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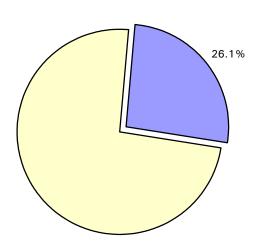
Public Utilities

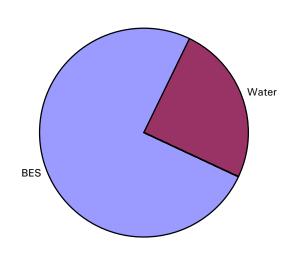
Bureau of Environmental Services Bureau of Water Works

Percent of City Budget

Bureau Pie Chart

Public Utility = \$412.8 Million





City Budget = \$1.58 Billion

Service Area Overview

Expenditures	Revised FY 2005–06	Adopted FY 2006–07	Change from Prior Year	Percent Change
Operating	145,441,580	158,553,284	13,111,704	9.0%
Capital	190,131,880	254,286,742	64,154,862	33.7%
Total Expenditures	\$ 335,573,460	\$ 412,840,026	\$ 77,266,566	\$ 23.0%
Authorized Positions	966.55	1,026.86	60.31	6.2%

Public Utilities Service Area Highlights

Service Area Highlights

DESCRIPTION

The Public Utilities service area includes utility services provided by the City. These include water service provided by the Bureau of Water Works (Water Bureau), and sewer and stormwater management services provided by the Bureau of Environmental Services.

MAJOR THEMES

Utility Rate Increases

The Adopted Budget for FY 2006-07 includes an average effective retail rate increase for water service of 2.5%. The average single family sewer bill increase is 5.6%. The rate increase for water service is consistent with the planned increase. The sewer rate increase is lower than the financial plan, largely due to changes in debt structure.

Bureau of Water Works

Adopted Budget

The FY 2006-07 Adopted Budget for the Bureau of Water Works (the Water Bureau) is \$102.2 million. The Water Bureau's budget consists of an operating budget of \$59.8 million (including \$625,563 for the Hydropower Division) and a capital budget of \$42.4 million. The operating budget increased about \$5.5 million from the FY 2005-06 Revised Budget and the capital budget increased approximately \$10 million.

Focus on Water System Maintenance

The Water Bureau is increasing staffing by 107 positions in the three years 2005-06 through 2007-08, largely to focus on maintenance of water system infrastructure. In FY 2006-07, there are 56.5 new positions, of which 33.5 are dedicated to increased maintenance.

Reduce Reliance on Outside Consultants

The Adopted Budget includes 15 new positions to bring on-going functions in-house and broaden expertise among bureau staff. These positions are budgeted to produce no net increase in costs, as there are commensurate reductions in the budget for outside consultant contracts.

Water System Security

The budget includes an additional six security positions, to conform with the Council's directive to increase security at the in-city reservoirs, and to bring the security function inhouse rather than be provided through a contract.

Capital Improvement Plan Reductions

The Capital Improvement Plan (CIP) is reduced nearly \$10 million from the FY 2005-06 Revised CIP. This does not represent reductions in capital projects, as all projects planned for the five-year CIP are still included, but the reduction better reflects the actual spending in the past few years. CIP spending has been between 50-60% of budget, and the reduction in the capital budget for FY 2006-07 should produce a CIP that is more realistic and achievable.

Service Area Highlights Public Utilities

Bureau of Environmental Services

Adopted Budget

The FY 2006-07 Adopted Budget for the Bureau of Environmental Services is \$310.7 million. The total consists of an operating budget of \$98.8 million and a capital budget of \$211.9 million. The operating budget increased about \$7.7 million compared to the FY 2005-06 Revised Budget, and the capital budget increased approximately \$74.1 million.

Combined Sewer Overflow Program

The Combined Sewer Overflow (CSO) program continues to be the bureau's largest capital program, with surface water management, treatment, and maintenance being other significant areas of capital spending. The construction of the Eastside CSO projects have started and the Westside Tunnel and Swain Island Pump Station will be operational by December 2006.

Portland Harbor Sediments

This program manages the City's response to the federal Environmental Protection Agency's listing of the Willamette River Portland Harbor as a Superfund site. Funding for this program is budgeted at approximately \$4.2 million in FY 2006-07, a slight decrease from the FY 2005-06 Revised Budget.



Bureau of Environmental Services

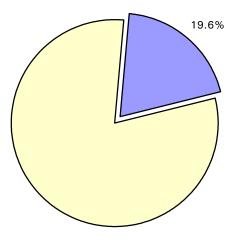
Public Utilities Service Area

Sam Adams, Commissioner-in-Charge

Dean Marriott, Director

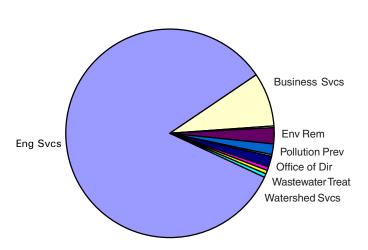
Percent of City Budget

BES = \$310.7 Million





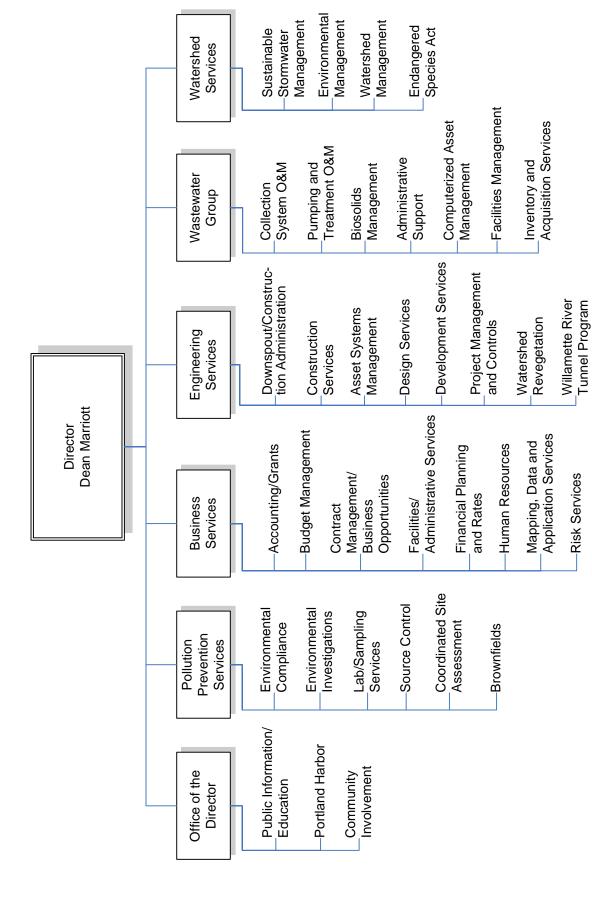
Bureau Programs



Bureau Overview

Expenditures	Revised FY 2005–06	Adopted FY 2006–07	Change from Prior Year	Percent Change
Operating	91,141,828	98,782,751	7,640,923	8.4%
Capital	137,757,496	211,875,242	74,117,746	53.8%
Total Expenditures	\$ 228,899,324	\$ 310,657,993	\$ 81,758,669	\$ 35.7%
Authorized Positions	478.23	482.91	4.68	1.0%

Bureau of Environmental Services



Bureau Summary

BUREAU MISSION

The Bureau of Environmental Services, Portland's clean river agency, serves the Portland community by protecting public health, water quality, and the environment.

We protect the quality of surface and ground waters and conduct activities that promote healthy ecosystems in our watersheds.

We provide sewage and stormwater collection and treatment services to accommodate Portland's current and future needs.

VISION AND VALUES

Bureau Values

The employees of the Bureau of Environmental Services

Value Portland's natural environment

Environmental sustainability

- Practice environmental sustainability in their work
- Promote environmental equity
- Take pride in their work and accountable for their actions

Workplace diversity

- Respect and honor the diversity and contributions of the bureau's co-workers
- Help and encourage each other to succeed individually and as part of a team

Customer service

- Explore both traditional and innovative ways to achieve intended results
- Provide responsive, cost effective, and reliable services to their customers

Community involvement

- Value and promote the equitable development and use of historically under-utilized businesses
- Work in partnership with the community
- Promote a safe and healthy workplace

Bureau Vision

A future built on sustainability that supports a vibrant community and ensures a clean river legacy. Our guiding principles include:

• Stewardship of the sewer infrastructure, watersheds, and water quality;

Sustainability that supports a vibrant community and a clean river legacy

- Accountability for the community's investment in sewer and stormwater infrastructure, watersheds, and water quality in local rivers and streams
- Community partnership with private citizens, businesses, community and environmental groups, agencies, and other jurisdictions
- Environmental leadership, to influence both environmental and watershed health and national, state, and local regulatory agendas

BUREAU OVERVIEW

Organizational Description

Six major program areas serving over 550,000 people

The bureau operates and maintains sanitary sewer and stormwater collection systems serving over 550,000 people. The bureau's activities are supported through retail sewer and stormwater charges, wholesale contract revenues from surrounding jurisdictions, and reimbursements for services provided to other bureaus. This budget reflects 482.91 equivalent full-time people and is organized into six primary program areas, Engineering Services, Pollution Prevention Services, Watershed Services, Wastewater Treatment, Business Services, and the Office of the Director.

The FY 2006-07 Adopted Budget reflects the bureau's ongoing efforts to provide cost effective and efficient sanitary sewer and stormwater services, to meet state and federal regulatory requirements, and to promote healthy Portland watershed ecosystems. We have maintained our commitment to restrain, and in some cases reduce, the growth in operating and capital expenditures while still meeting all of our service standards and regulatory mandates.

A 35.7% increase in FY 2006-07 operating and capital expenditures The FY 2006-07 Adopted Budget for operating and capital expenditures is \$310.7 million, 35.7% higher than the Revised Budget for FY 2005-06, due to a 54.2% increase in capital improvement plan expenditures as the bureau moves into the Eastside Tunnel portion of the Combined Sewer Overflow (CSO) program. The FY 2006-07 Adopted Budget reflects continued support for the CIP program, where 78% of the budget is attributable to the Westside and Eastside Tunnel projects. It also includes increased operating costs for start-up and continued operation of CSO facilities on the west side of the Willamette River.

SUMMARY OF BUDGET DECISIONS

Budget Changes

The Adopted Budget for FY 2006-07 reflects continuing efforts within the bureau to constrain growth in costs and rates while supporting a higher level of capital expenditures. The coming fiscal year will mark both the completion and start-up of CSO control facilities on the west side of the Willamette River and the first full year of work on the eastside CSO control facilities. In an effort to mitigate rate increases associated with these capital expenditures, the bureau proposes to extend the term of the revenue bonds issued to finance these expenditures from 20 years to 25 years. Other significant changes include:

- \$2.4 million in strategic system investments, including a spot liner for sewer repair, additional funding for recycling biosolids through land application, additional sampling and laboratory analysis in support of Columbia Slough Sediment actions and Underground Injection Controls, and additional support for green street projects
- \$1.5 million in additional Capital Maintenance and Repair projects
- Implementation of the Clean River Rewards Program (CRRP) for stormwater ratepayers the bureau expects as many as 110,000 applications for stormwater discounts, and associated costs of \$1.6 million for outreach and customer service, technical assistance, programming, and data entry
- A reduction of over \$400,000 associated with completion of the wastewater treatment facilities plan
- Elimination of three vacant management positions, with associated savings of \$250,000
- ◆ A reduction of \$590,000 in materials and services budgets, including reductions in computer replacements and network equipment maintenance budgets

- An increase of \$237,000 for Bureau Innovation Project (BIP) #19 Cross-Bureau
 Permitting to pay for technical personnel in BES and the Office of Transportation that are involved in this effort
- Creation of a \$500,000 Brownfields Investment Fund within the Environmental Remediation Fund this effort is to identify and clean up contaminated sites in the community that will benefit the environment through improved stormwater runoff to surface and ground water and to return properties to productive, active use

Funding the FY 2006-07 Adopted Budget will require collecting \$190.4 million in sanitary sewer and stormwater rate revenues. This will require an increase of 5.6% in the monthly bill for an average residential customer.

Personal Services

Personal services are budgeted to increase 7.3% over the current year's Revised Budget. The significant increase is due to healthcare costs and the addition of resources for the CRRP and BIP #19.

The bureau is reducing three management positions.

Two technical positions are eliminated, reflecting a current mid-year transfer to the Revenue Bureau for customer service activities. Three management positions are eliminated, with work continuing through realignment of the affected work sections. One chemist is added for increased sampling and testing requirements related to EPA Underground Injection Control regulations and the Portland Harbor Superfund program. Two limited term positions are extended for grant support related to the Stormwater abatement and Brownfields remediation activities. Four positions are added for the CRRP and one position for BIP #19 to expedite decision-making for City permitting functions.

External Materials and Services

Operating expenses for external materials and services are increased.

Funding of the bureau's total external materials and services (M&S) budget is 0.9% over the FY 2005-06 Revised Budget due to the Brownfields funding addition. The external M&S budget within the capital program has decreased 4.3%, reflecting the shift of the design of the Eastside CSO project to construction. Within operating programs, the external M&S budget increases by \$646,000, or 3.2%. Changes are driven by reductions of one-time resources no longer needed. Those savings are offset by M&S increases for the startup and operation of CSO control facilities and the Swan Island Pump Station.

Internal Materials and Services

Internal materials and services levels increase 5.0%.

Total internal materials and services (M&S) expenditures will increase by \$2.0 million. For FY 2006-07, cost increases for services from other bureaus are due to:

- the addition of \$146,000 for BIP #19 to PDOT to pay for technical personnel involved in this effort
- increases to the Bureau of Technology Services of nearly \$300,000 for the replacement of the City's financial system
- increases to the Bureau of Development Services of nearly \$225,000 to respond to increased requests from ratepayers for permits to retrofit properties for on-site stormwater management facilities
- An additional half of a Deputy City Attorney has been requested for the Portland Harbor Superfund program - the funding for this comes from appropriation for legal consulting fees
- ◆ The addition of a sewer repair package estimated at \$1.2 million these services are performed by the Bureau of Maintenance

Capital Outlay

Capital outlay reflects the completion of the Westside CSO Tunnel and Swan Island Pump Station and construction of the Eastside CSO Tunnel.

