

Office of Mayor Sam Adams City of Portland

October 4, 2010

TO:

Andrew Scott

Office of Management and Finance

FROM:

Mayor Sam Adams

SUBJECT: Portland Bureau of Transportation

FY 10-11 Fall Budget Adjustment

Attached is the FY 10-11 Fall Budget Monitoring Report (BuMP) submittal for the Bureau of Transportation (PBOT). This submittal includes the following;

Budget Amendment Request Report

Prior Year 09-10 Budget/Actuals Reconciliations

Prior Year 09-10 Budget Note and Decision Package Update

Prior Year 09-10 Service Improvement Plan Update

Prior Year 09-10 Performance Measures

If you have any questions, please call Ken Kinoshita in the Bureau of Transportation at 823-7140.

Attachments

c: Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Randy Leonard
Commissioner Dan Saltzman
Auditor LaVonne Griffin-Valade
Audit Services Division
Ron Geason, Bureau of Transportation
Ken Kinoshita, Bureau of Transportation
Joanne Foulkrod, Bureau of Transportation

Portland Bureau of Transportation

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR_001 - ULF and HB2001 True Up

An internal transfer of \$1,085,000 is needed within PBOT to reduce a portion of the HB2001 projects in order to fund a portion of Sunday Parkways, Last Thursday Events Traffic Control, Sustainable Freight, Lake Oswego Streetcar, Columbia River Crossing, Sellwood Bridge, Central Eastside Industrial District (CEID) Parking Study and NW Parking Study.

Also, due to the \$2,284,738 reduction in the Utility License Fee (ULF), additional reductions are needed on the HB2001 projects. The ULF is significantly lower than estimated, primarily because the ULF audit recoveries were a large portion of the ULF total and the mid-year cut in the City's General Fund.

Dollar Amount: (\$2,284,738)

Type: Mid-Year Reductions
Resources: General Fund Discretionary

TR_002 - ARRA Parking Garage Lighting Upgrade

An internal transfer is requested to adjust Facilities IA for lighting upgrade in the four parking structures: First Avenue, 3rd and Alder, 4th and Yamhill and O'Bryant Square. This request moves \$170,000 existing appropriation in the Parking Garage CIP from capital outlay to Facilities IA.

Dollar Amount: \$0

Type: Technical Adjustment Resources: Internal Transfer

TR_003 - One-Time General Fund Projects

An adjustment is requested to allow the completion of Council-approved one-time general fund projects, \$49,840 in ADA Ramps and \$33,472 in Outer Powell.

Dollar Amount: \$0

Type: Technical Adjustment
Resources: Bureau Contingency

TR 004 - FY09-10 HB2001

An adjustment is requested to allow the completion of Sustainable Freight Strategy Phase I, \$30,000. The recently adopted Climate Action Plan calls for improving the efficiency of freight movement within and through the Portland area as key objective in meeting its urban form and mobility goals.

Dollar Amount: \$0

Type: Technical Adjustment Resources: Bureau Contingency

10/19/10 11:11 sap b bump r6

Portland Bureau of Transportation

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR_005 - Smartmeter Debt Issuance Costs

An internal transfer is requested to adjust Smartmeter Debt Service. This adjustment moves \$30,000 existing appropriation from debt retirement to debt issuance costs.

Dollar Amount: \$0

Type: Technical Adjustment
Resources: Internal Transfer

TR_006 - Improve Fleet Inventory

To increase the productivity and efficiency of street and traffic maintenance activities, Maintenance has identified equipment that is in need of replacement, equipment that is under-utilized and can be retired, and new equipment that will improve productivity. This \$1.3M adjustment reflects the net of savings and new purchases and increases the FY 10-11 interagency with Fleet Services to allow Maintenance to adjust its street and traffic maintenance fleets for maximum efficiency.

Dollar Amount: \$0

Type: Technical Adjustment Resources: Bureau Contingency

TR_007 - Street-Area Landscape Equipment

The Maintenance Street Cleaning - Greenspaces program maintains a large variety of mow lots, road-side vegetation areas, and other "green" sites around Portland. The inventory of these types of sites has been increasing over the past years and Maintenance does not have the appropriate equipment to properly maintain them. This \$350,000 adjustment will provide funding to replace equipment that is at the end of its useful life and to purchase maintenance and safety equipment needed to effectively provide landscape maintenance.

Dollar Amount: \$0

Type: Technical Adjustment
Resources: Bureau Contingency

TR_009 - Purchase of Snow Plows and Sanders

Some of Maintenance's snow plows and sanders are considered obsolete, many are in need of replacement and most do not have Fleet replacement funds established. In order to properly prepare for emergency snow and ice events and to build an adequate inventory of equipment for future years, Maintenance has created a multi-year plan to replace aging plows and sanders. This \$230,000 adjustment provides funding for the FY 10-11 purchase of 6 new snow plows and 17 new sanders.

Dollar Amount: \$0

Type: Technical Adjustment Resources: Bureau Contingency

10/19/10 11:11 sap b bump r6

Portland Bureau of Transportation

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR_010 - Safety Incentive Program

This adjustment reduces the Maintenance interagency with Risk Management for Fleet Liability Insurance by \$2,899 to reflect safety incentive credits earned during FY 2009-10. The bureau's Safety Incentive Program budget is increased by an equal amount to fund additional safety initiatives, which may include increased training in such areas as driving, work zone traffic control and workforce safety leadership.

