



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **18TH DAY OF JANUARY, 2006** AT 9:30 A.M.

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

Commissioner Leonard arrived at 9:47 a.m.

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

Items 61 and 62 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
<p>52 Request of Patricia Schaeffer to address Council regarding the mental health system (Communication)</p>	PLACED ON FILE
<p>53 Request of Theodore C. Coates to address Council regarding a major campaign to help charities and nonprofits with an event at Waterfront Park (Communication)</p>	PLACED ON FILE
<p>54 Request of Paul Phillips to address Council regarding America (Communication)</p>	PLACED ON FILE
CONSENT AGENDA – NO DISCUSSION	
Mayor Tom Potter	
City Attorney	
<p>*55 Authorize revised Restrictive Covenant and Easement Agreement with the Oregon Community Foundation for the Performing Arts Center (Ordinance) (Y-5)</p>	179875
Bureau of Planning	

January 18, 2006

<p>*56 Accept technical assistance grant from Oregon Department of Land Conservation and Development in the amount of \$50,000 for the Working Harbor Reinvestment Strategy (Ordinance) (Y-5)</p>	<p>179876</p>
<p>Office of Management and Finance – Risk</p>	
<p>*57 Correct Diana Foster claim settlement amount (Ordinance; amend Ordinance No. 179826) (Y-5)</p>	<p>179877</p>
<p>Office of Neighborhood Involvement</p>	
<p>58 Amend a grant agreement with The Green G Service Company LLC dba Goodbye Graffiti for additional graffiti abatement services using General Fund dollars (Ordinance; amend Contract No. 36228)</p>	<p>PASSED TO SECOND READING JANUARY 25, 2006 AT 9:30 AM</p>
<p>Commissioner Sam Adams</p>	
<p>Office of Transportation</p>	
<p>59 Authorize a contract and provide for payment for the construction of the Lents Crossing at Tideman Johnson Park Project No. 6965 (Second Reading Agenda 36) (Y-5)</p>	<p>179878</p>
<p>60 Authorize contract and provide for payment for the Sandy Boulevard Resurfacing and Streetscape Project (Second Reading Agenda 38) (Y-5)</p>	<p>179879</p>
<p>Commissioner Randy Leonard</p>	
<p>Water Bureau</p>	
<p>*61 Authorize a contract with Crane & Merseth Engineering/Surveying for construction management, inspection and project support personnel services as required by the Water Bureau (Ordinance) (Y-5)</p>	<p>179881</p>
<p>*62 Authorize a contract with CMTS, Inc. for construction management, inspection and project support personnel services as required by the Water Bureau (Ordinance) (Y-5)</p>	<p>179882</p>
<p>63 Authorize a contract and provide payment for construction of the Well 38 Pump Equipment and Site Improvements Project in the Columbia South Shore Well Field (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 25, 2006 AT 9:30 AM</p>
<p>REGULAR AGENDA</p>	

January 18, 2006

<p>64 Accept bid of Parsons RCI, Inc. for the Hollywood Sewer Relief and Reconstruction Project for \$5,395,419 (Purchasing Report - Bid No. 104718)</p> <p>Motion to accept the Report: Moved by Commissioner Adams and seconded by Commissioner Leonard. (Y-5)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>Mayor Tom Potter</p>	
<p>Office of Management and Finance – Bureau of General Services</p>	
<p>65 Accept contract with Columbia Rim Corporation for the remodel of Fire Station 28 as complete (Report; Contract No. 34624)</p> <p>Motion to accept the Report: Moved by Commissioner Saltzman and seconded by Commissioner Leonard. (Y-5)</p>	<p>ACCEPTED</p>
<p>66 Authorize lease for office space for the Bureau of Environmental Services Tanner 3 Sewer Separation project (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 25, 2006 AT 9:30 AM</p>
<p>67 Authorize lease for office space for the Bureau of Environmental Services Hollywood Sewer Relief and Reconstruction project (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 25, 2006 AT 9:30 AM</p>
<p>Office of Management and Finance – Purchasing</p>	
<p>68 Authorize price agreements with Crescent Electric Supply Company, Fastenal Company, Platt Electric Supply, Inc. and URS Electronics, Inc. for annual supply of maintenance, repair operations and electrical supplies (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 25, 2006 AT 9:30 AM</p>
<p>Commissioner Sam Adams</p>	
<p>Office of Transportation</p>	
<p>69 Vacate the Alley in Block 10, Walnut Park Addition subject to certain conditions and reservations (Second Reading Agenda 48; VAC 10028) (Y-5)</p>	<p>179880</p>
<p>Commissioner Randy Leonard</p>	
<p>Water Bureau</p>	
<p>*70 Authorize the Bureau of Water Works to create 15 new positions to reduce reliance on outside contractors for the Bureau Capital Improvement Program (Ordinance) (Y-5)</p>	<p>179883</p>

At 10:41 a.m., Council recessed.

January 18, 2006

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **18TH DAY OF JANUARY, 2006** AT 6:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linda
Meng, City Attorney; and Larry Sparks, Sergeant at Arms.

S-71 **TIME CERTAIN: 6:00 PM** – Establish a Fire and Police Disability and
Retirement Reform Implementation Committee to propose changes to the
current system for City Council referral to voters in the November 2006
General Election (Resolution introduced by Mayor Potter and
Commissioners Adams, Leonard, Saltzman and Sten)

Motion to accept the Substitute: Moved by Commissioner Leonard and
seconded by Commissioner Saltzman. (Y-5)

(Y-5)

Disposition:

SUBSTITUTE
36371

At 6:26 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

January 18, 2006

THURSDAY, 2:00 PM, JANUARY 19, 2006

COUNCIL DID NOT CONVENE FOR THIS ITEM

72 **TIME CERTAIN: 2:00 PM** – Accept State of the River Report 2005 (Report introduced by Mayor Potter)

**RESCHEDULED TO
FEBRUARY 2, 2006
AT 3:00 PM
TIME CERTAIN**

January 18, 2006
Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

JANUARY 18, 2006 9:30 AM

Potter: Thank you all for being here. Before we begin the official part of city council, we always have the first part of the program devoted to asking our community a question. And that question is this -- how are the children? The reason we ask that question is that we think that when our children are well, the community is well. And when our children are safe, the community is safe. And so each week we ask people to come in, experts in the field, to talk to us about it. And the vast majority of people coming in are young people and children, because who better should tell us how they are than the people who are living it. So today we have two very special guests, cynthia lona and travis robinson. Could you come forward? Both of these young people are in the new avenues for youth program, and who wants to lead off? Did you want to introduce --

Jennifer Forman: Yes. I'm the case manager at new avenues for youth. Before cynthia and travis speak, I wanted to let the community of Portland know that in my work with new avenues for youth I have a great opportunity to work closely with outstanding young citizens of our community, like cynthia and travis. And I want to speak in case I forget anything, I want the community to know that they're two high-ambitioned individuals who are working hard for their future, and take be the highest advantages of our services that we offer. I've had the the pleasure of working with them both on many levels.

