

Ballot Initiative Launched for Portland Public Water District

Proposal seeks to strip City Hall politicians of mismanaged water and sewer utilities, establish an independent elected utility board to guide policy and set rates

PORTLAND—Ratepayer advocates will file a new ballot initiative today which would establish an independent public utility board to reform Portland's embattled water and sewer utilities. The proposal sets up a board similar to a People's Utility District (P.U.D.), elected by zone from different parts of the City. The "Portland Public Water District" would be responsible for all aspects of the City's water, sewer and storm water systems.

The proposal comes on the heels of two years of non-stop revelations about waste, mismanagement and most recently, whistleblowing, in the handling of the City's water and sewer finances. Recent news stories uncovered that the City's top administrator attempted to divert restricted water and sewer funds to another City account, and even planned a cover-up strategy should he get caught. Separately, a ratepayer lawsuit has identified \$127 million in expenditures from the water and sewer funds for projects that have little or nothing to do with water and sewer service.

"Water rates have soared 160% since 2000. Sewer rates have risen 164% in the same period. Portland now has higher water rates than Phoenix, Arizona, and yet City Hall politicians are still cramming pet projects into the water and sewer budgets. New City Council, same old sticking-it-to-the-ratepayers. Today, ratepayers are saying enough is enough," says Co-Chief Petitioner Kent Craford.

"Portland City Hall has mismanaged our water system for over a decade. Whether it's blowing \$30 million on the failed billing system, \$1.6 million on Randy Leonard and Nick Fish's Rose Festival pet project, or \$45 million on this Water Bureau Taj Mahal headquarters, it's time to take the politicians' hands out of the water and sewer cookie jar," said Floy Jones, Co-Chief Petitioner and Founder of the Friends of the Reservoirs.

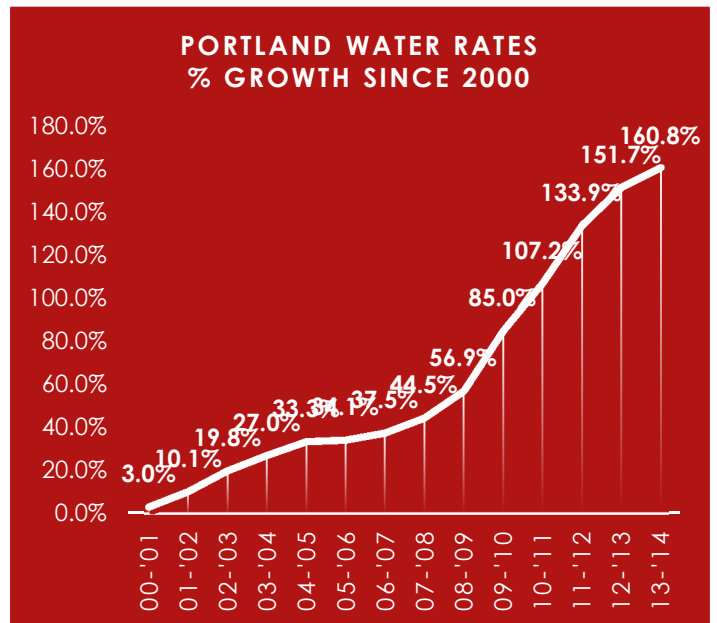
The initiative campaign is spearheaded by Craford and Jones, both long-time ratepayer advocates. Signature gathering will be led by Hiram Asmuth, who managed signature gathering for the recent successful referral of a City-wide initiative on fluoride in the drinking water system. Attorney John DiLorenzo is serving as counsel to the initiative. Supporters include a wide variety of water advocates, neighborhood activists and ratepayers, including some of the City's largest water customers like Portland Bottling, American Property Management and Siltronic Corp.

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Details of the Portland Public Water District proposal

- Creates new Water/Sewer District within the City of Portland
- Removes utility management and rate-setting from City Hall politicians, and sets up an independent elected volunteer board
- Board is comprised of seven members, with term-limited chair
- Board is to be elected by zones, rather than at-large
- Targeting May 2014 ballot
- Requires roughly 30,000 signatures



Important features

- Strict conflict-of-interest provisions to combat rampant cronyism and revolving doors between City Hall, water/sewer management and contractors
- Requires annual independent audit
- Enshrines protections for Bull Run watershed
- Prohibits water/sewer system privatization
- Prohibits regionalization of water or sewer system and co-mingling of Bull Run water with inferior sources such as Willamette River

