



CITY OF
PORTLAND, OREGON

**OFFICIAL
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **21ST DAY OF MARCH, 2012** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Fish presided 9:30-9:45 a.m.; Commissioners Fritz and Leonard, 3. Mayor Adams arrived and presided at 9:45 a.m., 4.

Council recessed at 11:00 a.m. and reconvened at 11:09 a.m.

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

Motion to hold a 6:00 p.m. meeting on April 18, 2012 for Portland Plan: Moved by Mayor Adams and seconded by Commissioner Leonard. (Y-4)

Item No. 286 was pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

COMMUNICATIONS		Disposition:
273	Request of Amy Boggs to address Council regarding entrepreneurial small business story (Communication)	PLACED ON FILE
274	Request of Fenix LAX to address Council regarding transparent information on available art contracts (Communication)	PLACED ON FILE
275	Request of Robert E. Shannon to address Council regarding lane changes on Holgate Blvd (Communication)	PLACED ON FILE
276	Request of Francis Betz to address Council regarding Welcome Home Coin Project (Communication)	PLACED ON FILE
277	Request of Kate Anderson and students from Sabin School to address Council regarding arts education access (Communication)	PLACED ON FILE
TIMES CERTAIN		

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<p>278 TIME CERTAIN: 9:30 AM – Accept report on the state of the arts from the Regional Arts and Culture Council (Report introduced by Mayor Adams) 30 minutes requested</p> <p>Motion to accept the report: Moved by Commissioner Fish and seconded by Commissioner Fritz.</p> <p>(Y-4)</p>	<p>ACCEPTED</p>
<p>279 TIME CERTAIN: 10:00 AM – Accept the audit of the Comprehensive Annual Financial Report for FY 2010-2011 and the related Communications with Those Charged with Governance and adopt a resolution to correct the deficiency in financial reporting controls disclosed in the audit (Resolution introduced by Auditor Griffin-Valade) 20 minutes requested</p> <p>Motion to accept the audit: Moved by Mayor Adams and seconded by Commissioner Fish.</p> <p>(Y-4)</p>	<p>36915</p>
<p>*280 TIME CERTAIN: 10:20 AM – Ratify an initial Labor Agreement between the City and the American Federation of State, County, and Municipal Employees Local 189-H relating to terms and conditions of employment of represented employees in the Portland Housing Bureau bargaining unit (Ordinance introduced by Mayor Adams) 15 minutes requested</p> <p>(Y-4)</p>	<p>185224</p>
<p style="text-align: center;">CONSENT AGENDA – NO DISCUSSION</p> <p style="text-align: center;">Mayor Sam Adams</p> <p>*281 Accept and appropriate a grant in the amount of \$2,500 from America's Promise Alliance for youth-serving programming through the Multnomah Youth Commission (Ordinance)</p> <p>(Y-4)</p>	
<p style="text-align: center;">Bureau of Transportation</p> <p>*282 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation for the Right-of-Way Services Agreement for the 102nd Avenue: NE Glisan St – SE Washington St Phase II (Ordinance)</p> <p>(Y-4)</p>	<p>185211</p>
<p>*283 Amend Public Improvement Code to reflect current policies and existing Administrative Rule as passed by City Council on May 18, 2011 (Ordinance; amend Code Section 17.24.017)</p> <p>(Y-4)</p>	<p>185212</p>
<p>284 Authorize an Intergovernmental Agreement with the Oregon Department of Transportation to allow the Bureau of Transportation access to traffic data provided by INRIX, Incorporated (Ordinance)</p>	<p style="text-align: center;">PASSED TO SECOND READING MARCH 28, 2012 AT 9:30 AM</p>

Office of Management and Finance

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<p>285 Accept bid of Triad Mechanical, Inc. for the Portsmouth Force Main Odor Control Project for \$1,463,103 (Procurement Report – Bid No. 113887) (Y-4)</p>	<p>ACCEPTED PREPARE CONTRACT</p>
<p>*286 Extend contract with G4S Secure Solutions USA, Inc. and increase by \$1,616,819 to provide for uniformed security officers services (Ordinance; amend Contract No. 40997) (Y-4)</p>	<p>185225</p>
<p>Commissioner Nick Fish Position No. 2</p> <p>Portland Housing Bureau</p>	
<p>287 Approve, deny and terminate Single Family New Construction Limited Tax Abatements from January 1, 2011 to December 31, 2011 (Resolution) (Y-4)</p>	<p>36914</p>
<p>*288 Approve application under the Transit Oriented Development limited tax exemption program for the Hollywood Apartments located at 4111 NE Broadway (Ordinance) (Y-4)</p>	<p>185213</p>
<p>*289 Approve application under the Transit Oriented Development limited tax exemption program for 41st at Tillamook located at 4110 NE Tillamook St (Ordinance) (Y-4)</p>	<p>185214</p>
<p>*290 Approve application under the Transit Oriented Development limited tax exemption program for Glendoveer Woods Apartments located at 247 NE 146th Ave and 409 NE 146th Ave (Ordinance) (Y-4)</p>	<p>185215</p>
<p>*291 Approve application under the Transit Oriented Development limited tax exemption program for Prescott Block Apartments located at 4312 N Interstate Ave and 1416 N Prescott St (Ordinance) (Y-4)</p>	<p>185216</p>
<p>*292 Approve application under the Transit Oriented Development limited tax exemption program for the Rose Apartments located at 305 NE 99th Ave (Ordinance) (Y-4)</p>	<p>185217</p>
<p>*293 Authorize Intergovernmental Agreement with City of Gresham for the production of the annual Action Plan FY 2012-2013 updates and other plans and performance reports as requested of the Consortium by Housing and Urban Development and to receive payment (Ordinance) (Y-4)</p>	<p>185218</p>
<p>Portland Parks & Recreation</p>	
<p>*294 Accept funds from Grant High School students for the construction of a community garden (Ordinance) (Y-4)</p>	<p>185219</p>

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<p>295 Authorize a Developer Agreement with Tri-Met, Oregon Health Sciences University and ZRZ Realty Company for the South Waterfront Transition Trails connecting the Light Rail Bridge and Future Greenway (Second Reading Agenda 257) (Y-4)</p>	<p>185220</p>
<p style="text-align: center;">Commissioner Dan Saltzman Position No. 3</p>	
<p style="text-align: center;">Bureau of Environmental Services</p>	
<p>296 Amend contract with Otak, Inc. for professional project management and engineering services for the design of the East Lents Floodplain Restoration Project - Phase 2 Project No. E08464 (Second Reading Agenda 259; amend Contract No. 38100) (Y-4)</p>	<p>185221</p>
<p style="text-align: center;">Commissioner Randy Leonard Position No. 4</p>	
<p style="text-align: center;">Portland Fire & Rescue</p>	
<p>*297 Extend contract with Daniel Rossos for one year and increase by \$58,500 for additional National Fire Protection Association representative services (Ordinance; amend Contract No. 30000760) (Y-4)</p>	<p>185222</p>
<p style="text-align: center;">Public Safety System Revitalization Program</p>	
<p>298 Authorize a contract with ClarusTec, Inc. for a .NET Technical Consultant for a total not-to-exceed amount of \$149,400 for replatforming of the Fire Information System (Second Reading Agenda 264) (Y-4)</p>	<p>185223</p>
<p style="text-align: center;">FOUR-FIFTHS AGENDA Mayor Sam Adams</p>	
<p style="text-align: center;">Office of Management and Finance</p>	
<p>299 Accept bid of Emerick Construction Co. for the Emergency Coordination Center Project for \$10,350,000 (Procurement Report – Bid No. 113436) (Y-4)</p>	<p>ACCEPTED PREPARE CONTRACT</p>

At 12:07 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By **Karla Moore-Love**
Clerk of the Council

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

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WEDNESDAY, 2:00 PM, MARCH 21, 2012

**DUE TO LACK OF AN AGENDA
THERE WAS NO MEETING**

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Closed Caption File of Portland City Council Meeting

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: ***** means unidentified speaker.

MARCH 21, 2012 9:30 AM

Fish: I'm not usually used to a musical accompaniment, karla. Welcome to Portland city council. Mayor Adams is delayed this morning. So, in my capacity as the president of the council, I am going to start things off, and then we'll ascertain whether he'll be joining us for our first-time. Karla, would you please call the roll. [Roll]

Fish: A quorum is present. For those of you new to city hall, we begin each session with communications and anybody in the public can sign up for three minutes. They can come and, and share anything that they want with us. Within some bounds. That's how we begin our meetings. So, karla, would you please call the communication item 273.

Item 273.

Fish: Welcome. All we need is your name, and you have three minutes.

Amy Boggs: My name is amy boggs. I run a small business --

Fish: Move the mic over just a bit.

Boggs: I will go again. My name is amy boggs. I run a small business called sparkly palaces, immaculate home cleaning. I was here a year ago. And I have been running the small business for almost a decade. I am a college drop-out. I don't have degree. I have never even written resume. So the fact that I have been running a small business for decade is incredible. We have an office. We have a fax machine. We have four employees. And yet, at the end of the day, I still wonder if I have a real job. And so i'm a do it yourselfer. I started a small business. And I took it as far as I possibly could on my own. Reading books. Getting whatever information that I could, and trying to apply it to my small business. And about four years ago, I hit a wall. And I just couldn't go any further. So all that ambition, all that drive, that desire to start a business, it was going to fail. And I stumbled into the small business development center and I have been working with them for almost four years. And I had no idea how many resources were available. I started taking quick book classes. Small business management. Advertising and promotion and I just ate it up. I started working one-on-one with advisors. And my business started to change. And I started to change. So today, when I think about my advisors, they have transitioned from being my coaches to being my cheerleaders. And when I think about my progress -- see, the problem, is it's hard for me to see my own progress, but I have these folks that have been working with me, for the past four years, and they say, this is amazing. What you are doing is successful. And what I did was at the end of last year I sat down with my advisor, and we looked at my numbers for 2011, and we had growth. And it was just steady. And then we looked at 2010, and it was steady. And I thought, yeah, i've been working hard. I'm glad that you could see that. And she said, but we've been in a recession, you know. This is a big deal, right. And I was like, oh, see, I miss that stuff. So my advisors point it out to me. So she let me do my happy dance, and the next thing she said was it's time for you to grow so we've been working on putting together a loan proposal, which will triple our sales by 2014. Well have moved from four to 16 employees and every time I sit down with a loan expert and I think, this is too hard. I can't do this. They say, look how far you have come. You can do this, so they are my cheerleaders. And at the end of the day, they are the ones that tell me, that I have a real job. Thank you.

Fish: Congratulations, but before you go, commissioner Fritz has a question.

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Fritz: Can you tell us the name of your business and how people can find out about you?

Boggs: It's called sparkly palaces and you can find us online at sparklypalaces.com.

Fish: We hope this is an annual ritual. We enjoy hearing your success and we look forward to you prospering as we go forward. Thanks for taking the time.

Boggs: Thank you very much.

Fish: Karla, would you please call the next communication item.

Item 274.

Fish: If you could leave with the clerk, mr. Lax. Welcome to city council. We just need your full name, and you have three minutes, sir.

