

Portland Utility Board

Thursday, November 21, 2024, 11:00a.m.

Virtual meeting using Zoom platform

Meeting #193

Attendees:

PUB Members:

Robin Castro, Chair
Alexis Rife
Christopher Richard
Lauren Rosenkranz
Karen Williams
Lorraine Wilson
Julia DeGraw
Roslyn Gray, Ex-Officio
Joanne Johnson, Ex-Officio
Joe Spada, Ex-Officio

Absent:

Kyle Chipman*
Maly Haghshenas*
*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
Anthony Martin, Bureau of Environmental Services
Aaron Abrams, Bureau of Environmental Services
Sherri Peterson, Bureau of Environmental Services
Bryce Liedtke, City Budget Office
Anthony Locke, City Budget Office
Deliah Kwasitsu, Bureau of Environmental Services
Edward Campbell, Director, Portland Water Bureau
Cecelia Huyhn, Portland Water Bureau
Ken Bartocci, Bureau of Environmental Services
Brandon Zero, Portland Water Bureau

Public:

Jim Abrahamson

Items Discussed, Action Items, Decisions

In these notes PWB stands for Portland Water Bureau, BES for the Bureau of Environmental Services, and PUB for the Portland Utility Board, BAC for Budget Advisory Committee.

The [video](#) of the meeting as well as supporting documents can be found here:

<https://www.portland.gov/pub/events/2024/11/21/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.

The Board discussed and received additional information about the BES rate study and implementation, received an update about the budget and timeline from PUB staff, and discussed internal Board operations.

I. Call to Order

Robin Castro, PUB Chair, called the meeting to order at approximately 11:05a.m.

II. Disclosure of communications [4:48](#)

There were no disclosures.

III. Public Comment [5:25](#)

There were no public comments.

IV. Review & Approval of Minutes [6:18](#)

Minutes from September 3, 2024 and November 5, 2024 meetings were approved as submitted.

V. BES Rate Study [7:22](#)

Anthony Martin, Aaron Abrams, and Sherry Peterson from the Bureau of Environmental Services provided updates about the progress of the rate study and implementation. They discussed the challenges and opportunities faced during implementation and highlighted the importance of close partnerships and resources for big projects.

BES staff shared some challenges and opportunities that came up during the rate study and implementation process ([8:29](#)):

- Challenges, Opportunities, Lessons Learned
 - Staffing capacity in BES was brought up as a challenge multiple times.
 - Briefing elected officials starting in the New Year will be an important part of the Bureaus' work going forward

- Joint service level agreements and affordability work plans in partnership with PWB
- Communications needs for a project as big as this one, as well as the need for project management capacity, clarity around scope of work
- Stakeholder engagement & management around elected and Bureau leadership, getting buy-in at the earliest phases
- The need to complete rate studies more frequently
- Technical back-end implementation was challenging, so should begin sooner in future rate studies.
- Technical nature of this rate study made public outreach more difficult
- Modifications resulting from – or simultaneous to – the rate study:
 - Changed from impervious area to stormwater billable area.
 - This allows BES to respond to updated data & information
 - Expanded Clean River Rewards
 - Line & Branch Charges changes

PUB member questions [22:54](#)

1. Does BES expect to see a continuation of the staffing challenges mentioned in the presentation [23:15](#).

Sherri Peterson tried to answer this question. Post-implementation, they wanted to be prepared by leveraging existing resources, hired interns, beyond the calendar year, BES is looking at continuing to leverage existing resources. Just brought on a full-time analyst for stormwater billing side. That is the one continuous capacity building in terms of staffing. Aaron Abrams also mentioned that waiting so long between rate studies made it more challenging, and if they do rate studies more frequently, hopefully it will not be such a big lift for existing staff.

2. PUB member asked a question about sliding scale & income graduated rates mentioned in the BES rate study, and whether PWB will be looking into that as well. Asked whether staff can expand on this process, beginning of conversation – potential implementation timeline [27:00](#).

Anthony responded that BES heard feedback from customers interested in a greater focus on income graduated rates in the rate study. BES also means to clarify that PWB is being made aware of the feedback received in the Rate Study process, such that hopefully PWB can integrate that feedback into their work moving forward, but the BES staff does not know how PWB will use that information.

3. Data integrity question from PUB member, who wanted to understand more about the challenges with data integrity [29:52](#).

BES staff explained that BES is putting a lot of effort behind making sure that they are getting the best data possible, and they built in a process for customers to ask for review of their rate assessment if they believe they are not being billed appropriately. They are looking at new potential sources of data, more efficient ways of validating that data, making the process less cumbersome for staff, and improving the experience for customers. BES is also exploring other potential sources of data and ways of validating data and to provide a better experience for

customers. This ties to the new BES analyst position, since they will work on improving data collection and assessment.

VI. Budget Update/Process [34:17](#)

PUB staff shared an overview of the budget process and sought feedback from PUB about how to impact or inform the process. The [mayor's guidance](#) for the upcoming budget season directed BES/PWB to submit a budget that essentially resulted in about a 5% budget reduction (along the lines of the reductions asked of all service areas other than public safety). Mayor's guidance also specified that the reduction should not be made up by increasing rates in future years. At the next Board meeting, PUB will hear from the Bureaus directly. They will be looking at what service or capital project changes will need to be made in order to meet the Mayor's guidance.

