



CITY OF

PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 8TH DAY OF MAY, 1996 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Blumenauer, Hales, Kafoury and Lindberg, 5.

OFFICERS IN ATTENDANCE: Cay Kershner, Clerk of the Council; Harry Auerbach, Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

Agenda No. 714 was pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

701 Accept bid of Moore Excavation for Alder Basin relief and reconstruction phase II unit 1 for \$1,369,120 (Purchasing Report - Bid 118)

Disposition: Accepted; prepare contract.

702 Accept bid of Davis Landscape Nursery, Inc. for Glenhaven Park improvements for \$187,100 (Purchasing Report - Bid 147)

Disposition: Accepted; prepare contract.

703 Accept bid of Watson & Associates, Inc. and Jax International for furnishing annual supply of freestanding height-adjustable furniture for \$250,000 and \$240,000 respectively (Purchasing Report - Bid 149-A)

Disposition: Accepted; prepare contract.

704 Accept bid of 2KG Contractors, Inc. for Knott Park renovation for \$248,400 (Purchasing Report - Bid 151)

Disposition: Accepted; prepare contract.

705 Accept bid of Berning Construction for SW Dolph Avenue, 47th-48th Avenues, slope stability for \$63,620 (Purchasing Report - Bid 155)

Disposition: Accepted; prepare contract.

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706 Accept bid of Davis Landscape Nursery, Inc. for Oaks Bottom parking and trailhead improvements for \$46,500 (Purchasing Report - Bid 158)

Disposition: Accepted; prepare contract.

707 Accept bid of Pacific Utility for furnishing one tractor with rotary type brush cutter for \$90,660 (Purchasing Report - Bid 159)

Disposition: Accepted; prepare contract.

708 Accept bid of Western Power and Equipment for furnishing one 4-wheel drive tractor backhoe loader for \$62,879 (Purchasing Report - Bid 160)

Disposition: Accepted; prepare contract.

709 Accept bid of Pacific Utility for furnishing one 33,000 gvw cab and chassis with flatbed and hydraulic crane for \$123,290 (Purchasing Report - Bid 165)

Disposition: Accepted; prepare contract.

710 Accept bid of SRECO-FLEXIBLE for furnishing one 4-wheel drive tractor backhoe loader for \$110,667 (Purchasing Report - Bid 166)

Disposition: Accepted; prepare contract.

711 Accept bid of B L & B Contractors, Inc. for Insley Basin CSO sump unit 1 phase I storm sewer system for \$219,445 (Purchasing Report - Bid 168)

Disposition: Accepted; prepare contract.

712 Accept bid of K & R Plumbing Construction Co., Inc. for SE 40th Avenue sewer reconstruction for \$128,761 (Purchasing Report - Bid 172)

Disposition: Accepted; prepare contract.

713 Accept bid of Brundidge Construction, Inc. for St. Johns sewer extension No. 2 for \$177,219 (Purchasing Report - Bid 174)

Disposition: Accepted; prepare contract.

Mayor Vera Katz

***715** Authorize Limited Tax Revenue Bonds, 1996 Series A (Ordinance)

Disposition: Ordinance No. 170062. (Y-5)

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***716** Authorize Limited Tax Revenue Bonds, 1996 Series B (Ordinance)

Disposition: Ordinance No. 170063. (Y-5)

***717** Intergovernmental Agreement with Oregon State Police, Clackamas County Sheriff's Office, Multnomah County Sheriff's Office, Multnomah County District Attorney, Clackamas County District Attorney and the City of Portland for multi-agency auto theft enforcement (Ordinance)

Disposition: Ordinance No. 170064. (Y-5)

***718** Pay claim of Northwest Natural Gas Company (Ordinance)

Disposition: Ordinance No. 170065. (Y-5)

***719** Authorize payment to the Portland Development Commission in the amount of \$60,000 to continue to implement the Old Town Building Lighting Enhancement Program (Ordinance)

Disposition: Ordinance No. 170066. (Y-5)

***720** Authorize a contract and provide for payment for the Neighborhood Traffic Management Project at SE 16th Avenue and Stark Street, SE 18th Avenue and Stark Street; N Vancouver Avenue at Portland Blvd. construction (Ordinance)

Disposition: Ordinance No. 170067. (Y-5)

721 Approve the annual review of the Basic Emergency Services Plan (Resolution)

Disposition: Resolution No. 35516. (Y-5)

***722** Contract with High Temperature Linings for \$118,072 for installation of an advanced thermal lining system at the Fire Bureau's training center (Ordinance)

Disposition: Ordinance No. 170068. (Y-5)

***723** Contract with Advanced Traffic Products, Inc. for \$51,600 for 43 traffic control emitters (Ordinance)

Disposition: Ordinance No. 170069. (Y-5)

***724** Contract with Cedar Landscape, Inc. for material and labor to construct Grant Park improvements for \$319,342 and provide for payment (Ordinance)

