



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **22ND DAY OF MARCH, 2006** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Sten, Presiding; Commissioners Adams, Leonard and Saltzman Sten, 4.

Commissioner Adams was excused to arrive at 10:05 a.m.

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

Item No. 367 was pulled for discussion, and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

| COMMUNICATIONS | Disposition: |
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| 348 Request of Bruce Broussard to address Council regarding Portland Public Schools/Portland Parks (Communication) | PLACED ON FILE |
| 349 Request of Marsha Anderson to address Council regarding Independent Police Review Board and Citizens Review Committee (Communication) | PLACED ON FILE |
| 350 Request of Dan Handelman to address Council regarding Independent Police Review Division and Citizen Review Committee (Communication) | PLACED ON FILE |
| 351 Request of Paul Phillips to address Council regarding an article in the DJC from November 29, 2005 (Communication) | PLACED ON FILE |
| 352 Request of Alejandro Queral to address Council regarding the Independent Police Review Division and the Citizen Review Committee (Communication) | PLACED ON FILE |
| TIME CERTAINS | |
| *353 TIME CERTAIN: 9:30 AM – Authorize annual payment of \$25,000 to Friends of Trees to support their neighborhood tree planting program for the FY 2005-06 (Ordinance introduced by Commissioner Saltzman) (Y-4) | 180015 |

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| <p>354 TIME CERTAIN: 10:00 AM – Amend the Portland Natural Hazard Mitigation Plan to fulfill requirements of a voluntary Federal Emergency Management Agency Program (Resolution introduced by Commissioner Adams; amend Resolution No. 36277)</p> <p>Motion to accept amendment to add a paragraph of text to Appendix E, to amend the Natural Hazard Mitigation Plan clarify that the City Bureaus that participated in the planning process, that select the actions in the natural hazard mitigation plan were contributing factors in the development of those recommendations: Moved by Commissioner Adams and seconded by Commissioner Leonard and gaveled down by President Sten after hearing no objections.</p> <p>(Y-4)</p> | <p align="center">36392 AS AMENDED</p> |
| <p align="center">CONSENT AGENDA – NO DISCUSSION</p> | |
| <p>355 Accept bid of Parker Northwest Paving Co. for the Lents Town Center Phase III Street Improvement Project for \$1,452,404 (Purchasing Report - Bid No. 105029)</p> <p>(Y-4)</p> | <p align="center">ACCEPTED PREPARE CONTRACT</p> |
| <p>356 Accept bid of Tri-State Construction, Inc. for the Tanner Creek Phase 4B Upper Burnside Sewer Separation Project for \$2,444,888 (Purchasing Report - Bid No. 105041)</p> <p>(Y-4)</p> | <p align="center">ACCEPTED PREPARE CONTRACT</p> |
| <p align="center">Mayor Tom Potter</p> | |
| <p>357 Appoint Rey España and Pat Mobley to the Housing and Community Development Commission for terms to expire June 30, 2006 and June 30, 2008 respectively (Report)</p> <p>(Y-4)</p> | <p align="center">CONFIRMED</p> |
| <p align="center">City Attorney</p> | |
| <p>*358 Amend Legal Services Agreement with Cascadia Law Group for outside legal counsel (Ordinance; amend Contract No. 34620)</p> <p>(Y-4)</p> | <p align="center">180004</p> |
| <p>*359 Amend Legal Services Agreement with Miller & Wagner, LLP for outside legal counsel (Ordinance; amend Contract No. 35742)</p> <p>(Y-4)</p> | <p align="center">180005</p> |
| <p align="center">Office of Management and Finance – Human Resources</p> | |
| <p>360 Change the salary range and title of the Nonrepresented classification of Licensing Division Manager (Second Reading Agenda 316)</p> <p>(Y-4)</p> | <p align="center">180006</p> |
| <p align="center">Police Bureau</p> | |

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| <p>*361 Authorize an Intergovernmental Agreement with the City of Gresham to allow Gresham police officers to attend Police Bureau police vehicle operations training (Ordinance) (Y-4)</p> | <p>180007</p> |
| <p>*362 Authorize an Intergovernmental Agreement with the City of Woodburn to allow Woodburn police officers to attend Police Bureau police vehicle operations training (Ordinance) (Y-4)</p> | <p>180008</p> |
| <p>363 Accept a \$6,000 grant from the U.S. Department of Agriculture Office of Inspector General to reimburse expenses incurred as participants in the Presidential Initiative Operation Talon (Second Reading Agenda 317) (Y-4)</p> | <p>180009</p> |
| <p>Commissioner Sam Adams</p> | |
| <p>Bureau of Environmental Services</p> | |
| <p>*364 Authorize agreement for conveyance of the Ella V. Pivovarov property located in the Johnson Creek Floodplain to the Bureau of Environmental Services (Ordinance) (Y-4)</p> | <p>180010</p> |
| <p>365 Designate certain City Property at 5418-5420 SW Beaverton Hillsdale Highway as Sewer Easement and assign to the Bureau of Environmental Services for the SW Shattuck and Beaverton-Hillsdale Highway Project No. 8000 (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>366 Amend contract with David Evans and Associates, Inc. for additional compensation and extend the term of the agreement for the Simmons and Columbia Slough wastewater pump station Projects No. 7048 and 7250 (Ordinance; amend Contract No. 33551)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>367 Clarify description of elements for sewer protection, enforcement authority and activity to maintain sanitary and stormwater conveyance systems (Ordinance; amend Code Chapter 17.34, 17.38 and 17.39) Motion to accept amendment to have annual reports for five years: Moved by Commissioner Leonard and seconded by Commissioner Adams and gavelled down by President Sten after hearing no objections.</p> | <p>PASSED TO SECOND READING AS AMENDED MARCH 29, 2006 AT 9:30 AM</p> |
| <p>368 Extend contract terms and increase not-to-exceed limits with three consulting engineering firms for modeling support services for the Combined Sewer Overflow Program and Facilities Program and provide for payment (Second Reading Agenda 320; amend Contract Nos. 35282, 35283 and 35284) (Y-4)</p> | <p>180011</p> |
| <p>Office of Transportation</p> | |

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| <p>*369 Authorize contract and provide for payment for the Lead Cable Replacement for Twin Ornamentals Project (Ordinance) (Y-4)</p> | <p>180012</p> |
| <p>370 Accept grant from Oregon Department of Transportation, Traffic Safety Division for the modification and development of crash data reporting and query tools (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>371 Accept a grant from the Oregon Department of Transportation in the amount of \$100,000 to develop and implement specific neighborhood-based efforts to improve traffic safety (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>372 Authorize a contract with Legacy Emanuel Hospital Trauma Nurses Talk Tough for traffic safety educational services (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>373 Amend contract with Alta Planning + Design to provide technical support for the development and implementation of the national Safe Routes to School model in Portland (Second Reading Agenda 328; amend Contract No. 35788) (Y-4)</p> | <p>180013</p> |
| <p>Commissioner Randy Leonard</p> | |
| <p>*374 Amend contract with David Jubb & Associates related to PGE financial data analysis (Ordinance; amend Contract No. 36464) (Y-4)</p> | <p>180014</p> |
| <p>Commissioner Dan Saltzman</p> | |
| <p>Parks and Recreation</p> | |
| <p>375 Amend flexible service contracts with architectural and engineering consultants to extend the expiration dates (Ordinance; amend Contract Nos. 33712, 33715, 33716, 33724, 33727, 33731, 33733, 33737, 33741, 33742, 33746 and 33868)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>376 Authorize grant application for fish passage and habitat restoration work in the Oaks Bottom Wildlife Refuge to the Bonneville Power Administration in the amount of \$1,200,000 (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>REGULAR AGENDA</p> | |
| <p>Mayor Tom Potter</p> | |
| <p>Office of Management and Finance – Bureau of General Services</p> | |

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| <p>377 Declare surplus property located near NW Skyline Boulevard and NW Murdock Street (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>378 Amend contract with MCA Architects, PC to provide additional architectural and engineering consulting services for the remodel of Fire Stations 15, 24 and 43 (Second Reading 339; amend Contract No. 35694) (Y-4)</p> | <p>180016</p> |
| <p>Office of Management and Finance –Technology Services</p> | |
| <p>379 Authorize flexible services contracts for engineering services for radio, phone and video systems (Ordinance)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>Commissioner Sam Adams</p> | |
| <p>Bureau of Environmental Services</p> | |
| <p>*380 Approve settlement with Stacy and Witbeck, Inc. for the NW Couch Street Sewer Reconstruction Phase 4 Unit 2 Project No. 6819 (Ordinance) (Y-4)</p> | <p>180017</p> |
| <p>381 Amend contract with Parsons Brinckerhoff Quade & Douglas, Inc. for professional design and technical support services for the East Side Combined Sewer Overflow Tunnel Project No. 5516 and provide for payment (Ordinance; amend Contract No. 34633)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>382 Authorize Intergovernmental Agreement with the State Department of Environmental Quality to address contaminated sediments in the Columbia Slough watershed through the Voluntary Cleanup Program (Previous Agenda 342)</p> | <p>PASSED TO SECOND READING MARCH 29, 2006 AT 9:30 AM</p> |
| <p>Office of Transportation</p> | |
| <p>*383 Authorize an Intergovernmental Agreement with the Tri-County Metropolitan Transportation District of Oregon to enter into a subrecipient agreement to disburse Federal Transit Administration Grant funds to the City (Ordinance) Motion to accept amendments as stated in memorandum dated March 22, 2006 from the Portland Office of Transportation: Moved by Commissioner Adams and seconded by Commissioner Leonard and gavelled down by President Sten after no objections. (Y-4)</p> | <p>180018 AS AMENDED</p> |
| <p>384 Assess benefited properties for street improvements in the NW 13th Avenue Phase II Local Improvement District (Second Reading Agenda 311; C-10003) (Y-4)</p> | <p>180019</p> |
| <p>Commissioner Randy Leonard</p> | |

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Water Bureau

***385** Authorize the Water Bureau to offer a new water sales agreement to its
wholesale customers for approval (Ordinance)
(Y-4)

180020

At 11:18 a.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.

