

Portland Utility Board

December 1, 2020, 3:30 p.m.
Virtual meeting using Zoom platform

Meeting #92

Attendees:

PUB Members:

Amy Chomowicz, ex-officio
Brian Laurent, ex-officio (departed ~4:00 p.m.)
Dory Robinson, co-chair
Heidi Bullock, co-chair
Kaliska Day
Karen Y. Spencer
Karen Williams
Mia Sabanovic
Micah Meskel
Robert Martineau
Sara Petrocine, ex officio
Ted Labbe

Absent:

Gabriela Saldaña-López*

*Notice of absence provided prior to meeting

Staff:

Amy Archer-Masters, Portland Utility Board Analyst, City Budget Office
Angela Henderson, Equity Manager, Bureau of Environmental Services
Astrid Dragoy, Senior Policy Advisor, Commissioner Fritz's Office
Cecelia Huynh, Director of Finance and Support Services, Portland Water Bureau
Dawn Uchiyama, Bureau of Environmental Services
Eli Rosborough, Bureau of Environmental Services
Eliza Lindsay, Portland Utility Board Coordinator, City Budget Office
Gabriel Solmer, Deputy Director, Portland Water Bureau
Jaymee Cuti, Portland Water Bureau
Jeff Winner, Portland Water Bureau
Kathy Koch, Portland Water Bureau
Ken Bartocci, Bureau of Environmental Services
Marci Rees, Portland Water Bureau
Robert Cheney, City Budget Office
Sherri Peterson, Bureau of Environmental Services
Yung Ouyang, City Budget Office

Public:

Carol Cushman, League of Women Voters

Dee White
Lorie McFarlane
Theresa Huang
Tom Liptan, community member
Additional community member

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, SPUR for the Small Business Program for Utility Relief, and PPR for Portland Parks and Recreation.

PWB and the Board discussed PWB's plans to send bill reminder notices in January as well as PWB's general thoughts and plans on resuming collections. An update from the stakeholder group focused on BES and PPR's tree program was shared. Answers to questions from Lorie McFarlane regarding lead and the filtration project were shared. A brief explanation of upcoming Council items was also shared.

ACTION ITEM Throughout the January-March timeframe and beyond, PWB to share updates with PUB on their plans for resuming collections, feedback, lessons learned, additional details, data, and information.

ACTION ITEM Request for additional information on Dr. Ryan Petteway's work.

I. Call to Order

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

Virtual meeting guidelines were briefly reviewed.

II. Disclosure of Communications

Ted had his usual interactions with BES staff related to his non-profit work. Tomorrow, he will be appearing before City Council as an individual from the Urban Greenspaces Institute and Depave regarding the BES percent for green program reform measures.

Karen YS had communications related to PWB's hiring of a racial equity analyst. She mentioned that she was very impressed by all the candidates interviewed, learned a lot about the great work being done in the community, and learned a lot about the varying skill levels related to diversity, equity, and inclusion. She is happy to answer any questions PUB members might have.

Heidi had her usual biweekly calls with BES regarding Portland Harbor Superfund site. She also participated in a November 10 administrative review committee hearing which she can report on as time permits.

III. Public Comment

There was no public comment.

IV. Approval of prior minutes

The minutes for the November 5, 2020 full Board meeting and the November 23, 2020 subcommittee meeting were approved as submitted.

V. PWB plans to resume collections

Presentation

The Co-Chair opened the topic by noting that this is a beginning conversation meant to provide a broad overview as well as to collect initial questions PUB might have.

Kathy Koch, with Portland Water Bureau, elaborated on an earlier email outlining PWB's plans to resume collections. On March 12, 2020, the bureau suspended all debt recovery actions including not assessing late fees, not sending reminder notices, not taking collection agency actions, and not shutting off water. All these months later they are figuring out what is the best thing to do for both the customers and the bureau. The plan is to start by sending reminder notices. Because the bill is only sent four times a year, there is a big section of folks who tend to toss it aside. It is when they get the reminder notice that they take notice. PWB has rewritten the reminder notice so it has a different tone and feel. The reminder notice encourages customers to reach out to PWB for payment arrangement options and/or to see if they are eligible for financial assistance. The goal is not so much to resume collections as to be in communication with customers and to assist customers with payment options. The acknowledgement is that paying what one can now will help avoid a big bill in the future.

In the billing system, events must be planned out in advance. On the original cycle this reminder notice would have gone out around Christmas. Although the reminder is not punitive this did not seem like appropriate timing. So, they adjusted the timing and the reminder will go out starting on January 5, 2020.