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Disposition: Ordinance No. 170070. (Y-5)

- *725 Contract with Davis Landscape Nursery, Inc. for material and labor to construct Glenhaven Park improvements for \$187,100 and provide for payment (Ordinance)

Disposition: Ordinance No. 170071. (Y-5)

- *726 Agreement with the Community Cycling Center, Inc. for the Repair and Ride Program and provide for payment (Ordinance)

Disposition: Ordinance No. 170072. (Y-5)

- *727 Authorize Intergovernmental Agreement with West Linn for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 170073. (Y-5)

- *728 Authorize Agreement with Multnomah County Medical Examiners for access to the City's 800 MHz trunking radio system (Ordinance)

Disposition: Ordinance No. 170074. (Y-5)

- *729 Grant permit to provide Specially Attended Transportation services in the city (Ordinance)

Disposition: Ordinance No. 170075. (Y-5)

- *730 Grant revocable permit to the Portland Rose Festival Association to erect and maintain flags and banners on the ornamental light standards in downtown Portland from May 20 through June 23, 1996 (Ordinance)

Disposition: Ordinance No. 170076. (Y-5)

- *731 Grant revocable permit to the Portland Rose Festival Association to use Tom McCall Waterfront Park from May 20 through June 20, 1996, or as approved by the Portland Parks and Recreation Bureau (Ordinance)

Disposition: Ordinance No. 170077. (Y-5)

- *732 Grant revocable permit to the Portland Rose Festival Association to vend and sell Rose Festival items on downtown City sidewalks on June 1, June 5 and June 8, 1996 (Ordinance)

Disposition: Ordinance No. 170078. (Y-5)

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***733** Grant revocable permit to the Portland Rose Festival Association to hold the Starlight Parade in downtown Portland on June 1, 1996 (Ordinance)

Disposition: Ordinance No. 170079. (Y-5)

***734** Grant revocable permits to the Portland Rose Festival Association to hold the Junior Rose Festival Parade on June 5, 1996 (Ordinance)

Disposition: Ordinance No. 170080. (Y-5)

***735** Grant revocable permit to the Portland Rose Festival Association to close portions of city streets prior to the Grand Floral Parade from 5:00 a.m. to 12 noon on Saturday, June 8, 1996, and for a float display area after the parade from 2:00 p.m. Saturday through 9:00 p.m. Sunday, June 9, 1996 (Ordinance)

Disposition: Ordinance No. 170081. (Y-5)

***736** Grant revocable permits to the Portland Rose Festival Association to hold the Grand Floral Parade on June 8, 1996 (Ordinance)

Disposition: Ordinance No. 170082. (Y-5)

***737** Authorize a contract with the lowest responsible bidder for the Airport Way 1 and Cherry Park pump station PLC improvements and provide for payment (Ordinance)

Disposition: Ordinance No. 170083. (Y-5)

***738** Authorize a contract with the lowest responsible bidder for Ankeny wastewater pump station update (Ordinance)

Disposition: Ordinance No. 170084. (Y-5)

***739** Authorize a contract with the lowest responsible bidder for South Shore pump station rehabilitation for the Bureau of Environmental Services and provide for payment (Ordinance)

Disposition: Ordinance No. 170085. (Y-5)

***740** Authorize a contract and provide for payment for the SW Dolph, 48th-47th, stabilization project (Ordinance)

Disposition: Ordinance No. 170086. (Y-5)

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City Auditor Barbara Clark

***741** Cancel City liens on tax-foreclosed properties which Multnomah County has transferred to various agencies (Ordinance)

Disposition: Ordinance No. 170087. (Y-5)

***742** Enter into a surety agreement with Spieker Properties relating to the costs of the NE Jarrett Street Local Improvement District (Ordinance; C-9896)

Disposition: Ordinance No. 170088. (Y-5)

743 Contract with David F. Weich, Sr. for fire prevention and suppression services (Second Reading Agenda 668)

Disposition: Ordinance No. 170089. (Y-5)

REGULAR AGENDA

714 Accept bid of Copenhagen Utilities & Construction, Inc. for NW Thompson Road Local Improvement District for \$2,483,242 (Purchasing Report - Bid C-9912)

Disposition: Continued to May 15, 1996 at 9:30 a.m.

699 **TIME CERTAIN: 9:30 AM** - Support the continued development of the Pedestrian Master Plan to create a twenty-year vision for making Portland a world-class walkable city (Resolution introduced by Mayor Katz)

Discussion: Commissioner Blumenauer said this is round two of a series of transportation presentations. Last week Council adopted the Bicycle Master Plan and this week the focus is on the Pedestrian Master Plan. He said these plans reflect the fact that a livable city does not work unless people have access to amenities on foot. Pedestrian activity is at the core of the community policing strategy and is responsible for much of the economic revitalization of downtown.

