



CITY OF
PORTLAND, OREGON

OFFICIAL
 MINUTES

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **5TH DAY OF MARCH, 2014** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Saltzman, 4.

Commissioner Fish arrived at 9:35 a.m.

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

Item Nos. 206 and 208 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

		Disposition:
COMMUNICATIONS		
197	Request of Lightning, Portland Lightning Think Tank to address Council regarding communication (Communication)	PLACED ON FILE
198	Request of Robert Bernstein to address Council regarding Port of Portland/West Hayden Island (Communication)	PLACED ON FILE
199	Request of Dik Weed to address Council regarding Right to Survive/Right to Dream 2 (Communication)	PLACED ON FILE
200	Request of Angela Hammit to address Council regarding the homeless bill of rights issue (Communication)	PLACED ON FILE
201	Request of Kevin Grigsby to address Council regarding cops, homeless try to make things better (Communication)	PLACED ON FILE
TIMES CERTAIN		
202	<p>TIME CERTAIN: 9:30 AM – Citizen Noise Advisory Committee – PDX Noise Abatement & Outreach Report (Report introduced by Mayor Hales) 30 minutes requested</p> <p>Motion to accept the report: Moved by Fish and seconded by Saltzman. (Y-4)</p>	ACCEPTED

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<p>203 TIME CERTAIN: 10:00 AM – Appeal of SEIU Local 49 against the Design Commission’s decision to approve the application of TVA Architects for the Park Avenue West Tower, a new 30-story mixed use building at 728 SW 9th Ave (Previous Agenda 153; Adopt Findings; LU 13-214772 DZM MS AD) 10 minutes requested</p> <p>Motion to deny the appeal and uphold Design Commission’s decision with additional condition and adopt findings: Moved by Fish and seconded by Fritz. (Y-4)</p>	<p>APPEAL DENIED</p>	
<p style="text-align: center;">CONSENT AGENDA – NO DISCUSSION</p> <p style="text-align: center;">Mayor Charlie Hales</p> <p>204 Appoint Claire Carder and Elliott Veazey to the Adjustment Committee for terms to expire March 4, 2018 (Report) (Y-4)</p>		<p>CONFIRMED</p>
<p>205 Appoint Caroline Dao and reappoint Carin Carlson to the Historic Landmarks Commission (Report) (Y-4)</p>	<p>CONFIRMED</p>	
<p>206 Appoint Kate Lore to the Human Rights Commission for a term to expire October 31, 2016 (Report) (Y-4)</p>	<p>CONFIRMED</p>	
<p style="text-align: center;">Bureau of Planning & Sustainability</p> <p>207 Authorize an Intergovernmental Agreement with Portland State University to accept \$75,180 to support an EcoPartnership with Kunming, China to advance low-carbon development (Ordinance)</p>		<p style="text-align: center;">PASSED TO SECOND READING MARCH 12, 2014 AT 9:30 AM</p>
<p style="text-align: center;">Office of Management and Finance</p> <p>*208 Ratify a Letter of Agreement between the City on behalf of Portland Fire & Rescue and the Portland Fire Fighters Association Local 43 authorizing the expansion of Technical Rescue Teams under the collective bargaining agreement (Ordinance)</p>		<p style="text-align: center;">REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION</p>
<p style="text-align: center;">Commissioner Nick Fish Position No. 2 Bureau of Environmental Services</p> <p>209 Authorize a contract for construction of the Cured In Place Pipe 2014 Project No. E10482 for \$2,700,000 (Second Reading Agenda 185) (Y-4)</p>		<p style="text-align: center;">186478</p>
<p>210 Authorize revenue generating Intergovernmental Agreement with Metro in the amount of \$20,000 for the development of a weed treatment calendar (Second Reading Agenda 186) (Y-4)</p>	<p style="text-align: center;">186479</p>	

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Commissioner Steve Novick

Position No. 4

Bureau of Transportation

- *211** Accept a grant in the amount of \$467,000 and authorize an Intergovernmental Grant Agreement with Metro for SmartTrips New Resident and SmartTrips East Portland (Ordinance)
(Y-4)

186480

REGULAR AGENDA

Mayor Charlie Hales

Bureau of Police

- *212** Accept a grant in the amount of \$113,000 from, appropriate \$84,750 for FY 2013-14, and authorize an Intergovernmental Agreement with the Oregon Department of Transportation, Transportation Safety Division, for the 2014 Motor Carrier Safety Assistance Program for motor carrier safety inspections by the Police Bureau Traffic sworn personnel (Ordinance) 10 minutes requested
(Y-4)

186481

Commissioner Amanda Fritz

Position No. 1

Bureau of Development Services

- *213** Amend the Bureau of Development Services FY 2013-14 Adopted Budget to add appropriation for 18.0 new positions and associated materials and services to support the restoration of development review services (Ordinance) 15 minutes requested
(Y-4)

186482

City Auditor LaVonne Griffin-Valade

- 214** Assess property for sidewalk repair for the Bureau of Maintenance (Second Reading Agenda 196; Y1082)
(Y-4)

186483

At 11:32 a.m., Council recessed.

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A RECESSED MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS 5TH DAY OF MARCH, 2014 AT 2:00 P.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fish, Fritz and Saltzman, 4.

Commissioner Fritz arrived at 2:03 p.m.

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

	Disposition
<p>215 TIME CERTAIN: 2:00 PM – Accept the 2013 Citywide Technology Assessment Final Report by Sierra Systems (Previous Agenda 174; Report introduced by Mayor Hales) 1 hour requested</p> <p>Motion to accept the report: Moved by Fish and seconded by Fritz.</p> <p>(Y-4)</p>	<p>ACCEPTED</p>

At 3:30 p.m., Council adjourned.

LAVONNE GRIFFIN-VALADE
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

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

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Closed Caption File of Portland City Council Meeting

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

Key: ***** means unidentified speaker.

MARCH 5, 2014 9:30 AM

Hales: Good morning, everyone. Welcome to the March 5th meeting of the Portland City Council. Would you please call the roll?

Fritz: Here. **Saltzman:** Here. **Hales:** Here.

Hales: Commissioner Novick is away and I believe Commissioner Fish will join us shortly. First of all, some welcome language. First, we're happy to have all of you here this morning. We appreciate your engagement in the life of our city. If you want to testify today, please state just your name before you speak. You don't have to give us your address. If you are a lobbyist, please declare what organization you are lobbying for. Everyone gets three minutes to speak, unless there is some exception to the rules otherwise. And please testify only to the matter at hand as we're going through the council calendar. If you want to testify on an item, please do, but please only on that item. So that everyone feels welcomed, we ask speakers and members of the audience to be courteous and respectful. Council will not allow interruptions while someone is speaking. This includes clapping or booing or personal attacks of any kind. So if you agree with someone, raise your hands, but please keep it civil and quiet. Disruptive behavior will not be tolerated. You will be warned and then asked to leave. If you have any handouts, please give them to the council clerk, and she will distribute it to us. Thank you all for joining us today. We have a couple of proclamations up front that I'm very happy to read. We have some special guests. We have our Japanese Consul General here, Consul General Furusawa is here. Welcome. It's very nice to have you here with us today, sir, and we appreciate the great long-term relationship that we have with the consulate office in the city of Portland. And we have David Ono from the Oregon Nikkei Legacy Center and Jeff MacIntyre -- they're both, actually, co-producers for KABC TV but they are here to talk about this special exhibit. So please come up, gentlemen. I'll read the proclamation, and we'll give you a chance to talk about it a little more. Have a seat and we'll go through the proclamation and have you up and take some pictures if you would like. This says, whereas, the Oregon Nikkei Legacy Center is opening its new exhibit called Capturing a Generation Through the Eye of a Lens, the Photographs of Frank C. Hirahara, 1948 to 1954; and whereas, it will bring a new awareness of what life was like in Portland after World War II to the Portland community as well as offering an educational opportunity to its students through June 15 as a sanctioned event of the Portland Rose Festival; and whereas, the history of the Portland Rose Festival, the Epworth Methodist Church, the Oregon Buddhist Temple, the Oregon Camera Club, the Oregon Photographic Society, and activities of the Japanese American and Chinese American communities and the community at large are featured and being published in newspapers in the U.S., Pacific Northwest, and California; and whereas, David Ono, anchor of ABC7 eyewitness news in Los Angeles; co-producer, Jeff McIntyre; and Frank's daughter, Patti Hirahara are here in Portland to show another facet of the Hirahara family's photography, and its contribution to help tell the story of the Japanese American internment in Heart Mountain during World War II. Now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the City of Roses, do hereby proclaim March 5th, 2014, to be Oregon Nikkei Legacy Center Day in Portland and encourage all citizens to observe this day. So welcome, and let's hear more about this interesting exhibition.

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David Ono: Thank you, Mayor and Commissioners, and it was a real honor to be able to do this project. We worked a couple of years on this documentary. We're hoping to show it throughout the country. We showed parts of it in Los Angeles already, and it will re-air in Los Angeles. It tells a great -- well, a story that can't be forgotten about what happened to the Japanese Americans during World War II, particularly the ones along the west coast of the United States. They lost everything when they got sent to the internment camps, yet they persevered. They were able to do so with dignity, but they had their hardships. And these are lessons and stories that most Americans don't know about. So, through this photo collection and various other interviews, we're able to tell the story and hopefully get more Americans to realize what happened in that time. These are lessons that are still relevant today, and this is something that still could happen today in dire circumstances.

Hales: That's great, thank you. Welcome.

Jeff MacIntyre: You may want to start the clock. Three minutes and I have a lot to say. We are so excited to be here to share this important slice of history with Portland. And as a film-maker, I'm always on the hunt for good stories, and what I found in this two-year process, there are no stories more powerful, more impactful, more heartfelt than the ones that came from behind barbed wire in these internment camps. And they are not just Japanese American stories, they are deep American stories. And we always say it's one of the greatest stories that not enough people know about, so that's our mission, to shout the story from the mountaintops because it is so important. And we're so thrilled to be here to share this with Portland. Thank you.

Hales: Thank you, that's great. And welcome, Consul General, so nice to have you here this morning.

Hiroshi Furusawa: Thank you both, and thank you very much for this opportunity, Mayor. David just mentioned that there aren't many that people -- American people are not aware of the Japanese -- the American history. For that matter, Japanese people do not know about this at all. And this opportunity, I would like to do anything I can do to raise Japanese people's awareness, those people who visit Portland, or in Japan, like to have an understanding of this Japanese American experience. Thank you.

Hales: Thank you. Well, in Portland, of course, our communities come together to memorialize that time with our wonderful historical plaza in Waterfront Park, advocated for and led by the wonderful Bill Naito, who is now well-remembered by Portlanders because we named a street after him. But because that World War II generation is passing on -- and Bill was in this chambers 20 years ago, and 15 years ago, as an important part of our civic life in this community, and somebody who led that effort -- as that generation passes on, it's really important that the next generations find ways, as you are doing, to teach that history and make it relevant. So, I'm really happy to hear about this, happy that this exhibit has been put together. Look forward to seeing it myself. Thanks for coming, and we would love to do a photo with you if we can, with the council, thank you. [photographs taken]

Hales: One important announcement about the screening. It's tonight, at 7:00 p.m. at the Hollywood Theater. So, be there, come enjoy and learn from this great piece of work that this community has brought to us this morning. Thank you so much. OK. Our next proclamation is one that I think Mary Beth is going to talk about, one of a number of women leaders in our community, one who is particularly active on a new leadership initiative at the moment, but this is about women of many leadership roles. It says, whereas, residents of this region know that its greatness and success is a direct result of all residents, regardless of gender, making creative, intelligent, and revolutionary contributions to society; and whereas, women have been historically underrepresented, yet have played and continue to play important roles internationally, nationally, regionally, and locally in furthering knowledge and promoting social change; and whereas, to foster the next generation of women, the city of Portland seeks to encourage and support professional, educational, and social opportunities for women in order to ensure that opportunities may not have existed in the past, are

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available in the present and into the future; and whereas, women's history month is a time for all Portlanders to remember the stories and teachings of the many women who made and continue to make improvements for the livability of the city, region, and world; and whereas, during women's history month, all Americans are encouraged to reflect on past victories and struggles of women to create a society where our daughters can reach their full potential unobstructed by gender; now, therefore, I, Charlie Hales, Mayor of the City of Portland, Oregon, the city of roses, do hereby proclaim March 2014 to be Women's History Month in Portland, and encourage all citizens to observe this month. So welcome and good morning.

Mary Beth Henry, Revenue Bureau: Good morning, Mayor and Council. I am honored to be here today to represent the women's affinity group of the City of Portland. You may recall that in his state of the union address just a few weeks ago, President Obama said, today, women make up about half of our workforce, but they still make 77 cents for every dollar a man earns. That is wrong. And in 2014, it's an embarrassment because I firmly believe when women succeed, America succeeds. Now, the Oregonian political fact check analyzed Oregon data and found that women here earn an average of 79 cents for every dollar that men earn for doing the same job. As we celebrate women's history month, let's remember that though we've come a long way, we still have work to do to move towards equity. And we have, to honor women in the city of Portland, scheduled many wonderful events, including, naturally, a bike ride, since this is Portland. We have screening of A Powerful Noise, and the events culminate in a really great event called Wonder Women, and it's where our colleagues can nominate women who made a contribution to the city. And that ceremony will be April 3rd, and I am very happy that Mayor Hales will be there to present those awards. Thank you very much.

Hales: Great, thank you.

Fish: Mayor, can I make one comment? Thank you for the proclamation and the presentation. I believe that it's this week that Commissioner Novick and I are formally releasing the span of control study, I think that's right. And one of the recommendations that came out of the committee process was to do a class comp study and I think that it's been 12 years since we've done one, so that's one of the recommendations that came out of the study work. In apropos, though, of what you said about the 77 cents, we are also suggesting if the city does a class comp study, that they do a pay equity analysis. And that if we're going to undertake something as comprehensive as class comp, let's fold in pay equity to make sure that there are no barriers that have just been embedded in our compensation structure that disadvantage women. So I'm hoping that's something that Council -- it's a recommendation that Steve and I hope the council will embrace.

Hales: Great.

Henry: Thank you very much.

Hales: Other comments? Mary Beth, thank you very much. Appreciate it. Some leaders are elected and others are appointed, and again, I'll embarrass Mary Beth a little bit to say that if we are successful in our bid to bring Google fiber to Portland, it will be because of the credibility, nationally and locally, of this particular woman, and we appreciate your service. Thank you.

Hales: OK. Let's move onto communications items, please.

Item 197.

Hales: Good morning, Lightning.

Lightning: Good morning. My company is Think Lightning, a watchdog creative tank. My name is Lightning. One of the issues that we've seen is under Burnside, some of the sweeps, and we saw some leaders, actually, get arrested. One of the concerns I have about that is that when we have groups that are actually given land or funding to take care of the homeless and try to provide housing, should we just be looking out your office window 25 feet and not doing anything? Now, Mercy Corps, you are located right there. You know the problem is consistent. It happens every week. You are in the business to take care of the homeless. Look out your windows. Figure out a

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way to do it. That's why -- that is your purpose. Let's not allow this to happen week after week. Mercy Corps, you have a lot of great ideas, step it up and take care of these people out on the sidewalks and get them into housing. Now, referring to chronic homelessness. We've been doing a lot of studies in Utah, looking at what Utah does. They have about a 4-4.5% vacancy factor on apartments, we have a two to maybe three. Now, they are stating that they can put people into housing. They are stating that there is no requirement. You just be a good resident and be a good tenant in the building. Now, from Portland's position, we're talking about maybe 2000 people in Utah. We're talking about 2000 chronic homelessness in Portland. It's very interesting to compare these two states because Portland has the ability to do as good as Utah is, if not better. And I feel we're moving in that direction. We need to provide more housing for the homeless. We need to create more micro-apartments. We need to have these units when we sweep people to put them in at a lower cost. We're talking 75,000 per unit on these micro-apartments, 50 units per building. That equates to about 3.5 million to 4.5 million overall costs. That's not a tremendous cost. We're creating jobs throughout the community. We're creating money for the suppliers throughout the community. We're creating long-term permanent housing throughout the community. We're creating buildings that we can put one individual in the building that can overlook the whole building as far as on taking care of the people's needs from either alcoholism, drug abuse, mental illness. We need well-trained people in these buildings to overlook that 50 capacity unit building. We can begin to make sure that chronic homelessness doesn't reoccur every other two years that it appears to be happening in these other situations. We need long-term permanent, sustainable housing. We need to talk to the developers, get them to step up and begin a process to get these units built. How many minutes do I have left?

Hales: You actually- you just used your time, so wrap up.

Lightning: OK. Thank you. There was a study done in, at 1811 East Lake program in Seattle. They put these people into some permanent housing. They calculated that the cost savings for the chronic homeless to have them into this housing saved 30,000 per resident. When you calculate that at 30,000 times 50, that's \$1,500,000 per year. We would literally pay these off in cost savings of public services within three to five years. If these foundations can offer a loan, not a grant, to be paid back after the five-year term, we can literally pay these buildings off first, and then begin to fund the foundations back so they don't lose any money. It all goes back to them, and this city wins, the foundations win, and the chronic homelessness ends. Thank you.

Hales: Thank you. Thanks very much. [applause]

Item 198.

Hales: Good morning and welcome.