Fenix LAX: Good morning mayors and commissioners. Thank you for having me. My name is fenix lax. I am the artist commissioned three weeks ago to do the, the black history month pop art landmark show downstairs, this was not funded by any company or organization but was brought together by the regular community members like myself. Since then, I have been hard at work building my legacy to put my art up there with the andy warhols, jackson pollacks and I have started a company of diamonds where I work, work with experts and foundations to support their show purpose and brand message. Then I throw a red carpet art show where community leaders are invited to speak about what it takes to be mayor, commissioner, art director. My company pushes boundaries at each art show to become an interactive event we're people get to be part of the new art movement, to meet the leaders of today and tomorrow and as a young hispanic community member of Portland, it has been hard to access most art information, but, for example, when city hall is hosting an event that may need artwork. It is usually not made public knowledge, but what -- excuse me, which does not let other artist, such as myself, have a fair chance at getting contracts, but life is not always as easy one has to fight every day for what they believe in the most. As a young artist, businessman that has taken my art to the next level to help companies and the youth, to teach them about art that matters, and always a percentage goes to foster kids, to buy then every day necessities like art supplies and school supplies. So, you can find some of my art this month and the next at the artist repertoire theater. With that said I would like to thank you all so much for allowing me the opportunity to show my artwork last month downstairs. I would greatly appreciate it if you could point me in the direction of organizations or people that could help my company as well as my art. Touch kids. Kids with knowledge, and, you know, just raise awareness about the arts. In the coming years, I will work on making Portland, Oregon, the, the art capitol of the world next to france.

Fish: Mr. Lax, I have good news for you. It will be very easy today to point you in the right direction. And it's, in particular, I just want to ask eloise, if she would raise her hand, and she is, runs the RACC and perhaps, either someone from her team or eloise could talk to you after the presentation today and get you tracked. Thank you for coming before us.

Fritz: Before you go, could you spell your name so that people can find you on the web?

LAX: Fenix lax.

Fish: Thank you, sir. Could you call the next item.

Item 275.

Robert E. Shannon: Good morning, council.

Fish: Good morning. Mr. Shannon, welcome. All we need is your full name, and you have three minutes, sir.

Shannon: My name is robert shannon. I live in damascus, Oregon. I've been there for quite some time. The reason i'm here, is i'm concerned about this holgate boulevard from 92nd to 122nd. Over years ago they have taken the two outside lanes and turned them into bike lanes. Now, here lately, they have cross overpass from 217 and put it, put in an island for left turn and the people were complaining because they could not get out on holgate, you know. Now it's going to be worse. Since they have cut that lane down, you know. And I got a little something here. See, there is some

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businesses along there. There's a place I do business with that's an auto repair shop and they -- he told me, his name dave, that he's lost 50% of his business. There's probably another four or five down the road, you know. But I don't understand why these bicycle people need all this lousy, I mean, we're I live, they are out this on, on roads that don't have any, any shoulders, and they should not be there. Dark clothing. And at night and any time of the day, you know. And I live close to 212 and that's no place to ride a bike, you know.

Fish: Have you had a chance to raise your concern directly with the Portland bureau of transportation?

Shannon: Well, i've called the county and I have called several ones, but seems like when I call, they put me on hold, or they are not there.

Fish: Before you go today, why don't we give you a contact person we're you could either send an email or make a phone call and if you have concerns about safety along that boulevard, I would like to get you to the right person so they can, then, get back to you.

Shannon: They did have a bike lane along there before they moved it over. I mean, actually, you go up about halfway, and the road is breaking up right in the middle two lanes, you know. And it's broken up and needs to be repaired. It's really bad.

Fish: Thank you, sir. Again.

Shannon: Is that my three minutes?

Fish: Everybody is in the room today, and today we have the mayor's chief of staff, who is going to get your contact information and make sure you get a response.

Shannon: Is my three minutes up?

Fish: No, you have another minute. [laughter]

Shannon: All right, well, anyway, thanks again. Also, I was talking about, excuse me, the city parking here and in Portland. Why in the devil did they ever put it on sunday, for crying out loud. That discourages people from coming downtown to shop. I mean, they come up to the malls and whatever. It doesn't make any sense. Unless the city needs the revenue, I don't know. That's about what I have got to say, I guess.

Fish: Thank you for your time, and if you could, you could talk to the mayor's chief of staff and we'll get back to you on the questions you raised. It's my pleasure to turn the gavel over to mr. Mayor Adams who joined us. Mayor, welcome.

Adams: Thank you, sir. What item are we on?

Fish: 276.

Adams: Good morning, karla can you read the title for communications item no. 276.

Item 276.

Adams: Francis betz. Welcome, mr. Betz. [Poster placement] That way we can see you on camera. Three minutes starting now.

Francis Betz: Ok. Good morning, mayor Adams. Counselors. Citizens of Portland. My name is francis betz. I live at 7620 southwest sage place in beaverton, Oregon. I'm here today to encourage the city of Portland to honor Oregon vets who served in iraq and afghanistan and to bring special attention to the veterans who served in vietnam. I am a navy vet who served two tours of duty in vietnam. Seven years with the 1249th combat engineers and the Oregon national guard. And the father of a son who toured three tours of duty in iraq as a Blackhawk pilot. This service inspired me to create the "welcome home coin project" which you could see on the signs. To honor him, the members of his unit, putting Oregon and all veterans who served in iraq, afghanistan and vietnam. As chairman of the welcome home committee, beaverton post 4617, veterans of foreign wars and a life member of vfw, I believe this project is worthwhile and deserves as much time, energy and devotion that I can rally to achieve a positive result. As a non profit 501c3 service organization, it is important this we serve our veterans in this unique manner. On february 16, 2011, the senator burr of north carolina introduced senate resolution 55, designating march 30 as welcome home

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vietnam veteran's day. The resolution passed unanimously on march 4, 2011. This resolution encourages, state and local governments to establish welcome home vietnam veteran's day march 30 and the people of the united states to observe such day with appropriate ceremonies and activities. Additionally, governor kitzaber signed senate bill 74 on march 30, 2011, making the 30th of march every year in Oregon welcome home vietnam veteran's day. Last april, I designed a special iraq welcome home coin and received funding for the first 500 coins from the u.s. Bank. On september 17, three managers and I presented my son and 250 members of his regiment, welcome home coins, with a handshake and the words, welcome home, thank you for your service and sacrifice. As of today, I presented the iraq coin in Washington, Oregon, and california. In addition, surrogates have presented this coin in new york, virginia, north carolina, alabama, florida, utah, texas and arizona. In conclusion, I hope that the citizens of Portland will help to make march 30, 2012 and every march 30 special day for our veterans. Thank you very much.

Adams: Thank you very much, sir. And really appreciate all your efforts in this regard.

Betz: Thank you. But I have the coin so you could see what the coin looks like. On monday, I was able to order an additional 500 vietnam coins. Thanks to a generous donation from one of my members my post. She donated \$500, which brought me over the \$1,720 I needed to buy 500 coins so hopefully I will have those coins before march 30 this year.

Adams: How much are they each?

Betz: If you buy units of 500, they come down to \$3.44. The company's been very generous with us. The medallion on the front, the great seal has 8 colors. And they donated all the extra colors.

Adams: Thank you, sir. Appreciate it very much.

*******:** Thank you.

Adams: The next item is 277 and karla, if you could please read the title.

Item 277.

Adams: This is my greeting committee this morning. It was a very good greeting committee. Hi and welcome.

Kate Anderson: Good morning.

Class: Good morning.

Adams: Wow. Even in unison. Hi, everybody. Welcome to the city council chambers.

Anderson: Good morning, mr. Mayor.

Class: Good morning, mr. Mayor.

Anderson: Good morning, city council.

Class: Good morning, city council.

Adams: Hi, everybody. And welcome to the city council chambers. You see yourself on tv?

*******:** Yeah.

*******:** Yeah.

Adams: So the trick is not to look at it. Yeah. Sometimes we do that, too.

Anderson: Can everyone look at me now? Thank you. Can anyone tell us why we are here? Raise your hand if you know why you are here.

[Child]: Because we want more art and music in our school.

Adams: Yeah. [applause]

Anderson: All right, now, we have got a song for you.

Adams: Excellent.

Anderson and class: Are we ready? Three, two, one ¶ this little light of mine ¶ i'm going to let it shine ¶ this little light of mine ¶ i'm going to let it shine ¶ this little light of mine ¶ i'm going to let it shine ¶ let it shine ¶ let it shine ¶ let it shine ¶ everywhere I go ¶ i'm going to let it shine ¶ everywhere I go ¶ i'm going to let it shine ¶ everywhere I go ¶ i'm going to let it shine ¶ let it shine ¶ let it shine ¶ let it shine ¶ won't let nobody take out ¶ i'm going to let it shine ¶ won't let nobody it out ¶ i'm going to let it shine ¶ won't let nobody it out ¶ i'm going to let it shine ¶ let it shine ¶ let it

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shine ¶ let it shine ¶ this little light mine ¶ i'm going to let it shine ¶ this little light mine ¶ i'm going to let it shine ¶ this little light of mine ¶ i'm going to let it shine ¶ let it shine ¶ let it shine ¶ let it shine. [applause]

Adams: Yeah: [applause]

Adams: Wow, you all were fantastic. Is this the first type that u. All been on tv? Really?

*****: Yeah.

Adams: What do you think so far? You like being on tv?

*****: Yeah.

Adams: Do you want to just stay here all day and be on tv?

*****: Yeah.

Adams: Be careful what you ask for because local democracy is many things but not always scintillating.

Anderson: Who else is going to give the letter? This class has written you thank you letters.

Adams: Oh, hi, what's your name? Very nice to meet you. Thank you very much. Really appreciate it. [laughter]

Adams: Thank you for your great work. Give them one more round of applause. Thank you. [applause]

Adams: Thank you. I'm going to see you on tv, I know. That was fantastic. All right. Well, we'll now consider the consent agenda. Does anyone have any items to pull?

Fritz: Yes, I had a request from a citizen, brenda hyatt to pull 286.

Adams: 286 is pulled. Can you read the title for 286 and we'll consider it at the end of the regular agenda.

Adams: Unless there is anyone else that would like to pull an item from the consent agenda, karla, would you please call the vote.

Fritz: Aye. **Fish:** Aye. **Leonard:** Aye.

Adams: Aye. The consent agenda is approved. We have three time certain, beginning with the 9:30 time certain, can you read the title for 278.

Item 278.

Adams: Please come forward. Welcome back. Nice to see you all.

Carol Smith, Chair, Regional Arts and Culture Council: Thank you very much. I'm carol smith and I am privileged to serve as chair of the regional arts and culture council board.

Eloise Damrosch, Executive Director, Regional Arts and Culture Council: Good morning, mayor, commissioners. Eloise, executive director of the regional arts and culture council. Good morning. And I want to introduce johanna kim, who is generally fabulous. [laughter]

Adams: Generally as in all around.

