We are not talking about the kids that are doing well, with all due respect, and I know I will get cards and letters on that subject, but my passion here are for those other kids. And I want to connect the dots between what some may think is an unrelated subject that I have raised of late, but is directly related to this issue for me. And that is the decisions that we make as a city on urban renewal districts and tax abatements directly affect the subject which is why I am concerned that the city be very mindful whether it creates urban renewal districts and gives tax abatements because what we are doing when we do that is making a decision to shift dollars from public education and human resource programs to development, which in some targeted cases are good decisions that I have supported and fought for in the past, but they have to be fought out with this subject in mind. So, for all those reasons I am very proud to vote aye on this resolution.

Saltzman: Well, like many of the people who testified here, I also have a daughter in the public schools, and I think like a lot of the people who testified, and I think one of the things that truly makes Portland remarkable, maybe Oregon, is there are people like myself and I think that many of the parents who spoke today who would know, no sooner put their children in a private school than many parents who send their children to private school would no sooner put them in public schools. But, like myself and many of the parents I think in this room and elsewhere, we find that ethic challenged today more than ever. At what point does a parent's prerogative interfere with the children's future, the child's future? I find myself asking that question more and more. I don't think that I am going to change. I don't think that I am ever going to change, and I think that that's the remarkable thing about many Portlanders is that, is that overriding commitment to the public school system, it transcends education, itself, it means exposure to diverse people from economic backgrounds, racial and ethnic backgrounds, something we have very precious little of in Portland is ethnic diversity. I think that that's why I am so committed to the public schools. This measure is vitally important. It's really just getting us over a breach, a potential breach, I think, that is going to take many parents, like myself, who ask themselves those same questions, but, perhaps, don't have the same commitment to change their minds and to look at private schools, to look at park county to, look elsewhere, and then we risk, as we all know, becoming like so many cities are throughout this country, where there is really no public school system that people are proud of. It's simply the place where people who can afford to go to private schools do go. And we can't let that happen here in Portland am we can't let that happen in Oregon, and that's why I appreciate all of you are working on this. I appreciate the mayor bringing this resolution to us. It gives us a chance to speak

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about the importance of this measure. I guess I hope, I truly hope that all the predictions that this is going to fail, that people don't care, will be proven wrong, and I think that, that I really do hope that maybe a lot of people who think that this is dead or people who are going to vote against it anyway, they won't vote, so therefore, we are going to have a gorilla campaign where those of us who really get out the measure, get out the word, and frankly, you know, the large population base of Portland and Multnomah county can, I think, ultimately carry the day on this ballot measure. So, I think that the visibility we are bringing to it today, the importance to our schools, but also to many other people affected by, by crucial state services, whether it's children in the care of the state, whether it's older adults or disabled adults, who need care-takers funded by state money or leverage by matching federal dollars, these are all important life-line services. We need to make sure, get us through this breach. So, I am very pleased to support this measure and this resolution. Aye.

Sten: Well, I am glad this is before us, and a lot of good arguments have been made, so I will make just some quick ones. I think that we are here because of a failure of community and failure of government and a recession coming together to put us in a real awkward position, but I don't really think that what we are talking about today and certainly with this measure, it isn't about how did we get into this mess because there is lots of fingers to point and lots to blame. We are in the mess so we are, are we willing to take some steps to get out of it and to build a future. So quickly one from the heart and one argument from the head. I think from my head that when times are tough and every family and community, ever since there's been human beings, people rally around those who cannot take care of themselves, and that's what, what distinguishes us from animals. As we are looking at things today, people are struggling. It is going to be hard to pay a little more tax, but it's an income tax, which is progressive, meaning people who make more will pay more and people who don't have any income won't pay anything. It's those folks who, I think, we will see the rug pulled out from under them. And I think that we have a, a moral obligation to try and do something about these things. And I think that we can. We have the money as a community to stop some of these basic, important services like prescription drugs for people who need them and housing from going away, and we can do that, and we should. From the head, we are going to cost ourselves way more, both for storing the services and for getting our economy back if we let them go down to the next level, and I mean that in two reasons. One it will cost more to deal with people who are kick-off of the health plan and end up in the emergency rooms. We all pay that, you may not pay taxes but the health care costs will go up to do emergency room visits. And from an economic standpoint, everybody in the country is experiencing this recession. We may be worse off, and I think that we are, but every state is going to be fighting to build their economy back, and the competition to bring jobs and other things to our state is going to be much more difficult than it ever was. If we allow the public school system to slip another notch, we might as well say that we are going to pay ten times this amount in income tax because we are not going to have the economic or we are going to have nothing because economic growth isn't going to be there. Nobody is going to move to a state to let itself go to the state that we are soon to be at. So it really, as hard as it is to say if, the heart isn't enough the head ought to be here because this investment is what's going to give us a fighting chance going into the next round of competition, which I think will be much more difficult. So you know, my, my advice and plea and hope to the voters is that they will consider doing something that's hard to do and should cause people some pause to think about and debate, but we will come to the conclusion that the why vote right thing. Aye.