Capital outlay is budgeted at \$211.9 million in FY 2006-07 versus about \$137.8 million of FY 2005-06 revised appropriations. This change reflects the bureau's continued infrastructure expenditures associated with the completion of the Westside CSO Tunnel and Pump Station project and the start up of the Eastside Tunnel project.

Required funding for capital equipment of \$1.4 million within the operating programs has been reduced by nearly \$100,000 from the Revised Budget due to changes in the bureau's equipment needs.

CIP infrastructure funding has increased 70.6%, or \$76.5 million, reflecting the construction of several large projects. An additional \$1.5 million was added to the bureau's Five-Year CIP Plan by City Council for repair and maintenance activities.

BUDGET NOTES

Water Meter Maintenance and Replacements Water, Environmental Services, and the Revenue Bureau will prepare a plan for maintenance and replacement of water meters. This plan will address the level of meter maintenance, frequency of meter replacement, evaluation of the costs and benefits of automatic meter reading, cost of the meter replacement program, method of payment, and share of the costs, for both large and small meters. This joint plan is to be incorporated into each bureau's five-year financial plan that is submitted in the fall of 2006.

Watershed Projects Plan The Bureau of Environmental Services is the responsible City agency for watershed issues, and it will lead a partnership with environmental organizations and the larger community to develop a prioritized plan by October 1, 2006 for completing watershed projects. BES can request up to \$500,000 in General Fund one-time funding to jump start project implementation, but will incorporate a long-term watershed funding plan for projects into its future budgets.

Strategic Direction

SIGNIFICANT ISSUES

Environmental Issues

Combined Sewer Overflows

Continued CSO related capital expenditures

The City is subject to Oregon Department of Environmental Quality (DEQ) administrative orders regarding overflows from the bureau's combined sewer and stormwater collection system (CSO). The City has agreed to eliminate CSO discharges that violate applicable water quality standards by December 1, 2011. The FY 2006-07 Adopted Budget includes \$164.6 million of CSO capital costs.

Portland Harbor Superfund

Continued Portland Harbor Superfund assessment The bureau represents the City's interests at the Portland Harbor Superfund site by working with the DEQ to identify and reduce sources of contamination conveyed to the Willamette River via stormwater outfalls. The bureau also continues to work with other stakeholders to assess current and past land use practices within the lower-Willamette drainage basin. This information will be used in the superfund process over the next several years to assess the City's potential liability for cleanup activities. The FY 2006-07 Adopted Budget includes \$4.2 million of Portland Harbor Superfund related expenditures.

National Pollution Discharge Elimination System Stormwater Permit

Stringent stormwater management regulations

On July 27, 2005, DEQ imposed new requirements on the City's National Pollution Discharge Elimination System (NPDES) stormwater permit. They include addressing the stormwater component of Total Maximum Daily Load (TMDL) waste load allocations in Portland-area streams and rivers. As a result, the bureau will be required to model and evaluate citywide pollutant loads, stormwater runoff volumes and the effectiveness of stormwater management program implementation. The FY 2006-07 Adopted Budget contains NPDES-related funding across a variety of bureau program areas including Watershed Services, Pollution Prevention Services, and Engineering Services.

Endangered Species Act Requirements

Protecting Endangered Species Act compliance The bureau continues to develop and implement a comprehensive watershed framework for the protection of the Lower Columbia Steelhead and the Lower Columbia Chinook salmon per the requirements of the Endangered Species Act. In addition, the bureau has also begun implementing procedures to comply with the designation of the city's streams as critical habit by the National Marine Fisheries Service. This designation requires that City projects not adversely affect designated areas unless adequate mitigation is conducted. The designation is enforced as part of individual projects. The FY 2006-07 Adopted Budget contains Endangered Species Act-related funding across a variety of bureau program areas including Watershed Services, Pollution Prevention Services, and Engineering Services.

Water Quality Compliance

Clean Water Act compliance

In addition to complying with NPDES requirements regarding stormwater-related total maximum daily load (TMDL) allocations, the bureau also engages in a comprehensive program of in-stream water quality and flow testing in order to comply with TMDL regulations issues by DEQ pursuant to the federal Clean Water Act. DEQ is in the process of finalizing TMDL regulations for the Willamette River, Johnson Creek, Columbia Slough, and Tryon Creek. The FY 2006-07 Adopted Budget contains funding for water quality compliance across a variety of bureau program areas including Watershed Services, Pollution Prevention Services, and Engineering Services.

Underground Injection Control Rules

Safe Drinking Water Act compliance

The bureau is required to comply with underground injection control (UIC) regulations issued by DEQ. These regulations classify the City's approximately 8,500 stormwater sumps as Class V underground injection wells that must comply with the requirements of the Federal Safe Drinking Water Act. On June 1, 2005, the City was issued a Water Pollution Control Facility permit that regulates the construction, operation, and maintenance of UICs. The permit requires the bureau to implement a comprehensive evaluation of all City-owned UICs to determine if they comply with Safe Drinking Water Act requirements. UIC-related operating costs for stormwater management activities and UIC-related capital costs for retrofitting sumps with sedimentation manholes are included within the bureau's FY 2006-07 Adopted Budget.

Johnson Creek

Johnson Creek flood management

The Bureau's FY 2006-07 Adopted Budget includes funding for continued flood management and watershed restoration activities in the Johnson Creek watershed.

Columbia Slough

Columbia Slough environmental remediation

Pursuant to a consent order between the City and DEQ, the bureau remains engaged in the identification and characterization of contaminated sediment sites in the Columbia Slough. The bureau's FY 2006-07 Adopted Budget includes funding for Columbia Slough-related activities.

Operational Issues

Sewer System Operations

The bureau's FY 2006-07 Adopted Budget includes \$41.3 million to support the operation and maintenance of sanitary sewer and stormwater collection systems. The bureau's system includes 1,423 miles of separated sanitary and stormwater sewers and 861 miles of combined sewer lines that carry both sanitary waste and stormwater runoff. The bureau operates 92 pump stations and two wastewater treatment plants with a combined secondary treatment capacity of 108 million gallons per day. The Adopted Budget includes costs associated with the start-up and operation of CSO control facilities on the westside of the Willamette River.

Focus Area: Infrastructure

Sewer System Repair and Maintenance

Also included in the FY 2006-07 Adopted Budget are \$20.4 million to support capital repair and replacement of sewer system assets to prevent catastrophic failures. More than 30% of the collection system is over 80 years old, and maintenance needs are anticipated to increase significantly in the near future. The bureau has committed to provide funding for repair of structurally deficient portions of the sewer collection system, and the long-term financial forecast anticipates significant increases in the capital maintenance budget beyond completion of the CSO program.

Focus Area: Energy Alternatives

Combined Heat and Power

The FY 2006-07 Adopted Budget includes \$3.3 million for a co-generation facility at the Columbia Boulevard Wastewater Treatment Plant. This facility will produce electricity and heat for plant process and space heating requirements from digester gas currently being flared.

Rate Issues

Clean River Rewards Program (Stormwater Discount Program)

The Clean River Rewards Program (CRRP) will grant discounted stormwater management charges and one-time retroactive stormwater credits to eligible ratepayers beginning in FY 2006-07. The bureau expects to receive as many as 110,000 applications during the first 15 months of the program.

The bureau began preparations in FY 2005-06 in anticipation of program start-up. Start-up costs include the costs to design, program, test, and implement computer systems to process and track discount applications, as well as initial public outreach and public information efforts. During the first year of operations in FY 2006-07, the bureau expects to grant discounts of approximately \$10.0 million and retroactive credits of approximately \$9.0 million.

The program start-up costs, discounts, and credits will be self-financed within the stormwater rate structure, resulting in an 18% increase in FY 2006-07 revenue requirements. The rate impacts of the retroactive credits will be smoothed over the five-year financial forecast interval by first using then replenishing Rate Stabilization Fund balances. The stormwater rate increase will be approximately 18% in FY 2006-07 for those customers not receiving discounts.

The FY 2006-07 Adopted Budget contains \$1.6 million for CRRP-related operational and capital costs.

MANAGEMENT GOALS & OBJECTIVES

City Goal: Protect and enhance the natural and built environment

Bureau Goal: Preserve, protect and improve infrastructure

The bureau will plan, construct, operate, and maintain sewer and stormwater facilities that meet the City's current and future needs. The bureau will use effective project management and delivery systems in planning and constructing new facilities.

- Preserve and enhance sewer and stormwater assets through effective inventory assessment and reinvestment
- Control sewer overflows and reduce basement flooding caused by the sewer collection system

- Implement and evaluate innovative technologies through demonstration and pilot projects
- Integrate natural system concepts into design, construction, and maintenance of utility systems that retain or improve current service levels

Bureau Goal: Improve watershed health within our urban community

The bureau will evaluate how our programs, projects, and actions affect watershed health. The bureau will seek solutions that will improve watershed health, meet regulatory requirements, and reduce long-term costs.

- Communicate the advantages of watershed health evaluations before conducting programs and implementing projects
- Develop watershed health evaluation procedures
- Provide technical assistance and training on the evaluation procedures

Bureau Goal: Spend ratepayers' dollars wisely

The bureau will ensure it has the financial resources adequate to support current and planned activities while being sensitive to the financial impacts on customers.

- Monitor cost of services per capita
- Identify projects completed on budget
- Prioritize expenditures using bureau and City goals
- Incorporate lifecycle cost analysis into decision making
- Pursue alternate sources of funding

Bureau Goal: Comply with applicable regulations

The bureau will meet all local, state and federal regulations through a proactive, multiobjective approach.

- Operate the utility to meet regulatory requirements
- Develop programs that meet more than one regulatory requirement
- Work in partnership with other agencies to shape regulatory requirements
- Implement and enforce regulations in a fair and consistent manner

Bureau Goal: Prevent and control pollution

The bureau will develop effective, innovative programs to prevent and control pollution at its source in order to improve the environment and reduce long-term costs.

- Provide technical assistance on pollution prevention techniques
- Inform and involve others in pollution prevention activities
- Partner with customers to control pollutants at their source

Bureau Goal: Communicate openly and effectively

The bureau seeks to have a well-informed community that is involved in bureau decision-making and understands the value they receive for their rate dollars.

- Involve citizens in Bureau work priority decision-making
- Inform and educate citizens on what we do, how we do it, and what it costs
- Improve internal communications and monitor communications effectiveness

Bureau Goal: Advocate for and support Bureau employees

The bureau will provide a workplace that encourages diversity, safety, teamwork, and Citywide integration.

- Develop training programs to ensure the transfer of knowledge between employees
- Effectively manage employee performance and promptly recognize employee excellence
- Continue and enhance the bureau's comprehensive safety program
- Recruit and retain a diverse pool of talented employees

Overview of Programs

ENGINEERING SERVICES

The Engineering Services group is responsible for developing the bureau's capital improvement plan, system planning, managing implementation of capital projects, providing engineering services to all bureau programs, and managing the bureau's Development Services program.

Engineering Services Divisions and Programs

Program Management and Controls

Program Management and Controls develops the bureau's annual capital budget and fiveyear capital improvement plan. Project schedules and budgets are monitored to ensure timely and cost effective progress towards completion of capital projects. This division also has responsibility to maintain engineering standards and provide engineering support services to the rest of the group.

Asset Systems Management

This division is responsible for bureau-wide system planning and Combined Sewer Overflow program management. Work involves planning for all facilities, including pump station, treatment plant, and collection system, as well as program management and coordination services for the Combined Sewer Overflow Program to ensure the requirements of the Amended Stipulation and Final Order (ASFO) are met in a timely, cost effective, and functional manner.

Design Services

The Design Services division provides project management and engineering design services, and is responsible for ensuring each assigned project accomplishes its intended purpose on schedule, within budget, at best value, and in a manner consistent with City and bureau missions and values. In addition, this division provides professional engineering expertise to other divisions and groups in the bureau. The Design Services division also administers the Revegetation program.

Construction Services

This division provides construction management and inspection services for bureau projects and provides materials testing services for both bureau projects and projects managed by other City bureaus.

Development Services

The Development Services division assists developers and other customers and supports City development goals by reviewing and approving plans and issuing permits. This division also has primary responsibility to develop and revise the City's Stormwater Manual and to implement policies that protect water resources and stream integrity.

Administrative Services/Downspout Disconnect

This division is responsible for managing group operations, operating budget, personnel, and contract services and provides support to all group programs. The Downspout Disconnect program is also managed within this division.

Willamette River CSO

The Willamette River CSO program provides project management, engineering design, and construction management services for the large westside and eastside projects including the westside tunnel, eastside tunnel, Swan Island Pump Station, and force mains. The manager responsible for the Willamette River CSO program reports directly to the Bureau Director.

Relationship to Goals

Engineering Services supports the City Goal of protecting and enhancing the natural and built environment by preserving, protecting, and enhancing infrastructure. Engineering Services manages wastewater and stormwater assets to preserve and enhance the value of the community's investment; aggressively controlling sewer overflows and basement flooding; exploring and evaluating innovative technologies and solutions; and integrating natural system concepts into design, construction, and maintenance of systems that retain or improve the current service level.

Performance

Measurements include:

- ◆ An estimated 55% of combined sewer overflow volumes have been diverted from the rivers and receive treatment. This will increase to 65% when the West Side CSO abatement facilities come on-line in FY 2006-07.
- An additional 2,000 roof drains will be disconnected from the combined sewer in FY 2006-07 in accordance with the CSO program schedule, increasing the number of disconnected roof drains to 51,000.
- Construction management costs are forecast to total 12% of total construction costs.
- New for FY 2006-07 is a performance measure to assess effectiveness in addressing critical repair and replacement needs. The measure will determine the percent of high priority projects that are included in the Capital Improvement or Operating Programs. The percentage is expected to increase significantly over the next few years as procedures for facility condition assessments, criticality ratings, and prioritization are enhanced.
- 50% of pipe identified as highest priority for repair or replacement is incorporated into funded CIP or Operating projects.

Changes to Services and Activities

One Supervising Engineer position in the Design Services Division is being eliminated. One Senior Engineering Associate is added to respond to BIP #19, expediting City permitting processes. This effort will be implemented through the Development Services Division.

The total Capital Improvement Program is increasing from \$137.4 million to \$211.9 million

WATERSHED SERVICES

The Watershed Services group FY 2006-07 budget covers the sixth full year of integrated watershed management under the Clean River Plan (CRP). The CRP provides coordination of, and consistent direction for, the goals and priorities of all bureau activities in conjunction with the bureau's Strategic Plan and River Renaissance objectives.