Damrosch: Always. This is the last state of the arts presentation to this mayor and to this city council. And it seems entirely fitting to thank you each, each and every one of you, for truly unprecedented support for arts and culture in Portland. [applause]

Damrosch: In fiscal year 2012, the city of Portland is making a critical investment of \$6 million in the regional arts and culture council to serve city residents through the arts. This morning's presentation is designed to show you a few of the things that, that have been happening as a result of your investments. And a little later, we'll draw your attention to some important unmet needs in our community. 2.2 million of your investment directly supports grants for non profit arts organizations, artists and schools throughout the city. Major arts organizations like the Portland opera and white bird dance and Oregon children's theater receive about 2% of their budget from racc. That's low by national standards. Arts organizations use these funds to pay artists and other personnel who bring music, theater, dance and art into our neighborhoods. In all, racc supports 175 non profit organizations and here you could see the impact of this sector. 43 of these groups are including the Oregon Symphony participating in arts for all. A program that provides deeply

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discounted \$5 tickets to low income Oregonians. More than 1500 city residents took advantage of this program in its first six months alone. City funds also support race's growing roster of technical assistance programs that help artists and arts organizations learn and network with each other. As just one example, last week, 36 women of color attended a special grant-writing workshop presented by renee mitchell created specifically to address their needs. As you know, race works hard to leverage the city's investment. This year, we're raising more than \$400,000 from the private sector to enhance what you have Invested in the right brain initiative. And work for hard is poised to raise more than \$800,000 through more than 70 workplace giving campaigns and other partnerships with local businesses. Including feed the arts day, with burgerville, a few weeks ago. As you know, race strives to be a leader in making sure that all of Portland's citizens have access to arts and culture. And city funds are supporting is a new partnership with colored pencils that reaches out to artists in communities of color. 32 years ago, the city of Portland and Multnomah county passed percent for art ordinances that is generate dedicated funds for public art. This year, that ordinance netted more than 1.5 million to add to Portland's free open air museum for residents and visitors. Here you could see artists renderings for art projects underway as part of the east side streetcar. You can read much more about all our accomplishments in our annual report, but right now we would like to take a few minutes to focus on the most significant unmet need in the arts today, and that's arts education and you heard it right from the children's mouths.

Smith: Thank you. We believe that, that every child deserves access to really, a complete arts education. That has many factors. Race and can have been measuring and evaluating arts education, and sadly we have to say that the picture is, is grim. Today, in the city of Portland, There are six school districts with a total of over 70,000 students. And of these, 50% send, attend a school without an art teacher on staff. 21% attend a school without a music teacher on staff. And that means no band. No chorus, no orchestra, nothing. The shortage of arts and music teaching is especially stark at the elementary school level where 81% of Portland's elementary school students will complete fifth grade without attending single art class. Schools have been creative, however, in trying to fill the gaps in arts education. Parents volunteer to teach art and music in school and some after-school programs. Programs like young audiences and others bring artists and musicians into the classrooms. But even still, we really continue to have a lot fewer opportunities for students to build their skills in the arts and in the music. The result is fewer marching bands. Fewer choirs. Fewer student art exhibits, and fewer student concerts. We have examples of lost programs from all six of these school districts. While the goal is to, is to provide one art specialist for every 500 students, faculty, here you could see that our, our children are being underserved in art, dance, drama and music instruction. Despite the fact that, that arts education has been shown in study after study to improve student performance, children who are involved in the arts are four times more likely to participate in the math or science fair. Three times more likely to win an award for school attendance, which we know is a major component of high school graduation. And 4% more like to be recognized for academic achievement. And three times more like to be elected to class office and we know, obviously, that leads to really interesting lives, right.

Adams: I'll say. [laughter]

Fish: So three out of four. [laughter]

Smith: But, without these experiences, sadly, to say 41% of our students are not graduating with their classes. Our community is telling us that we're on the wrong track and that arts education is part of our solution. 95% of citizens rate arts education as important and 83% of teachers believe the arts have profound impact on student learning. That's why superintendents from across the region are working on solutions to restore arts education in our schools and we know that the arts are critical to teaching creative problem solve, creativity and other 21st century skills, that are essential for our children to be successful as workers in the future. Speaking to that point, the founder and president of ziba design explains that need like this -- he tells us creative learning

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opportunities are vital to a well rounded education and will, no doubt, lead to the type of innovative workers. The creative workforce is a fundamental part of the creative economy in the age of scarcity, an era that becoming the new normal. We invite others to join our coalition of educators and other civic leaders as a part of the any given child program sponsored by the Kennedy Center in Washington where we pledge to provide diverse learning arts opportunities for every child, every day, in every community. One emerging solution that we've been developing with really exciting and great success is the Right Brain Initiative, and I know that you have heard about this in the past. Thanks to your tremendous support and the city of Portland and many private funders, the Right Brain Initiative artists with teachers have been working to pay our artists with teachers, to really transform how teaching happens in the classroom and we look at this as a way to really illuminate lessons to make learning technicolor, or just to bring the energy to the classroom. And President Barack Obama has called for more of this type of arts integration into the classrooms. Across the country, and the Right Brain Initiative received a grant from the Endowment for the Arts to support more of this kind of professional development for teachers. We are here to give you a glimpse of how the Right Brain Initiative is making difference in the classroom, and we welcome Marcela Arredondo, a first grade teacher in the Spanish Immersion program in North Portland at the Beach K8 school. Welcome.

Adams: Welcome. [speaking in Spanish]

Marcela Arredondo: Good morning, I am the first grade teacher in the Spanish Immersion program at Beach K8. Beach is a Title 1 school located in North Portland. With 550 students, our population is diverse. 35% of our students are Latino. A combined 27% identify students color. Including African-American, Native American and Asian. 56% of our population is on free and reduced lunch. There is one art teacher serving us, my students receive 35 minutes of formal art instruction a week. This does not include music or dance. That is less than 1% of their education. For many, the time spent in school is the only exposure to the arts they receive. With limited resources and support, it is difficult to teach proficiency in any content area and arts is left behind. All students, and especially my first graders, they learn through creative exploration that is integrated with content instruction. This is critical in language immersion programs because we are teaching language through and with the core content areas. We must shelter our instruction in unique and inspiring and artistic ways so that our students have equitable access to their education. The Right Brain Initiative offers solutions to the needs of my students. Through our artist residency we have infused not only Latino culture but respect back in our classroom. And this is all through dance. Merengue incorporates movement, which young bodies need to focus and learn, while also providing music and appreciation of a culture. It has allowed us writing and art lessons and inspired a song written by my class about the writing process. That is genuine artistic content integration. And the unintended lessons of respect, are more valuable than my original lesson objective. Through dance, my students are learning appropriate touch, kindness and joy for each other. And six and seven-year-olds were struggling with that all year, so it's really been priceless for me in the classroom. [speaking in Latino]

Arredondo: As a Latino teacher in an immersion program, it is of utmost to marriage culture, language and curriculum. The Right Brain Initiative provides resources and education to those of us in need, while pushing us to thinking creative and complex ways. I am able to learn from my resident artist new strategies. I am collecting techniques, songs and lesson plans that integrate art at every level. This partnership develops and gives me teaching the focus that allows my students to think in resourceful and imaginative ways. Thank you on behalf of the staff at Beach and my students, faculty, I thank you for being here. Muchas gracias.

Damrosch: Beach is one of the 11 schools in the Right Brain Initiative, and our vision is to provide the same opportunities in every one of the 105 K8 schools at a cost of \$1.5 million. Many

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organizations have been working for years on art solutions as well, including miracle theater in southeast Portland. And I'm very pleased to introduce you to the company's artistic director.

Olga Sanchez: Good morning, commissioner, I am one of two directors for the musical theater and honored to be here. A humble example of the many arts organizations that provide and engage in arts education in our schools. A bit about ourselves, we produce work in English, Spanish, and bilingually because we serve our community with our focus on Latino arts and culture. We provide opportunities for Latino performing artists to experiment in growth through training and productions and we expanded our work to serve Latino artists of all disciplines. The diversity of our region is growing. And as it does, we receive more and more request, to support the cultural and artistic needs of the community. Providing the Latino community a place to meet, celebrate heritage and feel sense of home in public. And share culture with their children. We take this responsibility very seriously. With one out of five students in the school system identified as Latino, we embrace our charge to support arts education through culturally responsible programming. This is our 28th season and we have a long history of going into the elementary, middle and high schools, with writing performance and visual art workshops, some that last a day or two and some months. It's tremendously rewarding to watch students get an idea and to develop it into a reality. Not to mention seeing former students emerge into positions of leadership over the years. We all know that arts build stronger students. Our focus is to provide accessible formats of expression so that kids feel heard, appreciated and even applauded for their creativity. For their positive contribution.

Whatever limitations or barriers they might encounter day-to-day, whether it's intolerance, language barriers or simple misunderstandings, arts and culture provide place for all children to meet, to share their hearts and minds, to recognize each other's gifts, and to grow together into a stronger, more compassionate community. Our newest venture is community focus. It focuses on building relationships with other company's independent artist and students from children to seniors. Last December, a mother told us that she really wanted her young daughter to participate in our play again this year because the girl had done it last year. And since her participation, her grades had shot up. And I asked her, are you sure that these two things are related? And she said yes. Her daughter, she confided in me, had had very low self-esteem. But after she had gone through the process of learning lines, performing on stage and being applauded, she felt stronger, and she wanted her daughter to have that experience again and her son. These are powerful motivating things to hear. And we know that we share this experience with many of our fellow arts organizations in this city. We're proud to be a strand of the tapestry of arts education in our community, and we thank you for your support.

Adams: Thank you.

Smith: Thank you. Thank you very much. Olga spoke about the importance of helping students find voice, and next we are going to hear from Thomas Cordova, who leads up a project that is a race funded project. Thomas, please join us.

Adams: Welcome.

*******:** Thank you.

Thomas Cordova: I am Thomas Cordova. I am grateful that race and the city of Portland support our mission to change lives through the power write. 13 years right around Portland has been holding creative workshops in hospitals, prisons, schools, shelters, treatment centers and more. Almost 500 adults and young people take our workshops each year. More than 70% of whom are living below the poverty line. One of our longstanding partnerships is with Helen's View High School in northeast Portland. Last fall, we held a ten-week writing workshop with the students. Helen's View offers services for English language learners, students on probation and parole, students parenting and students whose needs have not been met in other educational settings. The literary arts develop higher thinking skills, convey ideas, solve problems and make sense of the world around them. The students, who you will hear from in a moment, said that writing could be a

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steppingstone for anything. Without further ado, I would like to introduce two helens view students, isabelle sanchez alvez and warren gaston. They will both read pieces in blueprint to my backbone, which comes from warren's poem. So I will start with isabelle.

*****: Hello.

Adams: Hi.

Isabelle Sanchez Alvez: The name is called "i stopped listening." I stopped listening when you said I wouldn't make it, when you said that I had to face it. When you said it wouldn't happen. When you said that I would be nothing. I stopped listening when you started to compare me. When you underestimated me. When you said that I'd just be the same. I stopped listening when you made me choose sides, when you tried to get me against the woman who gave me my life. When you started telling all those unnecessary lies. And even though, forever I love you, I finally stopped listening when I proved you wrong.

Adams: Beautiful, thank you. [applause]

Warren Gaston: Good morning, everybody.

Adams: Good morning.

Gaston: I will start. I have known real all my life. Well, the world made me so I am from the real so doesn't that make me real? I would like to think so. My real is my inner voice. My funny bone. The blueprint to my backbone. Real has been nothing but pure, organic reality to me. But to be straight up, I didn't want to be real. For a short amount of time, I didn't want to be real. But the realness never gave up on me and that's really real. Real, you are true, faith, honor, love, forgiveness, pride, soul, laughter, knowledge and wisdom. And I thank you, real. [applause]

Adams: Very nice.

