



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 31ST DAY OF DECEMBER, 1997 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Katz, Presiding; Commissioners Francesconi, Hales, Kafoury and Sten, 5.

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

Agenda Nos. 1940 and 1955 were pulled from Consent. On a Y-5 roll call, the balance of the Consent Agenda was adopted as follows:

CONSENT AGENDA - NO DISCUSSION

1939 Accept bid of Van Waters & Rogers Inc. for furnishing aqueous ammonia for \$56,633 annually for two years (Purchasing Report - Bid 98061)

Disposition: Accepted; prepare contract.

1941 Accept bid of Bostan Construction Inc. for NW Everett Street sewer reconstruction for \$999,552 (Purchasing Report - Bid 98080)

Disposition: Accepted; prepare contract.

1942 Accept bid of R & R Property Services, Inc. for \$92,400; A-Line Enterprises, Inc. for \$78,400; Keen Services, LLC for \$61,600; and David G. McLean dba McLean Landscaping Maintenance for \$47,600 for furnishing nuisance abatement services for one year (Purchasing Report - Bid 98083)

Disposition: Accepted; prepare contract.

1943 Accept bid of James W. Fowler Co. for street, storm sewer and water improvements on SE Water Ave, SE Caruthers and SE Grand Ave for \$2,399,356 (Purchasing Report - Bid C-9925A)

Disposition: Accepted; prepare contract.

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1944 Accept bid of Cascadian Landscapers, Inc. for landscaping and irrigation on SE Water Ave, SE Caruthers and SE Grand Ave (Purchasing Report - Bid C-9925b)

Disposition: Accepted; prepare contract.

1945 Vacate a portion of NW Bailey Street lying southeasterly of NW Springville Road, under certain conditions (Ordinance by Order of Council; C-9935)

Disposition: Passed to Second Reading January 7, 1998 at 9:30 a.m.

1946 Vacate a certain portion of SW 2nd Avenue and SW Richardson Street, under certain conditions (Second Reading Agenda 1884, C-9920)

Disposition: Ordinance No. 171883. (Y-5)

Mayor Vera Katz

1947 Confirm appointment of Dale Johnson, Steve Preston, and Carl George to the Towing Board of Review (Report)

Disposition: Confirmed.

1948 Confirm appointment of Wen Jiang and Brian Pedersen to the Business License Appeals Board (Report)

Disposition: Confirmed.

1949 Approve the application of Floyd Light Apartments LLC for a ten year property tax exemption for a Transit Oriented Development Project that includes 51-units of multifamily housing, located near SE 106th and Cherry Blossom (Resolution)

Disposition: Resolution No. 35665. (Y-5)

*1950 Authorize Mayor to sign 1997/1998 agreements with Portland, Reynolds, Parkrose, David Douglas and Centennial school districts conveying City funding grants (Ordinance)

Disposition: Ordinance No. 171884. (Y-5)

*1951 Increase contract with Conventions, Sports and Leisure International (Ordinance; amend Contract No. 31043)

Disposition: Ordinance No. 171885. (Y-5)

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***1952** Establish a new classification: Information Services Director, and assign the associated Salary Grade 15 in accordance with the Personnel Rules adopted by the City Council (Ordinance)

Disposition: Ordinance No. 171886. (Y-5)

***1953** Amend City Code, Property Tax Exemption for Residential Rehabilitation and New Construction of Single-Unit Housing in Distressed Areas, to extend the expiration date of the program (Ordinance; amend Code Chapter 3.102)

Disposition: Ordinance No. 171887. (Y-5)

***1954** Pay claim of Ronald Fedor (Ordinance)

Disposition: Ordinance No. 171888. (Y-5)

Commissioner Charlie Hales

1956 Accept contract with Custom Sprinkling Specialist, Inc. for Harrison Park as substantially complete, authorize final payment and release retainage (Report; Contract No. 31032)

Disposition: Accepted.

1957 Accept completion of OPTICOM Emergency Preemption Device Installation Project, approve change order and pay \$12,817 to Tice Electric Co. (Report; Contract No. 30658)

Disposition: Accepted.

