

Portland Utility Board

September 17, 2020, 11:00 a.m.
Virtual meeting using Zoom platform

Meeting #87

Attendees:

PUB Members: Amy Chomowicz, ex-officio
Brian Laurent, ex-officio
Dory Robinson, co-chair
Gabriela Saldaña-López (left around ~11:40)
Heidi Bullock, co-chair
Kaliska Day
Karen Y. Spencer
Karen Williams
Micah Meskel
Mia Sabanovic
Robert Martineau
Sara Petrocine, ex-officio
Ted Labbe

Absent:

*Notice of absence provided prior to meeting

Staff:

Amy Archer-Masters, Portland Utility Board Analyst, City Budget Office
Astrid Dragoy, Senior Policy Advisor, Commissioner Fritz's Office
Cecelia Huynh, Director of Finance and Support Services, Portland Water Bureau
Eli Rosborough, Bureau of Environmental Services
Eliza Lindsay, Portland Utility Board Coordinator, City Budget Office
Gabriel Solmer, Deputy Director, Portland Water Bureau
Sarah Santner, Portland Water Bureau
Steve Hansen, Bureau of Environmental Services
Teresa Elliot, Portland Water Bureau
Yung Ouyang, City Budget Office

Public:

Ana Brophy
Carol Cushman, League of Women Voters
David Sweet, Cully Association of Neighbors
Janice Thompson, Citizens Utility Board
Ryder Canepa, Portland Democratic Socialists of America

Synopsis, Action Items, Decisions

In these notes the acronym, PUB, stands for the Portland Utility Board, BES for the Bureau of Environmental Services, PWB for the Portland Water Bureau, and SPUR for Small Business Program for Utility Relief.

The Board heard a presentation on advocacy efforts for COVID-19 relief from private utilities, updates on SPUR, updates from a recent ARC meeting, and discussed proposed changes to Title 21 and the upcoming Council work session. Brief updates on the recent bureau reassignment, the wildfires, and PUB recruitment were also shared.

Decisions include:

- PUB to provide testimony at Council work session on Title 21.
- Adoption of FY 2020-21 annual report and workplan.

Details on the individual decisions can be found below.

I. Call to Order

The Co-Chair called the meeting to order at approximately 11:00 a.m.

Virtual meeting guidelines were briefly reviewed.

II. Introductions and Disclosure of Communications

Heidi had a few meetings with BES staff on the Portland Harbor Superfund site.

Ted had the usual interactions with BES staff for his non-profit work. The Urban Greenspaces Institute for which Ted works has endorsed the Hydropark ballot measure. Ted clarified that the Urban Greenspaces Institute does not receive any money from the Portland Water Bureau.

Karen YS had communications related to the SPUR program and attended an ARC meeting.

III. Public Comment

David Sweet, Land Use Chair for Cully Association of Neighbors (CAN) commented on the proposed changes to Title 21.12.070 related to individual metering. CAN is working to prevent the displacement of low-income people and people of color from Cully. Four and a half years ago CAN adopted an inclusive Cully policy including support for additional affordable and modest-cost housing in Cully. CAN supported the Residential Infill project from its inception to its conclusion. As such CAN is dismayed to see a proposed policy that would threaten the implementation of residential infill. The requirement of separate meters would add upwards of \$10,000/unit to the cost of development of small multi-family complexes and \$200 a year or more in basic water services charges. He added that while he understood this is proposed as a way to make the financial assistance discount available to low-income-residents, it is not the way to do so. He mentioned that many low-income folks are living in multi-family housing of more than 8 units and thus, would not get these individual meters. He also added that because the financial assistance discount is a fixed amount, rather than based on water usage it does not seem that a meter would be necessary for the discount. He concluded by saying that he hopes PWB will find a way to extend the discount to more low-income families. He does not believe individual meters is the way.

IV. Approval of prior minutes

The draft minutes for the August 20, 2020 meeting were approved as submitted.

