



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 20TH DAY OF MARCH, 2013 AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz, Novick and Saltzman, 5.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Steve Peterson, Sergeant at Arms.

On a Y-5 roll call, the Consent Agenda was adopted.

COMMUNICATIONS	Disposition:
230 Request of Charlie LaTourette to address Council regarding community water fluoridation (Communication)	PLACED ON FILE
231 Request of Dennis Keepes to address council regarding save the giant sequoia grove in Pier Park (Communication)	PLACED ON FILE
232 Request of Vera C. Pool to address Council regarding Portland Alumnae Chapter of Delta Sigma Theta Sorority, Inc. (Communication)	PLACED ON FILE
233 Request of Janelle C. Jeffries to address Council regarding HAHA's homeless proposal (Communication)	PLACED ON FILE
234 Request of Sophia Kihnath to address Council regarding homeless issues in Portland (Communication)	PLACED ON FILE
TIMES CERTAIN	
235 TIME CERTAIN: 9:30 AM – Amend Bureau of Development Services Land Use Services fee schedule to establish a fee for the new Type I Historic Resource Review (Ordinance introduced by Mayor Hales) 20 minutes requested Motion to conduct a pilot project on the \$250 fee; BDS to report on number of applications received and costs; any shortfall to be reported in summer or fall BuMP for the purpose of Council funding from source to be determined: Moved by Fritz and seconded by Fish (Y-4; N-1 Novick)	PASSED TO SECOND READING AS AMENDED MARCH 27, 2013 AT 9:30 AM

CONSENT AGENDA – NO DISCUSSION		
Mayor Charlie Hales		
<p>*236 Authorize application to the State of Oregon, Youth Development Council for a grant in the amount of \$52,721 to provide a Gang Impacted Family Team Coordinator and a public service phone number (Ordinance) (Y-5)</p>		185927
Bureau of Environmental Services		
<p>237 Authorize contract and provide payment for construction of the SE Oak St Sewer Replacement - SE 10th Ave to SE 18th Ave Project E09095 at an estimated cost of \$2,000,000 (Ordinance)</p>		PASSED TO SECOND READING MARCH 27, 2013 AT 9:30 AM
Bureau of Planning & Sustainability		
<p>*238 Amend contract with NTT Centerstance, Inc. to enhance the functionality of the Salesforce database, extend the contractual term for three years and increase the not-to-exceed value by \$62,378 for a contractual total of \$91,128 (Ordinance; amend Contract No. 30002095) (Y-5)</p>		185928
<p>239 Accept a Grant Intergovernmental Agreement in the amount of \$80,000 from the Metro Regional Government for administration of the City Master Recycler Program in FY 2013-2015 (Ordinance)</p>		PASSED TO SECOND READING MARCH 27, 2013 AT 9:30 AM
Bureau of Transportation		
<p>*240 Authorize two competitive solicitations one for equipment and one for installation of equipment for the lighting efficiency program (Ordinance) (Y-5)</p>		185929
<p>241 Authorize contract and provide for payment for construction of SW Curry Closure Project (Second Reading Agenda 215) (Y-5)</p>		185930
<p>242 Authorize contract and provide for payment for construction of the SW Huber Street Sidewalk Infil Project (Second Reading Agenda 216) (Y-5)</p>		185931
Office of Management and Finance		
<p>*243 Pay claim of Portland General Electric in the sum of \$7,270 involving Bureau of Environmental Services (Ordinance) (Y-5)</p>		185932
<p>*244 Authorize a contract to replace four street sweepers for use by the Bureau of Transportation for \$908,040 (Ordinance) (Y-5)</p>		185933

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245 Consent to franchise transfer from TCG Oregon to Teleport Communications America, LLC (Second Reading Agenda 219) (Y-5)	185934
REGULAR AGENDA	
Mayor Charlie Hales Bureau of Transportation	
*246 Authorize a competitive solicitation for construction inspection and project support personnel (Previous Agenda 214) (Y-5)	185935

At 10:52 a.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.

<u>WEDNESDAY, 2:00 PM, MARCH 20, 2013</u> 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.

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Hales: A couple of women in my family have battled breast cancer. So, this is, on that subject, and it's important. Whereas approximately one in eight women in the united states will develop breast cancer within their lifetime, and whereas the best surgery for treatment of cancer results in disfigurement which has a significant effect on woman's self-esteem and wellbeing, and whereas restoring a breast is an integral part of the treatment, it's of paramount importance in women's recovery, and whereas the women's health and cancer rights act requires group health plans, and insurance companies, and health management organizations, offering mastectomy coverage to, provide women with notice of these rights when they enroll. And whereas most members of the medical community and community at large advocate that all women with a new diagnosis breast cancer deserve to know the rights exist so that they can make an educated and thoughtful decision regarding treatment options, and whereas treating a comprehensive breast treatment plan prior to implementing the treatment modalities has an impact on the overall wellbeing of a patient. Now, therefore, I charlie hales, mayor of Portland, Oregon, the city of roses do hereby proclaim march 21, 2013, as breast restoration advocacy education day, and encourage all residents to observe this day.

And, of course, I want to add to make sure that everyone gets regular examinations. So, with that, I will call the council to order. [gavel pounded]

Hales: Ask that the roll be called.

Fritz: Here. **Fish:** Here. **Saltzman:** Here. **Novick:** Here.

Hales: Here. We have communications items. Could you please read those, Karla.

Item 230.

Hales: Welcome.

Charlie LaTourette: Good morning, mayor hales and commissioners. I am charlie latourette, the executive director of the dental foundation Oregon. We deliver free dental care on a mobile dental clinic called the tooth taxi all over the state, and around the Portland area. We spend a lot of time in Portland where there is significantly more dental decay than in many cities where there is fluoridation in cities. In fact, Portland has 40% more dental decay than kids in seattle, which has had fluoridation for decades. 40%. I am horrified by what I see almost weekly on our van of kids who come with severe dental decay. In fact, not too long ago we had a 13-year-old boy who was suffering with, with very badly impacted tooth for year. And unable to sleep. Unable to eat, or go to school, and he was in so much pain tried to pull his own tooth out. Thousands of kids in Portland. Are suffering needlessly. They are missing school. And they are ending up in emergency rooms. Costing the health care system a significant amount of money. And it does not have to be this way. Decades of research and experience has shown that community water fluoridation reduces decay by 25% or more and safe. The cdc has named water fluoridation one of the ten health achievements of the 20th century. Over 200 million americans already enjoy this public health benefit but not here in Portland. Every major trust and health care organization in the country supports it. Over 3,000 scientific studies spanning 50 years have shown community water fluoridation to be safe and effective. 3,000 studies. And it also saves money. And every dollar invested in fluoridation saves \$38 in untreated care, that can save our community millions of dollars potentially. And more importantly it, saves thousands of dollars per person, money for families

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who cannot afford to spend it on care and don't have it. The science is clear. The need very clear. It's time we implement the community water fluoridation in Portland. Thank you.

Hales: Thank you very much. Next one, please.