Katz: I made my statement. I just want to thank the governor for his last speech focusing in on ballot measure 28 and the sadness that I had when the governor in a former legislator and a senate president says he doesn't have faith any government any more, or he doesn't have faith in government, let's make sure that we have faith in our people. Aye. Thank you, everybody. Thank you. 19.

Item 19.

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Katz: Roll call.

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

Katz: Mayor votes aye. 20.

Item 20.

Saltzman: Madam mayor and members of the council, before us is the settlement resolution of issues related to the insulation and maintenance of the city's water bureau system. This is a settlement between the city of Portland and the severn trent systems. This agreement will allow the water bureau to work with a functional billing system. The agreement provides that they will reimburse the city for \$7 million for lost revenue. The city will pay sts an average of \$385,000 per-year for a software support and maintenance agreement for a period of up to three years. This agreement was reached through confidential mediation between sts, the city, the mediator was federal judge edward lebe of the u.s. Ninth circuit court of appeals. We believe this is a fair and responsible settlement and I would urge council adoption. I'd also like to take this opportunity to thank jeff rogers and jim van dyke, our city attorneys, who worked very hard over many months to arrive at this, this settlement. I urge its adoption.

Katz: Anybody else want to testify?

Francesconi: I guess I have one question. I think -- a statement that commissioner Saltzman, you can verify and jeff, if i'm wrong, maybe you want to come up, but in reading this, I don't see anything -- you know, the council, at some point, has said that they want to go back and see what lessons we can learn from this. I don't see anything in this settlement document that precludes that. Is that right?

Saltzman: I would agree, that's correct.

Katz: Jeff, did you want to add anything? Okay.

Francesconi: Jeff said that, that I was right, and commissioner Saltzman was right. Okay.

Katz: Roll call.

Francesconi: Well, I just -- this is the right thing to do. We need to cut our losses, learn from them, and move on. And the settlement does that. The only other thing I want to add is that I appreciate the professional manner at which this has been handled, since this happened by commissioner Sten, by commissioner Saltzman and our lawyers, aye.

Leonard: I second those remarks, aye.

Saltzman: Aye.

Sten: I won't make a long speech, but I want to make a couple of comments. I was in charge of the water bureau when the billing system went wrong. I think that it's appropriate, first, i'd say that I think this is the right settlement. I'd be dishonest in saying that, you know, I don't have some reservations that we lost quite a bit more than \$7 million, and, but I also think that there was mistakes made along the way on both sides, and that a trial brings with it a whole round of unpredictability, and this is \$7 million in hand today as opposed to what might happen down the road after probably years of litigation, and cost. I would say we can't comment, in terms of the negotiations, but I think that this is fair to say severn trent obviously raises a share of the blame. This was a \$3.5 million contract at which they were paid \$2.1 million and spent millions in staff time trying to work out, and at which they are now paying \$7 million on top of it, so their loss has been considerable, as has ours. I think that, resolves around the product that they sold us and the mistake that we made, which I shared many times, and in all the media, I think it's difficult sometimes to keep reminding people of things that have been said but I think we spent a loft time looking at the lessons, have study it had and we need to have more conversation about it. The original lesson, I think, is this was an unproven system, and it was represented as being more together than it was, and I think that that's a mistake that we should not have bought an unproven system. The second is we should have not turned it on when we did, and I think that that was our major mistake. There are lots of other pieces, but when we turned it on, we should have waited