Bill Hoffman, Manager of the Pedestrian Transportation Program, Office of Transportation, said this Plan establishes guidelines for designing and building pedestrian-friendly projects. It will define, neighborhood by neighborhood, the full extent of pedestrian deficiencies and recommend projects critical to completion of the system. It also provides a menu of options to pay for the improvements. The first two elements of the Plan are now complete and will be brought to Council for adoption next week as part of Phase I of the Transportation System Plan. The others elements

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will be completed in conjunction with Phase II and brought to Council in late 1997.

Ellen vanderSlice, Office of Transportation, showed slides to illustrate how the Plan can achieve the vision of making Portland a world-class walkable City. The Plan has five major elements; the first two, Pedestrian Transportation Policies and Street Classifications, have been completed. The major transportation policy calls for completion of a pedestrian network that increases opportunities for walking. She outlined objectives of this policy, which include promoting walking for short trips, promoting access to transit, improving the quality of the pedestrian environment, increasing pedestrian safety and developing educational programs to encourage walking. Street classifications will be used to determine policy for future improvements and priority guidelines for funding. Pedestrians have been part of the classification system since it was adopted in 1977 and the new changes strengthen the relationship between land-use, transit and the pedestrian classifications. These classifications include designated pedestrian districts, walkways that provide access to shopping and transit, local service walkways and off-street paths. She then described the three remaining elements of the Plan still in process. These include development of pedestrian design guidelines, with requirements for sidewalks, safe crossings and transit stop amenities. She said they are still working to refine a list of capital projects. As part of this work they conducted a complete inventory of sidewalks and curb ramps, block by block and found that the older, inner neighborhoods tend to have complete sidewalk networks while outer neighborhoods, many annexed from the County, are incomplete. Overall 58 percent of the City's street miles had continuous sidewalk on one or both sides of the street while 42 percent had no or discontinuous sidewalks. The draft project list was based on this survey and the results of an extensive public outreach effort. Currently they are involved in a project with the Oregon Department of Transportation, Metro and 1000 Friends of Oregon to develop walkability factors to help evaluate how each capital project will increase opportunities to walk. The final element is how to pay for the improvements. Historically, sidewalks have been paid for by adjacent property owners. Now general Transportation Office revenues are being directed to pedestrian projects like 122nd Avenue and SW Capitol Highway but there is a significant gap and staff is considering how to leverage capitol funding with other sources such as federal and regional grants, partnerships with property owners, local improvement districts, general obligation bonds and system development charges. Lack of sufficient rights-of-way and physical restraints plus the cost of storm drainage are some of the constraints they must deal with.

Mr. Hoffman said this Master Plan will help the City achieve a balanced transportation system by reducing reliance on the automobile, promoting the City's sustainable principles and enhancing livability. This Plan also

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keeps Portland on the cutting edge of national transportation planning efforts.

Rod Monroe, Metro Council, chair of JPACT, said this is a critical component of the Metro 2040 Plan. It is crucial to encourage walking for short trips and this Plan gives people more choices about how they move around and where they live.

Happy Fernandez, City Council member visiting from Philadelphia, said she came to Portland to see the results of the City's leadership in transportation. She noted the importance of renewing ISTEA in order to increase inter-modal transportation systems nationwide.

Bob Ueland, President, Hollywood Business Association, supported the Plan as the Association wants to make Hollywood a first class, walkable town center, as it identified in the 2040 Plan. He noted that 47th and Sandy was not included in the Plan as the eastern gateway because of some strict zoning applications and lack of a design overlay. He asked that some relaxation of the zoning be considered in order to achieve the longterm vision.

Debra Grannini, Chair, Pedestrian Program Citizens Advisory Committee, said adoption of the Plan is crucial to reducing reliance on the automobile.

Pamela Alegria, President, Willamette Pedestrian Coalition, said they support continued staff work in order to complete the project and develop the pedestrian design guidelines. She said with these guidelines the City will be able to modify its standards to provide better and safer facilities for pedestrians. The Coalition also asks that Office of Transportation staff and other bureaus that control activity in the right-of-way be directed to cooperate fully with the Pedestrian Program staff and to modify their standards and practices to allow for the best pedestrian environment possible.

Marian Drake, NE Portland resident and a member of Willamette Pedestrian Coalition, said efforts should be taken to educate drivers about the need to stop for pedestrians and to decrease rudeness. Pedestrian safety should be the first priority and the wait time should be increased to six seconds per lane with automatic red lights in all directions for traffic, giving pedestrians the complete right-of-way while all cars remain completely stopped. All pedestrian push buttons should gradually be eliminated in favor of a complete pedestrian signal sequence at each intersection. Noise is also of concern and better enforcement of muffler laws is needed, among other measures. Funding is already available in the State, if the motor vehicle tax designation can be changed.

Mayor Katz said she learned during the Budget hearings that the time

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allotted pedestrians for crossing major intersections is insufficient.