Item 231.

*******:** Good morning.

Hales: Good morning, dennis, welcome. I think may know the procedure. You have three minutes, and if you are representing an organization let us know that.

Dinnis Keepes: Sure. I have a folder for each of the council members. Thank you. I appreciate if we could get that there. Ok. My name is dennis keepes, for the record. I am here, the topic I have today is to save the giant sequoia grove in pier park. I have a folder, on the right-hand side there is a nice picture of our giant sequoia grove. The issue is that there is there is a bridge and path construction that are too harmful for the sequoia growth. The second issue is, is that there has been a lack of transparency in the process. Chronologically, on december of 2011, personal, my wife and I went to an open house regarding the bridge construction. We asked, are any pier park therese trees to be cut? No, was the grove to be encroached upon? No. You don't have to worry about your trees, dennis, they assured me. The bridge at this point was to be built in 2012. But something must have happened because nothing was built in 2012. We remained attentive, but hearing nothing, I was shocked. February 7th 2013, the tree, giant sequoia tree was post to be removed for the construction. 12 days later, the friends of pier park meeting, I learned also, a path being built through the center of the sequoia grove. Two days later, at a mediation, promises were exchange between city of Portland and the friends of the giant sequoia growth, the pertinent promise here is that we were promised to be involved in the design of the ada path. Seven days later, we learned the ada path is a ten by 65-foot slab of asphalt towards the center of the giant sequoia grove where it stops, and because that's where they run out of money. This is just, just awful. The root system of the giant sequoia are only about six inches deep, and they are way too shallow and sensitive to be run over by tires indiscriminately. So, we oppose this 10 by 65-foot ada path. Right behind the photo, is a blueprint of this path, which is a third off-ramp of the bridge. We think the bridge can be strong without it. And we want to be involved in the design of the ada path as promised. We feel like we can do better than this. We feel like if we put our heads together and work together, we can do much better than this. So, thank you very much, and happy first day of spring.

Hales: Thank you and thanks for your advocacy. Thanks for coming.

Item 232.

Hales: Good morning, vera.

Vera C. Pool: Good morning. Mr. Mayor hales and our city council members, I am vera pool of the Portland chapter of delta sigma theta sorority. On behalf of the Portland chapter, we thank for the opportunity to join you to share with you briefly about the year of 2013. Which culminates our centennial celebration. On a national level, we started our celebration by participating in the annual pasadena, california, rose parade on january 1st. With a, a beautiful float surrounded by our sisters in red and white. First time in the parade history that an african-american float was entered. The following week, the second week in january, we celebrated our founder's day at howard university in Washington. And where 22 courageous african-american women on january 13, 1913, established delta sigma theta sorority, inc we have over 290,000 members, in july of this year, 28 members of the Portland chapter will be joining. As of today, we have 45,000 members who are registered to attend the national convention in d.c., to celebrate our 100 years of services in the sorority. Locally, on may 25th, at the holiday inn airport we will celebrate our 34th year women of excellence and scholarship luncheon, where we will award a minimum of two scholarships to high school senior, the Portland chapter will host a black and white about all on the beautiful, sustainable green building. We are requesting your support and participation, last but not least we engage in our program that includes economic development, physical and mental health, and political

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awareness, and our national awareness and involvement and, and education development, I believe.

We continue to do our mentor program. We have three programs for young kids. Middle school, high school. We have two for girls, the gems and the academy, and we also have one mentoring program for males, which is the embody program. Embody, empowering males to build opportunities for developing independence. My purpose being here today, in request from the mayor, to, to present us with a proclamation on our 100th anniversary, and I want to thank you for the opportunity, and also I just want my sisters to stand up this morning to be, to acknowledge him. Thank you very much.

Hales: Good morning. [applause]

Hales: Thank you, vera and to you and all the deltas for all that you are doing for the community. Congratulations. I know you have a lot of friends and supporters here that look forward to you burning that mortgage, and other, other activity like that in the future here in Portland. So thank you. [applause]

Hales: Next item.

Item 233.

Hales: Good morning, janelle.

Janelle C. Jeffries: Good morning. My name is janelle c. Jeffries. And I am a Portland state university masters of science and conflict resolution students who does work. I am also a supporter. I support the homeless against homelessness in america, and haha's february 27th, 2013 proposal. And I also want to talk a bit about this and homelessness or houselessness, as we like to say. The mission statement is, the mission provide a safe place to sleep without interruption and a safe place to be for people in our community experience, homelessness. According to 2012, the estimated data, from the u.s. Department of housing and urban development, continuing care, homelessness assistance programs, there is an estimated 633,782 men and women and children experiencing homelessness in the following, an emergency shelter, transitional housing or are unshelter. Of that amount, 15,828 were homeless in Oregon with 4,423 alone in the Portland gresham Multnomah county area. And in 2012 data from the Portland gresham Multnomah county area, the homeless identify that they were the following. 1,025 were chronically homeless. 503 were severely mentally ill and 727 have chronic substance abuse issues, and 380 were veterans, and 20 were persons with hiv and aids and 787 were victims of domestic violence, and 16 were youth under 18, and in comparison, as of, of -- according to the 2012, the united states conference of mayors and hunger and homelessness survey, a status report on hunger and homelessness in america, american cities, a, a 25-city survey in Portland, Oregon, 16.3% of people lived before the poverty line, and to accommodate and increase the demand shelters have had to consistently have clients sleep on overflow cots, in chairs and hallways, or use other sleeping arrangements, convert buildings into shelters and distribute vouchers for hotel or motel stays, because shelter beds were not available. Homelessness shelters have had to turn away both homeless families and homeless individuals. City officials estimate that 75% of the demand for shelter went unmet. And in the next year, officials expect the number of homeless families and homeless individuals to decrease in resources to provide emergency shelter to the, to decrease moderately, from your own study, city policy associates, Washington, at the u.s. Conference of mayors page 61. I'm not going to be able to finish inn, in my, my friend, sophia may be able to continue some of this. But, I do want to, to end with the u.n., the united, the universal declaration of human rights adopted by the u.n. On december 10, 1948. For article 7, all are equal before the law and entitle without any discrimination to equal protection of the law. And all are entitle to equal protection against any discrimination in violation of the declaration and against any discrimination. Please become an ally of haha and right to dream to. Thank you.

Hales: Thanks for being here. Thank you. [applause]

Hales: I think that we have one more?

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Item 234.

Hales: Good morning.