***1958** Second Amendment to Agreement with Oregon Department of Transportation to provide for funds for the engineering and design of the N Lombard Rail Overcrossing Improvement Project (Ordinance; amend Contract No. 50827)

Disposition: Ordinance No. 171889. (Y-5)

***1959** Second Amendment to Agreement with Oregon Department of Transportation to provide for funds for the construction of the N Columbia/Lombard/Burgard Intersection Improvement Project (Ordinance)

Disposition: Ordinance No. 171890. (Y-5)

***1960** Amend Intergovernmental Agreement with the Port of Portland to share in costs for improvements at Rivergate industrial area (Ordinance; amend Contract No. 50493)

Disposition: Ordinance No. 171891. (Y-5)

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- *1961** Designate and assign fourteen City-owned land development control strips as public street area (Ordinance)

Disposition: Ordinance No. 171892. (Y-5)

Commissioner Gretchen Miller Kafoury

- *1962** Accept an Assignment of Interest Intergovernmental Revenue Agreement between Multnomah County and the Housing Authority of Portland for services at Jean's Place and provide for payment (Ordinance)

Disposition: Ordinance No. 171893. (Y-5)

- *1963** Amend contract with Oregon Health Sciences University for occupational health nurse services, lab testing and other medical services for \$59,691 (Ordinance; amend Contract No. 30982)

Disposition: Ordinance No. 171894. (Y-5)

- *1964** Contract with Northeast Coalition of Neighborhoods for \$36,000 to carry out activities associated with community outreach and development of an action plan for a Humboldt Target Area and provide for payment (Ordinance)

Disposition: Ordinance No. 171895. (Y-5)

- *1965** Agreement with Portland Youthbuilders for \$700,000 for two-year comprehensive youth community service program and provide for payment (Ordinance)

Disposition: Ordinance No. 171896. (Y-5)

- *1966** Establish a revolving loan fund in the amount of \$150,000 for arts organizations in the City of Portland, to be administered by the Regional Arts & Culture Council (Ordinance)

Disposition: Ordinance No. 171897. (Y-5)

Commissioner Erik Sten

- 1967** Accept completion of the Terwilliger Boulevard Culvert Repair, Project No. 6090, and authorize final payment to Andersen Pacific Contractors (Report; Contract No. 31416)

Disposition: Accepted.

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1968 Accept completion of Columbia Boulevard Wastewater Treatment Plant paving repairs and replacement project No. 6015 and authorize final payment to Bengel Construction (Report; Contract No. 31023)

Disposition: Accepted.

1969 Accept the project by Northwest Tree Experts to provide roadside brushing services in the Bull Run Watershed as substantially complete and authorize final payment (Report; Contract No. 31210)

Disposition: Accepted.

***1970** Authorize the purchase of a parcel of land needed for the Columbia Slough Stormwater Management Project, subject to certain conditions (Ordinance)

Disposition: Ordinance No. 171898. (Y-5)

***1971** Amend contract with Montgomery Watson for \$49,700 for Phase IIA and Phase IIB to provide additional professional consulting engineering services to develop facility layouts for other possible future improvements at the Headworks site as part of the new facility to replace Screenhouse #2 located at the Bull Run Headworks and provide for payment (Ordinance; amend Contract No. 29844)

Disposition: Ordinance No. 171899. (Y-5)

1972 Authorize Agreement for Multi-Agency Benchmarking Study (Ordinance)

Disposition: Passed to Second Reading January 7, 1997 at 9:30 a.m.

***1973** Authorize an Intergovernmental Agreement with Powell Valley Road Water District regarding water storage in Kelly Butte Tank and provide for annual payment (Ordinance)

Disposition: Ordinance No. 171900. (Y-5)

1974 Intergovernmental Agreement with Metropolitan Service District which authorizes the City to adopt a Waste Reduction Program and thereby receive Metro Reduction Challenge funds (Second Reading Agenda 1911)

Disposition: Ordinance No. 171901. (Y-5)

1975 Contract with Brown and Caldwell for professional engineering services for Columbia Boulevard Wastewater Treatment Plant repair, rehabilitation and modification projects and provide for payment (Second Reading Agenda 1912)

Disposition: Ordinance No. 171902. (Y-5)

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1976 Consent to adjust solid waste franchise boundaries between Portland Disposal & Recycling and Weisenfluh Sanitary Service (Second Reading Agenda 1913)

