



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 27TH DAY OF NOVEMBER, 1996 AT 9:30 A.M.

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

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

Agenda Nos. 1834, 1835, 1862 and 1865 were pulled from Consent. On a Y-4 roll call, the balance of the Consent Agenda was adopted as follows:

**CONSENT AGENDA - NO DISCUSSION**

- 1831** Accept bid of Gresham Ford for three extended cab compact pickup trucks for \$51,323 (Purchasing Report - Informal Bid)
- Disposition:** Accepted; prepare contract.
- 1832** Accept bid of Taylor Electric Supply Co., Inc. for annual supply furnishing high pressure sodium vapor street lighting luminaries for \$86,821 annually for three years (Purchasing Report - Bid 24A)
- Disposition:** Accepted; prepare contract.
- 1833** Accept bid of Williamsen & Bleid, Inc. for Kerby Garage painting for \$65,800 (Purchasing Report - Bid 28)
- Disposition:** Accepted; prepare contract.
- 1836** Accept bid of K-2 Construction Company for SW Broadway Drive roadway stabilization project for \$117,880 (Purchasing Report - Bid 50)
- Disposition:** Accepted; prepare contract.
- 1837** Accept bid of ACS Technical Services to furnish two vax alpha servers and supporting equipment to provide Bureau of Environmental Services intranet environment for \$204,414 (Purchasing Report - Bid 64)
- Disposition:** Accepted; prepare contract.

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**1838** Accept bid of Moore Excavation, Inc. for Willamette River basin test sumps unit 11 for \$99,650 (Purchasing Report - Bid 65)

**Disposition:** Accepted; prepare contract.

**1839** Vacate a certain portion of SE Cora Street and SE 84th Avenue, under certain conditions (Second Reading Agenda 1801; C-9910)

**Disposition:** Ordinance No. 170723. (Y-4)

**Mayor Vera Katz**

**1840** Authorize the Commissioner-in-Charge of the Offices of Energy and of Cable Communications and Franchise to represent the City Council regarding electric utility, cable and telecommunications deregulation and competition issues before the Oregon State Legislature; authorize Office of Government Relations to establish two advisory committees, a Community Advisory Committee and a Bureau Advisory Committee, on electric utility, cable and telecommunications deregulation and competition (Resolution)

**Disposition:** Resolution No. 35567. (Y-4)

**\*1841** Pay claim of Tasha Dix (Ordinance)

**Disposition:** Ordinance No. 170724. (Y-4)

**Commissioner Charlie Hales**

**1842** Accept contract with Pro Landscape for irrigation system at Ladd's Park as substantially complete, authorize release of retainage and make final payment (Report; Contract No. 30428)

**Disposition:** Accepted.

**1843** Accept contract with Les Brown Excavating, Inc. for NW Skyline Boulevard slide repair, North project, as complete and release retainage (Report; Contract No. 30721)

**Disposition:** Accepted.

**1844** Accept completion of roofing construction at Rose City Golf Course clubhouse and authorize final payment to MG Construction, Inc. (Report; Contract No. 30802)

**Disposition:** Accepted.

**1845** Accept contract with Andersen Pacific Contractors, Inc. for NW Skyline Boulevard near Germantown Road slide repair as complete, approve Change Order No. 1 and make final payment (Report; Contract No. 30829)