Sophia Kinhnarath: Ok. I'm sophia kinhnarath. And first and foremost, I want to thank you guys for passing the, the sick leave ordinance and also for funding the youth education program for the summer. You guys did the right thing, and that gives me hope for the city. But, let me give some statistics about the right to dream. We get 12 hours of uninterrupted sleep to an average of 90 people a night, that's 32,850 times a year. The average people that we turn away is 20. That's 7,300 people that we turn away. And, and we all need sleep to function. For more than 55% of our expenses goes towards a fine, and that's not ok as a city, as a human, as people with, with heart and a soul, we should not get fine but help each other, and we have a success rate. We have 40 people who have housing and have maintain it. We have 38 people who have, have found jobs because they have been able to sleep without any taxpayers' money. And so, we come here and we talk and you guys listen. And sometimes, I feel like you guys don't really hear us, and maybe with this new art tax that guys have gotten, you know, \$35 from each person, I wrote you a little poem some, call it a poem, some call it a rap, but you can call it the truth. So, submitting my life to greater cause, making sure that there ain't no pause. Putting my soul in and everything into this place that gives me nothing, nothing but the benefits of making my voice be heard. Speaking for the thousands of voices blurred. Hidden behind corporations' greed, hearing city council lie about people's needs, criminalizing people who sleep on the streets, hiding problems by making sure the homeless eat. I'm sorry to tell about if feeding the poor all you can do. Then rest assured that the problem is you. Food, clothing and shelter is all we need to survive. Then why am I hearing these lies. We want to end homelessness but we spend money so careless. 46.9 million. 46.9, can I hear it again, 46.9 million into the clark center. Let me let you ponder. 46.9 million. Don't get me wrong. 150 people will live long, the center is a place, however, 46 million, could have been the houseless problem erased. You can be our allies to use your power and voight to make a right choice, you can continue the fine and is make headlines. Or you can lower your guards and, and come to right to dream's yard. Come, sit down, and I invite. Come and have a cup of tea. It's on us. It's free. And imagine, we are supposed to be a team. The city and i, not me against. Not you against me. But I must be dreaming because I can hear my people screaming. Ho-ho, hey, a right to dream here to stay, ho, ho, hey, hey, a right to dream is here to stay. You can be the dream what martin luther king dreamt, the revolutionary like malcolm x, if you work hard with honor, dignity, and respect. Like my east coast rebel brothers would say, work like hugo chavez every day. I'll we're asking is wave the fine and is talk to us and have a space for us available to talk to you guys. Thank you.

Hales: Thank you, and thanks for coming. [applause] ok. Thank you very much. Let's move on to consent calendar. I don't believe that there are any items that have been requested to be removed. Are there any this morning? If not, let's take a roll call and consented, please.

Fritz: Aye. **Fish:** Aye. **Saltzman:** Aye.

Novick: I just wanted to say, before I vote, that, that I would not vote for a consent agenda, that includes 241, i'm sorry, 242, authorize contract payment, stretch into the southwest huber street sidewalk information project, unless I were fully confident that, that the southeast 136th street sidewalk project is also going to go forward. So, with that stipulation, I vote aye.

Hales: Aye. [gavel pounded]

Hales: Ok. We have a time certain item for 9:30. And I think that we have mr. Scarlet here. Yes, we do.

Item 235.

Paul Scarlett, Director, Bureau of Development Services: Good morning, mayor and commissioners. Paul scarlett, director for the bureau of development service. With Rebecca esau, the land use services division manager, we're here to, to present on the fee, new fee for the historic code, new historic code that was approved a couple of weeks ago. And the fee that we are

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presenting is in concert with the new code that was changed to, to reflect a streamline process, and that includes a faster time line and less cost. The cost that we have established for, for the new code, which is a type one review process, is 475. The \$475 is, is reflective of the cost it would take to, to do the, the work from start to finish. And to rebecca's credit, she combed over every, pretty much every minute and every five-minute process it would take to, to completely review the plan for minor alterations and work and history, in the historic districts, so, \$475 is the fee that we're propose. And asking for council to accept. It would go into effect at the same time. The new code goes into effect, which is may 1st. And I do want to express that, that this is certainly still, I would be remiss if I did not include that. There was great collaboration between us, the bureau of planning and sustainability, and to, to commissioner Saltzman, to his credit, pushed susan anderson and myself to find a solution to a long-standing problem where we had a one size fit all process. This new code or new type of, of, one review, really will be commensurate with the type of alterations that, that should, that should take only three weeks or two or three weeks versus six to eight weeks, and versus 900 plus down to now 475. And pretty excited. About, about that change, and I think we are, we are being very responsible, certainly, and we have heard concerns, and frustration about the 475, that it's still too high and, and in order to lower it, if there is some form of subsidy, that can be entertained, but, being an operating bureau and a cost recovery bureau, that's the fee that reflects the work needed to, to complete the type one review. And rebecca, I turn it over to you if you have any specifics.

Rebecca Esau, Bureau of Development Services: I don't have anything more to add.

Fish: Since we have received correspondence and emails from folks who testified last time, raising concerns about the fee, I wonder if paul could walk us through the specific concerns that have been raised and, and his reaction to those concerns, and what, what specific options the council would have to address those concerns.

Scarlett: Ok. Certainly, we have heard the concern about, about the 475, and the request for I believe 250, is what i've been hearing, would be an appropriate amount. And that, I can appreciate the concern. And again, being a cost recovery bureau, we set the cost base on the cost of doing the work, and the land use program does receive some general fund, a small percentage, and certainly, could be offset with some funds. This is a very, very difficult time with the general fund deficit. So, we can present it in that light and it would be up to the council to, I guess, reach a decision on how to, to lower the fee.

Fish: Is the fee you are proposing at 100% cost recovery?

Scarlett: It is.

Fish: And based on what assumptions.

Scarlett: The assumptions that rebecca has gone into very detailed analysis of what it takes, and the average amount of time to complete this with you, but go ahead.

Esau: I did an estimate on, on all of the steps involved, and everything from taking an application, to posting the notice on the website, and creating a hailing list and doing the mailing, and the distribution cost, and postage costs, and staff time. So, the staff time broke down to approximately 6.75 hours, on average, estimated per case, and plus the additional postage cost, which came to \$475.

Fish: Do you anticipate a process whereby you could evaluate your actual cost over a particular period of time? And, and revisit the question of whether the fee is commensurate with your cost?

Esau: Yes. We are setting in place a system for the staff to monitor their time over the course of the next year, and we'll, we'll adjust the, the fee as needed. And the next fiscal year. With that data.

Fish: Forgive my ignorance but is there any self help or sweat equity on the part of the public that would make this more streamlined for you, and potentially, reduce the impact on the bureau?

Esau: Yes, we're working with our staff to get new information on our website, as well as additional brochures to help customers be prepared when they are working on their applications to,

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to put together in the best possible way, so it will go through the system as quickly as possible. The thing that takes up time is when we have an incomplete application, and the customer doesn't know what they need to provide. So, the more up front work we can do, in helping them prepare a really good, complete application, it will help them to get through the process quickly, reduce our time, which will reduce the cost.

Fish: Thank you.

Saltzman: I think the fee should be around 350, but I am sure her analysis is complete and thorough. If somebody comes in thinking they need a type 1 review, and they submit the application. It turns out that maybe it's replacing a door that might be under that square footage threshold, do they get their money back if we determine that they don't need to apply?

Esau: If we take in an application and it's determined that, that we don't need to do that, particular review, we refund 100% of the fee.