Robert Bernstein: Good morning. Thanks. Well, I am here to thank you for helping keep West Hayden Island as it is, at least for the near term. I'm sure there will be further challenges. I went to several of the hearings and I appreciate the questions that many of you asked. I came to Portland at age 23 from Brooklyn in 1969. I went to Hayden Island, I think, it must have been 1973 or somewhere in there. It was beautiful back then. A lot of what has been developed hadn't been developed yet. It was a time when Portland actually ended at 82nd and there was space between Portland and Gresham. There was space between Gresham and Sandy. So, a lot of what was there in Portland has gotten filled in. The population pressures have grown. And so I think about New York at times. I think of how early on, in the 1900s, I think, they put the subway system in. They were wise enough to realize where things were going. And I think that by setting aside areas like Hayden Island, you are doing some of that same good planning. And I would really like to see it set aside, period, so that I don't have to fret and write letters to the editor and go through all of this stuff. So much of that wild land -- you know, like my generation, if you go back another couple of generations, when I first moved to Hawthorne, there were still amphibians in my front yard in 1972. There were toads, there were frogs, there were snakes. There's no place for critters any more. And

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we are not the only species on this planet. I went to a forestry board meeting a couple nights ago, and there were people who think that people and logs are the only existing things on this earth, but it's not true. And so I would like to see any time that the word balance gets used, that a light bulb should go off in your head and realize that you want to talk balance, talk about Guild's Lake being filled in. Talk about where the aluminum plants have been put in. Talk about all of these lands that have been lost already. And don't get fooled by the word balance. If they want to use rebalance, maybe I would go for that. But, it's still not a good use. So anyway, thanks for your efforts on behalf of West Hayden Island.

Hales: Thanks for coming this morning. Appreciate it.

Bernstein: Have a good day. Some people are going to testify about noise from the airport, and I agree.

Hales: Yes. Thank you.

Item 199.

Hales: Good morning.

Dik Weed: Good morning. I am Dik Weed, and I am with Right 2 Survive. I want to talk about the sweeps and Prosper Portland. In my community, Prosper Portland is kind of scary. We think that it might mean that everyone prospers but us. Thank you so much for talking about us in the last meeting that I attended here, where you guys voted to fund us. And thank you for working with us. It's really awesome. We are like 70 people, maybe, on any given day. I think that we could expand some of the ideas that we've been working with. My community is creative. We find solutions to costs, for instance. We just can't afford to do the things that other people can do. So, we are very creative in the way that we house ourselves, the way that we keep clean, the way that we maintain our discipline, the way that we give rules to our community, the way that we spread joy amongst the suffering. But we're not tapped by your community. And I think that's an oversight. I think we should be at the table when you are talking about houseless issues. Not because we care about houseless people, although that's a really great reason, but because we offer another perspective, and we include them as people. When I think of Prosper Portland, I think of a set of rules for everybody and then a set of rules for us. And that doesn't make me feel like I'm part of the city, it makes me feel like I'm refuse to be thrown away. The rules that sweep us off the streets, like seriously, I'm going to walk down the street, I'm going to collapse wherever I end up being because I'm so tired, and I'm going to be harassed and possibly arrested now. For sleeping. That's -- how can we criminalize a person's ability to not do better? Basically, you're so poor that you deserve to be in jail. That's the message that we're receiving. So, I want to change that. I want us to start looking at other options. We see a lot of land that's ugly in this city. Just, you know, abandoned lots, places where people congregate to do drugs. Let's turn them into gardens. Let's build tiny homes there. Let's house people that way. It can be very low cost. Let's try to get them off the street and into our community as our community. You know, it would be much better to not have homeless people in front of my business, but have just people who happen to be my neighbors. It's not as scary. So, I would like to start with that. But, you know, that requires talking to us. Thank you.

Hales: Thanks very much. [applause] Hey, folks, thank you. Raise your hands if you agree but please, let's not have applause.

Item 200.

Hales: Good morning. Welcome.

Angela Hammit: Good morning. My name is Angela Hammit, and I am what you would call chronically homeless. I came to Portland when I lost my home in Beaverton a year and a half ago. I still had a job. I still had a car. I looked for help from the resources in this city, and they told me that there was no help for me, that I'm not chronically homeless. That was from Portland Rescue Mission. They did not tell me that they had a women's and family program. And they said we help men. And I went to TPI, and I felt like I was walking into a jail. People -- when you are living in

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your car, you have to worry about where you are going to go to the bathroom. You have to worry about people watching you all the time. You have no privacy. If you try to put something up in your windows, the police come knocking on your door wondering what you're doing. I'm just trying to survive. I'm just trying to live. When you sleep on the streets, you have to worry about, again, the police shooing you along, sweeping you up, brushing you under the rug. You have to worry about other citizens that are angry because you are homeless. I knew a man that got kicked in the face and lost all his teeth on this side because a drunk walked by and was angry that he was sleeping. So, we have no privacy. People steal your things, the police steals your things, ODOT steals your things. It just depends -- and you are continuously trying to replace somewhere to be. If you are not on the street, your alternatives are -- I was in a women's shelter for awhile, my daughter was in Utah with her dad. Again, it was like being in an institution, a jail, a psych ward, or something. Currently, I've been diagnosed with post-traumatic stress disorder -- something that I've never had in my life -- anxiety, depression. You can imagine why. I have been diagnosed with those things. I simply needed a helping hand up a year and a half ago. Now, I need far more than a helping hand up. I need months of rehabilitation. It seems like it would have cost this much, you know, in the first place to help and currently my daughter and I are in a family shelter because I'm just exhausted. I can't do it anymore. My body, my mind is physically exhausted. But the conditions in those family shelters are you are inches away from the next family. They are coughing, their babies are crying, sleep is almost nonexistent in there. My daughter continues to get sick. She's a type 1 diabetic, it's not good when she gets sick. More hospital costs. It just seems like it will be cheaper to give us somewhere to go, give us somewhere to be. I just -- we need a helping hand up to get our lives back together. I don't think that that's asking too much. And the whole homeless bill of rights thing that Sisters of the Road is trying to put something together -- I urge you to get with them. Maybe you can give us some of your leadership input on what that homeless bill of rights should look like.

Hales: Thanks.

Hammit: Thank you.

Fritz: Ms. Hammit, your testimony is really persuasive. And if you can find the time, and I can give you some bus tickets to go to Beaverton as well. Because part of the problem that we have here in Portland is that other jurisdictions are not doing their part. We can do more, also, and I think that your testimony is very persuasive. Beaverton needs to hear that you became homeless there, and that there were no services there, also.

Hammit: No they don't like us or want us there at all. It's jail.

Fritz: We have a lot to do as a region, and I really appreciate your partnership.

Fish: Commissioner Fritz, can I underscore something you said? In the region we are -- well, Multnomah County is about 50% of the population. And we're close to 75% of the services. It is no longer acceptable that there are communities in the region that simply say it's not our problem, that are not building affordable housing, not investing in services. It may actually take a federal lawsuit to uncrack that problem. But it also should be something that we engage Metro around, and we do have some people in Metro who care about affordable housing and equity. And it is simply unfair to this woman and to others who lose their home in a community and are forced to leave the community because the community offers no services.

Hammit: They told me straight up, go to jail or go to Portland.

Fish: And that means your child is yanked out of a school that's familiar, it means all kinds of things. And that has disastrous consequences for childhood development, among other things. So, I appreciate your --

Hammit: Yeah, she's struggling to her high school diploma.

Fritz: Thank you so much for taking the time to come in.

Hales: Thank you very much.

Item 201.

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Hales: Mr. Grigsby, are you here? OK. Maybe he will come back next week. Let's move to the consent calendar. I think that there is one item that needs to be referred back to my office, which is 208. Apparently, HR needs more work on this, is that right?

Moore-Love: And we also have had a request for 206 to be pulled. Joe Walsh requested that.

Hales: All right. So, we'll take items 206 and 208 off the consent calendar and refer item 208 back to my office, we'll take up 206 later, and let's take a vote on the rest of the consent calendar, please.

Roll on consent calendar.

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

Hales: OK. Time certain.

Item 202.

Hales: OK, we have a team and presentation this morning on airport noise. Good morning. Can you get the PowerPoint queued up there? Push the button on the face of that, and it will light it up. There you go. Take it in whatever order you would like, just identify yourselves as you go. Thanks for being here.

Phil Stenstrom: Thank you very much. Mayor Hales and council members, I'm Phil Stenstrom, the new manager of the port noise management office. And here with me today are the Portland appointees to the PDX citizen noise advisory council. We have Maryhelen Kincaid, and Laura Young and Kelly Sweeney.

Hales: Welcome.

Stenstrom: Thank you for the opportunity to provide an update on our activities. We at the Port have appreciated the council's attention and partnership on airport noise issues. PDX is an asset for the region, providing jobs, attracting businesses, and serving needs for air travel. In 2013, we had a record number of passengers but fewer flight operations. So, that's not always good news for travelers, but it's great news in terms of the noise impacts. The port's mission is to enhance the region's economy and quality of life by providing access to markets. For our size, we're fortunate to have nonstop air service to both Europe and Asia. The airport is a key business enabler for the local employers such as Standard, Daimler, Precision Castparts, ESCO, Wyden and Kennedy, Biotronic, Knowledge Learning Center, Mentor Graphics, Greenbrier, and Stoel Rives, among others. Airports benefit people and they benefit the communities they serve. The economic benefits of the Port's three airports are substantial. Generating these benefits comes with costs, and aviation noise is one of them. We are here to help your community address these noise impacts, and my team is among the best in the nation. The team members each have more than 14 years in airport noise management. I also note that we and our families live in the communities, as well, two of us in Oregon and two in Washington. We do a lot. The noise hotline provides an easy way for the public to reach our team with questions, and it's usually the first contact that we have with citizens who are impacted by aviation noise. Our proactive work includes reviewing procedures with Federal Aviation Administration, educating air traffic controllers and pilots about noise abatement, and doing outreach at neighborhood events. Aviation is a highly regulated industry, and it has FAA and pilots as the ultimate decision-makers. So, their priority is always safety, and our noise program is well positioned among the stakeholders to find balanced solutions. Collaboration with the community and with industry is an important part, and really a central part of how we do our work. There is a few big trends in the aviation noise world that I wanted to highlight today. Airlines are more efficient. They are putting more passengers into fewer planes. Those planes are quieter than ever before thanks to airframe design and engine technologies, and fleet modernization has replaced the older, less efficient aircraft. That all translates to less noise. On the other hand, the population is growing, and people have a strong desire to travel and shop online, and those things drive air service demand. As a result, the national air space system is near capacity, and is in need of an overhaul. So, just as the airlines use technology to gain efficiencies, the FAA has launched the biggest air space modernization in its history. Those programs are collectively known as next generation or next gen.

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The best way to minimize community noise impact is to keep aircraft away from people. For that reason, we've kept flight over the Columbia River corridor for over 30 years. We keep the larger, noisier, jets over the river for as long as possible. Precise flight operations have always been a goal of the noise program. We work with the FAA to get our relatively small airport into this national next gen initiative. One of the next gen elements is performance-based navigation called PBN. Simply put, it keeps flights over the center of the river and away from the residential populations. PBN arrivals fly with lower power and they make less noise by maintaining a more gliding decent into the runways. I won't treat this in any more detail today, but next gen is a big initiative in our world. We're actively participating as it rolls out over the next decade, and I would be happy to come back for a more detailed briefing if you would like to know more. Flight tracking is the essential tool that we use to respond to citizen concerns and monitor overflights. We upgraded our tracking system in 2009 at a cost of \$1.2 million. Our staff also monitored the signs. Noise-related health effects are a growing concern globally, and our team works with the top research groups in the U.S. to stay current with these findings. Community engagement, as I said, is the most critical component of the noise program because we believe that access to information yields the best results for the communities. Later this year, we're going to offer a noise 101 class, and I would be delighted if y'all could attend. We want to make it easy to engage with us, and we have many access channels for citizens to learn more. Other resources are on the port's noise management web page. One of those resources is PDX web track. You can track aircraft that are overflying the region and identify any particular flight, then submit a concern to our office, and we then follow up and respond. The red dots here show our ten noise monitoring microphones and the black squares are 2013 complainant locations. We received about 3400 complaints in 2013, which was a little above the five-year average. It turns out that two-thirds of the complaints came from five individuals who each sent between 600 and 1700 complaints. The remaining 1100 complaints came from about 300 people, fewer than about four complaints each. And this leads me to several conclusions. Most citizens never contact us. That's not our goal, as I mentioned. Some people aren't affected, or they live farther away, or they accept that aviation noise exists as part of the sound-scape where they live. The vast majority of folks who do contact us get the information that they need, and then occasionally let us know when particular events affect them. A subset then of that group are really significantly impacted. And they let us know regularly. We engage with them to help where we can. Noise complaints correlate to air traffic patterns, and those depend on wind direction. We get more complaints when the seasons change because wind patterns shift seasonally. And most of the complaints are about jets that are too low, too loud, or too frequent. Our peak complaints come during the summer when people have their windows open and spend more time outdoors. That's my noise program update. We're here for your constituents and welcome your referring folks' questions and concerns to our office or to CNAC team. In closing, I want to acknowledge that the CNAC team does the hard work, and are really committed to the community. As a volunteer group, they are truly an asset to their jurisdictions, and it's really my privilege to serve with them. Kelly Sweeney and Maryhelen Kincaid and Laura Young are three of Portland's CNAC representatives appointed by the city of Portland. Maryhelen started with CNAC in 2005 with long and outstanding service as our CNAC chair. She's a community leader and advocate and a former airline employee. Kelly is a resident of northeast Portland's Beaumont-Wilshire neighborhood, a 35-year Intel veteran, a CNAC member since 2007, and a long-time leader in community outreach with over 220 individual meetings so far. Laura Young has been a CNAC rep for three years, and is currently serving as our vice chair. She's a local business owner and is active in her neighborhood association in Cully. And now I will turn it over to them.

Hales: Welcome. Good morning and thanks for your service.

Maryhelen Kincaid: Good morning. I am vocally challenged this morning. So, I'm not going to do a lot of talking, but, I'm going to introduce my colleagues, and I don't do well with PowerPoints or

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following scripted speeches, as some people know. I am delighted that there's three people in the same chairs that were here four years ago when we were here and did our last report. And that wasn't really a happy experience because there were there a lot of noisy things going on. And I am glad to report there are good things. And I think today is your lucky day, because we're not here to ask for money, we're not here to tell you how to do your job. We are here to thank you for appointing us to be able help the community, and I think that's what the idea is about. Six years ago when I started, elected officials didn't know what CNAC was, they didn't know citizen noise. We've now been able to do outreach. Elected officials, the staffs know that they can contact any one of us or the noise office, even our speaker of the house calls CNAC the noise people. So, we have made great strides in outreach and providing information, and I think that has helped the situation a great deal. I would be remiss to say that -- you all know good things happen when people get information, and so sometimes, we have to give people information that they don't want to hear. The airport is not going to move and there's gonna be noise, but these are some of the things that you can do about it. And we have an excellent resource in the noise office. We've established a really good relationship with the port commission. It used to be that we had to give an annual report and as Mary Olsen, prior port commissioner, would say, she said that we would sit there and roll our eyes and hope it was over soon. Now they look forward to us coming because we have good news, neighbors are reporting good information. Phil alluded to the fact that we buy more, and therefore, there's more cargo haulers. We're all familiar with those. We went through some contentious times but we found good solutions for the community. And Laura and Kelly are going to take it from here to give you a bit of background. Mayor Hales, I think you are the only one that probably hasn't heard the spiel, but we'll refresh the rest of you. But I personally want to thank you for allowing me to be a part of this, and appointing me as a representative of the city of Portland, so thank you.

Hales: Thank you. Good morning, Laura.

Laura Young: Thank you. As Phil said, I've been a CNAC member for three years, just reappointed, and thank you very much for that. I look forward to serving and we have lots of exciting things going on that I would be happy to share more with you about. The origins of CNAC came from the need for the port to address community concerns over the growth of the airport. And it is the noisy crowning jewel and backbone of the region's economy, so we have an ongoing interest in sharing a good relationship with the port being their largest neighbor. In recent years, the role of CNAC has evolved from being a committee primarily driven by citizen complaints into a highly committed group of volunteers and port staff members focused on proactive outreach and community education. This transformation is entirely due to the commitment of the port, the noise management team, and the CNAC members to provide the best possible outcomes for the surrounding neighborhoods and communities experiencing the effects of aircraft noise. A couple of examples I would like to share with you are of some of the things that we've been working on in 2013 and coming into 2014. In 2013, the CNAC committee members convened a special outreach subcommittee and work group to look at the potential opportunities for CNAC to support equity and sustainability within the context of noise outreach with the goals of broadening outreach efforts and engaging underserved communities. Looking forward into 2014, CNAC members will continue to collaborate with the noise management team on the development and completion of the sound insulation guide. This is a free publication providing resources and simple tools for residents and communities that they can use to lessen noise impacts in a variety of ways. Some of them are from simple things like noise dampening window coverings to more complex projects like landscaping to minimize sound impacts and home weatherization projects. And from that, thank you for your time and your continued support of CNAC and the port noise team, and I'm going to turn it over to our salesman.

Hales: Great. Thank you.

