

Portland Utility Board
February 7, 2023, 3:30 p.m.
Virtual meeting using Zoom platform
Meeting #144

Attendees:

PUB Members:

Alexis Rife
Bob Sallinger (arrived ~3:40)
Christopher Richard
Heather Day-Melgar
Joe Spada, ex officio
Karen Williams
Lorraine Wilson
Robin Castro
Sarah Messier, ex officio
Tom Liptan (arrived ~4:33)

Absent:

Julia DeGraw*
Theresa Huang

*Notice of absence provided prior to meeting

Commissioner: Commissioner Mapps

Staff:

Amy Archer-Masters, Portland Utility Board Analyst, City Budget Office
Anthony Locke, City Budget Office
Cecelia Huynh, Portland Water Bureau
Eliza Lindsay, Portland Utility Board Coordinator, City Budget Office
Farshad Allahdadi, Bureau of Environmental Services
Jeff Winner, Portland Water Bureau
Ken Bartocci, Bureau of Environmental Services

Public:

Carol Cushman, League of Women Voters
Jessica Zahnow

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.

The video of the meeting as well as supporting documents can be found here:

<https://www.portland.gov/pub/events/2023/2/7/portland-utility-board-meeting>

In the below notes the **blue timestamp** indicates the approximate place in the video where a particular topic begins. 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 had a conversation with Commissioner Mapps and discussed next steps in the budget work.

I. Call to Order

The Co-Chair called the meeting to order at approximately 3:30 p.m.

II. Commissioner Mapps ~5:30

Commissioner Mapps' Opening Remarks

Commissioner Mapps gave brief opening remarks focused on budget and charter reform. He noted that the utility bureaus will need to raise rates more than he would like. He believes it will be about 6.6% over what people paid last year which translates into about an \$8.39 increase in the average residential water and sewer bill. The driver is inflation. The good news is inflation rates seem to be settling down. Even with the rate increase the bureaus will need to moderate goals. The Commissioner asked for PUB's ongoing participation in the budget season and work.

The Commissioner explained the high-level changes resulting from charter reform. He will be the last Commissioner in charge of the utility bureaus. The expectation is that this role will pass to a City Manager tasked with coordinating the City's work. There will be four geographic districts with three Council members per district for a total of 12 Council members. Voting will involve a ranked choice system that has not before been implemented elsewhere in the USA. The goal is to increase equity and inclusivity. The City has recently convened a community-based committee to draw these four districts. There will be another community-based committee overseeing transition.

One of the challenges is that the City needs to lay a lot of groundwork before it can move to this new system. Bureaus have been clustered according to service area so as to break down barriers to access and service delivery. Part of his work as Commissioner over the next two years is to get the public works bureaus to work together more smoothly. This is exciting. For example, they have been working on permitting reform, increasing coordination, and shortening the time it takes to pull permits. They are trying to avoid the current sequential process where a customer has to go to several bureaus in a particular order to get permits for a single project. These changes will result in better customer service and the ability to deliver services more cheaply.

This budget cycle, the budget will be presented in service clusters. PWB, BES, and the Portland Bureau of Transportation (PBOT) will present at the same time. One of the goals of co-presenting is to de-silo thinking about infrastructure and increase efficiencies. Going forward there will be greater emphasis on looking for efficiencies and sharing resources.

Commissioner Mapps shared that he doesn't yet know where PUB fits in and that this will be figured out together. He noted that PUB is in a unique and privileged space because PUB already oversees two bureaus. There will also be general questions about the future of advisory groups and how they engage and inform City government.

Discussion ~18:00

The discussion began with introductions from the new PUB members who began their service July 1, 2022.

A PUB member shared that they testified on behalf of Willamette Riverkeeper last week. They have concern about the realignment work and where things are heading with the environmental elements of BES' work.