Scarlett: Meaning they met the exemption requirements. We don't just say they cannot do it.

Saltzman: Thanks. Good.

Hales: Other questions for staff? All right. Thank you. And do we have folks sign up to testify on this item?

Moore-Love: We do. We have six people signed up. And the first three, please come up

Hales: Good morning.

*****: Good morning.

*****: I'm going to talk about, about --

Hales: Put your name into the record.

Christine Yun: That's right, christine yun. I am here on behalf of the buckman historic association, and as a member of Portland coalition for historic resources. And i'm going to talk about, about, um, what I hear when I talk to, to people newly moved to Portland or who are, who are visiting here for the first time. And I always, they always say wow, your neighborhoods are so wonderful. They just go on and on, and they are all different and they are all just, just pristine. So, this hearing may be about numbers and budgets, but, it's also about, about the long-term character of our city, and its attraction to tourists and future residents and businesses. And, and by determining appropriate fees for the simplest alterations of work to one's home this, council will either support future historic, will either support our historic neighborhoods, or leave them to the mercy, of development. When a developer does what is allowed by light, even if it is harmful to the neighborhood's character or livability, it is allowed. When homeowners of historic houses want to change a window, a door, out of porch roof or restore their homes, they are being penalized for wanting to add to the cultural resources of the city by high design review fee. And I am intimately familiar with the anger and frustration of homeowners in historic districts having tried to get a historic district class in my neighborhood for the last six years, and even with the approved zoning code amendments, which exempt many items, and reduce the review process for some simpler tropicals projects, the rallying cry of the historic district opposition group has been design review starts at \$1,000. And so, with this new review, and proposed fee, I know that that's no longer true, and I just want to give an example of where it is a big obstacle to many homeowners. Replacing a 30-by-60 wood window, which runs about \$350 to \$550, depending on the quality, installed, will double in cost with a type one, \$475 review fee. And that's a huge impact to the homeowner. I would like to close with a quote from an article on opposition that's happening with another historic district. This one in titusville, new jersey where Washington landed after crossing the delaware. It says -- what we're really asking of the community is will they join together and say, i'll protect my property if you will protect yours. Residents are saying, no. They fear that being made to protect the historic integrity of their homes will send them to the poor house. Thank you.

Hales: Thank you. Good morning.

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Tanya March: Good morning. I am tonya march, and I am the, the nwda rep on the Portland coalition for historic resources. And I have a number of wondering concerns about the fee, and I am going to focus today on the non complaint issues in the process. Owners of properties do notice do some of the work that they envision on the homes, upon learning of these exorbitant fees, and the perceived unpredictability of the process. 475 would be 32% of the cost of a basic project, a gross fee inequity across the review types. In the process. And people in my neighborhood do the work without a permit. And I am not sure if in cases this is ignorance of the process, which their lawyer may claim from the outset or that they are scoffing the fee. The zero enforcement of the city, particularly curious to me and the google earth digital age, pits neighbor against neighbor, which is what we have seen in the, in advance, where, where the city is not recouping the cost by putting homeowners in abeyance, which has been triggered by them not going through the design process and altering their home. That is not typical in the alphabet historic district because a dumpster in front of an apartment building in my neighborhood could be just that they are replacing it. It does not mean a lot to me unless it's in the right-of-way. And then the crow issues come in. On monday, a perplexing email was sent to member of the, of the Portland, our group, from bds person rebecca, who was mentioned twice in previous comments. She advised the coalition to raise money for the type one fees with home tours. And it was one of her suggestions, one of the two that she thought was the most applicable. And I am working on a home tour on may 5th to raise money for the preservation efforts at the northwest children's theater. And I am the vice president of the cultural center board. This building, the original christian science church is a block from my residence and home. Home tours work to show off best historic preservation practices and highlight projects that need funding. They are not a tool that I see to use to balance for nationally out of sync fee structure. A fee for type 1 of \$250 to \$300 would be ideal compared to the \$475 being proposed. Thank you.

Hales: Thank you. Good morning.

Tim Askin: Good morning. I am tim askin, and I am the co-chair of the buckman land use committee, and the secretary of the board and I am speaking on behalf of both of them today. I would like to state our objections to the proposed fee structure for type 1 reviews and the inequities for vulnerable and low income homeowners in my neighborhood. There was a vast inequity in. Two attached houses were built. An estimated construction cost of \$350,000, the 4,973 historic design review fee actually paid amounts to only 1.4% of the construction project cost. This project resulted in an extensive interaction between the builder, the neighborhood association, and the bds planner assigned before an acceptable design was ultimately approved. And this contrasts with the bank fee structure as outlined in the last two years of the fee schedules for types two, three, and types two, and three projects being that the cost should be fix at 3% of project cost. Further contrast is a potential 2013 project in the modest home in my upcoming buckman historic district where a back kitchen door and window are replaced at \$1500. This would be a type 1 review, and the proposed fee of \$475 would amount to 32% of the cost of the project. And in this example, the middle income homeowner pays a historic resource review fee at a percentage rate of 20 times that of developer. I must also add that salem does these projects at cost recovery for a flat \$250. Why does it cost Portland double this? Further, bds management, always raises the specter appeal costs in their justification of land use fee, by definition, type 1 projects can only be [inaudible]. This negates the likelihood of any appeal on, on such a small project ever happening. As for type two decisions in the cases where it is a historic design review, irington's experience has been that, that 1% cases are appealed. Type 2 reviews for historic design cases should be lower than other type 2 cases because they are negligible. If we are fair to all, the fees need to be assigned based on project cost. This is the case for the developer driven project such as demolition and new construction. And why is it therefore not the case for small projects by homeowners? Furthermore, fees for higher end projects are artificially tap. A \$6 million project such as the now typical 80 studio units at 500

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square feet each and 150 per square foot, gets capped at \$27,000, rather than the hampton baseline charge which would be \$180,000. These are the projects that take massive staff time given the complexities of apartments and the building code, and these are not paying their fair share of the costs. These buildings without fail go through multiple rounds of design review, and multiple landmarks commission hearings and design changes ordered by both staff and the landmarks commission. Bds cannot be recovering the costs on these projects, but insists on charging small projects on modest homes. A 32% fee on their projects.

Hales: I want to ask you to wrap up. You have run out of time.

Askin: On behalf of the buckman community association I beg you to set the type 1 fee at the \$250 level established and requested by the Portland coalition for historic resources.

Hales: Thanks very much.

Hales: Good morning.