Disposition: Ordinance No. 171903. (Y-5)

1977 Authorize a contract with Central Northeast Neighbors, Inc. to provide a neighborhood based pilot project for bulky waste pickup at the curb for reuse and disposal with the Bureau of Environmental Services in the amount of \$30,000 (Second Reading Agenda 1916)

Disposition: Ordinance No. 171904. (Y-5)

1978 Contract with White Shield/Cooper JV for professional engineering services for Tryon Creek Wastewater Treatment Plant repair, rehabilitation and modification projects and provide for payment (Second Reading Agenda 1917)

Disposition: Ordinance No. 171905. (Y-5)

1979 Authorize the Purchasing Agent to sign a Purchase Order as a contract with Grinnell Supply Sales Company for eight 20-inch Winn butterfly valves, 4 Bettis actuators, related equipment and shipping at the quoted amount of \$101,665 without advertising for bids and provide for payment (Second Reading Agenda 1918)

Disposition: Ordinance No. 171906. (Y-5)

City Auditor Barbara Clark

1980 Contract with Arthur Andersen, LLP for audits of construction-related contracts and other professional services, and provide for payment (Ordinance)

Disposition: Passed to Second Reading January 7, 1998 at 9:30 a.m.

REGULAR AGENDA

1940 Accept bid of Gresham Ford for 64 police patrol sedans for \$1,335,202 (Purchasing Report - Bid 98067)

Discussion: Linnae Berg, Police Bureau, said vehicle replacement has been extended from three to four years on these cars and maintenance will be monitored closely for costs. Fifteen additional vehicles were added as part of the Cops More matching grant which authorized \$337,000.

Disposition: Accepted; prepare contract. (Y-5)

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Commissioner Jim Francesconi

***1955** Acquire property located at 3130 NW Skyline Boulevard for fire station site (Ordinance)

Discussion: Karen Kramer, Facilities Manager, Bureau of General Services (BGS), said there is an urgent need for a fire station in Northwest Portland to reduce response times and this is the end of a long process in an area where it has been very difficult to find suitable sites.

Diana Lee Holuka, Property Manager, BGS, said staff spent close to two years looking for a site and it has taken another year of negotiation to acquire it. She said the vast majority of the property will be left as open space as the Fire Bureau will use only about one-half acre for the station and the rest of the property will be integrated with Forest Park.

Commissioner Francesconi said it may take a General Obligation bond to pay for it but the City could sell the property back if it does not get the money.

Individuals speaking in opposition to the acquisition included:

John Buttler, 3131 NW Skyline Blvd., 97229
Clark Hansen, 3200 NW Skyline Blvd., 97229
Mel Zucker, 2222 NW Skyline Blvd., 97229

Opponents said the proposed fire station is too close to the Tualatin Valley Fire District's new station and should be located farther north on Skyline, preferably in Forest Heights which initially sited property for a station but now indicates that site is unsuitable. They questioned whether Bob Pfeifer, the property owner, was a willing seller or was being unfairly pressured into selling. They noted that area residents had long begged for a station but now that Tualatin Valley's station has been completed, building another station just 1-1/2 miles away will result in competing and duplicative services.

Commissioner Kafoury said she would be willing to wait a week to clear up some of the issues raised about the Tualatin Valley fire station. She also wants to check on the Forest Heights site situation.

Commissioner Hales said this decision resulted after a fairly lengthy site location study. The Tualatin Valley Fire District was invited to participate but refused.

Erika Pfeifer, daughter of Robert Pfeifer, the property owner, said her father wanted the property to go to Forest Park. While he seems willing to sell to the City, he also values the friendship of his neighbors and would rather most of the property go into the Park.

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John Martinez, 6814 N. Greenwich Ave., 97217, said it is a win-win for the City to acquire this property. He noted that 500 homes are now being built nearby and there is definitely a need for immediate response time.

Disposition: Continued to January 14, 1998 at 9:30 a.m. Time Certain

***1938 TIME CERTAIN: 9:30 AM** - Execute an Intergovernmental Agreement with the Port of Portland and Tri-Met for preliminary engineering for the extension of the light rail system to the Portland International Airport (Ordinance introduced by Mayor Katz)

Discussion: Mayor Katz said the \$3 million cost of the preliminary engineering will be split, with half paid by Bechtel and the other half shared by the City, Port of Portland and Tri-Met.