\$0 Dollar Amount:

Technical Adjustment Type: Internal Transfer Resources:

TR_012 - Sidewalk Management Program

The Mayor's Office asked PBOT to implement a Sidewalk Management Program, which includes painting markings on sidewalks and creating/installing signage. An appropriation adjustment of \$90,000 is requested to manage this program. PBOT is requesting a position, Engineering Tech I, to assist in the daily operation of the program.

New position Engineering Tech I (30000324)

Dollar Amount:

Type: **Technical Adjustment Bureau Contingency** Resources:

TR_013 - Grant Adjustments

A technical adjustment is requested for the below grant funded projects. The project schedule, funding and/or scope has changed. The appropriation adjustment is needed to reflect the changes.

Sunday Parkway \$30,000 SmartTrip \$100,000 Russell St Improvements \$798,500 Kenton I-5 Delta Park \$75,000 Pearl Circulation Plan \$54,411 Outer Powell (\$105,555)

> Dollar Amount: \$952,356

Type: **Technical Adjustment**

Resources: Grants

10/19/10 11:11 sap b bump r6

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR 014 - New Positions

Due to an increase in project workload, the bureau is requesting additional positions. The funding for these positions will come out of project costs, comprising of HB2001 projects, interagencies and permits.

- •Surveyor I (3000225) \$76,000
- •Surveying Aide II (30000224) \$65,000
- •Supervising Engineering (3000681) \$122,500
- •Sr Engineering Associate (30000358) \$112,000

Additionally, PBOT is requesting the following positions be converted to Permanent Full-Time from Limited Term.

- •Sr Engineering Assoc (30000358) \$112,000
- •CAD Tech II (30000326) \$81,000
- •PW Inspector (3000228) \$86,000

Dollar Amount: \$112,000

Type: Technical Adjustment
Resources: Internal Transfer

TR_015 - Block J Paystations

An appropriation increase of \$24,300 is requested for the transfer of three parking paystations from PBOT to Parks. These paystations are located at the Parks Bureau's Block J, also called the X Lot, in southwest Portland.

Dollar Amount: \$24,300

Type: Technical Adjustment
Resources: New Revenues

TR 016 - 1% for Green Streets - Transfer to BES

The City's Green Streets Policy requires that infrastructure projects in the right of way incorporate green street facilities (infiltrating or flow-through systems), or that a contribution equal to 1% of the construction costs be made to the City's "% for Green Streets" fund. Since it is not feasible to incorporate green street facilities into street resurfacing and preservation projects, Transportation Maintenance instead transfers 1% of the cost of its street preservation projects to the green street fund. The contribution for FY 09-10 was \$27,997, but was not billed last year. The contribution for FY 10-11 is \$38,650. \$50,000 is in the FY10-11 Adopted Budget for the cash transfer to BES. An increase of \$16,647 is requested, for a total of \$66,647 to cover both the FY09-10 and the FY10-11 transfers, based on the total cost of street preservation projects completed in those years.

Dollar Amount: \$0

Type: Technical Adjustment Resources: Bureau Contingency

Portland Bureau of Transportation

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR_017 - Foster-Lents Integration Partnership Study

An appropriation increase of \$50,000 is requested to support the Foster-Lents Integration Partnership Study (FLIPS), a strategic corridor for transportation and future redevelopment. The FLIPS project is a strategic study not only for PBOT, but also for the Mayor's Office, BES, PDC, BPS and the Portland Plan effort.

\$0 Dollar Amount:

Type: **Technical Adjustment** Resources: **Bureau Contingency**

TR_018 - Tree Maintenance - Preventative / Emergency

Street trees that are maintained by Maintenance throughout City street areas would benefit greatly from preventative trimming maintenance that would reduce the effect of a potentially stormy 2010-11 fall and winter. The existing budget is inadequate to provide the additional preventative maintenance and storm response that would give the trees the best chance to survive the coming storm season. This \$150,000 adjustment increases the Maintenance interagency with the Parks Bureau in order to provide additional funds for the proactive and emergency trimming of trees in the City's street areas.

Dollar Amount:

Type: **Technical Adjustment Bureau Contingency** Resources:

TR 019 - Tree Maintenance

PGE provided funding for tree trimming around street lights. This adjustment is for \$154,576 in tree maintenance.

\$0 **Dollar Amount:**

Type: **Technical Adjustment** Resources: **Bureau Contingency**

TR_020 - Interagency Adjustments

An appropriation increase is requested for various interagency adjustments. BES is paying PBOT to provide \$13,000 in greenstreet coordination and survey services. Parks is paying PBOT to provide \$22,200 in Springwater Repaving. PBOT is paying \$13,750 to BDS for Online Building Fee Estimator.

\$35,200 Dollar Amount:

Type: **Technical Adjustment**

Resources: **New Revenues**

Portland Bureau of Transportation

PERIOD Fall BuMP

FISCAL YEAR FY 2010-11

TR_021 - First Stop Portland Contribution

An appropriation increase of \$2,000 is requested to reflect PBOT's contribution to the General Fund Special Appropriation. Bureau contribution for First Stop Portland helps with planning for delegation visits. This request moves \$2,000 existing appropriation from operating supplies to General Fund Special Appropriation IA.

