

Senate Government Operations March 27, 1991 Page These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

March 27, 1991Hearing Room "B" 3:00 p.m. Tapes 51 - 52

MEMBERS PRESENT:Sen. Glenn Otto, Chair Sen. Jane Cease, Vice-Chair
Sen. Ron Grensky Sen. Tricia Smith Sen. Dick Springer

MEMBERS EXCUSED:Sen. Jim Bunn Sen. John Kitzhaber

STAFF PRESENT: John Houser, Committee Administrator Joan Green,
Committee Assistant

MEASURES CONSIDERED: SB 31 - Relating to the Department
of General Services, PH/WS SB 85 - Relating to space age industrial park
management, PH/WS SB 655 - Relating to sewage treatment, PH/WS SB 886 -
Relating to notification of service cutoff by water districts, PH/WS

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

TAPE 51, SIDE A

005 CHAIR OTTO: Called the meeting to order at 2:11 p.m.

(TAPE 51, SIDE A)

PUBLIC HEARING

SB 31, RELATING TO THE DEPARTMENT OF GENERAL SERVICES

Witnesses:Cameron Birnie, Department of General Services, Transportation & Distribution Division, Administrator Tina Sartin, Department of General Services, Surplus Property, Manager

021 CAMERON BIRNIE, DEPARTMENT OF GENERAL SERVICES, TRANSPORTATION & DISTRIBUTION DIVISION, ADMINISTRATOR: Discussed written testimony, Exhibit A.

062 SMITH: Is all surplus property routed through the Department of General Services or do other agencies dispose of surplus property?

066 BIRNIE: Other agencies may dispose of surplus property separately, but only with the express approval of the Department of General Services which is statutorily obligated to control state surplus property.

068 SMITH: Would that property be included with the new provisions of this bill or would we need to address different statutes to deal with that?

071 BIRNIE: It would be included within this bill.

072 GRENSKY: How did this problem arise? Are you saying in essence that state agencies don't have need for all of these things and it is going to waste because of that?

077 BIRNIE: It has never gone to waste, very little has been taken to a landfill. Following Ballot Measure 5 there is more interest among state and public agencies in surplus property. We want to make these properties available if they escape the first two tiers.

084 GRENSKY: How would that happen, how does it get down the chain to nonprofit agencies?

090 TINA SARTIN, DEPARTMENT OF GENERAL SERVICES, SURPLUS PROPERTY, MANAGER: The volume of property is large and diversified. Our goal is to transfer at least 50% of this property back into government and nonprofit with the remainder going to public sale.

098 GRENSKY: Is it a safe assumption that state agencies feel it is cheaper to buy new stuff rather than deal with broken stuff, but somebody in the private sector may be willing to take this?

101 SARTIN: Yes. We are trying to increase the base for the nonprofit agencies to acquire this. We cannot presently transfer property to many homeless assistance programs, child care centers, etc. because it is not defined under our present statutes.

107 GRENSKY: State agencies don't want it?

108 SARTIN: No.

109 OTTO: Is there still an auction each month at the State Fair grounds?

110 SARTIN: No, we have gone to a general store process with a fixed price sale and a disposal process. The store is open every Friday about every other month. We have almost eliminated the auction process.

115 CEASE: How do you do this, is it a first come first serve basis?

120 SARTIN: There are so many items available that rarely do two agencies ask for the same item. In essence we establish a 30 day window of opportunity in which any of the state, local governments or nonprofit agencies can come into the warehouse and select property.

125 CEASE: It is a first come first serve, there is no favoritism.

127 SARTIN: We also maintain a want list of requested items by state agencies or local governments and we contact them first when items are received.

131 GRENSKY: How do you receive something one agency does not want, presumably because it is broken, and another agency is willing to take it?

133 SARTIN: It is not necessarily broken, it is excess, no longer needed by the program, etc. Sometimes it is broken and a minor repair is needed.

145 BIRNIE: Continued with pg. 2 of written testimony, Exhibit A and related -1 amendment, dated 03/26/91, Exhibit B.

WORK SESSION

180 MOTION: SEN. GRENSKY MOVED THE -1 AMENDMENTS TO SB 31 DATED 03/26/91, EXHIBIT B. MOTION ADOPTED BY ACCLAMATION.

186 MOTION: SEN. GRENSKY MOVED SB 31 TO THE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.

194 VOTE: MOTION CARRIED, 5-0. (EXCUSED: SEN. BUNN, SEN. KITZHABER). SEN. GRENSKY WILL LEAD THE FLOOR DISCUSSION.

(TAPE 51, SIDE A)

PUBLIC HEARING

SB 85, RELATING TO SPACE AGE INDUSTRIAL PARK MANAGEMENT

Witnesses: Jon Mangis, Department of Veterans Affairs, Director

205 JON MANGIS, DEPARTMENT OF VETERANS AFFAIRS, DIRECTOR: Discussed written testimony, Exhibit C.

264 SMITH: Are the lease payments still going to the Department of Veterans Affairs (DVA)?

267 MANGIS: The DVA takes a management fee from the lease payment and then the money is deposited in the general fund of the State of Oregon. Discussed history when money was taken from the Oregon War Veterans Fund in 1963 to purchase the Boardman Space Age Industrial Park and the resulting lawsuits.