Potter: Good. When you speak, just give your name so we know who you are.

Travis Robinson: Travis robinson.

Cynthia Lona: My name is cynthia lona.

Potter: Why don't you go ahead and begin.

Lona: I decided since I get really nervous when I talk in front of people, i'm going to read directly from my speech, instead of making direct eye contact, because i'm scared I might --

Potter: I do that a lot myself.

Lona: I got involved with the program because I was living on my own and could no longer handle my busy schedule. Did I not want to give up on my education so I decided to quit my job and only attend school, but I could no longer support myself and decided to go to new avenues for youth for help. They have helped me a lot because they enrolled me into a great program that helps me become an independent individual. This transitional housing program helps me gain life management skills that will eventually mold me into a full-time working college student. They help me by being very strict, they require every youth to achieve 30 hours of productive time weekly, so that means 30 hours a week I am spending doing positive and important things, like attending school and looking for work. Transhousing has given me restaurant skills, such as being able -- being able to use a dish sanitizing machine, cooking and proper food storage. I have also learned a few recipes from a guy who comes every friday afternoon, I usually choose to cook on fridays since I do not attend school, and I don't have any worries about making a bad dinner, since he always makes great food. I am happy because nobody complains about dinner. Pave has helped me in the past to write resumes, cover letters and reference sheets. They have also introduced me to all my job searching tools, they offer tutoring, g.e.d. Testing and job readies in classes. I'm thankful for my experience because I have learned life skills and feel confident I can support myself to live on my own while working and attending college now. I also wanted to add, if it wasn't for this

January 18, 2006

program I wouldn't have been more confident in myself to go look for work now or to go to college, because I was working and going to school beforehand, and it was too much for me, but I feel like I can do it now, like I have more skills now, and since i've been going to college, I haven't had enough time to go down to pave, but pave has helped me in the past and they've found jobs for me, and internships, and they're great, great program.

Saltzman: What is pave?

Lona: It's a program that helps youth find work and jobs, and they give you a lot of skills and a lot of -- advice to get jobs.

Forman: It's part of new avenues for youth. It's a job training program.

Potter: Thank you, Cynthia. You did very well.

Adams: Very nice job.

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

Robinson: Hello. My name is Travis Robinson. I'm a homeless youth receiving services here. Was born in Spokane, Washington, I then lived in Portland, then became a ward of the state, went through five different foster homes in Portland, and then in the southern part of Oregon as well. I became homeless about three months ago and i've already lived my -- received G.E.D. and I will soon access transitional housing. The services I receive are to help find a job and keep the job and how to manage a typical workweek, how to balance a budget and so on. My plan now is to get into transitional housing and find and keep a job, and in the spring, go to college for a medical assisting degree.

Potter: Thank you both.

Adams: Fantastic.

Potter: It is. I'm very pleased. Daniel is an associate director of Avenues for Youth, and I used to work with them many years ago when I was there. So I really appreciate what you folks do. I really admire you two in particular for what you're doing. Congratulations.

*******:** Thank you. [applause]

Potter: That's our future, folks. Looks pretty good, doesn't it? Council will come to order. Please call the roll. [roll call]

Potter: Please read the first communications.

Item 52.

Patricia Schaeffer: The mental health system, there is so much abuse in it. By employees, terrible abuse, and I have seen this for a long time. And they have gone even in Salem, Oregon, to investigate what was going on in the hospitals there, they were mentally ill, and I knew this, because I had been put in the system for so long, where even doctors were making wrong evaluations, and I have proof of this. By giving me medication and evaluating me wrong, these medications were so dangerous for me, and I have proof of it right here. They're still doing it. When a person's rights are taken away from them and told to take medication or I won't help you, this is what's happening. But employees are abusing me too. Employees through Cascadia. There's an article here in the newspaper, you were on the front page, but this is about Cascadia mental health. The president of this, they're painting a good picture of mental health that isn't. It isn't. These are lies. And i'm the proof and the victim of this. And I have all these files where i'm catching people lying. I took this to a judge Madison, he said Patricia, the mental health system is doing you wrong. Roseburg, Oregon, he told me this a long time ago. A judge. He is correct. I'm catching the proof. And also, they wouldn't help me in emergencies. These are all my medical things that were on my arms where I was transported from one doctor to the next, where I didn't get help through the mental health system. I am not mentally ill, but they almost put me there in a situation where I could have died. These are employees and doctors. Doctors. Now, it says even on the front page where the Supreme Court should punish people, or doctors for doing wrong. Well, that's true. The Supreme Court should even punish doctors who are doing wrong in the mental

January 18, 2006

health system. Now, if I had to sue them, I will. If it took a retainer, a small retainer and a judge and a lawyer to listen to this but here's your proof. These pills are so dangerous, and they're going through the mental health system. I refuse to take them because the damage is done to me. Too long. They do horrible things in the mental health system and at the hospitals. Abuse. Terrible abuse. That's it. You want the facts, you want the facts, find it. But if anybody lies through this, you'll find it on files. My files. I got a tack of them where i'm catching people lying, and I gave it to a judge madison. The numbers, everything. Ok?

Potter: Thank you, patricia.

Schaeffer: These are -- you know what these are? These are hospital --

Potter: I recognize them. Could you please not put those on the table?

Schaeffer: I'm sorry, i'm mad about the mental health system. Mayor, the mental health system is lying so much, and I can't stand to see other people being treated and abused the way they've done. It's the way it is.

Potter: Ok. Thank you for coming in.

Schaeffer: I'm mad about this, terribly mad.

Potter: I understand.

Schaeffer: It's been going on a long time --

Potter: Your time is up. Thank you. Please call the next.

Potter: Thank you for being here, mr. Coates. When you speak, please state your name for the record.

Item 53.

Theodore Carl Coates: Theodore carl coates, born may 23, 1926, city of Portland.

Potter: Contain your remarks to three minutes.