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longer, and once we turned it on, there was no going back, and that was the trouble that we were in. And once we turned it on, it didn't work, we could not go back to the old system, and that was our mistake, and that's where we share responsibility. About a year ago I recommended to this council that we not replace this system at that time. My reasoning was that it was not functioning, if we moved away from severn trent at that point we would not have a functioning system during the years it would take to get it rolling again, to get a new system in place. A couple of months ago, commissioner Saltzman, I think is doing a terrific job, made the decision as the co-water commissioner to move on a replacement system. I think that that was appropriate and in line with what we were thinking. We need to work with severn trent to get the system functioning and at that point make a decision because it will -- we will still be using it for several years, had we parted ways with them before it was working the losses would be much, much more because the system wouldn't be collecting. I would say through all that, that despite the, disappointment and the discouragement that the bureau went through, hundreds of people have worked their tail off on this very tough set of circumstances. Severn trent did act honorably to get the system running and made some of their mistake right, which is, I think, when you are in the middle of this situation, what you have to do on both sides is do your best to be honest, disclose what's happening and try to make it right. I think that severn trent did that. Finally I would say that of the -- in the estimates not done yet because we are still collecting back accounts, but in the range of \$20 million that seems to be the final number. Around 7 of that, and its coincidental, it has nothing to do with the settlement is about the amount of money that the water bureau paid out. I am not exactly right. The rest of the money, in the range of \$15 million or so is money that are customers didn't pay in, and about a third of that is discounts that were given to people for the trouble and about the other two-thirds is money that the customers didn't pay in, and so the water ratepayers are recouping their cash outlays that wouldn't have been spent anyway and although the rest of the money is a loss to the water bureau and I make no bones about it and am very apologetic, for what has happened it did remain in Portland, it did not flow to severn trent or anyone else. And what the water bureau did, and I think it was the right response, was cut their operating budget by 11%, including 50 positions, and has made up that loss by, by becoming a more efficient organization and I think that in the years to come, as we put this behind us, Portlanders should expect to get that money back from cheaper operations that were forced by this. Should this be what it takes? No, but they are going to get their money back through cheaper operations. All this doesn't leave a great taste in my mouth, but I think that, the best stretch on this has been the one that the water bureau has one which is to be honest. Put in the public but work through it. And I think the settlement very much reaches that spirit of an approach to a bad situation. So, for that, I vote aye.

Katz: I said it before and let me say it again, i, too, appreciate the work of commissioner Sten. He didn't run away from it. He admitted the errors that were made by a lot of people. He worked hard to make sure that the water rates didn't reflect this issue that was before the council for several years. Commissioner Saltzman is putting a closure to this issue, and any next large computer system will undergo a completely different process. So, this is one of the things that we learned. So, thank you both and i'm glad that this is behind us, and opening up whole new chapter about another system for the water bureau. Aye. I need a motion to elect commissioner leonard as council president.

Francesconi: So moved.

Katz: Do I hear a second?

Saltzman: Second.

Katz: You are elected, unanimously. Thank you. [laughter]

Leonard: Are you feeling well today?

Katz: We do this -- we rotate it, commissioner leonard, and it does mean that when I am out of the city or not available, you get up at 3:00 in the morning, and we stand adjourned until --

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Leonard: I'm used to that, by the way. [laughter]

Katz: Adjourned until 2:00.

At 11:48 a.m., Council adjourned.

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JANUARY 8, 2003 2:00 PM

Katz: We're laughing here because kristy, -- her name -- tracy has done such an incredible job that we have maps to read where we go, where we stand, and all the scripts, and the awards are absolutely beautiful. So, we're sort of in a slight stage of shock about making sure that we do it all right so, thank you. Item 21. Oh, I forgot, roll call.

Leonard: Here. **Saltzman:** Here. **Sten:** Here.

Katz: Here. Commissioner Francesconi went home, he's still ill. So let's read item 21.

Item 21.

Katz: I want to welcome everybody. This is the eighth annual safety award presentation, and to thank all of you as part of our community for making this a personal commitment to you and your co-workers, it is absolutely critical that we keep our workplace safe, to protect each other so that you can come home every day uninjured and back to your family, and hopefully, the next day back to work. So, I want to personally thank you, and on behalf of the council, express my appreciations to all of you that have contributed so much, and we are going to honor you. As I say, we are going to honor you with a very nice, very nice awards. I'm going to start, and then we'll have -- where's -- who follows me?

*****: Francesconi was --

Katz: All right, commissioner leonard will take commissioner Francesconi's award. Commissioner Sten and then commissioner Saltzman. All right. We never figured out how to get everybody to hear, she did so, I am impressed. All right. The first set of awards is the bureau of communications and networking, safety, leadership award, and I am going to read it "in recognition of the comnet radio shop, having operated for over five years without any lost eggs, this is remarkable when you consider the fact that the crews work in environments such as building rooftops, towers, large and small vehicles, and in bucket trucks, just to name a few. These employees are not safety committee members, but they take their own and each other's safety very seriously. So, the com-net radio shop, the people who made that commitment without being part after safety committee really deserve our shanks and we thank you for your leadership. Jack baker, why don't you all come on up. Mike darfler, larry johnson, adam best, larry dunn, larry mccaslin, gary schmidt, kelly bond, paul hill, scott mccaslin, andy corkery, aaron johnson, mike miessner. Anybody here from comnet, after all those nice things we said about you? [laughter]

Katz: Anyway, it does say -- their names -- take a look at these. Aren't these nice? Their names are all on here, and it says "bureau of communications and networking, comnet radio shops, five years with no time loss accidents." congratulations, everybody. [applause]

Katz: Bureau of communications and networking, safety leadership, for recognition of technical efforts in multiagency cooperation in the creation of maps and the sharing of knowledge that could ultimately result in improved medical emergency response times to the bull run watershed. So, not only are you taking care of each other, but you are working across agencies and across governmental jurisdictions. Marine kinzel-grubbs with the bureau of communicates and networking who was instrumental in the technicalities of getting a 9-1-1 call to display correctly and routed to the proper agency. Is maureen here? [applause]