**Disposition:** Accepted.

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- 1846** Declare the purpose and intention of the City of Portland to construct street, water, storm sewer and sanitary sewer improvements in the NE 158th Avenue Local Improvement District (Resolution; C-9926)
- Disposition:** Resolution No. 35568. (Y-4)
- \*1847** Authorize a contract and provide for payment for the renovation of Essex Park (Ordinance)
- Disposition:** Ordinance No. 170725. (Y-4)
- \*1848** Authorize application to the Oregon Department of Forestry for a grant in the amount of \$8,685 for the Neighborhood Forest Liaison Program (Ordinance)
- Disposition:** Ordinance No. 170726. (Y-4)
- \*1849** Authorize Purchasing Agent to advertise a Request for Proposals for concession services at Portland International Raceway (Ordinance; waive Code Section 5.32.070)
- Disposition:** Ordinance No. 170727. (Y-4)
- \*1850** Contract with Larson's Marine Services, Inc. in the amount of \$67,127 for the repair of the handicapped fishing dock at Cathedral Park (Ordinance)
- Disposition:** Ordinance No. 170728. (Y-4)
- \*1851** Agreement with Port of Portland for project management services relating to the extension of N Marine Drive (Ordinance)
- Disposition:** Ordinance No. 170729. (Y-4)
- \*1852** Authorize the City Treasurer to accept payment for fees, services and contracts for the N Marine Drive extension and establish a special account in the Trustee Fund of the Office of the Commissioner of Public Safety (Ordinance)
- Disposition:** Ordinance No. 170730. (Y-4)
- \*1853** Agreement between City of Portland and the Port of Portland for transportation improvements in the Swan Island/Going Street area (Ordinance)
- Disposition:** Ordinance No. 170731. (Y-4)

**Commissioner Gretchen Miller Kafoury**

- 1854** Accept remodeling of City Archives building as substantially complete, waive delinquency, authorize release of balance of funds, including retainage, and make final payment to 2KG Construction, Inc. (Report; Purchase Order 1019247)

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**Disposition:** Accepted.

**\*1855** Contract with Multnomah County Legal Aid Service for \$28,767 for legal assistance for victims of domestic violence and provide for payment (Ordinance)

**Disposition:** Ordinance No. 170732. (Y-4)

**\*1856** Increase Agreement with the Housing Development Center by \$10,000 and provide for payment (Ordinance; amend Agreement No. 30822)

**Disposition:** Ordinance No. 170733. (Y-4)

**\*1857** Amend Agreement with the Housing Authority of Portland to increase compensation by \$110,000, extend expiration date and provide for payment (Ordinance; amend Agreement No. 30153)

**Disposition:** Ordinance No. 170734. (Y-4)

**\*1858** Authorize the Purchasing Agent to sign a Purchase Order as a contract with the Eastman Kodak Company for the purchase of a Kodak 92P printer for \$183,253 and a three-year service agreement for \$87,084 (Ordinance)

**Disposition:** Ordinance No. 170735. (Y-4)

**\*1859** Modify Agreement with Aron Faegre and Associates to increase architectural services for the Southeast Community Policing Facility (Ordinance; amend Contract No. 29685)

**Disposition:** Ordinance No. 170736. (Y-4)

**Commissioner Mike Lindberg**

**1860** Accept amended completion of the Farr Pump Station and authorize final payment to Boyington Construction Company (Report; Contract No. 29807; Project 5287)

**Disposition:** Accepted.

**1861** Accept completion of the N McKenna, N Berkeley and N Clarendon Avenues sanitary sewer and authorize final payment to Marshall Associated Contractors (Report; Contract No. 30616; Project 5707)

**Disposition:** Accepted.

**1863** Amend the City of Portland Telework Guidelines adopted by Resolution No. 35564 to clarify the City's ability to discontinue the program (Resolution)

**Disposition:** Resolution No. 35569. (Y-4)

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- \*1864 Intergovernmental Agreement with Metropolitan Service District (Metro) which authorizes the City to adopt a Waste Reduction Program and thereby receive Metro Waste Reduction Challenge Grant funds (Ordinance)

**Disposition:** Ordinance No. 170737. (Y-4)

REGULAR AGENDA

- 1834 Reject all bids and authorize purchase through State price agreement of 89 police patrol sedans for a total of \$1,658,559 (Purchasing Report - Bid 44)

**Discussion:** Commissioner Kafoury said in view of Ballot Measure 47 perhaps Council will want to rethink the policies regarding the life of vehicles and perhaps operate them for four or five years rather than the current three.