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WEDNESDAY, 2:00 PM, MARCH 22, 2006

**DUE TO LACK OF AN AGENDA
THERE WAS NO MEETING**

March 22, 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.

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Sten: The mayor is on vacation so it's my turn to be council president. We're expecting commissioner Adams back at 10:00. Anybody here for the 9:30 time certain, we won't be able to start that until 10:00 when commissioner Adams gets here because it's an emergency ordinance. We won't be able to take a vote without four. So we'll get started. I wanted to take one quick point of personal privilege. Father Paul Schroeder is here, a new person to Portland. He's the new priest at Holy Trinity Greek Orthodox Church. He recently moved here from San Francisco. In addition to happening to be my family's church, I wanted to introduce him to the greater community. There's going to be a celebration at City Hall this Saturday at 1:00 in honor of Greek Independence Day, and as the birthplace of democracy, it's also a celebration of democracy, so there will be Greek dancers and some professors speaking on the subject, and I wanted to invite the council and the greater community to this celebration this Saturday, March 25, at City Hall at 1:00. Father, welcome to Portland.

Saltzman: I just attended a wedding you conducted a few weeks ago.

*******:** Is that right? Very good.

Sten: Welcome to Portland.

Father Paul Schroeder: Thank you so much, Erik and members of the council. It's a great privilege to be here, and I want to express my own personal joy and the joy of my family to have come to such an amazingly beautiful city as Portland. People keep telling me this has been an exceptionally rainy winter, and I'm not sure whether to believe them or not, but I suppose the challenges of someone -- as someone said to look deeply into the rain and see the flowers that are coming this spring. So we're waiting for those flowers. Although I'm a newcomer here in Portland, of course the Greek community in Portland is no newcomer. We have been here since 1907 when the community was founded in Portland, and we'll be celebrating our centennial in 2007, in May, and members of the council will be receiving invitations to those events as soon as we have all of the information ready that will be in May. As Erik mentioned, we're going to be celebrating Greek Independence Day on March 25, and in 1821, the Greek Revolution for independence from the Ottoman Empire began. But I suppose the first Greek Revolution was not in 1821 but goes all the way back to Athens and the origins of democracy as described by Thucydides. Democracy was the first great gift to the world. 1821 began the Greek Revolution which is in some ways an unfinished revolution for equality, freedom, civil rights, so I feel very proud and a great deal of joy to be with you here in Portland and I look forward to a long and fruitful relationship with the broader Portland community.

Leonard: It's great to have you here. We do have, as you know, rainy seasons, but I'm trying to remember, I'm probably going to butcher this, I think Hemingway said the coldest winter I ever spent was the summer I spent in San Francisco.

Saltzman: Mark Twain.

Leonard: Twain, thank you. We actually have distinct summers that you will love that are joyous.

Schroeder: It's actually not such a big transition from the fog to the rain, it's just sort of more liquid. The one thing I forgot to mention, I know our community is very well known for our Greek

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festival, and I have no -- we have welcomed many of you to that event, we look forward to seeing some of you hopefully then.

Leonard: Welcome.

Sten: Thank you so much, father, and we'll see you on saturday. Anybody out there, please come.

Schroeder: This will be at 1:00 and we'll have a reading of the proclamation from the mayor, there will be some remarks from representatives of the greek community. We'll also have young people in costume who will be doing traditional greek folk dances, and it should be a lot of fun.

Sten: Mr. Leonard sponsored a st. Patrick's day dance by some irish young people, so we're just following in that tradition.

Leonard: We love the various cultures that come to city hall. Tomorrow as a matter of fact, as a matter of fact, we're having a jamaican theme reception for our newest director of the bureau of development services who originates from jamaica. So we have a band, jamaican food, from 5:00 to 9:00 p.m., and dancers. So everybody is welcome to come there as well. That's one of the high points of city hall, is celebrating our various cultures.

Schroeder: Diversity is our strength.

Leonard: It is.

Schroeder: Hope to see some of you on saturday.

Sten: There's no city kids presentation this week, so we'll move to the communications. Karla, please read item 348.

Item 348.

Moore: He is not able to make it.

Sten: Item 349.

Item 349.

Sten: Each person on the communications have three minutes to address the council. There is -- I don't remember having you here before. If you have not done this there's a clock right there that will show you how much time you have left. Please introduce yourself and go for it.

Marsha Anderson: Marsha anderson. I'm here to request that the commissioners and mayor investigate my case brought before the independent review board on march 18, 2004, and bring it in front of council where it belongs. The crc board sustained two of my allegations, the findings were presented in a misleading format. Chief foxworth's -- the independent review board's failure to implement their policies and procedures lack of support for the citizens review committee, clear and misleading reporting of facts to manipulate the outcome of this case failed to not only bring this case to council but to hold accountable a police officer for his actions. When the chief failed to agree with the board this case should have been scheduled for council. When director stevens was asked if she would help present the case, she made it clear she would not support the crc board. With no backing or support by director stevens a member changed the sustained finding and I was left with the impression the crc board was intimidated to accept the chief's findings even though it was evident allegation were not address and his findings confusing and misleading. The board and citizen review committee was formed to hold Portland police accountable for their actions. We also need to hold accountable the committees the government and citizens place our trust in to do that job. It's my responsibility as a citizen to bring concerns to our city officials and citizens alike when the very agencies designed to investigate wrongdoings are themselves not being held accountable for inappropriately following policy and procedure. We cannot allow the independent review board to be a contributory factor of escalating abuse. These are the issues that frustrates the citizens. No one wants to be placed out much their comfort zone. We have all used the execution that it's too much trouble, nothing will happen, I don't want to bring attention to myself, let someone else do it. We have all been guilty of these excuses and now. -- more. Investigation is warranted. Misleading and inaccurate reporting presenting a false perception to the public and government, the procedures and policies are being followed when in fact they are not. When those very agencies

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failed to adhere to their own policies and procedures accountability measures need to be implemented. I'm grateful and thank you for giving me the opportunity to use this public forum to take responsibility to present issues and concerns that need to be addressed. I also implore the citizens of this city to use these very avenues and to take responsibility for using our government system to bring issues to public light because that is the only way change will occur. Thank you very much.

Sten: Thank you, ms. Anderson. Please read item 350.

Item 350.

Dan Handelman: Good morning, commissioners. Dan Handelman, with Portland cop watch. I'm here to talk about the independent police review division because the council has not given the public a chance to talk about the i.p.r. For many years. The basic facts of ms. Anderson's case are pretty cut and dried. An officer admitted saying what she complained "next time I see your ex-girlfriend i'm going to shoot the m.f. " and he said the whole word. The i.p.r. Wrote an ambiguously worded letter to the bureau so chief foxworth sustained a complaint about the use of profanity and not even the use of profanity, but the failure to document it. This is just the latest in a long list of outrageous that have plagued the system before the i.p.r. Was created. The staff instead presented foxworth's decision as a positive outcome for the c.r.c.'s hard work deliberating on this case. Rather than noting that he had misunderstood. Unfortunately it looks as though this case has now led to last night's resignation by a c.r.c. Member. She cautioned the members to remember their most important function is to hear case, but they're not holding enough of the hearings. She also expressed the public is counting on them to take case usa peeled to them as far as they can go. I took this as a reference to the fact the i.p.r. Led to a compromise vote rather than sending this case to council as the ordinance requires when the bureau does not accept the c.r.c.'s finding. Ms. Baldwin's resignation is reflective of the same issues that led the original board to resign in 2003. They were first prohibited from hearing a case on appeal and shut out of the process when the only case ever to come before city council was taken over by i.p.r. Staff. Report which have never come to city council for hearings include the i.p.r.'s annual report, report from chief foxworth on the shooting of perez, a follow-up to the resolution of august 2004 regarding community policing and last september's park report on shootings and deaths in custody. No doubt we'll never have a public discussion on the recent death of the man who was tasered even though we have been raising concerns about tasers for four years now. We also still are waiting the public review of the i.p.r. system promised the community in one year after it was adopted in 2001 a. Review which has been in commissioner Adams' hands for nine months now. We have urged the council to hold a public hearing for community input. Such a hearing would cost nothing. And we're tired of waiting. If the reason the report are not being heard has anything to do with who's in charge of what, commissioner Saltzman passed an important resolution in the summer of 2004 allowing council members to place items on the agenda even if they're not in charge of a specific bureau. Furthermore mayor Potter's efforts when he first came to office were to break down the so-called silo separating the office and city hall. We support the idea of a review board independent of city hall. We asked them to look at a charter change to make it more independent. Such a change would look at the conflict of interest the city attorney has advising the review board on the one hand and defending the city against lawsuits in the other. We hope you'll look at the i.p.r. And if you have any questions or are willing to bring this up for public discussion, I welcome it. Thank you.

Leonard: You said gwen baldwin resign?

Handelman: Yes, last night at the c.r.c. meeting.

Leonard: I was not aware of that.

Sten: She was my appointee, and I had a long conversation with her, and this is not a back and forth forum that we can hold given the agenda, but I raised very serious concerns, not unlike what mr. Handelman is raising today.

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Leonard: I would like to know more about that. Thank you.

Sten: I've been intending to follow up on that. Please read item 351.

Item 351.