\$0 Dollar Amount:

Type: **Technical Adjustment** Resources: Internal Transfer

TR_022 - General Fund Request - Last Thursday Event

Each bureau involved in the Last Thursday Event is requesting reimbursement for invoices related to security and other vendor services. Thus, PBOT, Police and ONI are submitting separate (but related) requests in financial assistance from the City's General Fund to include costs incurred to date as well as expected costs not yet incurred.

Dollar Amount: \$8,483

Type: **New Request**

Resources: General Fund Discretionary

TR_023 - Maintenance Facility Improvement

Upgrades and new installations will give Maintenance the ability to access and display a variety of video formats and interfaces that will be used for coordination of emergency events with other agencies, and employee training and meetings. This \$100,000 adjustment increases the interagency with BTS to complete this project.

Dollar Amount:

Technical Adjustment Type: Resources: **Bureau Contingency**

10/19/10 11:11 sap_b_bump_r6

Prior Year Fund Reconciliation Report

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised	
Transportation Operating Fund				
EXPENDITURES				
Personal Services	\$61,575,493	\$57,250,452	93%	
External Materials and Services	\$41,034,337	\$34,676,065	85%	
Internal Materials and Services	\$22,368,381	\$19,555,354	87%	
Capital Outlay	\$39,116,463	\$28,422,748	73%	
Bond Expenses	\$5,331,255	\$4,487,407	84%	
Fund Transfers - Expense	\$9,289,511	\$9,054,420	97%	
Contingency	\$4,743,936	\$0	0%	
TOTAL EXPENDITURES	\$183,459,376	\$153,446,445	84%	
REVENUES	•			
Budgeted Beginning Fund Balance	\$21,641,887	\$0	0%	***********
Taxes	\$0	\$0	0%	
Licenses & Permits	\$1,559,936	\$2,494,039	160%	
Charges for Services	\$33,621,773	\$29,637,716	88%	
Intergovernmental Revenues	\$48,063,951	\$49,317,596	103%	
Interagency Revenue	\$29,846,691	\$27,788,711	93%	
Fund Transfers - Revenue	\$42,067,531	\$39,641,173	94%	
Bond and Note	\$2,184,000	\$352,279	16%	
Miscellaneous	\$4,473,607	\$2,186,321	49%	
General Fund Discretionary	\$0	\$0	0%	· .
TOTAL REVENUES	\$183,459,376	\$151,417,835	83%	

Fund Reconciliation Narrative

Transportation Operating Fund (200000) Fund Report for FY 09-10

Requirements

Total Personal Services are within ten percent of budget.

Total External Material & Services are 85% of the revised budget. This reflects a lag in CIP project schedules. \$2.1m in unspent match payments and \$3.7m in professional services for project management & design.

Total Internal Material & Services are 87% of budget. The major factor is the \$2.25m underexpenditure with Fleet. \$837k is from fuel savings, \$605k from delays in the purchases for new vehilces, \$490k from lower spending on leases, and \$250k from savings in direct bill services.

Total Capital Outlay expenditures are 73% of budget. Progress on projects are slower than planned. Four projects that are main factors: Burnside: Bridge-14th, \$4.0m underexpenditure; Moody Ave: River Parkway to Gibbs, \$2.0m underexpenditure; Paving Preservation, \$1.7m underexpenditure; and West Burnside-Couch, \$1.3m underexpenditure. Project work will continue.

Bond Expenses 84% of budget. The underexpenditure results from savings on the variable rate portion of the Pension Bond debt service, Transportation's share.

Fund Transfers-Expense are within ten percent of budget.

Unappropriated Ending Fund Balance is \$7,407,065. This is \$11.3m lower than FY 10-11 Budgeted Beginning Fund balance. \$2.7m is from project billings that will in occur in FY 10-11. \$2.1m is coming from smartmeter purchases that are being financed by a line-of-credit that was put in place at the end of September, 2010. \$6.5m will be recovered when planned financing of project expenditures is in place. PBOT will be working with the City Debt manager. The debt service for this is assumed in PBOT five-year financial forecast.

Revenues

Beginning Fund Balance is \$12,206,212 lower than budgeted FY 09-10 Beginning Fund Balance. \$2.4 million is a result of financing that was assumed, but not available. This was caused by the condition of financial markets last year. \$446,382 of the variance resulted from the Bureau of Development Services not paying their interagency with PBOT because of cash balance problems the Bureau was experiencing. PBOT has collected this amount in FY 09-10. The remaining \$9.3 million is from anticipated carryover that did not happen. There is no impact since the expense of the activities occurred in FY 08-09 rather than FY 09-10.

License and Permit revenues are 160% of budget. A part of the higher revenues resulted from the federal stimulus legislation that gave people a tax credit for first time buyers. This provided developers an opportunity to build more.

Charges for Services are 88% of budget. This reflects the impact of the recession on sdc revenue, land use review revenues, inspection fees, charges for engineering design, review and approval of developers plans for permits, \$2.2m below estimated revenue. Parking fee revenue was \$700k below budget. Estimated revenue for a leaf removal fee, \$300k, did not occur due to delays in implementing the billing. PBOT anticipates this to be complete for FY 10-11.

Intergovernmental revenues are within ten percent of budget.

Interagency revenues are within ten percent of budget.