Helen Farrens, 3956 SW Condor, said sidewalks are needed if the City wants to encourage walking and get connectivity. She said she supports this plan but it should not depend on new development to build the sidewalks needed for connectivity. Some ISTEA fund must go to provide sidewalks on some major roadways where residents need protection. She said Barbur Blvd. by Duniway Park should receive a higher priority ranking as it is currently quite unsafe for pedestrians.

Keith Bartholomew, 1000 Friends of Oregon, said the importance of quality pedestrian-friendly environments cannot be overestimated. They estimate that by retrofitting pedestrian-hostile neighborhoods the amount of driving by residents there would be reduced by 10 percent per person. To arrive at that estimate, 1000 Friends surveyed the entire metropolitan area and classified each traffic analysis zone according to four basic attributes of pedestrian quality: 1) availability of a complete sidewalk network; 2) ease of street crossing; 3) street characteristics; and 4) topography. They found that the quality of the pedestrian environment explained a significant amount of the way people behaved. They then hypothesized that when improvements were made, the amount that people drive would likely be reduced by about 10 percent. He noted that building such a system is a lot less expensive than expanding the roadway system and lasts a lot longer, with little maintenance. He stressed that the pedestrian system is more than merely a transportation system. It is the vital link for building community as it allows people to make connections with their neighbors. He asked Council to make establishment of a high quality pedestrian environment in every Portland neighborhood one of the City's highest priorities and asked it to consider sequentially targeting neighborhoods for complete pedestrian improvements rather than spreading a very thin layer citywide. Finally, he called for full funding of the solutions.

Tom Cropper, PO Box 18025, 97218, said he is a frequent walker. He described his frustration about the unsafe pedestrian environment near Madison High School and the need to make improvements there.

Ken McFarling, 7417 SE 20th Ave., described hazards on the sidewalks and called for restrictions on commercial driveways across walkways. Property owners should also not be allowed to obstruct walkways that prevent access. In addition, proper drainage needs to be provided to prevent puddles from forming where people cross streets, making accessibility particularly difficult for people in wheelchairs.

Thia Bankey, CAC member, 424 SE 45th Ave., 97215, said sidewalks must be required in new developments to provide continuity to the system.

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Gordon Hunter, President, Metro Community Development, said this is a wonderful start but expressed concern about what happens to walkways after street vacations are approved. He said it is also important to have walkways that connect to schools in order to ensure that children are not forced to walk out on the streets.

Rod Merrick, CAC member, 33627 SE Cooper, 97202, praised Transportation's support for the committee and the pedestrian program. This Plan will extend livability to the outer sections of the City.

Commissioner Blumenauer said this Plan reflects a national movement to enhance the pedestrian environment, an area where the City is recognized as a national leader. The Pedestrian Plan is a crucial part of the transportation system and the cheapest way to make the City work better. He said it is appropriate for Council to adopt benchmarks with a five or ten year framework and include among them the percentage of school children walking to school. He thanked the committee and staff for their tireless efforts.

Commissioner Hales said this is an excellent piece of work. He recommended that the St. Johns Pedestrian District be extended to the River, given construction of the BES water quality lab and park there. Also, the Gateway District should be stretched out to 111th or 117th and Multnomah Village should be extended west of the post office. He said one philosophical defect shows up in several places. Both Bridgeton and Hayden Island are shown as future pedestrian districts, depending on either zoning or transit availability. The City should not wait until transit is provided to create a good pedestrian environment as it is a lot easier to provide the transit later on than the pedestrian infrastructure. He said Bridgeton has already been rezoned to mixed use/commercial and a lot of high density development is now underway, giving the City an opportunity to create a pedestrian district in very short order. He believes Hayden Island is already a pedestrian district, although it could be significantly enhanced. The point is that zoning should drive the designation of pedestrian districts more than the current availability of transit. People are now beginning to catch on the importance of pedestrian connections to transit and to businesses.

Commissioner Kafoury said she wishes the walkability of downtown could be improved.

Commissioner Lindberg said this is one of the most effective strategies available for reducing Vehicle Miles Traveled. He is glad to see the emphasis on pedestrian safety and the focus on identifying the problem areas. Finally, he agrees with Mr. Barthlomew that getting people out of their cars and walking is one of the best things that can be done to build community.

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Mayor Katz said this is a critical part of the transportation system and will need more resources from the City. She noted that people walk in Northwest because there are no parking places so if cars continue to be accommodated, that could be lost. Because resources are limited, certain areas will need to be targeted and she would like to see the City work harder to link land use, housing and jobs.