V. Private Utilities: Advocacy Efforts updates

Ryder with Portland DSA (Democratic Socialists of America) shared that he is part of a small group within Portland DSA that is currently looking at public and private utilities, especially the power utilities. They’re advocating not just for moratoriums but cancellation of bills throughout the state for the duration of the COVID-19 state of emergency. They are also looking longer-term at what wider public utilities service would look like in the Portland area. What would the transfer from private electric utilities to public utilities look like? They are still in the early stages of research. He concluded that he was at PUB to listen and learn about PUB.

Gaby, the PUB member who arranged the update added that as a public board the Board should think about its advocacy role. What kind of advocacy can the Board do to support these efforts? This is just the start of a conversation and she is committed to keeping the conversation going.

A PUB member asked to hear a few more sentences about the advocacy work of Portland DSA and what kinds of actions or advocacy would be helpful to their efforts.

Ryder answered that most of the chapter is currently focused on universal preschool. Ryder is part of a smaller eco-socialist working group that is linking utilities to the larger ecological crisis. They are thinking about renewable energy and how the transition to public ownership can happen. They are also thinking about how the Covid-19 crisis is creating a need for immediate relief. For many folks the discounts and moratoriums are not enough. Other chapters of DSA have also been looking at full cancellation of bills.

VI. Small Business Program for Utility Relief (SPUR)

Presentation

Karen YS, PUB representative to SPUR shared that the SPUR awards went out and provided additional details beyond what was in the press release. 519 credits were issued. About 20 more are being finalized. Some statistics about the awards include:

Demographic	% of credit	% of dollars	Comment
BIPOC	87	~the same	Almost but not exact number of dollars awarded as credit, because dollars based on business size and water usage
Women + non-binary folks	60	52	Smaller businesses? Less water usage?
Nine or less employees	84	74	SPUR committee emphasized reaching small businesses that might not have had relationships with banks and might not have gotten PPP (Paycheck Protection Program) from the federal government

Demographic	% of credit	% of dollars	Comment
Restaurant/food service	40	55	
Childcare	17	8	Tried to boost this based on intentions of City when the program was enacted
Landlords + commercial	6	10	Landlords listed on public document with other grantees; hope is the credits will help BIPOC businesses located within the commercial properties

After the awards were made the PUB representative to SPUR reached out to a couple of businesses that were not awardees to ask if they had applied. They had not. One business shared that there is always some catch with these types of government programs. Because they are stretched so thin, they simply did not have capacity to figure out and evaluate the catch. Another business was a renter. They did not want to work with their landlord in applying as they didn't want to raise any questions about possibly not being able to pay rent. The PUB representative brought these issues to the SPUR committee as they are reflective of things that need to be addressed moving forward.

Question and answer

A PUB member asked if SPUR was open to renters, noting that they had reached out to a couple of businesses that had felt they would not qualify because they were renters.

PWB staff answered that SPUR was open to both renters and property owners. However, a credit could only be issued to an account holder. So, renters were encouraged to work with landlords. PWB heard from both community and SPUR committee members that this was challenging. This is something to work on going forward.

Another PUB member asked about the possibility of addressing the issue by working with a third party and using a voucher system like with the multi-family housing financial assistance program.

PWB staff answered that right now they are closing out and evaluating the existing SPUR program. They have not begun thinking about what's next. That would be something to explore.

VII. Administrative Review Committee (ARC) Meeting Report

A PUB member reported back from a recent ARC meeting. Pre-COVID a church had been struggling to pay their bill but were managing to do so on a payment plan. With COVID, they could no longer conduct services and their revenue went down. At the same time, they were deemed an essential service. They went from providing assistance to ~1000 folks/month to over 9000/month. At ARC they requested relief from their bills. The ARC committee has no provision to provide bill waivers but recommended a 16-month payment arrangement. The ARC committee also encouraged the church to investigate the Clean River Rewards Program. The church was excited to learn about the possibility of a discount.