Fund Transfers - Revenue are within ten percent of budget.

Bond and Note revenue are 16% of budget. This reflects the delay in securing a line-of-credit for paystations purchases in FY 09-10. It is place in FY 10-11.

Miscellaneous revenues are 49% of budget. The main reason for the shortfall is the weak economy. Financed SDC permit fees are \$515k less than budgeted and financed sidewalk repair charges are \$240k less than budgeted. Miscellaneous sales revenue from PBOT's recyling site is \$524k less than budget. Interest earnings is \$270k lower than budgeted due to the low interest rates.

Prior Year Fund Reconciliation Report

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Parking Facilities Fund			
EXPENDITURES			
Personal Services	\$121,247	\$101,404	84%
External Materials and Services	\$4,307,626	\$3,141,261	73%
Internal Materials and Services	\$6,030,581	\$3,592,105	60%
Bond Expenses	\$2,944,275	\$1,943,935	66%
Fund Transfers - Expense	\$3,500,554	\$3,500,554	100%
Contingency	\$7,286,035	\$0	0%
TOTAL EXPENDITURES	\$24,190,318	\$12,279,259	51%
REVENUES			
Budgeted Beginning Fund Balance	\$11,353,675	\$0	0%
Charges for Services	\$11,700,000	\$10,460,887	89%
Intergovernmental Revenues	\$0	\$69,342	0%
Interagency Revenue	\$780,108	\$582,712	75%
Fund Transfers - Revenue	\$3,535	\$3,535	100%
Miscellaneous	\$353,000	\$344,448	98%
TOTAL REVENUES	\$24,190,318	\$11,460,924	47%

Fund Reconciliation Narrative

Parking Facilities Fund (606000) Fund Projection Report for FY 09-10

Requirements

Total Personal Services was 83.63% of budget. This savings was generated from vacancy that has since been filled.

Total External Material & Services Total External Material & Services are 72.92% of budget. The need for studies budgeted did not materialize, creating the underexpenditure.

Total Internal Material & Services are 59.56% of budget. Major maintenance work that involves Facilities has underspent the interagency. Major maintenance work has been re-budgeted as part of the FY 10-11 Adopted Budget.

Bond Expenses are 66.02% of budget. A \$925,687.50 debt payment was charged incorrectly. This error will be corrected in the CAFR. With the correction, Bond Expenses will be within ten percent of budget.

Fund Transfers – Expense are within ten percent of budget.

Unappropriated Ending Fund Balance is projected to be \$9,570,735, \$1,170,678 higher than budgeted FY 10-11 beginning fund balance.

Revenues

Beginning Fund Balance is \$107,249 higher than the budgeted FY 09-10 Beginning Fund Balance. This excess balance is offsetting some of the lower projected revenues.

Charges for Service revenues are 89.41% of budget. This reflects the impact of slow economy.

Intergovernmental revenues had \$69,342 in unbudgeted revenue. This revenue results from the delay of transitioning the Station Place garage operations to PDC. This revenue paid for operating expenses incurred by PBOT.

Interagency Reimbursements are 74.7% of budget. Space rental billing, \$166,588, to Facilities Services was not billed. PBOT will be working with OMF Business Services to re-budget this in the Winter BMP. If this billing would occurred, interagency revenue would have been within ten of budget.

Fund Transfers - Revenue are within ten percent of budget.

Miscellaneous revenues are within ten percent of budget.

Prior Year Fund Reconciliation Report

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Gas Tax Bond Redemption Fund			•
EXPENDITURES		x	
Bond Expenses	\$1,133,458	\$1,092,292	96%
Contingency	\$4,717	\$0	0%
TOTAL EXPENDITURES	\$1,138,175	\$1,092,292	96%
REVENUES	•	•	
Budgeted Beginning Fund Balance	\$4,717	\$0	0%
Fund Transfers - Revenue	\$1,133,458	\$1,091,364	96%
Miscellaneous	\$0	\$95	0%
TOTAL REVENUES	\$1,138,175	\$1,091,459	96%

Fund Reconciliation Narrative

Gas Tax Bond Redemption Fund (308000) Fund Projection Report for FY 09-10

Requirements

Bond Expenses are within ten percent of budget.

Unappropriated Ending Fund Balance is \$4,532, \$953 lower than budgeted FY 10-11 beginning fund balance.

Revenues

Beginning Fund Balance is \$648 higher than the budgeted FY 09-10 Beginning Fund Balance.

Fund Transfers - Revenue are within ten percent of budget.

Miscellaneous revenues has \$95 of unbudgeted interest revenue.

Prior Year Fund Reconciliation Report

· .	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised
Transportation Reserve Fund	, ""		
EXPENDITURES			
Contingency	\$3,012,889	\$0	0%
TOTAL EXPENDITURES	\$3,012,889	\$0	0%
REVENUES			
Budgeted Beginning Fund Balance	\$1,632,889	\$0	0%
Fund Transfers - Revenue	\$1,345,000	\$1,345,000	100%
Miscellaneous	\$35,000	\$15,414	44%
TOTAL REVENUES	\$3,012,889	\$1,360,414	45%

Fund Reconciliation Narrative

Transportation Reserve Fund (212000)<u>Fund Projection Report for FY 09-10</u>

Requirements

Unappropriated Ending Fund Balance is \$2,498,292, \$21,708 lower than budgeted FY 10-11 beginning fund balance.