Disposition: Resolution No. 35517. (Y-5)

700

TIME CERTAIN: 10:30 AM - Presentation on stormwater drainage issues (Report introduced by Mayor Katz)

Discussion: Dave Gooley, Bureau of Environmental Services (BES), said three issues concerning drainage need resolution. First, BES recommends that the discount program for commercial/industrial customers be discontinued and, second, that alternate means of charging for stormwater services be adopted. Third, there is the issue of credits for the onetime stormwater development charge imposed on new developments, one they are currently discussing with the Public Utilities Review Board (PURB).

Jim Hageman, BES economist, said PURB voted to support the recommendation for discontinuation of the discount program for commercial customers at its May 1 meeting. They agreed with staff findings that the drainage reduces the customer base, pushing up the average rate for impervious area. They also agree that on-site retention and detention by individual customers does not significantly reduce systems operations and maintenance costs.

Paulette Rossi, PURB member, said a PURB ad hoc committee reviewed the drainage discount issues prior to review by the full Board. They learned that the industrial/commercial discount program eroded the customer base causing inequities because of added costs to those who did not receive the discount. In addition, system operation and maintenance costs are not lowered when runoff is reduced. BES staff found that, unlike residential customers, no commercial/industrial discount recipients had installed mitigation measures just to receive the savings. Because new commercial/industrial facilities are required to handle stormwater onsite, PURB members believe the discount is rewarding customers for something they are regulated to do anyway. PURB recommends discontinuation of the discount program and restoration of the full fees on January 1, 1997, giving commercial/industrial customers the benefit of the discount for another six months. A claims process is being set up in case any customer comes forward and is found to have specifically installed on-site mitigation. PURB also recommends continued study of an equitable rate-making method that would reflect the pollutant load and address the quality of water that drains off a particular land use. For instance, the

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impervious area of a warehouse roof does not carry the pollutant load of a commercial parking lot.

Mr. Hageman said the Bureau is not currently recommending any changes in the calculation method for stormwater drainage charges in this year's rate study. They continue to examine alternative ratemaking practices but do not have a concrete alternative to propose now. As part of their study they have asked a consultant, Black & Vetch, to review rate-setting practices nationwide.

Jake Bloomhower, Western Regional Manager, Black & Vetch, summarized the results of their latest survey of stormwater utilities, noting that 55 of the 96 utilities based fees on the amount of impervious area, basing them on quantity rather than quality. Fifteen use gross property area as the basis, while 19 use a combination of both. The majority (75 percent) use class average to determine charges for residential customers but use individual measurement to determine charges for non-residential properties. They also found a majority provide some credit (discount) for stormwater service to commercial/industrial customers. Court challenges on their fees were filed against 15 of the 96 utilities but none were challenged because of the credits. Challenges were based on the premise that the fee was an illegal tax, pointing up the importance of connecting fees to services rendered. They reviewed 46 utilities to see if changes had been made in the cost-of-service analysis and found that 35 had made none. Those that had, typically did so to recognize impervious area as a basis for making stormwater charges.

Mr. Gooley said BES has developed a recommendation to offer a credit for the onetime systems development charge for stormwater and is discussing that with PURB on that now.

Ernie Munch, 111 SW Oak, 97204, architect representing Portland Habilitation Center, said they are appealing the stormwater development charge on a project at 148th and Marine Drive, served by the Multnomah County Drainage District No. 1, because the fee is going to the City, not the drainage district, which is doing a very good job of keeping the site dry. He said right now the fee is assessed on the amount of new impervious surface area added to the site, regardless of whether any stormwater goes into the City's system or not. He said they believe the money rightfully should go to the drainage district to enable it to keep up with the impervious surfaces being added in an area identified by the City as a center for job growth. He said splitting the charge 55 percent for the impervious surface area and 45 percent for off-site improvements is flawed as measurement is based on the amount of surface area onsite and there is no way of measuring impact on the right-of-way. The 55 percent for impervious services is well-documented but the other is not. He said the City should offer a credit based on the amount of new impervious area

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that drains into the City's system. If nothing drains into it, you should be given 100 percent credit, basically charging only for the amount of impervious areas draining into the City system. He said the right-of-way also needs attention and funding, noting that the Office of Transportation is currently looking at a right-of-way systems development charge. They believe a single systems development charge from both Transportation and BES would be appropriate.

John Murphy, President, Portland Habilitation Center, said as infrastructure issues become more complex, new incentives are needed to produce more integrated systems that cause less demand and less trouble.

Commissioner Lindberg said he personally supports some type of incentive credit and hopes the PURB will bring its recommendations to Council.

Commissioner Hales said BES should involve the City Attorney as Oregon has a pretty specific systems development law that needs to be recognized.

Disposition: Placed on File.

Mayor Vera Katz

Communications

751 Request of John Miller to address Council on an issue facing East County residents (Previous Agenda 695)

Discussion: John Miller, 2120 NE 136th, 97230, said the Parkrose Community Group leaders are not responding to the needs of residents and as a result a new neighborhood association is being formed. The East Portland Coalition refused to address his question about when the next meeting will be held and has refused to acknowledge the issue involving infill of the East County recycling pit.