306 GRENSKY: Does the Department of General Services have any problems with this?

308 MANGIS: We do have an interagency agreement with them and we have been working to transfer that responsibility.

WORK SESSION

325 MOTION: SEN. CEASE MOVED SB 85 TO THE WAYS AND MEANS COMMITTEE WITH A DO PASS RECOMMENDATION.

330 VOTE: MOTION CARRIED, 4-1. VOTING NO: SEN. SPRINGER. (EXCUSED: SEN. BUNN, SEN. KITZHABER).

(TAPE 51, SIDE A)

PUBLIC HEARING

SB 655, RELATING TO SEWAGE TREATMENT

Witnesses:Debbie Sagen, City of Gresham, Community and Economic Development, Director Bonnie Morris, City of Portland

344 DEBBIE SAGEN, CITY OF GRESHAM, COMMUNITY AND ECONOMIC DEVELOPMENT, DIRECTOR: The 1987 legislature passed a bill requiring appointment of citizen sewer advisory committees by local governments who were faced with threat to drinking water orders from the Environmental Quality Commission of Oregon. These advisory committees work with staff and advise elected officials to review construction costs and other project elements of our mid-county sewer implementation plan. Since Gresham's first citizen advisory committee was appointed in 1988 we have had difficulty complying with this legislation. The City of Gresham has contacted 48 eligible safety net people, we have placed advertisements, contacted social service agencies, talked to community activists, had posters at churches and grocers and we are still out of compliance with this state law. The few eligible people we have found for our committees have become, in some cases, ineligible for numerous reasons or they resign for personal reasons. SB 655 would allow local governments to appoint representatives from local social service agencies to our citizen advisory committees. This would allow for the community input needed by the city, but would allow for compliance, in spirit, to the legislation from the 1987 session. Gresham has identified at least nine social service agencies that appear to meet the intent of this bill and are willing to appoint a board member or an employee to serve on our citizen advisory committee.

428 BONNIE MORRIS, CITY OF PORTLAND: Concurred with Ms. Sagen's testimony. Last January a letter was sent to 245 safety net people and to date only four have responded. One is not eligible and the other three could not serve for various reasons. The City of Portland has never been 100% in compliance with the state law since it was enacted. Currently there are two vacancies on the board, both for safety net people. We have difficulty in getting people to deal with the sewers when there are more pressing problems in their lives. We have participated in all sorts of referrals for other social service agencies in order to form a network. Although low income safety net eligible people can represent their own case they do not always have a broad base of knowledge of people in general. That knowledge is needed to make informed decisions and make the program successful.

TAPE 52, SIDE A

035 GRENSKY: What was the 1987 objective in requiring low income people on a citizen sewer advisory committee?

039 OTTO: I think we were trying to open the process to everyone and we thought this would be the best process to do that.

042 GRENSKY: They weren't precluded from serving prior to this were

they? All it did was mandate something that obviously has not worked.

047 OTTO: We made a mistake in 1987 and are here to correct it.

048 SMITH: Why is it important to have low income people serve on the committee, what does the committee do?

050 SAGEN: The mandated purpose of the committee is to review the construction cost of each project. The committee also reviews borderline applications for safety net eligible clients and/or property owners, this was probably the major argument for the 1987 legislation.

073 OTTO: I understand that Eugene has the same problems?

074 SAGEN: I am not certain, I know they have a citizen advisory committee, but I don't know if it falls under this mandated provision of state law.

WORK SESSION

081 MOTION: SEN. CEASE MOVED SB 655 TO THE FLOOR WITH A DO PASS RECOMMENDATION.

089 VOTE: MOTION CARRIED, 5-0. (EXCUSED: SEN. BUNN, SEN. KITZHABER). SEN. CEASE WILL LEAD THE FLOOR DISCUSSION.

(TAPE 52, SIDE A)

PUBLIC HEARING

SB 886, RELATING TO NOTIFICATION OF SERVICE CUTOFF BY WATER DISTRICTS

Witnesses: Michael Kurtz, Special Districts Association of Oregon and Suburban East Salem Water District, Manager

101 MICHAEL KURTZ, SPECIAL DISTRICTS ASSOCIATION OF OREGON AND SUBURBAN EAST SALEM WATER DISTRICT, MANAGER: Discussed written testimony, Exhibit D.

111 OTTO: That \$780,000 cost savings would be statewide?

112 KURTZ: Yes, our particular district is about \$6,000. Continued with written testimony, Exhibit D.

128 SMITH: Wouldn't it be more expensive for an employee to hang a door hanger than to send a letter by registered or certified mail?.