Revenues

Beginning Fund Balance is \$495,011 higher than the budgeted FY 09-10 Beginning Fund Balance. Budgeted Beginning Fund balance should have been lowered as part of a FY 09-10 BMP adjustment when the Fund Transfers were increased.

Fund Transfers - Revenue are within ten percent of budget.

Miscellaneous revenues are 44.04% of budget. Interest revenue was low due to interest rate assumptions being higher than actual rates.

Prior Year Business Area Reconciliation Report

	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Percent of Actuals to Revised	
Portland Bureau of Transportation				
EXPENDITURES				
Personal Services	\$12,564,645	\$4,694,884	37%	
External Materials and Services	\$15,987,336	\$10,788,219	67%	
Internal Materials and Services	\$4,635,588	\$1,934,179	42%	
Capital Outlay	\$88,974,358	\$47,249,253	53%	
TOTAL EXPENDITURES	\$122,161,927	\$64,666,535	53%	
REVENUES			· · · · · · · · · · · · · · · · · · ·	
Intergovernmental Revenues	\$122,161,927	\$62,954,591	52%	
Miscellaneous	\$0	\$63,130	0%	
TOTAL REVENUES	\$122,161,927	\$63,017,721	52%	

Bureau Reconciliation Narrative

Grants Fund (217000) - Transportation

Fund Report for FY 09-10

Requirements

Total Personal Services are 37% of budget. This variance is primarily driven by five projects: Burnside: Bridge-14th Avenue, \$490k underexpenditure; Portland Streetcar Eastside Extension, \$450k underexpenditure; Paving Preservation Program, \$1.1m underexpenditure; 82nd Ave/Columbia Intersection Imp, \$540k underexpenditure; Barbur Sidewalk Infill, \$425k underexpenditure; ARRA – Bike Blvd Signage & Marking, \$400k underexpenditure; and ARRA – Hawthorne, Madison, 39th Rd Rehab, \$500k underexpenditure. Progress on projects is slower than planned. Project work will continue.

Total External Material & Services are 67% of budget. This variance is primarily driven by eight projects: 47th & Columbia, \$1.0m underexpenditure; Gibbs Pedestrian Bridge, \$520k underexpenditure; Columbia Blvs/MLK Blvd, \$550k underexpenditure; Going St Bridge, \$290k underexpenditure; Gateway Phase II, \$339k underexpenditure; NW Naito Crossing, \$313k underexpenditure; Capitol Hwy: Mult-Taylors Ferry, \$276k underexpenditure; and Cully Blvd: Prescott-Killingworth, \$400k underexpenditure. Progress on projects is slower than planned. Project work will continue.

Total Internal Material & Services are 42% of budget. This variance is primarily driven by four projects: Portland Streetcar Eastside Extension, \$1.2m underexpenditure; Cully Blvd: Prescott-Killingworth, \$342k underexpenditure; Burgard Rd Over Abandon RR, \$232k underexpenditure; and Leadbetter RR Overcrossing, \$204k underexpenditure. Progress on projects is slower than planned. Project work will continue.

Total Capital Outlay expenditures are 53% of budget. The variance is primarily driven by nine projects: Streetcar Vehicle Purchase, \$17.5m underexpenditure; Paving Preservation Program, \$5.6m underexpenditure; Going St Bridge, \$2.8m underexpenditure; Gibbs Pedestrian Bridge, \$3.4m underexpenditure; Burnside: Bridge-14th Avenue, \$2.5m underexpenditure; South Auditorium Streetlighting, \$1.9m underexpenditure; Burgard Rd Over Abandon RR, \$1.6m underexpenditure; Barbur Sidewalk Infill, \$1.6m underexpenditure; and Cully Blvd: Prescott-Killingworth, \$1.5m underexpenditure. Progress on projects are slower than planned. Project work will continue.

Revenues

Intergovernmental Revenues are 52% of budget. This reflects the slow progress on the projects listed above.

Bureau of Transportation FY 2009-10 Add Package Status Report Fall Bump – October 2010

1) The FY 2009-10 Adopted Budget for the Bureau of Transportation (PBOT) included General Transportation (GTR) cut packages totaling \$3.8 million (\$1.5 million cuts continued from midyear FY 2008-09 and \$2.3 million new cuts). PBOT has worked to minimize the impact of these cuts on transportation system users and to provide quality services within our resources. The reductions are consistent with Resolution #36672, which adopted the policy direction of reducing services on local streets to focus on major maintenance of the arterial street network.

- Local Street Pavement Surface Treatments (\$550,000) Reduction of street surface sealing; 60,000 sq. yds of pavement crack fills on neighborhood streets; 25 miles of slurry seal treatment repairs to neighborhood streets.
- Gravel Shoulder Shaping (\$300,000) Reduction of 78 miles of road shoulder drainage and roadside hazard maintenance.
- Street Preservation Treatments (\$459,000) Reduction of maintenance of neighborhood streets, speed bump resurfacing repairs, and other maintenance related projects.
- Traffic Maintenance Signs and Markings (\$250,000) Reduction of sign fabrication and maintenance at 1,000 locations, pavement marking maintenance for crosswalks, lane striping, and bike lanes.
- Structural Maintenance Bridges and Stairways (\$125,000) The bureau will only maintain 29 of the 30 bridges and 23 of the 42 stairways and fences under its supervision.
- Residential Sidewalk Inspections (\$315,000) Reduction of residential sidewalk inspections.
- Residential Speed Bump Installations (\$150,000) Eliminates entire program for neighborhood streets.
- Parking Control Assistance (\$40,000) Reduction of parking control installations by 50 community requests.
- Construction Permit Engineering (\$50,000) Reduction of City subsidy for small street improvement permits.
- Sunderland Recycling Operations (\$50,000) Reduction of facility maintenance.
- Transportation Options and Safe School Routes (\$50,000) Reduction of outreach materials and bike equipment for school aged children.