Phase 1 starts with the rewritten reminder and no fees, including no \$5 reminder fee. The hope is that the customer will be able to pay the bill or will work with PWB to develop a payment plan or enroll, if eligible, in the financial assistance program. PWB totally understands there is a group of folks who can't pay right now. They also know from their experience back in 2000 where PWB wasn't able to collect for an entire year that there are also folks who can pay and don't until reminded. Phase one will last the entire quarter, January through March, so all customers have a chance to get the notice and contact PWB.

PWB would then assess and, as appropriate, gradually phase in other elements.

For the second phase they would send the reminder (charging the fee) and a pre shut off notice with no fee.

Phase 3 would be sending reminder notices and pre shut off notices – both with fees.

Phase 4, the last phase, would be the complete collection cycle including shut offs with fees.

PWB is definitely starting phase 1 on January 5 and it will last at least an entire quarter, i.e., to the end of March. Beyond that there isn't a definite timeline because at each phase, they want to pause and ask is this the right thing to do. How has it been working thus far? They will need to consider many factors to ensure they are doing right by everyone. What's happening with COVID? What are utilities across the nation doing? What are the unemployment rates? What are utilities in the immediate area doing? For example, Rockwood and West Slope are already doing collections. And so on.

PWB sends a reminder when the outstanding balance is \$115 or more and at or above 35 days past due. Currently, there are 18,000 accounts in that status. PWB is just shy of \$20 million past due. Obviously, at some point someone will have to pay and/or this will have a rate impact.

Although PWB has not been doing reminder notices, they have been making personal phone calls off a reminder sheet. This is labor intensive. They have collected nearly 1.3 million dollars due. PWB staff noted that some folks contacted thanked them for the reminder and others said they were glad they called because they were afraid to call. Working with PWB allowed them to get on a payment plan or enroll in financial assistance.

Questions

The sample reminder bill as sent via read-ahead was shared via screen share.

Factors informing decision to move to next phase

A PUB member shared that they would like to see detailed information the bureau will consult before moving to the next phase. They want to better understand what factors will be considered and how they will be weighed. They are not expecting an answer but would need this information to determine whether they felt moving to the next phase was appropriate.

PWB staff shared that so much is unknown as a result of COVID. They can keep communication lines open and update PUB before March.

Outreach and Communications

Noting that the personal outreach through phone calls sounded like it was successful, a PUB member followed up, asking for additional information. How was the decision made of who to call? What percentage of outstanding accounts received a phone call? They appreciated the level of effort involved and asked about the possibility of doing another round of personal calls before starting phase 1.

PWB staff explained that 2-5 staff are assigned daily to make these calls. The basic criteria is \$115 minimum balance or greater and outstanding balance for 35 days or more. Within the accounts that matched that criteria, they started with the largest outstanding balances and the oldest outstanding balances.

They began with a pilot focused on commercial accounts. They realized there were commercial accounts that were still open but did not have the same volume of usage. Experienced representatives then reviewed the accounts. They specifically did not call commercial accounts that applied but were not approved for SPUR. If they saw perfect payment up until March and then payment issues, they figured this likely related to COVID, and did not call those customers, feeling the account told the story and the customer was likely struggling. If it was an account that had always been late and they didn't see any differences in water usage post March, then those customers were called to see what could be done to arrange payment. The pilot was successful.

They then applied the same approach to some residential accounts. This was also fairly successful. They also tried the approach with multi-family residences. This did not go as well. Landlords basically reported that their tenants were not paying them, and they were, therefore, unable to pay PWB.

PWB staff explained that they have been making personal calls for 2+ months and will continue to do so until the first automated reminders go out. They reported contacting 528 commercial customers and

over 1500 residential customers. PWB offered to gather and provide additional details regarding the personal outreach efforts.

A PUB member asked about plans for outreach through community based organizations. They asked if a flyer, explaining available financial assistance, would go out with the reminder, sharing that their concern is that for many folks the reminder may look like just one more letter from a bill collector. They said it is important that folks understand PWB is willing to work with them around payment. They noted that working with a community based organization may be the way to do this.

PWB staff answered that they do outreach for the financial assistance program in many ways. There is also information on the website, bills, and reminders. They noted that a flyer does not go out with reminder notices. A newsletter does go out with the bill and the last several bill newsletters have included information on the program.

A PUB member clarified that they had understood the suggestion to be to include more extensive information on payment options and the financial assistance program than is normally included in this round of reminders.

