



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **13TH DAY OF SEPTEMBER, 2006** AT 9:30 A.M.

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

Commissioner Adams arrived at 9:47 a.m.

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

Items 1206 and 1219 were pulled for discussion and on a Y-5 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
1196 Request of Richard L. Koenig to address Council regarding petition for redress of grievance (Communication)	PLACED ON FILE
1197 Request of Bruce Broussard to address Council regarding Portland Public Schools and the City budget (Communication)	PLACED ON FILE
1198 Request of Darien Reece to address Council regarding Friends of Dickinson Park playground project (Communication)	PLACED ON FILE
1199 Request of Wes McMullen of Crestwood Neighborhood Association to address Council regarding Friends of Dickinson Park playground project (Communication)	PLACED ON FILE
1200 Request of Mike Hastie to address Council regarding impeachment of President Bush (Communication)	PLACED ON FILE
<u>SUSPENSION OF RULES</u>	
1200-1 Portland Dogtown U.S.A. Day (Proclamation introduced by Mayor Potter)	PLACED ON FILE
TIME CERTAINS	

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<p>1201 TIME CERTAIN: 9:30 AM – Status report on the Willamette River Combined Sewer Overflow Program (Presentation introduced by Commissioner Adams)</p>	<p align="center">PLACED ON FILE</p>
<p>1202 TIME CERTAIN: 10:15 AM – Establish a Customer Service Advisory Committee and endorse customer guidelines and recommendations prepared by Bureau Innovation Project Team #7 to improve City customer service (Resolution introduced by Mayor Potter)</p> <p align="center">(Y-5)</p>	<p align="center">36438</p>
<p>*1203 TIME CERTAIN: 10:30 AM – Adopt updated fees for Bureau of Transportation System Management permit activities and provide for annual fee modifications (Ordinance introduced by Commissioner Adams)</p> <p align="center">(Y-5)</p>	<p align="center">180445</p>
<p align="center">CONSENT AGENDA – NO DISCUSSION</p> <p align="center">Mayor Tom Potter</p> <p>1204 Authorize a purchase order not to exceed \$5,000 to Staccato Design to develop graphic materials for visionPDX (Ordinance)</p>	<p align="center">PASSED TO SECOND READING SEPTEMBER 20, 2006 AT 9:30 AM</p>
<p>1205 Authorize a purchase order not to exceed \$5,000 to Steven Ames Planning for specialized consulting services to visionPDX (Ordinance)</p>	<p align="center">PASSED TO SECOND READING SEPTEMBER 20, 2006 AT 9:30 AM</p>
<p align="center">City Attorney</p> <p>1206 Authorize City Attorney to appeal a judgment entered in Roxie Granville and Lisa Washington v. City of Portland (Resolution)</p> <p align="center">(Y-4; Abstain 1-Sten)</p>	<p align="center">36439</p>
<p align="center">Office of Management and Finance – Human Resources</p> <p>1207 Change the salary range of the nonrepresented classification of Police Identification Technologies Coordinator (Second Reading Agenda 1161)</p> <p align="center">(Y-5)</p>	<p align="center">180431</p>
<p align="center">Office of Management and Finance – Purchases</p> <p>*1208 Increase contract amount with Cabell Group for Business Assessment of Minority, Women and Emerging Small Businesses Construction Firms (Ordinance; amend Contract No. 36268)</p> <p align="center">(Y-5)</p>	<p align="center">180432</p>
<p align="center">Office of Management and Finance – Risk</p> <p>*1209 Pay claim of William Jamison (Ordinance)</p> <p align="center">(Y-5)</p>	<p align="center">180433</p>
<p align="center">Police Bureau</p>	

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*1210 Authorize an Intergovernmental Agreement with the City of Gresham for the 2006 Justice Assistance Grant (Ordinance) (Y-5)	180434
*1211 Accept a \$30,000 grant from Oregon Department of Transportation for highway Work Zone Enforcement Program (Ordinance) (Y-5)	180435
Commissioner Sam Adams	
Bureau of Environmental Services	
*1212 Revise one legal description and add two additional legal descriptions for easements required for the East Side Combined Sewer Overflow Tunnel Project (Ordinance; amend Ordinance No. 180159) (Y-5)	180436
1213 Authorize an agreement with Friends of Zenger Farm for work on the Phase I Improvements - Zenger Urban Agricultural Park (Second Reading Agenda 1162) (Y-5)	180437
1214 Amend loan agreement with Oregon Department of Environmental Quality under the State Revolving Fund Program for water quality projects to update list of projects and signature authority (Second Reading Agenda 1163; amend Ordinance No. 177898) (Y-5)	180438
Office of Transportation	
*1215 Authorize agreement with W&H Pacific, Inc. to provide design and construction support for the SE Foster Road Bridge Project (Ordinance) (Y-5)	180439
*1216 Authorize Intergovernmental Agreement with the Oregon Department of Transportation for the Anchor Way Bicycle/Pedestrian Connector path (Ordinance) (Y-5)	180440
1217 Revoke permits granted for Track 100, an industrial lead track within NW Front Avenue north of NW 9th Avenue (Second Reading Agenda 1169) (Y-5)	180441
1218 Authorize a two-year Intergovernmental Funding Agreement with Rogue Valley Transportation District for use of the City CarpoolMatchNW.org website (Second Reading Agenda 1170) (Y-5)	180442

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- *1219** Extend term and increase amount of contract with Alta Planning + Design for the development and implementation of the national Safe Routes to School model in Portland (Second Reading Agenda 1171; amend Contract No. 35788)

Motion to add an emergency clause: Moved by Commissioner Adams and seconded by Commissioner Leonard. (Y-5)

(Y-5)

180444

AS AMENDED

Commissioner Randy Leonard

Bureau of Development Services

- *1220** Amend contracts for Living Smart house designs between Bureau of Development Services and Roxana Vargas Greenan and Trent Greenan and Bryan Higgins to provide payment for reverse construction plans and fees (Ordinance; amend Contract Nos. 35977 and 36013)

(Y-5)

180443

Commissioner Dan Saltzman

Parks and Recreation

- 1221** Approve an agreement between Portland Parks & Recreation and the Concordia Neighborhood Association to accept a donation of \$32,139 raised by Concordia Neighborhood Association for a new play structure in Fernhill Park (Ordinance)

**PASSED TO
SECOND READING
SEPTEMBER 20, 2006
AT 9:30 AM**

REGULAR AGENDA

- 1222** Accept bid of Brix Paving Company for the Pavement Rehabilitation - 2006 SW 4th Ave: from SW Clay Ave to W Burnside St and SW Jefferson St: SW 13th Ave to Naito Parkway project for \$684,650 (Purchasing Agent Report – Bid No. 105771)

Motion to accept the Report: Moved by Commissioner Leonard and seconded by Commissioner Adams.

(Y-5)

**ACCEPTED
PREPARE
CONTRACT**

Mayor Tom Potter

Office of Management and Finance – Bond Counsel

- 1223** Authorize a pilot program to allow security substitution for local improvement district liens in certain local improvement districts (Second Reading Agenda 1179)

(Y-5)

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<p>1224 Authorize revenue bonds and lines of credit to provide interim financing for projects within the North Macadam Urban Renewal Area (Second Reading Agenda 1180)</p> <p>(Y-4; N-1, Leonard)</p>	<p align="center">180447</p>
<p>1225 Authorize full faith and credit bonds to finance costs of public improvements in the South Waterfront area (Second Reading Agenda 1181)</p> <p>(Y-4; N-1, Leonard)</p>	<p align="center">180448</p>
<p align="center">Portland Development Commission</p> <p>1226 Amend Intergovernmental Agreement between the Portland Development Commission and Office of Management and Finance to implement the South Waterfront Central District Project Development Agreement (Second Reading Agenda 1189; amend Contract No. 52704)</p> <p>(Y-3; N-2, Leonard, Sten)</p>	<p align="center">180449</p>
<p>1227 Amend Intergovernmental Agreement between the Portland Development Commission and the Office of Transportation to implement the South Waterfront Central District Project Development Agreement (Second Reading Agenda 1190; amend Contract No. 52156)</p> <p>(Y-3; N-2, Leonard, Sten)</p>	<p align="center">180450</p>
<p>1228 Amend Intergovernmental Agreement between the Portland Development Commission and the Bureau of Parks and Recreation to implement the South Waterfront Central District Project Development Agreement (Second Reading Agenda 1191; amend Contract No. 52052)</p> <p>(Y-3; N-2, Leonard, Sten)</p>	<p align="center">180451</p>
<p align="center">Commissioner Randy Leonard</p> <p align="center">Water Bureau</p> <p>*1229 Amend contract with CH2M Hill, Inc. to complete the Draft Environmental Impact Statement for the Bull Run water supply Habitat Conservation Plan (Ordinance; amend Contract No. 35459)</p> <p>(Y-5)</p>	<p align="center">180452</p>
<p align="center">Commissioner Dan Saltzman</p> <p align="center">Parks and Recreation</p> <p>*1230 Extend contract with Portland Classical Chinese Garden to allow for negotiation of an updated Management Agreement (Ordinance; amend Contract No. 51400)</p> <p>(Y-5)</p>	<p align="center">180453</p>
<p>1231 Authorize an agreement with Portland Business Alliance to provide Special Downtown Services (Ordinance)</p>	<p align="center">PASSED TO SECOND READING SEPTEMBER 20, 2006 AT 9:30 AM</p>

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City Auditor Gary Blackmer

1232 Assess property for sidewalk repair by the Bureau of Maintenance (Hearing;
Ordinance; Y1059)

**PASSED TO
SECOND READING
SEPTEMBER 20, 2006
AT 9:30 AM**

At 11:50 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **13TH DAY OF SEPTEMBER, 2006** AT 2:00 P.M.

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

Commissioner Leonard arrived at 2:01 p.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees,
Deputy City Attorney; and Gary Crane, Sergeant at Arms.

	Disposition:
1233 TIME CERTAIN: 2:00 PM - Tentatively support the appeal of Goose Hollow Foothills League and deny the application of Butler Block, LLC and M David Paul and Associates for The Allegro Condominiums at 1715 SW Salmon Street and 924 SW 18 th Avenue based on the Central City Master Plan approval criteria (Previous Agenda 1138; Findings; LU 06-110824 DZM MS)	CONTINUED TO OCTOBER 5, 2006 AT 2:00 PM TIME CERTAIN

At 2:02 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND,
OREGON WAS HELD THIS **14TH DAY OF SEPTEMBER, 2006** AT 2:00 P.M.

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

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben
Walters, Senior Deputy City Attorney; and there was no Sergeant at Arms.

	Disposition:
1234 TIME CERTAIN: 2:00 PM – Increase the estimated assessment amount for project costs in Assessment Zone D on Marquam Hill in the Portland Aerial Tram Local Improvement District and increase the estimated assessment amount for Auditor's costs including financing in all assessment zones (Ordinance introduced by Commissioner Adams; amend Ordinance Nos. 178675, 179009 and 179297; C-10009)	PASSED TO SECOND READING OCTOBER 4, 2006 AT 9:30 AM

At 2:11 p.m., Council adjourned.

GARY BLACKMER
Auditor of the City of Portland

By Karla Moore-Love
Clerk of the Council

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

September 13, 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.

[The following text is the byproduct of the closed captioning of this broadcast. The text has not been proofread, and should not be considered a final transcript.] * * *

SEPTEMBER 13, 2006 9:30 AM

Potter: We know that when our children are well, our community is well. What we do, we invite different experts in to talk with us about issues, and this morning we've got isaac and micah park, and they both go to reynolds high school. Both participated in the Oregon league of cities "if I were mayor" middle school poster contest and high school essay contest. With them is mayor dave fuller of wood village. Could you come up with the two students, please? Maybe you could introduce them and say a little bit about the contest. Thank you for being here, mayor.

