



CITY OF  
**PORTLAND, OREGON**

**OFFICIAL  
MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **20<sup>TH</sup> DAY OF JANUARY, 2016** AT 9:30 A.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners Fritz, Novick and Saltzman, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Linly Rees, Senior Deputy City Attorney; and Jason King and Mike Cohen, Sergeants at Arms.

On a Y-4 roll call, the Consent Agenda was adopted.

The meeting recessed at 9:42 a.m. and reconvened at 9:45 a.m.

<p style="text-align: center;"><b>COMMUNICATIONS</b></p> <p><b>53</b> Request of Charles Johnson to address Council regarding civil rights case and settlements (Communication)</p>	<p style="text-align: center;"><b>Disposition:</b></p> <p style="text-align: center;"><b>PLACED ON FILE</b></p>
<p style="text-align: center;"><b>TIMES CERTAIN</b></p> <p><b>54 TIME CERTAIN: 9:45 AM</b> – Accept the annual report of the Public Safety General Obligation Bond Program Independent Citizens Committee (Report introduced by Mayor Hales) 45 minutes requested <b>Motion to accept report:</b> Moved by Fritz and seconded by Saltzman. (Y-4)</p>	<p style="text-align: center;"><b>ACCEPTED</b></p>
<p><b>55 TIME CERTAIN: 10:30 AM</b> – Proclaim January 20, 2016 to be 2015 MLS Champion Portland Timbers Soccer City USA Day in Portland (Proclamation introduced by Mayor Hales and Commissioner Saltzman) 30 minutes requested</p>	<p style="text-align: center;"><b>PLACED ON FILE</b></p>
<p style="text-align: center;"><b>CONSENT AGENDA – NO DISCUSSION</b></p> <p style="text-align: center;"><b>Mayor Charlie Hales</b></p> <p><b>56</b> Appoint and reappoint members to the Arts Oversight Committee for terms set to expire December 19, 2017 (Report) (Y-4)</p>	<p style="text-align: center;"><b>CONFIRMED</b></p>

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<p><b>*57</b> Amend grant agreement with Worksystems, Inc. to add \$10,000 for the addition of one intern through the Work Experience for Youth program within the Mayor's Office for FY 2015-16 for a not to exceed grant amount \$620,000 (Ordinance; amend Contract No. 32001032) (Y-4)</p>	<p><b>187549</b></p>
<p><b>Office of Management and Finance</b></p>	
<p><b>*58</b> Pay claim of James Yonce in the sum of \$10,000 involving the Bureau of Transportation (Ordinance) (Y-4)</p>	<p><b>187550</b></p>
<p><b>*59</b> Pay claim of Jerry Manns in the sum of \$10,000 involving the Bureau of Transportation (Ordinance) (Y-4)</p>	<p><b>187551</b></p>
<p><b>Commissioner Steve Novick</b> <b>Position No. 4</b> <b>Bureau of Transportation</b></p>	
<p><b>*60</b> Authorize a subrecipient grant agreement with the Asian Pacific American Network of Oregon in the amount of \$20,000 from July 1, 2015 to December 31, 2017 for the Active Portland: Open Streets, Connected Communities SmartTrips Transportation Demand Management program to promote walking and other active transportation modes (Ordinance) (Y-4)</p>	<p><b>187552</b></p>
<p><b>*61</b> Authorize a subrecipient grant agreement with the Community Cycling Center in the amount of \$20,000 from July 1, 2015 to December 31, 2017 for the Active Portland: Open Streets, Connected Communities SmartTrips Transportation Demand Management program to promote walking and other active transportation modes (Ordinance) (Y-4)</p>	<p><b>187553</b></p>
<p><b>*62</b> Authorize a subrecipient grant agreement with the Oregon Walks in the amount of \$20,000 from July 1, 2015 to December 31, 2017 for the Active Portland: Open Streets, Connected Communities SmartTrips Transportation Demand Management program to promote walking and other active transportation modes (Ordinance) (Y-4)</p>	<p><b>187554</b></p>
<p><b>63</b> Accept a grant in the amount of \$557,227 from Oregon Department of Transportation for N/NE Columbia Blvd Intelligent Transportation Systems and authorize an Intergovernmental Agreement (Second Reading Agenda 41) (Y-4)</p>	<p><b>187555</b></p>
<p><b>REGULAR AGENDA</b> <b>Mayor Charlie Hales</b> <b>Office of Management and Finance</b></p>	

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<p><b>64</b> Accept bid of Landis and Landis Construction, LLC for the SE Powell Reconstruction and Green Streets project for \$3,535,959 (Procurement Report - Bid No. 00000160) <b>Motion to accept the report:</b> Moved by Saltzman and seconded by Fritz. (Y-4)</p>	<p><b>ACCEPTED PREPARE CONTRACT</b></p>
<p><b>*65</b> Authorize amendments to the Voluntary Retirement Incentive Program, Health Reimbursement Account Plan Document and Summary Plan Description administered by the Bureau of Human Resources, Health &amp; Financial Benefits Office through June 30, 2021 (Ordinance) 10 minutes requested (Y-4)</p>	<p><b>187556</b></p>
<p><b>Commissioner Amanda Fritz</b> <b>Position No. 1</b> <b>Office of Neighborhood Involvement</b></p>	
<p><b>*66</b> Amend regulations for marijuana businesses to include Laboratories and Research Certificate Holders and clarify Director's authority to determine violations (Ordinance; amend Code Chapter 14B.130 and Portland Policy Document ADM-20.01) 15 minutes requested (Y-4)</p>	<p><b>187557</b></p>
<p><b>Commissioner Nick Fish</b> <b>Position No. 2</b> <b>Bureau of Environmental Services</b></p>	
<p><b>67</b> Authorize a contract with the lowest responsive bidder for construction of the Tabor Sewer Rehabilitation Project Phase 1 No. E10712 for \$6,000,000 (Ordinance) 10 minutes requested</p>	<p><b>PASSED TO SECOND READING JANUARY 27, 2016 AT 9:30 AM</b></p>
<p><b>68</b> Authorize a contract with the lowest responsive bidder for construction of the Bybee Glenwood Culvert Replacement Project No. E10480 for \$2,228,000 (Ordinance) 15 minutes requested</p>	<p><b>PASSED TO SECOND READING JANUARY 27, 2016 AT 9:30 AM</b></p>
<p><b>Commissioner Dan Saltzman</b> <b>Position No. 3</b> <b>Portland Fire &amp; Rescue</b></p>	
<p><b>*69</b> Authorize Intergovernmental Agreement with Multnomah County for Community Healthcare Assessment Team Pilot to connect high frequency callers to the right care (Ordinance; Contract No. 30004894)</p>	<p><b>REFERRED TO COMMISSIONER OF PUBLIC AFFAIRS</b></p>
<p><b>*70</b> Accept and appropriate a grant in the amount of \$48,672 from Oregon State Fire Marshal for Flammable Liquids Bulk Storage Specialty Training for Station 24 personnel and authorize an Intergovernmental Agreement (Ordinance) (Y-4)</p>	<p><b>187558</b></p>

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**Commissioner Steve Novick**

**Position No. 4**

**Bureau of Transportation**

**71** Vacate NE Sandy Blvd bound by NE Couch St, E Burnside St, NE 12th Ave, and NE 14th Ave subject to certain conditions and reservations (Hearing; Ordinance; VAC-10100)

**Motion to amend directive B.1 and related exhibits to remove the utility pole owned by PGE:** Moved by Novick and seconded by Fritz. (Y-4)

**PASSED TO  
SECOND READING  
AS AMENDED  
JANUARY 27, 2016**

At 11:22 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 20<sup>TH</sup> DAY OF JANUARY, 2016 AT 2:00 P.M.

THOSE PRESENT WERE: Commissioner Fish, Presiding; Commissioners Fritz, Novick and Saltzman, 4.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Judy Prosper, Deputy City Attorney; and John Paolazzi and Mike Cohen, Sergeants at Arms.

<p><b>*72 TIME CERTAIN: 2:00 PM</b> – Approve findings to authorize an exemption to the competitive bidding requirements; authorize a competitive solicitation for use of the Progressive Design-Build Relocate alternative contracting method; and authorize payment for construction related to the Portland Building Reconstruction Project (Ordinance introduced by Mayor Hales) 1 hour requested for items 72 and 73 (Y-4)</p>	<p><b>Disposition:</b></p> <p><b>187559</b></p>
<p><b>*73</b> Authorize a contract with DAY CPM Services LLC for Owner's Representative and Public Outreach Services for the Portland Building Reconstruction Project for a total not-to-exceed amount of \$5,600,000 (Ordinance introduced by Mayor Hales) (Y-4)</p>	<p><b>187560</b></p>

At 2:44 p.m., Council adjourned.

**MARY HULL CABALLERO**  
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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**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.

**JANUARY 20, 2016**

**9:30 AM**

**Fish:** Karla, would you please call the roll? [roll taken]

**Fritz:** Here **Fish:** Here **Saltzman:** Here **Novick:** Here **Hales:**

**Fish:** Colleagues, I understand our mayor is in Washington, pursuing council business.

Under our rules I have the honor as the council president of being the presiding officer.

Karla, how was your weekend?

**Moore-Love:** It was pretty good thank you.

**Fish:** Rachel gave me a memo, and thank you for walking me through this, and Rachel has a red flag, if I error somehow, she'll throw it out and we'll huddle. I have a brief script I need to read at the beginning of the council meeting. It's now familiar to all of you who are regular attendees. The purpose of the council meetings is the orderly consideration of the public's business. Preservation of order and decorum is necessary for due consideration of matters before council. The public is welcome, and encouraged to attend council meetings. During the meetings, there will be time limited opportunities for public comment, on various agenda items, and I will just note in passing that I intend to strictly enforce the rules, following in the great tradition of commissioner Amanda Fritz, who I am prepared to vote as the single best convener of meetings on this council that I have served with.

Although citizens can sign up for communications, public testimony, on a council item, must address the matter being considered. And if you stray off the matter being considered, I regret that I will have to declare you are out of order, and ask you to, only address the matter that is on the agenda. When you come before council, we're not like the state legislature. So, you don't have to give us your name and address, and you don't have to keep addressing the presiding officer. All we ask is that you put your name in for the record, and you may address the council informally. If you are a lobbyist, you are required to disclose that information at the start of your testimony. If you are here representing an organization, I ask that you extend the courtesy of disclosing that information, as well. Unless otherwise informed, each community member will have three minutes to speak in front of council. At two minutes and 30 seconds, you will hear a beep, and a light flash on the box before you. At three minutes, you will hear four beeps, and the lights will flash, and that will be the time for the next person to speak.

**Novick:** Mr. President? I learned it is possible to arrange for a continuous beeping after three minutes.

**Fish:** Karla, you are hereby authorized to maintain continuous beeping as long as There are no adverse health impacts on anyone. We ask you respect the time limits so there is time to hear from each person who is signed up. I want to comment on that, when we allow people to go over and by a lot, we have the effect of affecting others, and we have hearings some sometimes half the people can't be heard because others have taken more of their share so we will strictly limit people to the amount of time that is established. If you have handouts, give them to Karla, our council clerk, and she will distribute them to council members. We ask you to not distribute things directly to council members. Council rules and procedures, seek to preserve the public order, and to ensure that the council deliberations proficiently, and all who want to participate get heard and to treat everybody

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in this building with respect. Conduct that disrupts the meeting, like shouting during someone's presentation, or interrupting testimony, or council deliberations, will not be allowed. Please show your support or displeasure with your hands, ie, waving, thumbs up or thumbs down, we urge you not to applaud. This is a warning to anyone who is contemplating disrupting this proceeding, if you do, you will be escorted from the council chambers, and excluded from the meeting. Lastly, if needed, council will be taking a half-hour break at 12:00 or 12:30 today depending on the schedule, and I will do my best to bring all the work home before then, and I will announce when the meeting will reconvene before we take the break. With that, Karla, we have one communication item, and would you please call it.

**Item 53.**

**Charles Johnson:** Thank you president. Don't get attached to that, Fritz. Good morning, commissioners. I am tricky dick Nixon, and you would all be a fit for my cabinet based on your vote last week. To go against the legal opinion of the public prosecutor, some of you might infer I am not the biggest fan of d.a. Underhill, who allows killer cops to go unchecked. However, the issue right now, is that just like dick Nixon's cabinet and legal team, you prefer cya over the usa, and you prefer them over my fellow citizens. It will be a sad day for all of us Portlanders if we vote to return any of you to office when your primary concern is covering up 25-year-old secrets, under the silly pretext of city government preserving eternal lawyer client privilege. Malarkey. We have a right to know what we paid the city attorney to do, and the fact that you would hide on the risk that oh, my gosh, the city's insurers might have to pay out some money, if the dirty laundry gets exposed in court, which looks poorly among your moral character. I want to note, that not issue of moral character but legal practicality, commissioner novick did not vote to pursue the Underhill Bartlett decision, but it's a sad position for us as a city to be in two days after we have celebrated the birth of reverend dr. Martin Luther king jr. I was pleased to hear Amanda Fritz on kabuu Radio. She spoke at the highland Christian church, joining the community to celebrate the open government and diligent advocacy for human rights and civil rights that dr. King embodied before he was assassinated. So, I hope that you will reconsider that sacrifice is sometimes necessary, sometimes you must sacrifice oh, my gosh, the attorney-client privilege of the city council from 25 years ago and do the right thing. Thank you.

