

The Oregonian

Portland backs off plan for controversial Gresham Butte emergency radio tower

By Eric Apalategui

Portland officials have stepped back from a plan to build a 140-foot emergency radio tower on Gresham Butte, to the relief of many who live within site of the hill rising just south of downtown Gresham.

Portland pulled its tower application this week as officials from both cities have been meeting to find a solution that can improve public safety communications in east Multnomah County without marring the landscape, said Eric Chambers, a senior city administrator in Gresham.

While the meetings continue and technological issues remain, one compromise could include building a tower short enough to hide among the trees on the same site, where Portland already owns land that houses an outdated communications facility, Chambers said.

“Hopefully we can work with them to come up with something that benefits everybody,” said Mads Ledet, president of the Gresham Butte Neighborhood Association, which has fought the project since an even taller tower was proposed last year as a key component in improving the region's emergency communications system.

Previously, Portland officials adamantly defended the tower's height as necessary to reach radio signals around the area's hills and into the Sandy River canyons, and they resubmitted an application in late January with the intention of pushing the project forward. Gresham officials, led by Mayor Shane Bemis, just as strongly opposed anything that tower above the tree line on the butte, also known as Walters Hill.

What seems to have ended the standoff is the arrival of Fred Miller, who Portland Mayor Charlie Hales hired as his interim chief administrative officer in December. Miller recently got involved in the butte discussions and quickly decided Portland's strategy likely would have been stalled for years and might never have succeeded.

“It was much more constructive to do something jointly with Gresham,” Miller said Thursday. “I thought the path we were on was not going to be productive.”

The new resolve to settle the issue amicably arrived as Gresham planners were in the final two weeks of reviewing a thick pile of written comments it received about the project.

Most were from residents of the city, where the tower would have been visible for about three miles around the butte. For example, neighbor Michael McCormick wrote that the tower “will disfigure the natural beauty of one of Gresham's landmark buttes,” a concern shared by most fellow residents.

Meanwhile, some emergency service providers stuck up for Portland's plan.

“Police officers and firefighters must be able to communicate,” wrote Ken Johnson, police chief in neighboring Fairview and chairman of the Bureau of Emergency Communications User Board. “We must be able to rely on a radio system that is trustworthy, reliable and redundant. Our current system, without the upgrades, simply does not meet this essential criteria.”

Bemis, who promised Gresham residents he wouldn't let the tower be built if it would be a “blight” on the butte, sounded confident this week that he could keep his word while emergency responders would also get a better communication system.

“I fully appreciate Mayor Hales and his top-level staff, especially Fred Miller, who have rolled up their sleeves in recent weeks and committed to finding a creative solution,” Bemis said in a written statement Thursday. “Withdrawing their application is a tangible milestone, marking their commitment to regional cooperation and finding a compromise.”

As Portland's largest water users bankroll utility district campaign, opponents question who benefits

By Brad Schmidt

The biggest user of water in Portland is also the largest financial backer of a May ballot measure to strip utility rate-setting responsibility from the Portland City Council.

Siltronic Corp., which makes silicon wafers in the shadow of the St. Johns Bridge, spent buying 446 million gallons of city water in the last fiscal year – more than the next four largest corporate users combined.

Siltronic also paid the city's sixth-highest sewer bill, pushing its combined water and sewer tab to \$3.4 million.

More than any other commercial or residential customer, Siltronic stands to benefit the most financially from changes to water rates simply because of the company's staggering consumption.

Not coincidentally, the company has contributed \$55,000 in campaign donations to a ballot measure that would end the City Council's grasp over utility rates. If approved by voters May 20, the measure would create a Portland Public Water District with an elected, unpaid board of directors responsible for water, sewer and stormwater services.

A top company official said new oversight of the Portland Water Bureau and Bureau of Environmental Services should provide proportionate rate benefits to everyone, not just big users.

"We truly believe that everybody should benefit from this effort," said Myron Burr, senior manager for environmental health safety at Siltronic.

Opponents counter that the proposal would give rate-setting responsibilities to a board of directors that easily could be swayed by corporate interests.