David Fuller: My pleasure. Mike and isaac came to wood village earlier this year and asked that we could submit their essay in poster to the mayor's contest. And it's an interesting story, they actually live in Portland, they go to reynolds high school, and when they tried to submit it the first time, they weren't able to through Portland. And so they showed an extra level of initiation and came to wood village and asked if we could do that. And so we checked with the league, and they said that was fine, so we submitted the posters, and the essay, and we were very pleased when we learned that they won second and third place in that contest. So we were pleased to be able to cover for Portland, and -- in that event --

Potter: Thank you.

Fuller: And I very much appreciate now the -- you bringing them forward to recognizing them for their accomplishments.

Potter: Thank you, mayor fuller. I appreciate you bringing them in. When you speak, would you please state your name, just so we can have it on our record. We'll start with you, micah.

Mica Parke: My name is mica parke, I entered the "if I were mayor" contest. I'd like to read some of my essay.

Potter: Please.

Parke: If I were mayor, there are many things I would strive to accomplish. Making the big 60 clean up litter, building new parks and putting large amounts of funds toward education and security. Making our cities clean not only benefits the environment, but attracts new tourist and residents which helps the economy. Keeping litter off the streets will prevent future problems with sewage clog and litter found in our rivers and helps conserve wildlife. Building recreation parks is inviting to citizen and promotes healthy habits for people of all ages. It allows family bonding time tone joy the outdoor life instead of staying inside the house watching endless hours of television. It is obvious Oregon has had problems with funding schools and trying to keep them open. If I were mayor this would be one of the first controversies I would work o one of the main reasons dozens of schools have been shut down is because of lack of budgeting. Time after time voters have rejected raising taxes which would have aided education. To fix this I would display ads, bulletins, anything to get the voters' attention. I would try to relay the message that raising taxes would help eliminate the destruction of schools and improve education for the future children. Schools are not the only victims of this need, but also the security work force. By funding security, communities will feel safer and marijuana and meth busts can be more rapid. These are just a glimpse of what I would try

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to accomplish. It's easy to see subjects that may seem small can make a huge difference in our society. Thank you.

Potter: Thank you.

Issac Parke: My name is isaac parke, and I entered a poster in this contest. My idea for the poster was to get all the good ideas that mayor in the past and combine it into one city. What I came up with was well-funded schools, up-to-date hospitals, more security, more parks, better roads, more jobs, less traffic, and more homes. And I also added this part where they would enable neighborhood watch ordinance.

Potter: Do you have your poster with you?

I. Parke: Yeah.

Potter: Can we see it? Is it going to be on the screen? It's a great picture. You know, now is your chance to advise this mayor and these city commissioners here in Portland what you would like to see. You both go to reynolds, you live in Portland. What would you like to -- would you like to share anything on a personal level?

M. Parke: Pretty much everything that was covered in the essays what I thought was most important. Education, the future generations need a better education, which helps economy. It's kind of like an ongoing thing. So I think that's extremely important too. Basically what I said in my essay.

Potter: Anything, isaac?

I. Parke: Not really.

Potter: You both did wonderful. Thank you for being here. Thank you, mayor fuller, for bringing them, and thank you for sponsoring the first time.

Fuller: I'd like to thank you for coming to the mayors' conference this year. It's the first time in my six years of being mayor that we've had a representative from Portland. And I think that was really good, and I think you brought some good leadership to that group too.

Potter: Thank you. Thank you very much. Look forward to working with you on these issues. Thank you very much. [applause] city council will come to order. Karla, please call the roll.
[roll call]

Potter: I want to remind folks prior to offering public testimony to city council, the lobbyist must declare which lobbying entity he or she is authorized to represent. We'll begin with communications. Please read the first item.

Item 1196.

Richard L. Koenig: Good morning. Commissioners, mayor. My name is richard koenig. Last week assaults by Portland police bureau members highlighting inadequate police training and training policies were added as wrongs for which I seek redress of grievance and for which I will claim against the city. Before seeking your concurrence, I will give you the benefit of city attorney david worboril's council. He wrote on august 10, 2006, that the city of Portland will not get involved in my prosecution of the charges that were the pretext of the officer's assaults as I traveled through the city hall. I'm sure that in the month since mr. Worboril's letter that you've all had the opportunity to satisfy yourselves as to the validity of the additional harm that I will claim. For which I will claim. If you have any remaining questions for me or your counsel here, i'm ready to answer them. As i'm sure he is. If you have no objections to my characterizations of these claims, we are agreed as to the injury and we'll move on. Thank you. Last november, I called police for assistance in regard to their sworn duty to protect the right of the people to subpoena witnesses. Though the subpoenas were to be served on a government office, I waited for the officers away from the government office and was arrested by the officers on a public sidewalk. A police report said the charge was only trespass. The bizarre behavior of the officers and the fact I was subjected to total isolation and left in handcuffs during my entire stay in jail caused severe trauma and fear of imminent injury, or worse. Charges were not filed. Two deputy district attorneys wrote to say

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there had been no probable cause and chief deputy city attorney harry auerbach wrote as well, expressing his accord. And thanks for that, harry. The value of my claim relative to this incident, which reflects inadequate police hiring and training policies, will initially be valued at \$37,000. Let's forget that lady who was falsely arrested by fred's security. She got \$20,000 a minute when she was arrested. A lot of that was punitive damages. Consider this settlement offer well, and the next time we meet should you have any objections, we can resolve them either at that time or set negotiations over until each element of my claim has been separately valued. You will explicitly agree that this proposal is reasonable and accepted if you express no objection by majority vote at that time. Thank you, gentlemen. Have a good day.

Potter: Please read the next item.

Item 1197.

Bruce Broussard: Good morning. Bruce broussard. When I last spoke here I shared with you an article in one of the media -- one of the newspapers, the Portland tribune in regards to the custodial issue, which I felt gave a good overview of what the issues have been about that i've been trying to address. You'll note the supreme court said in fact the school district did violate the law. I'm here again today to say that maybe as I read the article in "the Oregonian" this morning it seemed as though there might have been a claim of violation because in all due respect, mr. Mayor, you had gone to several schools and it was mentioned in the article that it was one of lars larson's staffers who blot the issue up. But the thing that concerns me about this issue is by mentioning the fact lars larson's name was involved in the situation, it says in so many words it is not an issue. It seems as though it's like we're in a political process today, and everybody is, i'm putting this in the same category, everybody is breaking the law and looking at it as opposed to looking at the issue that was raised. The same thing with the city with reference to the city election aspect. If people had listened to what I had to say we wouldn't have been in the situation we were in. So i'm really a little disappointed and upset about this situation this morning. And now i'm thinking about, am I wasting my time coming up here trying to raise up the issue about the fact that the school district, Portland public schools has broken the law, and you need to look at it very seriously? Now i'm taking it very seriously. I thought it was something up front to me to be identified as a gadfly. I am part of the media corps, I guess we all are gadflies, i'm the one that has the courage to stand up and make a statement. There's a concern here. In this city. We need business in this community. Businesses are concerned about the education of their work force. And we need them here. They're moving out of the city. Parents are moving out of the city also. Those who can move, move. Those who can't move, have to stay. The jefferson high school situation is a good example of this. Lightning high school, they just hired -- lincoln high school just hired a principal, one that was intelligent, good background, locally, a lawyer, and at jefferson high school we have someone that's tainted. So this situation about the custodians is a serious matter. It was stated by the school district it was going to cause \$57 million -- \$55 million, and we have a school levy coming on board and they don't even mention how they're going to pay for it. Now it's all in the legalese aspect of it. It's causing these poor custodians money just to hire custodians. And the school district set aside \$1 million-plus to say no. Let's get the politics out of this deal. It's a government of the people by the people and for the people. That's why you were elected. Thank you very much. [applause]

Item 1198.

Darien Reece: Good morning. My name is darien reece. I live in the crestwood neighborhood at 10632 southwest 55th avenue. I was expecting my first child when I served on the citizens advisory committee for the dickinson park master plan and now she's a first grader. Five years ago, almost to the day, council adopted the master plan. There was no city funding available at the time for improvements, so we formed a friends of dickinson park to raise private funds for the playground. The parks bureau has supported us by confirming with pdot that a playground phase would not trigger street improvements and by funding a scoping study to provide a better estimate of cost for

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the playground phase. With unflagging help from the swni staff we raised over \$16,000 through three auctions, private donation and sales of t-shirts designed by a local artist. We've also applied for several grants that have been denied. This amount will cover a modest play structure and swings for the playground. We also have a team of engineers in the neighborhood who will donate their time to draft a grating plan for the site, which is on a 30% slope. The park's 2020 vision plan identified southwest Portland as a park deficient area. Our nearest Portland parks playground is gabriel park, 2.2 miles away and the smith school playground is closer but is not easy walking for families with young children. Many weekends I find myself in my car heading to parks like custer, hamilton, even parks in the tualatin hills district. So in light of the recent budget windfall, we're urging council to dedicate funds to help complete this much-needed playground. We will pay for the playground equipment and shipping, but we needed city to pay for preparation of the site and installation. We know ash creek's letter of support which we appreciate, referenced our minimum estimate of \$50,000. But a more conservative estimate is \$82,000. We understand that a lot of Portland parks need attention. While you consider those that need to be upgrade we hope you'll also consider ones like ours, which have yet to be developed. Thank you.

Potter: Thank you very much. [applause]

Potter: Folks, we have a rule about not clapping in city council. If you wish to show your support for somebody, you can wave your hands like this, and that way we get through the business of the council much faster. Thank you very much. Please read the next item.

Item 1199.

Potter: When you speak, please state your name for the record.

Wes McMullen: Thank you, mayor. My name is wes mcmullen, i'm the chairman of the crestwood neighborhood association. I brought along an unabashed appeal for funding, so there's a t-shirt here for each of you. When I was coming this morning and thinking about how worthy our appeal was, I was winding my way through the neighborhood and I noticed that we have a burgeoning amount of children, young children waiting for buses to go to school, and I thought, wow, there's no better way to spend this money than to fund this playground site. Right now the site is kind of a brown undeveloped site that's really a de facto dog exercise area, off-leash area, and this playground site would be the crown jewel in the plan for this park. In the area it's interesting to note that we probably have about 21 low-income housing project sites. Those children have no place to play right now, and they are about five minutes away from this proposed playground site. Ash creek has no park site whatsoever. They have, as I say, they have approved this site, and by way of their letter, which they sent to previously. In every november we get together, or every august I should say for the national night out we get together in dickinson park because we all revere it in the neighborhood so much, and we have friends in from the area all over. I can't think of a better way to increase the use of this park than through this funding of this site. When darien reece first started this project she was pregnant with elizabeth, and if the funding isn't forthcoming soon, then I fear elizabeth will grow up and never be able to play on this playground. About six years ago the city was -- had foresight enough to give us the funds to provide the funds to buy the playground site and I think it would be fitting now for the city to continue and fund this site. I thank you very much.

Potter: Thank you, sir.

Adams: How much does it cost?

McMullen: \$82,000, I think. Those were the estimates.

Potter: I notice some hands waving there. Thanks for coming in, folks. Would you like to take your picture of the playground?

Item 1200.

Potter: State your name for the record. You have three minutes.

