

# Portland Utility Board

Tuesday, February 3<sup>rd</sup>, 2026, 3:30 p.m.  
Virtual meeting using Zoom platform  
Meeting #221

## Attendees

### PUB Members

Kyle Chipman, Co-chair  
Lauren Rosenkranz  
Cormac Burke  
Bruk Berhanu  
Lorraine Wilson  
Darrel Bobb  
Dr. Myra Khushbakht  
Jenny O'Connor  
Julia DeGraw  
Joanne Johnson, Ex-Officio

### Absent

Alexis Rife\*  
*\*Notice of absence provided prior to meeting*

### Staff

Amy Archer-Masters, Portland Utility Board  
Analyst, City Budget Office  
Jonna Lynn Bransford, Portland Utility Board  
Coordinator, City Budget Office  
Ting Lu, Director, Portland Utility  
Farshad Allahdadi, Environment Services  
Ken Ackerman, Water Bureau

### Public

Carol Cushman, League of Women Voters  
Jessica Bull  
Clark  
Michael

## Background & Video

### Acronyms & Definitions

In these notes PWB or “Water” stand for Portland Water Bureau, BES for the Bureau of Environmental Services, PWSA for Public Works Service Area, PDAT for Project Delivery Advisory Team, ARC for Administrative Review Committee, and PUB for the Portland Utility Board.

### Video Recording

The [video of the meeting](#) as well as supporting documents can be found here:  
<https://www.portland.gov/pub/events/2026/2/3/portland-utility-board-meeting> .

In the below notes the **blue timestamp** indicates the approximate place in the video where a particular topic begins as well as providing a link to that portion of the video. For example, **3:45** indicates that this topic begins at approximately 3 minutes and 45 seconds into the video.

Closed captioning is available by clicking on the CC symbol in the lower right side of the video tool bar.

## Discussion, Action Items, Decisions

### Meeting Summary

The Portland Utility Board received updates from members involved in the Bull Run Filtration Projects Project Delivery Advisory Team (PDAT), followed by a briefing on budget scenarios and rate increases for the utilities. The meeting concluded by identifying PUB members to volunteer in Administrative Review Committee (ARC) meetings over the rest of the fiscal year.

### Call to Order

Lauren Rosenkranz, PUB voting member, called the meeting to order at approximately 3:33 p.m.

### Disclosure of Communications

There were no disclosures.

### Public Comment

None was offered.

### Review of Minutes

Draft minutes from January 6<sup>th</sup> & January 18<sup>th</sup> were distributed and accepted as written.

### Updates [6:31](#)

#### Project Delivery Advisory Team (PDAT)

Two PUB members who represent PUB on PDAT presented. They had a site visit and their first meeting in January. They shared more about the Bull Run Filtration Projects' goals and PDAT's work, focusing on safety and long-term resilience and allowing for potential future expansions or updates to filtration method. The board learned that three more advisory team meetings will focus on risk management, project communications, and plant startup/commissioning, with 2026 being a critical year for spending and timeline setting. The board also noted that a decision on the second LUBA appeal is expected at the end of the month, with one more opportunity for appeal afterward.

#### *PUB Questions, Comments, Concerns*

1. Point of curiosity around the LUBA appeal, delays to timeline, and ballooning of cost.
2. Would be interested in any updates about financing, including securing another WIFIA loan.
3. Interest in understanding how community engagement is proceeding and what goes into messaging decisions, particularly with relation to the surrounding community and ways to avoid further delays.

4. There is also interest in understanding the timeline of any further LUBA appeals or delays and opportunities for PUB to testify in alignment with PUB's strategic priorities.
5. What can be expected from the three experts? What are they focused on? (Member was pointed to the PDAT site shared earlier for information about the other experts.)  
Members just want to understand more generally the work that the advisory team will actually be doing.