"It's going to be far more susceptible to corporate influence," warned Bob Sallinger, conservation director for the Audubon Society of Portland, which contributed \$10,000 to the political campaign opposing the measure.

Big bills

Portland regularly lands in top 10 lists for food, young people and green living. But it also holds a less glamorous distinction: combined water and sewer bills here were seventh, according to a 2013 report by industry group Black & Veatch.

If the City Council approves requested increases this spring, the average Portland water and sewer customer will pay about \$95 a month beginning July 1. That's an increase of about \$37, or 64 percent, from decade ago. City officials point to the Big Pipe, a \$1.4 billion effort to limit sewer overflows into the Willamette River, as one driver of rate increases.

Proponents of the ballot measure say voters can't afford to let the City Council continue making spending decisions.

Charlie Hales built part of his 2012 mayoral campaign around skyrocketing bills, pledging "lower water and sewer rates." After Hales took office, bureau directors warned of major layoffs without annual hikes. Instead of lowering bills, Hales worked to keep rate increases as small as possible.

Proponents are now campaigning on the same prospect of smaller bills, although measure requires the proposed board of directors to lower rates. Fans of the switch figure a new governing board will make better decisions, ending spending on projects that have nothing to do with water and sewer services and bringing a more skeptical eye to the big, expensive projects that drive much of the rate hikes.

“We can finally see some reforms and start to bring rates back down,” Kent Craford, a co-petitioner of the ballot measure, proclaimed in January after submitting paperwork to qualify for the election. Craford is the former lobbyist for large industrial water users and has played a key role in the lawsuit over improper utility spending.

Portlanders for Water Reform, the political committee backing Craford’s measure, has reported cash contributions of almost \$175,000 through Thursday.

Three companies have contributed three-quarters of that money: Siltronic, Portland Bottling Company (\$50,000) and Joe Weston’s American Property Management (\$25,000). Other notable contributions: \$10,000 from a company run by Walter Bowen, who develops senior housing; \$10,000 from management and real estate ownership group Commerce Properties; and \$5,000 from Hilton Worldwide, Inc.

Like Siltronic, many of the big contributors receive big utility bills.

Portland Bottling Company paid nearly \$160,000 in the past fiscal year for water, putting it among the top 30 highest water bills and within the top 100 when sewer charges are added.

Tom Keenan, president of Portland Bottling Company, said city officials should prioritize basic pipe replacements and stop raising rates for projects he doesn’t think are needed, such as a \$37 million project to replace the Water Bureau’s 85-year-old maintenance building.

“We think the rate increases need to stop,” he said.

American Property Management, with more than 150 commercial and multifamily residential accounts, paid almost \$1.5 million in combined water and sewer charges. Weston also owns the warehouse that’s home to Portland Bottling Company.

The City Council has been prone to use ratepayer money as a “slush fund” for inappropriate projects such as the Portland Rose Festival Foundation headquarters, Weston said. The Water Bureau spent about \$1.6 million renovating the city-owned building for the Rose Festival, but the City Council later used general fund money to reimburse costs in the face of the lawsuit.

Weston said he supports the May ballot measure because bill increases have been “astronomical.”

“Sure we’ll benefit,” Weston said. “But no more than the little guy that owns the house.”

Money and influence?

Opponents of the water district say its elected board could rewrite water and sewer bills, changing base charges or offering bulk discounts aimed at helping big customers.

“I would assume that they would get policy changed that would benefit them and wouldn’t benefit Portland families,” said Carol Butler, manager of the opposition campaign. Stop the Bull Run Takeover has reported \$23,000 in cash contributions through Thursday, including \$10,000 from city-employee union AFSCME Local 189.

Sallinger, of the Audubon Society, said voters would be unlikely to pay much attention to low-profile water district races. Campaign contributions of \$10,000 to \$40,000 could easily sway the outcome of who gets elected to the governing board, he said.

Craford scoffed at the notion that big business would disproportionately benefit from a new elected board, saying opponents are trying to create a bogeyman to distract from the fact that ratepayers have lost trust in the status quo.