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Mike Hastie: My name is mike hastie. I'm going to read a statement and then i'm going to tell you who I am. I'm here this morning to urge the city council to draft a resolution to impeach president george bush based on lies and deceits that allowed this country to brutally attack and occupy the sovereign country of iraq. I'm here because I needed to bear witness about my experiences in vietnam and how it relates to what's going on in iraq. I was a combat medic in vietnam, I was in vietnam toward the end of the war, and not only was I seeing casualties coming in from the field, but I was seeing the rapid disintegrate of american involvement in vietnam. I was seeing homicides, suicides, drug addictions, shootouts, racial violence, and I was seeing a lot of accidents killing soldiers. And there was absolute chaos in my unit toward the end of the war. It was unbelievable the kind of things I saw. In one weekend I saw a man, I went into a tent, he had taken an m-16 and shot himself in the head and killed himself. And he died in my arms a couple days later. There was a helicopter that landed a man was in a body bag and he had taken a pistol and shot himself in the head. He was a teenager. Two days later a medic friend of mine attempted suicide when he got a dear john letter from his girlfriend back in the states. I just want to say that I recently attended a veterans for peace conference in seattle, our annual conference, which i'm a member of veterans for peace, and there was over 500 people there of which 50 of them were iraq veterans. They have formed a much larger organization called iraq veterans against the war. When I talked to these people there was about 51 of them. I talked to about 25 of them and I asked, what's going on in iraq? And basically they're reiterating the same thing that happend that I was seeing toward the end of the war in vietnam. They say the war is in total absolute chaos. And that they've seen a lot of civilians killed, and they have also seen the brutal treatment of prisoners of war. The picture I have up here is a helicopter that was in my unit. On the front of that helicopter was painted the word "why" because toward the end of the war we were all asking why? There was another helicopter in my unit that had something else written on it, we were illegally in laos and what it said on the front of the helicopter, "Laotian whore." the bottom picture is a pill bottle, medication I take for post-traumatic stress and I put a toy soldier inside that bottle because that's what you're going to see with these kids coming back from iraq. You're going to see soldiers and pill bottles. Here's a picture of a gentleman I took who's an iraq veteran who has an absolutely flat affect and is horribly traumatized and -- in the war in iraq. So I just want to thank you all very much for allowing me to speak, and it's been a privilege to stand here and tell you the truth. Thank you.

Leonard: Thank you for coming.

Adams: Thank you.

Potter: That's all the communications?

Moore: Yes.

Item 1200-1.

Potter: Ok. I'm going to read a proclamation, but I think there's some folks from the Oregon humane society please come forward, folks.

Susan Chaney: I'm susan chaney, i'm here today to present an award to the city of Portland as our dog town usa 2006. We undertook a project last year to start looking around the country at cities that are particularly friendly and great places for dogs. Last year we named chicago. This year we're very happy that it's Portland. We've heard that Portland is a wonderful place for dogs, and after our researcher dug in we found that the rumor was true, that this is absolutely a fabulous place to be a dog or a dog owner. And we look at many, many criteria, from health care, to animal shelter rates, to how local organizations work together to help dogs, friendly businesses, just 26 criteria we take into consideration. So it's a big job, but we're very happy to name Portland as dog town usa 2006. And I would like to say that this doesn't happen by one organization or one city saying we love dogs. It happens by groups like the Oregon humane society, Multnomah county animal services, kennel clubs, rescues, individual people, owners who clean up after their dogs, it takes

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many, many people to make something like this -- make a city like this. So I think you all should be proud. I hope other cities will emulate you and try to do as good for dogs as you do here. And I have a plaque to present.

Potter: This is the proclamation on behalf of the city of Portland. Whereas dogs enrich the lives of people with their unconditional love and companion ship and are accepting of all people, and whereas Portland has a long history of its love for pets and has set the national standard for pet care, and whereas Portland with more than 136,000 dogs, is truly the best place to live if you're a dog due to the numerous canine-friendly attributes such as dog friendly parks, high percentage of spayed and neutered pets, a growing number of dog friendly businesses, and organized social events for dog owners and dog lovers alike. Whereas each year dog fancy magazine, a national publication with over 1 million readers, sets out to find the dog friendliest city in the united states with the goal to bring attention to what dogs need to live well, and whereas this year out of 62 cities nominated, dog fancy magazine has named the city of Portland dogtown usa 2006, and whereas Portlanders are encouraged to express their love and affection for canine companions by celebrating with the city at a block party at pioneer courthouse square september 13, that's today, at 10:00 a.m. To 2:00 p.m. Now therefore I tom Potter mayor of the city of Portland, the city of roses, do hereby proclaim september 13, 2006, to be Portland dogtown usa day in Portland, and encourage all citizens and dogs to celebrate this day. [applause] we'll clap for that one, folks. Thank you so much for coming.

Adams: Are you going to take her to the new dog park off 82nd?

Chaney: The new jewel of the dog parks? Yes.

Potter: And also to dove lewis, a great emergency hospital. We're going to move to the consent agenda. There are two consent items that have been pulled. 1206 and 1209.

Moore: 1219.

Potter: Well hear those two items.

Moore: Do you want to do the roll? Any other items to be pulled?

Potter: Any other items to be pulled from the consent agenda?

Adams: [inaudible]

Potter: That was about a half hour before you got here.

Adams: Point well taken, mayor. Sorry.

Potter: It was during your favorite part, communications.

Adams: I'll try harder next time.

Potter: Ok. Please call the roll on the consent agenda.

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

Potter: Aye. [gavel pounded] please read item 1206.

Item 1206.

Potter: Are there people who wish to testify on this matter?

Moore: I have five people signed up.

Potter: Five?

Moore: Yes. Come up three at a time.

Lisa Washington: We were told it was going to be closer to 11:00. When an item is pulled off the consent agenda that it's later. So several people were going to come. We apologize.

Leonard: If you have others, I would recommend we wait.

Potter: Would you prefer to wait?

Washington: Yes, we would.

Potter: We will take it up later.

Washington: Thank you.

Potter: Item 1219.

Item 1219.

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Mark Lear: Mayor Potter, city council. I'm mark lear, Portland office of transportation. I made an administrative mistake in filing this ordinance for last council session as a nonemergency item. We need it to be processed as an emergency item since we're going to be doing great work in 19 schools with our safety school effort. So we pulled it today to deal -- so we can pass it as an emergency ordinance so we can continue the services without disruption.

Potter: Questions? Do we have to make a motion?

Harry Auerbach: You need a motion to amend the ordinance.

Adams: So moved.

Leonard: Second.

Potter: Call the vote.

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

Sten: Great work. Aye.

Potter: Aye.

Auerbach: Now you vote on the item as amended.

Potter: Ok. Please call the vote.

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

Potter: Aye. Good job, folks. [gavel pounded]

Adams: Do you want to do mine?

Potter: 9:30 time certain? Yes. We're going to move to the time certain. Please read item 1201.

Item 1201.

Potter: Commissioner Adams.

Adams: Thank you mayor, city council. The west side big pipe is 3.5-mile tunnel, 14 feet in diameter. 120 feet deep running from the west side under the river to where soon we will be standing to turn on the pump on swan island. Later this week the mayor and I will be dedicating, along with hopefully commissioner Saltzman and you're all welcome to attend a pump that will handle 100 million gallons of sewage a day, and then parallel to this is the work underway on the east side big pipe that connects to this facility, and at that time in 2011 will be upwards of 220 million gallons a day. We were able to finish the west side on time and on budget because of the great staff we have in the bureau of environmental services, and also because of the excellent leadership of commissioner dan Saltzman, so i'm the commissioner now, but this project really took place under his leadership, and his direction, so congratulations to you on the west side coming in on time and on budget. We're also going to give you an update on the east side, and in your book you'll see the first report to the city council dated september 13 from the east side combined sewer overflow tunnel project review committee. This committee has met eight times with our staff, including with myself and director dean marriott. They are doing a great job and in their report I would just highlight that in terms of both the city's efforts and k.b.b. And everyone that mobilization to begin the project and execution seems underway, the critical path and schedules, although challenging, that they believe that the organization -- the organizations appear to be prosecuting the project in a cooperative and effective manner which should support the budget and schedule goals. So this is a little bit of a hand-off report, some wrap-up on the west side, and status report on our work that's under way on the east side. With that, i'll turn it over to dean marriott.

Dean Marriott: Thank you, commissioners, mayor, i'm dean marriott. With me is paul gibbon, the engineer in charge of the west side big pipe and the east side big pipe projects. We will give you a brief summary of how things have gone on the west side project, talking about how we're wrapping up this project and as commissioner Adams mentioned, you all are invited to come tomorrow to the dedication of the celebration of the completion of the west side project. Following our presentation we are going to take a break for a moment and we've invited the representative from the contractor, they've asked to talk to you about their experiences, then paul and I will come back for just a quick update on where things stand with the east side as commissioner Adams

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mentioned, not only are question wrapping up the west side, but at the same time we're actually starting the east side construction. So we have multiple projects going at the same time. And then as the final report today, you'll hear from tuck wilson, who's the chair of the east side c.s.o. review committee. I want to take a moment to express my appreciation and thanks to this city council and to previous city councils. Commissioner Adams mentioned commissioner Saltzman. I want to start with commissioner lindberg, who personally negotiated, renegotiated the administrative order with d.e.q. back in 1993 and 1994. We worked for several years with commissioner Sten as this project got rolling. We got ourselves ready for success, and as commissioner Adams mentioned with commissioner Saltzman, six years direct oversight and personal commitment to this project, thank you very much for that commitment. And as commissioner Adams said, he's got the reins now and has been very helpful to us in our effort to wrap up the west side project and get organized for the east side. I also just want to take a moment because I was convinced I would forget to do this, I want to thank all of our staff in the bureau starting with paul certainly his leadership has been just hard to describe. It's been fabulous. All the other b.e.s. staff, not only the folks that work with him, but elsewhere in the bureau. And a whole host of city folks, from the city attorney, the purchasing bureau, parks, we've done work in parks, we've done work, pdot has been helpful. Just want to say my thanks to them. And of course you will hear directly from our main contractor, but we've had a whole host of contractors, many of them local businesses, and I also want to take a moment to thank the people of Portland not only for their commitment to clean rivers and to clean up of the willamette, but their willingness to pay for it circumstances.

Paul Gribbon: The first elements of this program included control of the columbia slough outfalls, which were completed before the deadline in 2001. The next intermediate deadline is approaching, december of 2006, and then the final deadline is december of 2011, and we will be finished, the c.s.o. program. Basically you'll recall before we started, about 100 days a year there would be sewage flowing into the willamette and the columbia slough due to our combined sewer system. The objective is by december 2011 to have that down to no more than four days a year. So 96% level of control. We're not embarked on this alone. A number of people have asked, why is Portland being forced to do this? There are 900 cities nationally, and this chart just mentions -- cites a few of the more significant ones. You can see that we did get something of an early start, and that's an advantageous for us because we'll be finished while a lot of the other cities are slog away at multidecade control projects. If there's any solace for our ratepayers, they should realize that the pain and anguish that comes with this project has come early, but the other cities around the country will be feeling the bite of this for many years to come. Just to recap, we basically had a four-act drama here, and this -- unlike some dramas you've seen on t.v., this one is entirely true. We started with the cornerstone projects --

Leonard: That's a political insertion there.

Marriott: I certainly didn't mean anything political.

Leonard: Well received.

