



CITY OF
PORTLAND, OREGON

OFFICIAL
MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 26TH DAY OF JUNE, 1996 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Hales, Kafoury and Lindberg, 4.

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

On a Y-4 roll call, the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

- 1077** Accept bid of Rose Heating Co., Inc. to furnish and install one HVAC system for \$53,375 (Purchasing Report - Informal Bid)
- Disposition:** Accepted; prepare contract.
- 1078** Accept bid of J. P. Contractors for East Delta sports complex construction for \$2,332,000 (Purchasing Report - Bid 145)
- Disposition:** Accepted; prepare contract.
- 1079** Accept bid of Brundidge Construction, Inc. for SE Harney Street Phase I waterline installation for \$169,651 (Purchasing Report - Bid 192)
- Disposition:** Accepted; prepare contract.
- 1080** Accept bid of Markman, Inc. for an exhaust extraction system for \$102,844 (Purchasing Report - Bid 193)
- Disposition:** Accepted; prepare contract.
- 1081** Accept bid of Balzer Equipment Company for one portable screen plant for the Bureau of Maintenance for \$89,300 (Purchasing Report - Bid 194)
- Disposition:** Accepted; prepare contract.

JUNE 26, 1996

1082 Accept bid of Pneumatic Construction, Inc. dba PCI Mechanical Construction for Columbia Boulevard Wastewater Treatment Plant primary clarifier renovation phase II for the Bureau of Environmental Services for \$556,690 (Purchasing Report - Bid 197)

Disposition: Accepted; prepare contract.

1083 Accept bid of Brant Construction, Inc. for Oregon Park improvements for \$139,000 (Purchasing Report - Bid 203)

Disposition: Accepted; prepare contract.

1084 Accept bid of G. R. Morgan Construction for Custer Park site development and water quality improvement project for \$177,848 (Purchasing Report - Bid 206)

Disposition: Accepted; prepare contract.

1085 Accept bid of Morton International to furnish supply of lead-free traffic paint for \$129,500 annually for two years (Purchasing Report - Bid 207-A)

Disposition: Accepted; prepare contract.

1086 Accept bid of Moore Excavation, Inc. for NE Jarrett Street/NE 138th Avenue Local Improvement for \$494,998 (Purchasing Report - Bid C-9896)

Disposition: Accepted; prepare contract.

Mayor Vera Katz

***1087** Authorize the issuance of sewer system revenue bonds (Ordinance)

Disposition: Ordinance No. 170292. (Y-4)

***1088** Authorize agreement with Associated Administrators, Inc. for provision of flexible spending account administration (Ordinance)

Disposition: Ordinance No. 170293. (Y-4)

***1089** Extend contract with Ethix Pacific for the FY 1996-97 plan year (Ordinance; amend Contract No. 50099)

Disposition: Ordinance No. 170294. (Y-4)

***1090** Extend contract with Managed HealthCare Northwest for the FY 1996-97 plan year (Ordinance; amend Contract No. 50101)

Disposition: Ordinance No. 170295. (Y-4)

JUNE 26, 1996

- *1091** Extend contract with American Chiropractic Network for the FY 1996-97 plan year (Ordinance; amend Contract No. 50111)
Disposition: Ordinance No. 170296. (Y-4)
- *1092** Extend contract with Revco D.S., Inc. for the FY 1996-97 plan year (Ordinance; amend Contract No. 50339)
Disposition: Ordinance No. 170297. (Y-4)
- *1093** Extend contract with Network Behavioral Healthcare dba CAPE Counseling Services for the FY 1996-97 plan year (Ordinance; amend Contract No. 50371)
Disposition: Ordinance No. 170298. (Y-4)
- *1094** Create one Bureau Administrative Manager/Information Systems specialty position in the Office of Finance & Administration in accordance with the Personnel Rules adopted by the City Council (Ordinance)
Disposition: Ordinance No. 170299. (Y-4)
- *1095** Authorize contract with Portland Habilitation Center, Inc. to provide in-house paper recycling at no cost to the City for three years (Ordinance)
Disposition: Ordinance No. 170300. (Y-4)

Commissioner Charlie Hales

- 1096** Accept contract with Hydro Temp Mechanical, Inc. for Matt Dishman pool HVAC modifications as complete, authorize final payment of \$5,035 and release retainage of \$8,480, for a total of \$13,515 (Report; Contract No. 30004)
Disposition: Accepted.
- 1097** Declare the purpose and intention of the City to construct street and storm sewer improvements in the SE 81st Avenue/SE Claybourne Street HCD Local Improvement District (Resolution; C-9897)
Disposition: Resolution No. 35530. (Y-4)
- 1098** Declare the purpose and intention of the City to construct street and storm sewer improvements in the SE Ankeny from 119th Avenue to 122nd Avenue HCD Local Improvement District (Resolution; C-9907)
Disposition: Resolution No. 35531. (Y-4)