Roger Johnson, Fleet Management, Bureau of General Services, said they are currently considering a policy to extend the life of vehicles. Such an extension would increase maintenance costs and could also result in less availability if more vehicles are under repair.

Commissioner Hales said the three-year rotation might need to be reevaluated, particularly considering the huge installation costs needed to add the communications equipment to police cars. He said it may be appropriate to get one more year out of the vehicles.

Mr. Johnson said this purchasing request is based on the current vehicle replacement policy. All the bids received were higher than the State price agreement. He intends to work with the Police Bureau regarding extension of the life of vehicles.

Mayor Katz said she would rather save money on vehicles than have to cut officers because of budget cuts.

Bruce Prunk, Assistant Police Chief, said there will be a review of all efficiencies, including fleet operations. This gives the Bureau an opportunity to purchase vehicles once a decision is made. Whether there is a three- or four-year rotation is a policy decision which they will review with the Bureau of General Services.

**Disposition:** Accepted.

- 1835 Accept bid of S-2 Contractors, Inc. for Eastmont sanitary sewer system for \$3,477,220 (Purchasing Report - Bid 47)

**Discussion:** James Posey, National Association for Minority Contractors of Oregon, said this is the same issue, non-acceptance of the lowest bid by a subcontractor, that he spoke to Council about a month ago. He said he knows that State law does not require prime contractors to hire the lowest bidding subcontractors but the disparity study recently completed by the City points out that such laws do not always work to the benefit of African-Americans and other minorities. He said he is confident that the Council will do the right thing, as will Purchasing, despite some ideological disagreements about how to accomplish

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the goals.

Mayor Katz noted that recommendations for implementing the disparity study will be considered by Council in December and will cover the issues raised here.

Commissioner Kafoury noted that in the past not requiring the City to take the lowest bid for subcontracting was seen as an advantage to minorities.

Commissioner Sten said while the City may not always want to take the low bid, it would help to raise the threshold and explain why the lowest bid was not accepted.

Mr. Posey said someone needs to justify statements that a contractor is not qualified.

**Disposition:** Accepted; prepare contract.

**1862** Accept completion of the SW 35th and Vesta culvert construction and authorize final payment to DEBCO Construction, LLC (Report; Contract No. 30848; Project 5674)

**Disposition:** Referred to Commissioner of Public Utilities.

**\*1865** Consent to transfer of solid waste and recycling franchises held by Sanifill, Inc. to Metropolitan Disposal Corporation, a subsidiary of USA Waste, Inc. (Ordinance)

**Disposition:** Referred to Commissioner of Public Utilities.

**1830** **TIME CERTAIN: 9:30 AM** - Liquor License application for Bok-Kyong and Mee-Ae Sung, dba Metro Market, 5215 SE Duke Street, Package Store liquor license (new outlet); unfavorable recommendation (Report introduced by Commissioner Kafoury)

**Discussion:** Judy Ritt, License Bureau, said the proximity criteria grants special standing to churches if they are adversely affected and that forms the basis for this unfavorable recommendation. She said the License Bureau received many letters in opposition, including one from the Apostolic Church. The area, however, is not classified as a problem area.

Larry Sievert, Police Vice and Drugs Department, said crime analyses at 52nd and Duke confirm neighborhood concerns but show nothing to excess.

Mike Reed, attorney for Bok-Kyung and Mee-Ae Sung, said the church and neighbors' fears are based on speculation and his clients will do everything possible to ensure there are no adverse effects. He said after opposition arose, the Sung's tried to lease the property but were unsuccessful. They also drafted a good neighbor agreement which they presented to the neighborhood association, offering to do just about anything to show that they are responsible operators. However, the neighbors refused to even read it. He asked Council to send no recommendation at all if it finds it cannot send a favorable one. Otherwise, the delay will be ruinous to his client's financial situation.

Bok Kyong Sung, applicant, said he tried to lease the property after opposition arose to his application. He said because of financial problems, he has no choice but to open the store.