**Fish:** That is the only communication we have today so Karla, I do not have a notation of any other items pulled, have you?

**Moore-Love:** I dont, either.

**Fish:** So let's have a vote.

**Fritz:** Aye. **Saltzman:** Aye. **Novick:** Aye. **Fish:** Aye. [gavel pounded]

**Fish:** Colleagues, we are a couple minutes ahead. I thought we would take up item 64, which I think that we can do quickly and come back to the time certain. Without objection, Karla, please read the next item.

**Item 64.**

**Christine Moody, Procurement Services:** Good morning, commissioner, Christine moody, procurement services, you have the before you the report to award a contract to Landis & Landis construction. The engineers estimate on this project was 3,700,000. On December 1st, 2015, six bids were received, and they were the low bidder at 3,535,958.50. Which is 10.57% under the engineer's estimate. The bureau of environmental services has received the items and accepts the proposed pricing is good. Working with procurement services, bes identified the southeast Powell reconstruction project, as a pilot, to the new subcontractor equity program. The program establishes a goal of 20% of the hard construction cost for disadvantaged minority, women, and

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emerging small businesses. Dmwesb subcontracting participation is at 20%. With 17% of that going to just disadvantaged minority and women contractors. I will turn this back over to council if you have any questions about the process.

**Fish:** Questions or comments? Thank you very much. Anyone sign up to testify?

**Moore-Love:** I did not have a signup sheet.

**Fish:** Seeing none, can I have a motion to adopt the report?

**Saltzman:** So move.

**Fish:** Second.

**Fish:** Karla, please call the roll.

**Fritz:** Aye. **Saltzman:** Aye. **Novick:** Aye.

**Fish:** Thank you for your presentation, and I am delighted that we not only came in below the original estimate, that we have also hit our target on equity and opportunity. Thanks for a nice report. Aye. [gavel pounded]

**Fish:** Colleagues, let's take a three-minute break, and while we're on the break we'll ask the 9:45 time certain to come forward and get set and we'll pick it up in three minutes. Council is on a break, council is on recess. [gavel pounded] [recess taken]

**Fish:** Please read the 9:45 time certain, item 54.

#### **Item 54.**

**Fish:** This is a very important task every year where we review the good work 69 citizen oversight panel, and today, I am pleased to welcome a distinguished panel, and begin by asking the chair if she would make some introductory remarks.

**Nicolette Johnston:** Thank you, good morning. We are so happy to be here on such a lovely day. The citizen's committee is made up of four citizens, Kirk Hall, Mr. Nick Seal and Kobe Jackson and myself, Nicolette Johnston. We have been working on the project going into our fifth year, and two of the projects are completed, fire station 21, in the emergency coordination center, are done, so you will not hear much on those two, and the ones remaining, are the radio project, and the fire apparatus, and of course, the most important part is the financial reports, which will be given to you in a minute. I would like to give you a statement from the committee, which is quite short. As previously noted, the independent citizens committee held public meetings with the city staff, responsible for each project funded by the public safety geo bond to review the progress of each project, in addition, each project received guidance and input from the project oversight committees. The members of the icc found the information provided by the city staff to be comprehensive, timely and informative. Staff members have been responsive to icc questions, and have supplemented their regular presentations with additional information upon request. Icc members have provided city staff with the various ideas and suggestions concerning the projects, to which city staff were very responsive. The relationship between the icc and the city staff has been collaborative and productive. The icc does not provide either a financial or an auditing function and can only proceed with the information presented at the quartering meetings. With this observation, icc members believe they have been kept informed by the city staff, and are satisfied with the quality and presentation and the information presented regarding the projects. Based on the information presented to the icc, it appears that the projects funded by the public safety geo bond are consistent with the voter approved purposes of the geo bond, and that expenditures have been appropriate. It also appears that execution of the projects to date have been professional, and appropriate, and were designed to meet the purposes of the geo bond, and in an economical fashion. It seems the projects are generally on track to meet the projected budgets and timelines. Overall, the icc members are impressed with the focus and the professionalism of the city staff responsible for executing these projects, and appreciate the courtesy and the responsiveness that the icc has received to date. Mr.



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Seidle, excuse me, I mispronounce that every time, has a few words to say. He's on the committee.

**Fish:** And before he does, Miss Nicholson, would you put your name in the record formally?

**Johnston:** Yes, Nicolette Johnston.

**Mike Seidle:** Just as one member of this committee, I just wanted to share a very, very quickly, to reiterate our general statement that I think that the counselor should feel very comfortable at the oversight function required by the measure originally has been fulfilled, and what I would like to echo is just the, the professionalism and the cooperation that we received from staff in our function again this last year, has really been outstanding, and this has been an interesting exercise for me, and I think that the other members, and it's really been a, a pleasure, as a citizen, to see that the degree of professionalism, and attention to detail, and to the original scope of the bond measure that we received from the staff that we worked with, so as far as I am concerned, it's been a very good process, and one that you should feel very comfortable with.

**Fish:** Mr. Green, are you here to add anything to this discussion? I think that, is this your first official appearance before council?

**Johnstone:** This is Mr. Beck.

**Fish:** I apologize.

**Aaron Beck:** I testified before council before, I am Aaron Beck, and I am with the operations business team with OMF and work with the project team and the oversight committee on the finances for the program. I am going to discuss the overall finances for the geo bond program approved by the council and the voters back in 2010. If you will turn to the spreadsheet right after page 3 in your report, I will walk you through that, and that is a comparison of the budgeted revenues and expenses with actual expenses and revenues so far from last fiscal year. The report shows the program had that four projects, the construction of station 21 on the Willamette River completed in November of 2015, the emergency coordination center completed in January of 2015, and the replacement of the city's radio system, which is in progress, and replacing the fire apparatus, which is in progress. The original budget was over 1,000,100, for the radio system replacement project, and the emergency coordination center project. For example, the public safety Geo bond program only provided 4 million of the cost for the emergency coordination center, which had a budget of 19.8 million. This report in the original budget column in the current budget column shows the 72.4 million that the voters approved from geo bonds, and that was a primary resource for the program. The current budget is now 106 million, and the increase was primarily due to some grants that we received in conjunction with the station 21 project, and the apparatus projects, and additional resources that we identified for the station 21 project, some leftover money from the previous bond measure approved by the voters in 1998, and that we had not spent completely. So, as you can see, a total of the 82.7 million was spent through the end. Last fiscal year. One of the requirements of the -- that the council had for the program when it was originally approved back in 2010 was that prior to the debt sale, an in-depth analysis would be done of cost, to complete the program, and to determine if any savings could be returned back to the taxpayers. So last spring, prior to the third and final debt sale, we completed an in-depth analysis of the cost of the remaining projects, and we identified savings in the station 21 project and in the radio system project. We factored in interest earnings that would have been earning on the debt sale proceeds while we had them and had not spent them yet. As a result, we determined that we could complete the planned projects, and would not need to sell 1.87 million of the bond the voters authorized, so in our third and final debt sale, in June, then we sold only 70.5 million -- well, the amount we sold made the total for all the geo bonds,

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70.5 million, and out of the authorized amount of 72.4 million, so that resulted in savings for the taxpayers.

**Fish:** Can I ask you a question? One of the things that went our way, and this happened primarily under Dan's leadership and some predecessors, when we did the big pipe project, we were able to borrow money at favorable interest rates to do that capital project. What has been the interest rate environment during the life of the geo bond?

**Beck:** I don't know the specific percentages, but I know that we, overall, we sold bonds that were less than what was in the official documents that the voters approved. So like the voters approved -- in the thing that went to the voters it estimates what the cost would be for like per 100,000, and I don't know the exact percentages, but the assumptions that we made, the interest rates we sold the debt at were less than those assumptions so the taxpayers saw savings in two areas, from us selling less of the bonds that authorized, and the lower interest rates.

**Fish:** That's good news to offset the low interest that they are Getting on the deposit so thank you.

**Beck:** Just in closing, now, we're updating the projections here for the budget and the capital improvement plan that we'll be submitting on february 1, and right now they are showing the projects are on budget and it looks like we'll be finished with them in late fiscal year 2016-2017 or the early part of 2017-2018 and close out the funds for this program. Any other questions?

**Fish:** Let's move to the council comments and questions.

**Beck:** We do have two other presenters, too, from the two projects remaining.

**Fish:** Let's get everything on the table and have everybody come back for questions. Thank you very much.

**Fish:** Welcome, sir.

**Marco Benetti, Portland Fire and rescue:** Good morning, I am Marco Bennetti, the chief of logistics, Portland fire and rescue. I want to give you a synopsis of where we are to date and where we're headed. Fire station 21 has been in operation since November 2014. It's a leed gold building, and firefighters have been operating out of that since November 2014, and they love it, a great building. To date we purchased and received four, r.v.s, rapid response vehicles, one heavy squad unit Two quints and four ladder trucks and two fireboats. And we have ordered two rehab units, and nine fire pumpers, and those should be delivered sometime this year, the rehab units should be here late spring and the pumper should arrive in October, is the current Projection. The final apparatus that we'll be ordering on this bond are two brush units, one foam unit, water tender, which is a tank of water you can deliver to any incident, and one dive team support apparatus. We're under budget and on-schedule to complete by the end of 2016, but we're working diligently to complete that sooner, so the market conditions are in the process, sometimes delays things, and it's been, and continues to be a pleasure to work with the members of the independent assistance committee, and I want to thank them for their insight, and their oversight and stewardship of this important project. Thank you very much.

**Johnston:** Carl Larson will talk about the radio replacement project.

**Fish:** Welcome, Mr. Larson.

**Carl Larson, PSSRP:** Good morning, council. Carl Larson, public safety assistance revitalization program, commonly known as the pssrp, I am a co-project manager for the project myself, and mark tanner have the privilege of shepherding that project. The last year was an eventful year for us. All the sites, except for two, are completed. Those two are Walter Hill, which you are familiar with and mount Scott, which we were repairing and strengthening the tower there. Once that's completed we'll be updating the mike wave systems for the system, and the long, the very long part of the project for the last year was

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really distributing the portables for the public safety Systems here, and in the city of Portland, all those were programmed and are out in the field now for public safety, and we're in the process of doing that for the other bureau and it will be completed with those probably around march. The project is under budget, and it's on schedule, except for the build at water hill, that and the mount Scott tower strengthening has lengthened that project a short time, but we believe we'll be on schedule to have that project go live in October. We'll be cutting the project over in phases since we're building two cells, an east and west cell. The east will be cut over first, sometime in June, and we'll be doing the coverage studies at that time to make sure the system is performing as we had hoped. The other thing, not only did we have a pleasurable time with the icc, it's unfortunate that the chair, Mr. Hall, couldn't be here, he has been instrumental in making sure that he asks good questions, and the icc, itself, asks good questions and has good comments for us, and so I echo what the fire bureau said, as well. We have had a good, a good run with them and we look forward to working with them until the end of the project. The other thing I would be remiss in not saying is the players that we have here on the project. I have the privilege of being the face of that, but we have so many bureaus involved and so many people that have stepped up To the plate and done quality work for us, not only as a vendor, but we have two employees that have been very instrumental in getting things done for public safety. Mark Schmidt, for the fire bureau, and mike Unsworth for the police bureau, so they have been very good champions for us, and also, good resources for us. We appreciate all the council's support that we have had throughout this project.

**Johnston:** That completes our report.

**Fish:** Let's turn it over to council comments and questions. Colleagues?

**Saltzman:** Well, I had a question on the resource analysis that Mr. Beck walked us through. It shows a balance of about 2.7 million, so are those funds committed to apparatus purchases and other things that the chief Benneti just outlined?

**Beck:** On that, the balance column there, represents, basically, where we came in under the budge, so, and the largest part of that represents the bond proceeds, so the budget said that we were going to sell 72.4 million with a bond. We really only sold 70.5, so we are going to, basically, not receive that 1.8 million. We're not going to receive that from the bond sales. So that just represents coming in less than the budgeted amount for revenues. So, it does not represent the cash available.