Cathy Galbraith: Good morning. I am cathy galbraith from the milligan foundation, we own the architectural heritage center at 701 southeast grand, and we are an active member of the Portland coalition for historic resources. Last month we talked to you about all of the amendments to the process. And I am here today along with my colleagues to, to talk to you about the minimum type 1 review, which the fee that's proposed still too high. When private property owners take on all the added responsibility of doing work that's keeping with the historic character of their home or building, they should be able to feel that they are adding value to their buildings. And to their neighborhoods, and to the city, as a whole. And the fees remain a major issue, and with all due respect, calculating staff time is not an exact science. Especially for new type of review. Projects range in size and complexity and staff have various degrees of talents but the new type 1s are the small and the simple projects, undertaken by the owners more modest homes. Bds staff has no experience in processing this new type of application especially one that prohibits appeals. A qualified historic design review staff person and bds have them, can review and resolve these simple projects rather quickly. And I did this for seven years as a municipal planner, and I know how the process can work when systems are put in place. With neighborhood people working, with applicants before they submit, most issues are iron out ahead of time. This is the sweat equity that's already are happening in our districts. The proposed type 1 fee of \$475 is too high, and you have heard the testimony about the fee calling 32% of a project that, that the work cost \$1500. And during this critical first year test of the new type 1, is absolutely essential. And that the minimum fee be set as reasonably as low as possible, and encouraging owners of low to moderate means to do the right thing and encouraging them to go through the process avoiding expense of bds, appeal times, and enforcement times, and give all of us the time to determine the time that it really takes to process these applications. Our experience is that the fees can always go up, but they never go down. The way to pay for the perceived difference in the estimated staff time to process the new type 1s is to eliminate the arbitrary maximum fee for type 3 projects, which are the ones that have been described as taking the majority of staff resources and the time of public boards and commissions and stop rewarding the demolition applications with an arbitrarily low fee. Nonprofit fundraising is a continuing struggle, and historic design review fees that are too high, make our work all the more difficult. Historic preservation is not all about rich people and their mansions, and we provide an information about property values and incomes. Million dollar properties in our districts are no more than 1% all our resources. Next year the north, northeast quadrant plan includes a project that's, that we're scheduled to work on with the bureau of planning, sustainability to do a schematic african-american register district. And in the elliot neighborhood. If the fees are as proposed, I think that district going to be a serious battle. Thank you.

Fritz: I have a question. Is there a property tax break if your home is in historic district?

Galbraith: You are able, if you are contributing property, in a national register district, not a conservation district but a national register district, you can make applications through the state of

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Oregon for what's called the Oregon special assessment program. What that does is by application it would freeze your assessed evaluation for ten years, with the requirement that you invest in doing improvements to your property. It's become less meaningful with the cap on property assessments that passed some years back, and are causing compression for the city's tax base, and other public jurisdictions.

Fritz: Do we know how many homeowners have applied for that in.

Galbraith: It was higher in the earlier years whether it was a 15-year break when the property evaluations fluctuated, now with what the assessor can impose, in irvington, which was national register district in october of 2010, I don't think that there have been more than ten or 12 applications.

Fritz: Thank you.

Hales: Thank you. Please. Push the button on the base of the microphone there. There you go.

Lenore Bijan: I am lenore bijan, and thank you, all of you, for allowing me to testify. This is on behalf of, of taking funding away from the centers. Not doing that, on behalf of having the senior centers maintain at the current, very efficient level, and I am a yoga teacher at hollywood senior center, and, at the hollywood senior center and have been for four years. I have a senior class totally, including a 93-year-old lady who does a lot of sewing, and she never misses a class. And I have people with parkinson's disease. I have somebody who is in a wheelchair, and visualizes the exercises because they cannot do it, but they feel that the visualization is great for their, their muscles, and their ability to move. These are people who I love, not only my students but I love them because they are courageous, and they are doing their darndest to keep their health up and to be proactive into very old age. And I am interested in teaching older people because i, myself, am, as is obvious, older. And I will be 82 in june. And so, I work at this because my heart is there, and I live in a laboratory, my own body as it gets older, it informs me a lot about what is needed for my students. But, senior centers are not just my pro bono donation. There are a lot of people there who are volunteers, who come in, contribute their time, and their efforts, their talents, to teaching people, helping people. It's a political venue for a lot of political, where meetings are held, the senior centers offer care for diabetics, at a price that is far more affordable than can be gotten elsewhere. And senior centers provide meals. Very frequently, the only nutritional meal that, that a great many of our seniors get in the course of a week. And it is an extremely important thing, and I think that, that any proposal to, to curtail the operation of senior centers is, is very, very dollar foolish because the contributions just socially and psychological, I would wager, avoid a lot of emergency room panic visits. And I know from my students, faculty, and from the people at the senior centers, how valuable this is to them. And just yesterday, not at the hollywood senior center, but at the southeast senior center, I was there trying to help people go through the questionnaires, and having to do with the arts tax, and helping people to understand it so that they won't be suddenly impaled on this terrible debt, which a lot of them can't afford, and they don't understand the questionnaire. They never saw the post-card that came. They have not a clue what is going on. We're trying to help people protect themselves. Or at least explain it to them. And so, we are, we are all people who are working for our own peers. Seniors working for their own peers, and the senior centers make this possible. It is a, a very valuable resource for the city of Portland. Please don't take it away.

Hales: Thanks, and for all your volunteer work, as well. Ok, any more folks -- sorry, sorry. I forget.

Joe Walsh: I am still here.

Hales: I didn't want to cut you off.

Walsh: Individuals for justice takes the position, it sounds like, you have more work to do on this. And it sounds very much to us like, like people are struggling to understand what the, the cost factor is when, actually, come out and, and do what the city does as far as inspections and stuff. It sounds like many of the issues coming up, that you need to do more work, and you need to involve

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more people to sit down and talk to you, not just come here for three minutes, and try to explain their position, and you are not doing enough. That's what we would say to you, over and over again. Do more. Thank you.

Hales: Thank you. Any more signed up?

Moore-Love: That's all.

Hales: So questions for staff? Could we get -- oh, and rebecca, could you come back up, please?

Fish: I have a few questions.

Hales: Commissioner Fish.

Fish: Paul, we had some, some point made in the testimony that, perhaps, you could, give you a chance to respond to, and let's start with, with the, the, someone testified that, that the comparable fee in salem is \$250. A, is that accurate, and b, do you know why there is a difference in cost?

Scarlett: I couldn't speak to exactly. We have done the analysis of the different jurisdictions, and rebecca was involving some of that research. It's usually not apples to apples, but maybe you have some perspectives on that.

Esau: The regulations that we're applying or different and they might have very simple short set of approval criteria that, that are simple to explain to, to customer, which reduces the time, and our, our, our -- it takes less time to respond to findings, and that could be a difference, it could be they have different requirements regarding notification. Each jurisdiction is different with regard to their procedural requirements. The approval criteria, all those things impact how much time it takes and time impacts the cost.

Scarlett: It may also have to do with the overhead structure or is there contribution from their general fund to offset that cost. We can research it specifically, but a number of those factors that include these types of fees.

Fish: Human how many do we expect in the first year?

Scarlett: We are looking at about 35 or so. Per year. Number of these, same, reviews, would have been under type 2, which was longer and more expensive.

Fish: So, if we were to, if we were to set a lower figure, let's say 250 just for argument's sake, what do you anticipate is the amount you would have to subsidize from some source?

Scarlett: Well, if it's 250, it would be closer to -- it's 475 now.

Fish: Times 30. So we're talking about \$6,000 or something?