The Watershed Services Group is responsible for developing a watershed management plan covering all of the City's urban watersheds, policies, and programs needed to implement the Clean River Plan and meet federal and state regulations. Watershed Services conducts watershed assessments and comprehensive watershed planning via the Portland Watershed Management Plan (PWMP), monitors and evaluates the effectiveness of stormwater management practices, promotes and implements sustainable site development projects and practices, develops new policies, interprets and implements state and federal surface and groundwater policies and regulations, and implements projects to protect and restore watershed functions.

Watershed Services group Responsibilities and Programs

Watershed Management Plans

The Watershed Services (WS) group develops and coordinates implementation of a watershed management plan (the PWMP), within the context of the City's Clean River Plan and River Renaissance Strategy, as well as regulatory requirements of the Clean Water Act, the Safe Drinking Water Act, the Endangered Species Act, and other laws and programs. WS applies engineering, economic, and scientific principles and restoration guidelines to select or recommend courses of action to meet watershed specific needs and objectives. The PWMP was reviewed by the public, the City's Watershed Science Advisory Group, through watershed councils and other venues, and is the basis for future budgeting and regulatory compliance. BES will periodically update or refine the PWMP elements based on effectiveness of actions taken.

Coordination and Policy Development

The WS group is responsible for developing environmental policies and coordinating with other bureaus, interest groups, and federal, state, and local agencies involved in environmental planning that may affect the City. The group helps shape environmental policy and regulations.

WS also prepares BES's responses to federal and state regulations and facilitates BES's participation in development of policies made elsewhere in the City. Through partnerships and collaboration, WS works to not only comply with regulations, but also influence environmental legislation and codes to meet the bureau's mission and goals.

Stormwater Management

The WS group is responsible for program development and coordination of activities related to the City's NPDES Municipal Stormwater Permit and its state water pollution control facility (WPCF) permit for the City's stormwater sumps. WS coordinates permit implementation actions within BES and with other bureaus, as well as with stormwater NPDES permit co-permittees: the Port of Portland and Multnomah County.

In late 2001, the Environmental Protection Agency (EPA) classified subsurface stormwater infiltration facilities as Class V UIC wells. As a result of this classification, the City's stormwater sumps fall under Safe Drinking Water Act regulations. WS is developing a UIC and groundwater protection program as required by the WPCF permit in coordination with other bureaus and jurisdictions.

The WS group also provides policy and technical assistance, education and outreach, and project design and implementation, to demonstrate and create incentives for projects related to sustainable stormwater practices. Those efforts assist the City in meeting resource protection and environmental compliance goals by integrating sustainable stormwater management practices into the urban environment. Sustainable practices reduce the volume

of stormwater entering the combined system, mitigate impacts to sensitive habitats, and reduce stormwater pollutants. Projects that accomplish these goals include eco-roofs, green streets and parking lots, and downspout disconnections. The EPA Innovative Wet Weather Grant is another example of this kind of work. Beginning in FY 2001-2002 and through FY 2004-05, \$2,658,200 has been awarded by the EPA as grants for those innovative wet weather projects.

Endangered Species Act

The Endangered Species Act (ESA) Program transferred from the Bureau of Planning to BES in FY 2004-05. It was incorporated into the Science, Fish and Wildlife Division, in recognition of its broader programmatic responsibilities, the integration of its planning and analysis work into the bureau's overall watershed programs, and the expertise it provides to other bureaus. The Science, Fish, and Wildlife Division provides the scientific foundation and technical expertise needed to respond to the City's obligations under the ESA, and provides other services vital to implementation of a variety of City projects and programs in multiple bureaus.

The division has had a number of successes, including the completion of the comprehensive *Framework for Integrated Management of Watershed Health*, which is guiding the development and implementation of the PWMP. The division also has spearheaded the successful permit streamlining agreement and team. The streamlining work has proved invaluable to a variety of BES and other bureaus' projects. Other services provided to City bureaus include research, site assessment, pre- and post-project monitoring, permit development, strategy and negotiation, project design, and grant preparation and reporting. The division is responsible for managing in-water construction permits for all City bureaus. In addition, the division fosters and maintains coordination with a variety of federal, state, and regional-scale watershed management programs. More than 60% of the division's budget comes from sources other than BES.

Relationship to Goals

The Watershed Services group supports the City goal of protecting and enhancing the natural and built environment by improving watershed health within our urban community. The WS group promotes the advantages of considering watershed health when developing and implementing City programs and projects; develops methods for assessing the impacts that implementation has on watershed health goals of water quality, water quantity, habitat, and biological communities; and provides technical assistance and training for BES and other City staff on how to reduce impacts to watershed health.

Performance

Measurements include:

- An additional 3,000 feet of stream bank will be restored in FY 2006-07, bringing the cumulative total restored to 328,894 feet
- ◆ Last year 11,000 people participated in projects organized or catalyzed by the Stewardship Program, the same number as in the previous year our goal for the coming year is to maintain the level of participation at 11,000

Changes to Services and Activities

FTE levels for the WS group will remain the same as those in the FY 2005-06 Adopted Budget. In addition, the current service levels for materials and services remain unchanged; however, issuance of new regulatory permits has expanded the mandated workload for the group. Both the WPFC permit and the new stormwater permit for the city were issued in FY 2005-06. Two positions were shifted from watershed work to WPFC permit work, but new resources were not provided to meet increased stormwater permit workload. The results of watershed planning presented in the PWMP will be to expand implementation efforts in FY 2006-07.

Funding of \$100,000 was added for additional sampling and laboratory analysis in support of Columbia Slough Sediment actions and \$150,000 in support of Underground Injection Controls. Another \$100,000 was added for Green Technology Solutions to treat stormwater runoff resulting in clean stormwater recharge to ground water sources.

WASTEWATER TREATMENT

The Wastewater Group (WG) protects public health, water quality, and the environment by operating and maintaining wastewater and stormwater collection and treatment facilities and managing programs in a manner that ensures compliance with applicable permits, regulations, and contracts.

Operates and maintains sewer system infrastructure.

The WG operates and maintains wastewater and stormwater collection, conveyance, and treatment systems. In addition to two wastewater treatment plants, the system includes 92 active pump stations, approximately 2,200 miles of pipeline, 8,500 stormwater sumps, 122 miles of ditches, 20 miles of culverts, 160 pollution reduction facilities, and 120 detention facilities.

Inspection, cleaning, maintenance, and repair for most sewer and stormwater facilities are provided through an interagency agreement with the City's Bureau of Maintenance. The Bureau of Maintenance also provides One-Call utility locating services.

Services provided by the WG also include stormwater residuals management, vector control contract management, emergency capital repair, and response to customer inquiries. The WG manages internal support services including computerized asset management, facilities management, and inventory management and acquisition to support wastewater and stormwater collection and treatment operations.

Relationship to Goals

The Wastewater Group supports the City goal of protecting and enhancing the natural and built environment by meeting our regulatory requirements. The WG efficiently operates and maintains the wastewater system to meet regulatory requirements and creates, implements, and evaluates innovative programs to respond to existing and new permit requirements.

Performance

Measurements include:

- For the current year, the WG met all wastewater treatment plant standards in their respective discharge permits for the seventh consecutive year. The treatment process removed approximately 95% of total suspended solids (TSS) and biochemical oxygen demand (BOD) from the wastewater, compared with the 85% regulatory performance required in the NPDES permit. A goal for the coming year is to sustain this high level of performance.
- Collection and treatment facilities delivered and processed 27.8 billion gallons of wastewater during the 2005 calendar year, which is a similar volume compared to the previous year. Factors affecting total volume include the degree of water conservation, the degree to which we are able to keep stormwater and groundwater out of the system, and rainfall in the service area. Over 29 billion gallons of wastewater is expected to be treated in FY 2006-07.
- The operating and maintenance cost of wastewater treatment is expected to be about \$491 per million gallons treated for FY 2005-06. The cost is projected to increase slightly in FY 2006-07 to \$518 and then decrease to about \$509 in FY 2007-08.

Changes to Services and Activities

The Wastewater Program budget maintains current service levels, limits program growth and will absorb many increases for the third consecutive budget cycle. This budget dictates the WG focus services in core areas of operation, inspection, condition assessment, preventive maintenance, and repair of facilities and equipment.

The Columbia Boulevard Wastewater Treatment Plant no longer uses liquid chlorine for disinfection. The treatment plant initiated a conversion to the use of hypochlorite, a safer alternative for employees and the community.

The most significant increase to the Wastewater Program include \$1.3 million for the cost of operating and maintaining the Swan Island CSO Pump Station and other Westside CSO facilities that will come on-line at the beginning of FY 2006-07. Additionally, \$1.2 million has been added for a spot liner for sewer repair and \$700,000 in funding for recycling biosolids through land application activities.

Reductions include the elimination of the Mapping/GIS Supervisor position and the shift and consolidation of the Mapping/As-built program with Business Services Group's Information Services division.

POLLUTION PREVENTION SERVICES

The Pollution Prevention Services group includes four functional divisions: Source Control, Environmental Investigations, Environmental Compliance and Enforcement, and Special Waste.

Pollution Prevention Services, Responsibilities, and Programs

Source Control

The Source Control Division provides environmental oversight and technical services to industrial and commercial customers to control or eliminate pollutants to wastewater or stormwater discharges. The services provided by the division include permitting and enforcement activities, industrial and commercial development plan reviews, best management plans, education, and alternative discharge control strategies as well as development and support of voluntary partnerships with regional organizations and business associations.

Environmental Investigations

The Environmental Investigations Division provides sampling and monitoring services, data collection and analysis, environmental process management, consultation and report development and preparation services for the bureau. Services include management of the bureau's hydrological data retrieval and alarm system, which provides remote telemetry sensing of sewer flows, rainfall, and pump station operations throughout the city, field sampling and flow monitoring and laboratory analysis, as well as sampling plan and protocol development and data interpretation.

Environmental Compliance and Enforcement

The Environmental Compliance Division manages the bureau's regulatory enforcement process, which includes industrial pretreatment, stormwater, and other environmental regulations under the bureau's authority. The division also ensures, through timely and accurate guidance, bureau compliance with its state and federal regulatory obligations including, but not limited to, permits governing wastewater collection and treatment. The division also includes the Spill Protection and Citizen Response Section.

Special Waste

The Special Waste Division is responsible for environmental assessment and clean-up of contamination on property in which the bureau has an interest. The division also provides this service to a large number of City bureaus, as well as designated Brownfields properties. The primary work of this division is handled through the Coordinated Site Assessment (CSA) program, staff of which perform environmental assessments and pre-qualifies contractors who supply a very broad range of property-related and contamination management services.

The Brownfields program provides remediation efforts for contaminated property.

This division also includes the Brownfields program. This program involves the guidance of contaminated properties in the City of Portland through site assessment, cleanup and redevelopment activities through use of federal Brownfields grants, matching funds from the City and other public agencies, and investment by private sector partners. The focus of the program is to return previously contaminated property to productive economic and community use through partnership with neighborhoods and businesses.

Relationship to Goals

Pollution Prevention Services supports the City goal of protecting and enhancing the natural and built environment by increasing pollution prevention. Pollution Prevention Services provides technical assistance internally and externally to help others prevent pollution, informs and involves City staff and citizens in pollution prevention activities, and partners with customers to prevent or control pollution at the source.

Performance

Measurements include:

- In FY 2005-06, 99% of industrial enforcement tests are expected to be in full compliance, which is the same level of performance as FY 2004-05. A goal for FY 2006-07 is to work with customers to maintain this level of performance.
- Site investigations and remediation required an average expenditure of \$2,000 in FY 2005-06, down from \$2,130 per site for FY 2004-05. A goal for FY 2006-07 is to keep average site expenditures at or below the current level.

◆ The Water Pollution Control Laboratory performed 35,000 lab analyses in FY 2005-06, down from 45,000 in FY 2004-05. We are forecasting a return to 45,000 analyses for FY 2006-07.

Changes to Services and Activities

There are no significant changes to this program. The Brownfields Program coordinator manages this program and will be coordinating the activities of the \$500,000 Brownfields Investment Fund included in the Environmental Remediation Fund.

BUSINESS SERVICES

The Business Services group includes Accounting Services, Financial Planning, Human Resources, Risk Services, Information Systems and Mapping Services, Contract and Grant Administration, Facilities and Administrative Services, Bureau Budget Development and Management, and Business Opportunity programs.

The Business Service group develops and recommends bureau-wide policies and practices related to all aspects of financial operations and administrative services, including coordination with the Office of Management and Finance.

Business Services group Programs and Divisions

Business Services Administration

Business Services Administration provides direction and support to divisions of the group, and includes the functional areas of Budget Development and Management, Grant Administration, Contract Management, and Business Opportunities.

Budget Development and Management

Budget Development and Management provides bureau-wide coordination for the annual budget development process, acts as the access point between the Office of Management and Finance related to the bureaus' budget activities, and provides analysis and technical budget management activities throughout the year.

Grant Administration

Grant Administration oversees pursuit of grant funding for projects that support the goals and responsibilities of the bureau. In addition, this area is responsible for managing, tracking, reporting, and closing out all grants activities for the bureau.

Contract Management and Business Opportunities

The Contract Management function provides a full range of procurement-related services including assistance with solicitation, selection, disputes and protests, and administration of contracts to ensure compliance with the bureau's contracting policy and procedures, City Code, and other applicable laws, regulations, and policies.

The Business Opportunity program has two primary goals: maximize the utilization of minority, women and emerging small businesses (M/W/ESBs) in all bureau contracting opportunities and create a favorable business environment in which these businesses may expand their capacity and capability to become and remain competitive.

Facilities and Administrative Services Division

Facilities and Administrative Services coordinates and manages bureau-wide administrative services, including training, human resources administrative support, clerical support, property management and administration, and management of the interagency agreements for communications, fleet, space acquisition and facilities planning, and printing and distribution.

Within these categories, the division coordinates and directs activities such as office moves; telecommunications installation and troubleshooting; furniture acquisition, installation, and disposal; fleet acquisition, repair, and disposal; property maintenance; training event development, centralized event/class registration, and records management; and bureaucentric human resources administrative processing and records management. Human Resources services outside of the administrative support activities are provided through OMF Human Resources.