**Saltzman:** So it's not a balance that's in our hands?

**Beck:** That's correct.

**Saltzman:** Ok.

**Saltzman:** Thank you.

**Fish:** I have a question. Either to Mick or Nicolette. Are you getting the staff support you need to do the job that we have asked you to do?

**Johnston:** We surely have. I have asked a couple of questions that I felt didn't seem quite right on the surface. And in this case, I spoke with two of the fire personnel, and I got the information back immediately, and involved the park bureau, and an exchange of miss information that turned out, so I was very surprised when we dug how quickly someone responds like two days.

**Fish:** That's great, and can I make a suggestion to our volunteer committee? We have two other committees, two other processes that are similar to this. One is a technology oversight committee that reviews ongoing big technology projects, and the other is, we're moving to a more regular overview of major capital construction projects. In each case, the city is moving to a chart that uses red, green, and yellow icons to sort of identify problem areas. Your report is very thoughtful and contains a lot of information. I would urge you to work with staff to come up with a, an additional component, which is a way of

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color coding your annual report, so that let's say that there is an area that you think that we're falling short, or you think that there is some warning signs. The color coding alerts the public and us to that problem, and we can, we can focus in on that. I think that the goal of the City is to have a uniform system of reporting, and frankly, I think that it's easier for people to follow a color coded system than just read a report. So, food for thought, and I hope that you consider asking to see the reports of those other two bodies, and see if there is something in there that you may want to adopt.

**Johnston:** Thank you.

**Seidle:** If I might make a comment, in our actual individual meetings, when we get the reports, before we meet, unlike this annual meeting, there are certain issues called out, and we have continued to ask for that, and we have gotten those issues you know, highlighted for the, the committee. But, I understand that it would be helpful in an annual meeting. I just want you to know that we go, I think, sort of that concept in our work information that we receive for each of the meetings. Where issues are called out.

**Fish:** I want to make sure in our annual meetings to the extent that you think that there is something that we could do differently or the extent that there is a caution flag that you want us to be aware of that we make it as easy as possible to convey that information to the council.

**Fish:** Other questions or comments? Karla, did anyone sign up to testify?

**Moore-Love:** We have one person, Charles Johnson.

**Fish:** If you will take a seat. And thank you very much for your presentation.

**Charles Johnson:** Good morning, I'm Charles Johnson. I do think that our fellow citizens would benefit if you could direct questions to the scope of the bond that in past times that i've been in these chambers, particularly novick but all of you have expressed concern for a west side emergency operation center, and while we want to congratulate ourselves on the good performance that we have had, I think that it's inappropriate to talk about general emergency preparedness and west side emergency operation center. Thank you.

**Fish:** Ok. Does anyone else here want to testify? If not, this is a report. Karla, please call the roll.

**Moore-Love:** Motion to accept

**Fritz:** Motion to accept the report.

**Saltzman:** Second.

**Fritz:** Thank you very much to the committee. There is several reasons that we have citizen oversight committees for things like this, and one is, as reflected that you get to see the staff are working really diligently, and then you come here and report to your fellow citizens that you have done some independent oversight and indeed, that you are satisfied that we are doing what we promised to voters, and it's much more believable when it's an outside citizen making that statement rather than myself as a politician. So, glad to see that confirmed. I wanted to thank Kobe Jackson, my representative on this committee, and we have a similar committee, oversight for the parks bond, which the voters approved in 2014, and I think it's a great model, and I appreciate your suggestion commissioner Fish to have the reports color coded. If that makes sense. It's great to see the projects getting done. Thank you to the voters of Portland who were promised specific things with this bond measure, and indeed, are getting what we paid for, and particularly, thank you to the commissioner randy Leonard who led the bond measure campaign, passed it by 6,000 votes out of 208,000, in 2010 in the height of the recession, and I remember him sitting next to me the next morning because when we had gone to bed the evening before it looked like it was going to fail. That was back before smart phones. That was just five years ago, we didn't have smartphone, so we were getting texts from our staff to tell us what the latest updates from Multnomah county elections were. The elections failed by

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2000 votes over 200,000, so it was a mixed set of results, and really it shows that even in the midst of the recession, Portlanders cares about general, public safety, and the structures of our fire and emergency management system. And so, I am really appreciative that all these projects got done. Thank you to the committee and the staff for your report. Aye.

**Saltzman:** I want to thank Portland fire and rescue, and the public safety radio replacement project team. And I want to really thank the independent citizen's committee For their, for all your diligent work to make sure that these funds that voters approve were spent on what we told voters they would be spent on. And we even didn't need to spend the full amount, too, so we saved taxpayers money, and I want to acknowledge commissioner Leonard's leadership in the bringing of this bond measure forward, and working hard to get it passed by the voters. It has outstanding additions to making our city safer for our residents. Thank you.

**Novick:** I, too, salute Commissioner Leonard, and since I sit in the same chair he used to sit in, I hope that winning the elections, winning the measures that go to the voters, raise money for public services, is something that goes along with this chair. Thank you very much to the committee. We have so many who volunteer for committees, in the city, and I am amazed at how many are willing to give up lots of time for no money whatever, to serve in these functions, particularly, when some of them are more glamorous than others, and some of them you get your name in the paper, part of like the debates over major issues, and this is not one of those committees. So, I know that you are not -- you are not in it for the money. You are not in it for the fame. You are just in it to do a good job for your fellow citizens so thank you very much. Aye.

**Fish:** My colleagues have said it all. I want to add my thanks to my designee, mick Seidle. When he's not fighting the good fight on behalf of employees, through his law practice, he's working in the public interest on this and many other committees, and thank you and all of our citizen volunteers. Commissioner Fritz, I remember as it was yesterday, randy sitting there rather haggard because he'd been up all night, and it seemed like he won that by a handful of votes, and he earned the moniker from his colleagues from landslide Leonard. And Steve, we wish you the same. Perhaps without as much drama. There is one other person in addition to our public safety bureaus and the professionals and everyone working to make this, and the voters for their support, two other comments, one is we often have spirited debates about what should be the priorities of the city. And what's a basic service. And when the voters adopted that geo bond, they spoke loud and clear it goes to the top, and they prioritized spending and public safety. And that was very encouraging, and I hope our, at budget time, we reflect that core priority of keeping the people safe. The second thing is, the only person who really hasn't gotten much acknowledgment in these remarks is Dan Saltzman. He has, in fact, been the fire commissioner, as we have delivered on some of the promises of the geo bond, and he did cut the ribbon on fire station 21 and bringing his own oversight to those projects. And thank you for being the additional watchdog. I walk by station 21 all the time, and it's a stunning addition to our inventory of public buildings, and you are to be congratulated for bringing that home. For all those reasons, I am pleased to vote aye. It passes. Thank you. We're 15 minutes ahead of time. Reflecting the new regime here. So, without objection, we'll take up council item no. 65. Karla, please read the item.

**Item 65.**

**Fish:** Anna.

**Anna Kanwit, Bureau of Human resources:** Good morning commissioner, Anna Kanwit, director of the bureau of human resources, and I am here with Cathy, who is our benefits and financial wellness manager. We are asking you to authorize amendments to the city's

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voluntary retirement incentive program. This was in effect in 2013, and provides an incentive for employees to retire who may not otherwise be quite ready to do so. We are bringing the program back to you today, in light of 5% budget reduction direction that the bureaus have received. Implementation of this program can provide important flexibility to bureaus, if they are looking at reducing their budgets, and the goal would be that implementation of the program would help bureaus minimize the impacts to employees through layoffs or bumping. I will turn it over to Cathy who will explain what that is, and with that, Cathy?

**Cathy Bless, Bureau of Human Resources:** Good morning, commissioners. Again, Cathy Bless, health and financial benefits manager with the city. So, this morning, I will talk a bit about the voluntary retirement incentive program, and it was an earlier program. We are asking an amendment to help bureaus build capacity and flexibility, for programs, program services, and to protect employees who are just starting their careers with the city. Protecting against any budget cuts. The voluntary retirement incentive program is the 15,000 contribution into the health reimbursement account, which is an HRA. It is money that's held at the city for the benefit of the employees, retirees to take advantage of the program. It is an account that allows for the payment of health care premiums and other out-of-pocket expenses. It helps to really build the bridge between when someone decides to retire, and likely, Medicare eligibility. Employees who are interested in the incentive can voluntarily submit an application for consideration. They would have until March 31st, 2016, to consider this offer, and submit their requests. The bureau directors must approve the applications and will determine whether the approval of the applicant request fits the bureau's business needs, as well as the potential savings involved. Each applicant that is approved will receive the 15,000 Contribution, and it will allow payment of those out-of-pocket medical expenses and premiums for a five-year period of time. The benefit office will work with our current vendor, to administer the plan and to help participants as they get set up. And our office will also work with the business partners, and bureaus to answer any questions that, that will come up as folks are submitting their applications and going through the approval process. Not everybody that submits an application may be approved. It is at the discretion of the bureau and how they determine the potential savings that they might glean from offering the incentive to the participant. So, with that, I ask that you approve the amendment of the voluntary retirement program, and I am happy to answer any questions that you may have.

**Fish:** Colleagues, questions?

**Saltzman:** The 15,000 amount is estimated to cover five years of healthcare coverage?

**Bless:** The program will run for five years so they have five years to use the 15,000. The 15,000 is really about a year and a half worth of premium on a two-party premium and two years of a one-party premium. So at the city's cost right now, so it does help them to pay for those costs, and if they are covered under a spouse, they can hold this money for a while, and help to pay for any out-of-pocket expenses or deductibles or co-insurance of another plan that they might be a participant of.

**Fish:** other questions?

**Fish:** Karla, do we have anyone signed up to testify?

**Moore-Love:** I did not have sign-up sheet for this one.

**Fish:** We have a gentleman in the back. Security, would you please escort this person? Go ahead.

**Fish:** We have two people that would like to testify, come on forward. You have three minutes.

**Jason Lehman:** Commissioners, Jason Lehman, vice president, Portland firefighters, the president was not able to make it, I just wanted to speak on this a little bit. Didn't have a

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chance to look it over much but I noticed the employees are being treated differently on this, and I didn't get any explanation on why because I have not had a chance to ask. I don't know if someone wants to address this? I just see, anyone that I assume will retire April will not have this benefit but pers covered employees would.

**Fritz:** I understand it's to do with that 27 weeks in that pay period for the retirement benefit calculation. So there's already an incentive for people to retire in April under that pdnr.

**Lehman:** I kind of assumed that's what it was but there is a litigation going on right now, but at this point in time, there is no incentive to retire in April.

**Fritz:** We can have staff address that. Thank you.

**Fish:** Thank you, sir.

**Fish:** Mr. Johnson.

**Charles Johnson:** Good morning, my name is Johnson, Charles Johnson. I am pleased to have firefighters present. I want to thank the unionized iaff firefighters, and I want to point out that I didn't take a look at the online sheet that talks about how many work hours have to go into preparing this. I hope that the city will be more zealous in eliminating this waste and pushing for healthcare for all Oregonians. Doesn't matter whether you like Bernie sanders or not, we need a national health insurance plan. And having different classes of people getting different medical care, and having to manage it, and benefits and stuff like that. Would just be work you would not have to do. You could focus on other important issues. Thank you very much.

**Fish:** Commissioner Fritz, would you like the staff to come back?

**Fritz:** I would like them to answer the question more completely.

**Fish:** Did you hear the question?

**Kanwit:** Yes, I did. So, regarding the question from pfsa, well, first, going back to the current litigation, the 27 pay periods, is likely to be resolved soon. Is this purposefully called out in terms of the eligible for retirement if someone retires in April, this incentive is not offered, as commissioner Fritz accurately stated with the 27 pay periods, which is April and October, and there already is a built-in incentive estimates from police and fire, quite high in terms of the number of potential retirees. In addition, there is currently we are in the process of negotiating with the Portland police association to see if there is a way to bring back retired police officers because of the staffing issues that they are experiencing. This program in exchange for the 15,000, actually, includes a prohibition upon coming back to the city for two years. Council could make an exception, if need be, so the eligibility criteria are intentional, and looking at the issues we have in the public safety, and under program bureaus have to show a cost savings, so it is an intentional program to help the bureaus address the budget reductions.

**Fish:** That's helpful. Thank you very much. Further discussion? And Karla, this is an emergency, would you please call the roll.

**Fritz:** I think it's always good to try to figure out how to balance the budget and make economies, at the same time, being fair to the long-term, long-time public employees. It's also sobering to know that 15,000 dollars is maybe at best two years with the, worth of health insurance premiums and indeed, I hope the council will work towards more comprehensive solutions to build on the affordable care act. Thank you very much for this vote, aye.