A PUB member reiterated their concern about community awareness of the financial assistance program. They also noted that it is really tough for people to call for assistance when in financial distress. The PUB member encouraged PWB to put the availability of financial assistance front and center whether it is in a flyer or by other means.

Another PUB member commented that to them the reminder notice still had a pretty heavy collection feel, wondering if the use of red font is contributing to this. They felt the reminder notice could be lightened a bit. Several Board members agreed that the reminder notice's look, feel, and tone could be improved upon.

A PUB member asked if the bureau was open to revising the reminder notice.

PWB staff shared that there are some limitations as the format is the format. The two boxes are the only two places there is flexibility in text. They shared that the language was reviewed by their technical writer and equity manager. They also mentioned that the customers are trained to see red. Pre-COVID this is what they would have seen so would not be surprised to see it.

A PUB member commented that the reminder notice is an opportunity to highlight the flexibility and responsiveness of the customer service team. The pandemic offers the opportunity to try different communication and see how it works. Perhaps during January-March there could also be a survey to see how customers are responding to the bill.

Another PUB member mentioned that they would hate to have the reminder notice thrown out simply because it looks like another reminder notice. They asked if it is possible to have the boxes where there is flexibility in text/design stand out by using a different color or using drop-shadowing or....?

A PUB member asked again if PWB was open to redesigning how the notice looks.

PWB answered that depending on the timing there is some flexibility about what could go in box.

Payment options and financial assistance program

A PUB member asked if, for phases 2-4, the bureau has considered what adjustments to current financial assistance program might be needed to allow for more participation or extension of payback periods or...?

Another PUB member asked if PWB has considered having a more expansive suite of payment plans and financial assistance to collect funds? They noted that in the private sector some companies have been very nimble in coming up with payment options regardless of income, without checkpoints and interrogations about whether someone deserves this.

PWB staff explained modifications they have already made. Pre-COVID, PWB requested last year's tax returns or paystubs when applying for financial assistance. With COVID, so many people were laid off so quickly such that providing last year's tax documentation, people would not have qualified. So, PWB has relaxed the upfront documentation required. Pre-COVID, the basic payment arrangement was that the customer could pay their bill whenever they wanted so long as they paid before the bill goes out. Again, the bill is a 3-month bill, so the customer had three months to pay. Post COVID, customer representatives have the discretion to make a 6-month payment arrangement. Lead staff and supervisors have discretion to make a year-long payment arrangement.

A PUB member commented that there are a lot of external factors and things are really challenging. They felt happy with the flexibility and options, feeling customers could find a way to work with PWB. They noted how hard working with customers in need is.

PWB staff commented that the financial assistance program staff are drowning in work. Prior to COVID a heavy day would be 10 applications, just recently they got 50 applications in one day. Before COVID, they would have said PWB has one of the most generous programs nationally. Now PWB is hitting new levels.

Timing

A PUB member expressed support for a phased approach and concerns about the timing; feeling it was poor timing. They asked what is the pressure for resuming collections now? Are there financial concerns or...? They asked if the math and cost-benefit analysis has been done regarding what happens if the collections process isn't resumed until say, June 2021?

The PUB member shared that although Rockwood is already doing collections, they are also a much smaller organization with different constraints. They noted that there is so much still to be worked out at the national level, e.g., around federal unemployment assistance and other forms of COVID related assistance. Additionally, there are other state and local issues, e.g., potentially other collection efforts and the current eviction moratorium. They asked if it would be possible for PWB to collaborate with other City-wide collection efforts, e.g., staggering efforts or..., to minimize impacts on community members?

Another PUB member agreed with the concern about timing, given the expected surge in COVID cases. They noted that getting a reminder in January, following the for-many holiday season, will hurt. They noted that they were also mindful of the big gap in bureau revenue and realize that for many people the farther they get behind on a bill, the harder it will be to dig out of the hole

PWB staff shared that the January notice is just a reminder without a fee, so involves no increase in what is owed. Collections will not happen until March or beyond.

PWB staff shared that they can delay recovery as both bureaus have funds in reserve. For them the bigger concern is that accounts receivable continues to grow on a monthly basis. As the balance grows and ages, the less likely PWB is to recover the past due. Additionally, the more the balance grows and the longer it is outstanding, the harder it is for the customer. Their goal is to work with the customer to pay what they can.

The PUB member responded that they support a phased approach and because there is some cushion, they suggest waiting till there is more clarity on both the national and local level on how the day-to-day lives of folks will be impacted. They understand a lot of uncertainty will remain so are not saying things need to be crystal clear, just that by say March it should be known if the eviction moratorium is extended and if there will be more federal relief.