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Clifford Paulson, Apostolic Faith Church, asked Council to reject the requested license as they believe liquor sales to be incompatible with existing church uses. He noted that the market is across the street from their campground, which houses 600 small cabins, and from the church's drop-in activity center. He said the church has an ongoing problem on the campgrounds with break-ins, beer cans, wine bottles, smoking and drug paraphernalia when the annual convention is not in session. The church is concerned that a liquor license for off-premise consumption from the Market will become an on-premise problem for the church and the entire neighborhood.

Others testifying in opposition included:

Allan Smith, landscaper, Apostolic Faith Church  
Robert Wakefield, Apostolic Faith Church  
Mark Spohn, 8188 SE 60th, 97206  
Richard Wallace, 5031 SE 67th, 97206  
Gerald Paulson, 5303 SE Duke, 97206

Ken Oh, seller of the property, said the listing agent told him she had checked with the church and did not foresee a problem. He described his efforts to work out an agreement with the neighborhood association and then to rent the property out to someone else.

Commissioner Hales said the site is zoned Neighborhood Commercial which would include a neighborhood grocery. The question here is whether there are strong enough grounds to deny this application. He said it is a close call.

Commissioner Sten said he would like to see some better communication between the church and Mr. Song who has a good record and had reasonable expectations that he would be able to open a grocery store here. Having a business to provide eyes on the street at this location may be a good idea.

Commissioner Hales said neighborhood mediation might work here. He noted that beer and wine are customary at such neighborhood stores and he doubts that the OLCC would uphold an unfavorable recommendation.

Commissioner Kafoury said the vehemence of the opposition is not a criteria for denial. She moved to send this back for neighborhood mediation.

Commissioner Hales said he hopes this works and that the parties can agree on actions that will ensure minimal impact.

Mayor Katz said she would like the church to check out other nearby outlets as well. She said the Council wants to treat all fairly.

**Disposition:** Referred to License Bureau for mediation.

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**Commissioner Gretchen Miller Kafoury**

**1875** Liquor license application for Food & Beverage, Inc., dba Bluefin, 341 SW 10th Avenue, Dispenser Class A liquor license (greater privilege); favorable recommendation (Report)

**Discussion:** Judy Ritt, License Bureau, said both the License and Police Bureaus believe this will be an upgrade over the current operation, Panorama.

Larry Sievert, Portland Police officer, said this is a sensitive location where there have been many difficulties, not all due to liquor. He said he has been working with the operators and believes this could provide a positive solution to many of the problems experienced in the area.

**Disposition:** Favorably recommended. (Y-4)

**1866** Accept bid of Eagle Elsner, Inc. for Terwilliger Parkway path renovation for \$398,697 (Purchasing Report - Bid 37)

**Disposition:** Accepted; prepare contract.

**1867** Accept bid of Larson's Marine Services, Inc. for dock repair at Cathedral Park for \$67,127 (Purchasing Report - Bid 51)

**Disposition:** Accepted; prepare contract.

**1868** Accept bid of KLB Construction for SW Humphrey Boulevard slide repair for \$133,092 (Purchasing Report - Bid 58)

**Disposition:** Accepted; prepare contract.

**1869** Accept bid of KLB Construction for SW Patton Road/SW Broadway Drive slide repair for \$61,789 (Purchasing Report - Bid 59)

**Disposition:** Accepted; prepare contract.

**Mayor Vera Katz**

**1870** Confirm appointment of Robert Petersen and Robert Wells to the Police Internal Investigations Auditing Committee (Report)

**Disposition:** Confirmed.

**1871** Confirm reappointment of Carl Talton to the Portland Development Commission (Report)

**Disposition:** Confirmed.



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**\*1872** Correct a clerical error in the labor agreement between the City of Portland and Municipal Employees, Local 483, LIUNA, relating to terms and conditions of employment of represented Recreation personnel (Ordinance; amend Ordinance No. 170720)

**Disposition:** Ordinance No. 170738. (Y-4)

**S-\*1873** Authorize bonds to finance costs of the City's fire and police pension and disability system (Ordinance)

**Discussion:** Tim Grewe, Director, Office of Finance and Administration, noted Council's intent to comply with Ballot Measure 47. However, certain provisions in the measure do more than reduce revenues and raise many unanswered questions and uncertainties about other financial operations. He said the City plans three approaches: 1) seek clarification through litigation; 2) work actively with the legislature during its deliberations; and 3) determine how to readjust expenditures.