Scarlett: Excuse me, I was saying closer to 150 per review times 35, because if it's 50%, which is just round up to 500, would be 250 times 35 is what you need to subsidize.

Fish: We're talking about a small number. We had a couple of suggestions that were offered, that related to cap that is we apply on type 3 and 4, which might free up some money, do you have, you have thoughts on those two suggestions?

Esau: We will be working in the next two months on our new fee schedule for the next year, and every year when we do that, we go through to look at what the fees are and that's policy question for you, if you would like to subsidize these reviews by having other applicants pay more, I guess, is the --

Fish: That's one issue for us, help me to understand this, we, one of the fears that we have expressed in the past as a council is that if we set the fees too high on certain things, people will bypass the permit process and engage in self help. The best example that we had was the rampant development of, of, of accessory dwelling units not done to code. And the way that we responded to that, as a council, with your guidance was we waived the fees. To, to, to encourage people to, to not only do it the right way, but also to encourage more development of accessory dwelling units, and how did we end up paying for that?

Scarlett: We waived the sdc charges associate with this, as a pilot project for three years and, and extended for another three years. And essentially, that's not, not coming out of, or going into the, the sdc conference. Bds fees are still being paid. They are still being charged a fee for that in.

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Fish: Right, but we are subsidizing, in effect, the, the other, other fee because that fee is plenty to compensate the city for the, for the increased strain on the capacity of our infrastructure.

Scarlett: Yeah, and a way to promote that development and encourage it.

Fish: If it was the council's will to ask you to take a second look at this, and see whether there was a, something that we could learn from salem. And that we bring our cost down, and b, if we were to ask you for some recommendations on how we could subsidize the difference, if in fact, 250 was below the cost whether by changing caps on other fees or some other revenue source, how much time would you need to explore that?

Scarlett: I don't think that we need any time. We have done the analysis, of how long it would take, and essentially, we could make the recommendation that, that if we want it lowered it has to be made up with some other revenues. And I asked rebecca to, to round down on this proposed amount, versus round up. So, in terms of where else, where the cost recovery bureau, and we did it on the basis how long it would take to, to perform this review. And so, it's as, as, I guess, empirical as you can get to, to offset it, would be some other funding source.

Fish: I have no quarrel with the way you calculated the figure, and I am very admiring that, that so quickly we have gotten to this point, and we have made progress. The concern that I have with people that, that, for whom 500 would be sticker shock and can't afford it, and I think that we have heard from, from folks who are having trouble making their mortgage payments, and people who, who are older adults in particular, and others who might be encourage to do this outside of the regulatory system. Because I think that that's, that's the risk here. We're going to have, to be encouraging noncompliance. My sense is that correct is that it would behoove us, mayor, for us to take another week at this one, and see what are the options to, to provide, to come in at a lower fee, including whether we could subsidize them in an innovative way with getting as much compliance as possible and reducing the overall percentage costs for the smaller projects.

Hales: Other comments? I am inclined to agree with that. I think --

Fish: I have no criticism of how got the figure and the methodology.

Hales: The bureau has gotten us as far as they can go, and applying their own cost recovery policies. I think it's really a council policy decision.

Fish: One of the things that i'm concerned about is I would like to have as much compliance in the first year so we get an accurate test, and if it requires a modest investment, to ensure that, I think that that's, that's money well spent, rather than putting the figure at a, a level that may, may perversely encourage people to bypass the regulatory system, and at the end of the year, discover that the price has to be lowered to get better compliance.

Hales: I am concerned both about that individual effect, and on the, the -- we have had a number of people testify about the chilling effect that, that review and fee structure causes on the decision by a neighborhood to form a new district. And I think as a matter of council policy, that we are, we want to encourage the formation new historic districts, where appropriate so people are, are, you know, disincented from doing that, by, by cost recovery, even at the most reasonable level, then that's a policy decision that I think is there for us to take up. So, I am interested in taking a little longer and looking at that. Question, frankly, a question of subsidy for public purpose and do we want to do that and where would come from.

Fish: I would be prepared to make an amendment but I think in fairness to paul I would like to understand better what the tradeoffs and options are, and then decide whether that's appropriate.

Scarlett: If I may, it would not be unusual to get general funds, if you will, with land use fees. That's typical of how the land use division is funded. And many programs are heavily dependent on, on permit fees, and land use programs is a match between land use fees and, and general fund, so, this would not be out of the ordinary, and that's one-on-one way to, to reduce the cost.

Fritz: There is a public purpose in having these historic renovations done proper. So, that i'm interested in exploring that option. Perhaps a bill at the end of the year. I am looking at the type for

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demolition review fees, and if there is a way to make those slightly more expensive. Obviously, we cannot make them prohibitively expensive or we would be in violation of the law. If there is a way to get some additional recovery in that mode, I am interested in that.

Hales: Could you comment on those? Those were a couple other points that came up, the cap on type 3 fees and type 4 fees for demo.

Scarlett: Ok. I can talk about the cap on type 3 fees. We did one under commissioner Saltzman's direction where it was, I believe, the comp plan and zoning map amendment changes, which was a high fee, so, we did an analysis again, cost per hour, and wages, and all that stuff and was able to reduce it down. And to cap on fees would be commensurate with what cost to do the work. And so, if there are any higher than that, we can look at that. And I can't tell you exactly which ones those are but we can do that, do the analysis and, and relative to the type 4 demolition, rebecca, we would have to ask you to speak to that.

Esau: The demolition review, a type 4 and the bds fee is \$7,250. P-dot charges an additional \$308. And the total is \$7,558. And to get a little more clarity, are you suggesting to, to make that fee higher so the applicants subsidized fee reviews --

Fritz: If it's legal to do so, yes.

Fish: I think what got our attention was there was a cap on the fee.

*******:** Right.

Esau: The cap on the fee suggests there are occasions when the actual costs go above the cap so in effect we are subsidizing.

Esau: For that type 4 review it's a flat fee.

Fish: The question is, are we operating at full cost recovery? Or are there instances when the costs go above the flat fee?

Esau: That, they are so rare, there is probably only one or two that have been done. And I can look into that.

Fish: I think you are hearing around interest in understanding whether any other structure can be tweaked to generate the modest amount of money needed to, to provide the subsidy here, and my guess, paul, is that things like caps the way set flat fees during a time when there was almost no activity. And made more sense than during a time when there was a full rush of permits. And the analogy I would use, we heard no criticisms about sdc fees when there was no development. Now we're hearing a lot of concerns, but the reality is there is money flooding in here and they are going to build regardless. And so, I think, I think we're less trying to induce now something to happen and more making sure that the fee structure is, is consistent across, across the, the regulatory.

Scarlett: And we'll look into it.

Novick: I get lost from the details, I confess. Are there caps on fees the big projects face? Do you feel that there are?

Esau: Type 3 and type 2 design review and historic design review, the fee, the land use fee is based on the project evaluation, and there is a minimum and maximum set. We never charge more than the maximum. That is the cap.