Damrosch: Thank you, isabelle and warren for sharing those amazing poems with us. Very inspiring. Composer and singer, esperanza spalding is a product of the Portland schools. She won a 2011 grammy in the category of best new artist beating out the likes of justin beiber. Spalding has described her discovery of the bass as a random occurrence in school music class. She lifted it up. Her teacher showed her a few blues' lines, and she was hooked. Spalding went on to be nurtured by some of portland's jazz greats such as thara memory and darrell grant, some of the greats. Spalding has never forgotten the help that she received, and soon after winning her grammy, she performed right here at city hall as a tribute to her teachers and I am sure you remember that. In the following video, you will hear spalding talk about arts education and you will also see stark photos recently taken of jefferson high school's unused band room.

[Video, Esperanza Spalding]: A lot of schools are lacking direction and guidance and being fit with the knowledge that they are capable of greatness. Through the arts, for a lot of kids, that's really the first time that they get in touch with those. There are many things that are much more qualified than me that can talk about the developing of brain with music and art, but I know on a community level, for us to become great citizens, being involved in the arts is crucial. I think with love and food and shelter and art is a necessity.

Adams: Beautiful. Her new album comes out this week.

Damrosch: City of roses.

Smith: Kind of want to get in the mood now, right. Now you have heard from a student who really enjoyed strong education opportunity of the arts. Now you will hear from a superintendent who is passionate about the need for more arts education and the difference that it makes in a child's education. I would like to introduce karen Fischer gray, superintendent from the parkrose school district.

Adams: Welcome, superintendent.

*****: Thank you.

Karen Fischer Gray: Good morning. Mayor Adams, and city council members. As we said, i'm karen gray, superintendent for the parkrose school district and also on the city Portland's planning

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commission. A position I am very proud to hold. This morning, I would like to talk about three aspects of arts and music in the school. One is the importance of arts and music in schools. Which we have already heard a lot about. I can't improve on any of the wonderful testimony. Also, to talk to you a bit about some of the losses that we have experienced in the area of music and arts in our school district. And also, an exciting new something on the horizon that I am pretty excited about. And hopeful for. If you think about what it was that you were excited about when you went to school, I am thinking that a lot of times it was being able to sing and play a musical instrument, or act in play. And in addition to that, would be some of the physical activities that you enjoyed like p.e. and sports. And dance. And also, the social activities that are involved in all of those. Those are the things that keep kids in school. Those are the reasons why children go to school in the morning. For some kids, that's the only reason that kids go to school in the morning is to be part of the theater program at parkrose high school. And I have experienced that in all three school districts I ever worked for, in the last 32 years. Music and arts are good for your brain. They help to develop certain areas of the brain and even brain research that says that music helps children even before they are born. I just want to, to pay a special tribute to the testimony by carole smith this morning. I really liked her statistics about, about what music and arts really does for if I said in graduation rates, in involvement in schools. Really, this reminds me of the story I use often is a jade salesman. They go from door-to-door but don't really have to say much. The jade pretty much sells itself. When you think about arts and music in schools, it really sells itself. And then I wanted to also say that parkrose is here, Participating right around Portland for the first time and we had presentations at our last board meeting and have a book that also the title comes from the kids. Little kids. Little elementary kids and what an opportunity that has been for our school district. It's just been marvelous and we plan to continue, but I bring us to the sad case of what we have lost in the last, especially, the last four years. Since the 2008 economic downturn. Parkrose school district and centennial school districts have lost half their arts and music programs. Half of their arts and music programs. In just four years. We have had economic losses of 10% to 12% of the general fund budget every year for the last four years. Portland public school has lost over, has lost 28 instructors. That's a lot of teachers that have been lost to music and arts in the last four years. We have also lost elementary school p.e. Specialists, vocational educator, career technical programs and all the different shop classes that kids really enjoy as part of a well rounded comprehensive education. And I fear that we have become lopsided. When you are faced with issues around staff cuts, which I can tell you parkrose is faced with yet again for next year, who do you cut? Is it going to be the, the high school science teacher. The elementary kindergarten Teacher looking at classrooms. Or electives? And we end up doing the unthinkable, which is cutting art and music and that's what we have done. So, this whole notion of a comprehensive american education is really at risk currently, I believe, with, as things keep going the way that it is going. But, I would end my comments with something that I believe to be positive on the horizon. The superintendents have been involved with the mayor's office, with race and can, creative advocacy network. In discussion around a city of Portland tax and that would be very nominal amount of money per household, which over the years, would produce enough revenue to be able to have arts and music articulated programs beginning in every elementary school in the city of Portland. And this would not only bring back certified music and arts instructors, once again, for articulated programs that really produce, like in parkrose, award-winning state award-winning programs, but it would also bring professional development to teachers to be able to incorporate and infuse arts education into math, science, technology, reading, science, etc. And finally, with support community arts work, which, which, if you look at sacramento elementary school, just had artists develop a beautiful mural, with the healthy active schools grants from the county, in their commons or cafeteria. Two artists came in and did multi-cultural designs of door entryways of 28 different multi-cultures in sacramento elementary school. Showing culturally responsive teaching for at least 28 of our 50 different

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cultures. So, in closing, I would just say this is encouraging. This is what we should go after. And this is an ability for the city of Portland to continue to move forward in its support of the arts.

Fish: Karen, I have one question. I have had the privilege of judging the we the people program, and I have seen the quality of your students continue to grow. In fact, I think that last year, or the year before, it was voted the outstanding team, or panel in one of our sections. Could you remind us how many go to school in parkrose and how many languages are spoken in your school system?

Fischer Gray: Yes, thank you for asking. Commissioner Fish, we have 3,500 students in the parkrose school district. We have seven schools, a new comprehensive high school. We have 50 different spoken languages in the parkrose school district. We are 40% white, which includes slavic nations and one-third english language learning. And we are, we are nearing 80% poverty on average. We have schools that, two schools that nearly are at 100% free and reduced rate meals. We are producing award-winning students in band, choir, theater, our theater program was selected for a show with, on television and we hope that will be a partnership with roosevelt high school. We are producing wonderful things. But if we continue to cut the way that we are cut, the articulation of starting this in elementary school going through middle and high school will end and that's what I fear. We just won't be able to do the kinds of things that we're doing like we are with "we the people" and "mock trial."

Fish: Thank you, superintendent fischer.

*****: Thank you.

Adams: Welcome.

Jessica Jarrat Miller: Thank you for having me back. I'm jessica jarrat miller, the executive director of the creative advocacy network. As you have just heard, the six public school districts in the city of Portland and their 70,000 students have sustained tremendous losses. The creative advocacy network is here it advocate for the full restoration of arts and music education in our elementary schools. We refuse to accept a scenario where our children have fewer opportunities to learn and to thrive and to imagine like we did. With this in mind, can has developed a partnership with the public school districts and with the regional arts and culture council to restore those arts and music teachers that have been lost in our elementary schools. To bridge the public funding gap for our invaluable arts and culture organizations across the city. And to increase access for arts and culture opportunities for every resident regardless of their age, income, or their neighborhood. We at can could not be more proud to be advocating for the future of this city and to be supporting the incredibly visionary and inspirational work of the regional arts and culture council, and are so thankful for your leadership and involvement in our efforts.

Adams: Thank you, jessica.

Damrosch: Before we wrap up I want to call your attention to some exhibitions out in the lobby, be sure to check out the "we are Portland" exhibit. It's a special photography show by local youth photography non profit named "my story." 30 degrees photographs capture the faces and stories of the changing city and the citizens. And I want to give another big thank you to sabin elementary for coming to sing to us today and for their exhibit in the lobby. I would like to thank all of those wonderful speakers who joined us today. You heard pretty inspiring stories from them. I would like to thank the racc staff and board. Many of whom are here today for all their incredible hard work and all of our friends in the audience. Artists. Arts organizations. Can volunteers. We really appreciate the wonderful turnout today. And mostly, I want to thank each and everybody one of you for your ongoing support for arts and culture. We really appreciate you.

Adams: Thank you very much. [applause]

Fritz: I truly appreciate the turnout and am proud of this city council for having allocated a significant amount of money over the last three years. Because of the recession, as well as in spite of the recession. And I appreciate what we're aiming to do in providing more funding within

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Portland. Can you talk to me about what's happening for Multnomah county and the tricounty area and your work beyond Portland?

Damrosch: Yes. We have been meeting regularly with all the commissioners in the counties, prior to the budgeting process this year. We have really strong support, I would say, especially in Multnomah county. Every one of the commissioners is, is very positive about, about what we're doing, and would like to invest more, especially in the right brain initiative. So, we're in ongoing conversations with them about some additional support for that program, but we all believe in it and we believe that, that what, what kids can be exposed to through the right brain initiative and the arts in general, actually, meets some of their mission to, to avoid having these children end up in their social is so programs. And we are also working out in Washington and Clackamas county to raise the ante in their contributions because the good news is, that we're finding that arts organizations and individual artists are competing better in our grants programs now, partly through the technical assistance, but also the maturation of the arts community and if the investment doesn't keep up with that, the artists in those counties, will suffer. So, we're really working hard and making some, I would say, promising steps in that direction.

Fritz: Are we doing anything at the state level to provide arts education throughout Oregon?

Damrosch: Well, we know that the, there are programs all around the state that are looking at the right brain initiative as a potential model. I think that we need to talk further about how to adjust that model to work in the more rural parts of the state. But, it's getting a lot of attention.

Fritz: Thank you. I'm concerned that we -- I believe Portland's taxpayers are very generous and do understand why this matters and how it increases graduation rates. We can't just fix it for Portland. We have got to fix it. So, everybody who is advocating to get this first step done, we have got to make sure that we don't stop, that we look after all of Oregon's children in this program.

Damrosch: We work closely with the Oregon arts commission and cultural trust and advocacy coalition in salem on these issues.

Fritz: Thank you. And finally, could you just give brief discussion about the equity initiative that you've been working on with the mayor and me?

Damrosch: Certainly. We've been working over the last year and a half to address some of the inequities in program providing arts and culture to the population and we have responded to the reports that the coalition of communities of color have produced. We're now working very closely with our friends in the arts community, organizations and the artist that is we serve around this conversation. We had a terrific meeting just yesterday with group of about 36 arts organizations trying to answer some of their questions and allay some of their concerns and move together forward. We're at the beginning of measuring where we are and where we want to go, but I think that the feeling is that this is important work, and we're committed to making it happen.

Fritz: Thank you. Thanks for your support.

Adams: Thanks, on that score, thanks to all of you that are part of that. It's really important work and we're very grateful. So thank you. All right, we have a member of our state legislative delegation is here. Oh, look. How are you, sir? Please come forward. Good to see you, sir.

*****: Hello.

Adams: How are you?

Representative Lew Frederick: I'm Lew Frederick, state representative for north and Northeast Portland, and I wanted to at least speak a bit to this. Number of folks do know, but many do not, I'm a, a lapsed mime and --

Adams: Wow.