Paul Phillips: Good morning. Thank you. I'm Paul Phillips, and I briefly was discussing this two weeks ago, this d.j.c., the daily journal of commerce, and I want to say that next week I'll be talking about my service animal getting attacked and injured, and so I'm going to just briefly highlight on this and schedule hopefully for April 12 and the 19th to actually read this article. It discusses a man that was injured on the job that had carpal tunnel and was unable to get -- carpal tunnel and was unable to get the industrial insurance company to cover his claim or injuries are, so he sued them and won a \$5 million settlement. I think people, if they're interested, can go to room 140 and attain this article. It was a case that was held in Boston, apparently they don't have any laws like that here in Oregon. For carpal tunnel injuries. The injuries I have suffered with a broken thumb and arm and ganglion cysts in my arm where I shake from pain, that happened at a Catholic hospital, 10-7, 1981, would certainly fall within the class of this, and in fact I dare say that my injuries are more severe than carpal tunnel. Just so that it's no secret, I've been trying to get an attorney to sue this hospital, and maybe this will encourage the local attorneys of Portland to contact me, which they can at 1212 Southwest Clay, apartment 217, or they can go to room 140 to obtain all the information that I've submitted, medical documents. For my case. The writer of this article was a Natalie White, Dollen News Wire, and it was from the Tuesday, November 29, 2005, volume 221, number 64, and their telephone number is 503-226-1311 if a person wanted to obtain it directly from them. And like I'm saying, in two weeks or three weeks hopefully I'll be able to schedule two successive meetings and read the article.

Sten: Thank you, Mr. Phillips. Item 352.

Item 352.

Alejandro Queral: Good morning, commissioners, Alejandro Queral, I'm the executive director of the Northwest Constitutional Rights Center. I'm here this morning to call on you to change the system in place, and to consider important changes to improve its effectiveness in holding police officers accountable to the community. Marsha Anderson's remarks gave you but a small glimpse of the many flaws in the system. She has fought an uphill battle for more than two years, refusing to accept what to her seem to be a biased report, lack of support, and major procedural hurdles that would have convinced any of us it would be better to give up than continue fighting. Even a determined Portland resident like herself has not been able to get any sort of satisfactory resolution on this case. I urge the city council to listen carefully to Ms. Anderson's case as an opportunity to examine the oversight system and ask whether it's doing its job effectively. One of the key issues raised is the quality of the investigations. The perception among many residents who have filed complaints is that the I.A.D.'s investigations are not truly independent. The Mayor's Piac Work Group reporting its majority report that I.A.D. investigators -- when interviewing police officers. Six years later we see this practice resurfacing in Ms. Anderson's case. During the February meeting one of the committee members who had listened to the recorded interview said that many of the questions were leading in nature but were transcribed as if the officer under investigation had answered only open questions. This is not a matter of training or policy. I.A.D. Investigators are generally veteran police officers, however this practice is bias and at the very least leaves the impression in the public's mind that investigations are not truly independent. In order to achieve community trust and satisfaction, the I.P.R. must have the ability to conduct truly impartial investigations by experienced civilians with no ties to the Portland Police Bureau. Though they have the authority to conduct its own investigations, they rarely do so when the case is already being handled by I.A.D. This appears to be true even when there's an allegation of bias by the investigator. For instance, when Ms. Anderson filed a complaint against the I.A.D. Officer the Police Bureau's response was to assign a new investigator which resulted in an additional delay in the

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resolution of the case. I believe in independent investigation would have addressed any concerns of lack of impartiality. Another problem that's evident in her case is what happens when the only evidence is the word of the complainant or witness against the word of the officer under investigation. In addition to information obtained during the intake process, statements by witnesses, complain apartments and officers are obtained by the detective during the course of the investigation. The current police oversight system is there -- i.a.d. Investigation provide. With that video traffic evidence or otherwise recorded evidence, the investigation rests solely on the credibility of the parties. This situation creates a bias against the complainant since police officers are generally perceived to be more credible. One way is to give the power to the citizen committee to compel testimony from police officers, witnesses, and complainants. This would allow the community to make accurate assessments on the merits of the case. I would encourage you since commissioner Adams is not here, perhaps we would have a little bit of time to have this discussion or to have an opportunity for you to ask questions of those of us who have made remarks voting the i.p.r. and the c.r.c. Thank you.

Sten: Thank you very much. Given our agenda and sort of the nature of the communications, we won't have an opportunity to do that, but I can speak for myself, I do sense from some body language from my colleagues that it's pastime to get this broader discussion into a forum with the council about how we're doing, so I will certainly pledge to work with you to get that done.

Queral: Thank you very much. I'm available for your service at any time.

Sten: Thank you very much. I appreciate your testimony. We will move to the regular agenda. After confirming with commissioner Saltzman we'll read item 353, take the presentation and all of the testimony as there are people here and have been waiting, and then if commissioner Adams is not here by the end of the testimony, we'll just take a vote later in the agenda. I don't expect there will be a controversy on this one. Item 353. Stop-n-save commissioner Saltzman.

Item 353.

Saltzman: The city of Portland is fortunate to have wonderful working relationships with numerous neighborhoods and friends groups that share and contribute to Portland's quality of life. Friends of trees is one of these groups. In partnership with the parks bureau and the bureau of environmental services, friends of trees annually plants over 1,000 trees in neighborhoods throughout the city using volunteers and leveraging public-private partnerships. I'm happy today to offer the city's annual contribution of \$25,000 for the continuation of this important effort. It also provides an opportunity to highlight an initiative that I know council will support. A comprehensive analysis of our current tree code and how to better coordinate the protection of our forest canopy. The forest canopy in other cities has declined with increased urbanization. Portland has continued to push back on this trend, but we need to do more. Trees provide many environmental and aesthetic benefits to our residents, including cleaner storm water, air pollutant removal, and carbon dioxide reductions. Maintenance of the urban forest canopy is a complement to Portland citizens and their passion for continuing Portland's heritage as a tree city. Maintaining and i'm proving the urban forest is a high priority for me as the parks commissioner, and lately, however, we have witnessed an increase in illegal tree cutting on city-owned property, a recent event within the markham nature park resulted in the loss of 20 native trees with an assessed value of slightly under \$60,000. Finding those responsible and discouraging these practices is important. Toward that end, I have instructed our city nature staff to seek the maximum legal penalty for such actions, which will be roughly three times the assessed value of the trees. And I know the police are also investigating this case. So in the case of this -- when we find the culprit, the penalty sought will be \$180,000. I hope these measures will send a strong message against future illegal cutting, and I ask the residents of the city to report any suspicious tree cutting by calling the city forester at 823-4489. Finally, the city council has recently heard from city residents on the need for improving and simplifying the city code related to maintaining the city's urban forest. I have asked the planning bureau to take a

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comprehensive look at city codes related to trees and to work closely with the parks bureau and environmental services. The bureau of development services and other agencies also will be helping to identify where changes make sense. In 2004 the city council adopted the Portland urban forestry management plan. This document collectively developed by city bureaus provides canopy goals and a road map of actions and partnerships that would allow us to reach these goals. I encourage bureaus to review this document and use its findings as a way to move forward. Now I'm going to hand it over to our city forester, Dave McAllister.

Dave McAllister, City Forester: City council, thank you, Dave McAllister, city nature manager and the city forester. I'm just -- I just want to introduce several members of what I consider one of our most effective friends groups that we work with, and with me today to accept the gift on behalf of the city, Scott Fogarty, the executive director of Friends of Trees, and Matt Arnold, who represents Friends of Trees on the board of directors. Scott?

Scott Fogarty, Executive Director, Friends of Trees: Thank you. Thank you, commissioners. My name is Scott Fogarty, I'm the executive director with Friends of Trees. I'm here with members of our staff and board to thank you for the \$25,000 ordinance to help fund urban forestry efforts through neighborhood tree plantings and natural area restoration plantings. Specifically I'd like to thank Portland Parks and Recreation and Kenneth Bowling Saltzman for partnering with us, supporting us and joining us at our winter and fall weekend plantings as well as other commissioners who have been there. Over the past 16 years Friends of Trees has planted over 330,000 trees, native plants and shrubs in the Portland metropolitan area. These plantings combined with the efforts of others have led to growth in the overall canopy cover in our region and in our area and have improved the livability of our city and surrounding natural areas. This past year we planted nearly 2,000 street trees in the 17,000 native plants in restored riparian areas. Friends of Trees works with several public and private partners who support us through re-- with resources, expertise, education, and outreach to help us achieve success during our planting events. Additionally, Friends of Trees planting events attract thousands of volunteers per year. Many of whom have never planted a tree or native shrub before. Neighbors come to events often having never met one another, and leave with a greater sense of stewardship and understanding of the importance of nature in the urban area. These events are fun, safe, and rewarding, and many volunteers return to help plant in subsequent years. Not only do planting events help improve our environment, but they help build our community as well. The \$25,000 you've approved directly helps Friends of Trees meet our mission of increasing the urban forest canopy, educating citizens about the importance of trees and native plants and promoting a stewardship ethic within our community. For every dollar given, Friends of Trees is able to deliver \$4 worth of services using volunteers accounting for -- using volunteers and staff and accounting for residual benefits from trees, including storm water reduction, carbon sequestration, energy use reduction and habitat preservation. Portland is recognized nationally for our clean air and our big trees. That is due in great part to the public-private partnership between Friends of Trees and the city of Portland and specifically Portland Parks and Recreation. This unique arrangement allows government and nonprofit groups to work together to address the needs of our greater community. Most of you have attended our planting events and know firsthand the excellent job we do at building healthy community and we especially appreciate the efforts of Councilman Saltzman for his support. Our combined efforts make and keep Portland a healthy, vibrant, clean city to work in and we thank you very much for your support. We urge you to continue to see the benefits that Friends of Trees provides to our city and to consider continued support for efforts in the future. Thank you so very much again.