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Kelly Sweeney: Mayor and council members, thanks for the opportunity to give you an update. 2013 was not a real noisy year, although we had some complaints from a minority of people. We take it as a good sign when the complaints actually don't rise in elevation in terms of the numbers, so we think that we are doing our job in terms of the community outreach and reaching the public, and let them voice their concerns. I will get to that in a second. So, 2013, one of the bigger things that we worked on was what's called the fly quiet program, which is an incentive for the airlines to follow FAA guidelines to go out and over the river, either departure, so it gets it out above neighborhoods, and they are monitored and measured. And there is about 92%, 95% compliance with that flight path. Which is phenomenal in terms of the airlines agreeing to -- and the FAA -- to follow these paths to keep the noise impact as minimal as possible. So, really good work by the port's noise office in negotiating those departures and arrivals, and we monitor those with the port. Community outreach. You've got to get to our constituents and let them voice their concerns, so we had a really good year in terms of the allowing citizens to voice what's going on in their particular neighborhoods, and each of us represent our own neighborhoods. We are all within 1000 yards of the airport tower, so we're impacted just like our neighbors. Ongoing collaboration with the Oregon Air National Guard. I can't emphasize enough how much -- and I had one gentleman in Woodlawn ask me, can they put mufflers on those things, please? A little difficult to do, but I understand the sentiment. The guard works overtime for us to make sure that there is the least impact as possible. To the point, it's an open airport, and the air force, marine, or navy airplanes can come into our airport at any time they want. If there is someone who doesn't follow the noise abatement rules to fly quiet procedures, we follow up -- the base commander follows up with the base commander of where that plane came from to educate them. And we have rules that we are trying to get people to voluntarily apply as they come into Portland so they are good neighbors. So, there's been real good work, especially with Whidbey, which is the east Portland lot, which is a training navigation for instrument landings to keep themselves current. So they have been positive in terms of following and the guard helping us get those things done. We had -- so we understand -- I'm also a private pilot, a long time ago -- but the port worked with us to bring a commercial pilot captain from Alaska Airlines in to talk about what it's like from his view from the pointy end of the airplane, which is revealing for us in terms of what does he have to think about and is he aware, and are his constituent pilots aware of the noise abatement procedures. And it was very educational, so kudos to the port for bring those type of people in. And there's an annual noise symposium sponsored by the University of California that the port takes one or two members of the committee, so we get educated on noise items, as well. So, that was 13. Looking ahead, we're going to be out in your neighborhoods. So, we are here to listen, that's the biggest thing. We want to listen more than talk. We do our part to educate and try to tell people why the f-15s fly where they fly, and why they fly, when they fly, or why this thing called R nav or these new approaches that the FAA is bringing in from a safety standpoint, why the planes are going to fly where they fly. So we try to educate the public, but the biggest thing for me personally is we have to listen and bring those complaints, those issues back to the noise office. My job is to get those guys, the experts, out into the communities. Let me conclude by asking you, if you do hear complaints, or compliments, please pass them along to Phil and his office or to Maryhelen and the rest of us on the committee. We're here to help. Thank you.

Kincaid: I want to add one thing that I forgot. So I should have had notes. Kelly was invited two years ago -- or three years? Two years ago to be on this national noise symposium put on by U.C. Davis because of his work in outreach and because of the collaboration that we established with the port. It's unheralded in the United States. They were on a panel of how do you make outreach work in the community and they were invited to be the panelists for that. Jason Schwartz, the former noise manager, and Kelly were on that panel. And the other piece that I wanted to mention that's new, and we'll be looking at, is working with the city noise office. Paul van Oreden, now in the Office of Neighborhood Involvement, he and I have been talking for seven years about a noise

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mapping project. Where is the noise? And the port's agreed to work with us on the airport noise kind of issue but there's lots of other noise. And I know that he's eager to get that initiative started, so I think that will be a really good thing so people can see where the noise is, where trains and PIR and all those things, to put it all together in a big picture item. So, we'll be excited to work with them on that, too.

Hales: Great. I have a couple questions, there may be others on the council, as well. You talked about the f-15s are clearly the loudest plane that takes off and lands. You are getting cooperation from the air guard in terms of how -- you know, what angle they take off? And when they switch on their after-burners, and those questions make a big difference in how loud the planes are.

Sweeney: Unparalleled support.

Hales: Good because that's -- maybe people enjoy the spectacle of them taking off but they are very loud.

Kincaid: I think that they are one of two airports that have a limitation on the flights. Self-imposed? Yeah, they have a self-imposed limitation flying 9:00 to 5:00 weekdays, not on the weekends, and they prescribe that. But like Kelly alluded to, it doesn't mean that somebody from a southern California base doesn't fly up here and do after-burners and takes off. They hear about it, but they can't control them not doing it.

Hales: Yeah. And then my other question was -- it looked from the map like a lot of the complaints come when you use the northeast, southwest runway. Are things changing in terms of how often you use that runway? Because those flights do go right over northeast neighborhoods, as opposed to paralleling them along the river. So, are you using that runway more or less given the changes in rules or technology or anything else?

Stenstrom: So, I think that the answer to that question is -- is my microphone on?

Hales: Your microphone is on, it just takes a minute. There you go.

Stenstrom: That's a good question, and one that we hear a lot in the community. And I think that the answer is that the usage patterns for that runway, we call it runway 3 or runway 21, haven't changed. We don't have any runway closures scheduled for this year, which is what puts a lot of traffic onto that runway in prior years. And I think the biggest thing that we do here is those box carriers, or the delivery service airplanes are the ones that most frequently use that because of their smaller size. So because they fly slower than the larger jet aircraft, in order to keep the jets over the river, we have to move the cargo haulers kind of out of the way. So they are turning out over neighborhoods, and they have flight paths that are typically going all over the state and Washington in all directions. So, they have more dispersion, I would say, than the larger jets that are in more concentrated flight paths.

Hales: OK. Other questions?

Fish: Maryhelen, I have a question for you. I live in the grant park neighborhood, and we get some planes that fly over us at night. Probably the biggest source of complaints for noise in my neighborhood are helicopters. And that's particularly true when there is a police event or fire or something else, and you get the local TV stations run helicopters in, and they are extremely loud. I guess that I had two questions. One is, does your jurisdiction extend to helicopters?

Hales: Good question.

Kincaid: Jerry Gerspach is the one that answers 99% of all the technical questions. He can explain it better than I. But we do get that because of circling.

Jerry Gerspach: In the noise office, we'll take aircraft noise complaints from anyone. As far as our power to change that process, there's a collaboration, negotiation pattern that would have happened with the, for instance the media helicopters. But we have no jurisdiction over how they fly.

Fish: Sir, your name is?

Gerspach: Jerry. I'm sorry, my name is Jerry Gerspach. I'm with the noise management office.

Fish: And Mr. Gerspach, do you know who has jurisdiction over helicopters?

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Gerspach: It would be the news business themselves. The media business.

Hales: Is there a regulatory jurisdiction?

Fish: But who regulates them?

Gerspach: Oh, that's all FAA.

Kincaid: The FAA -- and correct me if I'm wrong -- but they communicate with them where they can fly. But way that I have understood it over the years, it's pretty much, we need to cover this news event or we're police surveillance, and it's sort of a hands-off for anybody on the ground.

Hales: So the FAA tower is giving them parameters about where they can fly because they are doing air traffic control for the region?

Gerspach: The media folks would talk with the control tower, and they say we're going to be in this area for this amount of time at this altitude. And the air traffic controllers would keep the other planes away from them.

Sweeney: They ask the FAA for permission to fly over Grant Park for a football event, the Friday night flights, for example, would be my guess. So, they ask the FAA for the permission to loiter there.

Fish: Loiter is a good word.

Sweeney: And the altitude and length of time that they are there is dictated by the guys in the tower. They try to monitor -- not let the traffic patterns get in the way.

Fish: Just to park this issue for future conversation, but, I think you will find in some of the residential areas, the helicopters, when you get a number of those stations covering an event and hanging out for a while, it does begin to feel like you are under occupation. I mean, they are very loud. They are hovering over your house and, and they may -- you are doing great work addressing the other noise. This is a significant source of noise, and it comes at very odd times. It's episodic.

Kincaid: I noticed Phil wrote it down, I had no pen. But it might be one that we can explore with the news. It might be an awareness thing. When we dealt with the cargo hauler issues, they had no clue that they were irritating people on the ground, but they wanted to be a good community member and all those kinds of things. So, I think that that's a really good talk. Just to add to that, I live 3000 feet from the west end of the south runway, so when those helicopters are circling grant, and somebody else gets a turn, they come circle over Hayden Island and east Columbia. So we're sort of the holding pattern for those things.

Fish: Just food for thought.

Sweeney: Yeah, excellent point.

Fish: And the second question is for Mr. Stenstrom. Just curious, you say that about 55,000-56,000 jobs are connected to aviation -- the economic impact of aviation. Could you just give us a flavor about how you calculate that? That sounds like a big number and something that we should be aware of as legislators.

Stenstrom: So, the answer to that is, I don't know how they calculate it because I'm the noise guy, and so I ask the aviation office folks and the public affairs folks what's the number.

Fish: Just to make a follow-up request, because I would be interested in what are those jobs and the indirect jobs, and I think the council might be interested knowing more about that.

Hales: Now or later.

Kincaid: I'd be interested to know that at the air base alone, the air and army base, there is like 1000 related jobs for kitchen maintenance, delivery. And they're not all military jobs, there are a lot of civilian jobs. So that was kind of an eye-opener to me.

Fish: And we would like to relocate the post office to the airport, put some more good jobs on that footprint at some point. Thank you. Thank you for your service.

Hales: Other questions?

Fritz: I have a comment. I remember the last report that was given. It was not nearly as happy as this, so giving credit where due, I appreciate Commissioner Leonard for having appointed each of

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you, and then each one of you for your service. Kelly, you mentioned about the outreach, and I think I first met you at an east Portland meeting, which is quite some way from Beaumont-Wilshire. Cully and East Columbia have also been extremely active in partnering on this, and it's a good example of neighbors and jurisdictions working together to find collaborative solutions. So thank you very much for your service.

Hales: Other questions or comments? Thank you all very much. We do appreciate the work you are doing, and the way that you are doing it, and it seems like it's paying dividends. Thank you very much. Thanks for the report. Is there anyone signed up to testify on this item?

Moore-Love: Yes, we have four people signed up. The first three, please come on up.

Joe Walsh: My name is Joe Walsh and I represent individuals for justice. I would also like to congratulate the volunteers. It's very hard to criticize reports coming from volunteers because they give their time. I would just point out that this report seems to me to be very heavily directed towards the airports and flights, and that's a good thing. We don't want airplanes flying over our bedrooms at 3:00 in the morning. Or helicopters, as Commissioner Fish pointed out. However, there are other problems that we have in the city. And one of them is the entertainment centers on the west side and the east side. When it gets to be about 2:00 in the morning and people are having a good time, but loud. There is nothing in this report that refers to that. And I would really like to see something about how we balance the complaints that we hear about people can't sleep at night. So, that's a problem. If you live near is a bar, and I grew up over a bar, at 2:00 in the morning, it can get really noisy. The other thing that I would like to point out is that this seems to be a committee. Now, according to the newspapers, Mayor, you closed down the committee on noise on the west side. Your office had declared meeting of the advisory committee, closed to the public and the media. I don't know if you have the authority to do that.

Hales: I'm not sure what meeting you are talking about, so, I'm sorry.

Walsh: Well, OK. It's in the examiner, and apparently they are appealing it, so it seems to be something that you should be concerned about. Because again, I don't think that you have the authority to do that. I think that all the meetings have to be open to the public. That's part of, I think, state statute. So I mean, if you don't know anything about it, I would check with your staff because they're quoted in here.

Hales: I will.

Fritz: Mr. Walsh, just so you know, there's a different body called the noise review board that looks at other kinds of noise. The citizen advisory committee is --

Walsh: Yeah, there seems to be a cross over because both committees are dealing with noise. So, our concern is that all committees be open to the public. Obviously, we don't attend all committees, but, we would like to have that option. And that's the sunshine laws, and it's also good for you because you really have to work on your transparency, that I have said a number of times, is not doing so well, with a D minus, so I would just ask you to check with your staff and find out what the newspaper is talking about. They may be wrong.

Hales: It has happened but we'll check. Thank you. Good morning. Welcome.

Steven Entwisle: Morning. I am Steve Entwisle, I live in downtown Portland. I live in public housing that happens to be affected by a chronic noise problem from bars that are badly zoned and located right next to an old building that doesn't have the protection as new buildings have for noise. And I don't think that's being taken into consideration very seriously. I lost my friend, don eaststep to noise. It's just amazing that Dan Saltzman happens to be the housing director now. And Don actually has a very uncanny resemblance to you, OK, but he's dead. He was my friend. He was a Vietnam veteran, and he was is a good guy, once you got to know him. But, his death was due to noise. I filed a wrongful death suit against the City because the City has dropped the ball when it comes to noise and noise control for this city. And now, they want to expand the entertainment district. The entertainment district is designed to help the police deal with problems. That's what it's

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all about. But the police are ineffective at best with noise. I called the non-emergency number last night, OK, I call it regularly all the time. I even had a police officer, a sergeant, come up to my room unannounced and bang on my door around midnight. He wanted to come in my room and I don't know what he wanted to do, but I didn't let him in. He was outside and we talked. He demanded, he goes don't call the non-emergency number again. Demanded me, in the hallway, it's on video. And I looked at him, and I said, nonsense. And then he goes, don't call the non-emergency number again. He said it twice. I took a step forward and I look him in the eyes, and I said nonsense. Again. This is our lives. You are ignoring them. You are ignoring our health. These bars are wrongly located too close to public housing, and you know it. But you get away with it because you like the money. They do produce a lot of money, I must admit. But you are going about it in all the wrong way. This is unsustainable. This is wrong for our public. And I would like to see change. I'm going to do an outreach and will get as many people as I can affected by noise to get their voices heard. Thank you.

Hales: You might want to -- and we'll make sure that you have the contact information. You might want to talk to the city's noise control staff because those are the folks--

Entwisle: I have talked to the noise control staff for over five years. And I have gotten nowhere with them. They are absolutely ineffective. They are more part of the bar situation. They are more of the Portland Business Alliance. Mike Boyer, totally ineffective. He wants me down. Thank you.

Hales: Thank you. Good morning.

Shedrick Wilkins: Good morning. I am Shedrick Wilkins, and I hate jet transportation. I flew in 1983, when I was in the army. Jets and helicopters waste energy, that's why they make so much noise. The only efficient airplane is one with wings and a prop on it. Remember the 1979 McBride thing where he ran out of gas? If there was people in those houses you would have killed 100 people in 1979 in southeast Portland. They fall like a rock. Helicopters fall like a rock. Prop planes can glide. The noise that's caused by the inefficient engine in it. I want to make the comment, I have a flu bug because somebody from Intel or Nike flew to China, came back here, and gave it to me. Ships, actually, have more -- are highly efficient and more used for bringing goods for this city. Do it by weight. It's just about speed. Jet planes are also very dangerous if you fly them because of terror activity. Cargo jets bring in drugs, cocaine, marijuana, bombs, chemicals, because people just say they don't have it in their stuff. They do it all the time. So dangerous materials are brought here. I worked at the airport three times, 20 years ago, they are the worst jobs that I ever had. Just because, you know, security reasons. It's not a comfortable place to work. You won't see that at the train station. So, also, jets caused global warming. They waste energy. And like I say, ships can do the same thing, you are not going that was. And I blame Intel employees and Nike employees for giving me this flu. I feel kind of woozy. The flu is going around. But those things come from jet transportation. People fly to China and come back and give it to me. When I worked at the airport as a janitor, we suited up like astronauts so we wouldn't touch anything. And once -- and this was in the Oregonian -- a lot of flus emanate from the airport. So, and also, in 50 years people probably won't be flying. As oil goes up, as it did in 2005, people will not fly. It will be too expensive. Thank you.

Hales: Thank you. Anybody else?

Moore-Love: We have Lightning.

Hales: Good morning.

Lightning: Good morning. My name is Lightning. I just wanted to have a brief discussion on -- you know, the commercial planes really are not the issue over the airport. They are actually relatively quiet. You really don't hear those. What the big issue is, over the airport, is the f-14s, the f-17s. Now, those planes are loud. And what you run into is that when they tend to take off from the airport, they will go up over like you say, the river, up over marine drive. But they will tend to just go straight up in the air all of a sudden. And when a jet does that, it will literally -- if you are in a car or underneath those, you will feel the ceiling of your car begin to be pushed down. That's how much

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power that these jets have and when they do it, they don't just do it once or twice. They do it quite a bit. And it sounded to me like you don't have a whole lot of control on that. And what we have to also consider is that when you are talking the flight plan going along the river, say Columbia River, you have a tremendous amount of people that are on that river. Boaters. You have people in floating homes. You have a lot of people that have houses up along marine drive. And they hear that noise. And it's a big concern. I don't think that it's really been addressed over the years. And, in my opinion, and I hate to say this, I don't think that the port should have ever allowed anybody to build properties on marine drive on the water because you can't control that noise level on these type of planes. And I would like to look at some of the tests that you do in certain areas, and to kind of look at the data to substantiate that, especially when you are talking these f-14, f-17s. I would love to see that data near the airport to get an idea exactly how loud those currently are. Because it's definitely not within the safety of people being underneath that location. Thank you.

Hales: Thank you. OK. Anyone else? So, we will need a motion to adopt this.

Fish: Motion to move this report.

Saltzman: Second.

Hales: Any further discussion or questions? Roll call on the report, please.

Item 202 Roll.

Fritz: Thank you very much to the port for your partnership on this, and to the citizens who put in so much time on this really important committee that in fact is doing good work and reducing the noise. Mr. Wilkins' comments reminded me how we're all different. My older son had a job at the airport while he was in college cleaning planes, and I remember him coming home one winter evening saying, I got to be outside, I got to be on the planes, I got to breathe the jet fuel, and why wouldn't anyone want this job? He was so enthusiastic about it, it really was an excellent experience for him, so we are all different. And I really appreciate the collaboration on this important work. Aye.

Fish: You know, I, too, remember the hearing four years ago. And what a sea change. I'm so proud of the citizens that we were able to appoint to this body and the good work that you've done. Maryhelen, you wear so many hats. I don't know how you do it. But I did learn something today: I did not know that you worked in the airline business.

Kincaid: Yes. I got to wear a Hawaiian shirt and khaki shorts [laughter] and be at the LA tarmac in the time that was before TSA.