Coates: Oh, yes. Thank you. I prepared a letter, so it says it all. January 18, 2006, city council, Portland, Oregon. Good morning, honorable mayor and fellow council members. First, it is both an honor and a pleasure to be here to address you as a citizen of the city of roses since may 23, 1926. My appearance is to seek cooperation from the city to present Portland's first total fund-raising event at the waterfront park later this year. It is my wish to see Portland receive the many thanks and salutations from the charities and nonprofit organizations for making free money available to them through the presentation of the events, which will be called, built, and presented as follows. The money fair business opportunity show and exposition. The general admission tickets will be furnished at no cost to the charitable and nonprofit organizations free of cost. They sell the tickets and keep all the money from the sale of admission to visit the show during its stay of six days. This show is a show that will help everyone needing answers as to investment, business, and on you on -- how to get started with little or no money. Also, the show will entertain the personal effect of how you feel, look, think, and act in getting and providing a lifestyle that you are proud of. There will be entertainment, free food, and beverages offered through the souvenir coupon book, which each person entering the facility gets, full of exciting values, discounts and things to do, and participate in. At this time, myself, mr. Coates, will be on stand by for feedback from those who have questions that will be answered as the parts, pieces, and bits fall into place. Many thanks to each of you for allowing me to present what I think is a great idea worthy of your support and alliance. At present, a temporary post office box will serve for mail that has been used by mr. Coates for a goodly amount of years, and you may address your choir to as follows -- theodore c. Coates, 8201 southeast powell, 97266, my telephone number, my cell --

Potter: Mr. Coates, I don't think you want to give your phone number.

Coates: That's fine. That's about all I have to say. It's an event, I have been in the carnival business, the outdoor amusement, promotion business, I am a promoter, dyed in the wool. I'm very familiar with what's going on in the city of Portland, i'm here to help and aid and assist. I like everything I see up here i'm going to make sense of it. Three chairs and five you, five and three of

January 18, 2006

you, eight letters in Portland. Eight fine beautiful lights over each of you. I'm a numerologist. I count, add, multiply and divide. I give tom something a little gift, I hope he enjoys it.

Potter: I did.

Coates: It will be the only one he gets like that. Thank you for allowing me to be here. We can make it a lot better than what it is, and I do have things coming up that you're going to love. Thank you.

Potter: Thank you, mr. Coates. Go to the consent agenda.

Moore: One more communication.

Potter: I'm sorry.

Potter: I forgot mr. Phillips.

Item 54.

Potter: For being here, mr. Phillips.

Paul Phillips: I'm Paul Phillips, I was born in Pendleton, Oregon, and never have left the United States, so I wanted to talk about America. If you remember, I showed this picture and have talked about injuries on the job that was last year, reporting from the C.D.C., the nerve of some people, they even complain they're hung with a new rope in America. Since my injury of October 7, 1981, at a Catholic hospital, there's been roughly 150,000 Americans killed on the job in the United States, more or less. And 150 million injured on the job since that time. I wanted to make that plain and simple.

And I actually had a man come up to me four years ago in Pendleton, Oregon, as I was buying chicken at the Albertsons Deli, in Pendleton, and he came up to me and told me that he had been injured on the Oregon Saif on the job, never got anything, and that's how he ended up in his wheelchair. And I turned around to face him, and sure enough, he was sitting in a wheelchair, he was about this tall, and I asked him after he said that he'd never gotten anything from Oregon Sarajevo f. He got the shaft, are and he said yeah, he did. And I gave him this paper, a copy of it, which I'll leave here with you as you've seen before, I explained to him that 16 people a day are killed in the United States, and you're better off than they are. And I was really mad and upset telling that gentleman that. And I wasn't going to tell him how severely I was injured. And I think that he was mad as well. Not at each other, but at the system, the way that it works. And then I brought this newspaper article from "The Oregonian" about the pension plans, the disability, where the city commissioners, of course they don't insure through Saif because they couldn't have things like that, especially injured policemen that have guns, because they'd probably shoot somebody. Or they got injured as severely as in a wheelchair or their arm being impaired. July 12 of last year was the article by a Steve Dohen. Of course maybe you're familiar with what comes around goes around, Mr. Mayor, and Council. My time's up. Thank you.

Potter: Thank you, Mr. Phillips. Now on to the consent agenda. Please call the roll. Wait a minute, excuse me. Does anybody wish to pull any items off the consent agenda?

Leonard: I do. Items 61 and 62, which are mine that I'd like to if we could, have read when we get to regular agenda item number 70.

Potter: Hearing no objection, please place that with item number 70 for the regular agenda.

Moore: Ok.

Potter: Any other things to pull? Does anybody from the audience wish to pull any items from the consent agenda? Ok. Now, Karla, please call the roll.

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

Potter: Aye. [gavel pounded] move to the regular agenda. Please read the first item.

Item 64.

Potter: Good morning.

Jeff Baer: Good morning, Mayor Potter, members of City Council. I'm Jeff Baer the acting director for the Bureau of Purchases. Before you as a purchasing agent report -- I refer to you a purchasing agent report to accept a bid from Parsons R.C.I. Incorporated for the Hollywood Relief and

January 18, 2006

reconstruction project in the amount of \$5,395,419. They did identify 20% of the total contract, which amounts just about a little over \$1 million for minority women and emerging small business participation. So we feel that's a real good strong commitment on their part for identifying those subcontract opportunities, and with that i'll stop there and any questions you might have --

Adams: I would say that the -- based on the information that you've given us that's very strong effort in the area of minority, and contracting with minority women and emerging small businesses, so good work. Thank you.

Baer: Thanks.

Potter: Thank you, jeff. I need a motion to accept.

Adams: So moved.

Leonard: Second.

Potter: Call the roll.

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

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

Item 65.

Potter: Who's to speak on this?

Dick Raglund: I'm dick raglund with the bureau of general services, project management section. This project was a remodel and an addition to fire station 28, which is up on 56th and sandy. It was completed last summer during the course of the construction we had some claims, disputes with the contractor. We entered into an mediation in november, and came to a resolution. The council approved the agreement in december, and this is an official completion of the project and report to council.

Adams: The roof's leaking.

Raglund: Really? I haven't heard that.

Adams: I was out there for a meeting and the roof was leaking. Just telling you.

Raglund: We'll look into it.

Adams: And the yard could be mowed a little bit too. Kidding. I'm kidding. [laughter]

Leonard: There is no yard there.

Saltzman: Sams owns a mower.

Adams: I should not have said that.

Potter: 120 fire stations in 120 days. [laughter]

Saltzman: So moved.

Leonard: Second.

Potter: Please call the roll.

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

Potter: Aye. [gavel pounded] please read item 66.

Item 66.

Diana Holuka: Bureau of general services, property management section. I was asked to locate some office space for the tanner 3 sewer separation project, because the city did not have any suitable space in the area that was needed. The b.e.s. folks are working very closely with odot and the folks in odot at their sylvan camelot office, and needed a bit of office space in that area. So what we did was survey the market, starting with making sure that the city did not own any suitable office space in that area. Then looked at privately owned office space, and found something that will be imminently suitable at a good competitive market rate.

Potter: Who's going to be located at that site?

Holuka: B.e.s. Staff people working on the tanner 3 sewer separation project.

Potter: And how many people will that be?