David Agassi, Director, Bureau of Financial Planning, said the City expects to receive an estimated \$27 million less in revenues from property taxes for the general fund. The impact on the Fire and Policy Disability and Retirement Fund (FPD&RF) is expected to be \$14 million next year, for a total impact of \$42 million.

Mr. Agassiz said over a five year period the loss of funds grows exponentially. Over a 20-year period, if no action is taken, the City would have to cut all other expenditures by two-thirds just to fund the FPD&RF.

Ken Rust, City Debt Manager, said the unfunded liability of the FPD&RF is not new and although unusual it has worked because the City had a special tax and a stable funding system. With the passage of Measure 47, that stable funding source has been destroyed and this bond measure is an attempt to meet the long-term funding requirements of the retirement system. The City has reviewed many options and decided on this strategy, which would allow the issuance of bonds up to \$80 million to meet the expected shortfall over the next five years. This will also give the City time to seek other long-term solutions and stabilize the effect of Measure 47 on the general fund. The resolution authorizes \$875 million in bonds of which the City will use \$80 million now. They have also conferred with bond experts and believe this method will have the least impact on the City's bond rating.

Mayor Katz said this allows the City to add a tax outside Measure 47 so taxpayers will see an increase in their property tax bills.

Mr. Rust said bonded indebtedness is an exception to the "cut and cap" provision and they expect that the impact will be \$63.00 per \$100,000 valuation per year.

Mayor Katz asked for an explanation of the FPD&RF rise in costs.

Mr. Rust said the cost is rising at about five to six percent a year.

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Mayor Katz asked if Charter revisions would be needed if the City decides to fully fund the Pension Fund.

Mr. Rust said yes.

Commissioner Kafoury noted that 200 firefighters will be retiring within the next five years, explaining some of the anticipated rise in cost.

Commissioner Sten said property taxes are too high on residential property and the long-term solution is to change the split between commercial and residential as commercial properties are not paying their share.

Mayor Katz said this buys the City five years of time.

**Disposition:** Substitute Ordinance No. 170739. (Y-4)

**Commissioner Charlie Hales**

**\*1874** Contract with three professional technical and expert service firms for engineering support services as required in support of Portland Department of Transportation (Ordinance)

**Disposition:** Ordinance No. 170740. (Y-4)

**Commissioner Mike Lindberg**

**\*1876** Authorize a sole source agreement with EMA to provide information technology consulting services to the Bureau of Water Works (Ordinance)

**Disposition:** Ordinance No. 170741. (Y-4)

At 11:10 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 27TH DAY OF NOVEMBER, 1996 AT 2:00 P.M.

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

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

1877

**TIME CERTAIN: 2:00 PM** - Appeal of St. Johns Neighborhood Association against Hearings Officer's decision to approve application of City of Portland Bureau of Parks and Recreation for a conditional use to renovate Pier Park located at N Lombard Street between Columbia Boulevard and St. Johns Street (Hearing; 96-00069 CU)

**Discussion:** Steve Gerber, Planning Bureau, described the proposal and showed slides of the park to indicate where the planned improvements are proposed. He said both Planning staff and the Hearings Officer approved the proposal. He listed the applicable approval criteria, noting that the appellants contend the proposed improvements violate open space requirements. They contend that the proposed paved pathway will damage trees and that a master plan is required. However, Mr. Gerber said, the pathway is an allowed use and a master plan is not required. Thus the policies cited by opponents are not applicable to this review.