Felicia Trader, Director, Portland Development Commission (PDC) , said the Port and Tri-Met have already approved this agreement. PDC will serve as program manager for the City and will pay \$500,000 of the cost.

Jim Laubenthal, Port of Portland, described the five-mile alignment which will be done in three segments, with separate funding for each. He described the steps that need to be taken regarding the financial package, the public involvement process and various approvals. They hope to have the extension operating in 2000.

Bob Alexander, PDC, said \$75 million has already been invested in Airport Way to date but not all the development is in keeping with the regional goals for more jobs and higher density. Bechtel's unique offer to share the costs makes the program very timely. He described some of the steps needed to resolve outstanding issues and said PDC believes the extension will stimulate development in Airport Way. He added that environmental issues are a part of the preliminary engineering plans.

Ms. Trader said a number of places in the urban renewal area really need improved transit service and PDC also needs to meet its goal of providing quality jobs in the area. She said a technical advisory committee will be formed with representatives from Transportation, Planning and the Bureau of Environmental Services.

Mayor Katz said separate policy and citizens advisory committees are needed as well.

Bob Stacey, Tri-Met, said light rail to the airport is part of this community's vision. He called the Bechtel model very creative.

Debby Gore, Bechtel Enterprises, said they have been working in Portland for over a year on this private/public partnership and are familiar both with the risk and with working with the public.

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Commissioner Francesconi asked if the ridership had been identified.

Joe Walsh, Bechtel Enterprises, said they have only begun their analysis but are looking at capturing 10 percent of airport customers.

Commissioner Francesconi asked about the lack of job density in Airport Way now.

Mr. Alexander said the development of warehouse distribution centers there does not get the City much job density. With the light rail, they hope to add more office and manufacturing companies.

Commissioner Francesconi asked what the City's return on its \$30 million investment will look like. Will the land be used for jobs or parking lots? He said that much money should not be spent to get such low ridership without a guarantee that jobs are created.

Mr. Laubenthal said most of the land will be leased to Bechtel for development and that will involve land-use plans.

Melvin Zucker, 2222 NW Ramsey Dr., 97229, said the 10 percent ridership estimate is beyond optimism as light rail to airports has not worked anywhere in the country. He noted that the line to Washington D.C.'s National Airport has only nine percent ridership. He said luggage handling is what puts most people off using transit and air travellers will also not be able to use light rail park and rides.

Commissioner Francesconi said in 20 years the City will look back and say this was the right thing to do. It is needed to create jobs, not parking lots.

Commissioner Hales said he sees three major benefits. First, it will be a bargain compared to other options for getting to the airport and, second, it will lessen congestion as growth continues. Finally, the character of development in the Portland International Center will be very different as a result of light rail. Additional benefits include restoration of Portland's leadership in transportation areas, better transit connections for tourists and good use of tax incremental funding to provide a broad public benefit.

Commissioner Sten said he is glad to support this and hopes that it works as it is a critical piece in getting people where they need to go without relying on the automobile. He is concerned about the significant environmental issues that need to be worked through but hopes that the paradigm for this area can be changed to make it a really special place.

Mayor Katz said there are not many opportunities for the City to participate in this kind of public/private partnership. She said some of the challenges include ensuring that the financing holds up and that the role of all the partners is made clear. She wants citizens to look at the issues raised by Mr. Zucker to see if it is possible to

develop a baggage movement system all the way downtown, for instance. She said if anyone is up to the task of making this project work and building ridership, it is Bechtel and with a strong economy, the City should take advantage of this partnership and move forward on this project.

Disposition: Ordinance No. 171907. (Y-5)

Mayor Vera Katz

1981 Authorize the Mayor and Auditor to execute an Air-Rights Lease with the City of Portland Development Commission, for a skybridge and other structural purposes above a portion of SW Fourth Avenue, in connection with the Pioneer Place Phase II Project (Second Reading Agenda 1922 as amended)

Discussion: Referring to issues raised last week, Mayor Katz noted that the Design Commission does not have the authority to deny the skybridge but can review its design. She called for the vote.

Commissioner Francesconi voted aye.