JUNE 26, 1996

- *1099** Contract with Balzer Pacific Equipment Company for one portable screen plant and provide for payment (Ordinance)
Disposition: Ordinance No. 170301. (Y-4)
- *1100** Contract with J. P. Contractors, Inc. for construction of the East Delta Park sports complex for a total of \$2,332,000 and provide for payment (Ordinance)
Disposition: Ordinance No. 170302. (Y-4)
- *1101** Grant revocable permit to Hoyt Arboretum Friends Foundation to construct improvements to the Hoyt Arboretum Visitors Center in Washington Park (Ordinance)
Disposition: Ordinance No. 170303. (Y-4)
- *1102** Contract with Brant Construction, Inc. for the sum of \$139,000 to provide construction services at Oregon Park and provide for payment (Ordinance)
Disposition: Ordinance No. 170304. (Y-4)
- *1103** Lease certain space in Multnomah Center to nine tenant groups from July 1, 1996 through June 30, 1997 (Ordinance)
Disposition: Ordinance No. 170305. (Y-4)

Commissioner Gretchen Miller Kafoury

- *1104** Contract with Markman, Inc. for \$102,844 for vehicle exhaust extraction systems for four fire stations (Ordinance)
Disposition: Ordinance No. 170306. (Y-4)
- *1105** Contract with Portland Development Commission for \$24,000 for development activities at Kennedy School and provide for payment (Ordinance.)
Disposition: Ordinance No. 170307. (Y-4)
- *1106** Agreement with Portland State University's Portland Educational Network for \$33,693 and provide for payment (Ordinance)
Disposition: Ordinance No. 170308. (Y-4)

Commissioner Mike Lindberg

- 1107** Accept completion of the Farr pump station and authorize final payment to Boyington Construction Company (Report; Contract No. 29807)

JUNE 26, 1996

Disposition: Accepted.

- 1108** Accept completion of the NE Imperial and NE Laurelhurst sewer reconstruction and authorize final payment to Moore Excavation, Inc. (Report; Contract No. 30486)

Disposition: Accepted.

- *1109** Approve Intergovernmental Agreement with the East Multnomah Soil and Water Conservation District to administer monies for the Johnson Creek Watershed Council, hire a Johnson Creek Watershed Council coordinator and carry out watershed stewardship, restoration and education projects (Ordinance)

Disposition: Ordinance No. 170309. (Y-4)

- *1110** Approve Intergovernmental Agreement with the East Multnomah Soil and Water Conservation District to administer monies for Columbia Slough Watershed Council and to hire a Columbia Slough Watershed Council coordinator (Ordinance)

Disposition: Ordinance No. 170310. (Y-4)

- *1111** Authorize execution of a Real Property Purchase and Sale Agreement by the Commissioner of Public Utilities and provide for payments (Ordinance)

Disposition: Ordinance No. 170311. (Y-4)

- *1112** Authorize establishment of a real estate escrow account by the Commissioner of Public Utilities and provide for payments (Ordinance)

Disposition: Ordinance No. 170312. (Y-4)

- *1113** Increase contract with Maxim Technologies, Inc. to provide additional professional laboratory services (Ordinance; amend Contract No. 29079)

Disposition: Ordinance No. 170313. (Y-4)

- *1114** Designate a sewer easement for the Sacajawea sanitary sewer project within Sacajawea Park and provide for payment (Ordinance)

Disposition: Ordinance No. 170314. (Y-4)

- *1115** Authorize and accept an agreement to purchase property from Margarete L. Wilhelm for the Water Bureau's "Interstate Avenue" facilities, provide for payment and authorize acceptance of a deed (Ordinance)

JUNE 26, 1996

Disposition: Ordinance No. 170315. (Y-4)

City Auditor Barbara Clark

- *1116** Extend to September 30, 1996 a temporary loan from the General Fund Reserve Account to the Local Improvement District Construction Fund in an amount not to exceed \$3,260,000 (Ordinance)

Disposition: Ordinance No. 170316. (Y-4)

REGULAR AGENDA

- 1074** **TIME CERTAIN: 9:30 AM** - Recognize Heron Lakes Golf Course greens crew for environmental excellence (Resolution introduced by Commissioner Hales)

Discussion: Commissioner Hales said the Heron Lakes Golf Course has been recognized by the Audubon Society for its stewardship of a public golf course in an environmentally responsible way.

