

Union leaders wary about public water district in Portland

By **DON McINTOSH**
Associate Editor

A prospective ballot initiative would take control of Portland's water and sewer system away from the city government and give it to a newly created public utility board.

The initiative was filed July 26, and received a ballot title Aug. 8. Once the initiative is approved for signature-gathering, backers would have until Jan. 21, 2014, to gather 29,786 valid signatures from registered Portland voters in order for the initiative to appear on the May 17, 2014 ballot.

The initiative's chief petitioners are Kent Craford and Floy Jones. Craford — a former campaign manager for 2010 Republican candidate for governor Chris Dudley — is a lobbyist for a group of large commercial water users. Jones is one of the founders of the group Friends of the Reservoirs, which has fought the City of Portland's efforts to comply with federal mandates to safeguard drinking water.

Elected leaders of the unions whose members would be most directly affected by the initiatives say they haven't had time to look closely at the 26-page measure, but they have concerns. Portland Water Bureau employees are represented by AFSCME Local 189, and Bureau of Environmental Services employees (who operate and maintain the sewer system and sewage treatment facilities) are represented by Laborers Local 483.

The proposed initiative would divide Portland into seven geographic districts, each of which would elect one representative to the Portland Public Water District board. But the initiative contains extensive restrictions on who could serve on the board: no one who was a City of Portland employee, water district employee, or employee of a water or sewer contractor in the previous six years would be allowed to run for election to the board, nor even any citizen volunteers who served on the water or sewer budget advisory committees in the previous three years. The new water district is also barred from employing any attorneys or account-

ants who worked for firms that provided legal or accounting services to the City of Portland. Board members would serve three-year terms and would not be compensated.

The initiative also contains language saying the new district may not regionalize or privatize the water system, may not weaken water quality protections in the Bull Run Watershed where the City draws its water, and may not commingle Bull Run water with other sources, like the Willamette River.

At a press conference announcing the initiative, Craford said it was motivated by concerns about waste, fraud and abuse, such as money that was spent on public toilets and to construct a model water-saving home.

Backers of the initiative include the presidents of Portland Bottling Co. and American Property Management, and corporate lobbyist John DiLorenzo, an attorney with the corporate law firm Davis Wright Tremaine who is representing a group of businesses suing the City of Portland over alleged improper expenditures of water and sewer funds.

Local 189 President Mark Gipson said his union is still gathering data, but that he has serious concerns about the initiative from a labor standpoint and as a citizen of Portland.

Meanwhile, Local 483 Business Manager Richard Beetle said he likes



the concept of citizen control, and shares citizen concerns about current use of funds — Beetle worked as a wastewater treatment operator at the City for three decades, and has been a frequent critic of City management. But he said initiative backers haven't approached the union, and creating a brand-new board raises a whole bunch

of questions, like who would be running for the board and what their agenda would be.

It wouldn't be Beetle or Gipson. The two labor leaders would be barred from running for the Water Board — despite in-depth familiarity with operational and budget issues — because they serve as appointed members of the budget advisory committees for the existing water and sewer bureaus.

It's not clear that such restrictions are even lawful, said Portland City Commissioner Nick Fish, who was put in charge of the Water Bureau and the Bureau of Environmental Services in June. Under the initiative, Fish said, no union member who worked for the city would be allowed to run. On the other hand, Fish said, the only big local law firm that wouldn't be barred from working for the new district would be DiLorenzo's firm.

Initiative sponsor Craford chuckled at that suggestion, and told the Labor Press the clause about attorneys and accountants was meant to prevent conflicts of interest, since the Water District would be a separate entity from the City.

Fish suggested the initiative's "big business" funders may want to shift system costs from business to residential ratepayers. Or they may seek to cut costs by halting environmental remediation. Fish said DiLorenzo's lawsuit has been misrepresented in the press: It's

not primarily about the few hundred thousand dollars spent on non-mission-critical work when Randy Leonard was in charge of the Water Bureau, Fish said. It's about addressing the City's Superfund obligations for Willamette River cleanup.

Though he had plenty to say about City spending decisions, Craford said initiative backers don't have any specific agenda for saving ratepayer dollars if the measure passes.

"If you put real people in as decision makers," Craford said, "we think they'll make good decisions."

"This is about who makes decisions about the Bull Run — a group funded by big business, or Portland City Council," said Fish. "Do you want a special district along the lines of Clackamas Water District, with people unknown and unaccountable to you, running your utilities?"

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