**Saltzman:** Thank you, aye.

**Novick:** I appreciate your commitment. You look for innovative ideas to deal with the financial troubles. Aye.

**Fish:** Aye matter passes. Thank you. Colleagues, we have 11 minutes before the next time certain. And I propose that we marshal forward and do item 66. Karla, please read the item.

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**Item 66.**

**Fish:** Commissioner Fritz.

**Fritz:** Thank you, president Fish. This is a change to the code we adopted this past September to include two additional types of marijuana businesses that are going to be licensed by the Oregon liquor control commission. These two types of businesses were not previously on the state list, so we are adding marijuana labs, and research certificate holders. It's a minor code change that could have been on the consent agenda. I thought that both the council and the community might be interested in where we are with the marijuana program, so I put it on the regular agenda so that Victor Salinas and Theresa Marchetti from the office of neighborhood involvement can give us an update on both the fairly minor code amendment and also the process so far.

**Theresa Marchetti, Office of Neighborhood Involvement:** Thank you. For the record, I am Theresa Marchetti, the program manager for the office of neighborhood involvement, and I am here with our policy program coordinate, victor Salinas.

**Victor Salinas, Office of Neighborhood Involvement:** Good morning, again for the record, I am victor Salinas, program coordinator for the marijuana policy program through the office of neighborhood involvement. Thank you for your time in presenting the proposed amendments to the marijuana code. So, the control commission has requested local government review of two additional business types, and their licensing process, so those Licenses are for the laboratories, and research certificate holders as Commissioner Fritz mentioned. By adding these two, that would allow us to expand on our ability to be able to evaluate these locations for minimum requirements as passed by the council on September 30, 2015. These amendments before you also adds a regulatory fee or a review fee of 250 to recover the cost of the review, and required as part of the application process for the Oregon liquor control commission. We also, incorporated a fix to 14b.130.100. This simply clarifies the city's ability to address unlicensed, into the legal marijuana market within the city of Portland, through the code enforcement. Are there any questions?

**Fritz:** Can we continue with the rest of the summary? Or do you have a question about the amendment? Thank you.

**Salinas:** Ok. Thank you for your time, the focus of the program continues to be to develop policy with robust public involvement, to integrate the emerging marijuana industry, and to the Portland landscape. As we move and transition into the implementation of the licensing and regulatory framework, we hosted two workshops in november aimed at helping applicants navigate the city's application process with 400 attendees, and we've been working closely and in partnership with agencies, bureaus, and listening to the industry representatives in order to be able to be responsive to the applicant Concerns while upholding the city code. As a result we modified the application requirements to streamline the application process. Since October of 2015, we have had hundreds of calls for the marijuana and complaint hotline to address concerns, and questions regarding the new laws and providing information on how to navigate the process. Here's a summary and a slide up above with information on where we are with the implementation. So far, we have gone through 282 appointments, to date for marijuana regulatory licenses, in those, we began accepting applications for medical dispensaries, qualifying under the grandfather clause as of December 1st, 2015, we received 78 applications to date. That are applying under the grandfather clause. We also had a lottery, conducted from November 23 to December 11, 2015, and to receive medical dispensaries, not applying to the grandfather clause, as well as recreational retailers, producers, processors and wholesalers. Of those, 166 applicants signed up through the lottery. 32 submitted for producer, processor and wholesalers to date, and 116 applicants



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signed up for the medical dispensary recreational marijuana retailer lottery, and those will be assigned starting the first week in February. For those that did not make it through the process we provided an opportunity to sign up for an intake appointment, that would -- backtracking, that allows us to do a review of the application to make sure the materials are all in order, and in order for the applicant to submit their application. Of those, 32 signed up to submit for producer, processor and wholesaler license, and licenses through the 7th of January, and 18 signed up, that will be assigned appointments over the next two weeks. 45 signed up for applications no retailer licenses, and 16 from medical dispensaries, those that don't qualify under the grandfather clause. To date, we received 92,050, and license fees will be issued upon license issuance.

**Fish:** Can I ask a general question?

**Salinas:** Absolutely.

**Fish:** Are we seeing concentrations of applications in certain parts of the city, number one and number two we had concerns when we last took this up, from folks who felt that with our anti-concentration rule in the, and the timing of licensing, that they may be put out of business. Can you tell us can you tell us if there were any existing businesses forced to close their doors because of the concentration rule and where are these businesses choosing to locate?

**Marchetti:** Commissioner Fish, to answer your first question, it's too early to tell at this point whether or not we're seeing any kind of concentration of the retail applications. We are still processing the existing dispensary licenses, and populating those on the map, and we'll have a better idea in February whether or not we're seeing more applications for one part of the city than another. As to the second question, I think that the policies that were implemented as of September 30 have gone a long way in address that go concern. As we said, we received 78 applications under that grandfather clause, so the vast majority of the existing businesses are not going to have to close their doors. If there are conflicts, the anti-concentration policy, we will begin to see those more in February.

**Fish:** One comment about concentration, I lived in cities where they changed the zoning code in response to the concerns about concentration of adult use establishments. People didn't want to see combat zones in effect. The thing about the establishments is once upon a time they used to have neon signs, and garish displays and things so that you knew if there was one in your backyard, I find the marijuana dispensaries harder to figure out because we have a sign with a green component, and I am not sure if it's an environmental business or a pro green something or marijuana. It's more discrete, unless you live in the area and you are seeing a lot of foot and car traffic but it's harder to identify the businesses from the outside.

**Marchetti:** That's a good observation. The rules are still in development at the state level. I do think that there is -- There's been a peer to peer movement on the part of the industry to be responsible in that manner. And we really appreciate that.

**Fish:** Other questions? Is anyone signed up to testify?

**Moore-Love:** Yes, we have one person. Charles Johnson.

**Charles Johnson:** I want to thank Commissioner Fritz and the staff and also the marijuana industry entrepreneurs who have invested a lot of time in having to move forward on this issue. I do think that it would be better if we could more often talk about hopefully positive revenue impacts, not necessarily through our local controls, but hopefully, like Colorado, Washington state situation, this will, you know, we're talking about sin taxing which i'm not in favor of but we have expenses we need to face. All the marijuana businesses will be opening where homeless people sleep, and so since we have chosen to regulate and still stick a bit with the sin tax model, part of that is not your issue, a state issue. I would hope when we talk about the nitty-gritty, we could talk about

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how these taxes can be redeemed into ending homelessness and you -- the new shelter and also using some of this revenue to bring subsidized housing, thank you.

**Fish:** Thank you very much. Karla, please call the roll.

**Fritz:** Thank you for your support of this emergency ordinance. Thanks to Theresa Marchetti and Victor Salinas and the whole team at the office of neighborhood involvement. I find myself somewhat surprised to be relishing the role of marijuana queen in Portland. It is nice to learn from the mistakes over time with the liquor program, which we have managed that program for a long time, and it's important to note that the 25% tax, which is currently in effect, is all going to the state for setting up their program. Our application fees and license fees will be entirely covering the cost of the program, within the office of the neighborhood involvement. I believe that we are not allowed to use it for the revenue generation, so after we get all of the license, the first wave of licensing done, I will be returning to council so that we can have a conversation with the community about whether we want to refer the 3% tax to the voters that were allowed to do by state law or whether we want to go with our previous 10% tax that we passed before the ballot measure passed or not do either. So those are all options that will be on the table. I am very proud of the staff for the way that this program has been implemented, careful, and handling of the applications, in very fair order. We have glitches here and there but it's gone really well, and I also appreciate the security staff in the city hall, and all the workers who work in city hall who have been very gracious in accommodating our use of the atrium for the application, so thank you very much, colleagues. Aye.

**Saltzman:** Well, I am in an awkward position. With all due respect, Commissioner Fritz, I did vote against the city's regulatory program, as I feel that it's unnecessary given the substantial regulation already in place by the Oregon liquor control commission and the health authority. To be consistent I should vote against these, but this is an emergency ordinance, and it won't pass unless I vote for it, so I continue to be against the city regulatory program at all, but I will vote for these amendments today, so this the business can get on. Aye.

**Fritz:** Thank you.

**Novick:** I have to say, I am surprised [inaudible], the first thing I see is signs about marijuana. I appreciate the work that Theresa and Victor have done. You have done a ton of work in a short time period, and I am glad we can count on you to give us the straight dope on the marijuana program. Aye.

**Fish:** Thanks for all the work you have done in leading our efforts to regulate this, and Theresa and Victor, thank you for your presentations to the counselor, and I think that this is the first time in seven years that a colleague has extended the courtesy of voting for a matter that he or she may have objected to but stating an objection but voting for it as to not defeat the emergency clause. So, we'll forever call this the Saltzman courtesy rule. We will invoke it the next time that we need a colleague in to step up and do the same thing. Thank you. Pleased to vote aye. The matter passes. And Karla, it's now past 10:30, so would you read the time certain 10:30, item 55.

#### **Item 55.**

**Fish:** Commissioner Saltzman.

**Saltzman:** I would like to call up to table Portland timbers owner and ceo, Merritt Paulson. Business operations manager, Mike [inaudible], president of business operations, come on up, and Caleb Porter, please come to the table. In March of 2009, the city entered into a partnership with the Portland timbers and major league soccer. And I am happy to say here in January of 2016 that has more than paid off for everyone in Portland. It was not an easy decision for me at the time. I was skeptical about the proposal as first presented to us. I was not a soccer fan, I have to admit, but like many other Portlanders I have been

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inspired to become one. I even understand what the stoppage time means, and I still don't understand the off-sides.

**Fish:** Nor do the refs. [laughter]

**Saltzman:** What put me over the top was the amount of passion and compassion I felt from the fans. The best fans in the world, the timbers army. The army not only supports our team with vigor, they bring the same vigor to the support of the community and for the good works that they do, and I want to recognize their commitment and by saying once again, the timbers fans, thank you very Much. As many know, that vigor and passion is only matched by the owner and partner to the city of Portland, Merritt Paulson. Your vision for this team and what it can do for this city has come to fruition in just five years, with the championship, you and your organization have brought home to us. We are thankful -- to you, mike and mike for heading up a world class organization. Coach Porter we are not sure what magic you sprinkled in the second half of the season. But, the tactical maneuvers and the way you inspired the players will be debated in pubs across the city, the state, and the country -- for years and generations to come so thank you for what you have given Portland. It's more than a cup championship. It showed the world how we stand together in Portland. With that, I would like to allow the panel to make a few remarks, and then I will read the actual proclamation.

**Fish:** And then we'll take council comments.

**Merritt Paulson:** I don't have any long, prepared remarks. I thank you for honoring us here today, there is probably some joke somewhere about following marijuana policy, but I am not going to touch that. I would say that sitting here today, is a lot different than what it felt like in 2009, on pin and is needles you know, telling you all had nausea what this major league soccer could bring to the city and what it could bring to the state and the Spotlight it could put on us. And really, the Portland timbers have been a story about having high expectations and exceeding those expectations, at every step of the way. Not only on the pitch but what we're doing in the community off the pitch. And I thank all of you for the faith that you had in moving forward with major league soccer. I would acknowledge two people who are not here today, who had a big role in the timbers coming here, Mayor Sam Adams, and commissioner randy Leonard. And, and more so acknowledge the city staff members who we are dealing with on a day in and day out basis, whether we are working in the community or managing providence park, it has been a beautiful partnership. It has been a terrific partnership and mutually beneficial partnership between the timbers and the city of Portland, and I guess that I just would thank you all for having us here again and thank Portland for having the faith you know, in what -- the terrific partnership that we have.

**Fish:** Thank you.

**Fish:** Mike, the coach. A word?

**Caleb Porter:** When Merritt Paulson sold me on the idea of leaving the comfort of college, and coming here to lead the Portland timbers, to move my family, my three kids, here, one of the things that really excited me, inspired me was to come here and do something that has never been done. And to bring home to the fans in this community, the second major trophy. That was a big reason that I joined, and a big reason that I jumped off the cliff and left, like I said, the comfort of where I was at. Even a ten-year contract. And I think that, and I think when you look at the ripple effect of what's happened in this community, in the region, and in the state, that makes it more meaningful and rewarding that I did make that decision. I am proud to live in this community. I am proud to lead this club. And hopefully, we can continue to use this vehicle of professional sports to continue to ignite the community and ignite the region and the state. So, I thank you, and I am humbled and

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honored to sit here, and I appreciate everyone for embracing me and my family in this community.