Not only that, Craford said, but there would be no political support to benefit big businesses at the expense of residents.

"If money bought influence in Portland, Sho Dozono would be our mayor and Mary Nolan would be the city commissioner and we'd all be drinking water with fluoride in it," Craford said. Dozono and Nolan ran failed campaigns for mayor and city commissioner despite sizable finances, and voters in 2013 rejected a big-money measure to add fluoride to Portland's water supply.

Burr, the Siltronic official, said the company simply wants to see a new group of elected officials make water and sewer decisions – not throw money behind candidates who seek election to the board.

"We don't have a long-term plan that involves financing campaigns," Burr said.

Since 2007, Siltronic has contributed about \$67,000 to political causes aside from the water district, none of that money directly to individual candidates. But about \$42,000 of Siltronic's donations went to a political action committee that frequently backs Republicans running for the Oregon Legislature.

Portland Commissioner Nick Fish said he met with leaders from Siltronic and Portland Bottling Company after Hales assigned him management of the water and sewer bureaus in 2013.

Fish described the Siltronic campus as a "ghost town" after the company downsized from about 1,000 employees to 400 in recent years.

"As we left, our conclusion was, 'They're not long for this place,'" Fish said, suggesting the company will eventually close its Portland operation in favor of investments elsewhere, such as Tennessee.

Fish speculates that large water users would like to hold rates down in the short run and help their bottom line. That could be done, he said, by postponing large construction projects, including a \$56 million new water pipe beneath the Willamette River.

Fish, who has an inherent interest in maintaining oversight of his beleaguered bureaus, questioned the motivations of the businesses trying to relieve him of those duties.

"I think people should be primarily concerned," he said, "that there's only a handful of funders."

Craford finds that thinking cynical.

"(The measure) benefits everybody," he said. "It's amazing that nobody can just do the right thing."

The Portland Tribune

Prom rides bump into legal roadblocks

By Jennifer Anderson

The city revenue bureau last week suspended an illegal party bus company for doing business in Portland, a big deal in the city's crackdown of rogue private-for-hire transportation operators.

"We send a lot of penalty letters, but it's not often we can shut them down for a really good reason," says Frank Dufay, administrator of the city's private-for-hire transportation program.

According to the suspension letter from Portland officials, Beaverton's Exquisite Ride had no authority from the federal government to do interstate travel and had no authority from the state of Oregon to carry more than eight passengers. (Their three vehicles that were permitted were a 14-passenger Hummer and two stretch limousines.)

In addition to those violations, there appears to be a connection between Exquisite and Five Star Limousine, the North Portland company that was shut down after the party bus accident that killed an 11-year-old girl in downtown Portland two years ago. No criminal charges were filed.

Five Star had sold some of its vehicles to Exquisite Ride and removed their Five Star website, as required by the city, as regulatory division manager for Portland's Office of Management and Finance.

"But it looks like the Five Star name has reappeared, which is a concern to us," Butler told the Tribune on Friday. "There's no evidence the person who ran Five Star is involved in this company, but there is a web presence."

Google searches for "Exquisite Ride" popped up Five Star's website instead. And calls to the phone number listed on the Five Star website led to a voicemail identifying the company as Exquisite Ride.

Exquisite Ride owner Don Messenger did not return an email from the Tribune.

The latest regulatory action is just part of Dufay's efforts to get the message out to parents and teens that they should use only city-permitted party buses, limos and taxis for prom night.

Prom season for Portland-area high schools kicks off on April 26. It's also the start of the peak season for weddings, wine tastings and other large group activities.

"Rogue" operators without permits who might stay away from Portland the rest of the year will come into Portland for a share of the business, Dufay says.

To that end, he's issued fliers to the schools and wants the public to be wary.

"Prom night is too important to risk a ruined evening," reads a flier the revenue bureau targeted to schools and parents. "Don't take a chance with some of the serious problems that have occurred with unpermitted companies like no-shows, run down vehicles, bad drivers, and surprise extra charges."