Matthew Arnold: Matthew Arnold. When I first moved to town 11 years ago Rick of the Urban Forestry Center met with me and asked me, what's the best time to plant trees? I said, well, I'm not really sure, and he said the best time was 100 years ago. Or five years ago, or last year. If you can't

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do that, plant them right now. Friends of trees plants trees every weekend all winter long. We're out there with the community building both community and an urban canopy that we hope will endure for the durations. We certainly appreciate the count support, we appreciate the money, but more importantly, the notion that you support our mission and our efforts to improve our community for the lodge haul here. Thank you, commissioner Saltzman, for introducing this measure. We certainly appreciate your efforts.

Sten: Thank you. We'll open this up to public testimony. Would anybody like to testify on item 353? Do we have a sign-up sheet? Did anybody want to testify? It doesn't look like it.

Saltzman: Are there some of your staff and volunteers behind you? Appreciate your good work.

Sten: Ok. Any questions from the council? Comments? I mentioned, I think we'll go ahead and vote on this later in the agenda when commissioner Adams makes it. I'm quite certain it will be a unanimous vote. We'll hold over 353 until later in the agenda for a vote. If you could read -- I guess I should have mentioned i'm going to do the same thing with the consent agenda and wait until commissioner Adams gets here. Item 354.

Item 354.

Maggie Skenderian, Bureau of Environmental Services: Good morning. I'm Maggie with the city's bureau of environmental services on the Johnson Creek watershed managers. I know commissioner Adams wanted to be here this morning. I happen to have his speaking points, I don't know if I should give them to you or not.

Leonard: I would go ahead.

Sten: He's recently aware of what time the council meets. [laughter]

Skenderian: I'm going to go ahead and give you this information. So this morning we're asking for your support to amend the city's hazard mitigation plan. This amendment enhances in 1995 mitigation plan that will make it possible for us to improve our ranking with FEMA's community rating system. I know perhaps all of you are familiar with this program. The community rating system or C.R.S., offers a flood insurance discount to local communities that go above and beyond minimum standards that help make their neighborhoods less vulnerable for flooding. The percentage of the discount that people in the communities receive is based on a rating. The ratings go from 1-10, with 1 being the highest rating and 10 being the lowest. Portland currently is a class 6 community, and this means that Portland flood insurance ratepayers get a 20% discount on their flood insurance. These are real numbers. We've got 1446 people in the city of Portland who pay flood insurance, and they pay an average of about \$800 a year. This 20% discount therefore gives them about a \$200 a year savings, and for a lot of these folks, that's a lot of money, as you well know, many folks who own homes in the floodplain live out in tents, typically floodplain properties are not the high rent district, so this is real savings to folks. The amended resolution that's before you today will help us hopefully qualify for an improvement in our rating under C.R.S. We on a regular basis need to reauthorize in this program, to assure our membership in this program is continued. Currently we have to reauthorize every five years, and in that process they -- the folks we work with look through all of our programs, make sure we're still doing all the things we said we would be doing to receive these credits, and in the process we're hoping to actually improve that rating. So currently we're classified six, we're relatively certain we will be a class five community, that would give us an additional 5% discount, and we're hoping we actually maybe become a class four community. That would give us an additional 10% discount and would put us in the top 4% of participating communities in the country. So the ordinance we have before you today, it's a little bit of a housekeeping matter. The plan was done in 1995, and there was a revision to the plan that needs to be made in order to get a certain amount of credits under C.R.S., so that's why we're bringing this to you today. Another very important piece to the -- excuse me, that would -- getting that piece of work done is critical to us achieving a class four rating. The other piece that's critical to us getting a class four rating is our Portland watershed management plan you heard about a week or so

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ago, and we're trying to see if that plan can qualify as a storm water master plan. We're working with a very skilled consultant who knows the ins and outs of fema and our code, and we're hoping that plan will qualify. If those two pieces fall into place we think we can achieve class four status. So finally, the resolution is just a great example of interbureau collaboration. We'll talk a little more about that in a moment. Now I would just like to introduce patty rueter with the p.o.e.m., which I don't even know what that stand for, and darryl, my colleague at b.e.s. and now we'll just launch into our presentation. Commissioner Adams I took the liberty of doing your introduction.

Adams: Oh. Well, thank you.

Leonard: We asked her to wait until you got here, but she didn't want to wait. [laughter]

Skenderian: That's not true.

Sten: We were more than willing to circle back and --

Adams: No, i'm sure did you a better job than I would.

Daryl Houtman, Bureau of Environmental Services: Does the council have the power point slides in front of them, or is there something I need to do here?

Adams: We see it on the screen.

Houtman: Ok. What we're looking at is a pie chart that demonstrates some of the city's programs that are credited as part of the community righting system program -- rating system program. You'll note that open space preservation and drain and system maintenance is -- are large credited activities. The storm water management manual is another, as are some of the outreach efforts that b.e.s., particularly leads annually. In fact, I believe we'll have a letter going out in the next few months to update folks on the city of Portland's efforts under c.r.s.

Skenderian: And I might just add that these are the points I received in 1999 for our first attempt at being part of c.r.s., and those numbers will change once we get a reauthorization completed. I also would just like to say that through this -- sorry, go ahead.

Patty Rueter, Portland Office of Emergency Management: I'm patty rueter, mitigation and planning. In 2005 we promulgated the mitigation plan for the city of Portland. Mitigation is what we do to strengthen our city against disaster so that if a disaster strikes, we have less loss and less impact. The all hazard mitigation plan is an extension and compilation of many existing plans, and through the planning process, many bureaus came together and realized that actions that they are already acting on in their plans also mitigated disaster. B.e.s. is one of the proactive bureaus, and through their dedication to and care of the floodplain and its residents, have refined the mitigation plan so it will be even more of a benefit to our citizens. Portland is becoming more than just a livable or sustainable city, it's becoming one that because of the mitigation plan, will survive.

Houtman: So what does all this work mean for Portlanders? This slide summarizes Portland's status currently, nationally as a ranked class six community, Portland is among the top 6% in the nation. In terms of our classification under the c.r.s. program. As maggie mentioned, we do hope time prove our status to class five or class four, and what that would mean for Portlanders is further discounts on their flood insurance premiums that. 20% discount currently means about \$200 annually to folks. If we're successful and becoming a class four community, we could add an additional \$100 discount to folks' savings annually. Currently where we are we're planning an audit that would occur in may that would determine our class ranking. We'll get the results of that this summer in august, and our new ranking would take effect in october of this year. So, again, this resolution clears the way for us to improve our ranking status in the c.r.s. program.

Saltzman: Those are not cumulative discounts, right? If you get one class or the other discount.

Houtman: That's right, they're not cumulative, those are straightaway savings per class.

Skenderian: I would just add that a lot of this work with fema that we've been doing over the last few years really sprung from the work that commissioner Sten started when he was overseeing environmental services and heroically I would say breached the topic of updating the floodplain code and trying to get the floodplain maps updated, and we establish add really good relationship

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with fema through that process. We've been working very closely with congressman blumenauer's office, and have great support from fema. They think our work is fabulous, and they encouraged us to participate in this program. It's just been a really positive thing for our community as a result.

Adams: Just to be clear, there is no down side that you've been able to identify to pursue this, other than a modest amount of staff time?

Skenderian: That's correct. I would also say we do rely on the expertise of outside consultant much in the same way we might ask an accountant to help us with our taxes. As you can imagine, the ranking criteria and the way that the points are accumulated and all that is rather complex, and it changes actually from time to time, and it would be next to impossible for us to keep up with that. So we have a fabulous consultant we've been working with who also thinks Portland is just great and puts a lot of effort into making sure that we get the very best rating that we do. I think we're very lucky to have him to work with. And actually, we made sure that the advantages to getting this increased rating were worth any effort that it took to get it, because there is a requirement at the higher your rating goes the more often you have to reauthorize. So currently we authorize every five years. If we were to get a class four rating we would have to reauthorize every four years, so there would be an increase in the amount of staff time and consultant time, but it works out quite nicely.

Sten: Any questions? Thank you. We'll take public testimony.

Moore: There's an amendment to this.

Adams: Yes, there is an amendment. It's right here. Do I have to read it?

Houtman: I can summarize the amendment.

Adams: That would be great. Do you have copies of it, by chance?

Houtman: I don't have a hard copy with me, but I can easily access those amendments. Just yesterday after we briefed commissioner Adams on this topic of c.r.s., our contractor called to let us know that they -- that he had been in negotiations with the technical reviewer at fema who advised that one paragraph of added text would bolster our efforts to assure that meets our prerequisite requirement time prove our class ranking. So we've simply added one paragraph of text to appendix e, which this resolution, if adopted, would amend the natural hazard mitigation plan to simply further clarify that the city bureaus that participated in the planning process, that select the actions in the natural hazard mitigation plan were contributing factors in the development of those recommendations. So nothing controversial there, simply further clarifying the effort that went into the recommendations that are in the natural hazard plan.

Rueter: I might add that the process that we went through to update the mitigation plan so that it met the c.r.s. standards allowed all of the other committees, the wildland fire committee, the earthquake committee, landslide committee, to reconvene, review the plans that they had submitted and the process in which they submitted their action items so therefore refining all of those other mitigation action plans in the total plan. So it was a real benefit to all that were involved.

Sten: Thank you.

Ben Walters, Sr. Deputy City Attorney: The council clerk received a copy of the amendment, the proposed amendment yesterday, and so it's -- we have it for the council record. If the motion was to move the amendment as received by the council clerk, that would be a promotion.

Leonard: What does it say?

Walters: Do you want it read into the record?

Leonard: I'd like to know what i'm voting on.

Walters: I believe commissioner Adams has a copy.

Leonard: That's not an amendment, that's an explanation of the amendment.