**Fish:** Thank you.

**Mike:** Something to share, the limited edition [inaudible].

**Fish:** He's at a white house ceremony honoring the timbers.

**Paulson:** Thank you.

**Saltzman:** I will read the proclamation --

**Fish:** Proclamation, counselor comments, and ask you gentlemen if we could take a picture with you.

**Saltzman:** Mayor Hales is the U.S. Conference of Mayors in Washington. Whereas on March 11, 2009, Portland City Council voted to accept the resolution to declare city support to Peregrine LLC's bid to bring a major league soccer franchise to the city of Portland, and whereas on April 14, 2011, the Portland Timbers played their first home match in front of a sold-out crowd and defeated the Chicago Fire 4-2, and whereas in its first five seasons, the Portland Timbers' franchise sold out every single home game and cultivated the greatest fan base in sports, and whereas on October 29, 2016, the Portland Timbers defeated Sporting Kansas City at Providence Park in an 11-round shootout that is regarded as the most epic MLS game ever played, and whereas after defeating Cascadia rivals, Vancouver Whitecaps, and Dallas in rounds two and three of the playoffs, the Timbers advanced to the MLS Cup final, and whereas on December 6, 2015, in Columbus, Ohio, the Portland Timbers became Major League Soccer champions by defeating the Columbus Crew 2-1, and whereas Portland City Council is grateful of the partnership between the city of Portland and the Timbers and thankful to the ownership Merritt Paulson for his commitment to Portland and codifying our moniker as Soccer City USA. Now therefore, I, Charlie Hales, Mayor of the city of Portland, Oregon, the City of Roses, do hereby proclaim January 20, 2016, to be Major League Soccer Champion Portland Timbers Soccer City USA Day. In Portland, and encourage all residents to observe this day.

**Fish:** Let's suspend the rules. [applause]

**Fish:** We will invite the colleagues to say something and then a picture.

**Novick:** I noticed the budget director is here in full regalia so I expect that they will slip into the budget something to allocate millions to celebrate the Timbers. Aye. It is wonderful to be once again a championship city, and thank you, and every once in a while I pick up USA Today, which is one of the most underrated papers, and I picked it up a year and a half ago and there was an article in the sports section about the Timbers, and their army, the greatest sports fans in America. And it was really cool to see we were recognized in the nation for having a great team and a great fan base, and thank you very much for making Portland proud.

**Fritz:** Thank you for the joy for all of everything you do for our city. It was a great season. Sports are things that unite, it's a system that unites us, and everybody pulling for the people on the field, and the coaches, and you get to yell a lot, too, which I really appreciate. And it helps when you yell. It's a joy. So thank you very much. My sons Luke and Maxwell were in Columbus, Ohio for the final game, and they had such a good time. I was watching at home. We only got allocated two tickets so I nobly let my two sons go because you cannot pick between two sons. Wouldn't work very well. I think we have the best fans in the world. Not just the United States. I grew up watching football in England, and went to games in Europe and such, and the supporters here are very different from the supporters even the rapid supporters of some of the big name clubs because they do a lot of good for community. I don't know of anything like this, the Timbers Army and the Rose City Riveters, they are a part of this community and you are a part of the community and the players are upstanding people who, young people, and people my age, and older can

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look up to. I do need to mention that Mike told me that we were the second city after DC united to have both the men and the women's championship trophies, and I am proud of the riveters---thorns for having done that, and I want to thank Merritt Paulson for his acknowledgment, with our family tragedy, that recently happened, that again, we come around our players, because we feel like they are our players. They are our community, and thanks again. The whole thing, a few years ago was just awful. Congratulations on the draft it looks like we're going to have a better, even better year, next year for both the men and the women's teams, and that's fantastic, and again, thank you to the supporters who came today, and I can't think of another vote where I have been more glad that I was over-ruled. So thank you very much. Aye. We're not voting.

**Fish:** I have a few remarks. First to my friend, Merritt Paulson. Dan said we cemented a partnership in 2009 but turns out that we had a little disagreement in the family in 2009 about that partnership. We did not clear up that disagreement until 2010, and we came and said, and said instead of a two-stadium we came with a one-stadium proposal, with a different financing scheme that had broad support. And I was proud to support the 2010 stadium deal. It was a different deal than in 2009, and it was still the partnership, but I think that in retrospect, it proved to be the better deal. And history, historians will debate that. Second, I want to acknowledge that you have brought three dividends to this community, a woman's team, a woman's soccer team, which as in my family, it's a close call between whether we go to women or men's game, but we are just honored to have both in our community. Second you brought the first all-star game to Portland in a major sport. And it was a heck of a game. I think we beat Munich, if I am not mistaken, and number three, you brought a championship, the second or third one, depending on the women's record. Now, your dad saved the economy, in terms of getting that moniker, but congratulations to you. To Caleb Porter, I congratulate you for your perseverance. When you were not winning as much, you got a sense of the fickleness in the media, and, and people were questioning whether you were the right fit, But you kept at it, and the team turned a corner and we could sense it, a team of destiny that was not going to be defeated, and it happened right at the right time. Congratulations for instilling that with your teammates, against all odds and believe, and if we want to look at what it's like to have a world class coach in our backyard, I saw a story about this big catch, the university of Portland got. The associate head coach is taking over their program, and they asked them why, and he said soccer city USA, the Timbers, and Caleb Porter, who he called his mentor. So if you want to ask why it's important to have a coach of your caliber, we're getting world class coach to coach at the U.P. Because he considers says you a mentor. Maybe he wants your job, I don't know if that's going on. But.

**Porter:** He's not getting it.

**Fish:** And then to Mike. Mayor, one of the best hires you ever made was bringing Mike in. What people don't know about Mike, he's been successful in lots of other sports. He's kind of slumming in soccer but he's been successful in hockey and other professional sports, but he's been a pleasure to work with, and we have more interface with him than with you because he's the guy on the ground kind of lobbying and pushing and visiting with us and cajoling and admonishing, and he also wears this other hat, which he's an arts champion. So thank you for sharing him in that regard, but he's nice to work with and we are so grateful, and I want to close by saying that I was in London recently with my family, and the purpose of the trip was to see a soccer game there, my son wanted to see it. We were at a Starbucks, and in walks a family, all decked out in Timbers' gear. And I turned to my wife and said, my god, it's a global phenomenon. Look at this, wherever we go. We went up to them and we said, a Timbers, can we ask, what's with all the Timbers' stuff? He said, well,

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we work for the timbers. He was wearing head-to-toe timbers so he was showing off the home team, and Dan, thank you very much for bringing this recognition forth.

**Saltzman:** How about a picture.

**Fish:** Thanks again, Dan, and we should give a shout out to Brendon, the second biggest soccer fan in this building. Next to Martha Pellegrino. Karla, back to the regular agenda, and I think that we were at item no. 67.

**Item 67.**

**Fish:** Is Scott coming? Ok. All right. Colleagues, this project is part of an ongoing, large-scale sewer repair program. The city has about 2,500 miles of sewer pipes and more than a third of them are over 80 years old. The labor sewer project will replace or repair more than 17,000 feet of pipe, which are in very poor condition. And today, Scott Gibson is here to walk us through the project. Scott, welcome.

**Scott Gibson, Bureau of Environmental Services:** Thank you, commissioner Fish, city commissioners. I am Scott Gibson for the record, and I work for the bureau of environmental services, and with me today is Susan Hjorton, our project manager for the taper sewer rehabilitation project, and she will walk us through a presentation, and we can answer any questions. Susan?

**Susan Hjorton, Bureau of Environmental Services:** Good morning. I am Susan Hjorton, the senior engineering associate, Scott is my manager. We were here today asking for authorization to approve an ordinance to advertise a 6 million labor sewer rehabilitation project contract. This project is part of the phase 2 is, large scale sewer rehabilitation program, which is approved in our current capital improvement budget. This project was managed and designed in-house by our engineering staff. This map shows the project location. 84 to the north. [Inaudible] street to the south and the work occurs between 44th and 66th avenues. Assess the map indicates the bold lines are where the actual work will take place. The intent of the project is to replace or rehabilitate the deteriorated pipe. We will protect the public property and the environment, and increase the sewer system capacity, and reliability, and reduce the risk of sewer leases to homes, businesses, and the streets. As noted, over 17,000 feet of new pipe will be constructed, ranging in size from six-inch to 30-inch in diameter. The Bes staff has been extensive outreach to communicate general information, to almost 7,000 property and property owners, and in order to minimize the impact to the neighborhoods and businesses, the bes staff met with providence hospital personnel, northwest natural representatives, water bureau employees, and to coordinate the proposed construction work. Portland public schools provided us a map that shows locations where the bus stops, are located and major travel paths used by students. Tri-met has provided maps for the major bus routes, and new private development locations have been identified. The right-of-way improvements are, incorporated into the project design. Two locations will require night work due to the high traffic volumes. One, approximately 57th Glisan and the other on Burnside just east of 47th. Our public involvement asked for additional outreach to 300 properties and property owners, to tell them of the night work and give them a chance to respond, which there was no responses generated. So, this is the fourth and final pilot project using the new pipe. Two projects are currently in construction, and reporting that we are receiving good quality product, at the work site. The insulation rate is slower than with pdc pipe as would be anticipated because of the weight difference but the local pipe installers have done a good job and we anticipate the production rate has increased after the learning curve has been achieved and also better soil conditions for the trench worker encounters, and based on the previous ones we received, the cost for the 12-inch pipe, the most common pipe size is trending towards a single digit premium. So, here, is our budget

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schedule we have a high level of confidence we'd like to advertise this month and construction to begin in July.

**Fish:** Thank you very much we'll turn to council questions. I'll just comment that Scott asked me as we were preparing for this whether to include that slide with the clay pipes. And I urged him to do so you may recall about a year ago we told you that we were going back to the future in using clay pipes. It's a little counter intuitive, Scott explained the cost of environmental benefits of clay pipes and we included it in the slide.

**Gibson:** Thank you

**Fish:** Ok Karla do we have body who signed up.

**Moore-Love:** I do not have a sign-up sheet for this item.

**Fish:** Seeing no one this matter proceeds to a second reading. Thank you bot very much.

**Fish:** Karla will you please read item number 68.

**Item 68.**

**Fish:** Colleagues this ordinance would authorize a contract for a project to replace two more culverts at crystal springs creek. One at southeast bybee boulevard and one at southeast Glenwood Street. Environmental services has worked with a multitude of community partners to replace seven of the nine culverts on the creek. These culverts prevent endangered salmon from reaching some of the city's best salmon habitats. This project would replace the last two culverts that have blocked fish passage for many years. Turn it over to Scott or Kaitlin.

**Scott Gibson, Bureau of Environmental Services:** Thank you. Good morning. For the record, my name is Scott Gibson. With me is Kaitlin Lovell, in charge of our -- let's see, they have a brand new name. Science integration division, which is newly formed and David from the bureau of transportation who is the bridge engineer responsible for designing the transportation elements including the culvert structure. We are here to ask for authorization to enter into a contract for construction of -- culvert replacement projects. Before we get into the details, I will ask Kaitlin to give us back ground and context for the project.

**Kaitlin Lovell, Bureau of Environmental Services:** Good morning. My name is Kaitlin Lovell, as Scott said, have overseen the work that has been going on in crystal springs since 2010. As mentioned, this is the last of the culvert projects that we had going in and it is a remnant of the greater green initiative. And the goals are to restore juvenile fish -- crystal springs creek, we have seen fish coming back already from the previous projects we have done. Drastic improvements in water quality, and reduction in flooding, and these two culverts will save union manor over \$1.5 million of flood-proofing they need to do as part of the hud renovations because of the reduction in the flooding that would happen -- or that does happen now behind the culverts. . It a multiyear effort. This particular project will replace the last two culverts that restrict upspring passage -- these pictures are examples of some prior projects.

**Gibson:** So, I would like to give you a brief scope of the project. The location of course is in southeast on Bybee Boulevard near McLaughlin. And there are two culverts as the project would indicate, Glenwood street culvert and bybee street culvert. Replaced to provide Fish passage. Restore areas along the banks and -- I will ask David to talk about the right of way improvements associated with this work.

**David O'Longaigh, Portland Bureau of Transportation:** Thank you. This project has been a great collaboration between the bureau of transportation and bureau of environmental services. This time we're connecting fish. It was nice for us to think outside of the box. We needed to make sure while replacing the culverts that people could still get through, business, school, recreation activities. We are dividing the construction into two halves. Bikes, pedestrians and cars can still pass through the site at all times while we're

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constructing the culvert. Marginally increase the cost but the benefit substantially outweighed that cost based on serving the community. We will have complete infrastructure for bike, pedestrians and vehicles through the site as well as complete infrastructure for fish to get to their nesting place.

**Gibson:** Thank you, David.

**Gibson:** Through the design process, we settled on a 14-foot diameter box culvert that would replace the two 48-inch culverts. A bunch of design considerations which led us to the box, and we can answer questions on those if you have any. David has already talked about the need to upgrade 23rd avenue, as well as southwest bybee for pedestrian, bicycle improvements to stage the work properly. We are providing street trees, and reconstructing the intersections or signals at the intersections. Moving forward, we are going to advertise an early 2016, estimating the second week in February. Level of confidence is high. We will come back with the -- Christine will come back with a purchasing report on the results of that procurement and we intend to start construction in May of 2016 and construct through the summer and wrap up in november. We have a very tight in-stream work window, which we're complying with, and we're going to stage the work to get it all done within the weeks that are safe for Fish. And that's it. Any questions?