Frederick: I came to Portland to be a dancer, a musician and an actor and a mime. And I was -- I couldn't make any money doing any of those things. And so the arts folks here understand that very well. But I have been able to watch the art programs and support what I could here and across the state. We have had, as a basic concept, a feel-good system about the arts. Everyone talks about

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how important they are, and yet for the last 20 years, we have been cutting the arts programs in the Portland schools and in the schools generally. The statistics that saw about recent cuts over the last four years really don't begin to give us a sense of the fact that we once had instrumental music programs in every elementary school. We had bands. We had arts. We had dance. We had arts programs in those schools. All sorts of things. Visual arts. Sculpting. Ceramics. All those things were part of the regular education in the Portland schools. We also used to have shop classes, in every elementary school and middle school. A friend of is a cell physiologist, and he talks about the fact that his six grade experience was what really made him become one of the possibilities for nobel prize at some point. He was able to take wood and dove tailing it so that it connected with one another and he said that gives him visual whenever he's talking about using, connecting proteins on the membranes cells. It's a very important kind of approach. But we have been taking this -- dismantling this system for the last 20 years and it is time to stop it. It is time to rise up and say no, enough. We cannot do this on the cheap. That's something that we've been trying to do for some time. I want to make sure that we recognize that this is what we've been doing. It's time to just say ok, enough. Now, where do we go from here? Commissioner Fritz, you mentioned at the state level, there is something that we do have at the state level, and it's something that I want to make sure that we begin to really appreciate and work with. Officially, we have achievement compacts that are supposed to be coming into every school. Every district. Now, those achievement compacts tend to be based around whether -- some of them, the ideas, based around whether you get 46.7 on a math test. Or on reading test. That does not tell me what we really want to see for our kids. They are not going to be -- they are not rushing to school or rushing home or 20 years from now saying, did you know that I managed to score a 46.7 on that math test. They will be rushing home and have sitting in their desk somewhere hidden off on a shelf something that they produced with art. They will be able to talk about the first time that they really got what, what a midsummer night's dream was about. They will be able to understand that kind of thing and we need to know able to say within every achievement compact that people are talking about at the state level, must have. An arts component within it, not just a nice, feel good thing that we're going to be suggesting, but it has to show that. The achievement compacts, in my view, should say I produced a, something in visual arts. I learned to play an instrument. I understood what was going on, on stage in theater. That should be part of the compact, and it will be very important for the city and for the rest of the folks in this room to make sure that when they are talking with their, with their state representatives and talking with their superintendents and when they are talking with the, the Oregon education investment board members who may be part of the community, or even if they are not, that they go to make sure that those folks understand that achievement compacts have to include those kinds of things. We have to begin to return to a comprehensive program. Not one that is separated out so that we have a charter school over here that does the arts. And another one over here that does the science. And another one over here that's doing shop. We really have to have to decide right now it's time for us to work on these things in a way that's going to be effective for the next 50 years because that's who we are talking about. That's who those kids are. They need that background now. So, anything that we can do regarding the arts is something that i'm going to applaud, not because -- I can no longer do mime and can no longer do the dance that I could and will not talk about, about what my voice does at this time, but I really -- this is basic part of my life, and it -- and as I understand, it a basic part of what, whether we're going to be successful in the future.

Adams: Thank you. [applause]

Adams: We have three members of the public that have signed up.

Adams: Welcome back.

*******:** Hi.

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Nim Xuto: Hi, i'm a little nervous. I am nim xuto and i'm the founder, co-founder, executive director of colored pencils art collective. We have people of all cultures, income level, ability, physical, mental abilities, so we are partly supported by race and until the end of June, but we hope so much that there will come, they will come to support us because we bring people of all cultures together and every other month to exchange, to learn about each other's cultures. I wanted to talk about art in Portland, in the school. Two years ago I was invited to teach art for third graders. And they wanted me to teach them the lanterns. Chinese lantern, but i'm from Thailand so I don't really know how to do the Chinese lantern, but I also have been teaching art for a long time. So when I got to that class, I saw children of so many cultures. They are very young, third graders so I decided to ask them to, with very limited supplies, I realized, that the school, wow, no supplies, but I said, boys and girls, we'll use everything that we have, and we can through art. I asked them to tell that, tell their stories. Although all those kids starting to, to tell their stories through, through the collage and the methods I taught them, and believe it or not, I met, at the end of the class, they would come out with the art and they would tell stories. I met the boy that, that came from a jungle. I heard about the Amazon jungle, but that day I met him and showed the picture and told the story of where he came from. And he told stories about, about his travel journey from there to here, and life here in the new land and the girl from China with lots of pictures of China, but lots of flowers because in China, they did not have that many flowers. I want to tell you that art sustains us as a human being, period, is really a necessity in the school. I drove my son to school one day and he pulled out his iPod and the whole time it was all heartbroken music and I realized that children have a limited language. It is really needed. It's not about copy flowers but about everything, problem at home, everything, it's really a necessity. So thank you very much.

Adams: Thank you. [applause]

Adams: All right, unless the other two that signed up are here to speak, or wish to come forward, I'll entertain a motion to accept the report.

Fish: So moved.

Fritz: Second.

Adams: Moved and seconded to accept the report. Karla, can you please call the vote on the motion.

Fritz: Thank you all for being here today. And I appreciate the very beginning of your testimony talking about this is the last presentation to this council and I recognize Mayor Adams for his leadership of this council. Commissioner Fish and Leonard and Saltzman and I are all partners in this work. And we will continue to be so, I will continue to be so for as long as I'm on the council, and I think that once art and culture have touched and changed your life, it doesn't go away. Whether it's a particular personal experience or seeing one's children, live out things that I was not able to do in my high school career and hit the high notes that I can never hit. And be part of doing things in different ways, and that's, that's the, one of the values of arts and culture in our community. If we cannot celebrate diversity in arts and culture, we're in real trouble, but we can and we do. And I want to thank Nim and her work with the Colored Pencils and the Regional Arts and Council for welcoming that group, and committing to doing better in everything we do. That's another thing that arts do. You are always striving to do better and no matter what medium you are in. So thank you again for your advocacy. We do need, as Representative Fredericks said, we need to change the funding system at the state level and have funding for shop, as well as for arts. And for basic teachers. The sad part, is supposing we pass something that, which will provide art teachers and music teachers, then what are the schools going to cut when they are required to cut? It's fundamentally a flawed system and has been since Measure 5 passed and I need the legislature to step up and fix that. Because we can do what we can and we have done what we can on this city council. We are not allowed to fund in school teachers with city property taxes. So, we're looking

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for other ways to do things, but we need to fix it statewide because all of our children are at risk. Thank you for the work that you do. Aye.

Fish: First, I just want to say how grateful I am to live in a community that values arts, Culture and heritage. And you know, when you are in public service, the work is hard. These are kind of depressed times with the budget challenges that we face and the anxiety and the community. And like so many of you, I find great solace in being able to participate in the rich, cultural life of our community. And it recharges my batteries. It's amazing that we have this exhibit in our community right now, and that his story began in Portland. It's amazing that we have this vibrant jazz scene so I went to a black history event and mel brown was playing and talking about the great jazz legends that he performed with. You know, as my, my son, who is in second grade, in the Portland public schools, and for all the reasons you described because we don't have the programs now, that I took for granted, commissioner Leonard and I are old enough to remember when art and music and p.e. Was part of the curriculum. I'm grateful that there's a Multnomah county arts center where we take him to do paintings and I love the joy on his face when he brings home his works and he's exploring color and form and shape. It's a marvelous show at the pacific northwest college of art of young people's art. If you have not seen, it's extraordinary. It's the "best of" from their collection of the middle school and high school students' work. And i'm also reminded, eloise, that when we open up comments, The highlights for me, there was so much to celebrate that day, but for me the highlight was when leo and barry sanders, the great poet of pnca read works of art to 500 people. And through their poetry, they placed the whole day in context. That's what it means to be in a community like this. I'm grateful for the people in this room in the front lines holding the line and making it happen. And supporting non profit organizations, supporting the Oregon cultural trusts, attending arts and making it happen. And that's one of the reasons that I love this community. We would not be celebrating these, these, the progress that we have made were it not for the mayor who has presided over this, now I guess, his fourth so I want to add my thanks to mayor Adams for making this a priority of his administration and he said that he would and he did it. And he has been our champion and so, would you join me in thanking sam Adams. [applause]

Fish: I guess in closing, we will find a way to get to dedicated funding. We'll find a path, and we'll come together. But, I don't want us to leave here without acknowledging two other challenges that are before us. Someone here from right around Portland -- I need some help. There are two other challenges that we need to acknowledge. One is that there are now races, live races for three positions on this council. 60% of this council is -- will be on the ballot in may and possibly november. And I don't say that to make a political point. I just say that to say that those of you who love this work, please make sure that it is central to the debate about the selection of the people who will be here. We will have a new mayor, someone will be sitting in commissioner Leonard's seat and there is another race, competitive race for position on this council. And it takes three votes to do anything around here. And 60% of the council will be on the ballot. So please make sure that your concerns, your issues, your questions are heard during this campaign because it's vitally important. And the second challenge is that we have half as much one-time money for this budget cycle, and we have a \$17 million hole. So, we're going to have to make difficult choices. And many of the things that we love in terms of the racc -- in terms of racc are funded with one-time money so we have to come together to make these hideously difficult decisions about what we fund and at what level. And we're going to need all the help that we can get to get it right because this is not a year where we're going to have all of a sudden money materialize at the end as it has been consistently where we have been bailed out. We will probably have not more Than \$11 million at one time, and last year we funded \$23 million at one final. And we have a \$17 million hole in our general fund. That means tough choices. Your voices count, and we're going to need your help to get it right. So thank you for an excellent presentation and thank you no your leadership. And I am pleased to support your work. Aye.

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Leonard: So I need to correct something commissioner Fritz said. She suggested that she was not a good singer, and I need to remind her and inform all of you that she backed me up in a band I sing in occasionally, performing mustang sally. [laughter]

Leonard: I have never had a better backup than commissioner Fritz, and I have had many. If you think that it requires any talent to sing mustang sally, just scream as loud as you can, and that's how you do it. One of the variety of reasons that I won't be sitting here a year from now is that I started irvington grade school in the fall of 1957 and what's distressing for me to hear in the testimony that I have heard year after year is music is no longer part of the curriculum for grade school kids, and from kindergarten through the eighth grade, Mrs. Sheridan was the music teacher at irvington and to this day, I hum songs like abalone, who has ever heard the song abalone? Look it up on google. You might find it but that and a number of other songs. I learned as a kid in grade school. And you know and I came to age during the 1960s when, when, as a matter of fact, I started college in Portland just before Janis Joplin died, just before Jimi Hendrix and Jim Morrison died and I thought it was a law that, to do your homework, your college homework, you had to listen to the Temptations and James Brown and Jimi Hendrix as loud as possible while you were doing your homework, and somewhere in my early scholastic career at PSU, I read that this had been a study done of music, and its effect on the brain. And that one of the ways that they tested how people reacted to music was to take plants and put them next to a speaker and play different kinds of music on the speaker rock 'n' roll, the kind of music that I listened to, had the plants grow away from the speaker when they put baroque music on, which was a specific classical music produced in the late 18th century, mid to late 18th century, the vines of the plants would grow towards and around the speaker. So, I thought, I could probably use to improve my grades so because music millennium was in an area that I grew up in, I put on a hat and an overcoat and dark glasses and said, where can I find the baroque music, and I got an album. I started listening to this music while I was studying and actually found that I discovered the right brain initiative before you came up with it as a slogan. And actually to my delight, found that I actually loved baroque music, in addition to other kinds of classical music, something that I would have never told my friends if, they are listening, are implored as they hear this, but to this day if you came to my house around Christmas holidays and I don't know why I played this at Christmas, but I have every known version that I could ever find of Pachelbel Canon in D playing on the stereo because I just love the song, the piece so much. So, one of the variety of reasons that I cannot ever live in a condominium, I've been informed by my wife, who by the way is a sculptor, who has introduced me to people that I now count as friends, such as Lee Kelly, not just a local sculptor, but an internationally renowned sculptor, who is just a fabulous human being, but that not withstanding music is my, my art of choice as some people are oddly aware and one of the many reasons I can't live in a condominium is I can't imagine how one can listen to Papa has a Brand New Bag in anything but the absolute loudest possible setting and I don't think that my neighbors would tolerate that. So, I want to thank you, my last council meeting, where you will make a presentation for all the presentations, I have just enjoyed so much over the years and interacting with you and others from the art community. It's really enriched my life and I think will make Portland much better place. Aye.