Adams: Oh, this is -- this edition of one paragraph. They add --

Leonard: That's literally the amendment?

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

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Leonard: Oh, ok.

*******:** The italicized text is the amendment.

Leonard: Got it.

Sten: You're saying we don't need to move this to another reading, because it was noticed yesterday?

Walters: This is a resolution, it doesn't --

Sten: Right. Perfect. I would take a motion on the amendment.

Adams: So moved.

Leonard: Second.

Sten: Any objections? Hearing none, the amendment passes. [gavel pounded] let's take public testimony.

Moore: No one signed up.

Sten: I don't see a huge crowd, but you never know. Would anybody like to testify? Ok. Let's go for council roll call on item 354.

Adams: I just want to thank you very much for all your good work on this opportunity to save folks money. I think it's a really important program. Aye.

Leonard: Aye.

Saltzman: I want to compliment you, this does actually in some of our lower income areas of the city, put money in people's pockets through reduced flood insurance premiums that they have to pay. So it's really good work, and it's -- I appreciate the work of Portland office of emergency management environmental services in doing this. Aye.

Sten: I want to thank Maggie and the team and commissioner Adams for bringing this in. I don't think you can really understand what floodplain lines mean in Johnson Creek unless you've been out there in the church basement that some of us have been in, talking about let's remap this. It is the money, and I think commissioner Saltzman is right, that's really important. It's also -- it's an issue of governmental trust, because people, when they see lines that don't make sense to them and they see how the floods go and they just -- and they feel like the classification, the cost, and the regulations they have to work with aren't in line with their experience, it throws off their sense of the whole system, and I think the willingness to revamp and work really does I think in the long run not only help people a lot, but majorly improves our ability to take a watershed red terronation as it gets more people to trust and work with the program. Whether I miss those meetings or not is hard to say, but I'm glad you're continuing on. I vote aye. [gavel pounded] I think we'll go back now and take the consent agenda. Would anybody like to have an item pulled from consent?

Adams: I'd like to pull item 367 of the consent, and with the council's indulgence have it considered with a package of b.e.s. regular agenda items.

Sten: Those were items 382 I think?

Saltzman: 367.

Sten: You want to hear them with item 382?

Adams: Yeah.

Sten: Without objection we'll pull item 367 and hear it a little later in the agenda. Would any of the other items of interest to the council or the audience -- roll call on the consent agenda, Karla.

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

Sten: Aye. Consent agenda passes. We're now at the regular agenda. Karla, please read item 377.

Moore: Do you want to take a roll call on 353, the emergency?

Sten: I do, but I guess we won't. Thanks for reminding me. Remind me again.

Moore: Ok.

Sten: 377.

Item 377.

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Diana Holuka, Facilities: I just wanted to explain it to you and be available to you if you have any questions. I'm Diana from Facilities. I'm representing the Bureau of Environmental Services on this about 10,000-square-foot parcel that b.e.s. Acquired from the county in 2000. They acquired it because they wanted to strengthen the environmental overlays on the site, and protect the tree canopy over small stream or -- stream might be overstating it, but a little small little creek of some sort. When it was -- when the property was acquired from Multnomah county, there was a deed restriction stating that if the city no longer needed or used the proper -- property, it should be turned back to the county. And that's what this ordinance will do. Now that the environmental and conservation overlays have been applied.

Saltzman: I guess if b.e.s. acquired this as part of a protection of watershed, what's changed? Isn't it still --

Holuka: They have strengthened the conservation overlays on the property.

Potter: And was Parks consulted at all whether they had any interest in this --

Holuka: Yes. This is a landlocked parcel that could be used as far as anyone can imagine, only by contiguous property owners. And one or two of them I've heard may have some interest in it. But it would remain in its natural state.

Saltzman: Thanks.

Sten: Thank you. Further council questions on this item? Would anybody like to testify on item 377? Seeing nobody, roll call. It's not emergency, my mistake. We'll move this to second reading. Let's go back and take a vote on item 353, which was the \$25,000 contract with Friends of Trees. It was an emergency ordinance, Commissioner Adams, so we needed your vote. Roll call.

Adams: Yeah, trees: Aye. **Leonard:** Aye. **Saltzman:** Aye.

Sten: Aye. [gavel pounded] item 353 passes. Yeah trees. Could you please read item 378.

Item 378.

Sten: This is second reading. We took testimony last week. Roll call.

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

Sten: Aye. [gavel pounded] could you please -- 378 passes. Could you please read 379.

Item 379.

Sten: Terrific. Is there a presentation on this item? Appears not. Was there any questions from the council? Any public testimony on item 379? Seeing none, we'll move 379 to second reading. [gavel pounded] item 380.

Item 380.

Sten: Terrific. Commissioner Adams? Just let me know when you want to hear 367.

Adams: Ok. Do we have any questions from council on this item? Otherwise, it's pretty self explanatory.

Sten: Is there any public testimony on 380?

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

Sten: This is an emergency ordinance, roll call.

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

Sten: Aye. [gavel pounded] 380 passes. Please read item 381.

Item 381.

Sten: Commissioner Adams?

Adams: Again, this is consistent with the project authorized by the city council and the c.s.o. Project and is within the allotted budget that's been approved by the city council.

Sten: Any questions by the council? Any public testimony on item 381? Seeing nobody, 381 moves to second reading. [gavel pounded] could you please read item 382.

Item 382.

Sten: Commissioner Adams, any presentation on this one?

Adams: Nope.

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Moore: It looks like they do have one.

Sten: I'm hearing a yes.

Adams: Oh, yes.

Sten: From maria.

Adams: Where is maria?

Leonard: You've driven her from the room.

Adams: She's leaving. She's had enough. Ok. I have a few thoughts on the top of my head, totally unscripted. The i.g.a. will be part of the regular agenda for the march 22 meeting. Last week the council approved the Portland watershed management plan resolution institutionalizing the watershed approach. That approach encourage greater flexibility in how we meet regulatory requirements. The i.g.a. with d.e.q. is an important example of how the watershed approach works. Originally b.e.s. and d.e.q. had a more traditional regulatory relationship. This i.g.a. provides the framework for a more collaborative approach between the city and d.e.q. And gives us the kind of flexibility that a number of sewer commissioners have -- sewer commissioners have sought over the past decade.

Sten: Any public comment on this item? Seeing none, i'm not positive Karla, is 382 moved to second reading?

Moore: It was on but we continued it so it will need to go to a second reading next week.

Sten: In that case, i'll move 382 to second reading. [gavel pounded] and let's go back and read item 367.

Item 367.

Moore: Clarify description of elements for sewer protection enforcement authority and activity to maintain sanitary and storm water conveyance systems.

Sten: Good morning.

Adams: Good morning. How are you?

*******:** I'm fine, how are you?

Adams: Good. Today we're talking about the enforcement code and making it more effective related to solid waste storm water and wastewater discharges, b.e.s. educates -- the way it works is b.e.s. educates first-time violators of discharged regulations for 95% of the people b.e.s. Deals with, education and awareness is enough to prevent future violations. For example, someone reported washing their pants -- washing their paint bushes off in the street gutter. [laughter] washing your pants off would be very, very different.

Sten: It's perfectly legal.

Adams: That's correct. B.e.s. will talk about why rinsing paint down the gutters illegally, they will explain where the paint goes, most of the time that simple conversation is enough to prevent the activity from happening again in the future. However, about 5% of violators or alleged violators continue to violate the system, even though they are aware it is illegal. These proposed changes will allow b.e.s. to continue educating folks about regulations while also creating enforcement mechanisms for those who knowingly make illegal discharges to our sewer system. This has been a long process, and I would like to thank, this has been a long time in coming, I think it started with sewer commissioner mike lindberg -- i'm kidding.

*******:** Almost.

Adams: I'd like to thank the sewer commissioner that's came before me, commissioner erik Sten, dan Saltzman, mayor tom Potter, but special accolades and thank you for -- to dawn hottenroth, marveita redding, on bringing these changes home.

Marveita Redding, Bureau of Environmental Services: Good morning, commissioners. We have a brief power point to explain what we're doing here, and you'll see that before you. I'm marvesa redding, environmental compliance manager for b.e.s. I have here with me dawn hotenroth from the regulatory and policy section. As commissioner Adams pointed out, these changes have

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been some time in coming. One of the main things to emphasize is that the responsibility of the bureau of environmental services is a course -- of course to protect the sewer system and the watersheds in question. The code changes that you have before you are proposed to enhance our ability to do that. You also have received a copy of our administrative rules which outline the program by which we will proceed with enforcement. It's important to emphasize that the bureau of environmental services currently has the authority to execute most of these provisions. The code changes that we are proposing today basically enhance or clarify the bureau's ability to go forward. The main purposes of the changes I mentioned is clarification to make sure that the systems that are covered are particularly watershed systems, we traditionally speak about the pipes, but we're also thinking about the other kinds of facilities that we invest in, such as sumps, drainage systems, and the like. Also there's a language clean-up. One of the important things to think about as well is the issue of equity for those in our community who do spend the great deal of time taking care of what needs to be done in terms of environmental compliance, our businesses, our individuals who over time take a great deal of care about how they dispose of waste. So in order to honor folks who do that as well, it's important to make sure that we ensure adequate playing field, and as a commissioner mentioned, we want to address that 5% who frequently do persist in their refusal to comply with regulations. The bureau spent some considerable time as a commissioner also mentioned with regard in working on these provisions. We did a lot of work internally with other bureaus to clarify the work, we spent time talking with the public about it. The bureau has done indication on environmental compliance with regard to what should go in the storm system or the sewer system and what shouldn't over the last 10 years or so. Anything from Stencilling storm drains to providing brochures and information in mailers and all the other kinds of things that you see. We also had a public hearing last year on our administrative rules as well. So the city code titles that are covered are 1734, which is the sanitary sewer discharge, 1738, the storm water development code, and 1735, storm water discharge, 39, rather, discharge code. Again, as I mentioned before, we have the administrative rules which are not coming before council, but they're under director signature. I have again dawn as the commissioner mentioned, we have a couple of examples of the kinds of things we might be dealing with. I won't be washing pants in the sewer. However, it's one of the kind of things --

Adams: Am I the only one that does that?