**Fish:** Colleagues?

**Saltzman:** A box culvert, can you explain? I thought the culverts we used don't have like a bottom, like three-sided. Natural soil on the bottom.

**Gibson:** We had some considerations which led us away from three-sided box with a foundation that spans the creek. Soft soils, groundwater and presence of an existing large diameter brick sewer. Complete box along the bottom as well. We backfill that with native stream materials so as far as the Fish are concerned, it is a native bottom. Structurally it functions different.

**O'Longaigh:** That's exactly right. Super soft soil at this location which surprised us all. I think the geotechnical engineer compared it to toothpaste. Any other foundation type, very costly. So the simplest way is to make a concrete box, and then as Scott says, even the fish will be -- we will be backfilling that box with native soil so that nobody would actually know except the designers that it was actually a closed box.

**Fish:** Are you suggesting the Fish will be fooled because they are a low i.q. Species?

**O'Longaigh:** No, because we did such a great job masquerading the engineering.

**Saltzman:** What does it mean that these are the last two restricted flow culverts?

**Lovell:** It means when they turn from the Willamette to Johnson creek, they have absolutely no barriers to get to Reed College or headwaters of crystal springs lake. It is a completely open 2.7 mile cold water stream in the urban core, which is really unique in this country.

**Saltzman:** Yes, it is. Thank you.

**Fish:** Two comments and we will see if anyone wants to testify. This crystal springs restoration project, which at one time or another has involved parks bureau, bes, transportation, army corps of engineers, surrounding neighborhood association, a cast of thousands. Has earned a lot of attention locally. But recently was featured in the "new York times" as a nationally significant project in the fight to promote safe passage for salmon and salmon habitat in an urban setting. Congratulations to everyone for that. The other thing I want to brag about Kaitlin for a second, this past year, every year mike Houck and others organize a policy-makers ride and we go around looking at great accomplishments from the past year. And we stopped at crystal springs and mike Houck asked Kaitlin to do the presentation, and she kind of told the history of why and what and the benefits and just did a wonderful job representing her bureau and the city. Congratulations for your work.

**Lovell:** Thank you.



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**Fish:** Anyone signed up to testify?

**Moore-Love:** I did not have a sign-up sheet for this item.

**Fish:** If not, this proceeds to a second reading. Thank you all very much.

**Novick:** Thank you very much. A wonderful project.

**Fish:** Three matters left, we will do the two Portland fire and rescue first. If you will please read item number 69.

**Item 69.**

**Fish:** Commissioner Dan Saltzman.

**Saltzman:** Thank you, Mr. President. I would like to return this item to my office.

**Fish:** Without objection. Karla, would you please read item --

**Fritz:** I was go to say how wonderful it was. I hope it comes back soon.

**Saltzman:** We are too.

**Fish:** Those comments are out of order. Please read item number 70.

**Item 70.**

**Fish:** Commissioner Dan Saltzman.

**Saltzman:** I will turn it over to Portland fire and rescue to explain this.

**Shon Christensen:** For the record, Shon Christiansen, I represent Portland fire and rescue. This is a, like was stated, a grant through Oregon state fire marshal's office for the amount of \$48,672 to send 13 members of our marine/phone station team to phone training for bulk flammable liquid storage in Texas any other questions that you may have?

**Fritz:** How will the members disseminate this information to people who might need to know it in the public?

**Christensen:** For the public, well, for these members, there is -- well, there is several different ways through training and then also through our public information office to disseminate -- the information -- this is more training for our firefighters to better handle large storage facilities for flammable liquids. That information would be disseminated through our information office.

**Fritz:** I'm wondering what we do to educate property owners who may not be storing their flammable liquids properly. Presumably this is so that you would learn how to take care of any problems with that?

**Christensen:** Yes. Well, this training is for -- it would -- let me back up a second. This training would be for extinguishing large flammable liquid fires. So, as far as proper storage, that would be more related to our fire marshal's office through our hazardous materials inspector.

**Fritz:** Thanks.

**Fish:** Thank you. Other questions? Karla, anyone sign up to testify?

**Moore-Love:** I did not have a sign up sheet for this one.

**Fish:** This is an emergency item. Please call the roll.

**Fritz:** Aye.

**Saltzman:** Thank you for the presentation. Aye.

**Novick:** Aye. **Fish:** Aye. [gavel pounded]

**Fish:** Thank you. We have one remaining item this morning. Karla, would you please read item number 71?

**Item 71.**

**Fish:** Commissioner Steve novick.

**Novick:** We have lance here to explain this item and I believe he has brought along an amendment, item b, subsection one.

**Lance Lindahl, Portland Bureau of Transportation:** That is correct. Portland bureau of transportation. Before you today -- between northeast 12th and northeast 14th avenues. This portion of sandy was closed to through traffic in 2010 upon construction of the east

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Burnside couch -- vacation was petitioned by western investment company, llc. Owners of block 267 located between 12th and 13 the streets. Also own the triangular portion on the north side of northeast sandy between northeast 13th and 14th. John f. Potts owns the southern portion, 276. Home to northwest fitness. He is in -- working with the petitioner on future development plans. In regards to the amendment, it was discovered that three utility poles mentioned that currently serve the street light service in the area, only two of those poles were recently transferred to the city. The third pole is owned by pge. Language has been changed in paragraph b-1 on page 2 to remove the poles still owned by pge and it will be allowed to remain on site and will be covered by an easement by other language in the ordinance.

**Fish:** Would you like to move the amendment.

**Novick:** Move.

**Fritz:** Second.

**Fish:** Call the roll.

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

**Fish:** Is that the end of the presentation?

**Lindahl:** That's the end, I believe there were a couple of people signed up to talk about it though.

**Fritz:** I have a question on exhibit c, it looks like there is trucks and a car that are currently using the right of way. Why is it being -- what would -- it looks like it is currently serving a transportation purpose and so I'm confused as to why we're being asked to vacate it.

**Lindahl:** It is only being used for parking currently. And the access to that parking is a little unclear. Right now people are trespassing across Mr. Weston's property to access that area and park in it. The important part of the vacation was to retain northeast 13th avenue for stormwater and bike and pedestrian connections.

**Fritz:** The trucks and such are the businesses will still be able to -- will be -- will then use it for their own private parking purposes?

**Lindahl:** That's right. In the interim, nothing is going to change other than it becomes private property that can be managed by the abutting property owners.

**Fritz:** Are all of the abutting property owners in favor of the street vacation?

**Lindahl:** That is my understanding. Potts and Weston are the fee owners of the parcels who will receive land back there is one tenant on the north side, automotive business.

**Fritz:** What about the fitness business that has had a lot of changes around it over the course of time? Do they support it?

**Lindahl:** They do. And they're working hand-in-hand with Mr. Weston on future plans for this area.

**Fritz:** Glad to hear that. Thank you.

**Fish:** When you say Mr. Weston, you are talking about Joe Weston and it is because he owns the Portland bottling plant, the land with the Portland bottling plant, is that correct?

**Lindahl:** That's correct. Bottling plant site includes several other parcels currently used for parking and rented out for other commercial purposes.

**Fish:** Thank you. Other questions? Do we have other invited testimony?

**Lindahl:** Yes.

**Fish:** People who signed up or Steve part of the formal presentation? Has anyone signed up?

**Moore-Love:** I have three people signed up.

**Lindahl:** First of all, I would like to introduce Larry porter here on behalf of Weston investment llc.

**Fish:** Why don't you come forward, sir? You've heard the presentation. Is there anything you would like to -- anything you disagree with?

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**Larry Porter:** A few comments, if I may.

**Fish:** Please.

**Porter:** My name is Larry porter, I represent Weston investments and I do have one thing to say and that is we're really glad to be here. Mr. Weston started dialogue with the city about eight years ago on how to vacate those two sections of Sandy Boulevard and give them to the part of the adjoining, abutting properties. Since then the dialogue has continued and about 18 months ago I submitted an application to city for street vacation and after lots of approvals and lots of consents, we are finally here today to ask your consent under the petition application. I'm here to answer any questions that you may have. I just want to thank staff for their professionalism in processing this application, and if you have questions, I would be glad to try to answer them.

**Fish:** I want to note for the record that Mr. Weston is someone who is often very transparent about whatever feelings and frustrations he has with local government. It is nice on an occasion like this to be able to move something that he supports.

**Porter:** Appreciate that, thank you.

**Fish:** Thank you, sir. I think we're fine. We may ask you back if something comes up. Let's go to the folks who signed up.

**Moore-Love:** Charlie Johnson and terry parker.

**Fish:** Let's mix it up this time. Mr. Parker, let's let you go first.

**Terry Parker:** Thank you for the opportunity to testify. I live in northeast Portland. Vacating Sandy Boulevard between 12th and 14th avenue and giving up the right of way is an unwise move. It places developer profits ahead of common sense and the good of the community. When the east Burnside couch couplet was proposed a few years back, promoted as a safety measure to fix the problems associated with the complicated intersection and help relieve congestion. Bicycle modifications made -- the outcome of the couplet project, congestion has worsened to the point that many east side businesses want to move out of the area. Safety has also been compromised. Eastbound traffic re-enters Sandy Boulevard from 14th. Curvature is such that large trucks and buses need to use both lanes to make the turn. Trimet no longer uses this route -- the original underlying purpose of the project was rarely brought up in the rigged and broken public participation process. If the right probing questions were asked to the right people in the know, the answer went something like this. The reasoning for the project is only about 20% transportation related and the other 80% is to make more land available for development. Coming from an administration with a -- the project also had the distinct appearance to be more of a road block than to make traffic flow better. Vacating this portion of sandy would eliminate the option of correcting the least apportion of the bungled up mess -- this fix would not put right the capacity and congestion problems associated with Couch Street or 12th avenue. It would also eliminate the need for trimet buses to use a round-about route to go east on sandy. Common sense, traffic safety and reducing congestion and therefore emissions, the good of the community should outweigh developer profits. Vacating this portion of sandy needs to be rejected. Thank you.

**Fish:** Thank you very much. Mr. Johnson.

**Charlie Johnson:** Good morning, commissioners. It was insightful to get that testimony. I'm also very familiar with this intersection. I can't remember the exact if any relationship between Mr. Weston and American property management, but this -- near this property was in the news a while back a couple of years ago when occupy Portland was still using office space and was looking on being at that intersection. The idea that we've created a situation where there is more traffic congestion and more emissions, is something that I hope that commissioner novick and the transportation bureau can look into and the other important issue that was raised in public testimony here is that this definitely, whether it

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was intentional or not, has the effect of creating prime development real estate, and although eventually apparently without the involvement of the pdc, shenanigans will happen to get some higher property tax value from this place, it would actually be appropriate for you to get financial consideration or other promises from these property owners. I don't know that restoring sandy boulevard -- it is a bit of a mess when you come up sandy and go by the new apartments. It is an interesting crosswalk to go through. The earlier testimony is essentially correct. What this is really about is preparing land for high-income development. We lost the little restaurant there, replaced by a huge condo apartment complex. So, don't just rely on future increased property tax revenue some day from this facility. Weston wants this. In America, especially when rich people want something, we make them pay. Not outlandish, not super extortion, but it would be appropriate for city to negotiate for -- if it is legal under state and other laws, it would be appropriate for the city to get financial remuneration for turning this into an investment, for-profit investment property. Thank you.

**Fish:** Thank you very much. This is an ordinance and a hearing. Commissioner novick, it goes to a second reading?

**Novick:** Yes.

**Fish:** All right. This one goes to a second reading. We are concluded for the morning business. We reconvene at 2:00 for a 2:00 time certain. Council is adjourned. [gavel pounded]

At 11:22 a.m. Council recessed.

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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.

**JANUARY 20, 2016**

**2:00 PM**

**Fish:** Karla, would you please call the roll.

**Fish:** Welcome everybody, mayor haless is in Washington, d.c., at a conference of mayors meeting, and he sends his regrets. And we have a time certain at 2:00, Karla please read the time certain.

**Moore-Love:** Did you want them both read? 72 and 73 or --

**Fish:** Yes, I'm sorry. For these of you who seem somewhat alarmed by the fact that I'm managing this meeting, I assure you I was not selected based on any kind of merit or any rational system. By rotation, I'm the president of the council. And if there was a loving god and she intervened, Commissioner Fritz would be chairing the meeting. But by charter, you're stuck with me today. Please read them together.