Katz: I'm going to ask some representatives after the very end to come up and tell us a little bit of something about what you did and how important it was. We won't interrupt -- we will do all the awards and then for those of you who want to stay and talk with us a little bit, that would be really very nice. All right, fire chief, gary mcqueen. Fire chief, sandy fire district number 82. Chief, are you here? Come on up, who provided expert assistance on what will be of critical value to our rescuers in those, and those rescuers who would need these maps. Fire chief gary mcqueen for his help to improve medical emergency response time in the bull run. [applause]

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Katz: Patty mcmillan. Patti?

Katz: We will pick it up for her. Patty mcmillan, it's the operation manager with clackamas county for providing support and insights about what information her 9-1-1 dispatchers would find useful to manage emergency communication at this location. So patty mcmillan of clackamas county, thank you for your work to improve medical emergency response time to the bull run watershed. Thank you.

Katz: The bureau of development services safety committee. In recognition for their work toward successfully reducing fleet liability losses and exposures and completing a restructuring of the committee to make it more representative of the various work groups within the bureau. Before I mention their name, you know we do look every year at fleet losses. And so, this is very exciting to see that, that folks have actually done something to reduce the liability for the city. Mike mcool, is he here? He's chair. Come on up because you are going to get the award. Carolyn bywater. Carolyn? Kyliya hammon stan scotton. Thank you, all of you, from the bureau of development services, safety committee, commitment to safety in 2002. [applause]

Katz: Bureau of development services, ergonomic improvement. In recognition of the bureau of development services, for its housing section, ergonomic improvement project that was started in february of 2002 and completed last august, ergonomic assessments were conducted on all 24 housing section employees so, you all found your chair tilted forward? I went through that, too. The bureau tried to use existing furniture wherever possible, but was committed to providing work stations that fit the occupants, solutions were worked out for each individual, individual and the ergonomic improvements were started in june, new chairs were purchased in size, keyboard trays were purchased and installed and work stations were sized to fit the occupants. This project required a major expenditure of resources during the difficult financial time for the bureau, and this shows that you are the most important resource that we have to make sure that you are comfortable at your work, that you aren't hurt, and to make sure that you sit right and -- I don't know if many of you remember. I complained that when the chairs tipped and you were wearing the slip, you would slip right off the chair. It's not a problem any more. You get used to it. And for the men, it's not a problem at all. So the bureau of development services, for the housing service, ergonomic improvement project, thank you for helping my back and the back of others. Come on up, somebody come on up and get the award. [applause]

Katz: Bureau of development services. This is ergonomic improvement in recognition of kyliya hammon. Is kyliya here? All right. Who served as the coordinator for bes housing section project. She put in countless of hours on the project and performed above and beyond expectations. She was not only enthusiastic, but believed in what she was doing. And I know for those of us that first got a taste of, of all of these projects, we didn't quite believe that they were really -- that they would really work, but trust me, they do. So along with jamel -- did I pronounce that correctly? She came up with some creative and innovative solutions for the problems encountered. We will -- to work on the project. Denise will come up, denise klein, come up for her efforts, kyliya, as coordinator of the housing section. [applause]

Katz: Police, Portland police bureau safety committee. All right. Let's see who is here. Sergeant brian parman, detective tony christensen, officer kile nice, officer mike krantz, mike palmer, sergeant criminalist, joel mann. I hope you are not here and out on the street doing your job. Officer gary manougian, officer tim sessions, officer dale jansen and elise worland. Is anybody here? You are here. Good. I knew that somebody -- I was just teasing. [laughter]

Katz: Good to see you. I haven't seen knew long time. In recognition of the bureau's sworn safety committee. They have dressed a number of important hazard exposures for sponsor personnel during 2002, including but not limited to evaluating and purchasing respirators to be used by criminalists and detectives with potential airborne exposures during autopsies at the medical

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examiner's office, researching the fire potential of crown victoria vehicles -- somebody on the council asked -- commissioner Saltzman did, about vehicles in high-speed, rear-end collisions because of other officer fatalities that have occurred under the circumstances because these are standard patrol vehicles used by our officers, especially important, and this issue did come up during some hearings that their safety concern was especially important to all of us. They also reviewed a selection of trauma kits for patrol cars that will be equipped to address life-threatening injuries and reviewing the use and application of tasers as a less lethal weapon available for gaining control of suspects. So, for all of these reasons all of you, thank you very much. Really appreciate all the work, officer. [applause]