The PWB Director noted that the lack of certainty is what pushed PWB to recommend a phased approach. They don't want to move to the next phase till they evaluate how it is going and what is happening. The team could come back to PUB during the January through March timeframe to share what has been learned and get PUB's feedback.

The Co-Chair said that PUB would appreciate updates on lessons learned and feedback heard throughout the January-March timeframe.

ACTION ITEM Throughout the January-March timeframe and beyond, PWB to share updates with PUB on their plans for resuming collections, feedback, lessons learned, additional details, data, and information.

Later in the meeting a PUB member remarked that it would be easier to evaluate if they could see data, for example, in regards to outstanding bills and categories of customers, e.g., businesses that did not continue using water, the impacts of sending notices now or delaying by several months and the like.

VI. Tree Program updates

Presentation materials:

<https://www.portland.gov/pub/events/2020/12/1/portland-utility-board-meeting>

PUB member, Ted Labbe, gave a brief update on the tree program, sharing highlights from the read-ahead materials. He explained that there has been a long-standing interest in looking at alignments in green infrastructure programs across bureaus throughout the city, particularly between BES and Portland Parks and Recreation (PPR). Noting one document was a high-level report on process improvements in natural areas management, invasive species, and trees, he said his focus will be reporting out on the joint BES-PPR stakeholder group he participated in which was focused on trees. There were three meetings over the summer to learn about the differences and similarities between BES' and PPR's tree programs and discuss where there are opportunities to better align the programs.

At the first meeting the conversation quickly became less about how to reconfigure/better align the City's tree programs and more about even bigger questions about what are the bureaus trying to do with these programs and how do they serve community?

One of the recommendations from the stakeholder group was yes, the bureaus should work together. But, even more fundamentally the City should consider a more community-centered approach where things bubble up from the neighborhoods and communities the programs are intended to serve. The

programs should advance, not just growing the urban tree canopy, but also wealth creation and livability. The committee talked a lot about decolonizing the City's approach to these programs. Ted noted that Dr. Ryan Pettaway with OSHU and PSU School of Public Health really added significant value to the conversation. The stakeholder group talked a lot about not just how trees are planted but about the whole life cycle of trees in the city. The group also discussed how long-term care and maintenance happen and are financed. BES and PPR came away with five commitments:

- Improving outcomes for BIPOC Portlanders and low-income, low-canopy neighborhoods.
- Aligning City tree planting programs to integrate outreach/engagement, policy, planning, planting, stewardship efforts, and tree lifecycle management.
- Investing new resources in engagement to ensure tree planting activities match needs and values of the community.
- Making it seamless for community partners to work with the City by clarifying, bureau roles and responsibilities, business processes, funding, etc.
- Setting goals, with community involvement, measuring and reporting progress.

Ted noted that there was movement away from the simple measures of how many trees are planted to looking at outcomes, e.g., how is it enhancing communities and neighborhoods.

There was agreement that the process needs to move away from the in crowd and engage with communities and folks not in the room, e.g., communities of color, low-income communities, immigrant and refugees, and multi-family housing tenants.

What does this all mean and where does it go? Ted said he wasn't sure. The original idea behind convening the stakeholder group was an idea to consolidate the two tree programs under PPR. Many folks continue to see the logic of this while there also questions about what the value is and, if utility dollars are transferred to PPR, how to ensure there is continuity and accountability back to the utility rate payers. At the same time, the urgency to transfer dollars has been alleviated given that a parks levy was just passed. There is still interest in consolidating. The question is how and when, especially under a very changed Council come January. A lot of this will depend on which Commissioner gets BES and PPR. Ted concluded by noting that he feels this is something PUB will want to stay engaged with.

The BES Deputy Director added that nothing will change for BES this year, the current contract with Friends of Trees runs through FY 20-21. BES is in a moment of reflection. How best to move forward? What makes sense? BES wants to hear more from community what makes sense. They expect the new Commissioner will take part in this.

A PUB member asked for follow-up information regarding the work of Dr. Ryan Pettaway around decolonization and community engagement, asking if there were any presentations or publications to reference.

Ted replied that, if he remembers correctly, Dr. Ryan Pettaway has published a lot of his work and has a hands-on community-based academic career that extends to the East coast. He noted that there was not a presentation so much as a description of the approach. Ted said, he'll do his best to paraphrase. Dr. Ryan Pettaway's different approach/model is less about the bureaus going out to community and querying community around a specific need or program. It is a much more open-ended approach with the needs or issues generated by the community. The ideas is to start with the community's interest

whether that is around trees or something different and then find opportunities to advance the work of the bureau. In the long run this will be a more effective strategy.