Holuka: Oh, how many, excuse me. I think there will be eight to 12. It will vary. They have two shifts during part of the project, so i'm work -- some working into the evenings, some inspectors.

January 18, 2006

Potter: Where are they currently located?

Holuka: Various locations, I believe. Mostly in the Portland building.

Potter: Are there questions?

Adams: This is the staging area for the project?

Holuka: This will be office area for project staff and inspectors for the project.

Adams: And they reason it's necessary or -- the thinking behind it is it saves travel time back and forth?

Holuka: Right. And helps facilitate the project and the timeliness of the project in coordination with odot.

Adams: And you concur that's -- that the request is -- that it indeed will provide for those goals?

Holuka: Yes.

Adams: Ok. Thanks.

Potter: And you're aware of the city's recent policy change where we want to have city agencies in city-owned buildings as much as possible.

Holuka: Absolutely.

Potter: You concluded what?

Holuka: That there was no suitable space available for this project.

Potter: Ok. Other questions? Thank you.

Adams: Thank you.

Holuka: Can I stay here for the next item?

Potter: You certainly can. This item, 66, moves to a second reading. It will be next week, Karla?

Moore: Yes.

Potter: Please read item 67.

Item 67.

Potter: Go ahead.

Holuka: This item is connected with item 64. It was approved a few moments ago. The particular need here in addition to space for project staff and inspectors as with the tanner 3 sewer separation project, but the hollywood sewer relief project will impact the neighborhood very strongly. And they wanted an -- a site where the community could come in, ask questions, learn about the project, bring forward any problems that there might be for this very large project along sandy boulevard. Surrounding streets.

Potter: This one i'm not sure as I am the last one in terms of why they have to be located in that area. Where are they currently located, and what will the difference be?

Holuka: Currently located primarily in the Portland building. There's a similar need in so far as there will be inspectors there on a couple of shifts. I would say probably 50% of the need is to serve the community, because this -- they'll be working on sandy boulevard and surrounding commercial and residential streets, and I think that it's going to have quite an impact during construction on the community. So the bureau of environmental services wished to make it as -- to be as accommodating as possible to the business owners and residents there in the hollywood district.

Saltzman: How many people are going to be there?

Holuka: There will be fewer people here on a regular basis, probably four to six with additional people at varying times during the project, as I understand it.

Potter: Have you had a chance to look at this?

Adams: No, actually, both of these I have not had an opportunity to review these. These oddly enough come up through the bureau of general services at the request of my bureau, but the requests were not run through my office. I'm happy to look at them in detail if you want me to.

Potter: I'm just trying to figure out the reasoning behind this. In terms of accessibility to the community, is that going to be a facility that's open to the public? And they have meetings there?

January 18, 2006

Holuka: It's a street-level storefront at 40th and sandy, easily accessible and visible. That was one of the criteria the environmental services staff put forward, is one of the two prime criteria to make the office visible to residents and businesses in hollywood.

Adams: I am aware because of the nature of the complicated nature of the street grid in hollywood combined with what we have to dig up because the sewer is where it's at, that the potential for disruption in hollywood is very high, and I am worried about that, and aware of that project. I was not aware we had asked for a request for space i'm happy to look at it if you want me to, or if you -- you've looked into -- I have to assume you've given the previous council direction and our need to save money, that you've really looked at the efficacy of this request, and you concur with the information you've been provided that it's a good request, or you wouldn't be bringing it forward.

Holuka: That's correct.

Adams: Ok.

Holuka: First thing that I did when the request came to me was review city-owned parcels and properties in the area.

Adams: Right.

Saltzman: I didn't ask this about the sylvan one because I can't imagine any buildings nearby on the national historic register, but we do have a policy of looking at national historic register buildings as a first preference, once we've concluded city space is not available. Were there any historic buildings there that -- in hollywood --

Holuka: Nothing that was available.

Potter: Hollywood theater?

Holuka: This space is right next to it. It's not part of the hollywood theater, but it's just --

Adams: A projection room? It sounds like --

Holuka: It's an old building. It may not be on the historic register, but it's an old building ooh.

Adams: It sounds like you've done a lot of homework on it.

Holuka: Did my best.

Adams: Ok.

Potter: Ok. This is a nonemergency and it moves to a second reading next week. Thank you both for coming in.

Adams: Can I just ask, just as a fail-safe, when space requests come through to you, if you wouldn't mind checking with the liaisons in my office for b.e.s. It's maria, just to -- so I can try to facilitate conversations up here, have in knowledge of them.

Holuka: Certainly.

Adams: And i'll talk to my bureau as well.

Holuka: Thanks.

Adams: Thank you very much.

Potter: This shows there is no item 68.

Moore: Yes, there is.

Potter: Please read item 68.

Item 68.

Jeff Baer: Good morning, jeff baer, the acting director for the bureau of purchases. And before you is a request to authorize these individual price agreements with crescent electric, fastenal, platt electric and u.r.s. electronics. These are individual price agreement that's we have on a commodity basis, and some of this was what we looked at in terms of awarding the contract was a couple different areas. One was they're environmentally preferable procurement options, geographic coverage around the city, and a supplier diversity element to make sure that we can track those supplier diversity issues, and we had itemized a couple of different areas we wanted to specifically look at, and those are built into the agreement so that we can have report -- ongoing reports from

January 18, 2006

them to identify what those dollar issues, or dollar estimates are going to with those individuals. So with that, we estimate the price agreements in a total will estimate at about \$806,000 per year, and that's between -- that's all four of those combined. So i'll stop and if you have any questions, i'm glad to answer them.

Adams: Estimated savings?

Baer: About \$127,000.

Saltzman: Per year?

Baer: Per year.

Potter: Any questions? Does this move to a second reading?

Moore: Yes, it does.

Potter: Thank you, jeff. Please read the next item.

Item 69.

Potter: This is a second reading and vote only.

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

Potter: Aye. [gavel pounded] please read item 70 and what are the other two items?

Leonard: 61 and 62.

Potter: 61 and 62, please.

Items 61 and 62.