Katz: All right. Last one that I give out is the Portland police bureau's safety committee. Joe midgett chair, mike palmer, mike, come on up. Ty routley, elise worland, gloria durnback. Nancy boxwell and jerry bahr. Come on up. Oh, yes. You are back again. Thank you so much. In recognition of the bureau's nonsworn safety committee, the major focus of the nonsworn committee during 2002 has been to establish and implement the fire, life safety and evacuation plan for the justice center, one of the supportive actions of the plan, including the purchase and the installation of emergency evacuation chairs for persons with disabilities who might require special as soon as to exit, safely exit the facilities during the evacuations. And thank you so much for doing all of that for us this year and all the years previous to that. Okay. Nonsworn police bureau. [applause]

Leonard: Good afternoon, everybody. I'm going to take commissioner Francesconi's spot. He's recuperating from surgery. This is for the Portland parks and recreation. Portland parks and recreation has two safety committees receiving recognition today for their efforts in promoting safety and health of Portland park and recreation safe. Additionally because of the numerous public facilities at Portland parks and recreation, these committees continually think beyond the safety needs of their own staff by addressing the safety of the facilities with the public in mind. Portland parks and recreation has also been in the ohsu automatic electronic defibrillater study. We have one right outside the door here, and the recreation safety committee has been an integral part of that program implementation, so actually, I have -- these are identical words for Portland parks and recreation, operations, natural resources, golf, urban forestry and horticultural services. A few names to read. Kevin mathias, come on up as I read your name, nanette nelson-furman, lori higgins, nancy roth, nancy walsh, barbara aguon. Let's do this one first. And these are beautiful, very beautiful awards, and for all of your work, especially the aad, I have seen them work well, and save people's lives. Thank you very much. [applause]

Leonard: And then we will have from operations natural resource, gulf, urban forestry, and horticultural role services. P.j. Mcguire, come on up as I read your name, mike mcnichols, joe mendez, vern smith, kevin stoecker, jim sjulin -- excuse me? Sjuln. Steve atkinson, jerry weeks, cliff hill. Cliff here? Oh, come on. Vern. [applause]

Leonard: Thank you very much. Bye-bye. Downtown pdot, office of transportation. We have a 7th floor, 8th floor, 9th floor team. In recognition of the downtown pdot office of transportations efforts in establishing and maintaining emergency egress chains for the safe evacuation of personnel and public in the event of an emergency situation. We have the chair, adrienne edwards bob bomber, patti peterson, julie roe, sally seeger. Anybody? Charles? [laughter]

Leonard: 8th floor team, jim bachman, karen blackledge, adrien edwards, john deyo, jerry eudaly, peter maceson, barbara plummer, sundee white? Anybody there? Sandy graham, pam harris, jim joe, ken lindmark, art pearce, monica sheeler, michael tomosovic, jamie wilde? Nobody? Thanks anyway. We appreciate you. [applause]

Leonard: Do we have somebody here from park and enforcement. Joe angen, sue sloan, tom doris, nolan macerall. Come on up and I will read this. That's great. In recognition of the park and enforcement safety committee for maintaining an ongoing safety program that includes training of

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new deputies and refresher training for experienced deputies, some of us really like that part. [laughter]

Leonard: Regarding -- I have got to take it right in front of city hall. A parking ticket, I was loading here from salem and I parked -- I paid -- I already paid it. You guys are very efficient, by the way. [laughter]

Leonard: You met that goal, and, and let's see, these challenges include prolonged exposure to hot and cold weather, inattentive drivers, potential hazards from animals and people encountered on the street, a foot-care program, a stretching program, a defensive driver program, a bike safety training program and training on trips and fall exposures encountered by deputies on a daily basis. Additionally the committee maintains an office and garage program to identify any safety hazards. This is great work. Thank you very much. [applause]

Leonard: So now we have the bureau of maintenance. Anybody here from them? I don't have names, I just have bureau of maintenance. Oh, no, I do. Pega daly, are you here? Renee williams? Good. Come on up. In recognition of pega daly and renee williams, specialist for having taken on key leadership roles at the bureau of maintenance and investigating general liability claims. These claims are some of the highest risk liability to our bureau. They have shown persistent leadership in working with the staff to investigate claims in a timely manner. Their diligence has directly affected the savings of dollars better spent delivering services to our citizens. Thank you very much. [applause]

Leonard: Do we have anybody from the fall leaf collection program? Come on up. Everybody from the fall leaf collection program, head on up. Kelly servone, casey christensen, tyrone, peggy, rick, sarah, watson, and others, it says. In recognition of the fall leaf collection program workers, these employees represent a work team of over 40 bureau of maintenance employees who just completed the bureau fall leaf collection program. The leaf season team collected over 13,500 cubic yards of leaves in the last month. This process was carried out in a number of busy neighborhoods around a high volume of pedestrian and vehicle traffic. They work through the entire season without a worker's comp claim and with one minor vehicle accident. They ought to be commended for their commitment to public safety. Thank you very much. [applause]