- Abandoned Auto Program (\$125,000) Reduction of supervisory staff.
- Night Central Business District Street Cleaning (\$60,000) Reduction of citywide night field supervisory staff.
- Residential Street Cleaning (\$800,000) Reduction of staffing and materials resulting in fewer neighborhood street cleanings annually.
- Engineering Services Greenstreet and Monuments (\$56,000) Reduction of survey monument field replacement and stormwater coordination for the Greenstreet program.
- Project Management (\$60,000) Reduction of part time staffing.
- Indirect Support Positions (\$340,000) Eliminates one public information officer, one business supervisor, two office support specialist III positions, and one senior administrative specialist.
- Program Specialist (\$85,000) Reduces one position. All duties have been absorbed by other positions within the bureau.
- 2) The FY 2009-10 Adopted Budget for the Bureau of Transportation (PBOT) included General Fund (GF) cut packages totaling \$.3 million. PBOT has worked to minimize the impact of these cuts on transportation system users and to provide quality services within our resources.
 - Streetlighting General Fund 5% Reduction (\$306,524) Reduction to utility energy budget.
 - Transportation Options General Fund 5% Reduction (\$4,576) Reduction to supplies and printing.
- 3) The FY 2009-10 Adopted Budget for PBOT included \$3.7 million in Other Revenue Reduction Packages. PBOT has worked to minimize the impact of these cuts on transportation system users and to provide quality services within our resources.
 - Project and Development Services Position Cuts (\$421,982) Reduction to services due to a slowdown in the economy and lack of projects.
 - Planning Services Reduction (\$97,494) Reduction in transit planning, environmental planning, and highway planning due to declining external revenues.
 - Labor Savings Budget Adjustment (\$3,200,000) Eliminates vacant positions used to meet year-end savings plans for maintenance services.

- 4) The FY 2009-10 Adopted Budget for PBOT included \$8.3 million in Revenue Enhancement Packages. These new revenues support transportation services and backfill the GTR shortfall.
 - Parking Meter Rates Downtown and Marquam Hill \$3,000,000 Increased hourly rates by \$.35 per hour in the Downtown and Marquam Hill meter districts to reflect comparable off-street garage rates set by private businesses. Downtown rates will increase from \$1.25 to \$1.60 per hour; Marquam Hill rates will increase from \$1.00 to \$1.35 per hour. This revenue supports \$1 million in additional transit mall maintenance, \$550,000 for downtown marketing, \$950,000 contract paving work, and \$500,000 to backfill the general transportation revenue (GTR) shortfall.

Update: The meter rates were increased effective 7/11/2009. FY 2009-10 actual meter revenues met budgeted revenues.

• Parking Garage Rates \$1,500,000 Increased hourly rates to reflect comparable rates of privately-owned garages and on-street meter rates. Rates vary by garage location. This revenue backfills the GTR shortfall.

Update: The parking garage rates were increased effective 7/11/2009. FY 2009-10 actual parking garage revenues were slightly lower than budgeted revenues due to reduced parking in garages due to the downturn in the economy.

• Parking Meter Sunday Operating Hours \$1,300,000 Increased meter hours of operation for the Downtown meter district from 1:00 PM to 7:00 PM on Sundays. This revenue backfills the GTR shortfall.

Update: The meter hours of operation were extended to Sundays 7/11/2009. FY 2009-10 actual meter revenues from Sunday operations met budgeted revenues.

• Parking Meter Rates - Lloyd District \$140,000 Increased hourly rate by \$.25 per hour in the Lloyd meter district to reflect comparable off-street garage rates set by private businesses. This revenue supports Lloyd District projects and backfills the GTR shortfall.

Update: The meter rates were increased effective 7/11/2009. FY 2009-10 actual meter revenues for the Lloyd District were slightly lower than budgeted revenues due to reduced parking in this area due to the downturn in the economy.

• Cost of Service Fees – \$2,313,500 Updated service charges and fees to reflect cost of service and to reduce City subsidies for various services. This revenue supports \$150,000 for contract paving and \$2,163,500 to backfill the GTR shortfall.

Update: The service charges and fees were increased effective 7/1/2009. FY 2009-10 actual cost of service fee revenues met budgeted revenues.