Adams: I want to thank the city council. It's truly a team effort here on this issue, and each and every one of you have contributed in numerous ways and I'm very grateful to serve with you. I want to thank my arts and culture team, Cary Clark, at various times, Jennifer Yocom, Caryn Brooks, Tomi Douglas and who have I forgotten? Did I get everyone? Good. They do fantastic work, and the city is much better for the fact that, where they are at and the regional arts and culture council helping to lead the discussion on changing and improving and seeing the full potential of our diverse culture as a city and for all of you involved in that effort, thank you to the great creative advocacy network, just, just stellar work. Just, just very thorough. What's coming before the council for further consideration has been thoroughly voted -- vetted and an army of crusaders

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exists across the entire city, to karen and all the superintendents who are absolutely united across the county on this issue. Thank you, as well. Every time any of our, every time arts and culture gets a little bit of money, bit more money, they are able to do amazing things with it. What will be, we'll be considering for the fall is modest, but an important step in the right direction. It's an important step, I think, the way that superintendent gray And representative frederick said where, you know, we're really living up to our value of, of a, if not full, fuller educational system. My, one of my passion is reducing the high school drop-out rate. This will reduce the high school drop-out rate, so thank you all. [gavel pounded]

Adams: So approved. [applause] we'll take a five-minute recess and you are welcome to stay and see more democracy happen or go along with your day.

[Council recessed at 11:00 a.m. and reconvened at 11:09 a.m.]

Adams: If I could get the remaining arts and all the arts and culture folks to please enjoy the marble floors in the foyer? Oh. It's commissioner Leonard. City council will come back to order. So city council will come back to order, and we have a 10:00 time certain, so clearly we're running late. Karla, since he's in the room, we have a quorum. Can you please read the title for the 10:00 time certain, item number 279?

Item 279.

LaVonne Griffin-Valade, City Auditor: Good morning. First I want to start with a couple of notes of full disclosure. One is I started first grade in the fall of 1958, so I had the benefit of a long-time music and arts education even in far eastern Oregon.

Leonard: Did you listen to jimi hendrix?

Griffin-Valade: I did as a matter of fact.

Fish: Full disclosure.

Adams: You people are old.

Fish: I put on my first diaper in the fall of 1958.

Griffin-Valade: Yeah. Sure. [laughter] and the other item of full disclosure is that i'm a lapsed soprano.

Leonard: As in the tv series or a singer?

Adams: Touche.

Griffin-Valade: I will definitely miss you. I'm here today with Drummond Kahn and Fiona earle of the audit services division to introduce Jim Lanzarotta from moss adams llp, the audit firm responsible for the audit of the city's financial statement. Jim will be discussing the results of the firm's audit of the city's comprehensive annual financial report for fiscal year 2010/2011. The comprehensive annual financial report is prepared each year by omf, and the city is statutorily required to have the financial statements contained in the report audited each year in accordance with government auditing standards. My office manages the contract with the outside audit firm for this citywide audit. This financial statement audit is an independent audit which determines whether the city's financial statements fairly present the city's financial position. The audit is akin to an independent person reviews your atm card receipts and bank statements for accuracy. The audit simply tells the city and the public whether the records are accurate. So it's important to note that the outside audit does not determine whether the city's spending is good or bad, appropriate or inappropriate. Just like an accurate statement from your bank doesn't tell you if you're spending your money on the right things. So the audit firm is required by auditing standards to present this information to those charged with governments and, in this case, that's you folks. Without further ado, jim Lanzarotta.

Jim Lanzarotta: This experience between the last presentation and mine is exactly my experience in school when I thought I wanted to be an artist and musician. I really know how to clear a room. [laughter] anyway, people would be interested to know that I thought that art would be my ticket in

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life. I quickly realized that wasn't going to pay the bills. Then it was music. I realized that wasn't going to pay the bills. So now it's all about music appreciation. I'm pretty good at that.

Adams: Ok. Good.

Lanzarotta: Not as glitzy as the topic of the last session but clearly an important one. Can the city put together its financial statements accurately and in compliance with the standards that go along with how this document gets put together? That's what our audit is all focused on. I'd like to tell you a little bit about what you engaged us to do and break that audit into pieces that may make a little more sense. And obviously you want to know the results, so we'll talk about what we've done to communicate with you, and I've already done that through a letter. I'm going to hit on some highlights and then answer some questions. That's my charge today. So you engaged us to do -- Lavonne mentioned a citywide audit, so that includes the city and all the activities that you folks are responsible for overseeing. That also includes the police, fire disability fund. You engaged us to audit the Portland development commission. That's a component unit of yours that handling the urban renewal activities for the city, among other things. And you engaged us for some contractual obligations you face related to hydro electric power fund by itself. All of that is included in one document as well, the city's overall financial statement. I like to break the audit down into six phases. What do we do? I think you understand most of the phases pretty well. One of them is an independent kicking of the tires, if you will. We look at source documents. We talk directly to third parties that you work with, banks, the folks that hold your money, the people that hold your debt or invest in your debt to make sure that their records are consistent with your records. A lot of testing with transactions and balances. Another piece that may not be as obvious is the requirement to look at the internal controls. What are the checks and balances management uses to make sure they can capture all the activity correctly and get it in this document correctly. We have an obligation to tell you if there are weaknesses in that. We did find a couple weaknesses I'll mention in my report. You are required under state law to get an audit. Since you're an Oregon municipal commission, the state law says auditors that audit Oregon municipal corporations, there are certain laws that we have to test your compliance with and then do a report to you, which I will do today as well. That's a third element. A fourth element is the federal grants that you receive. That also comes with compliance requirements and the need to have internal controls that help you meet those compliance requirements, and it comes with a requirement for you to have your auditor look specifically at whether you're complying with these unique and special requirements of managing your grant plans. You're very fortunate. You've got experienced people in the omf department, the folks that put together this cafr. There aren't that many governments in Oregon, believe it or not, that can put this document together entirely with staff in-house. You've got some very smart folks that know how to do this. Our task then is just to make sure that what gets in here is consistent with the balances that we audited and of course that they're meeting all of the disclosure requirements. We do a testing and review of this. We don't have to prepare it and then turn around and audit it. Not everyone can do that. The sixth element is just giving reports, kind of what we're doing today. We've met with management throughout the process. We've met with the auditor's office throughout the process to keep them informed. We've had a debrief with all the bureaus to go over the results, and now the final stage is to go before you and talk about the results. So what were the results? We're very pleased to bring to you the fact that, for each of these elements, the city overall, Portland development commission, fpd&r, and hydro in those separately issued statements that the city received what we call a clean opinion in laymen's terms or technical terms an unqualified opinion. Basically we didn't have to qualify that for any exceptions that we noted. So the city is able to put together these statements in a materially accurate fashion. And so no small feat, and I'm very pleased to be able to sit here and tell you that your crew is able to do that and meet those obligations accurately. So that's the overall opinions, and you'll find that in the city's cafr on page 11. I don't know if you have this with you. Just to highlight a couple pages,

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page 11 is where that overall opinion is on the city's financial statements. Now, we mentioned that part of the audit is to look at internal controls, and there was one weakness that we identified for the city and one weakness in controls we identified for Portland development commission. Those are reported in our report under the single audit in a schedule called the schedule of findings and question costs. So in Portland development commission, that dealt with their ability to get a new accounting standard correct. So it's just unfortunate misinterpretation of a brand-new accounting standard they had to apply for the first time, so they miss classified some things in the funds balance section of their financials, so the audit identified that, and we were able to get that corrected before the statement was issued. For the city, we have a material weakness in internal controls finding related to intergovernmental agreements in the communication of that to the folks that put your financial statements together, omf. As you know, you're very decentralized, so several bureaus that do the operational business for the city, and that information or the activities they get involved in, the agreements they enter into, that information has to funnel to the folks in omf to understand if there's an accounting or reporting significance to that. We found three instances -- actually, it was found by your management folks first. It was identified that there were three incidents where agreements had been entered into with accounting and reporting significance that weren't handled properly in the financial statements in the past. So those issues have been corrected now, and, in fact, management's already worked on a plan to improve the control weaknesses that led to the errors that were being made in relation to understanding what's in these intergovernmental agreements. On the federal grants, I think a graph was handed to you that you might find very interesting. You've been very fortunate at attracting federal dollars to help fund your programs, and you'll see that that really has increased in the last few years and was a very large number this last year. Historically, you've been \$40, 50 millions of federal grant dollars annually. For the last fiscal year, you were almost \$120 million of federal grants that came in to the city highly influenced by pbot activity, department of transportation grants for your various transportation programs. The result of that was we had nearly a doubling of the programs that we needed to look at under the single audit. And so we looked at eight federal programs which result in probably 30 or 40 different individual grant projects funded in the city last year that we looked at. And i'm pleased to tell you that we had no instances of noncompliance, which is a phenomenal result given the increased or expanded dollars that you're receiving and administering here at the city. So no findings of noncompliance and --

Adams: Boy, I hope they're listening down in the "oregonian" office. I doubt it.