129 KURTZ: It would be for us, the cost of sending is about \$4.79.

131 SMITH: If this bill passed notification would probably be by first class mail rather than door hangers?

132 KURTZ: We would probably choose to use first class mail. We have used door hangers in the past and we may again.

141 GRENSKY: Water cutoff comes when someone does not pay their bill, correct?

143 KURTZ: Yes, but there are two points in the bill: 1. when someone does not pay a water bill and 2. violation of a regulation.

145 GRENSKY: Couldn't the notices be sent with the meter reader when he is canvassing a neighborhood?

151 KURTZ: We do not send bills at the same time we read meters, there is a delay in the process.

153 GRENSKY: If you can't do it that way then I agree with Sen. Smith, the door hanger is not cost effective.

157 SMITH: If it costs approximately \$4.00 for certified mail surely the salary, mileage, etc. involved in a door hanger would be more expensive.

162 KURTZ: Perhaps. We send out about 114 notices per month within a two square mile area. We may be able to do it at substantial cost

savings by using the door hanger.

166 CEASE: Reads SB 881, ln. 5-6, "regulations concerning the use of water and the property of the district.", what are the notices for?

170 KURTZ: Nonpayment of water bill and regulations, for example safeguarding the water system through regulating cross connections.

176 CEASE: What are the time lines for compliance once a letter is received?

182 KURTZ: In our situation users are provided water for two months, we read the bill, send a bill within a week and if they do not pay we send a reminder in 30 days. If they disregard that we send a disconnect notice by registered mail. There is about 50 day time line.

188 CEASE: The disconnect notice would be sent by registered mail?

189 KURTZ: Correct, the final notice.

190 CEASE: Does that make most of the people pay up?

191 KURTZ: Most yes, but not all.

194 CEASE: When would the time start with first class mail? With the registered process you have a date to start from, with first class you won't have a date.

205 KURTZ: There is still a five day requirement of written notice before you cutoff.

207 CEASE: Five days from the time you mail it or the time they receive it?

208 KURTZ: Under current statute it is when it is deposited with the postal service, we usually allow seven days. We also send a notice by first class mail because we assume most people will not go to the post office to pick up the registered letter.

213 CEASE: So you already send a first class letter?

214 KURTZ: We send both.

215 CEASE: Are you going to give seven days time with the first class mail even though the bill says five days.

216 KURTZ: We do, we give seven to eight days.

218 SPRINGER: How many customers are in your district?

219 KURTZ: There are 3,200 billable customers.

220 SPRINGER: You bill monthly?

221 KURTZ: Commercial users are billed monthly and the rest are billed bimonthly, every month we bill about 1,800. We send about 114 disconnect notices and cutoff approximately 20 people.

227 SPRINGER: How many are people who have moved?

229 KURTZ: Very few, if any.

234 OTTO: Are landlords sent notice or is the notice sent to the tenant?

239 KURTZ: We send a notice to whoever is signed up for the water; it could be either the owner or tenant.

263 CEASE: Refers to wording in SB 886, ln. 8, "shall be delivered . . . mail" can we require things of the U.S. postal service? Perhaps it would be better to use other language.

274 GRENSKY: It could read "served by first class mail".

279 SMITH: I am uncomfortable with reducing the requirement to put the notice in first class mail. Would you be content if we allowed for

registered mail, personal delivery or posting in a conspicuous place on the building and deleted the first class mail part?

291 KURTZ: It would be a better compromise than not being allowed to deliver it at the door.

319 GRENSKY: In response to Sen. Smith's comment, I can sympathize with the need to conserve costs, however the people who pay their bills pay for the registered mail. The fact that someone is not reading their mail or moves and does not leave a forwarding address should not require those paying their bills to pay for registered mail to notify someone of water cutoff. First class mail should be adequate notice and the burden should fall to the people who are not living up to their contractual obligation.

354 CEASE: I still question whether we ought to use the language "delivered to"?

362 GRENSKY: Would "mail to the user" work?

365 CEASE: The current law reads the "notice shall be by registered mail", I would assume we could say the "written notice shall be by first class mail".

WORK SESSION

384 MOTION: SEN. CEASE MOVED DELETING "DELIVERED TO THE USER" ON LINES 8 AND 19 OF SB 886. MOTION CARRIED BY ACCLAMATION.

399 MOTION: SEN. CEASE MOVED SB 886 TO THE FLOOR WITH A DO PASS AS AMENDED RECOMMENDATION.

407 VOTE: MOTION CARRIED, 4-1. VOTING NO: SEN. SMITH. (EXCUSED: SEN. BUNN, SEN. KITZHABER). CHAIR OTTO WILL LEAD THE FLOOR DISCUSSION.

421 Meeting adjourned at 4:04 p.m.

Submitted By:

Joan Green
Assistant

EXHIBIT LOG

A - Written testimony, Birnie, 2 pgs. B - Proposed -1 amendments to SB 31, Birnie, 1 pg. C - Written testimony, Mangis, 9 pgs. D - Written testimony, Kurtz, 4 pgs.

Reviewed By:

Jayne Hamilton
Assistant