Novick: The allegation that we heard in testimony that, that there is some people with big projects, that don't pay full cost recovery, and broadly speaking that's true?

Scarlett: That's probably not accurate, the maximum would be calculated on the basis of any scenario, it would cost the maximum or less to do the review. And so, I don't believe it would be not recovering costs with, with the placement of the cap on it.

Novick: Ok. So, you don't think that the small projects or subsidizing the big ones because the big projects have a cap?

Esau: I think it's the more the big projects have been subsidizing the small projects, historically.

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Fish: I would be willing to find a way to provide a little subsidy and call it a pilot and have you report on what the costs are and recalibrate. Then run the risk we're going to, than run the risk we are going to scare people away and not have an adequate first-year pilot.

Hales: I am interested in that, as well. This would normally come back for a second reading, perhaps we can continue for a week so that we have the opportunity to amend, does that sound like a good plan? We'll continue this item --

Fish: We have spring break next week.

Moore-Love: I show everybody currently in attendance.

Hales: Unfortunately, it sounds like the answer is yes, so we will, we will -- sorry, go ahead.

Esau: One consideration is the timing, we were trying to get this to be in concert with when the code goes into effect.

Hales: Ok.

Fritz: When does to go into effect?

Scarlett: May 1.

Fish: Can you slap an emergency on it next week? If we have an agreement, council do an emergency? No harm? That would make it automatic.

Hales: Would make it, but not quite. So, let's, let's --

Scarlett: I might not be here.

Ben Walters, Chief Deputy City Attorney: We are going to have to think through the ability of the council to put an emergency on a fee increase, and there is --

Saltzman: Speak a little closer.

Walters: We're going to have to think through the implications of tacking an emergency clause to a fee increase. The hairs on back of my neck are standing up. I don't have it off the top of my head but there are implications. [laughter]

Fritz: We're thinking it will be 35, 40 applications in a year, something like that.

Scarlett: That's what we are anticipating.

Fritz: What if we do a pilot project with the fee at \$250, ask you to come back after six months, with a report on how many we have gotten in, and what the costs are, and at that point, we could amend?

Scarlett: In each case would need to recover a case.

Fritz: I understand that. Considering the cost right now has been \$966, and presumably some of those took less time because they were first in the window or door, there has been some give and take within that, but, we're talking about, about \$6,000 or so, which even in our current constrained budget, I think that we should be able to find that.

Fish: Commissioner Fritz, I will second the amendment with the friendly amendment that they reported back in either the summer or fall bump on any shortfall that they have, for the purpose of the council making it up from some source, and I would offer that as an amendment, and if we learn next week -- we can do that fully today, mayor? Next week. Or by next week, if we have a better idea, we will know then by council whether we can tweak it and add an emergency but I think as an insurance policy, why don't we just do the amendment.

Hales: This is a simple enough matter we can take action on the amendment today, and then it comes back for second reading, and clause is not necessary.

Fish: The intent is that they will come back on a future bump to tell us if there is a shortfall.

Fritz: Correct.

Hales: We have an amendment, a motion for an amendment and a second. Further discussion on the amendment. Roll call on the amendment, please.

Fritz: Again, proof positive that people coming in to testify can make a huge difference. And again, this has been a wonderful project. So, so much consensus in getting to where we were with

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the amendments. I think this is a reasonable compromise with the understanding that bds has to pay the cost and is be made whole, so, we will continue to work on it. Aye.

Fish: I will add to that, that sometimes people can't even show up and they send us letters and emails and there was some excellent arguments made prior to this hearing that I think went into this discussion, and I appreciate that, as well. I want to restate that, that in supporting this amendment, I do not have a lack of confidence at all in the formula used by the bureau, or their rational, and I think that they have done exemplary work to bring us to this point so I don't want to lose track of the fact that this is almost a minor miracle that we have got the code changes and a fee done this quickly. So thank you for your good work. I am, I think what we are trying to strike here is a balance, and I am hoping this will encourage people to actually go through the regulatory process and not impose an undue burden on people who cannot afford it. Aye.

Saltzman: Well, I do think, as I said, is a few minutes ago I think that the 475 seems high but you have got full justification on terms of the cost of service but, nevertheless, I think the sentiment is that we want to, we want to encourage people to come into our program. And, and so, that, that the historic preservation is done right. And, and the neighbors can really, really, you know, support other neighbors, and not be turning in other neighbors, so I think this pilot, I think you are hearing the council will support any subsidy that may be necessary, but I do think that, that keeping this fee low at 250 is going to be good way to start, and I hope the proponents won't be coming back six months from now and saying, 250 is too much because I really think that that is our, our, that's as low as we're going to go. Aye. [laughter]

Novick: I hesitate to do this because I know my colleagues know more about this than I do. But, and I would have been comfortable with just deferring the issue for a week. But even when talking about \$6,000, I hesitate to suggest we're going to assume we can find it somewhere until I have heard where it's coming from. And the only discussion I have hear so far from mr. Scarlet is that it might come from the general fund, so because of that, I am going to vote no.

Hales: I will support this amendment. I think this is a good discussion, and it's somewhat in response to your concern, commissioner novick. It's not unprecedented for the city to subsidize certain types of fee structures in order to encourage the behavior that we want. Whether we are talking about traffic fees or building permit fees, and in order to carry out some public purpose. And I think that there are a couple of public purposes here. One, is incenting people to follow the rules. And another is incenting people to form historic districts. I hope we're not done with the process of forming historic districts in the city, and I know that other people in buckman and elsewhere are interested in advance that go idea, and this resource is so precious all of this amazing construction, you know, in our city that people are trying to honor by, by remodeling it in a thoughtful way. So, I think that there is a huge public purpose in supporting that, and it's not unreasonable for us to find a source subsidy, and I use that inflammatory word deliberately because it's ok. The bureau has gone as far as they can go, in saying here's a properly accounted for fee structure that reflects the council policy of cost recovery. It is the prerogative of the council to deviate from that policy for a larger purpose, and that's what we're doing, aye. [gavel pounded]

Hales: This comes back for second reading as amended next week. And we have one more item, and someone patiently wait to get explain it to us.

Item 246.

Hales: I want to get a brief discussion about this because this is a large contractual obligation, and in the current climate we're looking at, at everything with multiple zeros in it. And thought it deserved at least a few minutes of explanation.

Todd Liles, Bureau of Transportation: Sure, I am todd liles, a senior engineer with the bureau transportation, and construction engineering section. And the purpose of this ordinance is to authorize solicitation for procurement services --

Hales: Move closer, todd.