Marriott: The cornerstone projects, getting storm water out of the sewer system, that's what causes c.s.o., combined sewer overflow is a combination of sanitary sewage and storm water. So we started with those cornerstone projects, and for any of you who have tried to drive up burnside up over the hill in the last few months, you've experienced one of our efforts. You get -- to get storm water and creek water out of the system, we're virtually finished with that. If you've driven up the sunset highway you've seen pipes laying on the ground, work up there, the zoo exit has been impacted. That's part of the tanner creek projects. Those are all wrapping up this fall. They'll be finished. The slew projects are all finished. Commissioner Saltzman was fortunate enough to walk through that tunnel before it was pressed into service, so he can personally attest to that. And the third act of this drama is the west side big pipe. We're wrapping up that act this fall. Meanwhile, the fourth act, the final act, is already underway. This chart shows you the success we've had in

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reducing the volumes of c.s.o. And sewage reaching the willamette. We're now at 55% level of control, about 2.8 billion gallons of year estimated reaching the river. Bringing the west side projects online will take us to 65% level of control. So a major jump forward and down to about 2.1 billion gallons. So the last act of this drama is the most significant of course it will take us to the finish line where we'll go from 65% level of control to 96% level of control. Here's a slide on the countdown to completion. We've met every one of our intermediate time lines set out in the order with the state. We will meet the december 2006 time line and the last one is december 2011, and we're already underway. Paul will summarize the west side big pipe project.

Paul Gribbon: Commissioner Adams briefly went over what is included in this contract. In addition to the tunnel we had five large tunnel shafts along the route. 220 million gallon per day pump station and the interceptor and the force main, all of them specialized construction. The project status as of today, tunnel, shafts, penninsular force main, parallel interceptor all complete. We're doing final operational testing at the pump station basically testing out the control software while the equipment has been installed and tested. And we expect that the did I versions into the tunnel, we will start first one tomorrow. Final cost projection, this is a cost curve that shows the original cash flow adjusted for inflation over the four-year life of the contract. The line, the blue line is the actual cost tracked against that line, and the dashed line at the top, the original contract amount. So what this shows is that adjusted for inflation we're coming in at about what we originally anticipated. As far as local business participation, over 170, there were 170 minority women emerging small businesses. We originally anticipated 13 million in opportunities. As of today we're just a hair under \$20 million. In local minority women, small business opportunities. At the peak of construction we had 450 construction jobs on site. Some lessons learned we always carry inflation as part of our capital improvement program. On the contract we didn't carry it as a separate amount, so that's what we're doing on the east side. In a minute. Creating local contracting opportunities, continued throughout construction. What we originally anticipated we'd be able to do we exceed because a lot of opportunities come up during construction. We know how the tunnel boring machine performs in local geology. It's very similar to the west side, different quantities, but basically the same material. And public involvement, public information basically never stops from beginning of the job to the end. We've had a four-year partnership with impreglio healy, so since this is our last major presentation on the west side, I asked the project director if he'd like to come up and wrap it up from his perspective.

*****: Thank you. I'm the project director for impreglio healy. I wanted to have a few lines of wrap-up of the project. When we started the job we had main, four main challenges, one was the technical one, very difficult tunnel under the willamette river. The first -- a pump station which was unique, at 330 feet, done, two or three tiles in the world before this project. And the budget and schedule was obviously a challenge with 293 million dollars of original cost and a projection at final cost of \$318. The third main challenge was a contractual one. It needed to be implemented, and this as requested the very different mind-set from traditional contract. The last challenge was to foster local participation in such a technical project. Before going to the results, some numbers to show the magnitude of the project. And also its complexity. You can see 27,000 documents was transmitted, 3,000 drawings, 2,000 submittals, etc. Going through the results, I would say the first result has been to assemble a project team which has been very, very strong both in the field and in the office. The team which has really worked in partnership, and the diversity the team has brought in has big a -- been a big asset to this project. The technical results. You have an high-quality tunnel, no leaks, and it works, one of the best tunnels being constructed in the industry. The pump station water tightness was really difficult, but has been successful. And the installations have been proceeding on schedule and successful. The microtunnel is something that we always forget about, but it was mentioned to be the microtunnel project of the year by tunnelling magazine. And overall it has been an invisible project. And this is the best thing that can happen to a project of this size.

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We go to cost. You see the base cost curve, as always in a project there are negative force to attend to bring the cost up and delay the schedule, but at the same time there are forces which make up schedule and bring cost down. The form of contract is the -- the form of contract is the field in which this positive and negative force interact, and this is very important because it -- the form of contract prevents in most occasions the positive force to express themselves. Why i'm saying this is because the actual projection shows that we have been on budget and on schedule, but has not been an easy task. We believe we want to underline that during the course of these four years these form of contract has allowed the project team to address potentially for about \$40 million. Potentially it could have affected but have eventually not affected the budget of the project. Cost control is worth mentioning because it's a big part of the management of this project. Of course we had to -- bring reimbursable costs, we had to set up a level of transparency and accountability, especially thinking that we had to process about 50,000 invoices. And here you will see some of the -- you know we've been audited last year. These are some of the comments from the auditor's report. I just want to underline the third wallet because it's kind of funny to have an auditor saying it's been a pleasure to audit a construction company. Not that -- not happens very often. From a contractual point of view, we think that the -- in the specific conditions of the west side c.s.o. The contract model has been able to reach the goals it meant to achieve. And its main goal was to be cost effective. Impact of the project on the local community, you see some of the numbers which represent the positive impact of the project of the local community in total, we think that \$240 million have been pumped back in into the local economy. Minorities are contracting as paul mentioned before, we have 170 minority subcontracts for a total projected payment of \$19 million today. About you the \$19 million only represent the opportunities which have -- the subcontractors are in place in total we have put on the market \$25 million in opportunities. Some have materialized and some not. \$19 million is our actual achievement. And you see the red line represents the original target. Where we believe the -- yes, the total amount of dollars is not sufficient to show that minority program has been successful. The main point for us was to disbutte the opportunities as much as possible. You will see that these slides shows exactly that, the program has been extremely genuine because 105 out of 170 subcontracts have been to subcontracts less than 50,000 dollars. So we have disbutted as much as possible these minority opportunities. Finally, safety, we have been awarded the voluntary protection program status in 2005 by osha. And we also receive the rose award from the general contractors of Oregon. We are actually the only contractor in Oregon to have this status. V.p.p. is an increasingly important program, and we have been the first contracted in Oregon to do so. Especially because it comes after 2 million hours work, and we are very good numbers in terms of frequency and severity. And I can say the safety on the project has been really good. Just a final comment. We would like to thank the city and b.e.s. For a project which has been really novelty and refreshing, one of the best in the industry. We have been privileged to be part of the team. I would like to add that we've been a contractor that's always been transparent in the approach, never been misleading. We've always been forthcoming in this relationship with the owner, with the subcontractors, with the vendors, with the community. And we have been a contract that's always put the project as a first priority. I think the -- there is a big lesson we can take from this project, that the different way of doing business in our industry is possible. Thank you.

Adams: Thank you.

Marriott: We'll just shift gears if we could. Give you a quick update on the east side the launch of the east side project and they'll we'll invite tuck wilson to come up.

Gribbon: East side tunnel is going to be 22 feet in diameter, it runs from southeast mcloughlin boulevard and southeast 17th up to swan island, there will be seven large shafts along the way and other smaller shafts. You recall construction contract was \$381 million as in march, we expect over the almost six-year term of the contract about \$45 million of inflation. So in 2011 we're expecting a contract of about \$426 million. Current status, so far the walls of the upper shaft which is where the

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mining will take place are complete, excavation should begin by the end of the moment preparation has begun on the alder shift and steel bridge shaft. The tunnel boring machine is under fabrication. We have 53 local contracts utilized so far to date and so far the work is on schedule and on budget. That's just project expenditures against the projection. We've just started, so there's not much to show yet. Minority women and emerging small businesses, in the first five months 53 local subcontracts have already been awarded including 44 minority women and eamericanning small businesses. That's \$7.7 million in other local subcontractors. Big challenges, minimizing impacts at the central eastside industrial district. That shows semi-of the work that's got to happen, some will be surface work and so we're working diligently with businesses to try to minimize our impacts as much as possible. We're also as far as permits and right of way acquisitions trying to stay one step ahead of kiewit. Public involvement never stops. So we have quite intensive public involvement campaign underway. With that, that's where we are on the east side. If there are no further questions I would turn it over to tuck wilson of the review committee.

Marriott: If you have any -- if you have any questions, we'll come back.

Potter: Thank you, dean.

Tuck Wilson: Tuck wilson. Chair of a 13-member review committee that you appointed earlier this year. I'm joined at the table this morning by the cochair of the committee. Earlier bernie foster was here but couldn't remain. I'd say we had active participation from all committee members. We have held eight meetings since january of this year, and have been prepared for our assignment in briefings with sam Adams, with dean marriott and various tours of the project alignment. We receive and review each month a voluminous report prepared by the contractor and b.e.s. These reports are available on a monthly basis to you and your staff. If at any time there are any questions or concerns that arise from your review, please share them with the committee. As contemplated in the ordinance establishing the committee, we review the following issues. The mobilization of the contractor. The development of the safety plan and the incidents that arise. The critical path schedule and the projects tracking against that program schedule. The comparison of actual versus budgeted expenditures. The quality control program its implementation and tracking. The work force composition to see that the program is being used and apprentices are being accessed on the job, and local subcontractor recruitment and selection is underway and vigorous. And last, we monitor the construction impacts to third parties in the path of construction. At this first report after viewing just six months of construction, the committee finds the project is well managed and underway. The processes for tracking elements in place is proceeding as planned. And it appears that the city and k.b.b. have a cooperative and efficient manner that should support at the outcome the budget safety and schedule goals. We will be back to report next time in six months.

Potter: Thank you.

Adams: Thank you very much.

Potter: Did you wish to say anything?

Bill Martinak: Yes. Mayor Potter and commissioners, i'm assisting tech as the cochairman of the committee, and i'm also the chairman of a subcommittee that is directly working with k.b.b. To work with the subcontracting opportunities that are available, and just -- we've just got general started right now, but the contractor has an extremely good plan in place and was seen on the west side, tunnel project, the east side tunnel project is definitely on track to utilize as much as possible local contractors and especially minority, emerging small business that are also available in the area. And so we've worked very hard to get that program in place and k.b.b. is doing an excellent job in outreaching to the local community, the local contractors to provide them as much opportunity as possible to share in the project. It's going along quite well.

Potter: Great. I want to thank you folks very much, and tuck, with your background this is an excellent service you're providing to our community, and it truly is appreciated. And the same for all of the committee.

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Wilson: Thank you, i'll pass that along. Is there anybody else signed up?

Moore: No one else signed up.

Potter: This is a presentation only. No action necessary.

Adams: Correct. Can I thank a few people, though?

Potter: Please?

Adams: I want to thank in addition to commissioner Saltzman, brendan fin and his staff, who toil order this issue for many years. Maria in my office, harvey locket, jim mcdonald, the leadership of -- great leadership of dean marriott and paul gibbon, your good work on a very difficult project, and giuseppe, everyone, part of your team, thank you on behalf of a very grateful set of ratepayers for the city for delivering this on time and on budget. Thank you.

Saltzman: If I could add some remarks. I certainly want to thank impreglio healy, giuseppe quarta, you helped us tackle a very daunting project, and did it on budget and on time. And you've done -- so I just want to say it's been a pleasure working with you, and I look forward to future opportunities down the road as we tackle the many infrastructure issues we as a city face that we must come to terms with. And I want to also just commend b.e.s., staff also for their work, and I know k.b.b. Will do a great job as well. So it's a great project.

Potter: Thank you. Please read the 10:15 time certain, item 1202.