Mapping, Data, and Application Services Division

The Mapping, Data, and Application Services Division provides technology services in support of bureau program objectives. This includes the following services:

- Identifying bureau technology requirements and working with BTS to implement acceptable solutions
- GIS and tabular application development, implementation, support and maintenance
- Collection system as-built mapping
- Development and provision of spatial data through electronic maps and GIS
- Maintenance and provision of collection system asset data
- Management of the IT service level agreement within the interagency with the Bureau of Technology Services

Accounting Services Division

The Accounting Services Division is responsible for all financial transaction processing and reporting for the bureau. This includes payroll, accounts payable, accounts receivable, grants, project tracking, and year-end financial reporting.

Risk Services Division

Risk Services administers loss control and safety for the bureau and owner-controlled insurance programs for the capital program.

Financial Management Division

Financial Management is responsible for financial planning and forecasting, wholesale service contract development and administration, debt management, and user fee and system development charge ratemaking. The division develops and recommends policies relating to funding for bureau services and cost recovery methodologies. Division staff also coordinates with the Revenue Bureau on customer service issues regarding rates and charges, and perform rate and billing calculations for specialized sewer services.

Relationship to Goals

Business Services supports the City goal of protecting and enhancing the natural and built environment by facing funding limitations and ensuring that ratepayer dollars are spent wisely. Business Services plays a key role in prioritizing programs to limit rate increases and reflect those choices in the bureau's financial plan, works to maintain a strong bond rating on the bureau's revenue debt, works to improve employees' understanding of the financial impact their work and expenditures have on sewer and stormwater rates, and seeks funding sources to support programs and reduce impacts to ratepayers.

Performance

Measurements include:

- The bureau's debt service coverage ratio for first-lien revenue bonds is 2.03 for the current year and is expected to be 1.86 for the coming year our goal is to reduce this to the financial planning standard of 1.50 over the coming five years
- Our current bond rating is A1/A+, a strong rating for sewer revenue credit our goal is to maintain this rating
- ♦ Hours lost to injuries were 4.6 for the current year, up from 4.3 for the previous year our goal for the coming year is to reduce time lost to injuries to a level at or below 4.5 hours

Changes to Services and Activities

The Business Services Program shows a reduction of two FTEs resulting from a mid-year (FY 2005-06) transfer of two positions from its Financial Management Division to the Revenue Bureau. The Program also absorbed within its Mapping, Data, and Application Services Division the Mapping Services functions and staff formerly assigned to the Wastewater Program. This change increased the number of assigned FTEs to the program by 11 to a total of 43, but does not represent any position additions to the Bureau.

The implementation of the CRRP for stormwater ratepayers is the responsibility of the Business Services Program. The bureau expects as many as 110,000 applications for stormwater discounts, and associated costs of \$1.6 million for outreach and customer service, technical assistance, programming, and data entry. Within the costs of this effort are four positions: one Environmental Specialist and three Technician II.

OFFICE OF THE DIRECTOR

The Office of the Director manages the Bureau of Environmental Services, coordinates the activities of the bureau's five operating groups, and ensures timely and appropriate response to the public, ratepayers, and regulatory agencies. Coordination includes overseeing the development of the bureau budget and managing review of programs, projects, and services offered by the bureau.

The Director's Office develops and manages bureau and environmental policy recommendations for City Council consideration. The office works closely with other City bureaus, regulatory agencies, and the Natural Resource Trustees and tribal governments on local, state, and national environmental issues. The Director provides immediate supervision of the bureau's Communications Division, the Portland Harbor Superfund program, and the Combined Sewer Overflow Tunnel program.

Office of the Director Programs

Communications Division

The Communications Division provides public information, communication planning, public involvement, environmental education, and internal communication services to keep the public, ratepayers, and bureau employees informed about the work of the bureau. Such services are required to meet the mandates of several state and federal requirements.

- Public involvement services ensure there is a process for shared decision-making with the community regarding the \$650 million capital improvement program that will impact a number of neighborhoods in Portland.
- Public information services include graphic design, publications, signage, public notification, media relations, and public service announcements and campaigns.
- Environmental education services include classroom presentation, fieldwork with students, assembly programs, and teacher workshops.

Portland Harbor Superfund

The Portland Harbor Superfund program is managed through the Office of the Director and is funded within the Environmental Remediation Fund. The existence of the bureau's Superfund program is recognition by Council that a strong City presence in the Superfund cleanup is critical. Efforts include participation in the Lower Willamette Group and coordination with tribal governments and federal and state agencies.

The City is a member of the Lower Willamette Group, a group of private and public entities who have signed an agreement with the EPA to fund and conduct a contaminated sediment investigation. The City also has a role as a party potentially responsible for cleaning up contaminated sediments. The City's involvement includes assessing the potential of the City's stormwater conveyance system to carry contamination from upland sources to the river sediments.

The program includes coordination with tribal governments and other natural resource trustees on natural resource damage assessments and efforts to develop a Lower Willamette Ecosystem Restoration project with the Corps of Engineers under the authority of the Water Resources Development Act (WRDA).

Combined Sewer Overflow (CSO) Program

The CSO abatement program is entering the final phase of major projects to reduce overflows to the Willamette River. The last phase is construction of the Eastside Big Pipe and related projects. This final set of projects will be constructed from 2006 to 2011. The Office of the Director administers the program and ensures that the program is responsive to all federal and state mandates regarding CSO control. Expenditures for the CSO program are recorded in Engineering Services.

Relationship to Goals

The Communication Division supports the City goal to protect and enhance the natural and built environment through communicating the importance of this to city residents and ratepayers. City staff cannot fully meet this goal without help from citizens. One method of attaining that help is through public information, education, and involvement in bureau programs and projects.

The Superfund program supports the City goal to protect and enhance the natural and built environment, as it will result in river clean-up that will enhance the quality of the Willamette River. The program will also ultimately promote economic vitality and opportunity. As Superfund cleanup issues are resolved, the contaminated area will be more conducive to economic development. The City is helping to fund and coordinate the investigation and potential cleanup activities to ensure that: the Lower Willamette River is fully evaluated in a timely and cost-effective manner, the Lower Willamette is restored to protect human health and the environment, and liability is fairly allocated among all responsible parties.

The CSO program is directly related to the City goal to protect and enhance the natural and built environment. The project is designed to reduce the level of pollutants entering the Willamette River so it will directly protect surface water resources and provide wastewater services.

Performance

During FY 2006-07 the Communications Division plans to conduct at least two separate Customer Satisfaction Surveys to test effectiveness of program outreach and involvement. These surveys will include:

- ♦ SE 16th and Taggart Sewer Re-construction Project this project will be completed early in the FY 2006-07 fiscal year. Once work is complete, the Communications Division will survey all affected businesses and residents to determine how well they felt they were informed before and during the project, and how well bureau representatives responded to problems and issues that occurred during construction.
 - Outreach and involvement on this project will be considered effective if 70% or more of respondents rank performance at level 3 or above on a 1-5 satisfaction scale.
- ♦ Westside CSO Construction Project Information during FY 2006-07, the Communications Division will survey more than 40,000 residences and businesses who have been receiving the quarterly *Big Pipe Update* newsletter. This survey will include questions to determine if this newsletter update approach has been useful and effective for recipients.
- The quarterly mass mailings will be considered effective and continued if at least 50% of the respondents rank the update as moderately to highly useful for:
 - Staying in touch with project activities;
 - Understanding project objectives;
 - * Knowing how to contact the bureau if there were questions or concerns.

Note: This satisfaction percentage is lower because compared to the Taggart project, a smaller percentage of the WCSO Update recipients have been directly affected by project activities.

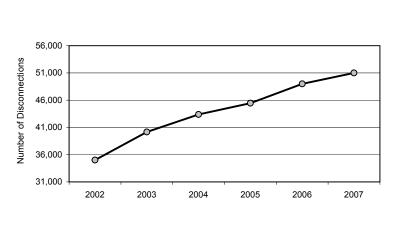
Changes to Services and Activities

No significant changes are planned for FY 2006-07.

Performance Measures

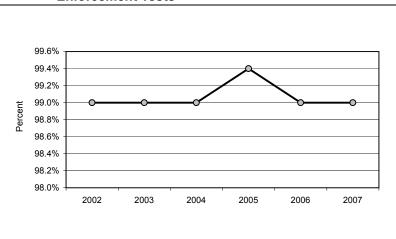
Roof Drain Disconnections

 Roof drain disconnections will proceed in accordance with CSO program schedules.



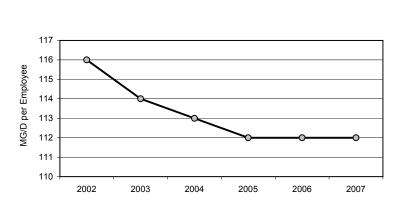
Enforcement Tests

 Percent of industrial enforcement tests in full compliance.



Wastewater Processed

 As millions of gallons per day of wastewater processed increases, the employees find operating efficiencies.



	Actual FY 2001–02	Actual FY 2002–03	Actual FY 2003–04	Actual FY 2004–05	Yr End Est. FY 2005–06	Adopted FY 2006–07
BUREAU OF ENVIRONMENTAL SERVICES						
Business Services						
Effectiveness						
Maintain the bureau's debt service coverage ratio at 1.5 or greater	1.45	1.55	1.80	2.09	1.50	1.50
Maintain bureau's combined 1st & 2nd debt service coverage ratio at 1.3 or greater	NA	NA	1.54	1.66	1.50	1.50
Efficiency Time loss hours (due to injuries)	3.60	2.20	4.30	4.30	4.50	4.50
Engineering Services						
Effectiveness						
Percent of pipe identified as highest priority for repair or replacement incorporated into funded CIP or Op. proj.	NA	NA	NA	NA	NA	50%
Efficiency Construction management costs as a percentage of total construction costs	11%	10%	12%	12%	12%	12%
Workload						
Cumu. disconnected roof drains	35,000	40,171	43,380	45,439	49,000	51,000
Office of the Director						
Workload No. of students provided with bureau education programs	25,701	25,222	22,208	16,197	18,000	20,000
Watershed Services						
Workload						
Feet of streambank restored (cumulative)	219,034	269,643	310,894	283,304	290,000	310,000
Number of individual participants in projects catalyzed or hosted by the Stewardship Program	8,252	11,299	11,000	14,265	15,000	15,000
Pollution Prevention Services						
Effectiveness						
Percent of industrial enforcement tests in full compliance	99.0%	99.0%	99.0%	99.4%	99.0%	99.0%
Efficiency						
Average resources spent in site investigations and cleanup, per site investigated or remediated	\$2,921	\$2,900	\$2,130	\$1,850	\$2,000	\$2,500
Workload						
No. of lab analyses performed each yr Wastewater Treatment	53,923	55,000	45,000	37,537	46,000	50,000
Effectiveness						
Percent of Biochemical Oxygen Demand (BOD) removed	95.0%	96.0%	96.0%	96.3%	85.0%	96.0%
Efficiency Millions of gallons per day wastewater processed per operating and maintenance employees, including Bureau of Maintenance staff.	116	114	113	112	112	112
Cost to operate and maintain the treatment plants reflected in costs per million gallons per day (mgd)	NA	NA	NA	NA	\$491	\$518
Workload Wastewater processed in million gallons	27,898	27,575	28,100	27,383	29,600	29,100

	Actual FY 2003–04	Actual FY 2004–05	Revised FY 2005–06	Proposed FY 2006-07	Adopted FY 2006–07
EXPENDITURES					
Operating Budget					
Personal Services	27,871,642	29,650,236	31,112,711	32,959,290	33,342,642
External Materials and Services	18,469,580	19,530,063	23,889,461	24,481,465	24,991,465
Internal Materials and Services	30,832,041	28,516,283	34,620,096	38,927,027	39,014,084
Minor Capital Outlay	1,104,685	1,254,779	1,519,560	1,434,560	1,434,560
Total Operating Budget	78,277,948	78,951,361	91,141,828	97,802,342	98,782,751
Capital Improvements	146,260,418	134,534,944	137,757,496	211,867,430	211,875,242
TOTAL BUREAU EXPENDITURES	\$ 224,538,366	\$ 213,486,305	\$ 228,899,324	\$ 309,669,772	\$ 310,657,993
Allocated Overhead	2,159,187	2,613,604	2,691,316	3,877,023	3,877,023
Total Cost with Allocated Overhead	226,697,553	216.099.909	231,590,640	313.546.795	314,535,016
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PROGRAMS Rusiness Services	17 201 551	<u> </u>			
Business Services	17,201,551 41,00	18,108,608	22,701,279	21,718,017	22,328,542
Business Services Positions	17,201,551 <i>41.00</i> 151,671,399	<u> </u>			22,328,542 <i>48.58</i>
Business Services	41.00	18,108,608 <i>37.15</i>	22,701,279 <i>32.98</i>	21,718,017 44.58	22,328,542 <i>48.58</i> 221,723,816
Business Services Positions Engineering Services	<i>41.00</i> 151,671,399	18,108,608 <i>37.15</i> 139,333,795	22,701,279 <i>32.98</i> 143,054,146	21,718,017 44.58 221,717,059	22,328,542 48.58 221,723,816 163.58
Business Services Positions Engineering Services Positions	41.00 151,671,399 <i>150.00</i>	18,108,608 <i>37.15</i> 139,333,795 <i>162.98</i>	22,701,279 <i>32.98</i> 143,054,146 <i>162.98</i>	21,718,017 44.58 221,717,059 162.58	22,328,542 48.58 221,723,816 163.58 729,410
Business Services Positions Engineering Services Positions Environmental Remediation	41.00 151,671,399 150.00 146,136	18,108,608 <i>37.15</i> 139,333,795 <i>162.98</i> 159,467	22,701,279 32.98 143,054,146 162.98 561,457	21,718,017 44.58 221,717,059 162.58 229,410	22,328,542 48.58 221,723,816 163.58 729,410 0.00
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions Wastewater Treatment	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00 35,331,825	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00 35,950,944	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92 38,369,461	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60 41,402,801	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60 41,253,141
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions Wastewater Treatment Positions	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00 35,331,825 150.00	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00 35,950,944 149.25	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92 38,369,461 149.25	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60 41,402,801 136.75	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60 41,253,141 136.78
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions Wastewater Treatment Positions Watershed Services	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00 35,331,825 150.00 7,103,454	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00 35,950,944 149.25 6,482,220	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92 38,369,461 149.25 9,397,632	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60 41,402,801 136.75 9,401,928	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60 41,253,141 136.78 9,401,928
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions Wastewater Treatment Positions Watershed Services Positions	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00 35,331,825 150.00 7,103,454 48.00	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00 35,950,944 149.25 6,482,220 46.91	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92 38,369,461 149.25 9,397,632 46.30	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60 41,402,801 136.75 9,401,928 46.50	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60 41,253,141 136.75 9,401,928 46.50
Business Services Positions Engineering Services Positions Environmental Remediation Positions Office of the Director Positions Pollution Prevention Services Positions Wastewater Treatment Positions Watershed Services	41.00 151,671,399 150.00 146,136 0.00 5,373,551 15.00 7,710,450 70.00 35,331,825 150.00 7,103,454	18,108,608 37.15 139,333,795 162.98 159,467 0.00 5,364,092 15.80 8,084,179 74.00 35,950,944 149.25 6,482,220	22,701,279 32.98 143,054,146 162.98 561,457 0.00 5,823,315 15.80 8,992,034 70.92 38,369,461 149.25 9,397,632	21,718,017 44.58 221,717,059 162.58 229,410 0.00 5,941,218 15.90 9,259,339 71.60 41,402,801 136.75 9,401,928	22,328,542 48.58 221,723,816 163.58 729,410 0.00 5,951,817 15.90 9,269,339 71.60 41,253,141 136.75 9,401,928