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Liles: [inaudible] to solicit firms for temporary construction services for p-dot. Just brief history on this. P-dot has been authorizing these types of contracts going back to 1998, and about every three years we do this, same process. And we utilize these services in p-dot, within the department, when we have peak construction periods during the summer. And, and we don't have resources, projects bunch up together and, and, and we need the additional resources in order to do these projections. So, yeah, that's typically during the summer months. Currently we you, we utilize services for capital construction projects. Permit construction projects, and we have people doing surveying work for us, and we also have pavement street pavers, those are some of the examples. And typically we use two to eight people on the contracts. And throughout the year. And currently we have the contract extension on the existing contract that expires June 30 of this year. And so, we're looking to go out for two contracts. Award 2 million each. And not to exceed amount, again, a three-year contract. And these are, projects that are budget, so we just are utilizing the resources that we have, just using, using consultant services. And, and over the next three years we're seeing an increase in street system management utility permit inspections. We have lost three ftes to the light rail and the bridge, and we have numerous sidewalk infill projects coming up, and we see an increase in contract paving coming up in the next three years. So, those are some of the reasons why we need to do these services. A standard services contract. And that's pretty much it. We follow the rules of contracting.

Fish: I have a question. It's my impression it's through these contracts that we are often most effective at bringing, inviting firms, non traditional firms or firms that emerging small businesses or meet the mwesb goals. Do you have an intentional program here to seek to provide opportunities for those smaller emerging businesses?

Liles: In the rfp there are categories within the diversity group that we're evaluating within the goods and services contract, itself, and there is no mwesb requirement that we're required to, to, to, required to meet. And that's not, not established in the goods and services format. And on the pte side, yes.

Fritz: Why not?

Liles: I don't know the answer to that. You would have to talk to procurement about that. I don't know.

Hales: Do we have the opportunity to add that?

Liles: We evaluate the criteria, whether they are able to meet, whether they are able to, I guess, solicit the firms, we can evaluate that, we are assigned 25% to that criteria in the evaluation process of the rfp. Once the contract is let, you know, we'll try and establish procedures for them to meet that. But they are not held to it.

Fish: One of the things that we hear is that on the bigger contracts, there are huge barriers for people to participate, so when you have a chance to do these smaller contracts, this is sure the sweet spot for some of these smaller firms that are trying to get their foot in the door, and you are asking us to vote on this on an emergency basis, and I would certainly, I would be satisfied if made a good faith effort to work with contracting, to extend the mwesb language and outreach to both components in this contract.

Liles: Ok.

Hales: Other questions?

Fritz: I'm not clear -- these are for inspectors?

Liles: Yes, construction inspectors, and engineering technician personnel, and there is a survey on there, street grader.

Fritz: It would not be cheaper to have those people on staff?

Liles: No, it would not. Those people require a lot of expensive equipment, cell phones, laptops, a vehicle. And very, very cost prohibitive. It's much cheaper to, in this particular case, in a temporary service to do that through the temporary agency, yes.

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Fritz: How does it work with development services and signing off on projects being done properly?

Liles: Well, I am with construction so, we supervise our construction inspectors to manage those projects along with the consultant inspection. On the projects. I'm not sure I understand the question.

Fritz: I am not sure that I understand this contract.

Hales: These are projects with the public right of way.

Fritz: So we are contracting with a community provider to certify our projects are done correctly?

Liles: I am contracting with a temporary service agency to supply a certified inspector to work with our staff, to inspect our projects.

Fritz: Ok. And why -- the previous contract was how much?

Liles: The previous contract was, three years ago was let at \$500,000. That was way too low. We had our projects coming online, the American Recovery Reinvestment Act, stuff coming online, and we had a bunch of sidewalk projects, and we just had a bunch of projects come together during the summer construction season that required additional staff, and we didn't anticipate that.

Fritz: My understanding is that the total for that was \$2 million. We'll have fewer construction projects coming in because we don't have the stimulus money any more.

Liles: No, we don't but we have different types of projects like I mentioned, the sidewalk infill, contract paving. Permit projects, and both utility and streets management development permits. And they can use personnel from this temporary contract to do that. Well.

Hales: These are on-call contracts, you don't obligate this money until you have a project where it is needed.

Liles: Yes, the money already budgeted in the construction phase of the work. We just don't have the staff to commit to it. They are busy doing other things.

Fritz: Comes from the annual pbob budget, right?

Liles: Yes, it does, from the construction budget established for that project, yes.

Saltzman: So, I guess my is, and relates to the concerns about the minority women esb issue, but, I'm used to flexible service contracts where you have, you know, up to 2 million, and you qualify maybe four or five firms that you have on-call so why are you doing one contract, or I should say two contracts to two firms?

Liles: Yes.

Saltzman: As opposed to the same as five or six firms that you could call on to do this work?

Liles: The value of this isn't very much to be honest. In the past we have only done one contract going back to when we started. We're doing two this year to allow a second place firm to gain experience doing this type of work. And we heard this in the protest last fall, and which was upheld, so, we're deciding to do two this time. And award these services to a second place firm, essentially.

Fritz: What protest?

Liles: On the same exact one I'm doing now. It was protest based on rates were included in the rfp. The cost of those services. And because this is now a qualification-based selection process we're not allowed to include those rates. At the time of the protest, the evaluation committee saw the rates. And the protest, the protester assumed that that would sway the opinion of the committee.

Saltzman: A lot of times they say why not just lump the two together, say you have 4 million, and up to, not to exceed 4 million, and have, have four or five firms you call on to do that work, as opposed to your approach of, of two firms, 2 million each, that's what I am trying to figure out.

Liles: Why are we not lumping them into one?

Saltzman: Why not have, have a process that, that, so you get four or five firms that qualify to do the flexible service when needed, and as opposed to just, just two firms. My thought is that you do,

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what I described, you have four or five different firms that broadens the field. So, I don't know, maybe it's, maybe p-dot does it differently.

Liles: We have firms that apply to this, and we only want to take two of those because the three or four remaining are less qualified in order to supply this work, so, we want to take the top two.

Fritz: Do you know who they are?

Liles: I have an idea who is going to be at the top two but I am not guarantee that, no.

Saltzman: You are going to go forth and do the process, right?

Liles: Yes.

Hales: We will do the rfp.

Liles: Yes.

Saltzman: And you will pick two.

Liles: We have done this in the past, and the reason this is an emergency ordinance is we're under an existing contract extension now, and I need to get this done by June 30th. And I still have to go through the evaluation, the negotiation process so that's going to take a while, I need that time.

*******:** Ok.

Fritz: Does the award of the bid come back to council?

Liles: Yes, it does.

Hales: Contract approval.

Liles : And just one other point, this is a contract for local money, essentially. I also have to do an additional one for federal money. I cannot mix the two because of the different requirements between the two. So you will see a dba contract with federal money coming through. In the same situation.

Fritz: So when this comes back to us I would like to see some, some, see how you consider the minority women's --

Liles: Sure.

Fritz: And what the outcome is. There is not any participation, I will be unlikely to vote for the contract.

Hales: Further comments or questions? Todd, thank you, anyone else here to testify on this item? If not, then roll call, please.

Fritz: I appreciate your responsiveness to both my staff and to me on this, and with the proviso it's coming back to council I vote aye.

Fish: Aye. **Saltzman:** Aye. **Novick:** Aye.

Hales: Aye. And we are adjourned.

At 10:52 a.m., Council adjourned.