Fish: That's fantastic. Well, thank you for your service. I want to echo what Commissioner Fritz said. We greatly appreciate the partnership with the port. This is the only airport that I've ever lived near where my family actually gets on the MAX and goes to the airport to have dinner because it has all my son's favorite restaurants, and they charge the same amount at the restaurant that they do downtown. In most other cities, you can't say that. So, thank you for your service, and I'm pleased to vote aye.

Saltzman: This is a very impressive report, and I want to thank Ms. Kincaid, Ms. Young, and Mr. Sweeney for your service on this committee. And, when I first ran for city council back in 1998, airport noise was a big issue in a lot of neighborhoods I was canvassing in, and that led me, when I was assigned the office of the neighborhood involvement -- because the then frustration with the port and the citizen noise advisory committee, the port-appointed committee, led me to create the airport issues roundtable because people felt that they were not getting a voice. And that group existed for a number of years, providing us with counsel on this. But I am just so impressed because it seems like everybody is really on the same page today. It's really good to see the port is being very responsive and the airlines are being responsive, and the air national guard base is, it sounds like it's being really responsive. So I'm just super impressed with what's going on today, the level of taking people's complaints and actually getting answers and hopefully, results, too. I mean, that was part of

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the frustration that led to the creation of a separate body back in 2000. So, great job to everybody. I'm really, really impressed. Aye.

Hales: Commissioner Saltzman, I remember when you formed that airport issues roundtable, and yeah, those were acute problems in those neighborhoods then. And the fact that the issue is -- bad pun -- a lot quieter now, here, at the city, indicates that the work that you've been doing is really making sure that the people are heard, making sure that there is constructive guidance to the airlines and to the airport, and even to the federal government, which doesn't have to follow our suggestions or much less our mandates. So, I think that this is working very well. I do appreciate the volunteers involved, and also the fact that the port is systemically working with us and reporting on these. Everybody should have the right to the peaceful enjoyment of their neighborhood. And it's difficult to always achieve that. And when you have airplanes and news helicopters and everyone else flying around, there's potential for significant reduction in the quality of life, whether it's waking somebody up who wants to sleep or just making it hard to enjoy the outdoors in the summertime in certain parts of the city. So this really does matter and we appreciate your good work. The Portland airport keeps winning awards for being a great airport experience for travelers. One of the reasons for that is it's quiet inside and that's nice and enjoyable. But, this, may be isn't an award criterion for those that make these awards, but for those of us here in Portland, much appreciate it. Thank you for your good work. Aye. [gavel pounded]

Item 203.

Hales: We had a staff report, his is just the adoption of findings, is that right?

Linly Rees, Deputy City Attorney: It's just the adoption of findings. Can you hear? Good. It has a motion to deny the appeal to uphold the appeal, uphold the decision of the design commission, and adopt the findings.

Fish: Second. [laughter]

Hales: You mean so moved? [laughter]

Fritz: And second.

Hales: All right. Thank you. Further council discussion of that sort of a motion there? Thank you. For the council discussion, roll call on the acceptance of the findings and the validation of the decision.

Item 203 Roll.

Fritz: To clarify we added a condition calling out that that the building will be required to comply with everything in the code at [inaudible] permit issuance. There was a good discussion last time, it's clear to me that the appeal should be denied, that the design does meet design guidelines and standards, and this is a land use case that has had an extensive history and changes due to the downturn of the construction industry. And the current proposal for 14 floors of residential with two floors of retail and 13 floors of office is a great sign that the economy is recovering. Thanks to Kara Fioravanti and Tim Heron and Rebecca Esau in Bureau of Development Services, and Tom Bizeau and Dora Perry in my office. Aye.

Fish: Aye. **Saltzman:** Aye. **Hales:** Aye.
[gavel pounded]

Hales: OK. Let's move to the regular agenda.

Item 212.

Hales: Good morning.

Kelli Sheffer, Portland Police Bureau: Good morning. I am Captain Kelli Sheffer with the traffic division and here to present this grant will be the Sergeant Voepel.

Hales: Good morning.

Robert Voepel, Portland Police Bureau: Good morning, Mr. Mayor, council members.

Hales: Put the mic on right next to you, the button at the bottom.

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Voepel: The City of Portland, the Portland Police Bureau traffic division, applied for a grant with the Oregon Department of Transportation. And it's a motor carrier enforcement grant. This is the second year -- third year that we've applied for it. And this year, happy to say that we've actually increased the amount of the grant over last year, especially in the overtime area. Part of the grant requires us to work 20% of the time in off-hours. And we use that, those overtime hours to work when officers aren't assigned. They work like on the weekends and stuff when trucks traveling through and in and about the city of Portland aren't expecting a police officer to stop them and do an inspection on their truck -- a safety inspection on the truck, and the actual driver. So, it's -- I can explain the grant to you, if you like.

Hales: I think what would be helpful, particularly, because I would like to hear it, as well and maybe other council members, tell us what a typical inspection is like in terms of what you are looking at, and what the dangers are that these inspections are trying to avoid.

Voepel: The motor carrier inspections are -- there's three different levels. The first one will be a level 1, and it would be an all-inclusive inspection of the truck, the brakes, all of the systems, the connectors, everything. And it's a much more in-depth inspection. We have two level 1 inspectors with the city of Portland traffic division. And it's very extensive. There are typically half-hour to an hour long, at least. A lot of them are done off the roadside, because they get creepers and they weigh the vehicle. And we're currently working on finding some funding for a vehicle for the level 1 inspectors to carry the scales and all of the equipment that they need with their inspections. We're working in partnership with them on that. And then the level two inspections would be a little bit less intrusive as far as they're checking the driver for the amount of hours that they've driven on the roadway, their health certificate, making sure they're up to date and current with that. They also are checking for intoxicants. A lot of drivers use stimulants to drive or they're driving intoxicated. The level of intoxication for truck drivers is a lower level, it's a .04 BAC level for presumptive DUI. They inspect for that. They also check the trucks for safety equipment, for the tire level, the depth of the tire tread, whether there is a flat tire or not. Nationally, the truck out of service or the vehicle out of service is 20% of the vehicles are out of service. And the driver out of service is about 6%. We're currently --

Saltzman: So you mean that 20% of the vehicles you inspect are out of service?

Voepel: Taken out of service, yes.

Hales: Wow, OK. Pretty high number.

Voepel: We are currently at a driver out of service at 16.4%. And overall vehicle out of service is 34%.

Hales: Wow.

Voepel: We've got some excellent inspectors who -- they look closely and dig down. There is a number of tools that we use for that, we use the crossing systems as far as finding out how many hours, if somebody is trying to cheat on their hours. And basically, it comes down to where the driver wants to cheat on the hours so they can get to a location and make more money because they get the turnaround time and they can get back. So the more they're driving, the more that they're transporting goods. But it also increases the danger level tenfold because they're driving not impaired by intoxicants but they're driving impaired by sleep deprivation, and they make poor decisions causing crashes and fatalities which we ultimately go and investigate. Level 3 inspections are the less intrusive inspections. Typically on smaller vehicles, buses, that kind of thing. And part of our grant, we do level 3 inspections, but we focus on level 2 inspections, mainly. We have 14 -- actually, the two level 1 inspectors do level 2 inspections, so, a total of 16 inspectors are in the bureau now. Part of the grant also allows us to send officers to the school, where they pay back the funding for the officers at the school. So, if it's a 40-hour class --

Fish: I'm curious. At any of those level of inspections, are you checking for emissions?

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Voepel: The level one might check for emissions if they're, like, down in Woodburn or something. I'm not -- I don't know everything about the level 1 inspections. I'm not a level 1 inspector. But they may do that down in Woodburn.

Fish: We all have the experience of getting on 405 or the Banfield or something and being behind a truck that looks like it hasn't had a tune-up in a while and it's belching black smoke. And that can't be good for anybody. And I've often wondered how we monitor that and what recourse we have when someone is flagrantly out of compliance with our DEQ standards.

Voepel: The vehicles are still -- they still have to comply with DEQ and they have to comply with visible emissions, so if you have visible emissions that are excessive, you can stop still them and it's a violation.

Fish: You can do that?

Voepel: Oh, yes. It's like any other vehicle, smoking and oiling out there, we can stop them if they are excessively smoking.

Hales: I didn't know that.

Fish: Good. Because it happens actually with frequency.

Hales: Yeah. I didn't know that we had the authority to do that with trucks.

Voepel: And typically to stop the vehicle, to stop any vehicle, we need probable cause for a stop. So if they commit a violation, speeding, or not using their turn signals, or driving on the wrong lane, we'll make the stop on the vehicle. Then we'll initiate the inspection after that. But that's one of the requirements that we have to follow. There is a number of things that we'll have to --

Fish: You don't have probable cause just off of belching black smoke?

Voepel: If it's something like that, that's a violation. If it's an ORS violation, we can stop the vehicle and conduct an inspection.

Fish: Good.

Saltzman: So I'm curious, what does it mean when a vehicle gets taken out of service? What does that vehicle have to do to get back into service? Do they have to show anything?

Voepel: It depends on the type of out of service. For instance, a flat tire. If any of the vehicle's tires are flat, the 18 wheels, any of those are flat, they put the vehicle out of service and they have to drive directly to a service center and have the wheel replaced or fixed prior to driving the truck any further.

Saltzman: Does somebody follow them to that center to make sure that they do that?

Voepel: We don't always. We don't have the staffing or the personnel to do that, to actually follow them to a lot of these centers. But we do put the placards on the vehicles so that if somebody else sees the placards, to remove it would be illegal. To drive beyond that point would be illegal. It's a crime to do so, to drive out of service.

Saltzman: You put placards.

Voepel: They put placards on the vehicles. They also, like for a driver, if they're over hours, they will put the driver down for, you know, 10 hours to 24 hours. So that they are out of service and then they become compliant with their number of hours in a day or a week that they've driven.

Hales: But those drivers, are they required to simply leave the truck and have someone else pick it up or do you let them drive for a limited time after the violation?

Voepel: For those we'll typically find a place for them to pull off the roadway and we will follow them off the roadway and make sure that they are legally parked and not blocking the freeway.

Hales: Great. Other questions? Anything else that you hadn't included already, sir?

Voepel: Just -- we also have some funding in here for technicians. So we do address other vehicles intermingling with the commercial vehicles. A lot of times, cars don't give trucks space to move in, or they will cut them off, so we do -- there is a portion of this where we'll address other vehicles interacting with the commercial vehicles. And they've -- ODOT is -- we've negotiated with ODOT

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to actually have missions, they call them tact missions, to address the aggressive drivers out there as well.

Hales: Playing chicken with an 80,000-pound truck is risky to a lot of people.

Fish: Can I just clarify one other thing? This came up in my commute today. Under what circumstances can a commercial truck double park, blocking a lane downtown?

Voepel: I believe downtown Portland has the -- I can double-check, but I think that they have the ability to double park if they are loading and unloading freight. I think it's an ordinance that allows them to do that.

Fish: And is it restricted as to time? Is there a carved out, say, for rush hour?

Voepel: I don't believe so.

Fish: I would appreciate a follow-up on that. It's usually during rush hour that it becomes very disruptive for people. And it creates hazards for pedestrians, bikers, and drivers. I'd just be interested.

Hales: Yeah, it's a good question. We'll find out. Good.

Fish: Thank you.

Hales: Good, thank you very much. Good report. Any other questions? Thanks you both. Is there anyone signed up to testify on this?

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

Hales: OK. That is an emergency ordinance. Roll call, please.

Item 212 Roll.

Fritz: Thank you for your work and for this interesting report. Aye.

Fish: Aye.

Saltzman: Yeah, thanks for your good work. Aye.

Hales: Traffic safety issues are a big deal in our city, and obviously this report shows there are lots of facets to that. It's not just people driving impaired, or people driving and texting, or people walking across the street in dark clothing in the middle of the night getting hit and killed. You know, we have tragedies and problems out there in terms of traffic safety, but this work is really an attempt to get upstream from that and to prevent some of those disasters from happening. So, thanks for the good work. Glad we got the grant. Aye. [gavel pounded]

Item 213.

Hales: Commissioner Fritz.

Fritz: Thank you, Mayor Hales. This is a cause for celebration for several reasons. First of all, as everyone I think knows, we suffered significant losses in the Bureau of Development Services over the course of the recession, reducing the staff from 315 to 247 employees. And so this adding back position is evidence that construction trade is picking up and that we have the fees to support these positions. So for both of those reasons, that's a good thing. It is also, I think, a cause for celebration because it's establishing a precedent that for the Bureau of Development Services, having positions approved in the regular budget cycle doesn't work. It doesn't sync with the construction season. We're actually even a little bit late here in March getting authorization for these positions because it takes three to six months to do the hiring process and train people to be doing the jobs in development services. So it's my hope that from now on, development services will be coming to council earlier in the year, maybe in February, to ask for the positions to be authorized that we believe are necessary for providing good customer service to the construction industry and to the citizens of Portland. And so, Director Paul Scarlett and Deborah Sievert Morris are going to go through the proposal. I just want to emphasize that these are all fee-supported positions and that there are state regulations on what we can and cannot use fees for. So obviously, we are proposing to use them for the reason that the developers pay for them. We're not proposing any fee increases, or none at all.

Paul Scarlett, Director, Bureau of Development Services: Except for one.

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Fritz: Just one fee increase this year. In fact, we decreased some of the fees in previous years. So, it's really a good thing and I'm very pleased that we're able to bring forward this ordinance.

Hales: Great. Good morning.

Scarlett: Good morning Mayor Hales and Commissioners. Paul Scarlett, Bureau of Development Services Director. I'm joined by Deborah Sievert Morris, our new senior business operations manager. You have previously been presented information by a former person in this position, Denise Klein. And Deborah has been with us since November and I'm just excited to have her on board. Like Commissioner Fritz says, this is reason for celebration. We are here with positions to try and maintain operations to keep up with the construction industry and the growth that we've seen in both workload and revenues. I so want to express my thanks to Commissioner Fritz for her support in bringing this ordinance forward at this time, as well as Andrew Scott and Kristi Owens, our financial analysts in the budget office who is allowing for sort of a change, if you will. We feel like we're getting unprecedented sort of get in line first, if you will, because we still ran these positions through the regular budget planning process but realized the need to add positions sooner than later. In part because the Bureau of Development Services prides itself on delivering the best service possible. And to keep up with construction timelines, to keep up with service levels and not to have the gap worsen, it is timely and reasonable and actually makes a lot of sense to come forward at this time. So, we appreciate the opportunity to do so. 18 positions spread across the board from planning positions to inspection positions to tech positions and support positions all around to address service levels throughout the bureau and to connect with our customers and our employees to assist our employees as well. The positions in some ways is focused on not making services worsen. We certainly could add, probably would need to add more positions, but we are also proceeding cautiously and reasonably and so 18 positions had the analysis and the review and support of our budget advisory committee -- or our development review advisory committee, as well as our labor management committee. All of these positions have gone through the budget planning process to look at the justification, tied to workload, tied to service level goals, and tied to the need for professional assistance and growth. So, as I don't have additional handouts, the ordinance that we've supplied you with includes, I believe, all of the information included in my memo. And Deborah will go through some more details of some of the positions and so forth. But I do want to emphasize that we pride ourselves in promoting safety in construction activities throughout the city of Portland to assist in its livability and economic vitality. These positions are geared to accomplish those goals that not only the Bureau of Development Services holds in high regards, but as well as our customers in the community. Increases throughout different areas with a permit center, seen increases in walk-in customers, inspection numbers have gone up, permit issuances have gone up. And so, these positions really are geared to maintain operations. One focus area that's part of this ordinance is to improve the -- or increase the service of the development services center, also known as the permit center. Currently it's still closed on Mondays and limited services on Fridays. That move was essentially needed when the recession hit us pretty hard. And so we went from five days to four days and only able to issue permits in the morning. It is time now, with the workload and revenues that we're experiencing and the demand from our customers and community, to increase our service. And the service in this case, our hours of operation. To not be open on Mondays, it is timely to do so. And so a number of these positions, about eight, is geared towards accomplishing that goal as well. I could go on and on but I think maybe just by context, when I first was appointed in this position in 2005, we were experiencing the same challenge. And that is, we couldn't hire fast enough. Four, five years later, we had the opposite challenge, where we were forced to lay off people. One of the most unfortunate acts in the tasks I had to do, we had to of course be responsible and do what we needed to do to manage our operations. Four years later now we're in the cycle again and trying to keep up with the construction and trying to hire staff, which is a really nice

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positive thing to be doing. It is a challenge. It's demanding but one I'm really excited about. With that, I'll turn it over to Deborah to explain a little more about the specific positions.

Deborah Sievert Morris, Bureau of Development Services: Good morning. I'm Deborah Sievert Morris, the Bureau of Development Services senior business operations manager. As you're aware, BDS is a fee-supported bureau. 95% of our operating budget comes from the fees that we collect for services. We're proposing amending this current fiscal year's budget to add 18 fee-supported positions in order to be able to address increases that we are experiencing in our service levels. 15 of the 18 positions will be providing direct front line services. They're represented positions. The remaining three are positions that will be supporting some internal support for training of our staff and workforce development and succession planning. We -- approval of this package actually will allow us to expand services in a variety of areas in the bureau, including our residential inspection program, our enforcement program, land use services, residential and commercial plan review, and also includes parts of increases and expenses related to interagency costs associated with adding these additional positions. So additional rent cost for the 1900 building, computer services, and vehicles for the inspectors that we're adding. The overall cost of the position is essentially \$800,000. That's for the remainder of this fiscal year. And we're looking at, on an annual basis, approximately \$2.4 million. So that's what this will add to our overall budget. As Director Scarlett mentioned, this is something that we did work through our budget process. It's supported by our budget advisory committee as well as the development review advisory committee. And they supported coming forward earlier and actually amending our budget this year in order to be able to accelerate restoration of some of the services that we had to cut or reduce during the recession. We also have -- our financial budget advisory committee has reviewed our financial projections for the next five years. And we do have projections that will support these additional positions over the next five years. Our financial advisory committee is made up of a number of local economists and industry experts, and they've been very valuable in working through our methodology and taking a look at our financial forecast and providing us with feedback on that. Overall, the positions will be doing a variety of services adds. As Director Scarlett mentioned, we will be restoring service in the development services center to five days a week. This is something that our stakeholders have really wanted to see happen. It's also going to allow us to increase both our commercial and residential inspection goals. We currently try to have our inspections completed within a 24 hour time frame. We'll be able to move our residential inspections from meeting that goal about 88% of the time up to 95%. And with our commercial program from 90% to approximately 96%. So that's also very positive thing. And that pretty much sums up our package.

