

Portland Utility Board

Tuesday May 2, 2023, 3:30p.m.
Virtual meeting using Zoom platform

Meeting #150

Attendees:

PUB Members:

Alexis Rife
Bob Sallinger
Heather Day-Melgar
Julia DeGraw
Karen Williams
Lorraine Wilson
Robin Castro
Sarah Messier, ex-officio
Theresa Huang
Tom Liptan

Absent:

*Christopher Richard**
*Joe Spada**

*Notice of absence provided prior to meeting

Staff:

Amy Archer-Masters, Portland Utility Board Analyst, City Budget Office
Cecelia Huynh, Portland Water Bureau
Jeff Winner, Portland Water Bureau
John Maloney, Bureau of Environmental Services
Ken Bartocci, Bureau of Environmental Services

Public:

Carol Cushman, League of Women Voters

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/2023/5/2/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 potential testimony at the upcoming Rate Hearing. The Board voted to have delegates draft some potential talking points and deferred a final decision to the next meeting. The Board began a conversation about the transition in government, impact on advisory boards and next steps for PUB.

I. Call to Order

The Co-Chair called the meeting to order at approximately 3:31 pm.

II. Disclosure of communications [~4:00](#)

Tom disclosed that he communicated with BES spill and pollution response group regarding a spill on Swan Island and had a positive response. If you ever see anything like this you can call 503-823-7180.

Theresa disclosed that she has been involved in regional habitat and activity work groups and has been in contact with BES in regards to this project.

III. Public Comment [~5:30](#)

There was no public comment.

IV. Minutes [~6:00](#)

Tom shared that he reviewed the recording of the meeting since he was not able to attend. He will work on some ideas to bring back to the board to make suggestions to improve the proposal. He also shared that minutes captured a lot of what people say but are not verbatim and he felt there were some things BES staff said that were pertinent but not in the notes. The co-chair suggested that if he had any edits to send to PUB staff.

The April 20, 2023 minutes were accepted as submitted.

V. Budget Work [~8:08](#)

The co-chair shared that PUB is nearing the end of the budget process. The Mayor's proposed budget decisions will be released later this week. Next steps include the Approved Budget hearing on May 17th and the Utility Rate Hearing on May 24th at 2:00pm. The focus of the discussion today is on whether to provide testimony at the rate hearing and if so, the content.

PUB staff said they would send the proposed decisions out once available and highlighted that there may be some items that could impact utility budgets such as the Development Review Advisory Commission (DRAC) recommendations around Service Development Charges (SDCs). Staff noted that it is not clear if it would move forward, but for utilities the SDCs pay for debt on work completed so if they were suspended it could impact rates.

The PUB discussed whether to provide testimony at the May 24th Utility Rate Hearing with Council.

- The co-chair inquired if the PUB wanted to take a position on the rate increase if this might be a good opportunity to engage on that? They stated that they would like to hear the Mayor's proposed and then work based on that information.
 - PUB staff confirmed that prior letters and testimony touch on components that are impacted by the rate increase but you have not clearly stated support or opposition to rate increase so that would be appropriate at this phase if there was majority agreement. This is also opportunity to highlight things PUB deems important and/or provide any new testimony.
 - There is one more PUB meeting to finalize any decisions about testimony.
- A PUB member stated that in prior vote on letter that there were some issues not addressed and those were the basis for their "no" vote on the letter. They stated that they do not agree with the sale of the Tryon Creek Treatment Plant for \$1 and suggested that PUB should recommend that it be adjusted. They also stated that the Automated Meter Infrastructure (AMI) implementation be delayed until the City is through other large capital projects to spread out the expense. Stated they are not opposed to AMI, just the timing.
- Another PUB member stated they looked into the TCWTP and were left with a lot of unanswered questions. They would support a brief statement in testimony that the City take another look at the land deal. Another member showed support for this suggestion.
- A PUB member shared that if PUB knows what they want to say that it is good to have a presence at the hearing, but it was not clear what would be shared.
- A PUB member shared that one or two members just being present could be valuable. They shared that if PUB was just repeating prior testimony and recommendations then they do not see value in speaking unless we actively engage in a meaningful way and it amplifies community voice.
- PUB staff clarified that there is not a clear agenda yet for the rate hearing but typically PUB would have 5 minutes or so for testimony.
- Several PUB members stated that PUB needs to determine if there is consensus/majority that want to weigh in on revisiting the TCWTP agreement.
 - A PUB member asked if there were responses to prior questions Tom and others had submitted regarding TCWTP. PUB staff confirmed that responses to questions have been received and brought up copies of budget letters for members to review what has been stated by PUB regarding Tryon previously.
 - A PUB member noted that the prior letter states that PUB has not reached consensus on the topic and indicated that PUB would need to reach agreement to warrant speaking on the topic.
 - A PUB member noted that they could not find an explanation for transferring ecologically important land to Lake Oswego for just a dollar without any conditions on it. They stated that riverfront land is incredibly valuable so they were surprised not to find detail and suggested more questions were warranted.
 - PUB members Bob and Tom agreed to help draft a statement for PUB to consider.
 - A PUB member stated they would like more information about the why and the why not, side by side, to better understand before making a decision. They stated that some of the statements today about having done research and value of the land were very dominant culture. They would like more information to make a more informed decision.

