

The Oregonian

Portland City Hall promises task force to consider stronger oversight of utilities -- if voters reject water district measure

By Brad Schmidt

Portland Mayor Charlie Hales and Commissioner Nick Fish are creating a new political twist in the effort to strip utility oversight from the City Council.

If voters reject the May 20 ballot measure to create a Portland Public Water District – and leave rate-setting power with the City Council – then the City Council will form a task force to study new oversight options.

The task force will be asked to make a recommendation by fall to the City Council, which will decide how to move forward.

Commissioner Nick Fish, who oversees the city's water and sewer bureaus, laid out the plan this week in an interview with The Oregonian's editorial board.

Fish said he and Hales will select 12 to 15 people to fill out the task force. Fish said the task force will be led by two "distinguished and disinterested" individuals who aren't affiliated with the political campaigns pushing and opposing Ballot Measure 26-156.

Fish said he expects the task force to consider alternative oversight models proposed by the City Club of Portland and the Portland Business Alliance. But nothing would be off the table, he said.

The City Club proposed a new, semi-autonomous board of experts appointed by the city that would govern utilities, hire bureau administrators and recommend rates. The City Council would either approve or reject billing increases, eliminating the ability to meddle with line items.

The Portland Business Alliance, meanwhile, proposed changes to establish the Portland Water Bureau and Bureau of Environmental Services as separate municipal corporations managed by the entire City Council, not a commissioner. An advisory board would recommend rates that the City Council could only override with 4 votes instead of the requisite majority of 3.

Both groups will present options to the City Council on April 30.

In the past, politicians inside City Hall have been reluctant to make changes to their power and oversight of Portland utilities.

In 2011, Commissioner Dan Saltzman proposed an Independent Utility Commission that would recommend rates. Those rates would go into effect, unless three members of the City Council voted against the billing changes.

But Saltzman left his proposal with the city's flailing Charter Commission, which disbanded without taking action.

In 2012, Saltzman said he would prioritize work on extending the Portland Children's Levy and revisions to the fire and police disability and retirement fund.

Neither Saltzman nor the City Council pushed the issue in the ensuing two years.

The Mercury

Water District Campaign Files Another Elections Complaint Against Charlie Hales' Office

By Dirk Vanderhart

Campaigners backing a new board to take control of the city's water, sewer and stormwater systems have filed a second complaint against Mayor Charlie Hales' office. Like a complaint Portland Public Water District partisans lodged with the Oregon Secretary of State's office in February, the new accusation claims Hales staffers engaged in political campaigning on public time.

From the letter chief water district petitioners Kent Craford and Floy Jones sent to Secretary of State Kate Brown's office:

We understand that on Wednesday April 2, Josh Alpert, the Policy Director for Portland Mayor Charlie Hales, made a presentation against the Portland Public Water District initiative Measure 26-156 at the offices of Tonkon Torp. The campaign event was hosted by Tonkon attorney Janet Neuman. Mr. Alpert, a salaried employee of Mayor Hales acting in his capacity as the Mayor's representative, used City resources on City time, likely including preparing for the presentation in addition to delivering it. This is a clear violation of ORS 260.432.

Tonkon Torp is a Portland lawfirm, and the circumstances around that alleged meeting aren't clear at the moment. Hales' spokesman, Dana Haynes, said the office does not have comment on the complaint.

Haynes himself is the subject of the earlier allegations, which are still under investigation according to secretary of state office spokesman Tony Green.

As an elected official, the mayor is free to make comments on political campaigns, so long as he doesn't use public resources to do so. In fact, Hales is leading an effort to fight the water bureau campaign, which he paints as an attempt by big business—the primary backers of the water district—to purchase outside influence in the city's water policy.

But Hales' staff is far more restricted in what they can say. Public employees aren't allowed to campaign during work hours. And for salaried workers like Haynes and Alpert, those hours aren't just 9 to 5 on weekdays.

In the case of the still-unresolved complaint against Haynes, water campaigners took issue with a press release Haynes wrote in his home over the weekend. The release largely dealt with a pending lawsuit over the city's use of sewer and water money, but included reference to the water campaign, saying: "The high-powered corporate lobbyist behind this lawsuit also represents the chief petitioners in a corporate-funded ballot measure to strip the City of its Environmental Services and Water bureaus."

Even if substantiated, such complaints rarely lead to stiff penalties. In 2011, for instance, Portland Public Schools employees were fined \$75 for illegally promoting a school bond. The maximum fine is \$250.

Neither Tonkon Torp nor any of its attorneys appear to have donated to the Stop the Bull Run Takeover, the political action committee fighting the water district measure. But the PAC has reported some significant contributions of late.

Oregon AFSCME Council 75, which represents many Portland Water Bureau employees, has kicked in a second \$10,000 to the effort. Local real estate investor Albert Solheim contributed \$5,000.