Hales: Great. Just really appreciate the fact that by making this move you are going to be restoring -- something I know Commissioner Fritz has been interested in -- restoring that full-day operation. Because I think for customers, that's been a real, you know, a difficulty.

Fritz: It has indeed. Our goal is for the end of April. Obviously we will be working with Commissioner Fish with the utilities and with Commissioner Novick for transportation to make sure that their staff are also ready to go when we have hired the staff and got them trained.

Hales: That's great. Other questions for the team?

Fish: A couple. Paul, where are we currently on reserves and does this action impact reserves in any way?

Scarlett: Reserves. Almost shy to say, but we are -- we have exceeded our reserve goals due to the type of projects we have been experiencing. So our reserve goal is 30% of our operating budget, which would be about \$12 million. We are at approximately \$27 million. So, it's really high. Partly because the highest expense in the bureau are personnel, about 70%. And with the larger projects, because our permit fees are based on valuations, we have experienced, due to the equation, high revenues. So, that builds our reserves back up and beyond the reserve goal -- which we have a huge

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ticket item out there, itap, the technology improvement project, which is about \$10 million to \$11 million. What we subtracted from the reserve goal we will be paying for it with our revenues.

Fish: And to Commissioner Fritz. You know, every time we do something slightly out of sequence, we are setting a precedent. And I whole-heartedly support your application today, I think it is almost unique to fee-based bureaus, where the work is episodic and we can track it. But could you just, again, succinctly state what you believe is a precedent established by this action?

Fritz: I would like Development Services every year to be coming forward. Because as Director Scarlett indicated, this is actually a fairly conservative ask. Having been through the tragedy of laying off half the staff, we don't want to get ahead of our skis on this. So I am anticipating that there may be other asks over the course of the year as construction continues to take off. The important thing, though, is to recognize that the construction season is during the drier months. And so we're getting more of the applications in and we need to be able to have the staff hired and trained before July 1st, which is when the regular cycle would set them. It's also important to note that this doesn't include the general fund ask for the Bureau of Development Services, so that would go through the regular budget process.

Fish: Alright. The other question I had is, I remember when we saw the reserves come down to almost nothing during the teeth of the recession. I also remember all of the layoffs and the hardship that caused, obviously, on wonderful employees. But my recollection is there was also a lot of bumping that occurred. And so people bumped into planning and sustainability and elsewhere. As a consequence of now staffing up, are we anticipating the reverse will happen? Which is, planners that bumped down into other bureaus now seeking to come back to BDS and then causing vacancies in other bureaus?

Scarlett: That's a good question. Some of that is a timing issue. And recall lists are only good for two plus years -- I might be off on that. So, a majority of the recall positions have been -- the lists have been exhausted. The time has expired. What we will see, for example, planning positions, if planners in BPS or transportation or wherever in city are looking at those positions -- they're posted -- and wish to compete for them, they can certainly do that. But it wouldn't be a sort of automatic seniority bumping situations. That's been now passed for the most part.

Fritz: How many of the positions are in land use services?

Scarlett: I believe five. Is that correct?

Fritz: The majority of them are in inspection.

Scarlett: Six.

Hales: Six, according to this list.

Fritz: Thank you.

Fish: One last question. We had a briefing a couple of months ago from a couple of economists and someone else about trends in our community. We saw that we really recovered on the permit side. We're back to sort of the glory days.

Scarlett: Yes.

Fish: Is that holding steady? And what's your current sense on that?

Scarlett: It is holding steady. And we connect with the finance committee, made up of local economists, to provide us indicators and affirmation as to the projection. And as part of the operating bureau, we are required to submit a five-year financial plan. So, the five-year financial plan anticipate steady, gradual growth over the next five years. And so things are holding. One is the dynamics that we've experienced are the different types of projects in '09, in 2010. They were smaller projects that kept us busy, but the project size and valuation was so much smaller. Now with other projects in and around the areas, south waterfront, these are \$200 million projects that generate high revenues for us. So we're seeing the revenue not -- and the increase in projects have gone up -- but the revenues have really gone up. So we're seeing steady growth in things and anticipating to be holding over the next five plus years.

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Fish: Commissioner Fritz is not only happy that her reserves have built up and she's able to rehire, but you'll be having addition SDC revenues to fund new parks in east Portland.

Scarlett: That's correct. Parks, yes. That makes sense. I could say along with your question, Commissioner Fish, about the timing of the ask. One thing that makes this particular ask a little different is I believe this year we didn't have the winter bump. So we are capitalizing on the bumps as well, the budget alteration process. We did ask for position spring bump, and winter bump wasn't available, I believe, so we're doing now. So we'll make adjustments or present proposals for adjustments as is deemed necessary in and around the bump processes as well.

Fish: Thank you very much.

Scarlett: Sure, you're welcome.

Hales: Questions? Thank you both. Is there anyone signed up to testify on this?

Moore-Love: Yes, one person, Mr. Lightning.

Hales: Thank you very much. Come on up.

Lightning: My company is Think Lightning. One of the concerns I always have is the using projections. When we project out five years into the future, as we know, a lot of these very knowledgeable economists also missed the recession, too, on their projections. We always have to look at history and understand that. They can project out, but we really don't know. And what I'm seeing in the marketplace myself is that I feel in the next six months to a year, there is going to be a cooling off, levelling period. And what you're seeing through a lot of other states throughout is that you are seeing some high-end developers literally beginning to sell off a lot of their land holdings. So why they do that is they don't want to start building. They want to actually take that capital out of the land and put it into other reserves, because they feel the market could possibly begin to be cooling off. What I was hoping on the situation is that you're actually bringing back quite a lot of people. The cost is considerably high. I would like to see it almost at 50%, due to the fact that I think the market will begin to cool off in the next six months to a year. And these five-year projections, they're just what they are. They're projected out five years, and we really have to have a good understanding that we've had a tremendous amount of building, we've caught up with the current economy, we know we're right there. We're beginning to level off. Actually home prices and homes aren't selling as fast as they used to. And we need to monitor that from the market position that by doing this now, in six months to a year, we very well may be back to the point of laying a considerable amount of these people off. I say go 50% on this. See what the market does. And understand, there's developers out there selling off their land holdings to pull that money out of the land because they know they don't want to hold it and pay the property tax and they're putting that into other areas, and that is something to watch real close here. Thank you.

Hales: Thank you. OK. Anyone else?

Fritz: That's all.

Hales: Roll call on the emergency ordinance.

Item 213 Roll.

Fritz: Thank you to Paul Scarlett and Deborah Sievert Morris for that good presentation and for your leadership at the bureau. Deborah, it's wonderful to have you on board. And thanks to Andrew Scott and his team at the city budget office who puzzled through this with us and are supporting this. Thanks Commissioner Saltzman, who really got up front, took the bureau to the point of having almost no reserves to having at least \$20 million, I think, when you passed it off to Mayor Hales and helped to get the bureau back under more stable track. And I thank Dora Perry and Tom Bizeau in my office who have been amazing to help figure out this bureau that was new to us back in June of last year. Most of all, I thank the staff and the Bureau of Development Services who have been through the wars and who for a long time were having layoff after layoff. And then the people who were left were having to multitask and do all kinds of work because there was still some work coming in. It has been extremely stressful. I appreciate that we're being very careful about rehiring.

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In response to Lightning's comment, this actually is a conservative estimate. We may be coming back with some more requests. We are also being very careful about who we hire and the hiring process being open and equitable and encouraging talent from all over the country is wanting to come to Portland to be part of the Bureau of Development Services, which is extremely exciting as is the fact when our employees at the city of Portland have competed for those jobs, several times it's been one of our existing employees who has beaten out the competition. So, I do thank the staff in every section of Development Services. It's been quite a challenge, and I'm glad that we're back on track. And as Commissioner Fish mentioned, I'm very happy to see the construction trade picking up, not only because that's good construction jobs and it means that we are providing new office buildings, new housing. Also because that's developing system development charges, which is crucial to being able to build out our system and have development pay its way. Aye.

Fish: Happy day, Commissioner Fritz. And I met with Willie Meyers the other day and he told me that in contrast to three years ago where there was 30% unemployment in some of the trades, he said they're at 100% employment in some of the trades. In fact, there is a scarcity in certain of the trades, which is another indicator of this incredible growth we're going through. So, Paul, thank you to your team for the presentation. I believe that what we're doing in responding to the market needs, you know, when you have the need and outside of our normal budget cycle is reasonable and appropriate for a fee-based bureau. So, I thank Commissioner Fritz for bringing this forward and I'm pleased to support it. Aye.

Saltzman: I also want to thank Commissioner Fritz and Paul Scarlett and the entire staff of the Bureau of Development Services for doing a great job. This is good news to hear both that the reserves are at healthy levels. Mindful of the need -- you need to pay for your new technology system, i-tap out of the reserves -- but also that you are putting people back to work and providing increased customer convenience by opening on the permits that are on Monday. Those are all good news. Thank you. Aye.

Hales: Naturally, having been burned by a big real estate downturn and the tragedy of having to lay all of those people off, we are a little shy about adding workforce. But this is a prudent move. Of course we have got professional economists who advise the bureau and advise the budget office and advise us about where things are headed. I can only add bit of a little anecdotal evidence to that. But that evidence also I think supports this decision. And that is, yes, our local property owners, builders, and developers are coming to the permit counter at a faster and faster space with large projects and getting them permitted. We actually have a responsibility to hire people to inspect the buildings, because most of them are still drawings at this point. So there's a lot of work to do downstream as people start to install all of the systems in those buildings that don't even exist yet. Secondly, the anecdotal evidence that I'm seeing both from talking to prospective employers who are considering moving here and also from looking at indices like the story this week that Portland, New York, San Francisco lowest office vacancy rates in the country, seem to indicate to me that this isn't bubble growth. And in fact, when you look at projects like American Asset Trust doing their four-block project in the Lloyd Center and other national developers coming to Portland with concepts that frankly our local developers haven't thought of, I think we will see additional resiliency in the trend. Again, it's not just housing units for people that have moved here or office space to meet demand, but some new concepts like a time share hotel that's being planned. I think there are gonna be some interesting projects as well as more business for this bureau to do. This is the right move. Again, I think the council discussion was good. The key issues here are this is customer service, permit fee-supported, not general fund. And, therefore, a different animal than some bureau randomly coming to the council for an amendment in the budget over the course of the year. This one makes sense for all of those reasons. Thank you. Aye. [gavel pounded]

Hales: We have one more regular item and then back to the consent item.

Item 214.

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Hales: Roll call, second reading.

Item 214 Roll.

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

[gavel pounded]

Hales: OK. And we have item number 206 that was pulled.

Item 206.

Hales: I'm not sure who pulled this and I don't believe Ms. Lore is here.

Moore-Love: Mr. Walsh pulled it.

Hales: Good morning.

Joe Walsh: My name is Joe Walsh, I represent individuals for justice, and I come bearing good news. We love this candidate. We have been involved in somewhat of a distance. But she walks with the angels as far as we're concerned. She will bring style, dignity, and a great deal of knowledge to this committee, the human rights committee. It's very important to us to have a very strong human rights commission. We have some problems that you're all well aware of. And we are trying to work them out, the federal government is trying to work them out, you are, we are, unions are. Reverend Kate Lore will be a tremendous asset in that battle when she takes a seat on the human rights commission. And whoever nominated her should be proud and the rest of you who vote today to confirm her should be really proud and when you walk out of this room, you will see me smiling. Thank you.

Malcolm Chaddick: A rare occurrence indeed. My name is Malcolm Chaddick, and I thank you for the opportunity to address you on this matter. As a member of veterans for peace, national coordinator for nuclear evolution, and other various groups and organizations with an eye towards human rights, Kate Lore is an excellent candidate. I doubt you could do better. And it is a current need, as evidenced by the recent treatment of Mr. Mubarak at the hands of our police -- apparently denied the use of his legal name change when he became a Muslim -- was insulted in a heinous fashion by the officers who were attempting to get him to sign paperwork under a name that was not his. And was apparently possibly mistreated because of his stance. A person like Kate Lore is the kind of person who help fix these things. And I will certainly help her. Thank you for your time.

Hales: Thank you. OK. Roll call on that item, please.

Item 206 Roll.

Fritz: Well, thank you, Mr. Walsh for pulling this item because it gave me great joy when I read it on the agenda over the weekend. And I'm happy to have the opportunity to join my thanks to Reverend Kate Lore of the First Unitarian Church for being willing to serve and to you for supporting her nomination. Just as a point of information, the human rights commission selects its own members which are then forwarded to the mayor and council for confirmation. So it's evidence that that body is also doing good work in recruiting good members and being an important voice for human rights and independence in the city of Portland. When it was first established and when we were working with the office of human relations, there was some concern about whether the human rights commission could be truly independent while being staffed by the city employees. I was going to say evil public servants or some other such pejorative term that implied that government workers couldn't necessarily staff an independent commission. And, in fact, the office of equity and human rights doing a great job of providing the support and allowing for the human rights commission to speak out as its members choose. So when I was running for council a couple of years ago, Reverend Lore gave me the honor of calling me her beloved commissioner, and so I'm very happy that she will now be one of our beloved commissioners. Aye.

Fish: George Hocker and I were at a faith and labor breakfast the other day, and she was the facilitator at our table. And she did a wonderful job. And she's a former lamp lighter of the year for her homeless advocacy work, and a completely engaged activist in our community. I think she brings great qualities, as Joe mentioned. So I'm delighted to support this application. Aye.

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Saltzman: Yes, to add to the accolades for Reverend Lore, she is a great person and will be a great addition to the human rights commission. Aye.

Hales: I first met Reverend Lore when she took a young activist named Cameron Whitten under her wing. And she is a person of principle and passion, and she is going to add a great deal to this commission. So I really appreciate her service. Aye.

[gavel pounded]

Hales: And we are recessed until 2:00 p.m.

At 11:32 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.

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Hales: Roll call, please.

Fish: Here. **Saltzman:** Here. **Hales:** Here.

Hales: OK, we have a single item on this afternoon's agenda. Make sure it doesn't get shouldered aside by something else again. So would you please read that for us.

Item 215.

Hales: Good afternoon.

Benjamin Berry, Bureau of Technology Services: Good afternoon, Mr. Mayor, Commissioners. It's my pleasure to be here. I'm Benjamin Berry, I'm the city's Chief Technology Officer. And we are here to talk about the citywide technology assessments which we have been undergoing for the last four months. To my right, we have Sierra Systems' Mr. Mike Zanon, who's program director for the initiative; Chris Litton, who's one of the principals on the project; and Thomas Lannom, the revenue director for the city of Portland. If you'll recall, when I first came to work at the city almost 14 months ago, one of the things I wanted to do was an assessment of what kinds of technologies we have at the city: hardware, software, processes, people, skill sets, and to really better understand what the BTS components of that were, and where the bureaus played in technology as well. So really a combination of the two. So we underwent this citywide technology assessment and we're here to look at the results of that. At the end, I will asking that the council approve, as a contract deliverable, the final document from Sierra Systems, as I have reviewed it and approved it myself. I'll give you about a 10 minute presentation on the top 10 CTO recommendations coming on the heels of that city-wide technology assessment. Any questions to this point? Good afternoon, Commissioner Fritz. Mike?