The BES Deputy Director noted that she can look for some of the content and forward it to PUB. She noted that Dr. Ryan Petteway was an activator in the conversation, added a lot of wisdom, and his contributions made a big impact.

Ted closed by noting that the City adopted a climate emergency declaration last year. One point is to develop a city-wide green infrastructure strategy. The vision is that this would be cross-bureau and engage at least BES, PPR, PBOT, BES, community-based organizations, and the community, itself, in shaping the green infrastructure strategy. There would be less bureau siloing. It also would be less the City's strategy and more the communities'; crowdsourcing the vision as per the approaches described by Dr. Ryan Petteway. Ted said he hopes to find a champion for this in the new Council. He thinks it might ultimately be the place to reconcile some of the tree program alignment issues but in a bigger context.

A PUB member agreed that co-creating with other bureaus while centering community and in partnership with community rather than coming to community after the fact is integral to success.

ACTION ITEM Request for additional information on Dr. Ryan Petteway's work.

VII. PWB answers to questions from Lorie McFarlane

The Co-Chair introduced the topic by noting that this is a brief response to questions raised by community member, Lorie McFarlane. PUB gets many community members interested in the filtration projects and the lead issue. The Co-Chair noted that a larger agenda topic is coming once the lead results are fully validated. The following questions and answers were presented on screen and read aloud.

- **When will the Water Bureau give PUB an update on their progress on Lead in drinking water?**
December
- **Why isn't PWB neither working on - or internally discussing (per Records Requests a city-wide water "Materials Inventory online map". Other cities nationwide have prioritized doing/already done this, after Flint.** A materials inventory map is useful for cities that have lead service lines, to map where they are and provide information on where to prioritize efforts to remove them. Portland has never used lead service lines, so there is no inventory of lead pipes to map.
- **Why isn't the Bureau holding *Town Hall* format meetings for the public, on the planned filtration project?** The bureau has held more than a dozen public meetings for the filtration project including information sessions, tours, open houses, a BBQ&A, and meetings focused on different aspects of the project. A list of project events and outreach can be found at portland.gov/water/bullruntreatment/brt-outreach. Since April 2020, public meetings have been held online and we continue to post videos of the meeting and the materials to our website for those unable to attend. Information about future meetings, including our next meeting January 14, is available at our website at: portland.gov/water/bullruntreatment/filtration. This page also includes a link to sign up for email notifications.

- **Has the Bureau heard back about the \$554 Million WIFIA loan application, for the filtration project?** The application has been accepted and the loan terms are being reviewed by EPA. We expect final approval and loan closing early next year.

VIII. Update on Two Filtration-related Council items

The PWB Director provided a follow-up to the brief description of the Council items sent via email on Monday. PWB doesn't expect PUB to jump into every Council item but wants to make sure PUB knows about the items so PUB can decide how to engage. They noted that there is an ongoing challenge with items being approved for Council agendas at the last minute. PWB is open to working with PUB on how to address these timing issues.

The Director shared that there are two items going to Council on December 9th. One is the pipeline design contract which is a \$29 million dollar contract. Basic fact sheets were already shared with PUB via email. They are also happy to share the Council PowerPoint presentation once finalized. There is a companion item for the construction of the pipeline which authorizes an alternative procurement method, rather than the usual low bid method. The alternative procurement method allows PWB to do a lot of the equity pieces and a community benefits agreement.

IX. Announcements and next meeting

A PUB member asked for a report back from the November 23 subcommittee meeting. It was shared that the recruitment subcommittee met and discussed the remaining candidates interviewed and agreed to recommend Tom Liptan for appointment. Tom has accepted. PUB staff are putting together PUB recommendations for review by the Commissioner-in-Charge and the Mayor and then City Council.

A PUB member said they were a little surprised by the interest in the collections topic. They felt there were other perspectives to consider and wondered if the topic should move forward to a future meeting. They noted that there are places where they agreed with what was said earlier and places where they saw things differently. They felt this may be a bigger impact than PUB has considered. If this is something PUB should weigh in on, then it is worthy of the conversation. They noted that PUB should perhaps review for scope as PUB represents all Portlanders and not just the 18,000 who have stopped paying their bill for water and sewer services.

Potential agenda items for the next meeting were briefly discussed. It was decided to include acknowledgement of past PUB members. Board members can email PUB staff with other suggested agenda item topics.

The next meeting will be:

Thursday, December 17, 2020, 11:00 a.m. – 12:30 p.m.

The meeting adjourned at approximately 5:00 p.m.