The Commissioner replied that he appreciated the testimony and thinks they are on the same page. He noted that BES is not just a sewer bureau but also about the protection of rivers and streams. He wants to ensure that BES continues to do innovative work. Currently, unlike in past years, the bureaus have very tight budgets and tough choices to make. The Commissioner spoke to the larger question that came up in the testimony, which is how to reimagine protecting the environment, especially given governance change. He sees this as an opportunity and doesn't go into the conversation with preconceived notions. He does not want to go backwards in terms of environmental work. He is open to new visioning partners. He noted that there are many intergovernmental partners in the environmental space, e.g., Metro and the drainage districts. A goal is to bring everyone to the table, not just City bureaus. The conversation needs to be driven by what we want to accomplish. It is too easy to focus on consolidation without attention to what we want to accomplish. He noted that one thing he wants to accomplish is to do better in the basic things the public works bureaus do, e.g., filling potholes or protecting rivers and streams. PUB, as an oversight body, has a role to play in this.

A PUB member mentioned that they are hopeful that these changes will make PUB's job easier, e.g., one office to go to. They asked what the Commissioner sees as the challenges as the City moves forward in transition. They also asked how PUB can partner in the transition work to ensure mutually successful outcomes.

The Commissioner said that one of the challenges is to stay focused on what we are trying to accomplish. There is a long history of rebranding and shuffling organizational charts just for the sake of shuffling. If that is all charter reform boils down to, it would be a lost opportunity. If we keep the conversation focused on what we're trying to accomplish, e.g., equity, good basic services, environmental protection, and etc., from there we can figure out the reorganization and partnerships. He also expressed concern with the fiscal constraints the bureaus are working within and the need to raise utility rates beyond what he is comfortable with, especially given how many are struggling economically. Unfortunately the economic conditions are such that large public works projects are getting more expensive. He noted that we should also do a better job of managing basic assets. ~40% of the City's assets are under the two utility bureaus. He noted that we don't know how to conceptualize assets such as the landscape or watershed.

A PUB member asked about the safety and quality of the workspace for workforce. They also asked about the Commissioner's priorities and how he manages the trade-offs when thinking about the current needs and rate increases.

The Commissioner said that while asset management can always improve, both bureaus are sophisticated in their asset management. PWB might be the most sophisticated City-wide and BES is doing well as well.

The Commissioner said that there are a variety of safety issues. One safety issue is an issue for every public facing city employees and that is the intimidation and violence when they serve the public. For example, how do we support the field workers in maintaining pump stations? The pump stations are often in wooded areas, adjacent to houseless camps, and can go down any time. One night three went down in middle of the night. If staff can't get there in about 1.5 hours, real damage can be done to the environment. He mentioned that employees have arrived and were chased off with machetes. Some pump stations have been shot up. He also mentioned that last summer staff at a PWB facility were threatened by a man with a pitchfork.

The commissioner said that another aspect to safety is ensuring that the facilities are safe spaces to operate. He noted that there are many basic infrastructural things to fix, particularly at the Columbia Boulevard Wastewater Treatment Plant, so that employees can navigate the space safely. Addressing these workplace issues is a priority. Sometimes there is a simple fix, e.g., just need to install better guardrails. Other times the solution is complicated and hard, e.g., hiring security guards because it is a challenging time to hire high quality security guards.

A PUB member said they hope the City is taking the opportunity to do the transition in a beneficial way and not restructure in a way that just creates new silos. For example, they noted that one of the main things on people's mind related to equity is the impact of climate change. Currently, there are different bureaus that deal with specific land management issues. Is there a possibility that these might be brought under a specific department or some such so that we don't have duplicate efforts and are not dealing with many different silos. They added that they are also concerned that the City continue to engage with Federally recognizes tribes in this arena.

The Commissioner said that the resolution that was passed recently told the City to develop a plan to implement Charter reform and gave homework for different City bureaus. Part of the homework for public works is to talk to other bureaus around how we can manage shared problems and concerns, e.g., managing open spaces. They are already having that conversation with Portland Parks and Recreation (PPR) and will be having conversations with other bureaus that manage open spaces in order to look for opportunities to collaborate.