Jesse Goodling, Supervisor, Heron Lakes Golf Course, described the steps the greens crew has taken to protect the habitat and water quality. Regarding pesticides, they have established threshold levels for pest toleration and apply pesticides at curative, not preventive, rates.

Commissioner Hales said their hope of having a golf course that is both an environmental asset and a great course has been realized. He noted it is ranked as one of the top 75 public golf courses in the country.

Disposition: Resolution No. 35532. (Y-4)

- *1075** **TIME CERTAIN: 9:45 AM** - Authorize agreement with the Portland/Oregon Visitors Association for expenditure of the one percent hotel/motel tax, waive provisions of City Code Chapter 5.68 and provide for payment (Ordinance introduced by Mayor Katz)

Discussion: Andrew Haruyama, Director, Office of International Relations, said last year Council renewed the agreement with the Portland/Oregon Visitors Association (POVA) for one year and directed that a determination be made as to the appropriate performance measures and the appropriate level for funding minority conventions and tourism marketing. An advisory committee reviewed industry data and interviewed community members. It now proposes that the performance measures meet a number of City goals, including maximization of the return to the local economy of public expenditures for tourism and convention marketing and that the benefits go to all members of the industry, including women and minorities. They also call for improving customer satisfaction with the delivery of government-supported programs. Regarding ethnic minority tourism and convention marketing,

JUNE 26, 1996

POVA has entered into an agreement with Oregon Convention Visitor Services Network (OCVSN) to jointly promote the ethnic minority marketing effort. The committee also recommended that POVA take a greater leadership role in the community on such matters as cultural tourism and tying into the larger metropolitan region.

Roger Qualman, President, POVA, said he views POVA's role as not simply a functionary one and hopes, with this agreement, to reassert its role as a leader in the visitors industry.

Joe D'Alessandro, Executive Director, POVA, said a recent survey indicates visitors spent \$1.6 billion in the Portland/Metropolitan area last year, a 9.2 percent increase over the prior year, far higher than the national average of 3.2 percent. He said the performance measures in this agreement are realistic and achievable.

Roy Jay, President, OCVSN, said Portland had several fairly sizable minority conventions last year and a lot more are on the way. He said he is very pleased with the new inclusive POVA direction and satisfied with this starting point. However, with the burning of the church and the cross, they have a lot of work to do to market Portland.

Commissioner Lindberg said he is happy to see this issue resolved among the parties themselves. He thanked POVA and the lodging industry for stepping up to bat to promote cultural tourism and regional cooperation.

Mr. D'Alessandro said one result of the survey was that it makes sense to market Portland as a region.

Mayor Katz asked if that means that other jurisdictions will then put in the kind of money that Portland has.

Mr. D'Alessandro said that is their strategic plan.

Mayor Katz noted that the process was testy at first and raised a lot of painful questions but Mr. D'Alessandro's commitment gives them hope.

Commissioner Kafoury said she will vote yes, despite two concerns she hopes will be considered over the next three years. Her first is the fear that the City risks some liability by not requesting an RFP process, if not for POVA itself, at least for the minority contracting. She said "old boy" networks do not always mean "white old boys" and she believes that contracts of this magnitude need to reflect the stated values. Second, she believes this needs to be located within a City bureau and not tied to a political office. She volunteered the License Bureau as the responsible bureau because it already oversees special events.

JUNE 26, 1996

Mayor Katz said those are valid issues.

Disposition: Ordinance No. 170317. (Y-4)

S-*1076 TIME CERTAIN: 10:00 AM - Amend FY 1995-96 budget by transferring appropriation within City funds to prevent over-expenditures in controlled expenditure categories (Ordinance introduced by Mayor Katz)

Discussion: Commissioner Kafoury moved the Substitute. Commissioner Hales seconded and, hearing no objections, the Mayor so ordered. (Y-4)

Disposition: Substitute Ordinance No. 170318. (Y-4)

Commissioner Charlie Hales

1117 Consider vacating unused street remnants created by the design and engineering of the Rose Quarter at the request of Oregon Arena Corporation (Hearing; Report; C-9898)

Discussion: Bryant Enge, Debt Management, Office of Finance and Administration, said his office has not had a chance to see if this complies with the current agreement with the Arena Corporation. Since it calls for the City to lease some grounds in the future to the Arena Corporation they want to make sure the City still has a right to those parcels.