Mike Zanon: Mayor Hales, Commissioners, good to be with you today. Again, my name is Mike Zanon with Sierra Systems. I'm the account manager and program director for this particular engagement. Today I think what we want to do is just fly through, at a fairly high level, the process that we used. First of all, the rationale that we used, the process that we used, and then talk about some of the findings and recommendations from our analysis. If you look at the outline for our presentation, a little bit of the background of how we got to this point. Again, what our approach is, some of the high level findings. Again, the more detailed findings are included in the final report, the recommendations, and what some of the next steps are. What really brought this about and why the City did the citywide technology assessment in the first place -- there were several things driving this. This was taken right out of the request for proposal issued for this particular engagement. I think it's always good to start with the recollection of, why did we need to do something like this in the first place? Portland, not unlike a lot of other municipalities, has experienced over the last few years an ongoing decline in funding, not just of its technology organization, but throughout a lot of the different bureaus that we spoke with. There was just the unsustainable practice -- funding practice -- of tapping into the operating reserves to finish some of the projects that were on tap. The needed improvements to the operating efficiencies competing with the need to kind of lower costs. So how do you balance that trying to stay efficient yet at the same time operate within the realities of your budget? An increasing demand from the various sectors, people who consume the information technology services. And then just a need to prioritize the services and solutions not

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just within the Bureau of Technology Services but really across the enterprise, how do we go about doing that? And those were some of the key drivers for why the city embarked on this in the first place. The objectives are three-fold. Again, this was taken from the request for proposal. They wanted a contracting firm to come in and independently conduct kind of a current state of the state. And then identify what the gaps were, gaps as compared to -- I won't even call them necessarily best practices but, really, appropriate practices for comparable municipalities. And then what are our recommendations based on that analysis. There were six things that we were asked to do. When you have these kinds of initiatives, there's 50 things you could look at. We were specifically tasked through the contract to look at six key areas. First of all, to basically come up with a citywide technology governance model. It meant looking at the state of the state, how is governance -- how does that take place within the context of city government today, and what would be our recommendations for that. We were asked to look at the Bureau of Technology Services org structure, their service delivery model, and business processes. We were asked to look at the Bureau of Technology Services budget and their financial management practices. A citywide staff skills -- this basically staff with IT skills and IT competencies. We were asked to conduct a survey and report our findings on that. Look at the state of technology across the bureau citywide. Then the last one is what's called a capability maturity model. Basically assess the application development and the project management capability within the Bureau of Technology Services. The CMMI study is really a set of standards that was developed at Carnegie Mellon University and put forth by the software engineering institute. There's not a lot of municipalities even looking at themselves against the CMMI standards, but they perform -- this is a fairly detailed baseline to say, how do we perform in the industry in relationship to these standards for developing applications for maintaining applications and for doing projects? Our methodology and approach -- certainly not going to try to read every one of these bullets here -- what I wanted to give you is some sense of the time frames and what was involved in each step. We started with kind of a discovery phase when we first launched the contract, and that really involved a tremendous amount of meetings with bureaus, bureau directors, keepers within the bureaus, evaluating a lot of different documentation that had been produced within the city, looking at the current technology plan, looking at different projects that had been ongoing. So it was trying to consume as much as we could. We conducted surveys and we conducted numerous interviews. That was followed by just a series of analysis. Now that we see what we've got, what do we make of all this stuff? That took just a little less than a month. And then the main body of work was actually compiling our findings and putting them out for review to say, this is what we're seeing. Are there things we've missed? Are there things that you take issue with? And then we consume that feedback and we evaluate that and in some cases may or may not change our recommendations. So we put together our reports and we put together our final recommendations of which this presentation today is really a high level summary of that. With that, I'm going to turn it over to my colleague, Chris Litton, who led our team on the ground. We'll talk about some of the findings and recommendations. I'm going to change places with him.

Hales: That will work if you press the button. Speaking of technology. There we go.

Chris Litton: Mr. Mayor, Commissioners, thanks very much for having us. Think what I want to cover, I'll go through a series of findings we had. And what we've done is summarized a key recommendations as well. At the beginning of the process, what we did was, as Mike mentioned, we met with at least 18 of the directors across the various bureaus and asked a simple question: What does technology mean to you in your organization going forward? Almost across the board, somewhat verbatim, was, IT is a critical enabler to our business going forward. Very much an overwhelming sense that IT is the future in some form for all manner of the city's services. That was somewhat encouraging, but then of course immediately we started to dig into those questions, well, if that is critical to your business, how? And there's a reliance on IT to continue to grow was a message we heard. We also recognized some needs. Out of those interviews, we got probably three

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consistent needs. We need IT to be more responsive. We're not able to be as responsive as we need to. Clearly we need to be cost efficient. We don't have enough money to meet all of these responsive needs. Also we're looking for IT to be our thought leaders. We're looking for that innovation to come from BTS. We know there are trends out there. We're looking for this magic balance of being responsive to cost efficient, but also looking for innovative ways to do this in the future. That was a consistent need that we heard. And then on the challenges side, this continuation of evolving technologies. What we have invested in three years ago, something like the ipad, we all talk about the ipad. Well, five years ago that technology wasn't really there for us. Now everybody is saying, I need mobile. How do these developing technologies -- continuous challenge. Resourcing. Because of these developing technologies, keeping staff trained and up to date and familiar with the capabilities was a continuous challenge. The budget was a challenge consistently among the directors. And perceptions of IT as a commodity over time. The expectation that I've invested in IT over the last three years, it should become cheaper. And in respects for those areas that you have invested in, yes, those are commodities, but there's always this evolving technology, there's new things coming in. And that seems to be a balance that over time should just get cheaper, cheaper, cheaper. Really it's not always the case. So some of the findings, I have about 12 key findings here that we thought worthy of mentioning. The BTS has absorbed a relatively large budget reduction, kind of continuously since about 2006, somewhere in the order of \$11 million from what our indications are. That was actually --

Fritz: What percentage is that?

Litton: Of the IT spent, roughly just a little less than .5% of the overall spending. I actually have a slide at the end where we come back around for that, purely by accident, as part of the analysis. But the numbers do line up kind of interestingly. Perhaps, Commissioner, I can re-address that at the end as well.

Fritz: Thank you.

Litton: But really what we heard was, although there have been this cut there was an overall sense that IT operations are still maintained and that's been a good continuation of service. And haven't been any significant operational failures, even though the belt has been tightened, the team has for the most part got heads down in a positive way, just continued to deliver service and most people are happy with that. There do obviously exist further opportunities for improvement across the IT. There are opportunities for sure, small amounts of consolidation or removing some significant legacy applications that potentially could free up some redundancy in the system. So there are definitely findings associated to that. A solid foundation exists upon which bureau engagement could exist. There are currently limited opportunities for collaboration among the various bureaus to seek out opportunities to work together or find like businesses. Certainly felt there was -- although a willingness was there, a very good response from the bureaus saying we would like to engage in that conversation and willing to engage in that conversation, the forums weren't necessarily in place to enable that. So we have a recommendation around that. Certainly, the governance is an enabler for citywide technology, strategy, management. And there is a perceived efficiency in the executive level and citywide technology governance. Again, that enterprise-wide view that one is looking for, platforms and services across the enterprise, and governing and managing them at that level. A consolidated citywide funding perspective. A challenge to get a single dashboard view to say, what is the complete IT span? So that was one of the requirements that we had. There are IT practices, numbers are there, but there's various perhaps billing codes at play, etc. Very difficult to say this is the clear and concise span for IT in the city. Obviously a recommendation out of that.

Fish: [inaudible] citywide technology governance. Are you talking about the council as an oversight body, or are you talking about the senior staff level across the bureaus?

Litton: I think for the most part we would say there's not a continuous -- a similar conversation happening at all three levels. That all three groups are not necessarily working off the same page and

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in complete harmony. So the message may be being lost between management to executive to council -- and then there is, of course, the IT oversight board as well. But not necessarily everyone is reporting off the same reports. And therefore, there's an opportunity therefore for a different story perhaps to be told in those various forms.

Hales: I assume those two kind of circle around each other. There's not a governance structure that works or a conversation about possibilities, then there's a deficiency in our practices saying, you need to get together and use the same asset management software, or you two bureaus need to get together and see if your mobile data terminal purchase the next time can be --

Litton: Can be reused, or there's a leverage.

Hales: Yeah so I think we have met the enemy and they are us, to some extent. And the five of us have to be enabling -- [Speaking simultaneously]

Zanon: And one point of clarification, Mayor. I don't want to leave this presentation saying there's nothing going on. It's a deficiency. There's actually pockets of discussion and enterprise thinking going on. We're actually seeing pockets of it, but in order for it to work optimally -- I think is what we're saying -- there's got to be that coherence amongst the various levels that Chris was talking about and across the top. It's got to be in place structurally and then consistently applied moving forward. Again, so there's pockets of this that we see. And we certainly recognize that. But long term, there's opportunities to kind of improve that and put that structure in place and push it forward.

Berry: And you have a recommendation for that.

Zanon: We do, yes.

Litton: We do have a recommendation for that, yes. There appears to be a shortfall in technology spending. We have used a report 2013 IT budget planning guide for CIOs. It's a survey done across North America for over 1000 CIOs. We use that as a baseline upon which to get a percentage of revenue or operational dollars to IT investment. As I said, it's not to say that one must spend more or less, it's simply a baseline to say the national average or on the average according to, puts approximately a .5% below where we would expect for a city, same sort of size. And that actually equates to about 9 million, give or take, which is very similar to that 11 million shortfall that came down later. I'm not saying as a rule, one must spend more money, it's simply to say that might explain where some of those pressure points have come from. We'll take a look at that from a recommendation at a later point to consider.

Fritz: How much do we spend on technology a year?

Litton: I want to give you the exact number. As I said -- in all honesty, I cannot tell you 100% for sure exactly how much is spent because there are hidden pockets of IT. There are various bureau staff. In the skills assessment, for example, we looked up to say who is doing IT services but perhaps understand a title that does not either report to the CIO -- those services are very difficult to equate that to any specific IT spending. But in reality, you're spending that money on IT services.

Fritz: What did you use, though, to say we had a shortfall of 9.5 million?

Litton: So we went through budgets, last year's annual budget, as well as we had self-reporting from the various bureaus. We asked them to report to us what percentage of their budget and the number they had provided. The number we had was -- about \$160 million. It's in the detailed report. There's a full breakdown in the detailed report.

Fritz: So we currently spend 160 million, and that's down from 171 million before the recession?

Litton: Give or take. That appeared to be --

Zanon: Across the whole city.

Litton: Yes. On to the next slide there. Some challenges around the organizational model. What we picked up in those director meetings initially around looking for IT leadership, looking for thought leadership, we equated that to some of the challenges of what you might consider the traditional IT model where you have networks and the various sort of organizational units reporting on

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technology, but not perhaps taking a strategic perspective. So we recommended a more plan, build, run type of mentality where you're able to use best practices around strategy, planning, business case development, enterprise architecture into the CMMI build type strengths and project management best practices. And then it's operational best practices as well. Again, these practices exist, but it points to where some of the challenges may be around the thought leadership and ability to engage the business in the emerging business challenges. The CTO is expected by bureaus to provide better strategic relationships. We heard that in the first slide to say, we're not just looking for BTS to be the technology operators. We're looking for BTS and the role of the CTO to actually provide innovation, thought leadership, and guide the city into the next era of technology. The executives, the bureau directors, did not necessarily feel they had adequate view on the entire investment of IT across the entire community. They are very clear on their bureau, but we're looking for insights to see what are some of the other bureaus? Is an asset management system being developed elsewhere? Has a mobile terminal been deployed in another bureau? And could I benefit from that? Or the other side of that, is that project being risk managed? Is that project on schedule? Because a deficiency in budget there could impact my bureau. So looking for that insight into what are the other bureaus investing in and how those projects are going as well, so that kind of dashboard view that spans the enterprise. Citywide technology vision and master plan recommended that to be augmented with the bureau's business plan, so the technology plan to reflect what the various bureau plans were. Various states of current standards to that. And then the technical architecture is well-defined and largely consolidated. The consolidated -- the consolidation mandate from back from 2002 moved the city toward the central IT. And what we would say as far as technical architecture, that's being done very well. There's a single network, a lot of advantages at the technology, at the technical architecture level. But there's still opportunities at the applications, which is where we look at something like the asset management system, application architectures that can be now built upon. The technology architecture is doing very well but the application architecture, as well as I'd say the information architecture -- the opportunities -- that single client, that single citizen to be able to be reflected across the various applications more significantly. So we have about 60 recommendations in the full report, but we categorized those across -- I have lost one of the slides. That's all right. We categorized those into sort of some operational recommendations that we felt BTS management team would be able to drive forward. There were some that were geared directly, that we felt the CIO and they would be able to operationalize in its role as it is today. Some looked like they were more CAO-wide. And then there were these five that we felt were very relevant to perhaps presenting to yourselves in this forum here today. So the recommendation one was to establish clear mandate for bureau collaboration to enable alignment of technology, business strategies, and road maps. Really looking for -- recommend that we consider creating an incentive, creating an initiative that would look for the various bureaus to collaborate, report, develop business cases, return on investment models for IT investment that actually encourage and endorse enterprise collaboration and collaboration among the various bureaus. Using that technology, getting the best value out of that technology. That would involve things like being involved in planning and prioritization together at budget time around IT. The recommendation two, which is where we talked about from the governance perspective, implementing a government structure that supports cross-bureau decision making. And really what we're recommending is both an IT executive steering committee, likely made up of significant number of the large bureaus and a rotating chair and rotating seats among some of the smaller bureaus, perhaps, who may not have as much time to participate in a steering committee like this. Representing, again, the enterprise view, meeting on a regular basis, reporting to council, here are our enterprise initiatives that cover the executive. Then the key to that as well is the community of interest. Bringing together the public safety agencies, community service agencies, perhaps the more infrastructure agencies to look for those opportunities to collaborate, sort of share technologies. Share the thoughts, thought leadership that's occurring within

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those likeminded bureaus so that there is a common platform, common opportunity to discuss perhaps developing a business case. Not to say that one must move the systems to the same, but at least to investigate and look for mechanisms where maybe they go together to sponsor some of those initiatives.

Fritz: I'm not clear what they would be doing. Because from my experience the bureaus once in a while need to go out for a new program to do a certain something. In between times, they're just working with whatever technology they have. So what would parks and development services be talking to each other about during these meetings?

Litton: Perhaps for parks and development services, asset management systems is one that would come up. They both share a need to track assets, track billing systems, perhaps. To do that investigation, what is available in the market? Maybe collaborate and work on that investigation so there's one presentation of a series of capabilities and they are considering that together.

Fritz: But they're not necessarily going out at the same time with the same needs.

Litton: Likely not, but if one is going out to the market, perhaps the other -- perhaps the other has a need, some aging technology. They either have recently invested in some technology, have some competencies, some skills, perhaps they have invested in infrastructures for service, and it may be an opportunity to say, well, the servers are more than capable, we have additional capacity, but we need additional licenses. Rather than looking at a complete application renewal for that particular agency, it may be simply an ability to leverage the investment the city has already made in a type of technology. Similarly, when we look at the public safety, mobility was one that came up around the community. We had a community of interest. We sort of took this for a test drive, I suppose, as part of the evaluation process, we brought a few communities together to try to find like interested projects. Public safety was a big driver on mobility solutions and the ability to access secure information in a 24/7 type response. But everybody recognized they didn't necessarily need a unique mobile solution. There could be a possibility to find a common platform that could be leveraged. And the community services side, looking toward a single client management or customer relationship management type solution. There was a recognition that there's a sharing of that same contact information of the citizen and there may be an efficiency to be gained if the various bureaus could work together. So three examples, but again, they don't necessarily result in business case development actually agreeing to go forward with one system, but at least there's a recognition there was a common need.

Fritz: Why are you recommending that kind of committee structure rather than all bureaus must go through BTS, and BTS would say, Bureau X just did that, so why don't you use their system?

Litton: I don't want to speak for Ben. But I would say, for the most part we would say business engagement. Business knows what their needs are as far as an actual program delivery perspective. So for IT to facilitate that process, IT to recommend here are the set of standard technologies and guideline technologies that we would utilize, is most definitely a good thing. But to actually stand and say, now we force you to use this particular system may not be appropriate. Business ultimately has to fund those through operations or programs and they have to have a buy-in to the delivery of that project.

Berry: Commissioner, I will speak about the committees of interest again in my top ten recommendations.

Litton: Recommendation three was to improve the funding mechanisms for cross-bureau initiatives. Again, looking for -- we know these technology systems are large. Often they take a long time. That's lot of skill sets that are quite similar, although the program configuration would definitely need to be unique to each of the various bureaus. But there's a lot of opportunities to leverage similar technologies and similar approaches and best practices and things. In the current model, there isn't necessarily a carrot out there to say, if you work together, there perhaps is an innovation fund to show that we -- maybe two bureaus are trying to do the same thing, to try to seek those

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efficiencies. The innovation fund is there but there isn't necessarily a tie-back to forcing collaboration and maybe that additional incentive to look for citywide benefits beyond --

Hales: I think we used that as a criterion this time but we didn't necessarily weight it heavily, as heavily as we could. So, first time around.

Litton: CTO title and mandate to include a mandate for common business solutions and auditing bureau compliance. So if we're saying we want to move to common solutions, we want to seek efficiencies through enterprise technology, then perhaps the role of the CTO would be to have an additional mandate to be able actually put some enforcement -- actually does bring it back around, perhaps, Commissioner, to what you were saying there of BTS saying this is the common case system, this is the common asset management system. To be able to actually have some compliance, responsibility as part of that process. We also looked at the ordinance back from 2002, and that's 12 years ago when the primary consolidation process was initiated. Technology had moved significantly and the city has matured in its consolidation since 2002, as I mentioned. The technology architecture is for the most part consolidated. And that's been good. But is there an opportunity perhaps to revisit that mandate and relook at what are you looking for from this CTO in 2014 to 2017? Sort of address that role and that mandate of that position.

Fritz: I think there's that challenge in government that chief information officer sounds a bit Orwellian.

Litton: There is that. It is the common title. There's a term out there, chief digital officer, looking to more digital strategies. For the most part, the industry from my perspective, if CTO, I think technology and I think technology operations. That's a role, if you look at the scorecard we received from the various bureaus, BTS got good marks on technology and ensuring that operations were running. The shortfall was on that innovation and that strategy and that sort of looking to the future. And we think that the CIO role in the industry -- notwithstanding what the acronym stands for -- but the industry does see the CIO, and there are cases and instances where you would have both a CIO, and a CTO, and the CTO would report in to the CIO. We think the bureaus are seeing the CTO role today in that wider mandate, looking for that leadership, looking for that voice that's bringing the various bureau entities together. But it may be -- the actual mandate within the roles and responsibilities may not align to exactly what the job description is and to the way IT has moved forward over the last 12 years or so. The final recommendation came down to the technology spend. So first and foremost, the recommendation would be we would recommend an actual formal audit to exactly what is considered to be an IT spend today. So these numbers, as I said, we were relying on self-reporting from the bureaus themselves for projects that did not necessarily appear as explicit IT spend projects. So we do say, we molded that to say, this would need to be valuing dated, but we believe it is a degree of accuracy. And we did work with the CAO's office as well on. It came up that approximately, on average, state and local government would spend approximately 5.6% of its operational dollars towards IT. We were able to establish about 5.1%, which left a shortfall of about \$9 million or \$10 million, which sort explains, perhaps, some of the areas of R&D, those future -- the looking forward. Makes sense in a recession type environment. Hunker down, make sure operations continue to operate. Do a good job, which everything was reflected. But also it explains some of the frustrations that the various bureaus may have felt that they weren't getting the latest technologies or thought leadership in some of the strategy and things. We also did notice a need to prioritize on the business continuity, the investments around business continuity. Some of those areas again, there is in the full report a slide to this where it breaks up that spend by percentages of various aspects like security, business continuity, R&D, etc. So again, a benchmark where the bureaus can look to how much of their own investment are being placed across the various aspects. I believe that's the final slide. Any questions for me at this point? Otherwise.