Leonard: Thank you. I'm going to ask the folks here to speak in more detail, but I wanted to give an overview of why I asked these items not to be on consent so that we can explain to council what we are doing at the water bureau in our effort to change how they do business. 61 and 62 are items that were on the consent agenda that normally are just approved without discussion that relate to contracting out for engineering services to provide the water bureau with the expertise it needs to do its work. 70 is an item that actually authorizes the hiring of 15 engineers right away at the water bureau. The reason that i'm asking to talk about this is, we've asked the water bureau, because of concerns that have been raised in the past about their over reliance on contracts and consulting, to, where possible, have the staff it needs to do its work on staff. For a few reasons. One is that it removes any suggestion that -- or concern that have been raised in the past that private consulting firms may be doing the kind of work that causes them to do more work. I don't know if that's accurate or not, but there has been those concerns raised in the community. The staff that we're going to hire will be funded in the future by the reduction of outside contracts as, for example, item 61 and 62 are. So our hope is by hiring the engineers on staff to do the work, we won't need to do contracts like item 61 and 62 are in the future, that those dollars will be used to fund personnel to do the work. The second reason that I want to pursue this policy change in the water bureau is that as engineers, as in any profession, do their work, they gain expertise, and particularly of the water bureau, expertise and knowledge of our infrastructure at the water bureau, which is really vitally important not just in the more predictable environment of designing a system, but in case of a catastrophic event we rely then on our engineers to help us decide how to respond to the event. When they are working for us, obviously they are at our disposal to help us decide how to respond to an event based on their catastrophic event based on their expertise and background. When they're contracting with us, they're just hired guns that come and go, and we lose as the contract expires, all of the knowledge they've gained of our infrastructure. So this is at first glance a subtle distinction with the past, but in terms of how the water bureau does its business, it is a significant change in direction, if you will, a redesigning -- redefining how the water bureau really conducts its business. It was one of the first things i've asked the water bureau to do since being assigned this bureau by mayor Potter, and this -- these resolutions are a culmination of that work to bring this forward. So i'm going to turn it over to our table staff to -- able staff to give a little more in-depth description.

January 18, 2006

David Shaff: Good morning, mayor, city council. I'm David Shaff, the administrator of the Portland water bureau. With me is Greg Drexler, principal engineer in charge of the C.I.P. Plan. Commissioner Leonard stole most of my thunder, but there are a couple of points that I can make. We currently do approximately 30% of our work in-house, engineering work in-house. And our proposal, or our long-range goal through these 15 positions and then the position that's we have proposed for next year and the year after will bring us up to about 50%. That is not all of the engineering work obviously that we will be doing over the years. As Commissioner Leonard said, doing more work in-house will establish the brain power if you will, in our bureau, and it will be -- it will enable us to staff to the valleys, the peaks and the valleys of work that you see in an environment such as ours. We do a lot of construction work during the summer, we have to staff up, we would prefer not to then have to staff down when we go into the lull. So we are proposing to staff to the valley and use our professional services contracts to staff to the peaks. We're also looking at -- we will continue to use specialized services, so, for example, we will continue to hire professional outside consultants for certain projects. A good example are the trestles, the Sandy River crossings. Those involve tunnelling, they're once every 10 to 20 years that we might have to do something like that. It doesn't make sense for us to develop that kind of expertise in-house. So when we come before you with our Sandy River projects, it will likely be professional services. So we are trying to create a balance of in-house expertise and hiring outside when necessary. The particular contract that's you have in front of you for professional services are as needed, and they are going to be providing us with specialized technical inspection services, and they'll allow us to continue forward on the project that's we have on the table while we recruit, train, and hire the new staff that we're talking about. It will take us some time to staff up to the level of levels that we are proposing to do, and these two P.T.E. contracts will enable us to continue working on the projects that we're working on.

Adams: Would you be available to do some peer review in B.E.S. And transportation on this topic?

Shaff: The bureau? Sure.

Adams: Would you be willing to see how your views having gone through this in the water bureau, and I think this is really excellent, if you wouldn't mind sort of taking a look at what my bureaus are doing and see if you see some opportunities of savings there. I would appreciate that.

Shaff: We would be glad to.

Adams: Thanks.

Potter: How do we distinguish these positions from other positions? Are they specific to the very areas that you have -- did you review your contracts to determine what were the positions that you had been previously outsourcing, and then -- this is the result that you want to create these positions in order to eliminate a particular area over here?

Shaff: Not so much the contracts, Mayor Potter, but more the projects. The projects that we anticipate doing and the workload that we anticipate seeing for the remainder of this fiscal year, and the years forward. We have -- would I say an ambitious capital improvement plan we're going to be proposing. We have -- we're in the middle of a very ambitious one. We have another one coming up of starting next fiscal year, and so these 15 positions are our assessment of what we will need in staff power in order to do the work that we have planned. So I don't think we took a contract X and said, ok, this is what this one's being used for and apply it here, it's more what the projects we were planning on doing. Did I answer your question?

Potter: Well, it was specific to these positions that you say that you need now. The point that Commissioner Leonard was making was that this will reduce the cost, and in fact your fiscal analysis indicates that it would reduce the amount of outside technical assistance by at least a one-to-one ratio if not better.

January 18, 2006

Shaff: We are trading our professional services dollars for in-house staff. There is a sense from our financial analyst that long-term we will see savings with this approach. But I don't think you're going to see an immediate savings, because we are trading more or less dollar for dollar.

Potter: The other thing you mentioned was the fact that this is also an anticipation of projected capital requests that will come before the council in the next year or two.

Shaff: And the ones that we're currently working on, yes.

Potter: We're going to get a lot of requests for things in that -- in the next budget year. Are you sort of jumping the gun by anticipating you're going to need these service and assuming we're going to approve them?

Shaff: Well, some of the current projects that we're doing are already approved, but, yes, we are anticipating that there will be approval of some of the capital projects. They are projects that have been identified as being needed. For instance, the sandy river crossings. So, yeah, there will be I think very spirited discussions about the approaches that we're taking and the proposals that we're making, but we do anticipate that we will continue to work on our infrastructure needs, and that we will be able to articulate why we are making the requests we are, and get your support for those.

Saltzman: I guess just to pick up on the mayor's point, shouldn't this be done, mayor, in the budget context? If you hire these people now and you don't end up getting funding for the projects they're supposed to work on, what do you do with them? At least when you're using a consultant you don't have to hire the consultant --

Leonard: Remember, he didn't say these positions are for future projects, they're also to work on current projects. And there are 30 --

Saltzman: I thought I heard him say some of them are in anticipation --

Shaff: That is why we're actually looking at creating these positions now in this fiscal year, so that we can recruit, train, hire those folks, get them on board, and working on our current projects, commissioner. Even if --

Saltzman: The 15 you would hire now would be working all on currently funded projects, capital projects?

Greg Drechsler: to start with that would be correct.

*******:** Thank you. And then --

Saltzman: Of a sufficient duration to add on that-to-that question, are the capital projects of a sufficient duration in time to keep these 15 people gainfully employed?

Drechsler: Our estimation is that is correct, commissioner Saltzman. Some of the major projects are the downtown mains, the transit mall, the open reservoirs that are directed by council, by previous councils, and so those are multiple-year contracts, and we believe that we're more than sufficient work to keep these folks employed. We also I think as our administrator indicated, we are staffing at the bottom of the peaks and that the remainder -- the peaking of the other work would be done with the consultants as not being done by our own staff.