Redding: I know. I'm sorry. Things like washing paint and other things, and don, i'm going to turn it over to her.

Dawn Hottenroth, Bureau of Environmental Services: The first example we have for you today is the common one we find with the 95%. Somebody unknowingly doing what they have been taught or else thought is a safe thing to do like washing paint bushes off in the street. We get a call in to our spill hotline number which operates 24 hours a day, usually one of our staff and b.e.s., whenever field staff goes out, they basically have a discussion with the citizen and more often than not the citizen is shocked to know that it's not a safe thing to do, that it can harm the local waterway downstream or upset the treatment plant, and usually that's all we have to do. So under these new provisions we would have much the same response. We would respond, we would have a discussion with the violator. The new piece that would be out, we actually checked to see if they're a repeat offender. Have we talked to this person about this item before. If this is the third our fourth time we've talked to joe about dumping paint into the catch basins in the streets, our response is going to be a little different and we're going to be escalating. Which could be up to and including penalty in this case for \$100. The idea is to try and get people who are with common previous knowledge still behaving in a way we find undesirable.

Leonard: I don't mean to belabor the point, but if you don't wash your paint bushes in the street and you wash them in a basin in the basement, doesn't the receipts due end up at the same place?

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Hottenroth: It does not. Quite a few, in about a third of our city the grates in the street go to local waterways, and in another third of the city they're going to dry wells or sumps in the ground and that could be a potential groundwater issue. It's only the inner east side third we have the combined sewers it's going to the treatment plant, but even then, if it's a big rainy day, some of that material is overflowing at least until we get the big pipe finished is going to be overflowing into the river.

Leonard: In those examples, where it's the combined sewer system, is there a distinction between doing it in the sink in the house or --

Hottenroth: The way -- we want to treat people the same for their actions regardless of where they're located.

Leonard: I understand, i'm just asking, is there a distinction? Is it the same as if they were in the house?

Hottenroth: Correct. That third of the city the drains in the street as well as the drains in the house go to a combined system.

Leonard: If you get to a point you're going to fine someone, does that -- is that incorporated into the rule to determine what the system is that they put the paint into?

Hottenroth: We have intentionally tried to keep it equitable across the entire city. We do have an appeals process where that discussion might come up in appeal of the penalty, but we've tried to make the penalties in the -- and the rules associated to the action you're taking. It's still against our city code if you're washing paint bushes into an inlet in the combined sewer system. The fact is we have an extra safeguard there, it may not be causing the environmental damage, but it's still against city code, and it's still dumping things into our system without having a check in and getting a permit for that discharge. So --

Leonard: Are you supposed to do that if you're painting the inside of your house and --

Hottenroth: If you're --

Leonard: If you're cleaning the bushes in the sink are you supposed to get a permit for that?

Hottenroth: That's not a required thing for individual residents. It's -- the way the permits are set is it's for any kind of nondomestic waste for the combined sewer and the sanitary sewer systems, they're you're in a permitting scenario. Even then it's a smaller sunshine set, it's not everybody who's not a resident, it's just people with certain waste streams. The intent of the rules is to say, if you do this action anywhere in the city, it's going to be an issue for us. And then the more extreme example that we also have out there in the world is one of the folks that we did special outreach to that have been somewhat problematic for us in the past, cosmetic washers, carpet cleaners, building washers, etc., so the other case example here is someone that we've had multiple contacts with that still refusing to do the appropriate thing which in their case is usually plugging an inlet and pumping back into the tank that the water came from to begin with, taking it back to a home yard and appropriately disposing of it into the sanitary sewer. So this case example would be someone that we've had multiple contacts with and is continuing to not comply with the requirement that's we've put on top of them. Then we're going into a more higher level associated penalty, they might be asked to come in for an administrative review, perhaps with marveda, and explain why there's a problem. And that also gives our customers an opportunity to say, I have a financial difficulty, I have a technological difficulty, that won't let me make the changes you're asking me to make. And it's to come to some sort of voluntary compliance agreement about what we're going to do. The good news is when we did outreach to these individuals ahead of time, we said, we have new regulations, not really new, but we have some enhanced enforcement regulations coming out, we're real interested in working with you ahead of time to make sure you're in compliance before we're hit in the -- hitting the streets, so to speak. And we had a number of businesses, I think it was up to about 20 or so, that actually contact the us and said, what can I do to stay in compliance so I don't have to see you? And so we had some really good discussion was folks ahead of time about things

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they can do when they're out there in the field that are really the proper way to manage the waste stream.

Leonard: Is the issue in this picture that the water that's the runoff from the washing of the wall that's the problem, or is there some other -- .

Hottenroth: It's a variety of things. Most of the -- there's some studies that show a lot of our water quality problems are from air deposition.

Leonard: I'm asking about this picture.

Hottenroth: The issue is whatever falls on a hard surface can be washed off. Not only what's on the wall, months killer, hydrocarbon pollutants, it's also what's going to be washing off the street or off the sidewalk before it hits the inlet. Which is again the oils and the greases could be metal products, it could be a variety of different things that are washing into the sewer system that can be a problem specifically where the sewer system is going into the ground or into a waterway.

Leonard: So you are not supposed to wash off the sidewalk in front of your business or the wall without plugging the inlet?

Hottenroth: If you're a commercial operation, we have that kind of domestic split where if you're a common residential client --

Leonard: Just say it's a 7-eleven, and they're out in the -- the employee is washing off the sidewalk. Is that inappropriate?

Hottenroth: It can be, yes. In fact, we usually get calls and we'll talk to folks about, we would prefer you dry sweep, if you're washing the building, use appropriate measures, which would be plugging the inlet in the street and perhaps connecting to a sanitary clean-out pipe to pump the discharge back in, or pump it into the tank you're getting the water from to begin with. Most of those operations have a high-pressure tank they use.

Redding: One of the typical kind of things we see, maybe someone is cleaning a building, a pretty old building. When they cleaned this particular building as we were getting ready to renovate, you get a lot of material, lots of paint, and other sorts of things. And those paints and other materials effectually end up in the waterways and -- in the city, and that's the kind of thing we're trying to address in particular, trying to keep that material out of the storm system, and not to present harm either to clogging our sumps if it goes into a sump system, or going out into the creek. One of the things we get quite frequently from our citizenry who has been well educated over time, is the fact that why are these things here, why is there foaming soapy water in some things such as fanno creek? That's a typical sort of thing we do get involved in. And we will trace back through the system to be able to see where that is coming from, and we approach folks as dawn mentioned earlier, with education and have done that for some time in terms of better ways of doing this particular work to keep it out of the waterways.

Leonard: If a person is washing their car at home, that could lead to the sudsy --

Hottenroth: In that case with a residential, again, a lot of times we just do the education. They're like oh, fine, and we say, consider washing on your lawn. And the beauty of some of our issues we deal with is they pick up a lot of other bureaus' issues as well. Building washing is an issue for water conservation, so a lot of times we tend to combine those messages.

Leonard: The water bureau is not for water conservation. We like to use a lot of water. [laughter] it increases our revenues.

Redding: Duly noted.

Leonard: Do you see them laughing back they're there? It's not a joke.

Hottenroth: The first case examples, the process would be they would go to -- if they still had issues with the city and couldn't find a resolution with a program administrator, the ultimate case resolution would go to code hearings where they have an appeals process through the code hearings officer.

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Leonard: I think it's good to have this discussion, because I don't think people connect some of their activities with some of the results you're talking about, and it's good to talk about it and --

Hottenroth: And to be honest --

Leonard: I think actually most people are like me, they want to do the right thing, they just don't know what that is. And if you let them know, I appreciate your approach, because what it sounds like is you approach it from an education point of view, people want to do the right thing, you give them that opportunity, and I think they will. They know that.

Hottenroth: And we specifically added one of the section we added to the code was a preference to doing educational systems first so it's stated in our code that's our procedure, we will train and educate first.

Redding: Next in terms of performance measures, we're going to be doing some tracking on this to see how we've done and be able to report back on it. We'll be doing annual reporting, a number of sites on permits, authorization, new sites on permits, a number of complaint responses that we have along with a number of compliance actions so we'll be able to report to our commissioner and to you the results of what we have been took over the last year. And finally, with regard to implementation, both the rules and the code would be effective 30 days from the passage. We'll continue to outreach to affected groups. What we also propose is a grace period for three months until july of this year to again do a bit more intensive outreach during that period of time, about what we are doing before we roll this program out. That's the conclusion of my comments. If you have any questions, i'd be happy to take them.

Leonard: I like your approach, and my antenna is going up only because i've involved myself in this area of enforcement generally in the past, and I have discovered it can quickly grow beyond any of our anticipated control. So i'd like to have something in here that gives us a view in a year or something just to have a report back, how it is working, how is the education going, what enforcement actions have you actually had to take.

*******:** And we do --

Leonard: I'm uncomfortable just having this go through and not having an opportunity to circle back to see how the program is working.

Hottenroth: And we do have in the ordinance now a report back to the council, but I believe it's set at five years out.

Leonard: That's a little long.

Adams: Why don't we amend that. Where would we amend that?

Leonard: I wouldn't mind having an annual report for five years.

Adams: That's a great suggestion.

Hottenroth: A lot of this information is already in annual report we already do.