			Actual FY 2005		evised 2005–06		pposed 2006–07	Adopted FY 2006-07	
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
0514	Accountant I	3.00	2.00	1.00	45,540	1.00	46,596	1.00	46,596
0515	Accountant II	2.00	3.00	3.00	146,916	3.00	150,288	3.00	150,288
3288	Laboratory Production Spec	0.00	1.00	1.00	54,492	1.00	58,404	1.00	58,404
0100	Office Supp Spec I	1.00	0.00	0.00	0	0.00	0	0.00	0
0102	Office Supp Spec II	11.00	10.90	9.90	347,524	10.00	366,627	10.00	366,627
0104 0406	Office Supp Spec III Storekeeper/Acq Specialist II	3.00 3.00	4.00 3.00	4.00 3.00	173,151 130,641	4.00 3.00	179,922 138,780	4.00 3.00	179,922 138,780
0408	Storekeeper/Acq Specialist III	1.00	1.00	1.00	43,800	1.00	51,164	1.00	51,164
7103	Administrative Assistant	4.00	4.90	4.00	222,447	4.00	225,655	4.00	225,655
7102	Administrative Specialist, Sr	4.00	3.00	2.00	90,912	2.00	94,486	2.00	94,486
7106	Administrative Supervisor I	2.00	3.00	2.00	120,003	2.00	122,298	2.00	122,298
7107	Administrative Supervisor II	0.00	0.00	1.00	67,164	1.00	67,164	1.00	67,164
2534	Applications Analyst IV	1.00	0.00	0.00	0	0.00	0	0.00	0
0962	Assistant Program Specialist	1.00	0.00	0.00	0	0.00	0 45 700	0.00	0 45 700
1314 7628	Automotive Equipment Operator II Biosolids/Reuse Program Manager	1.00 1.00	1.00 1.00	1.00 1.00	44,748 82,308	1.00 1.00	45,780 82,308	1.00 1.00	45,780 82,308
6012	Botanic Specialist II	6.00	5.00	4.00	219,132	4.00	237,092	4.00	237,092
7140	Bureau Director, Assistant to	2.00	1.00	1.00	87,780	1.00	87,780	1.00	87,780
7112	Business Operations Manager	1.00	2.00	2.00	150,852	1.00	103,040	1.00	103,040
7113	Business Operations Mgr, Sr	1.00	1.00	1.00	99,072	1.00	103,128	1.00	103,128
7110	Business Operations Supervisor	3.00	2.00	2.00	156,336	2.00	156,336	2.00	156,336
7121	Business Systems Analyst	1.00	0.00	1.00	56,146	1.00	58,452	1.00	58,452
7120	Business Systems Analyst, Asst	1.00	0.00	0.00	0	0.00	0	0.00	0
6034	CAD Analyst	1.00	1.00	1.00	66,108	1.00	68,976	1.00	68,976
6032	CAD Technician II	14.00	16.00	15.00 5.00	739,827 280.511	15.00	790,346	15.00	790,346
6033 7660	CAD Technician III Capital Program Mgmt & Controls	5.00 1.00	5.00 1.00	1.00	280,511 89,352	5.00 1.00	304,272 92,718	5.00 1.00	304,272 92,718
6141	Capital Project Manager I	2.00	2.00	2.00	129,108	2.00	137,952	2.00	137,952
7656	Capital Project Manager II	3.00	1.00	1.00	77,724	1.00	78,168	1.00	78,168
7165	CDD Program Coordinator	1.00	1.00	1.00	74,232	1.00	74,232	1.00	74,232
3285	Chemist	5.00	5.00	5.00	273,830	6.00	327,239	6.00	327,239
7685	Communications Engineer	1.00	1.00	1.00	69,324	1.00	72,168	1.00	72,168
7205	Community Outreach & Involvement	1.00	1.00	1.00	54,348	1.00	55,596	1.00	55,596
7203	Community Outreach/Info Rep	1.00	1.00	1.00	57,384	1.00	59,736	1.00	59,736
7204 7135	Community Outreach/Info Rep, Sr Contracts Devel & Review Admin	2.00	2.00 1.00	2.00 1.00	132,204 74,364	2.00 1.00	134,736	2.00 1.00	134,736
7133	Customer Service Supervisor	0.00 0.00	1.00	1.00	62,736	1.00	76,650 65,304	1.00	76,650 65,304
7630	Data Acquisition & Mgmt Supr	1.00	1.00	1.00	80,916	1.00	82,308	1.00	82,308
6041	Dev Services Tech I	1.00	1.00	0.00	0	0.00	0_,555	0.00	0
7768	Development Services Manager	1.00	1.00	1.00	94,344	1.00	94,344	1.00	94,344
7767	Development Supervisor	1.00	1.00	1.00	59,556	1.00	61,383	1.00	61,383
7386	Economist, Senior	1.00	1.00	1.00	64,152	1.00	66,342	1.00	66,342
7564	Electrical/Instrumentation Super	1.00	1.00	1.00	82,308	1.00	82,308	1.00	82,308
1453	Electrician	11.00	10.00	7.00	412,620	7.00	422,160	7.00	422,160
1459 6160	Electrician/Instrument Tech Electronic Systems Technician	0.00 3.00	0.00 3.00	5.00 3.00	286,536 154,273	5.00 3.00	307,732 163,877	5.00 3.00	307,732 163,877
6112	Engineer	34.00	31.50	34.50	2,440,692	35.00	2,613,984	35.00	2,613,984
7653	Engineer, Chief	1.00	2.00	2.00	222,446	2.00	228.885	2.00	228,885
7650	Engineer, Senior	8.00	8.90	8.90	727,920	8.90	731,596	8.90	731,596
7651	Engineer, Supervising	9.00	11.00	11.00	916,116	10.00	855,676	10.00	855,676
6110	Engineering Associate	2.00	2.00	3.00	134,820	3.00	146,648	3.00	146,648
6022	Engineering Technician II	27.00	24.00	22.00	1,067,969	21.00	1,096,435	24.00	1,243,459
6023	Engineering Technician III	6.00	6.00	8.00	477,469	9.00	571,082	9.00	571,082
7622	Environ Monitor Svcs Group Mgr	1.00	1.00	1.00	92,160	1.00	94,680	1.00	94,680
7608 7609	Environ Prgm Coordinator Environmental Program Manager	3.00 0.00	3.00 6.00	3.00 9.00	184,968 674,376	3.00 10.00	187,012 751.008	3.00 10.00	187,012 751,008
7609	Environmental Program Specialist	2.00	2.00	3.00	175,272	3.00	176,776	3.00	176,776
7040	Environmental Services Director	1.00	1.00	1.00	128,685	1.00	133,959	1.00	133,959
7605	Environmental Services Planning	1.00	1.00	1.00	109,032	1.00	109,032	1.00	109,032
7604	Environmental Services Planning	1.00	1.00	1.00	93,144	1.00	94,144	1.00	94,144
6053	Environmental Specialist	16.00	22.60	18.80	1,132,066	18.00	1,171,711	19.00	1,231,303
6051	Environmental Technician I	5.00	6.00	5.00	164,172	5.00	176,954	5.00	176,954
6052	Environmental Technician II	28.00	31.50	33.00	1,606,898	33.00	1,731,755	33.00	1,731,755
7614	ESA Program Coordinator	0.00	2.00	1.00	74,232	1.00	74,232	1.00	74,232
7127	Executive Assistant	1.00	0.00	0.00	74 222	0.00	74 000	0.00	74.020
7377 6061	Financial Analyst, Senior GIS Technician I	2.00 2.00	2.00 2.00	1.00 2.00	74,232 75,852	1.00 2.00	74,232 80,890	1.00 2.00	74,232 80,890
6062	GIS Technician II	4.00	2.00	1.00	46,578	1.00	51,038	1.00	51,038
6063	GIS Technician III	2.00	3.00	3.00	182,418		199,740		199,740
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		Actual Actual Revised FY 2004 FY 2005 FY 2005-06					osed 106–07	Adopted FY 2006–07		
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount	
6123	Graphics Designer III	1.00	0.00	0.00	0	0.00	0	0.00	0	
6055	Hydrogeologist	0.00	0.00	1.00	78,168	1.00	78,168	1.00	78,168	
1803 1520	Indust Maintenance Millwright Industrial Machinist	28.00 1.00	28.00 1.00	29.00 1.00	1,384,604 48,396	29.00 1.00	1,424,097 49,524	29.00 1.00	1,424,097 49,524	
1445	Industrial Painter	1.00	1.00	1.00	47,916	1.00	49,032	1.00	49,032	
2542	Information Systems Analyst II	1.00	1.00	0.00	0	0.00	0	0.00	0	
2543	Information Systems Analyst III	0.00	0.00	1.00	53,292	1.00	69,576	1.00	69,576	
2544	Information Systems Analyst IV	1.00	0.00	0.00	0	0.00	0	0.00	0	
7508	Information Systems Supervisor	1.00	0.50	1.00	94,344	1.00	94,344	1.00	94,344	
3260 3261	Instrument Technician Instrument Technician, Lead	8.00 1.00	9.00 1.00	8.00 1.00	476,544 62,556	8.00 1.00	487,584 64,008	8.00 1.00	487,584 64,008	
7176	Insurance Specialist	1.00	1.00	1.00	46,896	1.00	47,988	1.00	47,988	
3280	Laboratory Analyst	8.00	7.00	7.00	313,745	7.00	327,173	7.00	327,173	
7624	Laboratory Manager	1.00	1.00	1.00	87,780	1.00	87,780	1.00	87,780	
7580	Maintenance Planner/Scheduler	4.00	4.00	4.00	231,948	4.00	236,030	4.00	236,030	
7131	Management Analyst	1.00	0.00	0.00	0	0.00	0	0.00	0	
7132 7130	Management Assistant	1.00	1.00 3.00	1.00 0.00	72,456	1.00 0.00	74,232	1.00	74,232	
7130 7666	Management Assistant Mapping & GIS Supervisor	2.00 1.00	1.00	1.00	0 59,880	0.00	0	0.00 0.00	0	
6071	Materials Testing Technician I	1.00	1.00	1.00	41,755	0.00	0	0.00	0	
6072	Materials Testing Technician II	3.00	3.00	3.00	163,044	4.00	216,840	4.00	216,840	
6073	Materials Testing Technician III	1.00	1.00	1.00	66,108	1.00	68,976	1.00	68,976	
3284	Microbiologist	1.00	1.00	1.00	55,440	1.00	56,724	1.00	56,724	
7641	Portland Harbor Superfund Adm	1.00	1.00	1.00	100,752	1.00	100,968	1.00	100,968	
7507	Prin Info Sys Analyst IV(Supr)	1.00	1.00	0.00	0	0.00	0	0.00	0	
7652 7378	Principal Engineer Principal Financial Analyst	5.00 3.00	4.00 3.00	4.00 3.00	388,272 263,340	4.00 3.00	390,568 263,340	4.00 3.00	390,568 263,340	
2545	Principal Info Systems Analyst	3.00	3.90	3.80	316,464	4.00	351,096	4.00	351,096	
7133	Principal Management Analyst	1.00	1.90	0.90	75,924	1.00	86,097	1.00	86,097	
7156	Program Manager	5.00	4.00	4.00	296,928	4.00	296,928	4.00	296,928	
7158	Program Manager, Senior	0.00	2.00	2.00	175,560	2.00	175,560	2.00	175,560	
7153	Program Specialist	1.00	1.00	1.00	52,440	1.00	53,872	1.00	53,872	
7152 7678	Program Specialist, Assistant	0.00	2.00	1.00	48,984	1.00	49,652	1.00	49,652	
7678 7640	Property Acquisition & Services PrtInd Harbor Sprfund Tech Mgr	1.00 1.00	1.00 1.00	1.00 1.00	74,232 87,780	1.00 1.00	74,232 87,780	1.00 1.00	74,232 87,780	
7206	Public Information Officer	1.00	1.00	1.00	73,668	1.00	74,232	1.00	74,232	
7663	Public Works Inspection Mgr	0.00	0.00	1.00	78,168	1.00	78,168	1.00	78,168	
7662	Public Works Inspection Sprvsr	1.00	1.00	0.00	0	0.00	0	0.00	0	
3150	Public Works Inspector	16.00	16.00	16.00	867,794	15.00	843,250	15.00	843,250	
3151	Public Works Inspector, Senior	10.00	10.00	10.00	606,253	11.00	695,892	11.00	695,892	
7553	Public Works Supervisor II	0.00	0.00	2.00	123,528	2.00	125,651	2.00	125,651	
7185 7186	Risk Specialist Risk Specialist, Senior	1.00 2.00	1.00 2.00	1.00 2.00	59,172 141,192	1.00 2.00	61,202 141,192	1.00 2.00	61,202 141,192	
7193	Safety and Risk Officer II	1.00	1.00	1.00	82,308	1.00	82,308	1.00	82,308	
6111	Senior Engineering Associate	17.00	14.00	11.00	694,469	11.00	731,607	12.00	797,331	
7610	Senior Environmental Prgm Mgr	1.00	2.00	4.00	315,012	4.00	321,420	4.00	321,420	
7619	Source Control Supervisor	6.00	0.00	0.00	0	0.00	0	0.00	0	
7620	Source Reduction & Control Mgr	1.00	1.00	1.00	94,344	1.00	94,344	1.00	94,344	
7161	Stores System Supervisor II	1.00	1.00	1.00	67,164	1.00	67,164	1.00	67,164	
7270 7635	Training & Development Analyst	0.00	0.00 1.00	1.00	53,856	1.00	56,064	1.00	56,064 101,400	
7635	Wastewater Collections Sys Mgr Wastewater Operations Grp Mgr	1.00 1.00	1.00	1.00 1.00	101,400 109,032	1.00 1.00	101,400 109,032	1.00 1.00	101,400	
1815	Wastewater Operations Specialist	5.00	5.00	5.00	255,490	5.00	266,040	5.00	266,040	
1811	Wastewater Operator II	39.00	41.00	39.00	1,861,155	39.00	1,921,191	39.00	1,921,191	
1808	Wastewater Operator, Trainee	2.00	0.00	0.00	0	0.00	0	0.00	0	
7633	Wastewater Treatment Manager	1.00	1.00	1.00	101,400	1.00	101,400	1.00	101,400	
7632	Wastewater Treatment O&M Supr	5.00	3.60	1.50	117,252	2.00	156,336	2.00	156,336	
7238	Water Conservation Prog Mgr	1.00	1.00	1.00	78,168	1.00	78,168	1.00	78,168	
7600 7615	Water Resources Program Manager Watershed and Regulatory Program	0.00 3.00	0.00 2.00	3.00 0.00	234,276 0	3.00 0.00	234,447 0	3.00 0.00	234,447 0	
7615 7617	Watershed Reveg Pgm Mngr	1.00	0.00	1.00	66,576	1.00	68,172	1.00	68,172	
7616	Watershed Reveg Prog Supr	1.00	2.00	1.00	66,744	1.00	68,796	1.00	68,796	
	FULL-TIME POSITIONS	474.00	477.20	469.30 \$	28,070,207	468.90 \$	29,184,961	473.90 \$	29,457,301	
0514	Accountant I	0.00	0.00	0.55	18,214	0.55	21,476	0.55	21,476	
7103	Administrative Assistant	0.00	0.00	0.50	30,456		30,456		30,456	