To the second part of the question, the Commissioner said that the City takes tribal relations seriously and has an office devoted to that work. He also said that both bureaus are proactive in checking in and collaborating with the tribes around issues in their portfolios. He said there are some exciting projects in the works that involve collaborating with tribes. For example, they are currently working with native communities to both preserve the environment and create spaces for native communities along the Willamette around OMSI.

A PUB member said they are concerned with affordability issues. They asked about plans to expand financial assistance to reach more people. They noted that the financial assistance program the bureaus just ended required the extreme threshold that people be at the threat of eviction. While RAMP is a step forward, it also requires people to be in an economic situation such that they qualify for nonprofit reduced housing. They asked how we can assist people who are struggling but not quite at that edge.

The Commissioner said it's challenging. If you can find the dollars, then the question is how to deploy them. If the focus is on the poorest then the financial assistance dollars are used more quickly than if your focus is more towards the middle. They are looking to leverage resources where they can. They are concerned about the most vulnerable and want to keep their water turned on. He mentioned that Advanced Metering Infrastructure (AMI) will also create some opportunities to target resources to folks who are in multi-family dwellings.

The Commissioner's staff added that AMI is a long-term implementation that will provide data that tells us where the need is. PWB has hired a new equity data manager and is focused on gathering data and understanding how financial assistance is used by whom and where the gaps are.

The Commissioner noted that Council will take a vote tomorrow to move the AMI project forward. Once AMI is implemented the meter will be read wirelessly; real time information on water usage will be available; they will be able to do true monthly billing; they will be able to quickly identify leaks; and do some fine tuning on service delivery and financial assistance.

The Commissioner's staff added that they see this as an opportunity for great change. They don't want it to be change for change's sake, i.e., not just jumping into things without thinking it through. They are appreciative of the questions today, see alignment, and look forward to working together.

A PUB member noted that years ago, PWB and BES combined customer service functions. At this point, however it can look like PWB is the one coming up with solutions, e.g., on AMI and financial assistance. They asked what the Commissioner's expectation is for both bureaus' participation in these projects.

The Commissioner expressed appreciation for PWB being the public face of the customer service side. He said he expects BES to be fully engaged in finding solutions for the customer services issues. In his experience that has been the case. He said this is an example of the kinds of reforms charter change might allow for.

A PUB member shared that PUB has recommended collaboration, noting the potential benefits of consolidating and sharing resources. They noted that the efficiency of permitting and service delivery the Commissioner has mentioned can be helpful to folks that have the resources to invest in growth and development. They asked how consolidation and sharing resources will have an environmental benefit?

The Commissioner replied that they see a benefit in bringing together many bureaus and organizations to protect natural resources. For example, the joint BES-Metro project at Crystal Springs. They are also in conversation with PPR on doing a better job in managing open spaces. The Commissioner noted the need to balance preservation, a priority from the environmental perspective, and activation of sites, a priority from the recreation perspective. For example, Kevin Duckworth Dock might be a better fit for PPR to manage rather than BES as it is a dock you can use to access the river to swim.

The Commissioner summarized by saying that he sees the day-to-day operations of BES and PWB as fairly sound. It is the visionary stuff, e.g., partnering with PPR to grow tree canopy or better managing pollution in some of our open spaces where the exciting work will be.

The Commissioner concluded by noting that he enjoyed the conversation and values PUB's input. He would love to come back in a month or two to check in on where things are with budget and charter reform. He mentioned that by Halloween of this year he believes they will have a roadmap for

charter reform. This year's City-wide budget process will be interesting. The last two budgets involved more resources than the previous year. This year will not look like this. They will have tough choices and less resources. For utility bureaus this will mostly be reflected in an increase in rates. He thanked the PUB members for their service.