Leonard: And to be really clear, this is part of a proposal to hire up to 40 new engineers over the next two to three years. If we didn't do that, the council would be approving contracts such as item 61 and 62 which we have routinely done up till now. And part of what the water bureau must do is plan long-range into the future for its needs. Obviously none of those future projects have yet to be approved by a council. And it may be that some of those future projects aren't even approved by the current people sitting on this council, but one of the major changes I've tried to instill in the water bureau is to not be quite as tentative in planning for the future as they have in the past, anticipate what they need, ask for what they need, and to make plans to responsibly keep our infrastructure in as good a condition as possible to avoid a catastrophic failure. This is definitely a distinct change in the way the water bureau does its business, but it isn't a distinct change in how much we spend to conduct this business. We're just choosing to use the resources that the council ordinarily spends anyway in what we think is a more responsible fashion creating, and I'll tell you, I

January 18, 2006

didn't say to the water bureau, do this to save money. That was not the reason. The reason is to develop the in-house expertise to safeguard our system. And that it potentially saves money is a nice benefit, but that's not the motivation to do this. It is to have a professional staff with professional support of our infrastructure.

Potter: But this automatically creates those other positions as well.

Leonard: We have to obviously approve those in future budgets, just as we do -- the folks sitting in front of you are not assured of their positions come July 1 unless this council approves them.

Potter: This financial impact statement --

Shaff: We replaced the -- this is a replacement ordinance, because the original ordinance that we filed did do that, and o.m.f., Casey short, I think correctly identified that you can't do that. You can create these 15 positions, but you cannot bind the council through this ordinance and this process to authorize those 40 total in the upcoming budget years. And so I think his are financial -- are financial analysis was done before Casey alerted us to our error in how we approached it. So you are probably reading something that doesn't quite fit the replacement ordinance, the replacement ordinance just deals with these 15 positions.

Potter: You may want to change that financial impact statement, correct it. The other question I have, when will you be bringing the -- your projected capital improvement projects to --

Leonard: It will be in the budget that we -- that is the product that we've been working with the friends of the reservoir on, the industrial users, the -- and our budget process we have developed that it's being fine tuned by our financial folks at the water bureau to be submitted --

Shaff: We have submitted the capital improvement plan and the financial plan, and we're discussing it with you as part of the infrastructure budget team meeting on January 31.

Potter: And then finally, have you talked with p.e.r.b., and what was the committee you folks set up as --

Shaff: Our budget committee?

Potter: Yes. I guess that's the word.

Shaff: We have 40 people on our budget committee, both employees as well as representatives from purb, representatives from business, and representatives from the friends of the reservoir as well as interested citizens. And our approach is -- was unanimously adopted by that budget committee, and you will see it reflected in both c.i.p. Proposal as well as our budget proposal for this year. And that includes this idea of taking our professional services dollars and converting those, not 100%, but to about 50% where we do about half of our engineering work in-house.

Leonard: This was the subject of a vigorous discussion and debate in the budget committee between business representatives and community members about this policy direction. This was not a subject that was glossed over. It was hotly discussed, and I stated there what I've stated here, and I was -- and I laid it in their hands, and I said, if you decide otherwise as a committee, that's fine. But my believe is that one of the failures of the water bureau has been to not develop its own in-house expertise, and two, have a perception in the community that it overrelies on consultants that end up recommending things to be done that may not really be required to be done. I don't know that that's accurate, but that's definitely a perception, and this helps us eliminate that by having professional staff whose only loyalty is to the city and the customers of the water bureau. So they discussed this vigorously, and came to an agreement.

Potter: And there -- this is coming out of existing funds that you've set aside?

Shaff*: That is correct, mayor, yes.

Saltzman: And on a total compensation basis, what is the cost for these 15 positions?

Potter: \$4 million.

Shaff: No, the \$4 million is for the total 40.

Drechsler: It's about \$100,000 per f.t.p.

Saltzman: \$1.5 million. So your p.t.e. budget this year is being reduced by \$1.5 million?

January 18, 2006

Drechsler: That would be correct.

Potter: I think this is a great idea. I just want to make sure you folks weren't just sort of backfilling positions to ease up, since we've been cutting other positions in the city.

Shaff: No, mayor, and we have made many commitments to our budget committee and promises, and we have told them, we fully expect you to keep an eye on us and to hold us accountable. Just as you will, and we're saying the same thing to the purb. So we expect to be looked at very, very closely. And we are going to come through.

Saltzman: And did you say the purb has approved this?

Shaff: They have -- we have presented our budget or our proposal and our approach to them, and they have -- I would not say they have had any formal votes, but they have --

Leonard: They have a representative on the budget committee.

Shaff: They have acknowledged our approach and they have said that they appreciate the approach that we have, but they've not formally adopted anything.

Potter: Is there a way -- I support this, I want you to know that. Is there a way to bring in the future where we can have more discussion beforehand so that if there are things we feel that could be altered or changed in order to improve it?

Leonard: That's what this is. This is -- this is something that would normally have come through in the budget. Under normal circumstances, you would see this as part of the budget. We decided to do it this way just for that reason, so if a council wants to discuss it, or change it, we're open -- it isn't like this has to happen. If it doesn't, we'll use the contracts to hire people. But that is precisely why it's here as a standalone item for the council to be able to discuss it.

Shaff: And we are anticipating a fairly full discussion about this same overall approach at that first infrastructure meeting on the c.i.p. At the end of this month.

Potter: I personally like the idea of us getting away from using outside consultants, to the degree that we can. And I like your management principle of staffing to the valley rather than the peak. So I appreciate those aspects, and I think you folks are off to a really good start.

Shaff: Thank you.

Potter: Other questions from the council? This is an emergency vote.

*******:** Yes.

Potter: Please call the roll.

Moore: Item 61?

Adams: Again, I think this shows a lot of promise, and the goal here is more flexibility, greater expertise, and more productivity for the same amount of money. And I think those are worthy goals. I have bureaus that spend a lot of money on outside contracts as well, so I look forward to seeing how this goes and having some peer-to-peer facilitating some peer-to-peer conversations about what promise it might also hold in my bureaus. So I want to thank commissioner Leonard and David and your team for this innovation. Aye.

Leonard: This is -- we're going to continue bringing these items individually for discussion as this is outside of the budget process, so they get the attention they deserve, because it does represent a significant change in direction in how the water bureau conducts its business. When the mayor assigned it to me I knew that what he expected was a change in how the water bureau did business, and I was frankly somewhat overwhelmed by the task, but to my pleasant surprise, the task has been made immeasurably easier by working with men and women of the caliber you see before you who are amongst the most dedicated public employees I have ever worked with. And I say that in the context of having served with who I thought were the best and are amongst the best people in not just the city, but the country to work with. So their commitment and dedication and their resourcefulness has just really been a pleasant experience for myself, and I know David as well. We lay an issue out like this in front of the management team and they consistently come up with first-rate solutions. And this is an example of that. And I greatly appreciate working with them. I

January 18, 2006

am quickly becoming joined at the hip with the water bureau, so i'm going to probably fight any attempt to ever take it from me.