After inviting public testimony, but receiving none, Commissioner Hales noted that the public hearing was now closed.

Disposition: Continued to July 3, 1996 at 9:30 a.m.

***1118** Reclassify golf surcharges as regular greens fees included in gross revenues to the Golf Fund (Ordinance)

Discussion: Commissioner Hales said this sets City policy to state that the golf courses pay their own way first and then generate profit after that, rather than sequestering some portion of the surcharge and refunding it back through the General Fund.

Disposition: Ordinance No. 170319. (Y-4)

City Auditor Barbara Clark

1119 Assess benefitted property for the cost of street and storm sewer improvements of the SW Palatine Street from SW Boones Ferry Road to the west end Local Improvement District (Second Reading Agenda 1062; C-9831)

Disposition: Ordinance No. 170320. (Y-4)

JUNE 26, 1996

Communications

1120 Request of John Miller to address Council on issues of concern to the Parkrose Community Group neighborhood (Communication))

Discussion: John Miller, 2120 NE 136th Avenue, said the Parkrose Community group is not holding any meetings and its leaders are running it like a dictatorship, allowing no citizen participation. He criticized the Office of Neighborhood Associations for spending 80 percent of its \$3 million budget on job creation for bureaucrats without furnishing any service for taxpayers. He said it is time for the City to live up to its promise to fill the East County Recycling site. He said although Commissioner Hales wrote him that the City had made no such promise, he has documentation to back up that promise while Commissioner Hales does not. He said the East County Recycling permit with the Department of Environmental Quality (DEQ) is up for renewal in August and it is important to get the pit filled. He said he will research the question of whether the neighborhood could go to the DEQ regarding the permit.

Commissioner Hales said both the City Attorney and the Planning Director believe the City cannot enforce a condition that the pit be filled. He agreed that the Parkrose Community group is going through breakdown but said neighborhood associations are independent and not directly controlled by the City. He is wary about the City interfering but, if the democratic process is halted and no reasonable outcome looks possible, the City may need to step in and decertify the present organization, something it did in the case of Portsmouth.

Disposition: Placed on File.

Following consideration of the Regular Agenda, Tom O'Dea and Leonard Harlow, representing the District Council of Trade Unions and Local 189, requested Council's intervention at the bargaining table, based on their belief that the City's bargaining team wants to exact too many rule concessions from them, placing the entire blame on labor for antiquated processes.

Mayor Katz said Council is aware of these issues as they have been raised in Executive Sessions. She said Council needs clarification because of the conflicting messages it is receiving.

At 10:15 a.m., Council recessed.

JUNE 26, 1996

A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 26TH DAY OF JUNE, 1996 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Hales and Kafoury, 3.

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

- 1123** Liquor license application for Tony and Maria Kassapakis, dba Tony's Tavern, 1955 West Burnside, retail malt beverage liquor license (renewal); unfavorable recommendation (Report)

Discussion: Mayor Katz, noting that Commissioner Lindberg would like to be present when this matter is before Council, continued the matter one week.

Disposition: Continued to July 3, 1996 at 9:30 a.m.

- 1121** **TIME CERTAIN: 2:00 PM** - Adopt and implement the Downtown Community Association's Residential Plan (Ordinance introduced by Commissioner Hales)

Discussion: Colleen Acres, Planning Bureau, said this is a neighborhood-initiated and community-based plan which reflects the belief of downtown residents that the residential provisions of the existing downtown plans needed more reinforcement. This plan focuses on encouraging growth of residential units and households downtown. An initial draft plan was completed in 1994-95 and then reviewed for a year by the larger community. A further review was then conducted by the Planning Bureau which reviewed existing plans applicable to downtown, including the Comprehensive Plan, Central City Plan, Central City Transportation Management Plan and Downtown Plans, to eliminate duplications. She said this Plan has been very strenuously reviewed both for its consistency with adopted documents and to clarify that it is supplemental and subordinate to those documents. The first four policies in this plan address housing amenities and the need for support services such as more retail outlets which cater to households. It also talks about community partnerships, bringing residents into coordination with all the other downtown interests. The plan is supported by the Association for Portland Progress, Multnomah County, Portland State University and the Portland Public Schools which has plans to build an elementary school downtown to serve those who both live and work downtown. She said Policies 5 through 9 are those where it was found that existing plans could be used. They are already adopted policies which do not need Council action today. What this plan does is add a few objectives and some actions to carry out these policies. The Planning Commission unanimously recommends adoption

JUNE 26, 1996

of the ordinance and the resolution with its action charts. It also requests that Objective C be added to Policy 3.6, Neighborhood Plan, and that this plan be added to the list of plans that are a part of the Comprehensive Plan. The vision statement and Policies 1 through 4, with associated objectives, would be added, along with the objectives only for Policies 5 through 9. By resolution, the Commission recommends approval of the action charts in Policies 1 through 9 as well. Action chart items are always agreed to voluntarily by the organizations listed and everyone recognizes that modifications may be needed at times.