III. Disclosure of communications ~58:00

Bob Sallinger shared that he testified on behalf of Willamette Riverkeeper before Council on Thursday regarding bureau realignment. Willamette Riverkeeper has concerns about there not being a green vision, rather just a transferring of assets; concerns around Anderson lawsuit issues; concern that the focus is on the physical assets and not the environmental brain BES brings; and concern that the full range of environmental programs BES brings are maintained enhanced. He also noted that he has switched from Audubon to Willamette Riverkeeper.

IV. Minutes ~1:00:00

The January 19, 2023 minutes were accepted as submitted.

V. Public Comment ~1:00:00

Jessica Zahnow shared that she had listened to the Board's conversation with Commissioner Mapps. Rates are foremost in her mind. She said she is seeing a 10% increase year after year. Even if she doesn't qualify for financial assistance, it is becoming a bigger proportion of her expenses. She asked the Board to be mindful that rates continue to be top of mind for many folks in the community.

The Co-Chair clarified that members of the public don't have to sign-up ahead of time to give public comment.

VI. Budget Updates~1:04:00

PUB staff shared that work sessions begin on March 7 and go through March 23. They don't have a firm date for the work session, but it seems likely that the utility work session will be March 20, sometime between 1-4pm.

The next step in PUB's budget work is for Board members to talk more in-depth about recommendations and talking points for the work session. Given the quick timeline, this will be the work of the next three meetings.

A Board member asked if the new labor agreement had been added into the budget the Board will see.

PUB staff answered that since the agreement was just reached it would typically be added to the next round of the published budget. This is the proposed budget which comes out later in April. PUB staff will share more information as it becomes available.

PUB staff added that anyone on the Board with questions about reviewing the budget should reach out to PUB staff.

The Co-Chair shared that the Co-Chairs and PUB staff will be working to provide some framework to the bureau presenters regarding what we need and want at the meetings and asked the PUB members: How

will it be most helpful for all of us to receive focused budget information from the bureaus to inform us as we are developing budget recommendations? They don't necessarily need an answer now. Please do send to PUB staff what kinds of information from the bureaus will inform your decision-making.

A PUB member shared that as a new member and in thinking about the conversation with Commissioner Mapps and comment from the public, they would really like to understand the implications of rate increases and what happens if the rates aren't raised as much. They would like information about what went into the decisions around the rate increases as well as which projects are urgent, e.g., on the cusp of failure and what needs to be maintained on an ongoing basis.

A Co-Chair shared that to avoid accidental deliberation, it would be better to send it to just PUB staff.

A Board member shared that the more detail, the better. They are interested in changes over time, e.g., positions added or eliminated or not filled. They are interested in capital and operations add or cut packages. They are also really interested, now that the watershed program has been dismantled, how things compare to historical funding and staffing.

The Co-Chair agreed that it is sometimes hard to see long-term trends since PUB members serve 3-year terms. Budget season is a time where we can benefit from additional conversation amongst PUB members.

A Board member shared that this is their third budget season serving on PUB. They are preparing a written document of their proposed recommendations for the PUB's consideration. When they finish this document they will send it to PUB staff. They can include the Co-Chairs.

A PUB member shared that while they appreciate the strengths of the approach, they also have concerns about coming to the full PUB with a document of an individual's recommendations. It may set the stage and create an imbalance in the voices rather than all coming together with our ideas and building recommendations together.

The Board member shared that their intent is to help get the conversation started on a particular issue. They are not trying to pause the democratic process or skip anyone or anything.

The Co-Chair shared that the concern is more about the difference between one person coming in with their ideas as the starting point versus each of us coming in with our ideas.

The other Co-Chair added that it is more of a please be aware of the impact that your suggestions and recommendations might have on members who are newer and may have less time to devote. You bring a certain privilege and perceived power to the Board that you may not recognize. It is not about intent but about impact. They closed by thanking the PUB member for their time on this work.

VII. Next Meeting ~1:22:50

Co-Chair Robin Castro shared that her phone is not working. She is reachable by email and looks forward to hearing from Board members.

The next meeting is next week, Thursday, February 16, 11:00 a.m. and the focus will be on budget work.