The PUB member followed up to learn more about the Clean River Rewards program. New customers are told about the program. Customer service representatives are encouraged to also mention the

program when customers raise issues about stormwater charges. PWB staff will send a reminder to customer service representatives to remind COVID-19 impacted customers about the program.

A PUB member asked if the church would have qualified for SPUR.

The PUB member participating in ARC had asked the same question and learned that, as a non-profit, they would not qualify. The PUB member encouraged the church to contact City Hall regarding this, noting that there are surely other non-profits in a similar situation.

VIII. Annual Report and Work Plan

PUB staff shared that the current draft incorporated all changes suggested at the last meeting. Final formatting will be done next week. The Co-Chair asked for any last comments.

VOTE Heidi moved to adopt the annual report and work plan as prepared.

Karen W seconded the motion.

There was no public comment.

All present voted yes: Heidi, Dory, Rob, Kaliska, Gaby, Karen W, Karen YS, Micah, Mia, and Ted.

IX. Title 21

The Co-Chair started the discussion by noting that PUB is invited to provide testimony at the October 27 Council work session which will focus on individual metering. The Title 21 conversation does not need to be completed today. Things to be covered today include updates from staff, deciding whether the Board wants to provide testimony, and determining any additional information needed.

Title 21 updates

PWB staff distinguished between individual and sub-metering. Individual meters go on the public side and sub-meters are what customers can install on their side, i.e., a developer can install.

PWB staff shared the timeline. The proposed changes to Title 21 go to the City Auditor on September 21 for review of formatting not substance. Comments from the auditor should be back before the work session. There are two items in the proposed Title 21 changes that PWB considers to be substantive and not simply housekeeping. PWB has been in communication with stakeholders on the item related to Bull Run. The second, individual metering, is the focus of the work session on October 27. November 25 will be the first reading on changes PWB considers substantive. The next week will be a reading on the issues PWB considers to be housekeeping. The following week will be a Council vote. PWB is particularly looking for feedback on individual metering.

The work session will gather information from all sources and will include invited testimony. PWB has invited some folks that have provided written comment, e.g., Habitat for Humanity and the Homebuilders Association, to provide testimony at the work session. PWB has also reached out to others they feel could provide valuable testimony. The Commissioner has invited PUB's testimony.

PWB staff provided a quick verbal response to questions collected between meetings. PWB can provide fuller written response after the meeting.

Can PWB tell us more about what alternatives they evaluated instead of this new requirement for separate meters for each unit?

PWB staff answered that they would push back on the premise of the question. The Commissioner and PWB have been looking for at least twenty years at ways to both support low-income customers and to give customers more control and agency over their combined bills, e.g., ability to find leaks. They don't consider this an either/or situation. They are exploring all ways to address the issues. This is one way and they are not ruling out other ways.

Are there cheaper alternatives, like requiring that builders/developers install submeters (which is cheaper for them to do) so that we have individual unit water use?

PWB staff answered that, in some cases, submetering would be cheaper than individual metering. Costs are something they are working on now. Portland Housing Bureau, Bureau of Development Services, and Portland Water Bureau are looking at ways they can reduce the cost of individual meters.

If PWB proceeds with this code change, how could PWB mitigate the cost impacts on new housing construction?

PWB staff answered that they are looking at a number of different ways. System Development Charges (SDC) fees can be waived or reduced in certain circumstances. There are economies of scale, depending on location of meters. An 8-meter install is likely not going to equal the cost of 1 individual meter multiplied by 8. Cost sharing in the public interest is already allowed by Title 21 code. PWB can provide additional information to PUB and others who have given comment.

Has PWB sought out input from affordable housing developers and providers in Portland on how this will directly impact their ability to deliver new housing units to meet the City's ambitious goals for affordable housing? How about homebuilders in general?