Commissioner Hales said he will vote no as he believes the Design Review process should occur before Council acts on the lease. He understands, however, that the Design Commission's purview does not include the granting of this lease.

Commissioner Kafoury said the Council should stick with its earlier commitment to the project itself, which has been operating for over a decade with certain assumptions about what they would be allowed to do. She voted aye.

Commissioner Sten said it makes more sense to have the Design Commission review this before Council acts. He voted no.

Mayor Katz voted aye. She said a downtown retail strategy is very important if Portland is to compete with suburban malls and she hopes that when this project is finished it will serve as a strong regional destination center. She also believes the City should stand by its earlier commitment.

Commissioner Francesconi said the City needs to be very aggressive in competing with the suburbs in order to maintain its retail vitality downtown and to do so four stories, not two, are needed here. Also, to pull the plug on an agreement at the last minute after affirming it for a ten-year period will not create the public/private partnerships needed to keep the Central City vital.

Disposition: Ordinance No. 171908. (Y-3; N-2, Hales and Sten)

Commissioner Jim Francesconi

1982 Adopt revised policy governing the PIR-North Portland Trust Fund (Resolution)

Disposition: Resolution No. 35666. (Y-5)

1983 Authorize a new Intergovernmental Agreement with Multnomah County for the Bureau of Licenses to administer the Multnomah County Business Income Tax program (Second Reading Agenda 1924)

Discussion: Commissioner Francesconi said this is just housekeeping but a change in the exemption level from \$15,000 to \$25,000 may be made later to help small businesses. The owner's compensation may also be indexed.

Disposition: Ordinance No. 171909. (Y-5)

1984 Amend the Business License Law to incorporate technical and housekeeping changes (Second Reading Agenda 1925; amend Code Chapter 7.02)

Disposition: Ordinance No. 171910. (Y-5)

Commissioner Charlie Hales

***1985** Authorize acceptance of a conservation easement granted to the City of Portland by Robert Pfeifer (Ordinance)

Discussion: Larry Epstein, attorney representing Robert Pfeifer, the property owner, thanked City staff for its help in preparing this conservation easement, which will facilitate development of an enhanced vehicle testing facility for the Department of Environmental Quality and result in the construction of an additional portion of the pathway along the Columbia River Slough.

Disposition: Ordinance No. 171911. (Y-5)

1986 Tentatively deny appeal of Madison South Neighborhood Association and approve with conditions the application of Chet Antonsen for a subdivision, conditional use, and zone change in order to develop the property with 128 units in multi-unit structures, located northeast of the intersection of NE 84th Avenue and Russell Street at 84th Avenue (Findings; Previous Agenda 1770; 97-00390 SU CU ZC)

Disposition: Findings Adopted. (Y-5)

Commissioner Gretchen Miller Kafoury

- *1987** Accept a Youthbuild implementation grant under the Office of Economic Development of the US Department of Housing and Urban Development in the amount of \$700,000 (Ordinance)

Discussion: Commissioner Kafoury said this team is doing a great job out in the community.

Mayor Katz said Youthbuild has been identified as one of the finest programs in the country.

Disposition: Ordinance No. 171912. (Y-5)

Commissioner Erik Sten

- *1988** Authorize Agreement with CH2M Hill, Inc. for development of an Infrastructure Master Plan for the Portland water system and provide for payment (Ordinance)

Discussion: Commissioner Sten said this is ongoing, expensive engineering work that needs to be done before the City invests in infrastructure. Some of the water and storage supply issues CH2M Hill is helping with will have impacts in the range of a billion dollars.

Disposition: Ordinance No. 171913. (Y-5)


- 1989** Grant franchise to Qwest Communications Corporation for a period of ten years (Second Reading Agenda 1929)

Disposition: Ordinance No. 171914. (Y-5)

Commissioner Kafoury nominated Commissioner Sten to serve as President of Council for the next six-month term. Commissioner Francesconi seconded and, hearing no objections, the motion carried. (Y-5)

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

BARBARA CLARK
Auditor of the City of Portland


By Cay Kershner
Clerk of the Council

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WEDNESDAY, 2:00 PM, DECEMBER 31, 1997

**DUE TO LACK OF AN AGENDA,
THE COUNCIL DID NOT MEET**