		Actual FY 2004					lopted 2006–07		
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
6012 7120 6021 6052 6123 7154	Botanic Specialist II Business Systems Analyst, Asst Engineering Technician I Environmental Technician II Graphics Designer III Program Coordinator	0.00 0.00 0.00 0.00 0.00 0.00	1.68 0.65 1.00 0.00 0.90 0.75	1.68 0.75 1.00 1.00 0.90 0.63	95,136 45,696 35,602 42,600 56,700 44,124	1.68 0.75 1.00 1.00 0.90 0.63	101,580 45,696 38,970 44,448 62,076 44,472	1.68 0.75 1.00 1.00 0.90 0.63	101,580 45,696 38,970 44,448 62,076 44,472
TOTAL	PART-TIME POSITIONS	0.00	4.98	7.01	\$ 368,528	7.01 \$	389,174	7.01	389,174
6053 6052 7154 7152	Environmental Specialist Environmental Technician II Program Coordinator Program Specialist, Assistant	0.00 0.00 0.00 0.00	0.58 2.33 0.00 1.00	1.00 0.00 0.92 0.00	51,744 0 48,521 0	1.00 0.00 1.00 0.00	40,344 0 56,722 0	1.00 0.00 1.00 0.00	40,344 0 56,722 0
TOTAL	LIMITED TERM POSITIONS	0.00	3.91	1.92	\$ 100,265	2.00 \$	97,066	2.00	97,066

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Appropriation Level (CAL) requirements.

	AMOUNT				
ACTION	Ongoing	One-Time	Total Package	FTE	DECISION
FY 2006-07	305,003,808	0	305,003,808	479.9	FY 2006-07 Current Appropriation Level Estimate
CAL Adjustment	ts				
•	225,000	0	225,000	0.0	EBSP Increased Costs
	390,000	0	390,000	0.0	Accounting Adjustment - Debt Expense
	1,321,000	0	1,321,000	0.0	Revenue Bureau IA Increase for Billings
	(401,000)	0	(401,000)	0.0	Facilities Plan Completed in 2005-06
	(716,000)	0	(716,000)	0.0	Wastewater Program Reductions
	(1,980,000)	0	(1,980,000)	0.0	CIP Technical Adjustment (double count)
	250,000	0	250,000	0.0	Swan Island Pump Station Operating Supplies
	230,000	0	230,000	0.0	Hypochlorite Conversion Operating Costs
	848,000	0	848,000	0.0	Swan Island Pump Station Electricity
	8,494	0	8,494	0.0	OMF IA Adjustments
	0	500,000	500,000	0.0	Watershed Investment Fund
	0	500,000	500,000	0.0	Brownfields Investment Fund
	(383,638)	0	(383,638)	0.0	Health Benefits Savings
	(525,005)	0	(525,005)	0.0	HR IA to Overhead
Mayor's Propose	ed Budget Decisio	ns			
	(250,704)	0	(250,704)	(3.0)	Eliminate Vacant Management Positions
	(590,850)	0	(590,850)	0.0	Tier 1 - M&S Reductions
	(148,600)	0	(148,600)	0.0	Tier 2 - Training, Sampling, etc. Reductions
	2,400,040	0	2,400,040	1.0	Strategic System Investments
	1,590,050	0	1,590,050	0.0	CRRP Stormwater Discount Program
	1,500,000	0	1,500,000	4.0	Additional CIP Maintenance
	0	(500,000)	(500,000)	0.0	Brownfields Investment Fund
Approved Budge	et Additions and R	eductions			
	146,062	0	146,062	0.0	PDOT IA for BIP #19
	86,757	0	86,757	1.0	BIP #19 Cross-Bureau Permitting
	550,000	0	550,000	0.0	CIP Technical Adjustment
	126,957	0	126,957	0.0	CRRP M&S Technical Adjustment
	122,393	0	122,393	0.0	Carryover Revenue Bureau Moving Costs
	380,565	0	380,565	0.0	CRRP Personal Svcs Reconcilation
	282,315	0	282,315	0.0	CIP Adjustments for Overtime
	10,000	0	10,000	0.0	Fire IA for Site Assessments
	0	500,000	500,000	0.0	Brownfields Investment Funding
	0	(500,000)	(500,000)	0.0	Watershed Investment Pending Plan Details
Adopted Budget	Additions and Re	ductions			
	(282,315)	0	(282,315)	0.0	CIP Fund Level to Bureau Level Adjustment
	(35,336)	0	(35,336)	0.0	Comm. Adams IA Reduction
	5,154,185	500,000	5,654,185	3.0	Total FY 2006-07 Decision Packages
			\$ 310,657,993	482.9	Total Adopted Budget

Bureau of Water Works

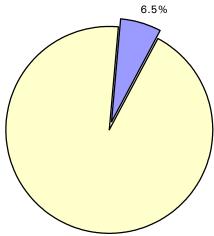
Public Utilities Service Area

Randy Leonard, Commissioner-in-Charge David Shaff, Administrator

Percent of City Budget

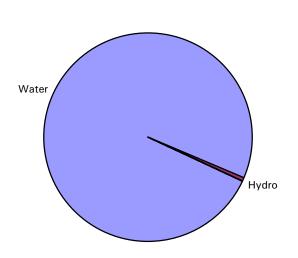
Water = \$102.2 Million

0.50



City Budget = \$1.58 Billion

Bureau Divisions



Bureau Overview

Expenditures	Revised FY 2005–06	Adopted FY 2006–07	Change from Prior Year	Percent Change
Operating	54,299,752	59,770,533	5,470,781	10.1%
Capital	52,374,384	42,411,500	-9,962,884	-19.0%
Total Expenditures	\$ 106,674,136	\$ 102,182,033	\$ -4,492,103	\$ -4.2%
Authorized Positions	488.85	544.95	56.10	11.5%

Hydroelectric Power Division **Bureau of Water Works** Administrator David Shaff -Construction and Support Services -Resource Protection and Planning -Finance and Support Services -Operations and Maintenance Water Division -Administration -Engineering

Bureau Summary

BUREAU MISSION

The mission of the Bureau of Water Works is:

To provide reliable water service to customers in the quantities they desire and at a quality level that meets or exceeds both customer and regulatory standards;

To provide the highest value to customers through excellent business, management, and operational practices, and appropriate application of innovation and technology;

To be responsible stewards of the public's water infrastructure, fiscal, and natural resources; and

To provide the citizens and the City Council with a water system that supports their community objectives and overall vision for the City of Portland.

VISION AND VALUES

Vision

The Portland Bureau of Water Works provides the highest quality water, customer service, and stewardship of the critical infrastructure, fiscal, and natural resources entrusted to our care. We enhance public health and safety and contribute to the economic viability and livability of the Portland metropolitan region. We are a recognized leader among water service agencies across the country.

Values

Customers: Keep the needs and desires of our customers in the forefront of our thoughts and actions.

Service: Contribute responsively to the welfare of the community.

Financial Health: Maintain fiscal integrity, undertake sound financing practices, and ensure auditable results.

Employees: Recruit, maintain, motivate, and retain a highly qualified, diverse, and committed workforce, and provide a safe work environment.

Partnership: Partner with our community, our customers, and regional water interests.

Leadership: Focus on goals, results, and accountability while promoting human health and development.

Responsiveness: React positively, cooperatively, and efficiently.

Effectiveness: Make the most appropriate use of resources and infrastructure.

Communication: Share information and knowledge openly.

Flexibility: Adapt to new, different, and changing requirements.

Equity: Ensure fair treatment and service to all.

Stewardship: Protect the natural environment so its benefits are available to meet today's needs as well as those of future generations.

BUREAU OVERVIEW

For budgetary purposes, the bureau contains two divisions: Water and Hydroelectric Power.

Water Division

The Bureau of Water Works is responsible for construction, maintenance, and operation of the municipal water system. The bureau ensures that the water system can provide a sufficient quantity of high-quality water to satisfy the existing and future needs of the community.

The Water Bureau serves 800,000 people.

Approximately 800,000 people (about one-quarter of the state's population) are served by the Water Division on either a retail or wholesale basis. The retail customers use about 60% of the water sold, and the other 40% is provided on a wholesale contract basis to 19 water purveyors, which include cities, water districts, private water companies, and a people's utility district. Approximately 80% of water sales revenue is from retail customers and 20% is from wholesale contracts.

A new budget process guided the development of the FY 2006-07 budget request. The cornerstone of this new process was the creation of a Citizen/Employee Budget Committee (Budget Committee) that included not only bureau management but also citizens and frontline staff. Numbering about 40 in all, this committee met regularly from mid-October through late December, discussing and evaluating the preliminary budget proposal developed by the bureau. The focus in developing this budget request included addressing the infrastructure needs of the water system, improving staffing and the professional and technical capacity of the workforce, and improving public understanding of needed infrastructure improvements through public education and citizen involvement. Guided also by recommendations resulting from the well-attended September 20th Water Budget Conference, this new process produced a preliminary budget request that was highly responsive to the priorities identified by the community and frontline staff.

The budget priorities identified from the September 20th Budget Conference were:

- Replace aging infrastructure.
- Maintain existing infrastructure.
- Upgrade facilities, technology, or systems.
- Provide training, succession planning, staffing, and other workforce development.
- Increase resources for other support activities.
- Improve data management to support operations and maintenance.
- Improve performance of system to better serve customers.
- Improve equipment/tools.
- Reduce costs/create efficiencies.
- Improve public image/relationship with citizens.

The initial budget request developed by the Water Bureau work groups would have resulted in a 15% rate increase for FY 2006-07 and a 5% increase each year for the balance of the five-year forecast period. Considering that rate affordability should be in balance with other Water Bureau objectives, the bureau looked for creative ways to significantly lower this preliminary rate impact. Hence, the bureau developed four strategies to help achieve balance among financial health, operational effectiveness, infrastructure condition, effective management, a high-quality workforce, and rate affordability:

1. Reduce contracts with outside consultants and increase development of internal staff and institutional expertise.

Public Utilities Service Area

- 2. Set the Capital Improvement Plan budget at an achievable level.
- 3. Enhance service, and increase overhead cost recovery to 100%.
- 4. Maximize existing resources by modifying the debt coverage ratio.

By utilizing the first three strategies and modifying the fourth by planning to increase junior lien debt, the retail rate impact has been reduced to a modest 2.5% rate increase for FY 2006-07. The funded work programs will provide for improvement of water system assets, including valves, meters, hydrants, distribution mains, conduits, buildings and grounds, and the terminal reservoirs at Mt. Tabor and Washington Park. The budget also includes completion of the Distribution System Master Plan, which will guide the bureau's decision making in future budgets regarding replacement of the Willamette River crossings, repair and replacement needs of Conduits 2 and 3, and repair and replacement of pump stations and tanks.

Budget and Water Programs

An important element in the budget development process was establishment of the budget program framework, which provides the basic structure for the budget. It consists of six budget programs that are the primary organizing elements in the City budget documents, and 22 activities (Water programs) that encompass all of the bureau's work into descriptive areas. A description of each budget program and a list of associated activities follows.

The Supply program is for work associated with providing water to the Portland service area, including retail and wholesale customers. This program includes the activities related to the City's primary Bull Run water supply, as well as the secondary well field system located in the Columbia South Shore area.

- Bull Run Watershed
- Groundwater

The Transmission and Terminal Storage program moves water from the supply facilities in the Bull Run Watershed to the retail distribution system and the service delivery points for wholesale customers.

- Terminal Reservoirs
- ◆ Conduits/Transmission

The Distribution program is responsible for providing water to the customers through distribution mains and related facilities, including pump stations, tanks, services, and meters.

- Pump Stations/Tanks
- Distribution Mains
- Services
- Meters
- Hydrants
- Valves/Gates/Regulators
- Field Support

The Regulatory Compliance program is responsible for meeting or exceeding the federal regulatory requirements for water quality, as well as any other regulations related to the ownership or operation of the water system.

Regulatory Compliance

The Customer Service program is for work related to the provision of general customer service, including billing and collection (through an interagency agreement with the Revenue Bureau), conservation, security, maintenance of decorative fountains, and grounds work for Water Bureau facilities.

- Customer Services
- Conservation/Sustainability
- Security/Emergency Management
- Fountains
- Grounds/Parks

The Support program includes the bureau-wide work that supports the other programs, including planning, financial support, data management, human resource functions, and facilities.