PUB staff outlined the budget development process for FY2025-26. One difference from previous years is that there is not a specific requirement that bureaus engage with advisory committees, but BES and PWB are planning to actively engage with PUB about budget despite not having that requirement.

A chance for feedback/questions was offered.

1. PUB member asked about the original proposal for the rate increase that was provided prior to the mayor's guidance [42:59](#).

Initially, the two Bureaus were planning to request an increase of 8.1% for PWB and 5.15% for BES, resulting in an overall 6.25% combined increase. The Mayor asked for a 5% reduction to that, resulting in an increase of 5.94% for the combined rate instead (which means a 7.7% increase for PWB and 4.89% increase for BES).

2. PUB member asked – as we move forward with the budgeting process, how is community involvement will happen without the requirement for community input to advise or guide decision-making [44:45](#).

PUB staff began by explaining that for PWB & BES, PUB is still engaging since PUB serves as their budget advisory committee (BAC). While the two Bureaus are not mandated to work with PUB, they are still actively engaging with PUB. Other bureaus may or may not be working with advisory committees. Down the road, it is not clear what that community engagement will look like.

There will be budget information online, as well as engagement on the trial budget released in March, when there will be opportunities for public testimony. The public also has the opportunity to provide feedback year-round on budget using the budget comment form on the Budget website. Right now this is still evolving and there are opportunities to provide input.

PUB staff will keep PUB posted on opportunities: dates of community, engagement, sessions, hearings, etc.

3. PUB member expressed concern around advancing equity and anti-racist principles. This was followed by a dialogue among PUB members and Bureau staff about PUB's role in advancing equity within the PWB & BES as well as the City as a whole. A summary of that conversation is below. [48:33](#)

Members expressed that they were glad that PWB & BES plan to continue to work with PUB despite not being required to do so. PUB members wondered overall how communities engage, especially the most impacted communities; how the City's core value of equity is embodied in the budget process. In reference to a [Government Transition Advisory Committee recommendation to the City from September 2024](#), a member shared their concern that anti-racist principles do not seem to be prioritized in the City transition, raising the question of whether PUB may become misaligned with the new City structure.

PUB member reminded the group that the City of Portland has a history of racist policies, contextualizing this discussion within the reality of historical exclusion and racial oppression. Whatever tools or systems the City is using, PUB members want to understand the outcomes in the City, guarding against the tendency to believe that history resets itself over time. PUB Chair iterated that it was up to PUB to decide if they believe equity goals can be met under the current mayor's guidance. Another PUB member mentioned that they would like to see how anti-racist principles are used and put into practice – perhaps in December or January PUB meeting.

PUB staff responded they will do more research on how equity is being integrated into the budget process and get that information to PUB members, working with Cecelia with PWB and Ken and Farshad with BES. An ex-officio member also responded as member of the Equity & Policy Team that this is something that PUB can carry over with the new Council. BES staff also shared that their work groups use a budget equity strategy tool. While not focused solely on the budget, PWB staff shared that PWB has equity data toolkit is a tool that is used broadly – piloted in the Utilities, but has been used throughout the City. It's a great tool, but may not give the information requested related to equity in the budget development process. PWB equity dashboard references by EO member <https://www.portland.gov/water/equity>

PUB member's point stands – they would like to see how the toolkit is acted on in terms of budget decisions. This can inform how PUB responds to Council. They requested to have this information in the next meeting or at least by January.

VI Board Operations [1:11:29](#)

Time is limited, but there are two pressing issues that can be prioritized: PUB vacancy & Meeting schedule/format.

1. PUB member (Heather Day-Melgar) has officially resigned due to workload and time availability to stay engaged. With that departure and the loss of Bob Sallinger, there are now two unanticipated vacancies. Does PUB wish to proceed and attempt to fill those

two vacancies now or wait until regular recruitment in spring? Waiting to fill these vacancies could impact the ability to reach quorum, especially during budget season. There were two alternates identified in last year's recruitment that PUB approved for appointment if vacancies occurred, who could still be interested in joining the Board. [1:13:59](#)

One voting member expressed support for asking the two alternate candidates, and another voting member agreed. Labor representative noted that they are in negotiations with the City, which could also impact the ability to reach quorum. Another voting member also agreed to starting the appointment process. No members expressed disagreement with reaching out to the alternates. PUB staff will follow up with those candidates. They will be transparent about the challenges of starting during budget season.

2. Code Update [1:20:37](#)

Administrative changes were approved by council this week, making this discussion less timely. PUB staff will share the updated PUB code and discussion can happen at future meetings if desired.

3. Meeting schedule/format [1:22:18](#)

PUB members engaged in a discussion about scheduling over the month of December. PUB staff will share a scheduling survey to all members so that they will be best be able to use PUB members' time.

VII. Announcements

Time did not allow for announcements.

The meeting scheduled for December 3 at 3:30pm was subsequently canceled so the next meeting will be December 19, 2024 at 11:00am. Topics to be determined.

Potential Future Topics: Carryover from this meeting, budget information from PWB and BES, including equity outcomes related with budget decisions.

The meeting adjourned at approximately ~12:33.