With illegal operators, there's no evidence of the drivers passing criminal and driving background checks; no proof of liability and vehicle insurance; and no proof of vehicle safety inspections.

According to records obtained by the Portland Tribune, 21 companies continue to operate illegally. Seventeen of those have been fined by the city and remain unpermitted. A total of \$16,500 is owed to the city by six companies.

Four of those 21 companies have not yet been fined but have received warnings.

Most of the companies doing business in Portland are legal. They include seven taxi companies, 17 limousine companies; 19 tour companies; 35 shuttle companies; 37 executive sedan companies, and five pedicab companies.

The city keeps a list of its permitted operators at www.portlandoregon.gov/revenue/article/296082.

Few cities require permits

Along with just a handful of U.S. cities, Portland requires city permits for all operators of for-hire taxicabs, executive sedans, limousines, tour vehicles, shuttles, and pedicabs, all of which host events ranging from prom night trips to bachelorette parties.

Portland added the permit requirements for limos and party buses in 2009 as their clientele changed. "It used to be high-end, reservation-only, for special occasions or executives," Butler says. "It was easy to be self-regulating."

In recent years there's been an explosion of limousine use for more casual events like prom, or cruising around on weekends.

City officials also started noticing smaller operators coming into the mix, using just one vehicle and not necessarily with safety checks or liability insurance. The public safety concerns led the City Council to adopt the new regulations amid some resistance by the established companies.

"When you put new regulations into effect, it often takes a while for the industry to adjust," Butler says.

Portland is the only local jurisdiction that requires the permits, which is why some of the 21 offenders do business illegally, and several are repeat offenders.

"Some are adamant they shouldn't need one," Dufay says. "Others figure they can get away with it."

Compliance has been difficult

Part of the problem with getting all limo and party buses to comply has been that the enforcement has been weak.

Dufay's team recently added three specialists to focus on enforcement, but their hands are still tied by the police and city attorney's office, whom they work with.

The fines for repeat offenders who continue to operate without permits can reach up to \$5,000 per violation, which the companies either pay or it goes to a collection agency.

In 2012 the city beefed up the penalty to criminalize the offense, making it "punishable, upon conviction, by imprisonment for not more than six months." Drivers of unpermitted vehicles may be arrested and unpermitted vehicles are "subject to vehicle towing and impoundment."

But enforcing those rules is a work in progress.

Butler says her office has been working with police to target the repeat offenders. The city also is working to require permit stickers to be posted on the back of the vehicle as well as the front so police can identify them more easily.

Legal protocols also are being worked out, Butler says: "We have to do this in a systematic way to avoid legal issues. Little by little, the industry is accepting these regulations and realizing they're not going to go away; we are going to apply more enforcement resources to it. Little by little, we're bringing more of them into the fold."

Safety is top concern

Alan Jochim, chief operating officer of Northeast Portland based Lucky Limousine, is thrilled the city is trying to raise public awareness of the permitting requirements.

He says the safety of customers who use those unpermitted companies is a top concern, as is the fact that the rogue operators are undercutting legal operators' fares.

Every time there's an accident, like the fatal limousine fire in San Francisco last summer, insurance goes up across the board, Jochim says.

His rose about 10 percent last year, and local fuel costs rose 15 cents per gallon in the past two weeks.

"It's hard to compete with someone not paying for those permits," Jochim says. "Every dollar, every penny, is to try to get our business legitimate. ... We're willing to compete with anybody, as long as we're all on the same playing field."

Jochim is board vice president of the Oregon Livery Association, which represents nine of the city's 17 permitted private-for-hire transportation companies. For the past year or so he's been trying to boost representation on the board to have a bigger voice at the city level.

"We were hopeful (enforcement) would be done by (the city) or the police or whoever," he says. "It hasn't happened. ... We need a splash in the pond every once in a while to let people know you're being watched."

Jochim likens the situation to the food industry's strict licensing. "The public needs to understand they're going to a restaurant and the meat hasn't been inspected by anybody," he says. "If you're willing to go and not have an insured company, you pay for that."