- Bureau Support
- Employee Investment
- Data Management
- Planning
- Facilities

Hydroelectric Power Division

The Portland Hydroelectric Project has a combined power generation capacity of 36 megawatts. The Hydroelectric Power Division manages the ongoing operation of the City's Portland Hydroelectric Project. This project is located about 25 miles east of Portland in the Bull Run Watershed. Most of the revenues supporting this division come from sales of power generated at the Portland Hydroelectric Project. Most of the division's expenses also relate directly to the administration and monitoring of that project. In addition to the Portland Hydroelectric Project work, this division also provides regulatory support for the Water Bureau's two other small hydroelectric power projects.

SUMMARY OF BUDGET DECISIONS

Water Division

The Water Division's budget of \$101.6 million is composed of the operating budget of \$59.1 million and the Capital Improvement Plan (CIP) budget of \$42.4 million.

Water Operating Budget

The operating budget of \$59.1 million is an increase of about \$6.1 million from the FY 2005-06 Revised Budget of \$53.0 million. Major changes in the operating budget include:

- Increase of 56 full-time and one part-time positions from the FY 2005-06 Revised Budget to the FY 2006-07 Adopted Budget.
- Shifted contract services to fund 30 permanent full-time engineering employees as part of the bureau's goal to reduce reliance on contracted services and retain expertise inhouse. The bureau will continue to contract for expert services to meet the workload peak required to complete projects, or to obtain specialized services that are not required on an ongoing basis.
- Established an interagency agreement with the Revenue Bureau for additional functionality in the new Cayenta billing system, at a cost of \$375,000.

Public Utilities Service Area

- Increased interagency agreement with the Revenue Bureau for Customer Service by \$1,153,899 to reflect Water's share of the approved decision packages.
- Reduced health benefits \$404,892 to reflect Water's share of Citywide savings.
- Increased interagency with the Bureau of Environmental Services for the Benson Bubbler discharge in the amount of \$212,256.
- Increased interagency with CityFleet for \$135,783 to reflect the correct fleet inventory for Water.

Water CIP Budget

The CIP budget of \$42.4 million reflects a decrease of about \$10.0 million from the FY 2005-06 Revised Budget of \$52.4 million. The reduction is the result of shifts in project timing to better reflect when the projects will actually be completed as well as a shift in emphasis on system maintenance, which is the major theme of the Water Bureau's FY 2006-07 budget.

• Funding for the Bull Run cabins was approved only for the first year of the five-year CIP

Staffing

The budget funds 530 full-time positions, 6 limited term positions and 10 part-time positions. This is an increase of 56 full-time positions and one part-time position from the FY 2005-06 Revised Budget, which was part of the Infrastructure Maintenance decision package.

Rate Increase

The FY 2006-07 average effective in-city retail water rate increase is 2.5%, which is lower than the inflation rate.

Hydroelectric Power Division

Hydroelectric Power Operating Budget

The Hydroelectric Power Division's FY 2006-07 Budget is \$625,653. The Adopted Budget includes a reduction in FTE, from 3.0 to 2.6. One vacant position was reclassified, and one existing full-time position was reduced to part-time. In FY 2006-07, the division will transfer \$200,000 from the Hydropower Operating Fund to the General Fund to be used for other City needs.

BUDGET NOTES

Water Meters Maintenance and Replacement

Water, Environmental Services, and the Revenue Bureau will prepare a plan for maintenance and replacement of water meters. This plan will address the level of meter maintenance, frequency of meter replacement, evaluation of the costs and benefits of automatic meter reading, cost of the meter replacement program, method of payment, and share of the costs, for both large and small meters. This joint plan is to be incorporated into each bureau's five-year financial plan that is submitted in the fall of 2006.

Strategic Direction

SIGNIFICANT ISSUES

Water Division

The Water Division will address the following major issues during FY 2006-07:

Forecast Retail Water Demand

Water demand projections remain a key factor in setting water rates. As customers purchase less water, there is a corresponding rate increase due to proportionally fewer units sold to fund the fixed costs of the utility (especially for retail customers who pay for all components of the Portland water system).

The bureau continues to monitor the retail demand as it is influenced by weather and change in customer water usage pattern due to continued conservation efforts.

Aging Infrastructure

In response to aging infrastructure, the Water Bureau intends to increase the overall level of system maintenance and begin to address the needs of the aging infrastructure. The Budget Committee supported the emphasis on increased infrastructure maintenance.

Wholesale Contracts

The bureau currently sells water on a wholesale basis to 19 cities and public water districts. With the exception of Rockwood Water PUD, all other major wholesale customer contracts end in 2007.

The bureau has signed new long-term wholesale contracts with all but one of these regional partners. The other small wholesale customer's current contract has been renewed for 25 years.

Customer Service and Billing

The Revenue Bureau in the Office of Management and Finance performs the Customer Services functions for the Water Bureau, through an Interagency Agreement. The Revenue Bureau's financial plan projects staff reductions in coming years, as the new billing system will provide for efficiencies. Water's financial plan also includes these future savings; it does not include expansion of a pilot low-income program. If this program is expanded, the Water Bureau will have to adjust future rates to accommodate it.

The bureau continues to assist in the transition to the new billing system that was implemented on April 2006, and to monitor costs and performance of the Customer Services operation.

Long Term 2 Enhanced Surface Water Treatment Rule

The Long Term 2 Enhanced Surface Water Treatment Rule (LT2) was promulgated as final and published to the federal register during the first week of 2006. Implementation of this rule could result in significant added costs to provide additional water treatment. The EPA has modified the rule related to open reservoirs by removing the risk mitigation compliance option that had been included in the draft version. This option was selected by the City

Council as the City's method for compliance with the proposed rule. At the direction of the Commissioner-in-Charge and City Council, the bureau has been working with a citizens' stakeholder group and a legal firm to assist the City in challenging the rule. The bureau continues to support the efforts of the City Council to achieve compliance with the LT2 rule without requiring extensive additional treatment of the City's Bull Run water.

Meter Maintenance Program

The bureau's meter maintenance program is the infrastructure component of the utility customer-billing program. The purpose of the meter is to accurately measure customers' water use for equity and billing purposes.

The Bureau of Environmental Services also uses these meters for its customer billings, and the two bureaus continue to work to identify the total program cost attributable to each. Water, BES, and the Revenue Bureau will comply with the budget note directing resolution of this issue in FY 2006-07.

New City Financial System

The City is working to implement a new financial system. The annual cost to the bureau for the new system is about \$300,000 over an eight-year period. The bureau continues to work with OMF to keep abreast of the project's current estimated cost and update its financial plans as necessary, and to participate in project implementation.

Katrina Reimbursement

On October 12, 2005, City Council authorized an intergovernmental agreement with the Oregon Office of Emergency Management (OEM) to provide personnel and equipment to the City of New Orleans for hurricane assistance. The Water Bureau provided two teams of about 35 staff along with equipment and supplies for 30 days each. The bureau will continue to work with OEM to submit the necessary documentation to receive the planned \$1.9 million reimbursement.

Hydroelectric Power Division

As one of the provisions in the Portland Hydroelectric Project's power sales agreement with Portland General Electric Company, \$128,000 in direct payments will be provided to the Oregon Department of Fish and Wildlife for the project's offsite environmental mitigation requirement. This money will be used to raise approximately 320,000 salmon and steelhead smolts for release into the Sandy and Clackamas River systems.

MANAGEMENT GOALS & OBJECTIVES

Water Division Goals

Each of the Water Bureau's six major programs ties to one or more City goals, with a primary linkage as listed below:

Supply Program: Protect and enhance the natural and built environment.

Transmission & Terminal Storage Program: Protect and enhance the natural and built environment.

Distribution Program: Promote economic vitality and opportunity.

Regulatory Compliance Program: Protect and enhance the natural and built environment.

Customer Service Program: Deliver efficient, effective, and accountable municipal services.

Public Utilities Service Area

Support Program: Deliver efficient, effective, and accountable municipal services.

Water Division Objectives for FY 2006-07

The Water Division will pursue the following objectives in FY 2006-07:

- Provide reliable water service to customers in the quantities they desire and at a quality level that meets or exceeds both customer and regulatory standards.
- Provide the highest value to customers through excellent business, management, and operational practices and appropriate application of innovation and technology.
- Be responsible stewards of the public's water infrastructure, fiscal, and natural resources.
- Provide the citizens and the City Council with a water system that supports their community objectives and overall vision for the City of Portland.

Hydroelectric Power Division Goal

The Hydroelectric Power Division's goal is to provide cost-effective, responsive, and accountable hydroelectric project administration, which supports the following City goal:

• Deliver efficient, effective, and accountable municipal services.

Hydroelectric Power Division Objectives for FY 2006-07

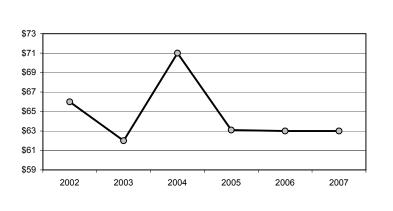
The Hydroelectric Power Division will pursue the following objectives in FY 2006-07 to provide ongoing operation of the City's Portland Hydroelectric Project:

- Safeguard the City's investment in the \$50 million Portland Hydroelectric Project, and comply with the terms of that project's power sales agreement and revenue bond trust indentures.
- Meet all license/permit requirements within the timelines established by federal and state regulatory agencies.
- Coordinate closely with Portland General Electric Company in an effort to maximize the Portland Hydroelectric Project's power generation, while ensuring all license, permit, and water quality requirements are observed.
- Provide maximum revenue to the City's General Fund while accomplishing the first three objectives.

Performance Measures

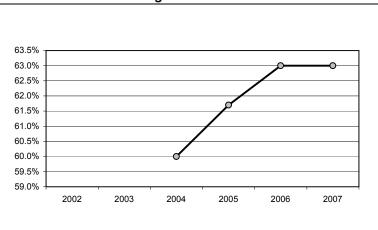
Operating Costs per Capita

◆ These figures are determined by the City Auditor and reported in the Auditor's annual Service Efforts and Accomplishments report, using constant FY 2004-05 dollars.



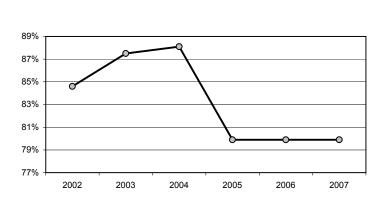
Water Service Rating

 Ratepayers rating overall water service as "Good" or "Very Good" rose from 60% to 61.7% in 2005.



Water Bill Comparison

 Typical single family water bill as a percent of six-city average (Auditor's Office SEA Report).



		Actual FY 2003–04	Actual FY 2004–05	Revised FY 2005-06	Proposed FY 2006-07		Adopted FY 2006-07
EXPENDITURES							
Operating Budget							
Personal Services		27,646,554	26,622,269	24,742,606	30,233,770		30,233,770
External Materials and Services		10,156,191	15,401,433	11,828,922	11,305,102		11,226,702
Internal Materials and Services		10,782,949	10,513,098	17,728,224	18,084,294		18,310,061
Minor Capital Outlay		5,480	500	0	0		0
Total Operating Budget		48,591,174	52,537,300	54,299,752	59,623,166		59,770,533
Capital Improvements		29,720,794	33,854,678	52,374,384	39,830,000		42,411,500
TOTAL BUREAU EXPENDITURES	\$	78,311,968	\$ 86,391,978	\$ 106,674,136	\$ 99,453,166	\$	102,182,033
Allocated Overhead		1,939,822	2,507,894	2,266,704	2,261,181		2,261,181
Total Cost with Allocated Overhead	-	80,251,790	88,899,872	108,940,840	108,940,841		104,443,214
RESOURCES							
Discretionary Revenues							
Water Operating Fund		66,677,630	79,623,655	98,933,231	93,407,361		94,586,228
Total Discretionary Revenues		66,677,630	79,623,655	98,933,231	93,407,361		94,586,228
Non-Discretionary Revenues							
Grants & Donations - Water		2,849,568	533,776	4,024,114	3,555,000		5,055,000
Contract Revenues - Water		380,700	392,744	313,263	330,806		330,806
Contract Revenues - Hydro		485,845	362,647	1,281,204	535,453		585,453
Interagency Revenues - Water		7,884,209	5,440,935	2,082,324	1,584,346		1,584,346
Interagency Revenues - Hydro		34,016	38,221	40,000	40,200		40,200
Total Non-Discretionary Revenues		11,634,338	6,768,323	7,740,905	6,045,805		7,595,805
TOTAL RESOURCES	\$	78,311,968	\$ 86,391,978	\$ 106,674,136	\$ 99,453,166	\$	102,182,033
Note: Discretionary General Fund r Non-Discretionary revenues are res						e.	
DIVISIONS							
Water Division		77,792,106	85,991,110	105,352,932	98,877,513		101,556,380
Positions		557.00	433.75	485.85	542.35		542.35
Hydroelectric Power Division		519,862	400,868	1,321,204	575,653		625,653
Positions		3.00	3.00	3.00	3.00		2.60
TOTAL DIVISIONS	\$	78,311,968	\$ 86,391,978	\$ 106,674,136	\$ 99,453,166	\$	102,182,033

436.75

488.85

545.35

544.95

560.00

Positions

	F	Actual Y 2003–04		Actual FY 2004–05		Revised FY 2005-06		Proposed FY 2006-07		Adopted FY 2006-07
PROGRAMS										
WATER DIVISION										
Supply		0		0		7,945,596		5,608,196		5,604,075
Positions		0.00		0.00		26.00		25.88		25.88
Transmission & Terminal Storage		0		0		10,091,451		9,232,588		9,232,588
Positions		0.00		0.00		16.20		17.46		17.46
Distribution		0		0		45,996,805		40,077,826		41,843,741
Positions		0.00		0.00		259.05		283.35		283.35
Regulatory Compliance		0		0		5,151,984		6,536,712		6,535,246
Positions		0.00		0.00		34.90		36.78		36.78
Customer Service		0		0		14,511,442		14,983,064		15,108,800
Positions		0.00		0.00		43.60		54.20		54.20
Support		0		0		21,655,654		22,439,127		23,231,930
Positions		0.00		0.00		106.10		124.68		124.68
Water Quality Program		8,914,720		5,631,503		0		0		0
Positions		39.00		39.00		0.00		0.00		0.00
Administration Program		5,283,079		11,470,615		0		0		0
Positions		15.00		15.00		0.00		0.00		0.00
Customer Service Program		11,675,222		8,344,986		0		0		0
Positions		162.00		9.00		0.00		0.00		0.00
Water Distribution Program		27,152,641		35,954,140		0		0		0
Positions		255.00		283.75		0.00		0.00		0.00
Finance Program		5,362,744		4,367,701		0		0		0
Positions		34.00		34.00		0.00		0.00		0.00
Water Supply Program		19.403.700		20,222,165		0		0		0
Positions		52.00		53.00		0.00		0.00		0.00
TOTAL PROGRAMS	\$	77,792,106	\$	85,991,110	\$	105,352,932	\$	98,877,513	\$	101,556,380
Positions		557.00		433.75		485.85		542.35		542.35
HYDROELECTRIC POWER DIVISION										
		519.862		400,868		1,321,204		575,653		625,653
Hydroelectric Power Administration Positions		3.00		400,868 3.00		1,321,204 3.00		3.00		625,653 2.60
TOTAL PROGRAMS	•		•		•		•		_	
	\$	519,862	\$	400,868	\$	1,321,204	\$	575,653	\$	625,653
Positions		3.00		3.00		3.00		3.00		2.60

Water Division

OVERVIEW

FY 2006-07 Adopted Budget

The Water Division's FY 2006-07 Adopted Budget is \$101.5 million, composed of the operating budget of \$59.1 million and the CIP budget of \$42.4 million. The Water Division comprises over 99% of the Water Bureau operating and capital budget. Discussion of the division's activities are included in the preceding Bureau Overview of the Bureau of Water Works.