Item 1202.

Potter: Folks, please come forward. Improving customer service is one of the 20 original bureau improvement project goals adopted by the council in june 2005. The specific tasks was to create a framework for providing better customer service in each of the city's bureaus. Stated purpose of the customer service advisory committee is to assist city bureaus in providing better customer service. Improving customer service in each of our city bureaus is a serious step forward. Customer service is the cornerstone of effective government. Here at the city of Portland we strive to create community members with respect. It's important to remember that they are customers and they deserve to be listened to promptly responded to, and taken seriously. Providing consistent and high quality customer service is essential for restoring trusting government and engaging the community to become more involved in making Portland a better place for everyone. Today we're adopting a framework for how this committee will operate, giving them both consistent guidelines yet flexible to meet the needs of individual bureaus. I want to thank the bureau of innovation project team for their hard work and dedication over the last year, and to come up with these recommendations to improve both internal and external customer service. I'd like to turn it over to the coleads of the team, michael mills, only budsman for the city of Portland, and bonnie morris from the department of development services. Thank you folks for being here. Kile?

Kyle Chisek: Customer service is at the heart of good government. This resolution came out of the dedication and hard work of the bureau innovation project team seven. With the premise that good customer service makes the experience better for both city employees and their customers. I look forward to seeing the results of this collaboration between bureaus as they make customer service a citywide priority. I just want to turn over to michael mills and bonnie morris, who will lead us through this discussion.

Michael Mills: Thank you, kyle. Thank you mayor and commissioners, thank you for the support that you've given to the bureau of innovation project number seven. We feel it's one of the most important ones of the 20 that the city has embarked on. A monumental effort. Our charge was to come up with a plan that would direct all city bureaus to work collaboratively with their employees and with each other to develop improved customer service, policies, and procedures. And as you mentioned very importantly, it's important to remember that customers are both internal and external. So we focused on both that. Bonnie, carol, and myself were the trichairs of this 20-person group that met over a year, usually twice a month, struggling over how to best achieve the result that's we were after. I think we came up with very positive result that's will move forward in this

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resolution today. We did find that there was not a concerted comprehensive effort existing in the city government to deal with customer service. Some agencies had tremendous plans and were able to carry those out in terms of improving customer service, doing service that's would improve those customer services, others did not, some of the city employees and agencies didn't even recognize they're providing customer service. So we were all over the map. What I think we've come up with is a way to initiate plans within bureaus and make sure those plans are carried out through the next steps. With that i'm going to turn it over to bonnie to describe some of the specific results. One thing I wanted to mention, if we can pull up the slide of the members, we had 20 members, they represented a vast majority of city agencies, several of the union representation within this group, so we were able to really cover the interests across the board which we were very proud of.

Bonnie Morris: And two citizens.

Mills: And two citizens yes.

Morris: One of the things -- bonnie morris, b.d.s -- the first piece of work we did was talking about what is customer service and what are the expectations. We think the expectations are pretty much the same. We have part of exhibit a and i'm not going to go through all of them. What the expectations are, but just a highlight a couple of them starting off, I think we would recognize as a basic courtesy and respectful treatment at all times in a friendly manner. Another one we lead up to is processes that are open and clearly articulated that are predictable, logical, streamlined, fair, and of course legal. These are the kinds of things just to name two out of the 13 we identified that we came up with that we think any customer would expect to have in dealing business with the city, whether they're coming from the inside or the outside. The next piece of work that we attune to is, all right, in order to provide and meet those expectations, what do city staff need? And we came up with what we called staff workplace aspirations needed to achieve customer service excellence. And they needed to be treated with respect, acting with integrity, realistic time frames, and of course a reasonable workload, and funding to cover the workload, those kinds of things with staff. - - are what staff need to have -- be able to provide these services. So those -- those were two piece that's we did really early. And then we talked about how do we get there. How do we meet these goals. And one of the things that the resolution does is adopt those two pieces and then also creates a customer service advisory committee. And the purpose of the committee is coordinate, monitor, assess, recommend continuous customer service improvements to ensure consistency throughout the city. As michael alluded to, when one -- one of the early pieces of business is we did a survey, all the bureaus in the city, and asked them questions about customer service. The thing we found out, it's all over the place in terms of what their perceptions are, including the bureau who will remain nameless, but said we don't have any customers. Including the ones that had no customers and bureaus that have spent a lot of money and effort raising customer service standards, to the monitoring, tracking surveying, to see if their standards are being met, training, staff, that sort of thing. So we run the gamut. So what we're proposing here is a customer service advisory committee that will then be able to support the other recommendations that we have. We want to identify a customer service culture in all city bureaus. And some of the ways that a bureau would do that would be by looking at their goals and their missions and make sure customer service is important -- is included in that. Also looking at their budget, customer service does cost money, we know there's budget impacts for doing that and are they as a preparing budget request to each year, are they included, what is it going to take to provide the customer service you all want. We also think recognition is an important part and we have a recommendation that we develop a program to recognize those staff that are provided exemplary customer service.

Mills: Our bureau of innovation team has wrapped up our work, and what we found was necessary was to have some follow up and monitoring. And the b.i.p. group wasn't the group to do that. So what we recommended and this resolution will provide for is a customer service advisory committee. And the council has already approved and put into place a quarter-time position in the

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auditor's office, beth woodward, who is up and ready to go to assist with this, so what that committee will do will ensure that bureaus are developing their customer service plans, and ensure the plans are reported back on and that those measurables are indeed implemented. So that is ready to go as soon as this resolution is passed, the committee will be formed. And we'll be moving forward on that. Another key recommendation I wanted to focus on too just for a moment is human resources. We determined that it's very difficult to focus on improving customer service, whether it be promoting employees or counselling employees if customer service wasn't a part of job description. So one early on recommendation we made was to have human resources over a period of time rewrite job descriptions so customer service was actually a component of that, which we found painfully in a lot of cases it has not been. So that is one early recommendation that is moving forward. I think with that -- that covers the highlights. If you have any questions we can answer --

Adams: First thanks for your work. I think this is really important. I think everyone up here is dedicating to succeeding to a higher level in this area of our operations. We've -- with the mayor's office we're working together for the key Portland moving over the next 18 to 24 months that involves our jurisdiction and tri-met and about able private projects that will detour the right of way during some amount of time. And we're really focus order trying to sort of have concierge level of customer service through all that, not just for the permitters or anything else, but actually the workers and shoppers and visitors. So if you guys want to help us or if we could use you as sort of some place to present to for your opinions, I think it would be really useful just on an ad hoc basis.

Mills: We're certainly willing to do that. Bonnie and I will continue on as needed with this new customer service advisory committee, and if there's ever a need for the whole b.i.p. To come together and give some feedback on the progress, we would be happy to.

Adams: Thanks.

Potter: Other questions? Thank you, folks, very much.

Morris: Thank you for your support.

Potter: Please call the vote.

Adams: Aye.

Leonard: I very much appreciate this work. This has been a subject area that I have focused on since arriving on council, and I am very encouraged that bonnie morris is sitting up there, because she knows something about customer service. She has helped lead this effort at the bureau of development services to focus on customer service with what I consider to be world class results. And so I greatly appreciate the focus of this particular group because I think more than any other thing that connects citizens to their government if when they call they feel like they're treated with respect and interest and courtesy. And those are -- sound like small things but they're very important to a person that's trying to navigate the bureaucracy. So i'm very, very pleased with this work. Thank you. Aye.

Saltzman: I want to commend the team also. This is great work, and I look forward to the Portland customer bill of rights. Aye.

Sten: I think you always have to stay on these issues, and this is very innovative and a way to keep us going to the next level. It's not easy for all the bureaus to figure out how to deal with at the different things they have to do. So I think you're taking a constructive approach and I want to be helpful. Aye.

Potter: When I talked to citizens out in the community, one of the things they tell me is that a lot of the opinions they form about their city government doesn't come so much from the mayor or the city council, but from employees of the city and how they interact with our citizens and people who live here. And so this is really important to have a consistent standard for all employees to strive for, and not just how they treat citizens, but how they treat each other. And this is very important. I

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look forward to your continuing work. Please thank all of the committee on behalf of the city council. You folks did a great job. I vote aye. [gavel pounded] please read the 10:30 time certain. Item 1203.

Item 1203.

Potter: Commissioner Adams.

Adams: We've -- we had a discussion before council based on a review, citizen-based staff review regarding the fee that's we charge for placards, and we solicited public comments and are coming forward with the final recommendations. Most of the concerns raised during the public comment session here in this room was around the potential increases for nonprofit groups, and instead of the originally proposed going from I want to say \$30 to \$250, we went from \$30 to \$50. We've tweaked some of the other implementation of the for-profit media was tweaked to have a two-year phase-in, and the rest I think is largely what we brought before you with those two changes is largely what we brought before you previously. This gets us further towards full cost recovery for services. I think it's good to note that the city is underwriting, helping to underwrite and support those nonprofits that provide meals in the community, that are required to do a lot of driving and parking for delivery, and i'm happy to continue the underwriting of their efforts of effort by having substantially subsidized placard that's allow them to park for different lengths of time depending on what they buy. I also want to thank the staff for your good hard diligent work. Ramone, ruth, everybody, really appreciate it. Also I like the innovation that now people can buy the rub-off cards, so that will allow us to control the impacts of this on the street. Would you like to say anything?

Ramon Corona: Yeah, i'd like to take a moment to go over those changes. Ramone corona with transportation. Taking direction from council we first updated the cost of service in 1994 followed by an increase only to the area parking permit program in 2002. Cost of service covers the sevens provided by various government agencies, nonprofit organizations, the media, maintenance, commercial and delivery permits for citizens needing to park longer than city code allows for access in the truck loading zones as well. We presented this most recent cost of service update as a report to council on august 9, so I will be brief. We proposed substantial increased fees to three of the permit programs as highlighted on the proposed fee schedule. The media, the nonprofit, and the government. As commissioner Adams said, resulting from the feedback we received, today's ordinance request shows an adjustment to the media and the nonprofit proposals. The media would go from 100 to 250, but we would phase it in over the two years. So it would be 175 for the first year. And then the full 250 from that point on. We also recommended the nonprofit fee be increased from 30 to just \$50. With no further increase for the next two years. The bureau of financial planning staff has reviewed the cost of service. It will provide us the means necessary to review and modify permit fees annually, implementing certified adjustments for inflation, and other reasons outside outlined in the cost of service model. We ask that you approve the cost of service today, since we have create add financial model, including an annual certified inflation increase, we also ask council to delegate authority to the city traffic engineer to modify fees annually in the future.

Potter: I have one question. When you do the automatic renewals each year, do you come back to council to report on that so that we know what's going on, since it's --

Corona: Yes, we could do that.

Potter: Thank you, sir. Is there anybody signed up to testify?

Moore: No one signed up.

Potter: Please call the vote.

Adams: I want to thank the team. It's a pleasure to work with you. Aye.

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

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Sten: I appreciate the extra thought of the nonprofit. I think it's a good compromise, and I vote aye.

Potter: Aye. [gavel pounded] good job, folks.

Leonard: I wonder if all of the folks are here that you wanted? Can we go to the -- are you all here? Maybe we can go to that now so they don't have to wait.

Potter: Ok. Please read item 1206.

Item 1206.

Potter: Please call the names again.