- PUB staff shared that when BES has shared information in meetings that there are limitations to what can be shared in a public meeting. They reminded that Farshad Allahdadi did make himself available for one-on-one meetings with PUB members to share information directly.
- A PUB member noted that they did meet with Farshad and that there was information that he did not share as it related to the leverage they had on the negotiations. They did get a lot of information, but it raised more questions about the land deal and other provisions of the agreement. During prior presentations BES shared that the treatment plan would cost millions to repair but did not give information on all the options considered, just this selected approach. What stands out for them is that Lake Oswego is willing to buy 12 acres of land for \$1 with all its burdens and encumbrances, and Portland will pay for half of the new land as well. When asked Lake Oswego what they would do with the land they said that would be in a future process. The land is worth a lot of money, so on top of other generous provisions of the agreement they believe it is a mistake on the part of the Portland negotiators. During Lake Oswego's December meeting the Assistant City Manager was bragging about the deal. It seems Portland could get a better deal.
- Co-chair noted that there seems some interest in making a general statement about the values. They also indicated PUB staff could send prior information provided so that PUB members would have that for decision making.
- A PUB member reminded that it seems that they are diving into details and the rate hearing is talking about the rate increase, which is an area Council asked at the work session whether PUB supported the increase. What is the line item for TCWTP in the current budget and how does it relate to current rate proposal? They feel that the services provided by those rate increases should be more of the topic at the hearing.
- A PUB member suggested that to keep it at a high-level PUB should tell Council that the TCWTP agreement could be better in terms of the economic impact to the City, which affects rates. Then we could include all of the items on the agreement.
- A PUB member stated that they could support the general values statement with the tie of TCWTP item back to rates. They also do not want to lose track of being conscious of the lens we are using to determine what is a good deal and what is not. It sounds like Portland versus Lake Oswego and may be losing sight of treating water so that environment and public health are protected. Getting into the weeds of the financial dealings is a very particular lens about how we value things. They will reserve judgement until they can review a draft recommendation at next meeting.
- A PUB member noted that PWB stated that rate increase would support RAMP (multifamily assistance program) and apprenticeship program to diversify staffing, so if PUB is making a values statement and want to support workforce development and equity initiatives this is the opportunity to reiterate those. If making a statement, the value shouldn't be in one item but should touch on other values.
 - Another member responded that it was already provided in letter and to include would detract from this priority.
 - They responded that this is not an either/or situation and while TCWTP was important to the other member, they were also sharing what was important to them.

- Goldann shared that they listened to the work session and confirmed that the rate hearing is not a time to get into the weeds. They suggested that it would be best to take broader strokes and touch on policy decisions that are impacting rates.
- A PUB member stated that they supported bringing it in initially but intended it as a one-liner of a larger discussion. They agree the rate hearing is broader and if this is one-line along with other items they support that but otherwise the rate hearing is not the right forum and if PUB wants to pursue it there is probably another way to do it.
- Another PUB member agreed that adding a sentence of TCWTP pending more information, but agree that it would be good to reiterate high priority values like RAMP and take advantage of time in front of Council to re-iterate that.

VOTE

Robin made a motion that Bob, Tom and PUB Staff/Amy come up with draft talking points, value statements in line and possibly a line on Tryon Creek and PUB will decide at next meeting whether to testify. Seconded by Karen.

There was no public comment.

Motion passes.

Actions:

- PUB staff will circulate links to prior information relating to TCWTP and offered to speak one-on-one with any members that have questions.
- Bob and Tom to draft a recommendation for PUB to consider prior to the next meeting.
- PUB will consider at May 18th meeting draft testimony and whether to testify.

VI. Advisory Board Transition and Recruitment ~1:00:11

The co-chair shared that the City is going through major changes and as an advisory board we have an opportunity to chart a course in the midst of the transition. One of the questions to answer is how does PUB want to conduct a recruitment for PUB since 4 members end their terms June 30th? Typically, PUB would have started a process in early spring but that has not happened since so much is in transition. Another question is how PUB remains relevant in an environment where the bureaus no longer report to Commissioners. They welcomed Michelle Rodriguez and Goldann Salazar to the meeting to start the conversation about the board transition and share some context and perspectives from the Commissioner's office.