Commissioner Hales said he would like to see that area redeveloped but was told that Multnomah County was responsible and the City does not have the power legally to do what Mr. Miller has requested.

Mr. Miller protested that the City made promises that are not being kept.

Mayor Katz recommended that he work with the Commissioner-in-Charge of the Office of Neighborhood Associations about the Parkrose situation.

Disposition: Placed on File.

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***744** Acceptance of grant from the Oregon Department of Transportation and the Oregon Department of Land Conservation and Development for \$68,142 of which the City portion is \$21,942 for the West Portland Town Center Study (Ordinance)

Disposition: Ordinance No. 170090. (Y-4)

***745** Authorize application to Federal Mediation and Conciliation Service for Labor-Management Cooperation Program grant in the amount of \$100,000 (Ordinance)

Disposition: Ordinance No. 170091. (Y-4)

***746** Contract with Sellwood-Moreland Improvement League, Inc., aka SMILE, for \$55,000 to provide improvements to the Oaks Pioneer Church at Oaks Pioneer Park and provide for payment (Previous Agenda 689)

Disposition: Ordinance No. 170092. (Y-4)

***747** Agreement with the Association for Portland Progress to manage the City-owned Smart Park garages (Previous Agenda 690)

Disposition: Ordinance No. 170093. (Y-4)

***748** Contract with CH2M Hill to provide technical and environmental oversight services for design and construction of the CSO Columbia Slough projects and provide for payment (Previous Agenda 691)

Disposition: Ordinance No. 170094. (Y-4)

***749** Contract with Montgomery Watson Americas to provide engineering services for the Columbia Boulevard wet weather treatment facility outfall and provide for payment (Previous Agenda 692)

Disposition: Ordinance No. 170095. (Y-4)

***750** Accept a grant from Multnomah County in the amount of \$42,000 for FY 95-96 for operation of a work readiness, mentoring, tutoring program for children in the Columbia Villa/Tamarack Neighborhood (Previous Agenda 694)

Disposition: Ordinance No. 170096. (Y-4)

At 11:32 p.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 8TH DAY OF MAY, 1996 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Blumenauer, Hales, Kafoury and Lindberg, 5.

OFFICERS IN ATTENDANCE: Cay Kershner, Clerk of the Council; Michael Holstun, Senior Deputy City Attorney; and Officer Chuck Bolliger, Sergeant at Arms.

752 TIME CERTAIN: 2:00 PM - Presentation on the Combined Sewer Overflow Implementation Plan (Report introduced by Mayor Katz)

Discussion: Commissioner Lindberg said all involved in this plan want to make certain the Combined Sewer Overflow (CSO) program is managed in the most cost effective way and delivers the water quality results desired. He said this issue, of all in his portfolio, is the one that most requires full Council involvement and the need for ongoing briefings. He noted that many of the 1,100 other communities faced with the same challenge about combined sewer overflows have found ways to cut the cost by several million dollars. The Bureau of Environmental Services (BES) has done a good job of approaching the problem but the full involvement of Council is also needed because so much is at stake and it is hard to pull back once headed in one direction. Commissioner Lindberg reminded Council that clean rivers are the citizens' top priority for environmental improvements. BES is also limited in what it can do by State laws and regulatory agencies and must work closely with them. He said currently CSOs are occurring about 100 times a year, with six billion gallons of mixed sewage going into the rivers each year. Most people are totally against any waste going into them at all but support for the program is contingent on having a well-managed and cost-effective project. The City has an agreement that by the end of year 2000 there will be only one overflow every five winters and one per decade in the summer for the Columbia Slough and no more than three to four overflows per winter and one every three summers by the end of 2011 for the Willamette River. He noted that projects on the Slough are well underway but there is still time to reexamine the program and strategies for the Willamette River. He noted that a workshop among similarly-affected entities was held recently that generated a lot of ideas and PURB has decided to spend more time studying the ratepayer impact.

(Commissioner Blumenauer left at 2:10 p.m.)

Dean Marriott, Director, BES, gave an overview of the project and brought Council up to date on the current status. He said the Bureau has many other ongoing projects, including five CSO programs. He noted that right now six billion gallons of raw sewage is deposited into the Willamette each

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year and the basic objective is to remove over 95 percent of that, which should end the bacterial and aesthetic violations of water quality standards and lead to fishable, swimmable waters. To date, one billion of the six billion gallons have been removed and the City is on schedule.

(Mayor Katz announced that longtime prominent business and civic leader Bill Naito had passed away and Council observed a moment of silence in his honor.)

Mr. Marriott said program strategies include removal of as much stormwater as possible through the Cornerstone Projects, which they hope will remove three billion gallons of stormwater, solving half of the problem for about 25 percent of the cost. The other strategy involves collection and treatment through conduits, pump stations, treatment facilities and new outfalls. These are more expensive. He reviewed the design and construction schedules for the three legs of the project -- the Cornerstone Projects, the Slough Watershed and the Willamette Basin.