Hales: Not yet apparently.

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Berry: I'm going to speak at this point. Mr. Mayor, Commissioners. What we have seen is the Sierra Systems citywide technology assessment which led to about 71 different assessment items and recommendations. What I've done with my team and BTS is we've blown that into the top ten CTO recommendations. I want to go through these briefly with each of you at this point. First one up is the communities of interest IT governance. Today, we have an IT governance that is a one-to-many relationship with all 29 of our bureaus. Give you an example of what we did with the Office 365 project, we literally had to walk around to every single one of those constituents, which is a good thing, but we could have done it in a much more efficient manner, and that's called communities of interest. What we're recommending is five communities of interest, first being public safety. So fire, police would be in that community of interest. The community development community of interest would have other bureaus. The parks, water, and transportation would be in a different community of interest. We have one for legislative and administrative community of interest. And then we have an infrastructure, IT infrastructure, which is not just BTS, but the five or six bureaus that have a lot of IT infrastructure embedded in those particular COIs. The benefit behind having that kind of venue and the place to have conversations around technology -- we begin to get a consensus bid around the kinds of systems that the community of interest have interest in, the kind of shared data, possibilities in which those communities of interest would likely be able to absorb and take advantage of, and the ability to look at resourcing of projects around those COIS. Beyond those COIS is an IT executive steering committee which would look at enterprise-wide kinds of initiatives and which would be brought to the council for approval. So that in lies the COI IT governance structure. The second one is on the BTS organization structure. Sierra made reference in their materials of a plan, a build, and a run scenario for IT. And I checked in with my BTS management team. Well, it turns out we do fairly well with the building of IT and the running of IT. In fact when we do scores with our customers were score 4.3 with the top score of 5, so we're doing fairly well in that area. The area where we need additional work is in the enterprise, planning, and development along with our customers. This is some input we're getting back from the assessment. What we're doing for the IT, for the BTS structure, is we're going to align an office of planning and development using the same IT staff we have but realigning them. So in that office, we will have technology business consultants, who have conversations and direct meaningful direct relationships with our customers in that office. We'll also have our enterprise architects in that office to do more strategic planning and development. The third area was around IT skills training. We surveyed all IT staff, be it BT or within the bureaus. We know we have 205 staff in BTS. We discovered we have about 177 additional IT staff in the bureaus. That may be fractions of time, 25% of their time, 50% of their time or 100% of their time. That was a big a-ha to see how widely distributed we really are in the city. But there's an opportunity for cross-bureau training. And if we stay on this particular course of training, we want to make sure the other bureau IT staff are made aware of the training and begin to leverage our costs of training citywide. We also recognize in budget cutting that one of the first things to go is reductions in training. In the survey that we did with our staff and our managers, that's the wrong thing to do. So we're going to draw the line in terms of how we stand up the training budget. And if we have to make cuts, we'll make cuts elsewhere. We spent about \$360,000 on training citywide for IT training along with the travel, in some cases, that that requires. Those are the top three business practices that I'm recommending going forward. Each of these will be discussed with our customers in our communities of interest. The second major area is around shared services environment. First one up is our data center hosting with the disaster recovery. Our largest data center today -- we have three -- the largest is in our Portland building. The last check, that building requires about \$95 million worth of improvements to it. So that center goes down in a major disaster, we do about \$139 million of payment card transactions every year through that third floor data center. If I have to come back to the council and say, look, we have no disaster recovery, we have no hot site, it's going to take us 30 to 60 days to restore that, you all are going to ask me

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what happened to the money then. We can't afford to do business that way. So that's why we're putting forth this as a recommendation that we do a business case, we do an RFP, to see what kind of hosted data center we can have that's not part of this particular Portland building and we look doing an intergovernmental agreement review with the state of Oregon and their state data center, which I helped to build when I was at ODOT as their CIO.

Hales: Would you use them as a backup? Or?

Berry: Well, that will become a primary center for the Portland building data center. What we would not move are criminal justice information systems. We want to keep that resident within our other two data centers, one at the justice center, and one at BOEC. We would make that kind of a change to keep those kind of data on premise. The fifth area is around BTS business continuity. We produced a business continuity plan with OMF recently. We had a chance to test that plan with the power outage we had locally here and the snowstorm that we had. But it was a plan that was just beginning to be tested. We need to be positioning ourselves to test that on a regular basis so we don't stumble through the kinds of things we say we are going to do in that plan, and we can restore services for our customers. To that end, we do have one add package that will provide us a focused position on business continuity which will also enable us in a soft disaster recovery and a hard disaster recovery. Six, in the same shared services environment, is looking at major systems consolidation. So we asked our customers, what are the systems they are maintaining that we may peripherally be a part of but they have the more focus on these systems. Turned out there are about six systems, be it asset and inventory systems or billing systems or work flow systems, that we believe should be looked at in a business case to see what would be a natural fit for consolidation and saving dollars for the city. To do that, this recommendation would first commission a business case, a deep dive drill down into those systems. I have two of those systems alone. I paid around \$139,000 a year in maintenance, the other one I pay around @12,000. I would gladly consolidate those to an SAP platform, for example, which we already own but we're not using. So there's a module there that we bought, pay maintenance on, we don't use in this particular case. Likewise, we would do the same lens check of the other six. And it may be that we consolidate only three or four, whatever the sweet spot in terms of return on investment is really where we want to go with that particular business case. The third area is sustainable cost management, of which there are four. Number seven is the enterprise architecture program. We have an enterprise architecture program where we're looking at the business functions of some of the bureaus, but this would be an expansion to look at all business function across the entire city. If we can find we have business functions that are similar or actually redundant, then we would propose centers of excellence. We have examples of this in the past. At one point, all the bureaus held a procurement. Eventually we consolidated that into one OMF procurement area. That's how we would uncover this to do in this enterprise architecture, looking at the various functions of the bureau. After that layer, we would go down to the information layer to see what systems are supporting those functions. Perhaps there's consolidation or streamlining or reuse of those information systems. Another deeper dive would be the data that reside in those systems, where we make reuse of the data. And then finally the technology architecture that supports the data, the information, and business functions. We believe there's about \$15 million over five years that we could return to the city because of other, similar activities we have seen in other states and in other cities. Number eight is really around mainframe enterprise server consolidation or elimination, actually demobilization. We have been trying to get off this mainframe about five or six years. We have two remaining customers on the mainframe, police data system that resides on the mainframe. They are earmarked to come off the mainframe by December of this year. Worst case, March of next year. The other customer is the Auditor's department. We have a request for proposal on the street to migrate them off the mainframe. Once we have taken those two customers off to different platforms, we will save about \$700,000 to \$1 million a year on the mainframe service. That's hardware, that's software, that's licensing for the

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software on the box as well as people that serve that particular IT service. Number nine is around the BTS budget realignment. Two things we looked at coming out of the budget hearings last year was we wanted to restore 24/7 support, that's about \$284,000. We have done just that, we have now realigned the budget to cover that money. The other thing was to restore the major maintenance support which is about \$928,000. We have come up with about a third of that money that we can restore coming into the new budget area. We'll be asking in the budget hearings for deferment of the other two-thirds. Because once we get off the mainframe, we'll take that 700 to \$1 million for alignment of that mainframe cost going to the major maintenance. Finally, the city IT investment spin. Two things here. We actually underspent this year, talked about in the disaster recovery area. We think we can shore that up very well with a hosted data center and getting to that hot site scenario with primarily the same cost that we are spending on our production systems today. The other area is on cyber security. We underspend in cyber security. As you all know, you've heard about the Targets of the world, Neiman Marcus of the world losing personal identifiable information. We have not done that. Yet. And I'm here to try to make sure that we don't get to that. But we do see other local governments, state governments undergoing that loss of data based on cyber security not performing the way it should. So we want to figure out ways within BTS to shore it up. One thing we are doing in that area is to move some of our information systems, analysts, down into the operational areas where we can actually recruit for these folks easier. And that the folks in that information security area will be more systems architects around security. Getting to the things that we're simply not doing today in security. So all the firewalls for operations -- we're going to make sure that's maintained, but we also need to do a security fabric. We need to classify our data. We have all kinds of data in the city. Do we provide the same kind of security around PII, personal identifiable information data, versus the kind of stuff that's on the website? We need to do a data classification for all our data. And that's one of the things we'll be doing. The other thing is in R&D. We're underspending in R&D. When I say R&D, to make this real personal for you, we have been operating on old Office 2003 software. Well, it's the year 2014. So we, for some reason, have not been able to get to the right R&D to get us to the point where we say, yes, we're moving. We're moving on one end because Microsoft isn't going to support the old software, which is forcing us to move, but that's the kinds of discussion we're having with bureaus. What is BTS doing for us lately that is getting us into mobility, that's getting us into virtual systems, cloud computing. The things that we need to do to stay on the forefront of what our customers' needs are so that we bet on the right technologies going forward. That's how I'm defining R&D. Number 10 is to really do more transparency on our bills. Do we do this today with our bills that we have a great -- I think Ralph Smith is our point person on this. We want to continue to get to clarity on what we're bundling so that our customers fully understand their bill when it shows up. So those are my top ten recommendations on the heels of the Sierra Systems citywide technology assessment. I would ask that the council consider approving as a contract deliverable the Sierra Systems work of which I feel they have done a fantastic job. I have reviewed all the materials. Not only myself but my management team as well. I also have some words that actually Thomas Madden from revenue -- the director of revenue -- would also have to say.

Hales: So one question I have just in terms of the architecture of the report and your presentation is, I under your top ten and that they are sweeping up some of the Sierra Systems recommendations. But are there sort of -- are all the Sierra Systems recommendations captured in this rubric or are there some that are sitting aside?

Berry: So in this document that has the green, the green are the -- there's a legend on the lower right corner -- the primary Sierra recommendations. The lighter green are the secondaries. There are some tertiaries we have not adopted as part of this report out document, but we have as a part of the final report. The ones in the yellow are the ones that BTS is already working on.

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Hales: You mentioned R&D. I understand the definition you gave, but I guess the version of R&D I'm wondering about -- I guess essentially falls to you to capture this, but again, we have to make sure the bureaus are talking to each other, and that is when new technology emerges that would change a business practice in a bureau, who starts that conversation? Do you always rely on the bureau to start that conversation?

Berry: Well, no. It's a mutual conversation. Especially since we have technology business consultants working directly with bureaus. We have people who are embedded with bureaus today. So they are in the next cubicle next to the customer so they begin to anticipate what the needs are. I think we have the dialogue. But I think what will make us go to the next level is in how we structure around communities of interest. That we can have real discussions around future needs with multiple bureaus in the same COI, which will lead to initiatives, and if it leads to initiatives, then the whole city will be able to have the conversation, well I would like to have some of that as well, bureau a, b, and c.

Hales: Even within a bureau -- I'll give you a slightly whimsical example that we've talked about -- so we're investing quite a bit of money right now in vehicle cameras for the police bureau. Those are downloaded into servers as the vehicles return to the precincts and that data is kept in case there's a need to review what happened in a given incident. Other police bureaus are moving to body cameras or even google glasses for their officers. Who decides that we're at the turning when we don't need vehicle cameras anymore because we have everybody wearing google glasses or we're going to switch to that? Who finds that turning point?

Berry: Again, I would say it's a dual conversation. For example, in the police bureau, we have our police IT team who actually sits at the table with the executives at the police bureau. So they are talking about doing their next strategic plan around police IT assets and services. So we are actually going to be at the table with them and having that conversation.

Hales: All right. That's healthy. Good. Thank you.

Fish: Thank you for an excellent report. And I'm glad it was at a very high level, because I think actually I was able to capture and understand some of it. A few comments, sorry that Steve Novick isn't here, because this would be the point in the presentation where he came up with another title, acronym for you. Something like AFL. And we would urge a merger so your title would be AFL-CIO.

Hales: He would do that.

Fish: He would actually do that, but I would challenge Steve.

Hales: Nice job, nice job.

Fish: But, three questions. First you mentioned vulnerability, cyber security. This actually resonates a lot with Dan and me because we're candidates in cycle, and recently there was an attack on the secretary of state's website which made it impossible for us to actually file our contributions. Secretary of State ultimately issued a ruling saying there would be no fines for late filing because we couldn't file. But that's just a function of filing. Imagine had that particular application been more dynamic and prevented the state from issuing a check or doing some other functions. So to me, that episode highlighted the cyber security piece, so at some point I think the council would benefit from having -- and it may not -- potentially you might tell us it has to be done in a private setting, not a public setting -- but have a better understanding of that cyber security and what of our systems are vulnerable to outside attack. Because it was pretty interesting to watch the secretary of state's office shut down and all those functions, and it actually was at risk of interfering with some of the democratic checks and balances that we expect at election time. One of them is transparency.

Berry: Yes.

Fish: So just food for thought on that. Number two, so --

Berry: And may I add, we will provide you with a presentation on that, Commissioner Fish. The council.

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Fish: Number two is, you mentioned R&D, and woven throughout the presentation is, how do we stay current with new technology? I want to present to you a slightly different concern, which is, who is the person that is in the system -- that we have designated to push back when someone says we ought to upgrade and is the voice of reason saying, why? I come at this as someone that brought an iPhone once because it was so intuitive and simple. Then Steve Jobs died, a new team took over, and I got notified that I could do an upgrade. And I foolishly said yes. And what the upgrade did was -- and I hate to say this -- what the upgrade did was it took all the intuitive features of my system and replaced them with exotic features which I still can't figure out. And I regret the day that I said yes because the other system kind of worked for me. Now I have all this functionality I never asked for that I can't figure out how to use and actually gets in the way of the basic functionality that I need. I'm having a slightly similar experience with the upgrade of Windows. All of a sudden I have a menu of options on reading emails and editing emails and doing other things that frankly someone at my level doesn't need and chances of me actually mastering it are remote. So I hope that somewhere in our system is someplace for the skeptic to actually push back on the notion that new is better. I get that on some technology where it's no longer being serviced by the provider, we have no choice. But I don't want us to automatically feel like we have to get into the rat race of upgrading for the sake of upgrading, or competing with other jurisdictions because they are making these investments. So just food for thought. And the third observation I wanted to make is a lot of your thoughtful suggestions, really, if I boil them down I would say they are attempted work-arounds to commission-style form of government. A lot of what you're suggesting is, how do you get our system to work better in the technology sphere given that we have a commission style form of government.

Berry: Yes.

Fish: And I was actually struck by how many of the recommendations appeared how many of the thoughtful comments would actually extend well beyond technology to other things that we're doing. I have to say, I personally particularly like the communities of interest concept, and the cluster around your infrastructure bureaus. There is a community of interest, and they have some similar customer issues and things they think about. So, that's a place to start. And these clusters make sense to me. I guess, just getting back to -- in addition to cyber security, in addition to the merits of all these things, I also just want us to be humble when it comes time to considering the upgrades and the R&D, and not forget to ask the question about whether it's something we need or it's nice to have or whether a more basic system is just as effective and maybe ultimately saves us some money.

Berry: Commissioner Fish, I too don't want to have technology just for technology's sake. I think our teams at BTS are the same way. They are very good stakeholders, and also shareholders in how we roll technologies out. One of the things when I talk about R&D is the ability to do piloting of software, piloting of hardware. And sometimes stuff doesn't come out the other end, and we say, no, we're not going that route. We did that recently with some power software we were going to apply on PCs. It was designed to shuttle the PC off when no one was there and then boot the PC back up when customers arrived to work. Just didn't work. And it was going to cost more money. So piloting is also a part of the R&D. A road map, multi-year technology road map, of where we know we have to make incremental improvements or we know we have to bring upgrades, hardware, software upgrades, because of ends of life from the vendors. That's what happened with us on Windows 7. That's what happened with us on the Office 365. We literally waited to the last -- well, I shouldn't say last minute -- last two years we've been working on Windows 7, which we really caught up on that. And I think we only have 67 systems left in the whole city that are still on the XP operating system. We're also getting through the Office 365, but of course that took us about 12 years to make that move. 11 years. So, I think we use R&D as a big R&D generic capture, but we're not an

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institution or a high-tech firm where we're doing R&D, but it's some of the attributes of R&D so that we want to make the right decision on technology.

Fish: By the way, I would be remiss if I didn't say, on behalf of my whole office, thank you for the team that was dispatched to our offices yesterday at the time of the conversion. We had people greeting us when we came to work, helping us set up. I actually don't remember the last time that happened. And it was very thoughtful and very helpful.

Berry: It was on the Office 365 rollout. I'll make sure to get that word back.

Hales: Same with us. Very well done.

Fritz: I have a question following up from Commissioner Fish. Your primary customers are the bureau and city staff. How do you relate to the office for community technology and the customers who are using for instance Portland online and other technology? Do we know what their systems are and how compatible we are?