PWB staff answered that PWB is providing responses to everyone that has given public comment. The City is working to incentivize small-scale residential infill. If individual meters can be installed on these smaller infill projects, then the benefits of individual metering will reach these projects.

Has PWB sought input on this from the Portland Housing Bureau on this pretty significant change that will affect budgets/pro-formas for new affordable housing?

PWB answered that they are working with all the stakeholders. PWB wants to ensure they are avoiding unintended consequences vis-à-vis affordable housing so are working with partners at Portland Housing Bureau (PHB) and Bureau of Development Services (BDS).

Question & Answer

PUB members asked a variety of questions including:

Why are the costs so high? Figures range from \$7K and today we heard \$10K.

PWB staff answered that the costs PUB is seeing in the media and information provided to PUB are the highest costs. Everything at this point is very approximate. They believe the costs will only come down from here but wanted to be transparent about the highest figure possible. They are still working to pull together information and are looking at ways to bring down the cost, e.g., economies of scale, SDC waivers for affordable housing, and cost sharing.

How are BES and PWB collaborating, given that this will bring in new customers to BES?

They are working together to understand the complementary costs of all the different pieces. They are also making sure the computer systems and databases will work. The financial assistance discount is a big reason they wanted to be able to reach more customers.

How will these changes impact folks who are living at the margins right now and those agencies that serve them?

A PUB member thanked PWB for coming to PUB to deliberate over these matters, mentioning that this is a great role for PUB and encouraging PWB to hear from other community members. The PUB member mentioned that they practice thinking about how changes like this will impact folks who are living at the margins right now and those agencies that serve them. They encouraged PWB to also do this. The PUB member mentioned that two partners, Portland Community Reinvestment Initiatives (PCRI) and ROSE CDC (Community Development Corporation) came to mind because they have a mix of disbursed sites that include single family homes. These homes could be redeveloped into duplexes or 4-plexes but are probably going to be small enough that economies of scale may not kick in. The PUB member encouraged PWB to reach out and engage with PCRI and ROSE CDC.

PWB staff answered that PCRI and ROSE are on the list to reach out to. PWB certainly doesn't want to make redevelopment harder for folks.

A PUB member requested additional information on the PWB website, including a "strike-through" version of Title 21.

A PUB member suggested the PWB website be updated to include more information, noting that it would be very helpful to have a version of Title 21 with the proposed changes included. This way the public does not have to do a cross-comparison with existing and proposed code. This increases accessibility and transparency.

PWB staff answered that the current draft was done according to the City Auditor's guidance that significant code changes should be drafted without strike-through or underline or etc. They encouraged the PUB member to let the Auditor know, if they think that a "strike-through" version would be helpful for transparency.

The PUB member asked if it would be possible to do both, i.e., provide a version that satisfies the auditor and provide a "strike-through" version.

PWB staff said they will follow-up and see if that something's that can be done.

Has PWB done cost-benefit analysis and considered the triple bottom line?

A PUB member asked if any projections about the effectiveness of this initiative, e.g., a cost-benefit analysis had been done? Assuming property owners will transfer the cost of the meter to the tenants, the question is how much will this benefit low-income customers versus cost them?

PWB said they are working on a full picture analysis, including BES' numbers. The benefit that is easy for people to understand is that people who are eligible for the discount program can get one if they have an individual meter. That is a more quantifiable benefit and PWB can provide return on investment information. However, they don't want to oversell that benefit. Not everyone who moves into the units

will qualify for the discount. The benefit of finding leaks more quickly and having a closer connection to the water and sewer providers may be a more qualitative benefit. PWB will also write this up.

The PUB member followed up mentioning the importance of considering the triple bottom line impacts on community, not just cost. The PUB member noted that this will make an impact on the decision of whether to subdivide which in turn may impact the number of rental units available to community. Thus, this could be a domino effect.

PWB staff said this is a policy decision for Council so they are working to provide a full picture of all sides of the issue for work session.