Leonard: That may be, but i'd like you to come here and make it a special issue that we have to focus on.

Redding: We'd be happy to do that, sir.

Adams: Why don't you move that amendment.

Leonard: On line b of the therefore.

Hottenroth: That it change to a one-year period instead of a five-year period?

Adams: Annual.

Leonard: Annually for five years.

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

Adams: That's a friendly amendment.

Sten: Do you have a second?

Adams: Second.

Sten: Hearing no objection, amended. [gavel pounded]

Redding: Thank you.

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Sten: Let's open this up to public testimony. Is there any public testimony? I don't have 367 right in front of me. Is this an emergency --

Moore: It's a non.

Sten: We'll move this to second reading. Thank you, commissioner Adams. Great work. And that brings us to item 383.

Item 383.

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

Adams: Do you -- would council like a presentation on this?

Leonard: Would you like a yes vote? [laughter]

Adams: Ok. Vicky diede is here to answer any questions. Are there any questions? Would anybody like to testify on this?

Moore: There is an amendment to this.

*******:** Thank you, Karla.

Vicky Diede, Office of Transportation: Just quickly, i'm vicky diede with the city of Portland office of transportation. The amendment is just to clean up some lawyerly words to make the lawyers at tri-met and the lawyers at the city of Portland happy.

Leonard: Thank you.

Adams: Move the amendment.

Leonard: Second.

Sten: The motion has been moved and seconded. Any objections? Hearing none, passes. [gavel pounded] is there public testimony on item 383? I do not see any. This is an emergency ordinance, so let's have a roll call.

Adams: Aye. **Leonard:** Enthusiastically aye. **Saltzman:** Aye.

Sten: Aye. [gavel pounded] 383 passes. And that brings us to 384.

Item 384.

Sten: This is a second reading. Roll call.

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

Sten: Aye. [gavel pounded] 384 passes. Our final item is 385.

Item 385.

Sten: Commissioner Leonard.

Leonard: Thank you very much. Last but not least, you've probably read some discussion of this issue recently in the paper. I have some experience at negotiations, and I will assure my colleagues that that the issues that appeared to be serious were really matters of negotiation, that we had no -- at no time felt were out of control, but rather certainly part of the negotiating process. As a result of that, however, I am really pleased to present to the council this proposal that the staff in front of you will explain further, but basically what we've done is come up with two different options for our wholesale customers. One is a 20-year contract at a certain price, and the other is a 10-year contract at a slightly higher price. If they choose to sign that. This does represent I will acknowledge somewhat of a different approach that the water bureau has vis-a-vis its wholesale customers. Obviously we are very fortunate to have our water source as the bull run, and as a result of the really foresight of our predecessors, we have a surplus of water that we are able to accumulate behind our various dams at bull run, and there is more than what we can possibly use as residents. A long time ago we began selling to other governmental entities water, surplus water, and that has the obvious benefit to us of helping keep the rates for Portland ratepayers down, because we have more people buying the same water using the same infrastructure, thus keeping our costs down. That is a huge benefit. However, as most of us are aware, there is a growing interest in some of our historical customers to pursue getting their primary source of water from the willamette river. And we respect that. And that's really our position, is we respect that. And as a result, we did a couple things differently in these negotiations to reflect that potential desire on the part of some of our

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wholesale customers, and one of which is the 10-year agreement. I think this is an excellent deal our staff negotiated on behalf of Portland customers. I'm very impressed with the work they did. I'm very impressed with the flexibility they showed when they -- when we kind of hit a stumbling -- stumbling block in the negotiations to come back with this different kind of proposal, and I think it's good for our wholesale customers, and it's good for Portlanders, and good for the region. So, David, why don't you take it from there.

David Shaff, Acting Director, Water Bureau: Good morning, David Shaff, the acting director of the Portland water bureau. I'm just going to spend a couple of minutes talking about the key provisions of this agreement. I think most of you know pretty much where we are on this. I'll talk a little bit about the next steps and how we've gotten here. And then I think we will -- there are probably a couple of people who would like to testify, and of course we'll be here to answer any questions you have. There are some key provisions of the agreements. One of course is the term of the agreement, and that's where in the last two months there have been some issues relating to the tentative agreement that we had come to back in July where we did have to make some modification and changes. Our original position was a long-term 20-year agreement, and at the west side customers have a problem with that. And so rather than negotiate one special agreement for one of our customers, we took the approach of offering all of our 19 customers two options. One option is a 20-year agreement with a slightly lower price. The rate of return in our original agreement that we came to last July was going to be the bond buyers index plus half a percent. And we said, all right, we really would like to sign up for the 20-year deal so we're going to change that to the bond buyers' index period. In addition we wanted to make the -- provide the option for primarily our west side customers for a shorter term deal, and we agreed to a 10-year agreement, but in this case the water slightly more expensive. It's the bond buyers' index plus 1% on the rate of return. In most circumstances for all of our customers, their rate, the rate they will be paying for their water is going down, and in some cases it's going down significantly from the current contracts that they have. Some of the chiropractor provisions are the guaranteed purchase quantity. That is where we are guaranteeing that we will be able to provide a certain amount of water for the life of the contract, and the customers are guaranteeing that they will buy that minimum amount of water for the life of the contract. Interruptible water. We have water as commissioner Leonard said, at times after our in-city demand has been met and after the demands we've met the guaranteed purchase amounts, we have excess water, water that is available for sale. And we have that as an option to sell to our wholesale customers at a fairly steeply discounted rate. We have reserve capacity. If a jurisdiction, one of our current customers were to say, I want to buy so much water now, but I foresee a need for more water in 10 years, and I want to buy that capacity right now, we have a provision for that in our contracts. Our rates are now based on the AWWA industry standards, the American Water Works Association. The rate model was recently developed in the last month, and that's actually the reason why we're coming to you now instead of back in July when we first negotiated this agreement, was because we had to put together a rate model that was able to model the terms and conditions of this contract. We have provisions for joint funding, and that's one of the issues that I think you'll be hearing about from our citizens and from the Purb, you all probably have received a letter from them about this. And the joint funding is an option for Portland that customers -- for customers to consider future joint funding arrangements. They are separate agreements, they require city council approval, and I want to assure you that there is no requirement to build any infrastructure as a result of this contract or this particular provision of the contract. There is no requirement to jointly fund if new infrastructure is built. It is an option. And neither the bureau or the commissioner in charge have authority or the ability to enter into a joint funding agreement without city council approval. And that's an important piece that I think people need to understand, that if there is going to be a joint funding proposal, it will have to go through a lot of hoops and ultimately appear in front of you for a hearing in public in the event that there are people

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that disagree with that. We have the water managers advisory board. It already exists, but this current contract continues and codifies their role in coordinating operational functions and providing a forum for our customers to give input on the budget and capital improvements and how we're operating the system. The key differences between this agreement and our current agreement that's about to expire is the rate methodology, the water quantities, the guaranteed purchase, the interruptible water, the provision that the -- once our water is sold to our customers they have the ability to resell. That enables them to trade back and forth. So those are the major differences. The benefits for Portland are we're going to have revenue stability for 10 to 20 years, a guarantee of income, and a customer base for whatever length of time that we sign off with our various customers. The provisions for interruptible water and reserve quantities provide us the ability to provide retail rate benefits. We will continue to remain our supply of water and we have the ability to add additional wholesale customers if that opportunity presents itself. Especially with the west side customers who may either transition completely off of our system or partially away from our system, we have the opportunity to look at other customers primarily over on the east side, who might be interested in picking up some of the water that they -- the west side customers may stop buying from us. The benefits for our customers are the guaranteed supply. Up until now the water we have been selling for the last hundred years has been surplus, or excess water. This is a guaranteed supply. We are saying that we will meet these minimum needs, once you've signed the contract, we are guaranteeing we will meet your needs. For most of them it provides a reduction in their rates -- reduction in their rates, flexibility through the ability to trade their purchased quantities through buying interruptible water, and for the ability to resell their water. The opportunity to have reserve water, so that they can plan for future growth. Better defined role in the water manager's advisory board. A defined cost control mechanism that puts a cap on the amount that's they'll have to pay for the cost of our operating and maintaining our system. And a guarantee of reliability that provides them with an out if the city fails to meet its guarantee. So we have been in the process for well over two years with negotiating this agreement. We're in the very final stages. This ordinance authorizes the commissioner to transmit to our wholesale customers this contract with an option of a 10-year or 20-year deal. The transmittal will say it's contingent upon his determination that a sufficient number of wholesale customers have accepted the contracts, and then upon his determination that there were a sufficient number of wholesale customers who sign up, then he and the mayor are authorized to execute the agreements. The reason why we took this approach was because all of this is a fairly carefully balanced contract, and if one or more of our significant customers were to decide not to purchase -- continue purchasing water from the city or in the amounts they had -- that we've discussed, then it would have an impact on rates. So -- and it has an impact on the deal as a whole. We decided not to set an absolute nine out of 10 type of threshold, because we're not entirely certain that all 19 of our current customers are going to sign on. We don't want any one of these customers to hold up a deal for the other 18. So we've left it open for the commissioner to say, ok, it's contingent upon a sufficient number signing up, once we have those numbers who sign up, then we will make a determination that that is indeed sufficient and we'll be able to sign off agreements. I'm anticipating that at least five of the six major purchasers that were sitting at the table over the two years will sign up for a 10-year or 20-year contract by the May 22 deadline. I think it's a possibility one of them, while interested, may not be able to make their decision to do that. Those six customers provide for approximately 90% of our wholesale water sales.

Saltzman: Saying May 27?

Shaff: May 22. That gives us enough time to come before you with a new rate ordinance and the new agreements for the July 1 fiscal year.

Saltzman: What about public processes in terms of getting public input, in our city and the 19 potential customers?