Dennis Keepes, Chair, St. Johns Neighborhood Association, said the Neighborhood Association voted to table the general recommendation for these improvements and to oppose the proposed eight-foot paved path because they fear this could damage a stand of trees which is the park's defining characteristic and should be maintained. He cited Code Chapter 33.815.100 (A) (2) regarding maintenance of Open Space, as well as Comprehensive Plan goals 11.F and 11.43 and 11.46 which talk about the need for master plans for the parks. He questioned why a master plan would not be relevant when \$1 million in renovation is planned. He said the neighborhood's concern with preservation of the trees led it to seek historic status for the entire grove from the Urban Forestry Commission. He asked for Council's help in preserving the trees.

Mayor Katz asked if the main concern was with the potential destruction of the root system due to the paving.

Mr. Keepes said yes, citing a letter in the record from Anthony Boutard, a professional forester.

Rosemary Seminara, 8433 N. Olympia Street, 97203, said the neighborhood definitely needs help in preserving the trees. She said the Urban Forestry Commission was reluctant to consider the proposal because it has never before recommended an entire grove for heritage tree designation but is willing to do so. She said the pathway to be paved goes nowhere,

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ending in blackberry bushes and paving it is not a worthy expenditure. Arguments that an eight-foot pathway is needed to meet ADA standards are incorrect as the ADA requires only 36 inches. She said the eight-foot pathway's real goal is to facilitate access to an adjacent development.

Leora Mahoney, 9571 N. Tioga Street, 97203, a member of the Pier Park Citizens Advisory Committee said an eight-foot pathway already exists in the area and this addition will allow kids to go back and forth to school.

Larry Hollibaugh, 8006 N. Oswego Avenue, 97203, said the park improvements have been long awaited and this appeal should be denied.

In rebuttal, Mr. Keepes said he has been searching for a relevant legal argument here to justify the neighborhood association's desire to advocate for trees. He said the heritage tree process may take two years as the Urban Forestry Commission has never granted it to a grove before. He said overall the neighborhood's concerns have led to a much better plan -- the fourth one proposed.

Mayor Katz asked staff if paving will destroy tree roots.

Jim Figurski, Parks Bureau Project Manager, said he walked the site with the City Forester and his assistant and they felt the City could proceed with plans for the paved path without destroying the tree roots. After the fourth neighborhood meeting, a consulting arborist was hired and he believes there will be no more than a 10 to 15 percent impact to the trees if preservation measures are strictly observed. This is well below the 25 percent level where impact is felt to be damaging. He said they originally planned to remove 25 trees but now plan to remove only one tree within the canopy plus eight dead cedars. He said on November 16, the Urban Forestry Commission approved the Parks Bureau's original plan, subject to the consent of the neighborhood and with adequate conditions. He cited other heavily-treed parks with asphalt paths that had sustained no damage and noted existing paved paths in Pier Park itself.

Commissioner Kafoury moved to tentatively deny the appeal. Commissioner Hales seconded.

Commissioner Hales noted that the St. Johns Neighborhood Association advocated for renovation of Pier Park for five years prior to passage of the bond measure. He said he was glad Parks hired an outside consultant regarding the potential for damage to the tree roots.

Commissioner Kafoury said she would like to review the filing of appeals and fee waivers granted to neighborhood associations. She said some frivolous ones are being filed and Council should not be hearing appeals with no legal basis.

Commissioner Sten said this is a good compromise, adding that the uproar in the neighborhood over the original plan has led to a better one.

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Mayor Katz said she was surprised by the initial proposal to remove the trees and agrees this is a much better plan. She noted that the record will remain open for one week.

**Disposition:** Tentatively deny appeal; continued to December 11, 1996 at 2:00 p.m.

At 2:47 p.m., Council adjourned.

BARBARA CLARK  
Auditor of the City of Portland

*Cay Kershner*

By Cay Kershner  
Clerk of the Council