Lanzarotta: Anytime you receive these grants, not only do you need to comply, but you have to have internal controls that help you comply, there and could be seven, eight, nine different compliance requirements associated with each grant, and we found that your controls were all good over those. So hats off to your departments. You've got a very good, educated grants department. And the folks out in the bureaus where they're administering these, especially pbot -- what a great job they've done with the increased load they've had with the grant programs they've had. Anyway, I just thought you'd be interested. Very good result in our testing of the grant programs this year. In terms of state legal compliance, we had the same finding for Portland development commission and the city. I think the city had one or two overexpenditures against your appropriated budget, and pdc also had one. I forget who had one and who had two now. That's probably the most common thing that we find in our testing for Oregon legal compliance. You do wind up -- it's common to wind up with a couple of funds that have line items that get overspent. You don't want to be in that case, in that situation, but it does happen from time to time. Out of all the areas we tested, the other areas of local budget law, public purchasing, insurance, the legality of the deposits and investments, all of those other areas, we did not find any areas of noncompliance with state laws. So a pretty decent result in that regard as well. The last piece of mine is just to -- again, i've issued to you a letter -- our firm has -- on required communications. I only want to hit on a couple things that I

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think you'd be interested in. One of them is people want to know did we end up with any audit adjustments? Did we identify errors as a result of our work? And i'm pleased to tell you there were some errors identified but they were immaterial to the financial statements, so we didn't have anything that we say rises to an audit adjustment that we required managers to post. In fact errors that were identified were identified for the most part by management. I think there were four immaterial errors identified. Three were corrected. One was not, some cash in a trust in an account that wasn't in the city's books, and that will be corrected in a future period. No audit adjustments, four immaterial errors identified, three of them corrected by management. You'd want to know did we have any disagreements with management or difficulties in the audit? I'm pleased to tell you we did not. We've had some spirited discussions, and those are all healthy, but management did not try to get in the way of our work or create problems for us in that. The folks that put this document together, we experience that they want to get it right. They reach out, talk about it, consult on lots of issues. That's not true with all of our clients, so we appreciate the tone we see here at the city and the dedication of your staff to make sure the document gets put together quickly. Lavonne mentioned that our audit is really directed towards whether this document is put together accurately and does it meet all of the requirements of the accounting standards -- the governor accounting standards. It's not a blessing on the city's finances. It's not telling you that you're being efficient with the use of resources. It is a pretty big document, too, so I don't know how much you read or if you read this cover to cover. Most governing boards maybe don't read this cover to cover. But if you only had 10 minutes, the board said, if someone wanted to look at the health of a government and they only had 10 minutes, where would you go? What pages would you look at in here? The response was people want to know what is the fund balance, the net assets, and what are the trends? There's a statistical section in the back, and the first few pages of that statistical section has that information. I would say, if all you had was 10 minutes, take a look at those pages. Look at the trends. There's 10 years of trend information about what's happening with the balances and net assets. I'd encourage you to look at that periodically, because it could be very telling about the trend, where you're going, what's happening here at the city with the financial policies that are currently in place. With that, I would open it up for questions.

Adams: Questions? Discussions? Thank you very much. Is anyone signed up to testify?

Moore-Love: No one else signed up.

Adams: Then I move acceptance of -- or is it a resolution?

Fish: Seconded.

Adams: I move acceptance of the annual financial report. Been seconded by commissioner Fish. Please call the vote on the motion to accept the report.

Fritz: Thank you all for your work. Thank you, city auditor, for your leadership on this work. It's reassuring to have an outside audit and to find that we are in good shape and that we are doing our reporting correctly, so I appreciate that, and I especially and happy to hear this is so.

Congratulations to our financial services department also and all of our bureaus are very careful in our documentation, and we will continue to be so. Aye.

Fish: Thank you for your professional work. I want to thank omf and particularly the folks in my bureaus, parks and housing, that have been working diligently to address the questions and information requests and who have been working really hard to get it right. Your chart illustrates that, for example, in the housing bureau, we have a lot of hud money. There's complicated protocols, and i'm especially proud that, in this particular audit, you found no material problems. I am extremely proud of the folks that I work with who have been working hard to get it right.

Thanks to everyone, and i'm pleased to support the resolution. Aye.

Leonard: Thank you. Aye.

Adams: Thank you. I'm glad we bring these to council. Thank you, auditor. Aye. So approved. Please read the title for 10:20 time certain, emergency ordinance, item number 280.

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Item 280.

Fish: I have a brief statement to tee it up. Colleagues, today we have an opportunity to celebrate a very significant milestone in the history of the new Portland housing bureau, and that is an opportunity to ratify an initial collective bargaining agreement between the city and afscme. When we began this journey and you and I worked to bring the talent and treasure of the Portland development commission and to blend it with the talent and treasure of the former bureau of housing and community development to create a new bureau, a powerhouse bureau, called the new Portland housing bureau, we knew there would be many challenges. In the past few years, we have worked through some of the great challenges, physically locating and co-locating all the employees, changing systems, hiring not one but two leaders, creating a new advisory body, developing our first strategic, working hard to protect our funding sources, building stronger partnerships in the community, meeting the needs that keep rising as dollars are being stretched and on and on. I think today is in some ways perhaps not the end of that first chapter but is a significant milestone. Because when we created the new bureau, we told our employees the city would honor its commitment to allow them, if they freely choose, to join a labor organization of their choice. Consistent with that, there was an election, and the people that I'm proud to lead elected to be represented by afscme. Then the hard work began, and we sat down and we hammered out our first collective bargaining agreement, our first labor agreement. A lot of people put a lot of time and energy into this, and I just want to acknowledge some of them. First I want to just salute the union's bargaining team because, in addition to your work representing your coworkers at the table, each of you have an incredibly heavy workload that you've been managing. Ryan, kim, mary, and phil, would you raise your hands and please be acknowledged? This is our union bargaining team, and thank you for your service. I'd also like to extend my heartfelt thanks to the city's team, yvonne, gerald, julia, shianne, for their outstanding work as well as gail and larry. A shout out to rob wheaton with afscme for his excellent partnership with the city throughout this process, and we look forward to continuing our good work together. And finally I'd like to thank traci manning, our director, jacob and alissa for keeping your eye on the prize and supporting this process throughout. Great work to you. I'm proud to be part of this process and pleased that my employees have been able to successfully exercise their rights, and I ask my colleagues today to join with me in approves our initial contract. With that, I'll turn it over to yvonne.

Yvonne Deckard, Director, Bureau of Human Resources: For the record, my name is yvonne deckard. Sitting with me is julia getchell who will answer any technical questions you may have as we move forward. This, in my tenure -- it's very seldom you get to create a labor agreement from scratch. I didn't think I'd have that opportunity, but I did, and it felt really good. The city and union worked hard to create a labor agreement that was common sense, that was cost-effective, that is structured in a way that will allow the bureau and our employees to move forward in a very productive way and that I think can serve as a model in restructuring some of our be current agreements where we would come to the table to create new agreements. I'll cover some of the highlights in this agreement just for council's information. This agreement covers 33 professionals in the housing bureau. On the overtime language, which is in article 8 for covered employees, they will be eligible for weekly overtime, but they'll be eligible for daily overtime and for weekly overtime they will be eligible but only after they have actually worked 40 or more hours in the work week. For the exempt employees, they will receive comp time hour for hour, and they will have the ability to flex their schedules within a two-week period in order to mitigate costs for the city. For article 10, which is the seniority, lay-off, and recall -- employees in this unit will only be eligible to bump within the housing bureau. All other city employees will stay on the lay-off list if they're laid off for a minimum of three years, a maximum of five years. They receive the same holidays consistent with other city employees. If they work an alternative schedule, their holiday pay will be paid for the full day they work. If they work four 10s, then they will just get the day and not have

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to supplement that with vacation time. Vacation time will be accumulated the same as all other city employees with the exception of course public safety who has a slightly different accumulation schedule on vacations. What is unique about this group is that, when they are taking three to five consecutive days, they will give the bureau 15 days advance notice. If they're taking off six to 10, they will give the bureau 30 days of advance notice. If they're talking over 11 consecutive days, then they will plan ahead and give the bureau up to 45 days notice. On their health and life insurance, this group will be a part of the lmbc, so they will have a member from the union on the lmbc. The city will add one more management member to the lmbc. It also means we will have to do loans with our other unions in order to modify the numbers their contract shows. We'll move from a structure of 12 to a structure of 14. This group did agree to implement a professional development fund. Funds will be \$10,000 a year for each year of the contract. We will be putting together a joint labor management commitment in order that we'll administer the funds, and the 10,000 basically means that each employee can be reimbursed up to \$1500 and that would be prorated for part-time employees for professional development. The professional development fund is not grievable, and it actually sunsets at the end of this contract. Either party can actually terminate article 22 within 30 days with written notice. On the grievance and arbitration language, article 32, it is actually the same as the dcu with the exception that disciplinary action may be appealed at level 2 at 30 days rather than 15 days. That gives the bureau time to decide the facts and make a good decision about the grievance, so we gave them additional time. This is a four-year agreement, and so the agreement starts July, 2011 and will expire June 30th of 2015. In schedule a, in article 30, the employees will receive a 1.2% cola back to July 1, as all other city employees were given once this is ratified. As of July 1st, they will receive a 3.3% cola as given to all of the city employees. In the two odd years, fiscal year 13/14 and 14/15, they will have a floor of 1% and ceiling of 5% like all other labor agreements. We agreed we would actually transfer these employees from a pay range to an eight-step pay schedule, and that will be effective June 30th of 2012. And then we had a number of employees -- because this is a combined unit and we had a number of employees that came over from pdc, because of how that transfer was actually structured, these employees didn't receive any type of a merit or cola increase once they transferred until this labor agreement was put in place. So we worked to see if there was a compromise we could come up with, because they had been receiving very positive performance evaluations. When we place these 11 individuals on their step, they will actually 72 steps instead of one. Management retained the ability to place newly hired employees and promotes to a range other than entry, and that will be very helpful for the city as far as being in a competitive market. And then I think really the last highlight is that we also negotiated management's right to conduct performance evaluations that are not subject to the grievance process. The total new cost of this labor agreement over the life of the contract is about 182,000, and I recommend that council ratify this agreement.

Adams: Discussion from council? All right. Good work. Anyone signed up to testify?

Moore-Love: No one else signed up.

Adams: Would you please call the vote on emergency ordinance 280?

Fritz: Thank you all for your good work on this. Congratulations to director DeCard for doing an agreement from scratch, and thank you for all of your work over your career here in the city of Portland. I'm pleased to hear there will be another afscme member on the labor management benefits committee working to manage healthcare costs and doing a really great job of it. That's another positive aspect of this contract. Thank you all. Aye.

Fish: I want to thank everybody that worked so hard to bring this home. Since I mentioned the bargaining team, I just want to put a human face on it for a second, because I'm very proud of what they do for our city. Ryan is one of the key people ending homelessness. Kim wears many hats but currently is helping drive our fair housing action plan. Mary is admin support working in lots of different areas, helping different teams. And Phil has a long history around home ownership. We

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have seen significant reduction in force over the last three years because of the reduction in our funding, which means the work hasn't slowed down, but we have fewer people doing it. Our team at the bureau is working harder than ever, producing great outcomes, and we're very grateful. I believe passionately in the right of people in the private and public sector to join labor organizations of their choice. This was a hard-fought contract. I believe it is a fair contract and where we will continue to build for the future. After spending 20 years working in the labor relations field, the test is not whether or not you can get your first contract. The test is how we administer the contract. I'm confident based on the way we reached this point that we will administer this contract in the same spirit, flexible on both sides with the goal of resolving problems before they become severe and of mutual respect in the workplace. Thank you to all of our city team for bringing it home. I'm deeply grateful. Aye.

Leonard: Anybody that's negotiated contracts knows it's one of the most challenging things you can do professionally. That was certainly my experience. One thing that one learns on either side, whether the union or management side, a victory by one side is a short-lived celebration. So if you don't understand where you're negotiating a deal that it has to be workable and supported by both sides, just wait till the next round of bargaining and the other side that lost has their knives sharpened and are waiting to be on top in that agreement. To be a successful bargainer includes not just getting a deal that makes sense but one that makes sense for both sides and is politically supported by both sides. Those are the best deals because they continue on into perpetuity. So, Yvonne, you've done just a great job as our chief negotiator. I greatly appreciated your understanding of that balance, which is not an easy quality to find in somebody in a position such as yours. Therefore, if I'm not mistaken, I think you are the longest-serving h.r. Director, at least in my memory and even before that, and that's not an accident. You've done a great job. Thank you. Aye.