Lisa Washington: Good morning. My name is lisa Washington. I wanted to put a face to the name behind the lawsuit. I just wanted to tell a little bit of who I am. I have been here with the city of Portland for 16 years. I started my career at the city of Portland in commissioner gretchen kafoury's office, and since then I have moved over to the bureau of buildings, which changed names over the years, now we're the bureau of development services. I volunteer in the community. I still volunteer with Portland public schools, even though my daughter graduated with honors from benson high school in 2005. And is now a sophomore in college. I'm still a cheer coach at a local high school as well. I believe in Portland public schools, my dad was a graduate of Portland public schools, i'm a grant high school graduate as well. I also volunteer in the community with the Portland fire bureau trauma intervention program. I just wanted to let you know that the issue of me being seen together with my coworker, miss roxie granville has been the forefront of our employment here since 1997 when this first came about. The reason why we're here today is we would like to have a chance to move on and have a chance for our bureau to heal, and we can't when the very people who started this reporting that roxie granville and I have been seen together which happened to be our second in command in the bureau, I just want to let you know that when this first came about when we got the judgment, which was in our favor, the media had asked us to name names, and to basically declare that the city of Portland were card-carrying members of the klan. Miss granville and I declined to do that because we still have to work with these folks. I certainly have taken a stand that I need to get the business of the city of Portland done for which I was hired. And even after this lawsuit, I reported directly to paul scarlet and I do today as him being my bureau director. And I want to let you know that paul and I have an excellent relationship, if I can call him paul, there's been many opportunities when I have -- it's been presented that I could have maybe painted him in a different light or made him look foolish, or maby made denise look foolish, and I chose not to, because I have chosen to take the higher road. And I want you to know that I really enjoyed my employment with the city of Portland. I had encouraged our summer students to be positive about their experience at the city of Portland this year, even though when they came to our bureau they had just read this article in "the Oregonian" about miss granville and I. I also wanted to tell you on june 20 a jury of eight people unanimously said that the city of Portland intentionally deprived me of my constitutional rights based on my race.

And for me to be in 2006 now to be judged by the color of my skin by the city of Portland, by managers and supervisors has just really destroyed me. And our bureau would like to move on, there are people in our bureau who testified against me, and they would like to move on as well. And it has made working relationships with people very difficult because they don't know what to say to me. And we would just like to move on.

Potter: Before you continue, anybody reading newspapers or magazines, please put them down so people behind you can see. Thank you. Please proceed.

Roxie Granville: I'm roxie granville beard. I am the coplaintiff with lisa Washington. I've also been employed with the city of Portland for approximately 15, 16 years now. And i've worked with the same bureau for about 15 years. It all did start in 1997. Lisa and I tried to do a resolution to this. We went to management, and we went through the process, and it continued. We did not choose this route to do a lawsuit. It came about because it came to us again in the year 2001. We

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decided that we had to do something, because we cannot change the color of our skin. We wake up black every morning. This is very devastating for both of us. It's insulting, it's an embarrassment to me, my family, and the city of Portland. Because when the article came out, people could not believe that this happened. And is still happening today. I still do work with the people who accused of us doing this. And it's embarrassing. And they also have been promoted and different things, in different ways. Lisa and I are still working and struggling to get upper morning to go to work and face the same people who accused us of doing something wrong. Which is nothing. But being black, going to work, doing our job. It's very difficult to be here today, here, facing you folks here, trying to get the city a diversity that it's supposed to be, yet we're still not there yet. We talked about customer service right before this, internal customer service is also important with each coworker, not just outside. It's important that we all get along with each other. I am an inspector for the city of Portland, I work with all types of people in the area. I have never had a problem until I came to work within the city of Portland with my coworkers. That's when it all started. Thank you.

James Hester: James hester, counsel representative for afscme, president of the district council of trade unions. I'm here today to offer two reasons. I am a long-time former -- former coworker now of lisa and roxie's, but also friends. We've been through a lot together in the city. But also i'm here at the direction of my executive board and local 189 to ask -- they voted last night to -- for me to ask you to -- for a no vote on this resolution. They also asked me to speak, say a few words, and I went home last night and got home around 10:00 after the meeting, and believe it or not, I couldn't think of anything to say about this issue. And what it came down to is I was sitting at my desk at home, i'm not african-american. And i'm certainly not an african-american woman. I don't know what it's like to be at that end of discrimination of -- to have things directed at you that are just unseemingly. And to have it go on. Roxie's and lisa's case, for nine years now. I appreciate that the council has undoubtedly conferred with the city attorney's office and your various advisors. There is no doubt in my mind in our executive board's mind that you probably, the city, has grounds to appeal this. But -- and we all do. I confer with our attorneys every day. And sometimes I say do this, and I have to make a decision about whether to go take their advice and make a decision that is compliant with their direction and/or go another way, because I believe for the benefit of the whole and for the benefit of what we are trying to accomplish in the long range in the city, maybe I just need to do something different than what my attorneys say. So i'm here to ask you to do just that today. Certainly you have -- can take the advice of your attorneys, you can move forward with this appeal. Sometimes there's decisions that need to be made that have a higher calling than just our legal advice from our attorneys. We have to make decisions based for the common good, for the greater whole. I think in the city of Portland and in particular this city of Portland work force, a vote of no says that we indeed are a city work force and a city in general that has set a very high bar, and that this -- the times of things that happened to lisa, the types of things that happened to roxie aren't going to be tolerated and when they do occur, people are going to get a fair shake. And they shouldn't have to wait nine years toll get that fair shake. So thank you very much.

Potter: Thank you. Please state your name for the record. You each have three minutes.

Sheila Walker: My name is sheila walker. I've worked with the city of Portland for almost 26 years now. I've seen a lot of changes and I have seen Portland grow. I've always been quite proud of being able to be a city employee. The city prides itself on being considered a place to shine when it comes to livability. You spend large amount of money on planning and zoning and landscaping, and construction design to beautify the city. But when you treat its citizens like they're less than human, when you don't show them the proper respect, then you really -- it really shows how ugly the city of Portland can be. And that really does sadden me. You cannot show more respect for structures and for beautiful parks than you do for the people that live here. And the buck stops here with the mayor and with the commissioners. The city was found guilty of discrimination

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by a jury of your peers. Through the justice system. And you know, I want to say it's funny, but it's actually sad to hear someone get up and talk about how wonderful Portland is when it comes to a place for a dog to live. But is it a good place for minorities to live? Is diversity just a word on a piece of paper, or is it something that the city really is trying to live by? By appealing this, you're not accepting the decision of the courts when you're saying that diversity is just a word on a piece of paper, and it has no value. The city has to take responsibility for its behavior and it has to hold itself accountable and put this thing to bed.

Jacquelyn D. McLeod: My name is jacquelyn mcLeod. I've been a city employee for nearly 30 years now, it will be 30 years on october 26. And i've been in public service with the state before that. During that time i've been proud to be a city employee. I'm very proud of the work the city has accomplished over the years. One of the things i'm not proud of, however, is some employment decisions that have been taken against certain employees. One of those is the current case with roxie granville and lisa Washington. I was very disappointed to hear the city had decided to appeal. A decision of a federal jury which was made by several individuals who don't know roxie or lisa. They heard a lot of testimony from the city and from the plaintiffs, and they made I believe the correct decision. They decided that these employee been discriminated against. I believe it is incorrect for the city to go forward and appeal that case. I'm not surprised, but i'm very disappointed. And yesterday right after lisa found out that this was going to be on the agenda, she had heard that most of you were planning on voting to send it forward to an appeal. We spent a very difficult hour at lunchtime, very emotional hour. Roxie and lisa have had hundreds of disappointing and emotionally difficult hours since this process began. And that process began at the time when -- excuse me, i'm a little nervous -- when their supervisor and other people decided to take incorrect employment action against them. During my employment i've been in union steward for nearly 30 years. I'm here as an employee, coemployee of roxie and lisa. And also as a friend, i'm very proud to be their friend and they are my friends. And i'm asking you to surprise me today by making a decision not to send this forward to an appeal. Thank you.

Potter: Thank you. I'd like to have the deputy city attorney come forward.

Leonard: And paul scarlet.

Saltzman: Is it correct there was an award for gender discrimination and an award for racial discrimination?

Jennifer Johnston: No we won on the claim of gender discrimination. We would only be appealing with regard to legal errors on the race discrimination claim. We are not appealing any jury findings just legal errors made by the judge with regard to the race discrimination claim.

Paul Scarlet: Good morning, mayor, city commissioners. Paul scarlet, director for bureau of development services. The two employees of the bureau of development services levied a lawsuit against the city on the basis that management, including me, discriminated against them because of their race and gender. This occurred in my capacity as their supervisor in the year 2002. At no time did I discriminate against either of these employees, and I believe that the city has a strong basis for this appeal. In addition to this case, these two employees have also filed rah workers' compensation claim that the city has prevailed upon. Both employees have appealed that ruling and the case is awaiting judgment before the court of appeals because the facts are the same, the outcome of that appeal has the potential to impact the ruling in this case and the appeal authorization before you today gives the city the opportunity to preserve its options as the remaining case is levied by these employees are brought to their conclusion. Any legal question also I will defer to city attorneys.

Potter: Questions from the commissioners? Could you go a little further into what you meant by, you're not appealing the finding of the jury, you're appealing the -- some of the legal issues?

Harry Auerbach: I'm harry auerbach from the city attorney's office. Jennifer johnston is with me, she tried the indication. I'll be handling the case on appeal. The primary issue on appeal is the legal

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effect of the ruling in the workers' comp case on the same factual issues on which we prevail. And we believe that the trial judge in the federal lawsuit made an error as a matter of law when he refused to give that the determination the effect that it was entitled tomorrow that's the primary issue we want to raise on appeal. There are other issues that we need to review in the transcript relating to the jury instructions and forms, but we want to reiterate that we believe in the jury system, we believe in juries, we meet them to be allowed to make their decisions unhampered by incorrect legal rulings that produce what we believe to be untenable results. So that was our recommendation. We did meet with commissioner Leonard who is the commissioner in charge of the bureau. And I think we -- I think it's fair to say we did not pressure commissioner Leonard to take -- to go forward with this appeal, but tried to set forward him the optioning, both pro and con, and we recognize there are some policy concerns. We have some concerns on your behalf about the long-term effect of having multiforum litigation, and not being able to get factual resolutions to stick. That may affect you in future cases. And otherwise, we would agree there would be a lot to be said for simply moving on.

Saltzman: When you said you're concerned about -- I think you said preclusive effect?

Auerbach: Yes.

Saltzman: Meaning that we believe there should not be a forum of federal court and a workers' comp claim?

Auerbach: No.

Saltzman: And the judge -- what did you mean by you're concerned about the preclusive effect?

Auerbach: Under the federal law, federal courts give to state court determinations the same effect that they would have in state court. That is, under the full faith and credit provision of the constitution. If you get a judgment in state court that has certain preclusive effects and the federal courts honor that, under Oregon law, which is what we apply in this circumstance, facts which are determined in a workers' compensation proceeding will final as between the parties. And so because the same essential facts were determined and we got a decision from in the workers' compensation case that directly addressed and resolved the underlying facts, we assert and have good authority for the proposition that those facts should have been determined as a matter of law in this litigation. We resubmitted the fact -- the concept is you don't get to try and litigate the same issue several different places to get a different result. So if you lose in one place, you don't get to try and go somewhere else and then win because that subjects like an employer like the city to having to litigate the same thing again and again. And that idea affects the city not just in this case, but in a number of other cases and employees we have, and so because the law is that you get to try your issue once, we want that law to apply in this case, and there are cases in our favor. But there's also other issues, instructions the judge gave to the jury that they used to make their decision, and the form they used to make the decision, the verdict form that I had concerns about. And harry as the appellate lawyer will have to look at the law and make sure that those are all appealable, but if the legal issues, if the judge is not giving the correct instructions to the jury, we're not getting a fair trial. And so as the city, we have the right to a fair trial just like miss granville and miss Washington. If we didn't get the right instructions, we should appeal that so we can get a fair trial.