**Novick:** Commissioner Fish, as someone who voted for you for the title of president, I'm rather insulted by your disparagement of my vote.

**Fish:** Thank you, Steve.

**Item 72.**

**Item 73.**

**Fish:** Thank you very much. Fred miller, are you going to come forward and kick us off? Christine? The A team this afternoon.

**Fred Miller, Director, Office of Management and Finance:** Thank you. Fred miller, director of omf. I think in terms of time certain, we should be out of here in about 10 minutes, because I think this should be pretty much pro forma given the discussions we have had with all of you. I will remind you how we got to where we are and what to expect today. And then Kristin and Christine will provide whatever details you need. If you recall in October, you passed three resolutions that moved us along on the Portland building reconstruction. And the first one, the largest one, was to complete the reconstruction by the end of 2020 for no more than \$195 million. The second one had to do with equalizing rates for the employees in downtown buildings. We're working on that. The outlying issue right now, and we have no particular time pressure on that, but the outlying issue are bes and water evaluating whether they should own or lease floors within the building. It is a financial thing for these two bureaus. So, we're waiting for that to happen. The third item is the community benefits one percent we set aside and now we said we would have some public meetings and develop a proposal for you by May. That is taking place and you will get a proposal by May. So, those two I'll put aside as coming back later as we suggested in October. For today, the easiest thing for you to do is to authorize Christine to sign the contract with our owner's rep, because we have gone through the process, selected someone, and now by formality, you need to say yes, go ahead and sign the contract. The also easy but a little more complicated one, approve our method for contracting for design, build, and relocate, and this we will have a little presentation on so you understand what we're doing. Of course, as you all know, we have talked to each of you individually about that process. I think it will be fairly straightforward. Ideally, in a relatively short time, the

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audience, at least, will learn more on these items and we will get some approval and save yourself lots of time.

**Kristin Wells, Bureau of development Services:** My name is Kristin wells, project manager for the Portland building reconstruction facilities today we're here to talk about the next steps from the resolution that you passed in October directing us to go forward with the project of reconstructing the Portland building. The first ordinance is authorizing the exemption for what is typically a design bid build process, and we're going to talk a bit today about what the difference is between that process and what we're proposing, which is a progressive design build relocate process. The second ordinance authorizes us to contract with cpm. A selection process which Christine will talk about in a little bit with day cpm. With the contract not to exceed \$5.6 million. The ordinance in October set a maximum cost for the project of \$195 million. This has been allocated into three primary buckets. One being the owner's representative contract. That includes the typical owner's representative services. Also in there included public outreach services and communications and social equity and contracting consultant services. The largest bucket, which you will see there in green, is the design build relocate contract. That includes not only the design team, the architects, engineers, and other design consultants, but also the construction team, all of the construction costs that we have associated with the project and what is slightly unique about this project we also include the relocation portion and that would include all of the movers and the lease -- the moving and leasing team, which will help flush out where our employees are going to go to ensure continuity of service throughout the project. Remaining bucket is all of the other soft costs, which include the one percent for the community, opportunities, enhancements, and benefits, as well as the 2% for the permits and fees, project management and other costs such as that. Funding plan in this fiscal year that we're in right now, council approved \$3.7 million for us to begin the work of the reconstruction project. And that is coming out of the facilities major maintenance fund. In the next budget year, in the 15-16 -- or 16-17 budget process. Requesting \$12.8 million to get us through the next year of the project. And there is no funding required from bureaus next year. Each future budget year omf will be requesting funding to continue the project along each year through the budget processes. Of the \$195 million, 5% of that will be a cash contribution from the city. And 95% will be done through debt financing. The cash contribution is coming from revenue and rental charges, which are currently charged to all bureaus for the -- for the leases within the Portland building. 36% is coming from the major maintenance facilities budget, and that is what you already allocated in this current fiscal year. And 2.57 allocated from the general fund and that was done in the last budget year process as well.

**Saltzman:** Can I ask --

**Wells:** Yeah.

**Saltzman:** One of the earlier slides showed \$12.8 million being requested in this coming year's budget?

**Wells:** Correct.

**Saltzman:** That's different than the cash contribution of 10.45 --

**Wells:** This year we will utilize cash contribution as well as doing some of the debt financing this year.

**Saltzman:** Why are we not asking bureaus for contributions in this upcoming fiscal year?

**Wells:** I would like to turn that over --

**Saltzman:** Finish your presentation.

**Miller:** You have already approved sufficient funding. All we will look for in this budget year is approval to spend it. We are not looking for new money, when you count what we use

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for major maintenance. Money you allocated for this budget year and contributions in hand from bureaus.

**Saltzman:** The 12.8 million --

**Miller:** No new money.

**Saltzman:** Already committed.

**Miller:** Yes, correct.

**Saltzman:** I guess that was the fundamental question that I had.

**Christine Moody, Procurement Services:** Christine moody, procurement services. One of the actions in front of you today is to approve the owner's representative contract. One of the actions in front of you is to approve the owner's representative contract. And through that we did a competitive rfp process, had an evaluation committee that included a minority evaluator representative, and the highest scoring proposal was day cpm. Within that rfp we included our corporate responsibility evaluation criteria, which includes point allocation for state certification, both at the prime level and subcontractor level, work force, diversity and community involvement, sustainable business practices and aspirational goal of 20% in awarding professional services contracts to mwesb's. Day cpm has come in with a 20% participation for mwesb in the areas of public outreach, social equity, seismic resilience, lead consultant, auditing and cost estimating, move and -- qa/qac, and technical advisory. This owner's representative contract also includes birch from fm birch and associates, assist the city in developing social equity, contract requirements and goals for design build relocate contract.

**Wells:** Also within the contract, public outreach services. They brought on lois cohen and associates, in consultation with the city's communication team. The first step will be to develop a plan for the public outreach and it will include preparing informational materials, facilitating the public meetings, and then reporting on the input that we received from the public. And I'm going to move on to talking about what is progressive design build relocate and why are we proposing it for this project? The biggest difference is that there is one contract for the design, construction, and the relocate. Instead of in a typical design bid build process, we would be separately going out for all of the different relocation services that would be the brokers, designers, contractors and movers related to relocation. Separately listing for the design professionals and putting it out for a public bid.

**Fish:** When meeting with Fred, I just offered him some political advice. I said I think if he called it the progressive comma green, comma and sustainable design build relocation, he would have about 95% Portland support for this approach.

**Novick:** Don't forget resilience.

**Fish:** I can't believe I forgot resilience. I think I have to put a dollar in the cookie jar on that one.

**Wells:** So, yes, so we're doing progressive design build. I will talk a little about what the progressive on the front end means as well. Progressive relocate selection process means that we have a collaborative team on board from the start. We start with our rfp, which we're planning to put out in the next month and a half or so. The proposal that we will get will include the qualifications of the team, a commitment to the project schedule, maximum price, overall scope, and the mwesb goals. And options for the move situation, whether we keep all of the employees in the building or most of the employees in the building during construction or do we move everybody out, construct the whole building and move everybody back in. We are looking for proposals to include those options. Out of that we will select the best team for the project. Rather than awarding simply based on cost. A few of the big differences between the traditional method and the method that we're proposing is that we get the target value at the earliest onset with the most information between all of the different contracting methods. So, early on after going through a vetting process and

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scoping more into the design, the team will come up with what is called a target value. From that point forward, we're designing to that target value. And the dmp then becomes a confirmation that we have met the target value and it solidifies contractually the exact scope of work and design details that have been worked on throughout that time line. Why include relocation? Progressive design build is something that is picking up momentum in the construction industry. Something that is taught by or supported by dbia, the design build institute of America. We have chosen to include the relocation as part of the contract as well, and we did that for a number of reasons. It was first brought to us by our advisory committee as an idea. We looked at it. There is potential cost savings in the ability to reduce our lease costs. There is a large portion of our budget that is allocated to the cost of the lease of being out of the building. What are the options for keeping employees in the building and being able to look at that in a whole picture weighing the pros and cons of how does that slow down construction if we're all in the building because then we will have to phase things. There are pros and cons to both. We will have to look at it. In addition, if we decide to move everybody out, there is a clear timing and coordination of when the employees move out and when employees move in so that we can minimize our overlap of lease space by having it all in one team.

**Moody:** The dbrfp represents an opportunity to seek mwesb participation both in design and construction services work. The city will require the general contractor to establish an mwesb subcontractor supplier plan in which they will meet city established goals. We in omf have been instructed by cao Fred miller to be aggressive with our approach for meeting mwesb and work force goals and we have the advantage, as I stated earlier, of having the sub-consultant, fm burch and associates to look for strategies to maximize our approaches. We will be starting that work here shortly. In addition to that, as Fred mentioned earlier, council resolution identified one percent of the hard construction costs to go towards community opportunities and enhancement. Omf is working with oehr on convening a stakeholder group to solicit input into what should be included in the one percent proposal. These meetings are anticipated to take place in March and April, one percent proposal coming back to council shortly afterwards. Next steps. Assuming that both of our resolutions pass today, we will be coming back to council in spring of 2016, reporting on the proposal for the one percent, community opportunities enhancements and benefits. This summer, we will have completed our rfp process, progressive design build relocate contract and coming to council to accept and authorize us to move forward with that contract. And in 2017, we will come back with an amendment to contract, to accept the target value and design criteria. Around 17 or 18, again, dependent on what the design approach is. We will be doing the second amendment to the contract to accept the gmp and the contract documents associated with it. Between 2018 and 2020, while we're going through construction, coming back to council with regular updates on the construction progress. Thank you.

**Fish:** Is that the complete presentation on both matters?

**Miller:** It is.

**Fish:** That's something of a record. Council colleagues any questions before we see if anyone wants to testify?

**Fritz:** I had a couple, thank you president Fish. Are you planning to have a community oversight committee?

**Miller:** We-- I think you know, have a committee that has been involved in recommendations on the construction and we have another committee related to the actual construction and cost containment. We have a public outreach strategy. The real -- I don't know exactly the specific --



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**Fritz:** So we just had a nice presentation this morning from the general obligation bond from the fire bureau. We also have a technology oversight committee. We have the parks bond oversight committee. I think many on this council really appreciate being able to appoint a person to a five-person committee that then oversees not so much the technical aspects, but just how the taxpayers' money is being spent.

**Miller:** I would say that we actually have a committee like that and there would be a way you could add any members if you want to suggest that.

**Fritz:** I would -- I'm really hoping for an independent city, citizen committee that would be appointed one by each member of the council whose job not much to advice on the technical aspects of but to look over the money part.

**Miller:** Well -- yes, we can, if the council would like to do that and appoint members. I worry a bit about committees tripping over themselves. We have two committees that are involved in that in some sense. And we could either enhance those or we could add a committee if you would like. Community side of this building is a little different than many because no one is going to be commenting or at least we don't need comments or what should the building look like on the outside. We're trying to preserve the architectural integrity. There is a definite community piece for floors one and two, where I think some community involvement and we do -- we definitely want ideas on that. And that is part of our outreach strategy. Maybe we could tie in such a committee to our outreach strategy that we're developing.

**Fritz:** I'm really looking for a project oversight committee that would give us reports on a quarterly basis on how the project is going is it, red, yellow, green, how is the money being spent? We want to safeguard we have a nice cap or an absolute cap of \$195 million on the total expenditure and that is a lot of taxpayers' money and I think there should be an independent committee looking over that, and also we know from the previous construction of the Portland building that it was value engineered because there was a cap and then we ended up with a building that didn't work very well. I for one am interested in my council colleagues would appreciate having an independent group that is not down in the weeds of the nitty-gritty of how are we doing the project but looking over every step of the way.

**Fish:** Let me, in the absence of the mayor, who technically oversees, Fred, your work and would be here offering an opinion. Let me offer a suggestion. It would help me to see a flow chart with all of the accountability measures that we built in. So all of the various places where either a committee we have established or an independent body reviews this. And I would also, it would help me, better understand going forward how Christine, your office, is advising the council on major capital construction projects. Because it seems to me we have started to track them differently. And we get more information about the status of large projects and the like. I would like to the extent that we can form our oversight of major capital construction projects generally with the way we handle technology and let's say the geo bond, I think in concept that is a good idea. For me, I want to see how is it -- what's the current system of oversight? Where might this either strengthen or potentially replace some point, and then discuss it with the mayor who ultimately, I would want his full support. And so, I wonder, Commissioner Fritz, you put in an interesting idea on the table. I see no reason why we can't dispose of the business before us today and also consider your proposal, but I would like to know more about the moving pieces and I would like to see some specifics. Could we -- would you be -- would it be acceptable to you if we just directed Fred in the next month to come back with some proposals, both a look at where we are and some proposals for our review and approval?