The Commissioner's office laid out the background as much as they could in the read-ahead materials provided to PUB members in advance of the meeting so Michelle began the discussion with any questions resulting from that summary [available online](#). The changes coming could mean changes for advisory bodies as well as opportunity.

- A PUB member noted that during budget discussions there were concerns raised about bureaus moving too fast without a lot of public input besides the vote. How much, if any, public input has informed the Commissioner's recommendations and options about next steps for PUB?

- Michelle responded that the PUB is the public that would have an opinion. Of all the emails received about transition, none have been on advisory bodies. Commissioner Mapps is the one that has raised it with leadership. Late last week Civic Life's Advisory Body program sent an email about sunsetting some advisory bodies. We do not know what scoping is being used to make these decisions.
- A PUB member asked what other advisory bodies are doing and if there is any guidance for them? Is this an opportunity for advisory bodies to come together to discuss this issue?
 - Michelle shared that she used to manage the program at Civic Life so has some background information. The high-level mission and values were for the advisory body program to support disparate groups, recognizing substantial volunteer time that is important work but without any guardrails other than those created for a Budget Advisory Committee.
 - There are over 150 advisory groups with a wide range of topics, Portland Police and Bureau of Transportation probably have the most with over a dozen each. There was no legal training, volunteer training, and unclear about responsibilities such as risks. The program attempted to codify broader guardrails to help people understand roles and improve recruitment to ensure that membership was broad and not select people serving on multiple advisory bodies. Since then, the program was on hiatus during staff transition and a new staff person. Expect that role to be involved in figuring out next steps for advisory bodies, but otherwise do not know how the Mayor or Office of Management and Finance (OMF) is approaching advisory bodies.
 - Michelle shared that Commissioner Mapps is supportive of PUB's work and recommendations are based on trying to engage PUB in the work so that it could inform what comes next. Goal was to discuss options such as:
 - Status quo, review of budget cycle (2 more cycles before new Council, one in midst of an election) but personally worry if that is the only focus that it will not have positive impact or lose relevance.
 - Transition of work of utility bureaus – Commissioner has begun leadership meetings to discuss a Public Works service area (2 meetings in last 2 weeks, beginning to set stage but no decisions made).
 - Envisioning future of PUB in context of Public Works area – not necessarily take on Transportation as well, but how does PUB fit within the new structure.
 - Envisioning what is the future of advisory bodies as a whole.
 - Michelle suggested not taking on all these topics but identify a focus area.
 - Goldann explained work that is going on in OMF laying the groundwork of the new government structure. Feedback she has heard is that advisory bodies are low on the priority list because they are decentralized and there are so many of them. They have discussed potentially shifting to a committee structure such as Public Works or maybe outcomes-based committee such as affordability. These will not be solidified for a while,

but there have been some discussions about policy issues such as PUB's payment/stipends program and formalization of advisory bodies.

- A PUB member asked what are the things that will change in new governance and what is not going to change? For example, there is a whole body of work done before new structure so assume we are not starting new so what are the things that will continue or are subject to change?
 - Michelle responded that we do not know. This is the worst version of riding a bicycle while building it.
 - Goldann noted that it also involves reviewing and modifying code so OMF will be auditing code.
 - Goldann explained that OMF has staff doing the work of convening people on the work structure. Then you also have leadership within the bureaus and Commissioners' offices as they work on auditing their bureaus and prepare to submit joint budgets in the future.
- The co-chair noted that our time was limited so this conversation will be continued. They suggested it may be a good exercise to review PUB's governing code and consider "What would need to change?" as a minimum.

Michelle noted that the Commissioner's office would like to hear if there is a sense of what direction PUB would like to go in. There is also the recruitment for members as well as for staff with recent vacancy. If there is a smaller scope, then different approach to membership. Going through code is great, but OMF is reviewing some of that as well and identifying needed changes but if PUB members had feelings about direction that would be helpful.

The co-chair identified that the more meaningful conversation is around scope of work, the code exercise could just be a way to start. PUB could look at work plan from last year, what PUB has accomplished and what is left for next group of PUB members to continue. May 18th discussion could be around meaningful work for PUB to continue, what new scope could look like and what recruitment looks like considering these decisions.

VII. Announcements and Next Meeting [~1:34:00](#)

Next meeting Thursday, May 18, 2023, 11:00a.m.-12:30 p.m.

The meeting adjourned at approximately ~5:09 p.m.