Leonard: Is mike park here? Okay. Mike park, this is in recognition of mike park, construction engineer, excuse me, construction equipment operator, bureau of maintenance. Mike was given the task of serving as a project manager in charge of moving the bureau recycling operation from the north Portland area to a newly developed sunderland yard. His responsibilities are the planning, moving and setting up of all the heavy recycling equipment. He directed a work crew and various contractors during the process. This work was very intensive and his commitment to safe work practice was exemplified in every step of his leadership. He serves as a model for all the bureau managers. Mike, if you are listening, makes very much. Thank you. [applause]

Sten: I am right in between. Well, I just have one award and I have to tell you I was quite disappointed to find out the fire bureau only got one safety award but then I was reminded that's their job full-time so we are not giving awards out for that. The award is to the Portland fire and rescue safety committee. Let me read the members' names, gerald alvarez, dan buckner, duane bray, steve danna, john derr, jack finders, craig funk, marty getch, gordon hovies, john klum, ray majhor, jeannie robinson, dan stewart, jeff von allmen, bob walker, ty walthers, janet woodside-gomez. I think a loft people are still on shift right now. Let me tell you what the Portland fire and safety rescue committee did. This ward is a recognition of the committee for their work if the following projects, application and approval of a \$372,000 fee mcgrant, the federal emergency management agency for wellness and fitness. Testing and ordering of 29 would new ergonomic self-contained breathing apparatus, the scba to replace the outdated unit and development and distribution of quick drills on a variety of topics, those include personal protective equipment, the

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jaws of life, highway safety and securing equipment on fire apparatus. We are very fortunate to have a very dedicated group of folks and I am joking that safety is their business so we can't give an award for it, it is actually very crucial that this group of men and women make sure that every year we get a little better at what we already do so well so, thank you very much for the extra effort. [applause]

Saltzman: Okays. Well, I am the cleanup here. The first award is for the water bureau safety committee at the interstate offices, and the, why don't I read the names and those who are here can come on up. We have kevin suell, the chair. Jimmie gardner, kelly mulholland, art soria, mike burr, john georgeades, max montgomery, jerry stevens, doug englund, dave johnson, debbie przepasniak, mike thompson, roger estep, nancy long, louis skofield and al zullo. I apologize if I butchered anybody's name. The interstate safety committee has been very active in reviewing and updating safety. Policies. The personal protective policy in particular, conducting quarterly walk-through, hazard inspections of bureau facilities, and performing acts and injury reviews. Thank you very much for all your great work. [applause]

Saltzman: The next water bureau safety committee is the sandy river station, and we have -- I don't know if they all made it in or not. Robert alter, the chair. Dave reynolds, stan cioeta, scott vala, marty fairbrother, jim willey, lauren holwege. Okay. We have two in here so somebody is at the station. That's good. Lee.

Saltzman: The sandy river station committee meets monthly with agenda and minutes. Aside from routine safety committee duties, the most recent project has been to update emergency procedures in advance of first aid training. Thank you very much. [applause]

Saltzman: The next water bureau safety committee is the Portland building safety committee. Terry wenz, chair. Jeff inman, deann nowerski, tom chambers, alonzo jamison, melanie routley, jason fitzgerald, ed knoph, shelia thrower, theresa haynes and shellie labarre. The Portland building safety committee meets bimonthly with meetings and minutes. The members have been updating the emergency evacuation plan for the water bureau floors. Thank you very much. [applause]

Saltzman: The next safety committee is the water treatment safety committee. Co-chairs kevin mccans and john stokes, secretary, rick ehler and steve schenk. Got some people here? Okay. Great. Come on up. The treatment safety committee also meets monthly and maintains agenda and minutes. They have also updated the chemical safety information and orientation, as well as emergency evacuation routes and maps. The group has been updating communication and confined space improvements and process safety management reviews. Thank you. [applause]

Saltzman: And next we have, I like this one, the water bureau creative solutions committee. Well, it's not a committee, these are just employees who have created solutions so I will call them up. Art soria, john moore, chris mires, marry ellen colonteen, john holewig, stew greenberger, todd humphrey, charlie smith, mike salene, jeff vaughn, john cohch, jerry tiler and dave kendall. These employees were instrumental in working with vendors, engineers, and crews to test and implement the replacement of concrete boxes with more durable and lighter weight composite material meter boxes, so in recognition of their efforts to improve the construction of safe handling of meter boxes, we thank you for your creative solutions. [applause]

Saltzman: The election award is safety leadership in the water bureau. John stokes, bureau of water works for project coordination, dick robbins and patrick hughes for mapping and technical resources. Do we have anybody here? Come on up. And this is for recognition of technical efforts and multiagency cooperation in the creation of maps and sharing of knowledge that could ultimately result in improved medical emergency response times to the bull run watershed. Thank you very much. [applause]