**Fritz:** Yeah, I think that is a good suggestion, thank you.

**Fish:** Would that work?

**Miller:** Sure.

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**Fish:** Before you came back to council, informal discussions to scope it out and I would certainly start with Commissioner Fritz's office and see where that takes us.

**Fritz:** Thank you, yes. You're right. Today we're approving the findings and authorizing the contract for the administrative task.

**Fish:** If we do follow this idea or something like it or consolidate something, I'm big on the red, yellow and green coding, because it is easier to follow.

**Fritz:** Project of this magnitude, I would really like that as a citizen oversight. The other piece of it, as we heard this morning, then the citizens are looking at all of the books and saying yes, government, you're doing it correctly. And when you appoint an independent committee, there is more autonomy and authority to do that rather than somebody who has been involved in the project all along. Thank you very much. My second question is about the community benefits agreement for the community benefit plans on this. I was looking back at the model community benefit agreement that the council passed in September of 2012. And it talked about for public works projects, more than \$15 million that there would be consideration of public community benefits. And a whole host of things including labor pieces, not only the apprenticeship work but also the -- a number of other things. In looking, I confess at the time I hadn't been looking, but in looking over the previous community benefits agreements, it is a lot more than the one percent allocation. It is a whole host of again community members getting to participate, and feeling that both union and non-union labor fairly treated and subject to all kinds of federal and state mandates about how we treat and pay our workers. I wonder we had a brief discussion about this, what's your plan for ongoing engagement with the minority contractor's commission?

**Miller:** Well, they're involved in our process to develop the one percent proposals. We have members from that as part of the community discussions that we're getting to develop the one percent proposal.

**Fritz:** So you're not proposing to do any of the other elements of the community benefits agreement.

**Miller:** Not unless anything comes out of the discussions. We tried to separate this from the contract management to say we're definitely on board with the values of the council to allocate some funding, where it is best spent and now we're dealing with -- there are lots of community members interested in this and different organizations and we are scheduling meetings with them and have had one already to get ideas on what is included.

**Moody:** Commissioner, if I may. Elements in the model community benefits agreement that I think you're referring to as far as work force development, mvesb subcontracting. So, I was talking about earlier, one of the reasons we have one out for the owners rep and are engaging them is we want to be aggressive outside of a community benefits agreement within our rfp solicitation. Some of the strategies in the model agreement can be done in the city contracting process without having the agreement in place of the fund piece of the cba, is where Fred is referring to the one percent allocation. And, so, some of that, and engaging the equitable contracting and purchasing commission and other stakeholders, they can help the city figure out on those fund allocations if those would be dedicated to community-based organizations that support work force diversity and apprentices and people in the trades for working on the project or maybe even some ideas have come up about using some money for pipeline, and working with the schools to see if there is ways that we can use some of that -- those funds to get people interested or get kids interested in construction trades. So --

**Fish:** Can I follow up on that one point?

**Moody:** Separated some of that and -- two different elements.

**Fish:** Can I follow up? I don't want to take commissioner Fritz's time. Two things. One is when do you expect to have some kind of report to council evaluating the effectiveness of

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the cba process today? I'm referring to the final numbers on the big project, utilities have done but others. When do you expect to have something for us to review and to consider in light of any proposed changes to the model cba?

**Moody:** Commissioner, I understand that the Kelly Butte, Water Bureau Kelly Butte project will be ready for a report to council probable at the end of February, and so we are currently -- we have gathered some information back from the -- people that were administering the fund, and so we're currently trying to just wrap that in to a report to council. So, I would anticipate that would be end of February, early March, and then there is the second project for the interstate. So, both projects as they come to council, there will be a review of the effectiveness of the cba --

**Fish:** Presenting hard numbers to us.

**Moody:** Separately, yes.

**Fish:** Let me state an expectation. I know we have already had this conversation. What I'm interested in is sort of the standard that we're meeting pre-cba and the standard that we met with the cba, and if that informs a discussion -- and hopefully that will inform a discussion about any changes that we want to make on the cba. One of my values that I will bring to that conversation is I want to make sure that the public investment results in a tangible benefit for a person. And not just a feel-good gesture. I want to see that the dollar that we're spending resulted in someone having an opportunity they wouldn't have had or a contract they wouldn't have had or something else and not just, you know, a set of lofty goals that we fall short. I think what we ultimately made clear to the cba process, we want to give community members a chance to benefit from these projects and I want to look at the hard numbers about apprenticeships and subcontracts and other things to see did the money actually produce a benefit and not just a sound byte. And it sounds like that is the level of detail you're going to give us.

**Miller:** Yes.

**Fritz:** That was where I was going with my line of questioning. Should the council decide after we hear that first report in February that something in addition needs to be added to this plan, is that possible at that point?

**Moody:** I guess the answer would be it depends on what it is.

**Fish:** I think -- theoretically, council has the right on an ongoing basis to review and evaluate these things. We have said there is a ceiling on how much we're going to spend. It has to fit within that framework, and presumably, any changes we make particularly if we invest more in something we care about, it is going to require value engineering about something else.

**Miller:** Correct.

**Fritz:** I was talking more about some of the other elements beyond the community allocation in terms of things like hiring procedures, labor management, community committees, subcontractors you already covered. Supposing we decide if we see the numbers on interstate, Kelly Butte, 20% is too modest of a goal for the subcontracting portion, can we amend it later?

**Moody:** The mwesb goals?

**Fritz:** Uh-hmm.

**Moody:** I think -- well, when we issue the rfp, we will put our aspirational goal. And generally when we receive proposals back, we will see that contractors are either going to -- are expecting to meet that goal or exceed that goal?

**Fritz:** Do they get extra points if they exceed it?

**Moody:** No, they don't. But that could be a possibility.

**Fritz:** Yeah, I think what I'm asking --

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**Moody:** What I was saying we're trying to get the owner's rep on board because we want to try, as I have been directed by Fred, be aggressive and do something outside of the standard. We kind of are going through some of the strategies and one of the things could be could we give extra points for a proposal to exceed the goals? I think we probably can. That can be one of the strategies. If there is elements in the cba that you are really interested in, I would be happy to have a conversation with you about that so that we can see how we can incorporate some of those things into the rfp as we're drafting it.

**Fritz:** Just having the owner's rep and all of you looking through it again with fresh eyes several years later, and then adding as much of it into what the rfp gives points for, it seems to me to be a good strategy. Thank you very much.

**Fish:** And something that came out of this discussion that is important, I think, to be reminded is that most of these benchmarks are the floors that we set. And we're -- we want to have as much incentives for people to exceed these floors, because if we think the floor is a minimal standard, we're not setting the ceiling. We're saying if you can do better in a way that is consistent with our values and responsible, why wouldn't we give an extra point or two for that? So, good discussion, thank you. Other colleagues have questions or comments? Dan Saltzman.

**Saltzman:** Commissioner Fritz's line of questioning about the independent -- an oversight committee got me to thinking, are we envisioning using an independent quality assurance consultant of any sort?

**Wells:** We have a quality assurance as a component of the owner's rep services. So, that's built into that contract, yes.

**Saltzman:** Will they provide quality assurance to the owner's rep itself? I mean, \$5.6 million is a major chunk of change.

**Wells:** They won't be overseeing the owner's representative contract directly. The quality assurance within the owner's rep contract is ensuring the quality of the design-build relocate contract. Omf will be responsible for overseeing the owner's rep contract.

**Saltzman:** I guess I would want to reserve the right to think about that. I mean, it has seemed to have served us well in many of our software projects, that's where I think about them the most where we have an independent quality assurance presence. So, I guess it is just a question of whether they're totally outside of the pie chart and overseeing everybody inside of the pie chart or they're part of the pie chart.

**Fish:** I don't have the authority to propose this, but I would certainly support requiring that commissioner Saltzman approve any invoice over \$50,000 and report to council on a quarterly basis.

**Miller:** We generally go to him with anything that large anyway.

**Fish:** You will get back to us on that question, thank you.

**Saltzman:** My only other question if we are getting into the situation we're all trying to desperately avoid, prospect of cost overruns, does everybody share in pro rata reductions of the cost structure? I mean the community benefits agreement also has to share in the cost reductions along with the owner, along with the contractor, the designers, and I ask -- legitimate question here?

**Miller:** There is a Saltzman law that things always cost more and we will violate the Saltzman law and bring it in under \$195.

**Fish:** Actually the Saltzman rule is our forecast, given to us by the cbo, always understate the amount of discretionary revenue that we have.

**Saltzman:** More after this morning.

**Fish:** Other questions. Anyone sign up to testify?

**Moore-Love:** No one else signed up. Oh, lightning.

**Fish:** Happy to have you testify. Thank you very much.

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**Lightning:** My name is lightning, I represent lightning watchdog pdx. From the beginning of this project, I have had some concerns on the reconstruction method and direction you want to go on this. My biggest concern again is the relocation of the current tenants that are in the building and where that cost is going to actually end up. You've stated that you feel very confident you will not exceed the \$195 million. In my mind, if you do, I think there needs to be something set into place that when do we start looking at building something new? And the reason why I say that again, we have the old Multnomah county courthouse, which Multnomah county is looking to sell to put funding into the new Multnomah county courthouse which the state will match and we need to keep that option open. If we begin to exceed a certain number where we can actually begin to build new, and also the relocation costs, we need to watch real close, then we should have a clause or something that we can look at that option of building new at that time, if it presents a better opportunity. Now, another issue I have, again, is on that competitive bidding requirement. I prefer to have that competitive bidding requirement. I know that you do not at this time. And you're stating it will actually create a lower cost. I do question that. So, I would like to still have that put into place and not have an exemption at this time. Another issue that I have again is that originally we were talking about some \$90 million number. And now we're going up to \$195 million. And where do we stop? The new Multnomah county courthouse is going to be around \$300 million, big difference is they have state money that they negotiated with of \$125 million toward that project. That makes a big difference. So, what i'm saying is that in another issue here is on this Portland building, do we have Multnomah county employees or anybody affiliated with the courthouse that we can actually get a match from the state by utilizing that toward moving some of the people -- keeping them in that building from the courthouse. Because that's what they're basically doing on the new courthouse. Moving people in different buildings and also utilizing that state match. Like I say, I want to look at all options on this and keep all options open. If we exceed that \$195 million, do we have a right to consider building new and looking at other options? Thank you.

**Fish:** Lightning, because you're the only person who signed up let me take a crack at answering your questions because as usual they're very thoughtful. The \$195 million dollar figure, while it is a big number, ultimately we were -- we were advised it was the least cost option. We will get you that document that compares it to the alternatives and you can make your own judgment. Cost overrun side, council directed there shall be no cost overruns. Which means there may have to be some value engineering. We may not get exactly what we talked about. But that directive has been made clearly. You heard we are not spending a penny over \$195. There may be some conversations about whether it is done proportionately, as commissioner Saltzman suggested or value engineered in some other way. The suggestion about looking for state or federal money or some other pot is very thoughtful. We will take that up with Martha Pellegrino. And the only other thing I was going to throw back at you is on the question of relocation, John Russell testified before us that his experience was that he could manage big construction projects while keeping people in place. Others have suggested because of work quality issues and safety, we should relocate. Do you have a strong view one way or another?

**Lightning:** In my opinion, when you are talking a reconstruction of this size of a building, I think relocation is going to definitely be the direction you want to go. And that's why I proposed on, again, maybe going against what you're doing here is to build new, and leave them in the Portland building and build at the old Multnomah county courthouse site. When you start to put a lot of these costs into place, if we start to get close to what it is going to cost to build the building new, in my opinion, quality lasts long after the price is forgotten. This building is going to be here for many, many years. And that is something that I take in consideration on building new and the relocation costs of the current tenants

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in that property, I think that number could escalate at a rapid rate that could exceed your \$195 million overall. And that's my opinion. Relocation costs can be that area that could get out of control real fast.

**Fish:** Thank you very much. Anyone else who would like to testify? If not, Karla, please call -- time certain emergency clause item, would you please call the vote on item number 72.

**Fritz:** Thank you to Fred miller and Christine moody and the entire team, thank you Kristin. Good job. Aye.

**Saltzman:** Aye. Thank you.

**Novick:** Thank you Steve, and -- aye.

**Fish:** Yeah, thank you for your presentation. Good discussion. This is a very, very complicated project and we appreciate the way you're progressively staging the presentations to us to get this thing launched and I think there were some important issues raised today and Fred you and I will talk about a time line for getting back to my colleagues. Aye.

**Moore-Love:** 73.

**Fritz:** Aye. **Saltzman:** Aye. **Novick:** Aye. **Fish:** Aye. [gavel pounded]

**Fish:** Both matters pass. That concludes the official business of the Portland city council this week and since i'm the president of council, many of you are saying thank god. We're adjourned. [gavel pounded]

At 2:44 p.m. Council Adjourned.