Director Lu provided some additional information in response to some of the questions, iterating that they do have plans to continue engaging with the community to help avoid further delays and contain costs, and they will plan to share more about their communication strategy in two weeks at the next update. She explained that part of PDAT's charge is to look into the risks the project has and how they can mitigate some of those risks, as well as helping them hold contractors accountable when there are delays.

### Budget Updates [29:55](#)

The bureaus are preparing three concepts to submit internally to Budget Office by Monday, February 9<sup>th</sup>, with a follow-up briefing with the mayor scheduled for February 12<sup>th</sup>. The information is expected to be publicly available between February 20<sup>th</sup> and 25<sup>th</sup>. Staff also mentioned a potential public works budget work session before Council on February 25<sup>th</sup>, which the board members agreed was an important opportunity for engagement. *(After the meeting, the date for that work session was updated to March 11, 2026).*

Utility staff presented updates on behalf of Water & BES, outlining three scenarios requested by the mayor.

- **Scenario 1:** Maintain current service levels, calculating the rate increase needed to account for inflation. BES calculated that to maintain current service levels, they would have to increase their rate increase from 5.15% to 5.9%, and Water calculated a need o increase from 8.1% to 9.8%. This would result in a total combined rate increase of 7.5% (up from 6.36%), with an average increase of an additional \$2 for monthly utility bills.
- **Scenario 2:** Maintain the originally forecasted 5.15% combined rate increase, and if the resulting revenue would not be sufficient to pay for the current service levels, to identify reductions to fit within that revenue profile. This would result in reductions of a little bit more than \$4 million between the two bureaus and an estimated \$2-\$4 difference in monthly utility bills.
- **Scenario 3:** Create a reduction package that reflected a 5% reduction in revenue and corresponding expenditure reduction (to simulate the ask of general fund bureaus, who were expected to produce 3% and 10% cut packages). This would result in reductions between \$16-18 million dollars between the two bureaus.

Overall the reductions would be greater this year under the scenarios than what they took last year for a number of reasons, including that inflation exceeds what was forecasted in financial plans, and the reductions that were made last year have carried forward into the current year so they are starting from a place of diminished resources.

Utility staff walked the group through some of the Bureaus' preliminary ideas of where they'll be taking reductions if needed. They will prioritize based on risks, requirements for permits, and regulatory compliance. Taking reductions will increase the likelihood of infrastructure failures out into the future, in addition to risk to strategic planning for capital, development, and delivery.

#### *PUB Member Questions, Concerns, Comments*

1. Question about whether the Bureaus have done any workshopping around what kind of rate increase would be needed in order to restore cuts that have been made over the previous 5 or so years.
  - a. They have not done that analysis, and with all the reorganization happening at the City right now, it would be very challenging to "turn back the clock," but they do have a good sense of what their service level requirements are to stay on top of their operations and maintenance needs and to begin to address future capital investment needs. They're working on figuring out how to quantify that in terms of rate increases as a joint utility.
2. Where we are as an advisory board, are we anywhere near getting the information required to be able to advocate effectively or meet with Council? Also requested clarification around what the rate increase impact will be to rate-payers.
  - a. Utility staff acknowledged that PUB does not typically get information as early as they prefer, and the Utilities have been trying to fix that, but with all of the changes in budget development this year, it has been even more challenging than normal. Today's briefing was very high level, whereas by this time last year, they were able to present more line item detail. PUB staff clarified that materials are expected to be published between Feb 20-25<sup>th</sup>.
  - b. *At this point, rate increase is still not determined, but the different scenarios were described.*
    - i. Current average bill is \$170/month.
    - ii. If the Utilities stick with the 6.36% combined for the two utilities, for next year the bureaus will have to find a combined \$4 million in reductions to expenditures to balance their budgets.
    - iii. If the combined rate increase is 7.5%, it would increase the average bill by about \$2 per month.
    - iv. If asked to reduce rate revenue by 5%, the average customer would experience around \$4 per month reduction to their bill, but the Bureaus would have to reduce their budgets by ~\$16 to \$18 million range, so while this would save a little bit of money for customers, it would have a really significant financial impact to the bureaus.
3. What will reductions mean for capital investment and deferred maintenance?
  - a. There is between \$6-7 Billion capital investment backlog in BES alone. Water also has a significant backlog. So if we're only falling further behind the curve, especially with the way that costs are increasing, risk and liability are growing.