Potter: That's sure a different statement.

Leonard: It sure is. [laughter] I honestly have not enjoyed any assignment i've had more than this since being on the council. It's been a privilege to work with these men and women. So this is absolutely a great start on a change in how we do business, and we're looking forward to having the community work with us side by side as we make those changes as they have been. And it's going to be a fun future for the water bureau. Aye.

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

Potter: I want to thank commissioner Leonard for bringing this forward. I think it's a great idea, and we obviously have talked about these things and recognized that the more the city can do for itself, not only the less we have to rely on outside resources, but the additional fiscal burden that brings. So i'm looking forward to this. David, I think you're doing a great job.

*****: Thank you.

Potter: Thank you for what you're doing. And please convey to the water bureau staff how much we appreciate what they're doing as well, because I know making these kind of changes are very difficult, and institutional change, you know, is essential, but not always easy. So thank you very much, and I vote aye. [gavel pounded]

Potter: Now 61 and 62.

Moore: That was 61.

Potter: Excuse me. 62.

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

Potter: Aye. [gavel pounded]

Moore: 70.

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

Potter: Aye. [gavel pounded] who says council can't agree on things?

Adams: That's right.

Potter: That's the last item. We are in recess until 6:00 p.m. Tonight.

At 10:41 a.m., Council recessed.

January 18, 2006

JANUARY 18, 2006

6:00 PM

[Roll call] [gavel pounded]

Potter: Please read the resolution.

Item 71.

Potter: I have a substitute resolution to offer. Do I hear a motion to accept?

Leonard: So moved.

Saltzman: Second.

Potter: Call the roll.

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

Potter: Aye. [gavel pounded] ok. Now we've got that part out of the way. Did anybody wish to make any opening statements? Please go ahead.

Saltzman: Thank you, mr. Mayor, members of the council. Just to give some context for where we are tonight, last year the city council, in early 2005, established an independent review committee, a nine-person committee to conduct a comprehensive analysis of the city's fire and police disability and retirement system. After more than 26 public meetings and over 50 hours of extensive examination of technical data concerning the present fpdr system, other systems, financial projections, and legal issues, including detailed analysis conducted by independent experts in the fields of disability and pensions, the independent review committee on december 20 provided council with suggested changes to both the pension and disability systems of the fire, police, disability and retirement system. Specifically the committee recommended that the city should begin financing the pensions of its public safety officers to slowly reduce the \$1.6 billion liability facing the city and its taxpayers. It recommended that all current public safety officers should retain their current pension benefits, all new hires in the police and fire department should be placed into the pers pension system, and the city should pay the required 6% employee contribution. It recommended that all new disability claims should be processed by the city's risk management department under the workers' compensation system, and that the public safety officers should receive a minimum income replacement of 75% as is currently given under the fpdr system. As well, the independent review committee recommended that the city provide a mechanism for financial incentives to the police and fire bureaus to return disabled workers to the job. After receiving this thorough report, the council then held three work sessions and also directed that a stakeholders meeting occur on january 6 of this year. Originally the plan was to present for council consideration tonight a ballot, a charter amendment concerning disability changes to be presented to the voters on the may ballot. And however, in light of the fact it now appears there is an opportunity for common ground to be reached among all of the stakeholders, there is an opportunity to further address transitional issues and implementation issues raised by the independent review committee and by the city council and by the police and fire unions at our work sessions. This resolution is being introduced tonight sponsored by all of us to establish a reform committee. This resolution acknowledges that the unanimous opinion of the city council that reform is needed both in the disability and pension systems, and the council further commits itself in this resolution to referring comprehensive changes to the voters to weigh in on the november 2006 general election, as well it establishes a firm deadline for the committee by may 1, or with an optional extension by city council of no later than june 1 to present to us comprehensive reforms for the council's consideration to refer to the voters. The reform committee will include the citizen member of the police, fire, disability and retirement system board of trustees, who is nominated by the mayor and appointed by the council, and that's charles rosenthal, to represent -- two representatives of the Portland police association to be selected by the association, two representatives of the Portland firefighters association to be selected by the association, a representative of the Portland police commanding officers association, to be selected by that association, three citizen representatives of

January 18, 2006

the independent review committee, and that would include the chair, jeff furnish, its cochair, judy clark, and judy rice. A representative of the city club of Portland, to be appointed by the mayor, and then representatives from all of our offices, the mayor, the members of the council, and the city auditor. So with that, I would urge our approval.

Potter: Any other -- anybody else want to make a comment? Karla, do we have a sign-up sheet?

Moore: We do, but no one has signed up.

Potter: Well. This may be a very short council, then. Is there anybody in this room who wishes to come up and make a statement in regards to the resolution that's before the council? Please. We need somebody up here, robert.

Robert King: Jack said he wanted to go first. [laughter] just so you know.

*******:** This time.

Potter: This is a lesson about who sits down in front of the microphone first.

Jack Finders: I just wanted to say that the Portland firefighters association is relieved that this is not on the may ballot. We're very thankful that we will have the necessary amount of time to fully and completely take care of this issue so that it is taken care of once and for all, that we don't have to come back to this any time in the future. And we're very optimistic about the collaborative model that we'll be working on in this, and we're optimistic that something will happen. We're going to do everything we can to make sure it does.

Potter: Thank you, jack.

King: Mayor, city council, i'm Robert king president of the police association. The friday meeting that was the stakeholder meeting I think marked a change or a transition in the effort where all the parties that are involved came together and I think worked cooperatively or collaboratively to identify the additional issues. We have areas of concern, or areas of agreement rather and areas of needed further clarification. I think that it marked a change in the process that we think is good. I know our point here is to be collaborative in this process, and to provide some comprehensive recommendations for a change that we all believe in. I think that the charge of this new committee really is to work together as a team on a complex and an important issue. Even if that means over these next four or so months bringing our sleeping bags and working into the wee hours, and i'm committed as jack is to doing exactly that.

Potter: I want to thank both of you very much for the -- your willingness to enter into this in a very collaborative way, and to offer good suggestions, and we certainly appreciate it. So i'm looking forward to some good things we can take to our voters that will help our police and fire officers, as well as our citizens and how this is all paid for, and taken care of. So thank you. Other statements from the commissioners? Thank you. Anybody else? Going once. Commissioners nicks closing statement? Let's call the vote.