Informal decision – PUB to provide testimony

The Co-Chair opened the question of whether PUB should provide testimony by noting that they believe given the issue, relevancy, and impacts PUB should give testimony. The Co-Chair asked if anyone was opposed to giving testimony and if there were strong feelings about providing verbal or written testimony and if there were any volunteers interested in giving the testimony.

A PUB member mentioned that if PUB can find agreement then PUB should provide comment but if the Board is deeply split, then they didn't think PUB should provide comment.

A PUB member mentioned they didn't feel strongly about whether the testimony should be written or verbal but felt the Board should participate in some fashion, noting that even if the Board is not 100% on the same page, they felt there can be value in sharing concerns and questions. Another PUB member agreed noting that there is value in providing questions to policy makers and felt PUB should provide verbal testimony.

Karen YS said that she would be happy to attend the work session and provide verbal testimony but that she's done so in the past so also happy to let someone else do so.

The Co-Chair asked if additional information beyond that which is pending was needed to provide input.

A PUB member said since it seems one of the stated reasons for this is to benefit low-income customers, the cost-benefit analysis is essential. There was general agreement.

Another PUB member mentioned that it would be helpful to understand the extent of the problem. To what extent are there households that would otherwise qualify but can't access the low-income financial assistance program because they don't have an individual meter?

The PUB member mentioned they would be interested in how often this has come up at ARC. For example, how often do people come to ARC seeking relief where the issue is difficulty of leak detection when there is only one meter for multiple dwellings. They mentioned that during the past year it came up at one of the ARC meetings they participated in.

A PUB member mentioned that Bureau of Planning and Sustainability (BPS) looked at costs for smaller redevelopment projects and have pro formas for developers' costs. They hope PWB is accessing and using this information.

Subcommittee on Title 21?

A PUB member mentioned that they had not yet heard an equity analysis. They can think of a variety of complicated scenarios, e.g., a 4-plex where one person has a garden and uses a lot of water knowing

they only pay 1/4 of the costs. The PUB member recommended a subcommittee to develop a proposal to bring to the full Board.

Another PUB member agreed a subcommittee would be good once there is more information.

Another PUB member noted that that it is PWB's job to do the equity analysis and share this during the work session. They were not sure of the subcommittee's purpose if the information is not available in advance of the work session.

A PUB member mentioned that the subcommittee could help in prioritizing the requested information and could develop values-based considerations for the work session. A PUB member agreed that they could identify issues and considerations, for example: PUB doesn't want to see cost of units go up by more than X%.

A PUB member reflected that it is a very tough time for these kinds of conversations. Most homeowners and builders are experiencing impacts because many tenants have not been able to pay full rent. At the same time at the end of the day most property owners transfer those costs to the tenants. This is just a tough idea and they don't know what kinds of solutions there might be.

The Co-Chair closed the discussion by asking PUB members to email PUB staff by Monday, September 28 with any additional questions and information requests related to Title 21 as well as if interested in working on PUB's Title 21 response.

X. General Announcements

Bureau Reassignments

Astrid Dragoy reported that Commissioner Fritz is happy with the addition of BES and PPR to her portfolio. Because liaisons have not been assigned to the new bureaus, Tim Crail, Chief of Staff, will be taking the lead for the next couple of weeks. The Commissioner's office is scheduling meetings with both bureaus and Asena Lawrence. Reach out to Astrid or Tim Crail if you have questions.

PWB and the wildfires

PWB director shared that PWB has a partial virtual activation of their emergency center to coordinate information about the fire. The watershed is not in danger. It has not been impacted by turbidity or ash.

Recruitment

Please keep sharing the opportunity to serve on the PUB through your networks. Recruitment is slated to close Monday, October 12.

PUB staff shared that two prospectives asked to talk to current Board members. Karen W, Kaliska, and Micah volunteered.

XI. Next meeting

The next two meeting dates, October 6 and October 15, are back-to-back

The meeting adjourned at approximately 12:31 p.m.