Saltzman: This is the safety leadership award. Kelly mulholland, is kelly here? Great. And this is in recognition of kelly, supervisor of the southeast district. Kelly has been an active member of the

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interstate safety committee and has taken a lead role in approving the bureau's safety program. Most recently by helping to update and revise the ppa policy -- what is that? Personal protective equipment. Kelly has been instrumental in implementing a job hazard analysis with this cruise to use as a tool to identify and control hazards on the jobsite. Kelly's leadership in coaching employees and establishing the expectation of safety with crews. He models safe work practices and behaviors with his crews and cello supervisors. He has taken a lead role in education by taking a water certification credential from the state. Thank you very much, kelly. [applause]

Saltzman: Our next award is water bureau, unsung heroes. Scott vala, robert alter, and fred willey. On february 29 of 2002, an employee of the water bureau sandy river crew was found face down in the mud. Scott, robert, and fred were working on-site with the victim and responded to his needs until emergency medical personnel arrived in the watershed to transport him to the hospital. Later it was learned that the victim had suffered a seizure. The victim had no previous history of this type of medical problem. The fast actions of these employees and the care they gave to a fellow employee is a fair tribute to these individuals. Thank you. [applause]

Saltzman: Now we will switch to the bureau of environmental services. This is the wastewater group safety committee. Dick brixey, randy tomsik, brandy bowers, armon collman, duane sanger, tammie munger, tom corrie, rich ludlow, paul schuberg, john hilton, and don wilson, who is the chair of the committee. Congratulations. [applause]

Saltzman: The next award is for the bureau of environmental services safety committee at the water pollution control lab. And I will call your names. Sabrina nelson deal, mike hauser, john mcgregor, who is the chair, dallas fowler, jennifer shackelford, paul schuberg and chuck lytle. Congratulations. [applause]

Saltzman: The next is the bureau of environmental services safety committee, the construction safety team. I will call your names out, neil choate, kathy thompson, dan bangle, yvonne mcclain, pat darby, gary hodge, kurt obermeyer, lori allen, theresa waters, tom holloway, julie suor, jeff baltzell, jerome duletzke, justin gough and joe evinger. The construction safety team, this is in recognition of consistently exceeding compliance requirements and working hard to improve the bes construction safety management system. By developing safety-related policies, contract language, training recommendations, and other efforts, this group has made bes construction projects safer places for contract workers, city employees, and citizens of the city that works. Thank you very much. [applause]

Saltzman: The next award is the bureau of environmental services, industrial ergonomic improvement. And bill sterling and nel smalley. In recognition of their work, in modifying and adapting an assistive listening device, working under bill's direction, nel built a portable cover lifting device for some 3-foot wide panhole covers that weigh 300 pounds. Both were responsive and helpful during the process of modifying the when challenging field conditions were identified. Their efforts have eliminated many aching backs for people that, that they do not work with or even know. It was a great innovation. [inaudible]

*****: They are involved in cutting and welding on methane piping, so they couldn't be here. They are key players in that. [inaudible]

*****: My original intention -- [inaudible]

*****: But I would like to take a quick minute and demonstrate this --

Katz: Sure.

*****: Last year this same group won an ergonomic award --

Katz: I remember.

*****: That they came up with. The challenge this year is if you can imagine a 36-inch manhole weighing 35 pounds with two handles. Well obviously it has two handles for two people to lift up but the reality of that, is that still is very heavy, and even the other reality is often one person will

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go out there and take both and think that I can lift this up and problems happen. But, the gentleman from the group came up with this device, which normally has a pin -- we didn't have it today. You want to make sure you have it -- that makes it real safe. As you can see, it maneuvers and turns real well -- well, that's why you have the pin. [laughter]

*****: But the way it works is that you work your way up to the manhole and you take a chain and you wrap it through the handles and then raise it up, bring it back, and no material handling whatsoever. So, they have done a good job and it's very creative group of individuals that continues to seek out --

Saltzman: Yes. [applause] [inaudible]

*****: This kind of thing is just representative of the stuff that they do on a daily basis almost. So, they are exceptional individuals and also part of an exceptional crew, so thank you very much.

Katz: Thank you.