B.J. Seymour, representing the Downtown Community Association, said this plan gives them some criteria with which to judge housing development projects. The DCA feels very strongly that the City needs more people living downtown and welcomes higher density. They believe the more people who live downtown, the more amenities will be available, such as shoe repair shops and dry cleaners, and the more alive it will be. However, most importantly, this plan provides a vision of what downtown can be.

Other individuals speaking in support of the Plan included:

Colleen Smith, DCA Board member, 11525 SW Park Ave., B402, 97201
Ed Pishedda, Chair, DCA Land-use Committee, PO Box 9032, 97207-9032

George Pernsteiner, Vice President, Portland State University, PO Box 751, Portland, 97207

Lili Mandel, 1511 SW Park, 97201

Irwin Mandel, 1511 SW Park, 97201

JoAnne Bowman, staff assistant to Multnomah County Commission
Chair Bev Stein

Stan Lewis, 111 SW Harrison, No. 20, 97201

Supporters said the plan is a clear-headed vision which recognizes the need for a good working relationship among all elements of downtown. In particular, it attempts to promote a pedestrian-friendly environment, although it is neither anti-business or anti-car. Several testified as to the need for more housing for middle-income residents to keep either income extreme from dominating. Mr. Lewis described the vast public involvement process and noted a survey which indicated that people have a romantic feeling about downtown, seeing it as a place both to fall in love with and to be in love.

Mayor Katz said she would like the City to develop a walking map of downtown, indicating various routes of interest.

Michael Harrison, Planning Bureau, said that is in the Action Plan.

Commissioner Hales said this is an excellent piece of work. He said he liked the reference to the romance of downtown as it is not an unreasonable

JUNE 26, 1996

aspiration to build a community worthy of our affection.

Commissioner Kafoury said she is happy for the increased vibrancy downtown and agrees that a broader range of housing is needed.

Mayor Katz said she would like to find ways to encourage retailers to be friendly to downtown residents, noting that many are not open on Saturdays. She said it will be a real challenge to get the kinds of businesses that residents need, such as grocery stores and cleaners.

Commissioner Hales said he will investigate ways in which the City may be able to configure a grocery store into development proposals for downtown housing.

Disposition: Passed to Second Reading July 3, 1996 at 2:00 p.m.

- 1122** Approve the Downtown Community Association's Residential Plan Action Charts (Resolution introduced by Commissioner Hales)

Disposition: Resolution No. 35533. (Y-3)

Commissioner Gretchen Miller Kafoury

- 1124** Liquor license application for Ha Xui Hung and Tin Lac Khuu, dba Tan Hung Market, 4020 NE Tillamook Street, package store liquor license (new outlet); unfavorable recommendation (Report)

Discussion: Mike Sanderson, License Bureau, said this application is opposed by a number of nearby operations, including a methadone clinic and a child care center, as well as several residents. The operators have also been charged with violations of the federal WIC voucher rules. He said the Police and License Bureaus believe this store will continue to have compliance problems and recommend an unfavorable decision.

Bob Ueland, 4411 NE Sandy, President Hollywood Neighborhood Association, said the store has a negative impact on the neighborhood, citing its unsightly exterior and incidents involving the sale of cigarettes to minors.

Ha Xui Hung, speaking through an interpreter, Trong Nguyen, a City employee, defended her operation of the store and said she does not understand the concerns of the neighborhood.

Mayor Katz asked if Ms. Ha understood that liquor licenses are a privilege and not a right and the obligations that go with obtaining one.

Ms. Ha said she did.

JUNE 26, 1996

Commissioner Kafoury said Council and the neighborhood must have confidence that the store will meet the terms and conditions of the license. She noted that Council has grown more serious in the last few years about forwarding unfavorable recommendations to those who do not keep faith with these terms. She moved to uphold the unfavorable recommendation but leave open the option for the applicant to work with the neighborhood and License Bureau to see if their concerns can be satisfied. Commissioner Hales seconded.

Disposition: Unfavorably recommended (Y-3).

At 3:10 p.m., Council adjourned.

BARBARA CLARK
Auditor of the City of Portland

Cay Kershner

By Cay Kershner
Clerk of the Council