Mayor Katz asked if the Columbia Slough will be clean by 2000.

Mr. Marriott said the CSO contribution will have been eliminated by then. Other contributors to pollution there, such as contaminated sediments and groundwater, may take up to 15 years to eliminate.

Commissioner Lindberg said the water will not be crystal clear even then.

Mr. Marriott noted that the agreement with the State called for action on the Slough first, rather than the Willamette, and explained the status of the Slough program. They are now at the predesign stage for the Willamette Basin. He said downspout disconnections are going on both in the Columbia Slough and Willamette basins and sewer separation projects are underway now in the St. Johns and Sellwood areas.

Commissioner Lindberg asked him to estimate the number of downspout disconnections and sumps.

John Lang, BES, said they estimate the downspout disconnections will range between 20,000 to 40,000 as they have found a number of people have already disconnected their roof drains.

Mayor Katz asked if the benchmark is between 20,000 and 40,000 where is the City now.

Mr. Lang said they are at about 1,000 now and hope to do 5,000 this summer.

Commissioner Lindberg said people from other cities attending the

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workshop were very impressed that half the water can be kept out of the system by doing such low-tech projects.

Mr. Marriott continued his update on the status of the Columbia Slough projects and the design plans for the Willamette, which need to be finalized by the end of 2001.

Mayor Katz asked if a change of course will be considered at some point.

Mr. Marriott said that will come up in the 18-month predesign phase they are about to enter. He recalled the decision to have joint management of the program between BES staff and a consultant, Sverdrup Civil. For projects where the design and planning have been completed, they project \$55 million in reduced costs and have taken out 1 billion gallons of the problem to date. Also significant has been their success in increasing the percentage of professional services contracts (36 percent) going to minority, female and emerging small businesses.

Mr. Marriott introduced members of the Program Advisory Review Team (PART).

Dick Sandaas, PART member and former Seattle Metro Director now employed by CH2M Hill, said the City is off to a good start here, maintaining a schedule without going over the budget. The issue of minority/female and emerging small business contracting has also been handled very well, as has the community involvement effort. As the program moves into the construction phase, however, it will become much more visible and the impacts to the community will need to be managed well, especially as rates continue to increase. Maintaining a consensus will be a very significant task and it is important to keep the information flowing.

Commissioner Lindberg asked him if, based on his experience in Seattle, he saw other potential savings as the City moves into the Willamette predesign phase.

Mr. Sandaas said the recent workshop was very helpful in finding out what other cities are doing to save money and recommended that others be held along the way. He said when Seattle Metro did its project, the Metro rate component essentially doubled in the ten-year period from 1983 to 1993/94. A significant amount of cash flow will be needed at some point, requiring new bonds and sending up the rates.

Mr. Marriott noted that BES is now into the second of its five year contract with Sverdrup Civil. He said the transition calls for reliance on Sverdrup to decline as City staff takes on more of the work.

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Susan Keil, BES, described the contracting process in place to determine when to use City employees and when to use outside consultants. The focus is on professional service (PTEs) contracts as the Bureau does not do construction contracts. Factors considered include determining: 1) resource requirements needed to accomplish the bureau work plans; 2) whether work should be done by staff or outsourced; and 3) whether maximum value is received for contracted dollars expended. The first issue is being addressed through improved project and budget controls as well as a human resource inventory and plan. She described the six criteria used to review work to see if it should be done inside or outside. To deal with the third issue, receiving maximum value for contracted dollars, policies and procedures in the new contract management process will ensure that contracts are written with enough detail so it is clearly understood what work is to be done, who is responsible for what and what the work outcomes will be. The management process goes from the budget all the way through a performance evaluation of the contract. BES has shored up things that were being done informally before and put them into a rigorous format.

Mayor Katz asked who enforced the professional and technical contracts to ensure that what is said really happens with regard to minority, women and emerging small business owners.

Ms. Keil described what steps BES has taken to provide oversight and checkpoints in this area.

Mayor Katz said she is more nervous about the construction contracts.

David Hassin, Bureau of Financial Planning, said he served on the internal committee charged with developing new contract policies and processes. He stressed the need for the bureau to provide competent training for staff in contract negotiations. He said BES is moving well along the road in determining the appropriate level of contracting even though some things remain to be done. One is training bureau staff in the processes themselves and another is determining appropriate contract contingency amounts.

Commissioner Lindberg asked the Office of Finance and Administration to offer recommendations regarding contingency policies, for other bureaus as well as BES. He also asked for continued analysis of the longterm mix between the use of inside and outside staff.

Mayor Katz said OFA has also been asked to review the larger contracts to see if there is overlap with other parts of the organization so that the City does not keep plugging in dollars for work already done within the bureaus.