- 5) The FY 2009-10 Adopted Budget for PBOT included \$12.3 million in Add Packages.
- Federal Highway Administration (FHWA) \$10,693,116 Federal stimulus funding for streets, bike boulevards, sidewalks, streetlights, traffic signals, and bridges. These projects are in progress or complete;
 - NW 23rd Avenue Paving Substantially complete
 - Portland Paving (SE Hawthorne, Madison, Caesar Chavez), Bike Boulevards, and Springwater Trail Repaving - Nearing substantial completion
 - Sidewalk Infill (and Union Station?) In construction
 - SE 82nd and Columbia Design Completion expected in 2011
 - South Auditorium Lighting Moving to contract. Construction completion expected in 2011
 - Energy and Environmental Block Grant (EEBG) Stimulus \$400,000 Federal stimulus funding for Safe Routes to School and SmartTrips programs. These projects will be completed by the end of FY2011-2012, the end of the funding cycle for this grant. Approximately 15% of the funds were spent in FY2009-2010.
 - Affordable Transportation \$500,000 GTR funding for alternative transportation (bicycle and pedestrian) improvements. This project is substantially complete.
 - Permit Fee Increases Bureau of Development Services (BDS) Consolidation \$170,000
 Increases permit revenues to reduce subsidies in coordination with consolidation of
 transportation permit services with the Bureau of Development Services. The permit fee
 full recovery revenues were fully implemented. However, do to a downturn in the
 economy, the volume of permits are not coming in as anticipated.
 - Sewer Repair Work \$500,000 Interagency funding for sewer repair, sewer cleaning and stormwater maintenance services. PBOT provides these services for the Bureau of Environmental Service (BES) through an interagency agreement.

Capital Program Status Report

Transportation

CIP Program	FY 2009-10 Adopted Budget	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Variance \$	Variance %	FY 2010-11 Adopted Budget	Fall BuMP Revised Budget	FY 2010-11 Year to Date Actuals	Variance \$	Variance %
	\$0	\$0	\$9,439	\$9,439		\$0	\$0	\$1,125	\$0	
Centers and Main Streets	\$92,801,431	\$104,589,169	\$74,053,259	(\$30,535,910)	(29%)	\$85,377,453	\$92,214,609	\$12,316,289	\$6,837,156	8%
Freight and Industrial Area	\$19,223,269	\$22,225,102	\$11,434,603	(\$10,790,499)	(49%)	\$7,673,955	\$7,673,955	\$1,301,632	\$0	0%
Local Street Design	\$1,220,212	\$1,322,337	\$519,336	(\$803,001)	(61%)	\$1,305,471	\$1,305,471	\$83,219	\$0	0%
Neighborhood Livability	\$6,929,575	\$10,278,809	\$2,979,825	(\$7,298,984)	(71%)	\$9,151,235	\$8,842,893	\$971,320	(\$308,342)	(3%)
Preservation & Rehabilitation	\$16,584,886	\$24,455,452	\$7,243,405	(\$17,212,047)	(70%)	\$20,612,604	\$19,488,313	\$1,464,042	(\$1,124,291)	(5%)
Safety and Congestion Mgmt	\$0	\$620,000	\$475,418	(\$144,582)	(23%)	\$0	\$0	\$5,798	\$0	

Capital Program Status Report

Transportation

CIP Program	FY 2009-10 Adopted Budget	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals	Variance \$	Variance %	FY 2010-11 Adopted Budget	Fall BuMP Revised Budget	FY 2010-11 Year to Date Actuals	Variance \$	Variance %
Special Projects	\$6,879,514	\$4,924,514	\$2,462,712	(\$2,461,802)	(50%)	\$7,599,994	\$7,599,994	\$1,616,238	\$0	0%
Total	\$143,638,887	\$168,415,383	\$99,177,997	(\$69,237,386)	(41%)	\$131,720,712	\$137,125,235	\$17,759,664	\$5,404,523	4%

^{*} Prior Year variances compare Year-End Actuals to Revised Budget

Prior Year Variance Description

Centers and Main Streets (TPCICM0000000GT):

- Two-thirds of the variance is attributable to just two federally funded projects, E Burnside/Couch and Gibbs Street Bridge. While the budget includes total project cost, the expenses shown do not include those that are paid through ODOT. Other projects with federal funding through ODOT and TriMet respectively, are Cully Boulevard and Moody Parkway.
- Additionally, construction of the Gibbs Street Bridge was delayed to value engineer and rebid the project.

Freight and Industrial Area (TPCIFR0000000GT):

- Some of the variance is due to lower bids on construction projects.
- The Alderwood and 47th/Columbia Projects were successfully combined into one bid package and were being constructed sequentially.
- · Construction bridge projects were reschedule to next year.

Local Street Design (TPCILO00000000GT):

- In this economy, there was less activity in both the Local Improvement District Program as well as the Development Permit program.
- · Projects that were pursued benefited from lower bids.

Neighborhood Livability (TPCINB0000000GT):

- With ARRA projects, multiple and duplicative project numbers were created to track expenditures.
- · Additionally, some grant funded projects had their entire budgets inadvertently placed solely within one fiscal year.
- One ARRA project, Sidewalk Infill, included three disparate project areas, but were combined into one bid package. These improvements are being constructed sequentially and will be completed this fiscal year.
- Two projects have been delayed for additional project development, the 50's Bikeway and the Lents Town Center.

Preservation & Rehabilitation (TPCIPR0000000GT):

- Much of the ARRA work shown here has been completed and billings are in progress.
- Approximately one-half of the variance is due to funds from the Road Rehabilitation Program being used to backfill funding shortfalls.

Safety and Congestion Management (TPCISC00000000GT):

• Most of the variance here is associated with the Sandy at 57th HEP project, which was successfully completed in FY 10/11. Final billings are/have been prepared.