Saltzman: The next bureau of environmental services safety management award is to mark hutchinson. I think that mark is here. Maybe not. Mark, as a construction manager has maintained a long history of practicing -- there he is, safety management on bes projects. The latest example of mark's efforts to insure the safety of bes employees and construction workers was demonstrated on the tanner creek project. This microtunnel featured several large shafts, some over 50 feet deep, and tunnels that extend several blocks. It also included a large open excavation that closed west burnside. Throughout this complex project, mark insured that the safety was a topic of all progress meetings, he participated in monthly safety meetings and assisted the contractors submit comprehensive safety plans. Mark also instituted pretask meetings that were held for major portions of the job. At these meetings mark made sure the hazards were anticipated and proper controls ready to mitigate them. Mark's efforts were rewarded with the completion of the project with no lost time, injuries to the contractor and city employees. [applause]

Saltzman: I should also add that due to the great work that we were able to open west burnside, I think, a month ahead of schedule so that was helpful, too. [applause]

Saltzman: The next bureau of model -- or bureau of environmental safety management award is to contributory negligence hepland. Greg has religiously conducted safety, tailgate meetings on all three shifts and insures that the meeting minutes are kept in detail and distributed in a timely manner. Thank you, greg. [applause]

Saltzman: The next environmental services safety leadership award is for gary hodge. Gary? Gary is a senior inspector for the environmental service bureau. He's worked on many challenging projects and has insisted that the inspectors who work with him properly address hazards on a day-to-day basis. Gary has shared a considerable safety knowledge with everyone he works with and is willing to go the extra mile for safety. Gary's leadership skills have resulted in several successfully safe projects for everyone goes home to their loved ones each night. That's great, gary.

Saltzman: Okay, the next environmental services safety leadership award goes to the bes risk services group, so those members who were here, please come on up. And this is in recognition of the risk services group for providing leadership to the bes wastewater group, to join together in aspiring to and attaining the status as a sharp employer. Somebody better tell us what sharp means. [laughter] [applause]

*****: This is the prestigious award the wastewater group received this year, sharp stands for safety and health recognition, achievement and recognition of the program. [laughter]

Saltzman: Yes?

Saltzman: Thank you. [applause]

Saltzman: The last award, environmental hero award is for the unsung hero award for rick mccoey. Come on up, rick. Rick is an inspector for bes, who has made a focused effort to insure that bes construction projects are safe for city and contractor employees, as well as the citizens that live,

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work, and drive through work zones. Rick's efforts have been outstanding when it comes to deep shaft excavations. He has inspected locations that were over 90 feet deep to make certain that protection was properly installed. He's taken the lead on several projects with huge traffic control challenges. Rick has worked closely with the public, pdot, contractors and project staff on these projects to keep traffic flowing smoothly and safely for everyone. Congratulations. [applause]

Katz: Now it's your turn. We don't often get to hear from you, and the only time we really address these issues are during collective bargaining, not the happiest times for anybody as we try to work through the maze of issues that are before us and before you, so this is an opportunity for you to come and tell us a little bit about what you are doing, why it's important to you, and anything that you have learned or want us to know, so come on up. Okay. All right. Yeah, that's fine so they can pick you up. The television cameras can pick you up.

*****: Oh, yeah, that's what I want, to be on tv. [laughter]

Noel Mackrill: Noel mackrill, parking enforcement. I have two groups and one individual i'd like to acknowledge. The first group is the 7th, 8th, and 9th floors, floor wardens or monitors who are going through first aid training and the portable defibrillation training and also are the ones who are staying behind to making sure that everybody gets off the floors safely, and that's a great dedication on their part to, to commit themselves to be the last ones out. The second group is parking enforcement, safety committee. They do a great job in keeping everyone working safely and bringing up new ideas to promote safety. And the third person i'd like to thank is sue sloan, who was on our safety committee for three or four years, and she is now working in the cable department in the city. So, she will be a great member for that division in the city. So, I just wanted to thank her, especially, she did an awful lot to promote the safety program in parking enforcement.

Katz: Thank you very much. [applause]

Katz: Come on up. The creative group that had some creative ideas. Somebody come on up. Tell us a little bit about what you did.

Leonard: I would add, if we are waiting that the floor wardens are very important, the world trade storm trackers they were credited with saving a lot of lives because of the training that they had as floor wardens and getting people to the right exits and those are, are not just fancy titles, they are very important in an emergency.

Katz: As we heard all the things you are doing because of the, our national and international situation, it was very obvious that we are talking now about evacuation plans, emergency medical responses, safety equipment 9-1-1 dispatchers, floor wardens, so not only are you on the line, first call for the safety of this community, but you are also first call to, for the safety of yourself and your family, and for that, we really appreciate it. Now, tracy, there is tracy, lonnie, jamal and laura. Will you all come on up because you put all of this together, and we want to say thank you to you. Come on up. [applause]

Katz: Did you want to say anything? [applause]

Tracy Hamer: We would like to thank the city of Portland employees for giving us the opportunity to put this program together, so the applause really goes to everyone in the city. [applause]

Hamer: We'd also like to conclude this ceremony today by inviting the, the award recipients and our other honored guests into the foyer for a reception so please join us there.

Katz: Thank you very much. Thank you, everybody. Good job. We stand adjourned.

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