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Mr. Lang described what is next for the Willamette River project. Expansion of the Cornerstone projects is planned first, followed by the building of some large conduits and treatment plants to deal with what remains. By the end of 2001, BES has to have the plans and construction documents completed for controls on half the remaining 30 or more outfall points on the Willamette. Those plans will take about four years of hard engineering work. That means the City has about two years to make some very critical decisions about how big the pipelines and treatment plants should be and where they will be located. Because they are so cost effective, BES want to see how much the Cornerstone Projects can be expanded in the Willamette Basin. They expect Brown and Caldwell in its analysis of the collection system to identify those pipelines that are too small to carry all the flow or need to be replaced. They will then look to see if, in those situations, they can replace those pipes with something bigger which can store water and keep it from overflowing into the River. That in turn could reduce the size of the treatment plant downstream. They also hope to find areas where retention basins can be created for stormwater runoff, perhaps taking out toxic materials as well. BES also wants to optimize the existing system to see where additional capacity may exist in pipelines or pump stations and move waste now going into the Willamette up towards the Columbia Boulevard plant. They will look very carefully at how to treat the waste discharged into the Willamette using disinfection techniques other than chlorine, which releases toxic chlorine compounds, even after treatment. The hard engineering studies they are undertaking will end up refining the size, location and type of improvements needed in the Willamette Basin to take care of the overflow. He noted that the Governor is creating a Willamette Basin Management Task Force which should result in identifying how the entire stretch of the Willamette, from the Columbia to Eugene, ought to be managed. The City needs to make sure that its CSO work is in concert with whatever comes out of that study and look very hard at what the CSO discharges are causing in terms of water quality and use of the Willamette. Beyond the hard engineering studies, both policy makers and ratepayers need to be comfortable about the way the City is solving the CSO problem, how much it is paying to do so and where the money is coming from. A task force of stakeholders concerned about the Willamette will help with this review and help revise the solutions if necessary. He asked Council for input.

Commissioner Lindberg said when one says hard engineering studies it conjures up building things. However, these studies are undertaken to figure out the most cost effective way to meet the objectives and may not actually involve building anything. When one has \$350 million on the line, studies and evaluations need to be done to identify possible savings and it is better to spend \$100,000 studying something if \$50 million can be saved as a result. He said although the Governor is appointing a Commission, he does not believe the State is planning to conduct a

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complete Watershed Management Plan for the Willamette Basin and Council should not get its hopes up.

Mayor Katz agreed.

Commissioner Hales said he assumes BES can provide a list now of what portion of the work is going to be consulted out and what is going to be done internally, along with a time line so that Council can see the scope of the work.

Mr. Marriott said yes, it can.

Commissioner Hales said BES has been providing him with specific justification as contracts come up as to why the work needs to be contracted out but it ought to be able to do that now rather than waiting until the contract is on the Council calendar.

Mr. Lang said they can probably provide that information months in advance.

Mayor Katz said a humongous amount of money should not be spent only to find out the job has not been done because of other activity upstream. There are some things beyond the City's control.

Mr. Marriott said they are currently working on basin management strategies that are designed to find out the impact of the CSOs on designated uses, how much comes across the City's border and how much comes from stormwater. He noted that some workshop participants from other localities indicated they found a larger impact from stormwater runoff than anticipated and a smaller one from CSO.

Mayor Katz asked if some of that work had been done before.

Mr. Marriott said BES has done some of it but the basis for the agreement with the State was an assumption that if 94 percent of the overflow is eliminated the problem will be solved. Cities around the country are now saying let's make sure we know the impact on the receiving water and people's expected uses of the water before spending all this money.

Mayor Katz asked if they would have that information in time to modify the agreement with the Environmental Quality Commission (EQC).

Commissioner Lindberg said yes. He plans to brief them on the workshop and let them know exactly what the City is about here.

Commissioner Kafoury said the issue of upstream pollutants was always part of the equation, as shown in the City's findings that this could be a

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major contributor to the problem. The City was always measuring its contribution to the pollution, not the total amount.

Commissioner Lindberg said all cities on the Willamette have had these same requirements placed on them and EQC policy remains the same.

Mr. Lang said two critical objectives are to do the CSO work for the Willamette as cost effectively as possible and at the same time honor the commitment not to back off on the resulting water quality benefits the City will get. There is a lot of new knowledge on how to handle CSO problems so it is a good time to look again about how to proceed with the Willamette.

Paulette Rossi, PURB member, said her ad hoc committee will take its work plan to the whole PURB for input before it begins studying any one area. They will review the 1993 Clean River Task Force document to see if the recommendations are still relevant.

Disposition: Placed on File.

Mayor Katz noted that this was the Council's last meeting in City Hall prior to its closure for renovation. She asked members of the Paragon Cable camera crew to comment.

At 3:35 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner
By Cay Kershner
Clerk of the Council