Adams: Well, you have done a fantastic job, and this is yet another example of that. Congratulations to and thank you to commissioner Fish. I think this is officially the end of the beginning of the bureau. Right?

Fish: That is your favorite expression. I'll let you have the last word on it. [laughter]

Adams: Good work in starting up a brand-new public endeavor, a good business. Thanks to the entire team in the bureau as well for your work in hammering this out, thanks to h.r. and the entire team. Aye. We have one more? Good morning, director moody.

Item 299.

Christine Moody, Director, Procurement Services: Good morning, mayor, city council. Christine moody from procurement services. You have before you the procurement report recommending a contract award to emerick construction in the amount of \$10,350,000. This project was solicited as a low bid. Therefore the city's good-faith efforts program requirements were applicable. Six bids were received, and the low bidder, triplett wellman, was deemed nonresponsive to the good faith efforts requirements and was rejected. Their bid was \$10,280,000. We identified 32 divisions of work for potential minority, women, and emerging small business contracting opportunities. Subcontracting participation from emerick at bid time was at 3.56%. Emerick construction is a strong supporter of the city's programs and has worked with us on identifying additional opportunities for mwesb's since they were found responsive to our gfe requirement. The mwesb subcontractor participation is now at 15.83%. Some of the additional opportunities are a \$678,000 subcontract to a minority business for excavation and utility work and \$192,734 subcontract to minority business for furnishing and installation of doors and hardware. In addition \$440,229 is going to mwesb suppliers on the project. I'll turn this over to council if there are any questions regarding the bids process, and jim coker is here from facilities to answer technical questions about the project you have. And a representative from Emerick Construction is also in the audience.

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Fritz: In what way was the low bid of triplett wellman nonresponsive. The initial bid on this one looks just a little over 3%. How was Triplett wellman non responsive?

Moody: Good-faith effort requirements are not based on the percentage they come in with. Triplett was similar to emerick, 2.69 or something like that. We don't base our responsiveness on the percentage of subcontracts but the requirements on how you obtain those subcontractors. So they weren't responsive to our original requirements of soliciting for subcontracting.

Fritz: In an instance like that, do we do follow up and give training on how we expect it to be done?

Moody: Yes. During this bidding process, because there were so many divisions of work, we offered that up several times through the bidding process for assistance. Not doing the solicitation but what the requirements are and if anybody had any questions.

Fritz: Thank you.

Adams: Anyone wish to testify on this matter?

Moore-Love: No one else signed up.

Fritz: Aye. **Fish:** Aye. **Leonard:** Aye.

Adams: Aye. Thank you. We have one more, the one that was pulled. Is that the only one left? Please read the title for emergency ordinance item 286.

Item 286.

Bob Kieta, Manager Facilities Services: I'm robert kieta. What you have before you, we were here last year to extend the g-4 s contract for an additional five-year period, and any actual extensions beyond the first year would come to council each year for any additional extensions. During the years, everybody's aware there's been a lot of unrest around city hall as far as the protest and the occupy movement. We continue to have concerns that the continuity of our security program is of critical importance right now. I do not see that going beyond this extension will be necessary after in additional year extension. The contractor has continued to provide good service, exceeds our fair wage, provides benefits for its employees, and has continued to do community outreach with regards to recruiting of the employees. We're recommending one additional year extension on this contract, renewal of this contract.

Fritz: The 1.6 million, was that an unexpected increase in the amount of the contract?

Kieta: It's the same amount as last year, so it's a one-year amount. We actually would expect that amount to reduce during the year as I think parks bureau is actually in the process of awarding a security contract of their own. Some of that might fall off as well as the work at the bes water treatment plant is being completed, reducing the security we're providing out there, too.

Fritz: You said this might be the last extension, but the contract we passed last year is going to last for several more extensions.

Kieta: It has up to five available. Based on where we are and the economy and things starting to improve, we feel that things are getting better where we'll be able to actually go out and solicit a new contract for the next renewal period.

Fritz: As we just heard about procurement services breaking down into smaller step contracts, is there a reason we have to have the same people doing all of the components listed in the ordinance?

Kieta: It's important to the continuity of providing security services. We have armed and unarmed, and those officers need to be able to work with each other. Also the connection with Portland police bureau we've worked on over the years to provide additional assistance as necessary in dealing with the more difficult situations. So there are items in the future or, say, the next process that can go through, but the way the contract is set up is it allows for the addition or increase based on an unforeseen circumstance, such as a break-in at the fleet parking lot, or something, where cars are being vandalized, to be able to readily have the employees available to escalate and go. It fixes the price so that they can't -- we don't have to pay a premium for those services, but it's the actual contracted amount regardless of how we go forward.

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Fritz: So we'll do a new bidding process next year to break it into those other components you mentioned?

Kieta: Absolutely my plan, yes.

Fish: Since you mentioned Parks, we're concluding a process where we're shifting to some full-time rangers during the day, and we've done a separate rfp process for evening security, and that is a smaller contract.

Kieta: Yes.

Fritz: Is it true the rfp process asks for having had experience with the city as one of the factors being considered?

Kieta: I don't have a copy in front of me, but I do not believe that is a requirement to response, no.

Fritz: Is the personnel hired required to be ex-military and police officers?

Kieta: With regards to the armed security, we stipulate that previous law enforcement, ex-military with experience, things like that, are beneficial to any officers who are being considered. That's not the hiring at the company, that's the actual process that we look at who will perform armed services within our contract.

Adams: They have to be bpst.

Kieta: Absolutely.

Fritz: You can go to get state certified without having been in the military or in law enforcement. Correct?

Kieta: That's correct. We asked for a higher level of security especially in the armed, so we can deal with situations in a more positive manner through verbal exchange of communications rather than any kind of use of force.

Fritz: Is that a requirement that they have to be?

Kieta: It is not a requirement. It's an added bonus.

Adams: Anyone signed up to testify?

Moore-Love: We did not have sign-up sheet for this.

Adams: Please come forward.

Brenda Hyatt: Thank you. Mayor Adams and commissioners, for listening to me today. I have attempted on several occasions now to try -- i'm sorry. My name is brenda hyatt. I am the executive manager of d.b. Security services. I have been in contact with caesar in your office, and i've met with commissioner Fritz. I've met with jim blackwood in your office Commissioner Fish and I have also had expensive meetings with the bureau of procurement. My concern with these contracts is, unlike the construction contract that you guys just approved, security is not a contract where you can go out and hire other mwesb firms in order to bring into compliance. I have been working with the difference agencies to try and make the rfps so that smaller companies would stand a chance of competing, and I was really excited when the rfp for the parks deal came out of your office, because it actually did not require us to have a small army or a small military or a small police force in order to compete. My biggest issue is that, in the city of Portland, for whatever reason and wherever it's coming from, the mwesb firms are not able to compete in the area of security. I suspect it's the same way in the area of janitorial, but i'm not 100% sure. I put in a protest to the parks bureau award, because once again the three top companies in the city of Portland who have, I believe, 100% of the security contracts in the city of Portland were the ones that were short listed again for the parks bureau contract, and that was Portland patrol, pacific patrol, and g4s. The problem is -- and this is what I pointed out to commissioner Fritz. When you respond to an rfp, it's basically a 20-page resumé where you are huffing and puffing and making yourself look good. I don't know any of us who have put in a resumé who put on the jobs that we had been fired at or the jobs we did not do well. With this, what is happening is that we can't, as small companies, compete with these big companies. I have responses in front of me where pacific patrol touts the fact that they give \$20,000 in charitable services to security within the city. I have a

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deal where one of the companies is so secure in their position with Portland, they say, we're not the cheapest, but hire us because we come in and clean up the messes of the smaller companies. I take offense to that, because my company is very efficient. What I'm asking is that these contracts that Mr. James, the person you are now paying good city funds to to look into this mvesb project -- I am asking that he be given a chance to do his job, that these contracts -- award them for one year. Please don't approve these contracts for three years until Mr. James has a chance to do his job and talk with some of the smaller companies.

Adams: All right. Thank you. Just a reminder to council, she mentioned the protest, and so we shouldn't respond to a specific case because the protester has filed.

Hyatt: It's been answered.

Adams: Call the vote, please.

Fritz: Thank you, Ms. Hyatt, for presenting the information both in council and in briefings with our office. I appreciate Mr. Kieta's response and particularly that there is a commitment. This is just a one-year extension, and we will be looking at how we do contracts and continuing to look into all of the issues, whether they're relevant or not. I do have a concern that, if the amount of charitable giving is part of the evaluation, then that doesn't seem relevant. I question the relevance to the awarding of contracts, so that's something I'd like you to look into in the coming process. Appreciate Commissioner Fish having been part of this conversation, leading this conversation. It's one we need to keep having. With that, though, I do appreciate the good work that's been done on this contract and the commitment that it will just be for one year. Aye.

Fish: Aye.

Leonard: I think it's important to observe that probably more here physically in this building, we can't have people who have guns that don't have prior background and training and very sometimes sophisticated means by which you deescalate a situation. We can't tolerate, as elected officials, having people run out of city hall or simply raising their voices, because this is the people's house. My experience with the group that's here today and the ones that have filled the positions in the current contract has been, to a person, exemplary. They've helped me in my office and other offices to diffuse potentially violent confrontations into conversations. Not everybody has the capacity to do that. Not necessarily do I think we could call Portland police bureau and have officers show up, because sometimes the mere presence of an officer in uniform inflames some people. I do know whatever standard has been set is a high standard, an excellent standard. Lieutenant Harry Jackson is one of the most renowned and respected retired police officers who now is part of our security team. I couldn't be more proud of that. I think it's important to balance a number of factors, but definitely the atmosphere of city hall has to be one where the highest caliber of men and women that are here, particularly those that are armed, has to be maintained at its current level. Anything less than that would be irresponsible in my view. Thank you. Aye.

Adams: Well, I want to thank our existing security team. I rely on them a lot, and they do a fantastic job, and I'm very grateful. I, too, think that, I won't be here, but I think we should continue the requirement of retired police officers when it comes to this building. I would not change that at all. It's not to say I don't like competition among contractors, and I don't think that we can -- I think that we can improve and look at multiple contracting, but there are certain things that, as one of the most recognizable Portlanders around, I really need folks that know what they're doing, and being retired police officers is a really, really, really good thing. Aye. We are in recess. Wait. I didn't bang the gavel. Sorry. I'd like to move a motion that the city council evening meeting on April 18th to hold the hearing for the Portland plan. We've worked with staff. It was supposed to be at 6:00 p.m. Public testimony at 6:30 p.m.

Fish: What is the date?

Fritz: April 16th?

Moore-Love: The 18th. April 18th is Wednesday.

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Adams: So that's the motion. There is a second?

Fritz: Did you check this with my scheduler?

Adams: We checked with everybody.

Leonard: When were you going to be out of town that week? The three of them can handle it.

Adams: I haven't asked for an evening meeting in a long time. So moved. Is there a second?

Leonard: Seconded.

Adams: Moved and seconded. Please call the vote.

Fritz: Aye.

Fish: I'm going to have the mayor talk to my son, because that's an evening we normally reserve.
Aye.

Leonard: Aye.

Adams: Aye. All right. Now we're adjourned.

At 12:07 p.m., Council adjourned.