Potter: Further questions?

Leonard: I'd like to say something. Obviously I have a responsibility to I think provide my perspective, given that this bureau now is in my portfolio. I knew of this case and was aware of some of the facts involved, but really didn't sit down and have an intense briefing until the subject of the appeal came up. I and a member of my staff's first reaction to what we were being asked to do was negative. I told in my office both paul and the city attorneys pretty much what you heard here today from the witnesses, that in my view I appreciate that they feel strongly about the facts of this case, but it would appear an independent group of peers heard the facts and made the decision

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they did. And notwithstanding what the city attorney felt or paul felt were errors, they need to persuade me why that jury got it wrong. Where I was coming from was that they had rendered a decision, and I was not -- I was more than happy to honor that. I would say that before I tell you what they told me in our meeting in this context. I grew up in an area of Portland where diversity was a way of life. I thought everybody grew up as I did on eighth and siskiyou next to irving park in a culture of variety of ethnic backgrounds, and religions, and it was somewhat of a shock when I went to grant high school and learned the world looked different than it did on 8th and siskiyou. And I think I would hope anybody would say about me in my adult life i've never forgot that. That I bring to this job all of my experiences including my visceral understanding, the discrimination still exists, and some of it not overt. Some of it just in the way people look at people of color, some of it just in the way their voice intoe nations r. I get that. I've seen it. I've experienced it. So one of my charges to myself has been wherever I had an opportunity in the position that I had been honored to be in on the city council, I would work hard to change it. So that means for me when I had the opportunity of hiring a gay person to lead a bureau, I -- in addition to being a woman, I took that chance to do it. I looked for that opportunity. When I have had chances to promote people of color or people who have had no opportunities to move forward, I have not been shy and injected myself in what is traditionally been thought to be a bureau's director sole authority and done it myself and directed, that those promotions occur. And i'm not just talking about at b.d.s., but it includes b.d.s. And every girl i've had. So in that context in my mind I asked the city attorneys that are before us to explain to me why i, randy Leonard, am going to appeal this decision, because it goes against migraine. And basically what I heard back was that had they heard all the facts, randy, we believe they would have rendered a different decision. But that wasn't good enough. I pushed pretty hard on paul and also I will tell you out of that came a recognition by me that I do think the bureau and it's a decision we made recently, needs to change, designated equal employment opportunity officer.

So we did that. We have now designated mikhail as an equal opportunity officer, he will be promoted into a newly created position where he will be an advocate on those issues. Because I do think it's important to have somebody that is sensitive to the issues of discrimination also be a person that those issues come before. So having said all that, this is a pretty awkward place for me to be. I come from working class peel, I come from a neighborhood that would expect me to not agree with what the city attorney said. My friends would expect that of me, but I have a responsibility. And I take it sirius. And it's to listen to all the facts. And it's to balance the interests of a number of competing issues, including I will tell you, friends. And to make the right decision on behalf of the citizens of Portland who have trusted me to do just what I said. And so using my best judgment, being as fair and balanced as I can, not trying to be influenced by who I consider to be the best friends and supporters, I made the decision that we should appeal this case. It wasn't done lightly. I probably probed harder on this issue than any other single issue the city attorney's office has brought to me in the four years i've been here. But i'm comfortable with it. Or I would not be saying what I am. It would even be before the council if I wasn't comfortable. Thank you.

Potter: Do we have a sign-up sheet? Please call the vote.

Adams: I'm going to support this measure on the technical grounds presented by the city attorney, and I will continue to watch this as it moves forward. I think there are distinctions between technical issues and underlining -- underlying substance, and i'll continue to watch that. Aye.

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

Sten: I've spent a bunch of time thinking about this, and i've decided i'm going to abstain from this vote. I am not comfortable moving forward. I'm in part not comfortable moving forward because miss Washington is a personal friend of mine that I went to school with, I have spoken with her not in years, but recently, at the time these things were happening, and frankly would prefer to see us end this lawsuit now. I have not, however, dug in with the legal side and i'm not comfortable making analysis that our lawyers are wrong, so i'm going to abstain -- abstain.

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Potter: Like commissioner Leonard, i'm sure the rest of the commissioners, it is an uncomfortable issue. Uncomfortable because we sit up here, we make decision every day, I recognize that we are five white males, and I cannot begin to understand all of the issues that are out there that confront people of color, women, gays and lesbians, every single day. But I do understand the issue at hand, and I believe that it's the right issue that we need to proceed, because it doesn't have just a bearing on this case, but other future cases. So I vote aye. [gavel pounded] that's the consent agenda items. Is that correct?

Moore: Yes.

Potter: Ok. I'd -- if it's ok with the commissioners i'd like to pull item 1231 to the front of the regular agenda. At the request of commissioner Saltzman. Any problem? Please read item 1231.
Item 1231.

Saltzman: Thank you, mr. Mayor, members of the council. We have here today before us an important agreement to improve the security and cleanliness of our downtown parks. We all know that our parks are a cornerstone of downtown's livability and we must maintain their safety. Our downtown is at a critical juncture and this agreement will help all the partners involved to move forward. The city has had a contract with the Portland business alliance since 1997 to provide special downtown services to Portland parks and recreation. This includes security in our downtown parks, cleaning services for those parks, as well as operations and maintenance of our downtown restrooms. This is a unique partnership that is being modeled by many cities attempting to improve their safety and livability in their downtown cores. So we need to continue this successful partnership. This agreement also adds new resources that will be used in patrolling and cleaning waterfront, park, the vera katz east bank esplanade, and couch park. Three parks that were previously not part of the 1997 agreement. These parks are seeing more and more use and we need to address the security and cleaning issues that arise in those parks. So with that i'll turn it over to lydia kowalsky of parks and recreation, and urge council to approve this agreement.

Lydia Kowalsky: Good morning. Lydia kowalsky, park services manager, Portland parks and recreation. I bring this before you this morning as you know we have been operating this contract since 1997, did it go out for an r.f.p. At the conclusion of the old contract. We had three bidders and we had an unbiased review evaluation committee. Who agreed Portland business association should continue with this contract. We are concerned about our parks downtown and our safety and cleanliness and particularly for the waterfront, which is getting increased use as we have more and more condominiums opening up and many more people coming to visit our downtown. So we are requesting additional funds and support to add on the three additional parks that commissioner Saltzman mentioned. This is very important to us to keep our parks clean and available, and approachable for those coming from out of town as well as our citizens.

Potter: Questions from the commissioners?

Adams: It's a good thing. Right?

Kowalsky: I believe so.

Saltzman: I believe we have people signed up to testify.

Mike Reese: I wanted to tell you what a great partnership we have right now with downtown clean and safe and p.p.i. The folks that are out there from those organizations are the eyes and ears of the Portland police bureau. They deal with the livability issues critical do downtown Portland and the perception of safety in the downtown area. We have three officers that p.p.i. currently pays for their salaries so when the downtown clean -- when the p.p.i. folks come in contact with criminal elements, they can call these officers and have someone respond immediately to take care of those low-level order maintenance things that really add a lot to the livability of downtown. In adding waterfront park in the east bank esplanade I think that is absolutely critical to our visitors that come downtown. And people that use that downtown area, those parks are reveille used and as we take

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care of some problems and other parts we often displace it down to waterfront park whether it hasn't been security and eyes and ears. And I think this contract will take care of that. Thank you.

Richard Harris: Richard Harris, executive director central city concern. I'm here today to talk a little bit about some of the nuts and bolts about how the cleaning part of this works. Several years ago when this program began when -- in the old association for Portland progress, the city really asked a.p.p. at that time if they could take the cleaning contracts and make it a homeless to work program, which was the beginnings of the project in a way that we're recruiting homeless people into the work force. When a.p.p. transferred over to the alliance, that same protocol was in place to recruit homeless people, and since Portland city at the time was operating a work force program and we were the main folks that did the recruitment for the association. And consequently traditionally been a place for homeless to get training and enter into the work force. Two years ago the alliance put a bid out in central city decided to bid on it because we operate a number of employment programs that are really targeted to employing or training homeless people as a first place for employment off the streets. We won the contract and we've been operating the program since then, and I wanted to update you as for the numbers, and the number of people that have been affected by this. Currently the central city businesses are a painting company, building repair and maintenance company, a janitorial company, and a furniture store. We'd love you all to come over to the furniture store on 25th and Hawthorne. There's great bargains and great furniture there. But in these four programs we employ about 63 people who have been homeless at some time in their lives, and most of them up to about 70% of them in recovery from addiction. What these jobs do is they provide a training place, a first step back into the employment market and there are -- then lead to other jobs within the organization. So the clean and safe and the cleaning contracts have been instrumental, and we have 23 people who are working on those cleaning jobs. In total we've had in the last two years 42 people who have gone through that program, and 27 are currently working for central city concern, many others have moved on to other jobs. 18 of these people are in recovery right now, 22 were homeless when they came to us, there's 21 males and six females. And there are among this 23 people there are 13 dues-paying union members. And 14 trainees in the process. So it's been very successful as a first staff getting people homeless -- homeless people employment, and I'm just glad that we can expand this into the new parks, because it works very well for the intended purpose.

Irwin Mandel: I live on the south park blocks. 2247383. That's the telephone number for clean and safe for p.p.i. Now, but I first committed that number to memory 13 years ago, shortly after we moved here. And that has been an invaluable number. I was first paying 10 cents on public telephones, then 25 cents, it got to 50 and I got a cell phone. It's a lot easier. The response to my calls has been superb. When we see intrepid skateboarders bouncing off the sculpture in the park blocks between Clay and -- I'm sorry, between -- Columbia and Jefferson, the p.p.i. people are up within 10 minutes and since we have former police officers who are sworn, they can issue the citation on the spot and get these people excluded to 30 days. Thanks to commissioner Saltzman, sometime back who added an amendment to a bill came up, even skateboarding down the center of the park is now an excludable offense. My relationship with then a.p.p., I don't recall what the letters were for the -- the uniform people at the time, but I'm delighted when the Portland business association took over and they have maintained a strong and very highly cooperative force. To expand this to the other parks is a great idea. You have my enthusiastic support and I think you would have the enthusiastic support of any of citizen who knows the work that the p.p.i. People do now. Thank you.

Potter: Other questions from commissioners? This is a nonemergency and moves to a second reading. We'll return to the top of the regular agenda. Starting with item 1222.

Item 1222.

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Christine Moody: Good morning, mayor Potter and members of city council. My name is christine moody and i'm the purchasing manager in the bureau of purchases. I am filling in for our bureau director, jeff baer, who is out of town this week. Before you is the purchasing agent report recommending an award on bid number 105771 for pavement rehabilitation for the bureau of transportation engineering and development to brix paving company, a local firm, in the amount of \$684,650. The city identified three divisions of work for potential minority, women, and emerging small business participation at a total dollar amount of \$268,159. The result on this contract is 88.8% mwsb subcontractor participation. And I will turn this back over to council. If you have any further questions about the selection process.

Potter: Questions? Thank you. Is there a sign-up sheet.

Moore: I didn't set one out.

Potter: Ok. This is a motion. We need -- excuse me, we need a motion to accept the report.

Leonard: So moved.

Adams: Second.

Potter: Please call the vote.

Adams: Thanks for your work. Aye.