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Shaff: We had -- from July when we originally came to the tentative agreements, we've had multiple public sessions in Portland where we had open forums, we answered questions, we provided materials. In addition, the wholesale contract, our customers have had public forums, and both I and Dave and Eddie and Commissioner Leonard have appeared at those when we're requested, so we've been out to Rockwood, we've been out to Tualatin, we've been out to Tigard. And we will actually be going out to Tigard again in April. So there have been a series of public meetings on the behalf of Portland Water Bureau for its retail ratepayers, and then we have appeared at public forums in these other jurisdictions when invited.

Saltzman: With the terms of this current agreement?

Shaff: Yes.

Leonard: As you know, I was assigned the water bureau July 1. From that point forward, all of the negotiating sessions I invited a representative of the Friends of Reservoir and Purb to attend the negotiations. That's -- if I was designing the system originally they would have been at all the meetings, but the point at which I was assigned responsibility they were at the table.

Shaff: Do you have any further questions for us?

Saltzman: I have another question. On the water resource conservation, there's a section about purchasers' conservation plans and there's a list of items which were required mandatory programs, leak detection, education research, meter testing, annual water audits, and there's a section that says these are -- these are discretionary programs, and one -- I was curious about water reuse, recycling and nonpotable water opportunities. Does this section track state law, is -- we'd like to see water reuse and recycling be a mandatory option. Or mandatory requirement of water resource conservation plans.

Edward Campbell, Water Bureau: Commissioner, that's that section does track with the state requirements so we don't have the ability to mandate those, but the state law does require that those be evaluated in every conservation plan.

Saltzman: So we're tracking the state law identically in terms of what we can mandate our purchasers to include in conservation what is discretionary?

Campbell: We can't mandate the specific items they end up choosing as part of their conservation plans. What we're mandating is that they actually complete a plan according to the state standards.

Saltzman: Ok. Thanks.

Shaff: We've indicated a willingness to work with our smaller customers who really don't have the staff or expertise to work on those plans.

Saltzman: Under state law every water district has to have a conservation plan.

Shaff: Correct.

Campbell: Of a certain size. So the smaller systems do not have that requirement under state law, but under this contract they will be required to develop a plan according to the same standards.

Sten: No further questions? Let's open this up for public testimony.

Moore: No one signed up.

*******:** I think there will be some.

Sten: Would anybody like to testify?

Moore: We've got somebody coming.

Sten: I see a hand back there. Welcome.

Saltzman: He's here to sign the contract if we approve it.

Sten: Scott, were you going to testify?

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

Sten: Terrific. Please introduce yourself. You've got three minutes.

Scott Fernandez: Scott Fernandez, here this morning to discuss some of the comments I've heard from the community. The wholesale customers are happy with the new proposal, most got

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everything they want in addition to a windfall of rate decrease. Millions and millions of dollars that Portland commercial and residential customers will likely make up in negative rate impacts. Millions of dollars that were not negotiated and nothing was asked for in return. Number two, last year the community was promised a hearing in march to review the rate model for whatever reasons, it did not take place and the public was not notified. The public hearing should have taken place for the new proposed contract, and its impact on the ratepayers. Number three, last thursday the Portland utility review board made their final assessment of the wholesale contract content of process two primary issues were of concern. The Portland utility review board made many requests to sit in as an observer or in other capacities to provide guidance from a public perspective, all requests were refused and the public was shut out in providing input on the text of the contract. Purb believes the process would have benefited from their participation. I'd like to thank commissioner Leonard for allowing public participation since last july. The second thing is purb participated in the debate regarding section 16 joint ownership and joint funding of capital projects.

Purb's unanimous conclusion with one member abstaining due to conflict of interest was, and I quote, the joint funding of capital improvements is unsatisfactory to Portland ratepayers. Many wholesale customers support unnecessary treatment of bull run, a third dam and covering of the open reservoirs. Retention of assets by Portland ratepayers provides a check and a balancing agreement and dissuades unnecessary expense. Wholesale customers will be slow to propose new c.i.p. without the incentive of ownership. Spreading cost to all the ratepayers to begin -- to increase affordability is untenable if the cost is unnecessary to begin with. In summary, the following three issues are basis of concern with the uncertainty of the discretion of what might happen with retention of section 16. Negotiations behind closed doors as we have seen in this process, public commitments that are not met as we have seen in this process, and last-minute windfall dollar giveaways without community review as we have seen in this process. Thank you.

Sten: Thank you. Would anybody else like to testify? This is an emergency ordinance. We'll take a roll call.

Adams: This is a difficult issue, and an issue that where at least part of the rubber meets part of the road in terms of our relationship with many of our surrounding communities. It's with controversy and a variety of different interests at the table that these -- and high dollars at stake. So I want to thank commissioner Leonard and the team at the bureau of water for your work to bring this forward. I know it is difficult work, and it's the kind of work where statues are not erected in your honor for doing it, but it's the basic work that's necessary under this form of government, and I want to thank you for doing it so well. So aye.

Leonard: Thank you for those kind remarks, commissioner Adams. This was a very interesting process. Of course I came in at the tail end, and I was immediately impressed with the commitment of the staff at the table negotiating the agreement, and the main constant in that group has been eddie campbell, who has done an outstanding job. Partly as a result of my observation of his skills there, he now leads the resource protection group at the water bureau. And brought all of those skills to bear in negotiating what I consider to be a very fair agreement for both sides. David hassen and david shaff were integral, david shaff using his historic negotiating skills to their full effect since july in negotiating this agreement. David hassen for being very creative in coming up with the ultimate proposal we did, and last but not least, I want to, although as was acknowledged here, they weren't involved in the whole process, but certainly scott fernandez and floy jones from the friends of the reservoir had a lot to do with I think the will final stages of the negotiations. And their comments and insight have been valuable for me, and actually reinforcing for me. And I appreciate very much their perspective on the water bureau in general, and I use them as sounding boards and as frankly a point of view that sometimes you don't get from inside the agency that I often times agree with. So I very much appreciate their insights. This, as you produce an agreement like this, i've learned, i've done a number of these kind of processes in my professional

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life, and when both sides are complaining a little bit you kind of feel like you've hit it pretty close. And both sides are not real happy with this. So I think we've hit it pretty close to where the balance needs to be and should be. And I appreciate all of our wholesale customers very much. They are very important to us not just as a source of revenue, but as partners in our community. And I've tried to be consistent in communicating that to them, and I intend to continue through with that commitment and work with them and pursue what is in their best interest. And I certainly appreciate that and do not detract at all from what their goals are. So again, thank you for everybody for this very, very arduous task of negotiating this first agreement in 25 years, and it's a good product, and I'm very proud of it. Aye.

Saltzman: I want to thank the water bureau and the citizens and commissioner Leonard for getting these contracts before us, and I think they are good contracts. I think our wholesale customers are vitally important partners in -- to us. The water they consume provides much-needed revenue that helps keep Portland's rates -- water rates in line and keeps them at a reduced level, so they're very important in that regard. But they're also just -- it's important for us as a region to be partners in providing vital services to our citizens, and certainly there's probably no more service that's more vital than clean drinking water. And I think we have the best product, and I hope our wholesale customers will continue to agree with that sentiment beyond the 10 years of the term of some of these agreements that they may elect to choose. We do provide a good product at a good price, and we appreciate the partnership of working together as regions to deal with issues of water consumption, but also as I -- as I still think, water resource conservation. It's an important ethic if nothing else that needs to be underscored and pursued, so I'm glad that there's some good language in here on water conservation as well. So good agreements, good work, pleased to support it. Aye.

Sten: I agree, want to thank everybody. I was in some of these discussions quite a few years ago and I think this is a good result. There's not a perfect answer to how to meet our needs. I do want to in various -- very seen sincerely thanking all of you, challenge you in saying that this does still, I don't know how it could not, given the state of the conversations around the region, and there's ballot measures and all sorts of things in play, but it does really still leave unanswered what is going to be the regional strategy for the next increment of water. And there's no dispute when you look at population projections that -- I'm with commissioner Saltzman a huge supporter of conservation is the next best source of water. If we do that perfectly, I suspect we'll do it imperfectly, there still come a day when there's going to be a substantial additional amount of water needed. I've argued for years having new sources developed like the willamette before we need new water but because of preference throughout the region, and I what I think is a poorly structured regional system with 26 water providers, it does not make common sense to have 26 water providers. I made an effort to change that, it didn't work, but that was much my responsibility as anybody's, but we still need a regional plan for how we're going to develop the water resource, and I think it's actually very, very tied to our economy as well. And there's some really tough choices I'd prefer we make collectively on the table with the citizens as commissioner Leonard has done this process, and his budget process about are we developing water to sell, what are we doing, we're headed into a worldwide water scarcity, possibly, and we have an abundant amount of water. We use 15% of what's available in the bull run. But it has huge environmental and economic consequences how we do it, and I fear we'll make these choices scattered because of the structure of our water districts. So I think now that we have an economic agreement that at least gives ourselves a few years before we have to start negotiating another one, I would really in the most friendly and challenging way urge people to dig in now on that next question and to use the relationships that have been built, because we have new people leading many of these departments to ask that question publicly with our citizens about, ok, how do we use the bull run because I think it's no secret that I really believe the bull run was properly developed as a regional source. I think Portland was the region at that point,

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that's why we own it, but given the abundance and the quality of it, I just am not comfortable unless we find a way to properly in doing it the right way with good economics and environmental stewardship, share that opportunity with the region. So I see this as a building block, but it's probably a foundation and there's a whole building to build on top of it, and I look forward to working with you. But thanks for getting us this far. Aye. With that long-winded speech, 385 passes. [gavel pounded] and the council is adjourned.

At 11:18 a.m., Council adjourned.