Special Projects (TPCISP00000000GT):

• The majority of the variance is attributable to a single project, the I-5 Macadam Ramp Access, which has been re-scoped to a more cost effective project, the Harbor/River Parkway Intersection Improvement Project, which will be jointly funded by ODOT and the City.

Current Year Variance Description

^{**} Current Year variances compare Revised Budget to Adopted Budget

Portland Bureau of Transportation

Performance Measures

Program and Performance Measure	Туре	FY 2009-10 Revised Budget	FY 2009-10 Year-End Actuals			
Maintenance						
TR_0019 - The percent of bridges in poor or very poor condition, defined as structurally deficient or weight-restricted	EFFECTIVE	20%	18%	0%	0%	0%
TR_0017 - The number of bridges owned and maintained by the City of Portland	WORKLOAD	156	159	0	0	0
Operations						
TR_0031 - PBOT Recycling - the cost efficiency of recycling vs. disposing (components of cost avoidance are costs of hauling debris, disposal, and buying material instead of using recycled material)	EFFECTIVE	\$7,801,842	\$6,638,449	\$0	\$0	\$0
TR_0034 - Residential and Commercial Permits - percent issued within goal	EFFECTIVE	95%	97%	0%	0%	0%
TR_0035 - Multi-Modal Travel - daily bicycle trips measured during summer months over Portland's four "bike-friendly" bridges (Hawthorne, Burnside, Broadway, and Steel), by calendar year	EFFECTIVE	15,749	15,749	0	0	0
TR_0030 - PBOT Recycling - cost per cubic yard	EFFICIENCY	\$6.32	\$8.55	\$0.00	\$0.00	\$0.00
TR_0023 - Signalized intersections - number retimed	WORKLOAD	30	188	0	0	0
TR_0026 - Safe Routes to School - number of Portland's participating elementary schools	WORKLOAD	75	72	0	0	0
TR_0029 - PBOT Recycling - cubic yards of debris recycled	WORKLOAD	160,000	118,812	0	0	0
TR_0032 - Residential and Commercial Permits - number issued	WORKLOAD	1,224	1,599	0	0	0

Performance Measure Variance Descriptions

The number retimed for signalized intersections increased, primarily due to capital projects from American Recovery and Reinvestment Act (ARRA) funding and the Streetcar Extension.

10/19/2010 Page 1 of 1

PBOT Service Improvement Plans: PRIOR FY 09-10

Update September 2010

Development and Implementation of Small-scale Pedestrian and Bicycle Capital Projects

Streamline the process for delivering small-scale capital projects (projects less than \$100,000) for bicycle and pedestrian safety. With the existing public involvement process, it can take one and a half to two years to complete small-scale capital projects. By streamlining this process, projects can be built in a shorter time frame. Thus, the public will see the outcome of their participation much quicker than they do with the traditional process. This will be accomplished by:

- Creating new procedures for project identification, public involvement and City decision making.
- Document new process that clarifies roles and responsibilities, opportunities for public involvement, and timelines for the project development process.

<u>Progress made on achieving improvements</u>

Status: Complete

- 1. Summer 2009, Council passed Resolution #36721 to streamline the process for building bicycle boulevards and traffic calming features.
- 2. In the update of the Bicycle Master Plan, a prioritized list of bicycle projects was included. Projects for bicycle and pedestrian safety will be selected from this already verified list. This will increase the efficiency of project development and shorten the time line for project selection.

Pavement Management System

PBOT recently completed a contract to re-rate the condition of the streets. In the next year, we will implement a new Pavement Management System (PMS) using the new condition data. The new PMS will allow us to more efficiently and effectively plan for preventive and rehabilitative maintenance needs. The system will enable us to do predictive modeling and analyze quality data to determine what the most cost effective projects are for the given year. In the next year we will:

- Identify and purchase software for the PMS.
- Install the PMS onto PBOT employee workstations.
- Begin to populate the database with the condition rating data.

Progress made on achieving improvements

Status: Complete

- StreetSaver Software has been chosen as the new Pavement Management Software.
- StreetSaver software has been purchased and been installed on employees workstations. Maintenance and Operations employees are being trained.
- Street segment and distress data has been entered into StreetSaver.
- Pavement Condition Index (PCI) is being calculated for all street segments and functional classes (will allow us to define the condition of all streets).
- Reporting on pavement data.

Parking Garage Improvements

Status: Complete

- 1. Improvements to the janitorial services will be made. There has been an ongoing perception, by the downtown retailers, that the garages are not clean enough or cleaned consistently. To make these improvements, StarPark will be providing the janitorial services; they will no longer be subcontracted. The outcome will be cleaner garages. Outcomes will be tracked through surveys.
- 2. Marketing of the garages will be expanded in an effort to increase utilization. Travel Portland will conduct the downtown marketing of the garages. We hope to increase utilization of the garages at all hours of the day. Increased utilization will result in more revenue.

Progress made on achieving improvements

- Reduced janitorial costs while improving the cleanliness of the garages.
- The Downtown Marketing campaign has proven successful in increasing utilization of the garages. Transportation held two parking amnesty days in November and December 2009 which were successful in that there was a 31% increase of merchant validation transactions in 2009 compared to 2008 on those days.

September 2010 Page 2 of 2