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

Potter: Aye. [gavel pounded] items 1223-28. Could you read them one at a time? They're second reading, vote only.

Item 1223.

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

Potter: Aye. [gavel pounded] please read item 1224.

Item 1224.

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

Potter: Aye. [gavel pounded] 1225.

Item 1225.

Leonard: I need to change my vote.

Adams: We brought him around.

Sten: I was for whatever reason going to vote for the financing because i'm not against financing the decision, and vote against the two agreements which are 1226 and 1227. I don't know if that's any more rational than voting against all four or not.

Leonard: I'd like to change my vote to no if that's --

Potter: It's on 1224?

Leonard: Yes.

Saltzman: You could --

Auerbach: I believe the rules allow him to change.

Sten: He's on the prevailing side.

Potter: The rules allow it? It's noted on 1224 nay for commissioner Leonard.

Leonard: Thank you. We're on 1225 now?

Item 1225.

Leonard: Thank you. I'll pay attention. Call the vote on 1225.

Adams: Aye. **Leonard:** No. **Saltzman:** Aye. **Sten:** Aye.

Potter: Aye. [gavel pounded] item 1226.

Item 1226.

Adams: Aye. **Leonard:** No. **Saltzman:** Aye. **Sten:** No.

Potter: Aye. [gavel pounded] item 1227.

Item 1227.

Adams: Aye. **Leonard:** No. **Saltzman:** Aye. **Sten:** No.

Potter: Aye. [gavel pounded]

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Item 1228.

Adams: Aye. **Leonard:** No. **Saltzman:** Aye. **Sten:** No.

Potter: Aye. [gavel pounded] call item 1229.

Item 1229.

Leonard: Eddie campbell from the bureau of -- from the bureau of water.

Eddie Campbell: Good morning mayor and commissioners. Contract amendment before you today is for the performance of an environmental impact statement for the city's proposed habitat conservation plan for the bull run water system. The e.i.s. will evaluate alternative -- under the federal endangered species act and clean water act for the bull run river. Last year council authorize the water bureau to proceed with the development of a habitat conservation plan to come into compliance and for the fish species that have been listed as pellettended in the bull run river and the entire sandy river basin. The e.i.s. is a required step in this process, the national environmental protection act specifies that this analysis must be conducted and that it must be conducted by an outside party. Unlike the h.c.p. work we brought to you last year, this work has to be performed externally. Accordingly the national marines fishery service, the lead agency directing the work of the consultant on the e.i.s., and in the spring there was a public scoping process to solicit public comment on the proposed e.i.s. and one thing I want to note for the council is as a result of the comments provided to them from the Portland utility review board the e.i.s. will include an alternative based on the purb session. D -- suggestion. We expect the e.i.s. to be completed and for a public draft of the document and the h.c.p. to be ready for public comment next fall.

Potter: Questions? Thank you. Do we have a sign-up sheet nwda I didn't have one, but scott fernandez would like to speak to this.

Potter: Come forward, scott. States your name for the record. You have three minutes.

Scott Fernandez: Thank you. Scott fernandez. You will -- I have two letters, two letters here for you on both sides. One is from the Portland utility review board that we submitted on july 11 of this year making our recommendations at the request of the water bureau and the other agencies to be as specific as possible. There are several different recommendation that's we made, but i'd like to focus on two of them this morning. The first one being number three, and i'm referring to the july 11 letter. We have concerns of a fish ladder being put in from the bull run river into the reservoirs because of the studies showing now that the carcasses of decaying and dying salmon after spawning do contain p.c.b.'s and those are viewed as carcinogenic contaminants. So we would recommend that no fish ladder be put in from the bull run river into the reservoirs. The second thing is the augmentation of the bull run reservoir water into the bull run river, currently there are between 20 and 30 million gallons a day of bull run reservoir water being put into the bull run river from july through september for three months. That amounts to several billion gallons of water. What we would recommend is that the water bureau consider using the groundwater wells that are already drilled up there, there are six of them to augment the water. This would provide between 10 or 15 million gallons a day of constant temperature water. On the backside of the second letter I have given the assessment that's I came up with on the costs savings. This would allow us to use -- keep in reserve more bull run water over the summer and with the augmentation of the groundwater and allow us to use less columbia south shore wellfield water. So this would give us a better water at a lower cost. And we could also resell that water that we're conserving to make several million dollars possibly if we used it for residents in the city of Portland. The -- you also need to know i've reviewed the engineering reports that were made for the groundwater assessment and the report summaries expressed the bull run groundwater meets or exceeds drinking standards for drinking water and chemical concentrations are not an issue if blended with other water such as the bull run. They go on to say this may alleviate funds for fish and provide a solution. This could be a win-win for everybody if we use the ground water. Ok.

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Potter: Thank you.

Leonard: Eddie, do you want to come up and offer your perspective?

Campbell: The city has a proposed set of measures, and that will be one of the scenarios that will be evaluated by the e.i.s. In the proposed set of measures from the city's side, the proposal for how to deal with temperature in the bull run river is through a multilevel intake which is -- enables us to use pooled cooled water from the bottom of the reservoirs and to release that into the bull run river, at key times when we need to manage the temperature and the flow of the river in fact will be one of the alternatives that will be evaluated as part of the e.i.s.

Leonard: Along with what scott's recommended?

Campbell: Correct there. Are three other alternatives that will be evaluated. One of which is called the no action approach, which would essentially be an attempt to look at what the impacts are of the city not making changes to its operations. The third option that would be looked at is one that would include looking at fish passage, and this is one we've known for a long time that the services are very interested in evaluating, it's not what we would propose to do, and we're in agreement with scott and the purb that at this point we don't see that as being something that makes sense for the city. But we are going to identify it as an alternative and have it evaluated by the services so we have the technical information to help support the basis of our recommendation.

Leonard: We've made it clear in our presentation that we don't support the fish ladder into the reservoir.

Campbell: Correct. A fourth option has been added based on the purb's recommendation of evaluating the use of bull run groundwater in the way that scott has described. Both for flow and for temperature management. And so that will be included in this e.i.s. and will have a technical analysis that will help us make a decision later on as to whether or not that's something we want to incorporate or not.

Potter: Further questions? Thank you, folks. Please call the vote.

Adams: Aye.

Leonard: This has been an area I just had -- it's not unfair to say a lot of fun learning about, with the folks in natural resource and bringing who's part of that group, who does the tours up at bull run. This has been a really fascinating, fun area. I appreciate scott's interest and work on this, along with a number of other advocates of our water system. Aye.

Saltzman: Aye.

Sten: This continues to be great work. Aye.

Potter: Aye. [gavel pounded] please read item 1230.

Item 1230.

Potter: Commissioner Saltzman.

Saltzman: This is simply a contract extension with Portland classical chinese garden as we negotiate an updated management agreement with them.

Potter: Did anybody sign up to testify?

Moore: No one signed up.

Potter: Call the vote.

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

Potter: Aye. [gavel pounded] please read item 1232.

Item 1232.

Potter: Auditor blackmer or staff here?

Adams: I fixed mine.

Leonard: Did you get a permit?

Adams: \$6,000 later.

Leonard: Did you get a permit?

Adams: I did.

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Potter: Will the silly putty hold? [laughter]

Adams: Time will tell. For \$6,000 --

Leonard: I'm going to do an investigation.

Leonard: I --

Adams: I did it by the book.

*******:** This time. [laughter]

Leonard: You need a raise. [laughter]

Adams: That was good.

Dan Broom: I'm with the bureau of maintenance.

Sharon Simrin: Sharon simmer, with the city auditor's office.

Broom: There are no remonstrances for this ordinance, so we would like to make a motion to move it to the second reading.

Simrin: We had two, but they're not in this. We pull them out before.

Potter: Ok. Any sign-up sheet? There was and no one signed up.

Potter: Any questions from the commissioners? This is a nonemergency, moves to a second reading.

Adams: Thanks for your good work.

Potter: Recess until 2:00 p.m. [gavel pounded]

At 11:50 a.m., Council recessed.

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SEPTEMBER 13, 2006 2:00 PM

Potter: Council will come to order. Karla please call the role.
[roll taken]

Potter: Please read the 2pm time certain, item 1233.

Item 1233.

Potter: Findings are in the process of being reviewed and advised by the bureau of development services and the city attorney's office. The hearing is continued to a time certain on October the 5th at 2:00 p.m. We are recessed until 2:00 p.m. tomorrow.

At 2:02 p.m., Council recessed.

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SEPTEMBER 14, 2006 2:00 PM

[roll taken]

Potter: Please read the 2:00 p.m. Time certain.

Item 1233.

Adams: Today if staff would step forward, i'll make a few just very few introductory remarks. The ordinance before you today increases the assessment amount for project costs in zone d on the marquam hill for the Portland arial tram local improvement district, and increases the estimated assessment amount for the auditor's costs, including financing for all these zones. This implements the prior council actions related to moving forward with the construction of the tram. And who's going to go first today?

Greg Jones: Greg jones with pdot. Just a quick reminder, this is the last item to fully fund the tram based upon last april's council resolution. Your vote yesterday and the previous week on the development agreement and the implementing i.g.a.'s put all of the other funding sources in place. This is the last item to fully fund the project. Andrew abby, our l.i.d. administrator is here with me to give you the details of the l.i.d., and we'll be very brief.

Andrew Aebi: Good afternoon, andrew abby, l.i.d. administrator. This ordinance increases the project costs for the tram, I should say the funding for the tram by \$6.1 million, all of which is allocated to zone d on marquam hill and increases the auditor's cost, including financing by \$772,000 for a total increase of \$6.82 million. This hearing is being held as required by city code when there's a major change to the cost of an l.i.d. Notices were sent to all of the property owners. We sent out over 300 notices for this hearing. We did not receive any remonstrances by the filing deadline of september 7. Although the project cost is being assigned solely to zone d on marquam hill, the increase in the auditor's cost, including financing, is spread proportionally among all the zone, based on each zone's share of the total project cost. The net result on assessments in south waterfront is quite small. The typical assessment in south waterfront increases by 1.7% as a result of the financing cost increasing on a price per square foot basis, typically an increase of 12 cents per square foot or less on property on south waterfront. I think you've had a pretty good overview on prior council actions on the increase in project costs. I just wanted to touch very briefly on the finance cost increase and just explain to council why that went up. We budgeted the project assuming we're going to start construction in the latter part of 2004. Construction of the tram got underway later than that. At the time we were budgeting for the tram project the federal funds rate, which most closely correlates with the city's borrowing cost, was 1%. As you probably know, the fed has been on a pretty steady string of rate increases since then at the federal funds rate is currently at 5.25%. So we've been dealing with the increase in borrowing costs for the city, obviously the project cost has gone up, although the duration of construction is tracking pretty closely to what our original estimates were. So just in conclusion, we have been conservative and budgeting the financing costs, and we have assumed two more rate increases by the federal reserve prior to completion of construction. If you have any questions i'll be happy to answer them.

Adams: Thank you. Just to put a fine point on this, this l.i.d. Increase will result in ohsu paying \$6.1 million more towards the construction of the tram.

Jones: That's correct.

Adams: Ok.

Aebi: With an additional proportional increase for the financing costs.

Adams: Thank you.

Potter: Further questions from the commissioners? Thank you. Anybody sign up to testify? Please call the roll. Excuse me. I think this is a nonemergency and moves to a second reading.

Aebi: I think we wanted the second reading delayed beyond next week.

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Potter: October 4, the second reading will be october 4. What time? 9:30 time certain? No? Ok. We're adjourned. [gavel pounded]

At 2:11 p.m., Council adjourned.