Berry: For the main customers, we know very well. There are some peripheral areas that we also want to serve and we do serve. So the way we know is that through our TBCs, our technology business consultants. I don't know that we have a whole list of all the outside --

Fritz: No, I mean the people of Portland.

Berry: Oh, the citizens.

Fritz: Where we upgrade the Portland online, it's now got, as Commissioner Fish was saying, a lot more bells and whistles with moving pictures and such. And I know that when I was at home and had an older computer and didn't have the high speed internet, those things would freeze my computer. Fortunately, my husband is not quite as good as you on the technology stuff but he's definitely interested in keeping my technology up to date at home. But not everybody has that capacity. Do we know how many of our customers are using the old dial-up, or how many are using different computer systems that might not be able to manage large PDF files, for example?

Berry: Commissioner Fritz, I do not believe we actually know the actual counts on this. But when we do implement technology that the citizens will be seeing, we do look in terms of different platforms of how customers might be using that software. Our test scripts allow for that. We do some testing quality assurance around different kinds of test scripts. I don't think that we have a handle on the quantities of XP computers, or Windows 7 computers, or Macs, but we do tests for different levels of technology.

Fritz: Do we have a community advisory committee that does the alpha testing when we're thinking of building out new stuff?

Berry: You know, Commissioner Fritz, I don't know that we do, but I could check on that with Rick Nixon, who does a lot of our web-based applications.

Fritz: I think that would be helpful. Because there are other customers, the people in the community, don't necessarily know how to navigate through Portland online. I particularly like the icon that allows you to increase the font size. That's helpful in some of the translation services. It would be good to know which of those pieces people find helpful and which not. I got a scathing email that my bureaus didn't have an easy to find link to the emails of the director, for example. That's something that shouldn't just happen in my bureau, I know you and your staff were very responsive to that. They happened to write to me, I was able to connect with you to get that. But it would be nice to have a community technology group not like our expert technology oversight committee, but more the general user from different communities, who would -- maybe a couple of times a year we could get them together and ask them to bring their machines in or do something from home to let us know how well we're doing serving the wider population.

Berry: Commissioner Fritz, I believe that's an excellent recommendation, and I ask my people to take a look at that and see how we can action it.

Saltzman: Did you want to talk, Thomas?

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Thomas Lannom, Director, Revenue Bureau: Yes, that would be good. I did come here for that. I'm Thomas Lannom, I'm the Revenue Bureau Director. And we're a heavy user of services of the Bureau of Technology Services, and I appreciate a number of comments you've made this afternoon. Certainly the one about having citizens do focus groups or beta test software or interfaces on Portland online is something that resonates very much with me. The arts tax in particular could have benefited from that had we had more time to actually invite that feedback when we were live and taking payments on Portland online for the arts tax. You know, we were emailing friends and family, saying please make a payment and let me know what you think. There wasn't a real formal mechanism to capture that feedback, so I really appreciate those comments. Really, I had just had two comments related directly back to the citywide technology assessment. The first is the process. BTS should be commended for its process. BTS services deeply impact the core operations of every city bureau and it's difficult to think of a service the city provides that is not heavily enabled by information technology. I think the recent power outage is sort of an example of what happens. You can throw on the lights but even if you had the lights and if your computer wasn't functioning, how many bureaus would have been making appeals to your offices that we can't work, why are we coming to work? As such, BTS has a solemn obligation to be both prudent and thoughtful as they examine citywide IT environment and propose changes that will ultimately impact every city bureau. I believe the broad and deep stakeholder involvement BTS undertook in compiling this report reflects their understanding of this solemn obligation. And again, they are to be commended for that. My second comment has to do with database proliferation in the city of Portland. This is something that you've already keyed in on here and I think it warrants a repeat, and maybe an example. In particular, I would like to call your attention to systems involved in customer relationship management and then collecting revenue. The city of Portland has dozens of revenue collection programs administered by 15 different bureaus. And the history of how we got here is easy to understand. Individual bureaus identified specific needs, and acting in isolation, identified the needs as they arose and addressed them as best they could with custom tailored in-house or bureau-purchased solutions with relatively little BTS oversight or involvement in the decision making. In the majority of the instances, certainly in the past, this was an appropriate way to go about acquiring software because by and large there was no viable enterprise solution available. For that reason, it made business sense to address needs in that way. That is absolutely no longer the case. The city of Dallas, Texas, has completed the consolidation of revenue collection and customer relationship management systems for many departments and they read like a laundry list of city departments. Water, wastewater, hotel taxes, fire inspections, police alarms, housing home loans, economic development, code compliance, transportation, and many others. They were all consolidated on the SAP platform that we've already got a heavy investment in. It's a platform that's now mature and stable. I think many bureaus were purchasing software in days when SAP was still relatively in its infancy in terms of implementation, and so it was a risky environment, or there wasn't enough band width within EBS to entertain a lot of bureau level needs. But now we're at a point where that really ought to be the default place the city of Portland looks before -- not as an afterthought -- we acquire bureau level software. The proliferation of revenue collection platforms in the city has had far reaching impacts, including duplication of tasks, duplication of customer records, conflicts in customer records, numerous bills being sent to the same customer by different bureaus, varying interest rate and penalty structures, varying forms of acceptable payment, and increased overall customer confusion. A historical lack of enterprise solutions and a lack of citywide perspective have been the primary drivers of bureaus investing in their own localized, customized solutions. And so your comments with respect to the commission form of government being at least in part if not in whole a driver of that dynamic I think was very insightful. BTS has identified a real opportunity to take a more holistic view which will save money, streamline operations, and improve customer service. And I believe the time is now right to begin implementing this vision. I support

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the recommendations in this report and in particular a review of the many different database platforms the city is currently maintaining.

Saltzman: Yeah, that was great. Where is that vision in these recommendations? Which one?

Berry: Commissioner Saltzman, it's number six, major systems consolidation. Which would be a business case, deeper dive as to what's possible for consolidation. Discussions with our customers and communities of interest.

Saltzman: So you said major. A lot of these systems don't strike me as rising to the threshold of major. If you were to take off all the revenue collecting software we must have in the city, probably some of those aren't major.

Berry: We estimate in software licenses alone we could return \$2.5 million a year to the city, to this consolidation. That's just on the software licenses alone.

Saltzman: And the second which Thomas touched on, I think you touched on as well, I do get the sense that SAP is not being utilized to its maximum potential. After all the investment and all the headaches we went through to get the system up and running, I still sense -- and this harkens back to a conversation Commissioner Fritz and I had the other day about asset management software. And I was telling her how the Bureau of Environmental Services has great asset management software. She was wondering about whether Parks could use that. Or adapt it. It just gets me thinking about where does SAP fit into that? Or a better utilization of SAP. We still have the sort of shadow systems being created.

Berry: Commissioner Saltzman, I believe we're under-utilizing SAP, although we're growing in its capacity for use. I have been here 14 months. Just listening to the executive steering committee and advisory committee for SAP, it seems the customers of SAP are enjoying a resurgence of capacity with that platform. I don't manage the SAP platform, it's under a different section today. But what I have seen since I have been here it's growing in its use. There's additional capacity available on SAP that we could make use of.

Saltzman: SAP does fall under your purview, though, doesn't it?

Berry: Commissioner Saltzman, it actually does not. Actually it's the enterprise business solutions group that reports directly into the chief administrative officer.

Saltzman: I guess I didn't know that.

Fish: Thomas, thank you for your testimony. Two questions. I get a text on my phone from AT&T offering me the convenience of just responding with a digit one or two. And I pay my bill and it deducts it from my bank account. AT&T provides my phone service so they have a certain advantage. But in the not too distant future, will we be able to harness some of these technologies to make it as convenient as possible for our customers to pay bills?

Lannom: I am not an expert in cross-platform integration like that, but I don't see why not. I cannot envision a reason, and I'm quite certain that our enterprise solution that we have has got to have some capabilities along the lines of receiving payments that are embedded in texts or whatever other technologies are available.

Fish: And the second thing is, you mentioned all the different systems that we have built up to deal with the public. It made me a little nervous for a couple of reasons. One of which is, it suggests we may not even have a uniform and consistent way of dealing with each citizen. And I will tell you, nothing is more off-putting than when you get the communication from a company, let's say, or third party that gets your name wrong or uses your full name, not your nickname, or in my case at home I sometimes get letters to Mr. Patti Schechter or Mr. Patti Fish. I mean, there's 100 ways you could scramble my wife's name, my name, our partnership, and other things. And I just wonder -- I know how off-putting that is. I got a letter the other day asking me to fill out a questionnaire. It said, dear candidate for the county commission. That didn't inspire a lot of confidence when I got that. So to the extent that people are sensitive to the way we address and communicate with them, I get a

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little nervous when I hear we have all these different home-grown systems that may have different ways of communicating with the same person.

Lannom: We absolutely do. That's just a fact of the way the city operates right now. I was jotting down a few examples. Property liens. Your customer information is separately maintained in our lien accounting system from any other system. If I update Commissioner Saltzman's address in that system, it does not replicate to every other system. The water and sewer bills. The arts tax. The business information -- business license information system. You have an alarm system at your house. Separate system. As far as I know.

Fish: You could be sending a follow-up notice to someone reminding them to pay the arts tax and not have the benefit that Dan's address has been updated in some other account.

Lannom: Absolutely. And if I was a customer of the city of Portland, I would wonder why the heck that is. The reason that it is is because we have dozens of databases that are housing the same information over and over again. And think about the number of key strokes involved. He learns about the move a month after it happens, and he takes some actions that I take three months later when I learn about it, six, nine, for as many platforms as we have we're performing that same task over and over.

Fritz: Thomas, I want to thank you in public for your work on the sick leave implementation, particularly mentioning that with the businesses, where the addresses are no longer valid. Your staff was absolutely amazing in getting that corrected promptly, and getting back to the customer. And I also think Technology Services was involved in setting up the map, so that people can go to portlandoregon.gov/sicktime and type in their business's address and find out whether or not they're inside our city's very wiggly boundary line. The only ones I know of that got it wrong was somebody from a multi-national corporation who was concerned about an address in Eugene that did not show up on our system. I was like, thank you for asking, that's quite some distance. No, you're not involved. But watch out for when we get it statewide. So anyway, that has been a very complicated project and I want to thank you both for your assistance on it.

Hales: Other questions for the staff and consulting team?

Lannom: You know, I can't help but ask one more thing. As your bureaus are individually bringing forward ideas and identifying new database solutions, the default assumptions should no longer be we have our own internal. The default assumption ought to be, what do we already have as a city that we can leverage. I'm beginning to see some of that now. You talked about the office for community technology. In the Revenue Bureau, we're walking our walk, we're moving utility taxes into a module of SAP that we already own. And so we will be the first bureau to do that.

Fish: Since you raised the point, let me just offer you an opportunity. As you know, the water and sewer bureaus are moving to monthly billing -- or at least, they're offering customers that option. And it's frankly going to take a long time -- if everyone wanted to do it, it will take a long time to convert 160,000 accounts. So we're starting with some discrete universes. But presumably as we do that conversion, we're also upgrading -- updating information. Because most people are going to sign up electronically with an email. I think this might be the beginning of what you're asking us to do. We may want to have an early meeting then with David Shaff to talk about the rollout of this process, since we'll be talking to a huge percentage of Portlanders. And maybe there's a way with the information we're capturing to facilitate monthly billing is shared and allows you to update other systems. Because it may be the most timely exercise to get up to date information from people.

Lannom: It is, but because the system -- because there are so many different systems in the city of Portland all maintaining the same information or very similar information -- the example you raised about being referred to and your wife being referred to by a different number of ways -- if I have a database and I try to import data that Water has captured, and they captured T.W. Lannom, who lives on MLK boulevard rather than Martin Luther King Boulevard, you're gonna a mismatch between that data. And now you've got to put a human eye on that data to individually fix. You can

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only automate so much data match. So there's value to that exercise, Commissioner, but it's not as simple as saying, here's a list of the updated information, get the arts tax up. There's a lot of actual work that goes on there.

Fish: And we haven't even addressed things like what happens when someone dies.

Lannom: That's right.

Fish: Nothing is more offensive to someone than sending bills and other things to people who are deceased, or the timing of such a communication. Just think about all the different ways in which we could shoot ourselves in the foot.

Lannom: It's a long list.

Hales: Appreciate your candid points. Thank you, Thomas. Other questions for the team? Thank you all very much.

Berry: Mayor Hales, the one thing we did want to address the acceptance of the contract deliverable.

Hales: Yes but we want to see if there's anybody signed up to testify.

Berry: Oh, OK.

Fish: You're asking us to accept the report --

Hales: The report which thereby accepts the deliverable from Sierra, right?

Berry: Exactly.

Fish: And gives the green light to move forward with this. So it's a little -- slightly different.

Berry: There's two things. This -- recommendations -- we will continue to work through. I'm not asking you to accept the work plan.

Fish: OK.

Berry: We will work through communities of interest with our customers on this, and as we come back with solutions, then we will see you again at council.

Hales: OK. We'll take action on that in a minute but I'm not sure if we have anyone signed up to speak?

Moore-Love: No one is signed up.

Hales: We don't. So we can.

Fish: I move the record.

Fritz: Second.

Hales: Further discussion? Then a toll call on that motion to accept the reports and the deliverable from Sierra Systems.

Item 215 Roll.

Fritz: Thank you very a very clear report, good presentation, and your leadership of the bureau, whatever your title may be. Aye. [laughter]

Fish: You know Mr. Berry, it's times like this I wish I had an extra seat for my 10-year-old son. Because he's my technology expert. And he's of a generation where he's growing up and accesses technology, has an ipad, does things, and does it unconsciously. I mean, just -- and looks at his father, the luddite, and sort of scratches his head and says, what went wrong? I want to thank you all for a very thoughtful presentation and a very candid discussion, as the mayor said. I think between cyber security and the integration of all of our databases, and then prudent upgrades to our system and this whole idea of how you take a commission style from a government and get people to collaborate in ways that benefit our customers, save money, create efficiencies -- those are all great things. One thing I'm concerned about is I don't know that we're going to have the discretionary dollars in the next budget cycle or two to invest. I mean, the mayor is ultimately gonna make the decision, but last I checked our available dollars are heading south and we have about \$30 million of asks parked, so, you may of a question of resources. But, I deeply appreciate this presentation, I thought it was very thoughtful and the suggested next steps seem really smart. And if you're seeking

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commitment from each of our bureaus to be full partners in this, you certainly have the full commitment of my bureaus. Thank you for your work. Aye.

Saltzman: Thanks to Sierra Systems and thanks, Ben, for your work, and Thomas, for testimony too. And I think, you know, this is always a work in progress and it's always a challenge, and made more so by this commission form of government. Like I said, I was surprised to hear SAP doesn't really fall under your domain. So somehow we need to look at how we can elevate your position and maybe give you a name change too to chief information officer. I really think it's incumbent upon your office, Bureau of Technology Services, to really be more widespread and to have more clout in how decisions get made by bureaus, regardless of whether they fall under the general fund or not. And so we need you to be more of a throttle. And if there's things we need to revisit in terms of the administrative structure, then I think we should do that and we should do it right away. There's no reason to wait. I do think we're going to continue to have the litany of issues that Thomas just ticked off unless we do something sort of bold. And I think we have some good information on which to act upon now. But it's a question of getting that all distilled down to some very simple stuff. Those of us who are not technology experts, you know, to make sure our bureaus are toeing the line, so to speak. Thank you. Aye.

Hales: I want to second those comments and sort of put it a little different way. And that is, as a longtime fan of the commission form of government, I don't think that's an excuse for us to not think like a single organization for purposes of these kinds of systems and the need to integrate them. So it falls to all of us, because we have the commission form of government, love it or otherwise, to say here as we're today, we intend as the governing body for us to operate this way and sort of chase down these inconsistencies, or in some cases, dysfunctional folk ways and fix them and to empower our managers to manage and all of our workforce to say, wait a minute, couldn't we -- and have that kind of thinking and behavior rewarded and never punished. I think we have to set that tone and then again empower people like Ben and others to change things because we all know that's better than balkanization. So I think we have to counterbalance whatever drift there may be in this system by those kinds of messages from us, directions, following through on -- that's why I asked the question about is there stuff that sort of gets left behind in this report. Because you'll be primarily responsible for following through on the work that Sierra has done and making sure this isn't a shelf study, that we turn it into real change. So I think we have to continue to express those messages, which you've heard here consistently from us today, and then as Dan said, make the changes. I think we can also rely a lot on Fred Miller, our CAO, acting CAO, because he's bringing some fresh eyes along with good work with his bureau managers to this effort. Appreciate the good work. Let's keep hearing from you about each of the items on this list and our progress. Commissioner Fish is right, we don't have an infinite amount of resource available to take action on everything, but we also have to keep looking for how we capture the savings the technology does bring us. To go back to my own example earlier, and to get a little whimsical, it could be that once we have all of our police officers wearing google glasses that we don't need to maintain all those vehicles cameras any more. It could be once we have a change in state law and a lot of equipment installed, that our traffic safety program relies more on photo radar and intersection cameras than it does on officers on motorcycles. Then we won't need as many of them. Could be that after our officers are wearing body cams, we don't need to have as elaborate a review process for officer behavior as we have today in the Auditor's Office because you can push a button and play back the incident. So we're not there yet in those savings that that technology could bring, but it could, and then it's our responsibility to capture that and change budgets accordingly, which is also difficult to do in any form of government. So again, I hope these messages help reinforce on the importance of this work and to a commitment by me and the rest of the council to make sure we do think like an enterprise as we take advantage of this good advice. Thank you very much for good work. Aye. [gavel pounded] Thank you all. And we are adjourned until next week.

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At 3:30 p.m., Council adjourned.