Adams: I guess i'll just recap some of my earlier concerns. This is clearly a system in need of reform. The fpdr board itself has acknowledged that. I'm glad that everyone -- all the key stakeholders have acknowledged that. I think the work ahead is going to be very difficult. I've been down this path before with previous reforms, and I hope that this one is different. I'm certainly committed to making the reforms, and i'm glad that all stakeholders have indicated that they too share that concern. If the group cannot come to agreement on individual issues or overarching issues, I would welcome some minority reports so that at the end of this process if you're not able to come to agreement, that at least we have some building blocks for reform of minority and majority reports that we can choose from. And hopefully both minority and majority reports would be very informed, but what I don't want to get to is at the end of this process say, or hear sort of the statement that's we haven't had time to explore all the issues, or it's not clear, or I have lingering questions, or those kinds of things. Because the public in my opinion is calling for us to pursue real reform. Aye.

January 18, 2006

Leonard: I'm thankful that this process has included the stakeholders of the various parties that are important to pass something at the election. It's one thing to put something on the ballot, it's another thing to get the voters to accept it. And my focus is on -- on getting something before the voters that they will accept. With this process underway, I will send two messages that I expect to be incorporated in the package that I vote on. And these are issues that I will tell you that I have pushed for for a number of years. One is to fund the system. I am not going to tell this group what the system needs to look like. I will tell you that any plan that does not provide funding for the system I will not support. Two, I expect any plan that comes to us to reduce disability costs in the fire and police bureaus by creating positions for injured officers and firefighters to work in. It is a major flaw, the major flaw of the system that we do not have positions within which firefighters and police officers can work, and frankly, as far as i'm concerned, that doesn't have to be just within the the fire or police bureaus. There is no reason that recovering officers or firefighters can't work in an appropriate task in any bureau within the city. As long as those two subjects are covered and I will tell you, one of my main motives I don't ever want to see this issue again in my career on the city. At the city. And if those things aren't addressed, I will have to revisit it again and I will be very 7ish and tell you I will vote myself interest and vote against anything that does not address funding the system and reducing disability costs by creating positions. But those two notes, I strongly urge everybody to reach a consensus, and i've been in these processes before, and if the message is sent to everybody that we expect a consensus, we'll get a consensus back, one that everybody can live with. And if that isn't the case, I will have questions about that. Aye.

Saltzman: I want to start by thanking the independent review committee, the nine-person committee, which included police and firefighters, for spending the amount of time they did spend on this very dense and arcane, but important subject to both taxpayers and to our public safety officers. So I want to thank them for the work they did, and the resolution that we are adopting today does say that the independent review committee report, along with its outstanding transition and implementation issues, raised during the three work sessions, and also during the stakeholder meeting on January 6, shall serve as the basis for the reform committee when it meets to begin to work on recommending to us a comprehensive charter reform to the pension and disability system. So I want to thank them for the work. I thank the three members of the independent review committee, as well as the members of the police and firefighters who will continue on in this effort, and the city club, and all of our offices too. I think it's going to be a good process. I think we're all coming to this in good faith, and we want to get to voters in the fall, or in November, reform that's are both fair to our public safety officers, but also fair to our taxpayers. And I think we can do that. So i'm proud to support this process and vote aye.

Sten: I'm glad we've got this far, and I appreciate all the efforts people have made to bring this together. I guess the only thing I would add, I think a lot has been said, is that I think part of why I was not supporting may, I think the independent review committee did a terrific job. I think it was the first step in, there's no actual play book, but something more like a three-step process. It was closer to a substantive actuarial study than it was a decision to get something on the ballot and passed by the voters, which needs a couple more elements. My main concern with this next process, but I am supporting it because I think it can be addressed, is that it could be another situation where the council gets a report back and then we start doing the work to get it ready for the ballot. I think the council has to own this much more than it has to date, and I think that we need a political transition group as well as the substantive one, and I think that's somewhat missing from this. I think it can be added to it, and in that light, I do pledge myself to work on this personally and to try and figure out these issues. I would like to have the committee take a hard look at the beginning of, what are the elements of a successful proposal, because what i'm hearing in this last round is a lot of debate that's very important, I don't think the two sides are dogmatic, but around, for example, do you go into workers' comp, or do you stay in the current independent

January 18, 2006

structure. I don't care. As long as it's a better system that meets the goals. So I would like to see work done on what would be the definition of a better system, and I could use that to compare it to workers' comp, which isn't perfect, and the fire and police disability system, which isn't perfect. So I just think we need to do a little more work on what is it exactly that would define success, and if that can't be agreed to, I think we need to debate it at a council level before we send this committee off to essentially come back with a rock that the council may not have three votes to say is the right size. I think we need to do a little more of that at the front end. I think it can be successful as strong and passionate as all the positions were, I have found them all to be sincere, and I have actually been in the nice position of believing everybody when they say they're willing to work on reform if it meets the criteria. I just hope we understand what that is so we're not going like this at the end of the next process, which we were, I think because we ran out of time, but also because the scope of the independent committee really was not adequate to get this to a ballot measure. It was adequate to get to a substantive set of recommendations, but anybody who's crafted a ballot measure knows there's a couple more steps you have to take in terms of how you frame it, what the voters are likely to think, what the campaigns are going to look like, because this will be a campaign, and it will not be immediately obvious in my opinion, to the voters that they should race their taxes to save money down the road. As obvious as that is to people who care about actuarial studies, it's counter to most behavior in this country, so ie it is going to take some work to convince people this should be prefunded. And with that, I do want to thank all of the players in this so far. It hasn't been a lot of fun to sit through, but at the end of the day it will be productive and therefore I vote aye.

Potter: Lots been said, but I think there is a commitment, and when we get all past the rhetoric and those things, it comes down to we're willing to work together to collaborate in good faith, and trust the other people that there are no evil people in the room, there are people with differences of opinion, but no evil people. So I think that people are at that stage. And I think that there is some concerns about how it will go from this point forward, but I believe that if you keep that in mind in terms of negotiating a good faith, we will come up with something that our citizens and our fire and police officers can live with. I would also, with the concurrence of the council and commissioner Sten, I didn't get a chance to ask you, to include the the city club's report on fpdr as part of the material that's given to the committee to work with. So good luck, and jeff, thank you so much for what you did in helping all this come about. That's very, very helpful. So I wish this committee a success, and we look forward to intermittent reports from you in terms of where things are at, and when you need help, as you heard from the council, we're here to try to make this work and to work with you to come up with a solution. So with that, I vote aye. [gavel pounded] it's in effect. This is the end of the council session. Tomorrow's state of the river report has been rescheduled to february 2 at 3:00 p.m. In case people are coming down to watch it tomorrow. Council is done.

At 6:26 p.m., Council adjourned.