- b. Director Lu added that capital investment and operating budget are tied to each other because there is only so much money to go around. They can't catch up on all the deferred maintenance, so there are emergency repairs, which then puts pressure on the operating budget. In budget discussions, they talk a lot about the next year, what the rate increase will be, and what is the potential impact to the utilities, but internally they are also always talking about the projection for the next 3 to 5 years.
- 4. In response to the potential for rate increases, PUB member reminded the group about additional fees that will be or may be added to the utility bills (Flood Safety Benefit fee has been approved and will be added to utility bills starting July 1, 2026, whereas transportation fee discussion is still in preliminary exploration but seems to have support from Council). Those additions, along with the rate increases, could lead residents to push back more and there has not been enough communication around this. The member expressed concerns that they could be walking into a very difficult situation, proposing a certain amount for the rate increase, but then actual costs go up way more because of the FSB fee and potential transportation fee.
  - a. Director Lu will make sure to circle back on this feedback and provide information/updates to PUB.
- 5. Building off a One Water webinar that the member observed ([link to Webinar here](#)) – they included call to action in the Senate (to bills) at the federal level – any movement on federal funding to help offload some of the burden from ratepayers?
  - a. They have a long practice of trying to find non-rate revenues. They have been tracking what's happening at the federal level. Not as simple as money flowing directly, often they filter through a state process of allocation of those funds and there are a lot of criteria on those funds (shovel ready, rural vs urban). Every dollar counts, so we're trying not to miss any of those opportunities. But there are no silver bullets. It would be helpful to have a share of what's flowing out of Washington, but a major (and probably principle) share will be community funding.

### Co-chair Discussion [1:11:13](#)

As of this meeting, no members had yet volunteered or been recommended for the second co-chair role, but members were encouraged to reach out to PUB staff with questions or interest.

### Recruitment [1:13:16](#)

The PUB will have at least one vacancy starting July 1, 2026, so they need to do a recruitment for that position. Given that the recruitment process can take a long time, PUB Staff prefers to start the process as soon as possible. They shared a high level overview of the recruitment process, asking for PUB members' permission to proceed with the recruitment posting and other front end processes.

In an upcoming meeting, PUB will be asked to select 2-4 members to serve on a recruitment committee to review materials and make a recommendation for voting member appointment to PUB.

PUB members assented to this, such that PUB staff may begin the recruitment process.

## Announcements & Next PUB Meeting

- ARC meetings
  - Volunteers identified for the rest of the fiscal year.
- One Water Webinar report-back – there was not sufficient time for this, but the recording of the webinar will be shared with PUB.
- Data Privacy Office
  - There was proposal before City Council to establish a new city data and privacy office focused on data governance and smart asset management.
  - A member raised concerns about the budget implications of this proposal, recognizing how expensive this could be. For now, additional budget is not being allocated in the current year but could potentially be included for next fiscal year.
- PUB Leadership Team meeting February 25, 2026 – members were asked to share with PUB staff any items they'd like brought up with leadership in that forum.

## Closing

**Meeting adjourned at 5:00 pm**

**The next meeting will be Thursday, February 19<sup>th</sup>, 2026.**

Possible topics

- PDAT
- Budget updates and engagement

Likely future topics

- Recruitment
- Solid waste rates
- Tryon Creek

Potential Future Topics: Carryover from prior meetings, Natural Resources Service Delivery, Permitting reorganization update, strategic & equity plans updates. STEP, PCEF updates, filtration update.