Operating Budget

The operating budget of \$59.1 million represents an increase of about \$6.1 million from the FY 2005-06 Revised Budget of \$53.0 million. The major elements of the change are discussed in the Water Bureau overview.

CIP Budget

The Capital Improvement Plan budget of \$42.4 million reflects a decrease of about \$10.0 million from the FY 2005-06 Revised Budget of \$52.4 million. The decrease in the capital budget did not include significant delays or discontinued projects from the prior year's plan. The reduction is the result of shifts in project timing to better reflect when the projects will actually be completed as well as a shift in emphasis on system maintenance, which is a major theme of the Water Bureau's FY 2006-07 budget.

Staffing

The budget funds 530 full-time positions, six limited term positions, and 10 part-time positions. This is an increase of 56 full-time positions and one part-time position over the FY 2005-06 Revised Budget.

There is one approved decision add package. The Infrastructure Maintenance package includes 56 full-time positions and a part-time position.

Overview of Programs Water Division

Overview of Programs

SUPPLY

Description The provision of water in the quantities desired by customers is a key portion of the mission

of the Water Bureau. The Supply program is responsible for providing the water that all customers use in the Portland service area, including both retail and wholesale customers. The program includes both water from the Bull Run watershed and water from the Columbia South Shore wellfield. In total, these systems supply water to a population of

nearly 800,000 people and to businesses in the Portland area.

Relationship to Goals This program supports the City goal of protecting and enhancing the natural and built

environment, particularly with respect to providing safe drinking water. It also supports the City goal of promoting economic vitality and opportunity, with respect to providing high

quality, reasonably priced public utility services.

Performance The Bull Run watershed is planned to provide 95% or more of the City's annual water

supply under normal operating conditions. The groundwater system is planned to supply average winter demand of 100 million gallons per day (mgd) for 14 days in the event of a turbidity event or interruption of the Bull Run supply, and back-up supply of 80 mgd for 90

days during periods of high demand.

Changes to Services There are no significant changes in FY 2006-07.

TRANSMISSION & TERMINAL STORAGE

Description The Transmission & Terminal Storage program is for the conveyance of water from the

supply sources to the city, including the terminal storage reservoirs at Powell Butte, Mt.

Tabor, and Washington Park.

Relationship to Goals This program supports the City goal of protecting and enhancing the natural and built

environment, particularly with respect to providing safe drinking water. It also supports the City goal of promoting economic vitality and opportunity with respect to providing high

quality, reasonably priced public utility services.

Performance Water flow through the conduits and transmission lines will not be below the average or

peak customer demands more than two days per year. The volume of water in the terminal storage reservoirs will not drop below 70% of capacity more than two days per year.

Changes to Services The CIP includes \$2.5 million for Open Reservoir Interim Security, and a reduction of \$1.9

million for Open Reservoir Deferred Maintenance.

Water Division Overview of Programs

DISTRIBUTION

Description

The Distribution program manages the conveyance of water from the terminal storage reservoirs through the customer meters. This work includes work on distribution mains, tanks, meters, services, hydrants, valves, gates, and other related facilities. These various segments of the program cover a wide variety of purposes, such as tanks to store water and maintain system pressures, meters to accurately record usage for billing purposes, hydrants for fire protection and for line flushing purposes, and valves to alter or stop water flows under various circumstances such as line breaks or fire needs. The principal function of this program is maintenance of the water system.

Relationship to Goals

This program supports the City goal of protecting and enhancing the natural and built environment, particularly with respect to providing safe drinking water. It also supports the City goal of promoting economic vitality and opportunity with respect to providing high quality, reasonably priced public utility services.

Performance

Less than 5% of the customers shall experience a cumulative water outage for more than eight hours a year, and emergency outages shall be limited to 24 hours for all mains up to 16 inches in diameter. Meters shall read within 3% of actual value at all times, and 90% of all valves shall be working. For each hydrant out of service there shall be a working hydrant within 500 feet, and 99% of hydrants will be working.

Changes to Services

The Adopted Budget adds \$2.5 million for 34 staff toward the goal of improving ongoing system maintenance. The CIP is reduced \$4.0 million, with the largest reduction (\$2.0 million) in the Distribution Mains program, to more accurately reflect work that is actually completed.

REGULATORY COMPLIANCE

Description

The Regulatory Compliance program has the responsibility for ensuring that all federal and state water quality requirements are met or exceeded. It is also responsible for meeting other regulatory standards, including compliance with the Endangered Species Act, proper disposal of dechlorinated water, and various monitoring requirements.

Relationship to Goals This program supports the City goal of protecting and enhancing the natural and built

environment, particularly with respect to providing safe drinking water.

Performance All federal and state regulatory requirements for water quality will be met.

Changes to Services There are no significant changes in FY 2006-07. Overview of Programs Water Division

CUSTOMER SERVICE

Description The Customer Service program encompasses services provided to customers, other than the

direct supply of water. It includes the Water Bureau's share of customer billing, collection, and call center costs incurred by the Revenue Bureau, which is the largest expense of this program. It also includes work on conservation, security, decorative and drinking fountain

maintenance, and maintenance of grounds for Water Bureau properties.

Relationship to Goals This program supports the City goal of protecting and enhancing the natural and built

environment, particularly with respect to providing safe drinking water. It also supports the City goal of promoting economic vitality and opportunity with respect to providing high

quality, reasonably priced public utility services.

Performance Federal and state water conservation and planning requirements will be met. At least 95% of

drinking and decorative fountains shall be working properly. The Water Bureau's Emergency Response Plan will be updated every three years. Customer bills will be processed accurately and on schedule by the Revenue Bureau 100% of the time.

Changes to Services Security staffing is moving in-house in FY 2006-07, and six security positions are added.

SUPPORT

Description The Support program facilitates the work of the other programs in the Water Bureau.

Examples of this support include financial planning and accounting, staff training, data management, and facilities services. This program is also responsible for meeting many Citywide requirements, such as those related to budgeting, accounting, human resources,

and others.

Relationship to Goals This program supports the City goal of protecting and enhancing the natural and built

environment, particularly with respect to providing safe drinking water. It also supports the City goal of promoting economic vitality and opportunity with respect to providing high

quality, reasonably priced public utility services.

Performance Staff requiring certification will be 100% certified. Eighty-five percent of GIS maps will be

accurate and complete. All major facilities will meet building code standards.

Changes to Services There are no significant changes in FY 2006-07.

Water Division PERFORMANCE MEASURES

	Actual FY 2001–02	Actual FY 2002–03	Actual FY 2003–04	Actual FY 2004–05	Yr End Est. FY 2005–06	Adopted FY 2006–07
BUREAU OF WATER WORKS						
Water Division						
Regulatory Compliance						
Effectiveness						
Percent of time that State and U.S. EPA water quality standards are attained	100%	100%	100%	100%	100%	100%
Customer Service						
Effectiveness						
Percent of ratepayers rating overall water service as "Good" or "Very Good"	NA	NA	60.0%	61.7%	63.0%	63.0%
Workload						
Number of decorative and drinking fountains operated and maintained	NA	NA	146	147	147	147
Support						
Effectiveness						
Typical single family water bill as a percent of six-city average (Auditor's Office SEA Report)	85%	88%	88%	80%	80%	80%
Efficiency						
Operating cost per capita	\$66	\$62	\$71	\$63	\$63	\$63

Water Division

		Actual FY 2003–04		Actual FY 2004–05		Revised FY 2005-06		Proposed FY 2006-07		Adopted FY 2006-07
EXPENDITURES										
Operating Budget										
Personal Services		27,446,131		26,414,132		24,476,384		29,949,750		29,949,750
External Materials and Services		9,992,679		15,365,283		10,944,900		11,200,102		11,071,702
Internal Materials and Services		10,627,022		10,356,517		17,557,264		17,897,661		18,123,428
Minor Capital Outlay		5,480		500		0		0		0
Total Operating Budget		48,071,312		52,136,432		52,978,548		59,047,513		59,144,880
Capital Improvements		29,720,794		33,854,678		52,374,384		39,830,000		42,411,500
TOTAL BUREAU EXPENDITURES	\$	77,792,106	\$	85,991,110	\$	105,352,932	\$	98,877,513	\$	101,556,380
Allocated Overhead		1,885,396		2,457,471		2,208,678		2,201,831		2,201,831
Total Cost with Allocated Overhead		79,677,502		88,448,581		107,561,610		101,079,344		103,758,211
		, ,				, ,		,,		,,
RESOURCES										
Water Fund		77,792,106		85,991,110		105,352,932		98,877,513		101,556,380
Note: Discretionary General Fund										
Non-Discretionary revenues are re	Sincle	by policy of co	Jilia	ctual agreemer	11 10 1	ne bureaus triat	gene	erate the revenue) .	
PROGRAMS										
Supply		0		0		7,945,596		5,608,196		5,604,075
Positions		0.00		0.00		26.00		25.88		25.88
Transmission & Terminal Storage		0.00		0.00		10,091,451		9,232,588		9,232,588
Positions		0.00		0.00		16.20		17.46		17.46
Distribution		0.00		0.00		45,996,805		40,077,826		41,843,741
Positions		0.00		0.00		259.05		283.35		283.35
Regulatory Compliance		0.00		0.00		5,151,984		6,536,712		6,535,246
Positions		0.00		0.00		34.90		36.78		36.78
Customer Service		0.00		0.00		14,511,442		14,983,064		15,108,800
Positions		0.00		0.00		43.60		54.20		54.20
Support		0		0.00		21,655,654		22,439,127		23,231,930
Positions		0.00		0.00		106.10		124.68		124.68
Water Quality		8,914,720		5,631,503		0		0		0
Positions		39.00		39.00		0.00		0.00		0.00
Administration		5,283,079		11,470,615		0		0		0
Positions		15.00		15.00		0.00		0.00		0.00
Customer Service		11,675,222		8,344,986		0		0		0
Positions		162.00		9.00		0.00		0.00		0.00
Water Distribution		27,152,641		35,954,140		0		0		0
Positions		255.00		283.75		0.00		0.00		0.00
Finance		5,362,744		4,367,701		0		0		0
Positions		34.00		34.00		0.00		0.00		0.00
Water Supply		19,403,700		20,222,165		0		0		0
Positions		52.000		53.00		0.00		0.00		0.00
TOTAL PROGRAMS	\$	77,792,106	\$	85,991,110	\$	105,352,932	\$	98,877,513	\$	101,556,380
		<i>557.00</i>		433.75		485.85		542.35		<i>542.35</i>

Water Division FTE SUMMARY

		Actual FY 2004	Actual FY 2005		evised 2005–06		pposed 2006–07		dopted 2006–07
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
0514	Accountant I	3.00	3.00	3.00	129,916	3.00	135,948	3.00	135,948
0515	Accountant II	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
0516	Accountant III	2.00	2.00	2.00	114,720	2.00	117,360	2.00	117,360
0131 0132	Customer Accts Spec I Customer Accts Spec II	71.00 11.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
0100	Office Supp Spec I	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0102	Office Supp Spec II	7.00	4.50	6.00	213,341	10.00	355,484	10.00	355,484
0104	Office Supp Spec III	4.00	5.00	4.00	167,283	4.00	182,064	4.00	182,064
7196	Sec & Emerg Mgmt Program Mgr	0.00	1.00	1.00	64,080	1.00	65,832	1.00	65,832
0310 0406	Service Dispatcher Storekeeper/Acq Specialist II	2.00 2.00	2.00 2.00	2.00 1.00	74,652 45,228	2.00 2.00	79,173 92,520	2.00 2.00	79,173 92,520
0408	Storekeeper/Acq Specialist III	1.00	1.00	1.00	41,760	1.00	50,292	1.00	50,292
7352	Accountant, Systems	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
7362	Accounting Supervisor I, Senior	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7103 7102	Administrative Assistant	7.00 1.00	6.00 0.00	7.00 0.00	399,480 0.00	7.00 0.00	408,240 0.00	7.00 0.00	408,240 0.00
7102	Administrative Specialist, Sr Administrative Supervisor I	3.00	3.00	2.00	124,116	2.00	126,576	2.00	126,576
2532	Applications Analyst II	4.00	2.00	2.00	126,378	2.00	131,149	2.00	131,149
2533	Applications Analyst III	9.00	1.00	1.00	73,800	1.00	74,088	1.00	74,088
2534	Applications Analyst IV	1.00	1.00	1.00	78,168	1.00	78,168	1.00	78,168
1311	Automotive Equipment Operator I	11.00	10.00	11.00	453,412	12.00	519,872	12.00	519,872
1314 7140	Automotive Equipment Operator II Bureau Director, Assistant to	1.00 0.00	1.00 1.00	1.00 0.00	44,748 0.00	1.00 0.00	45,780 0.00	1.00 0.00	45,780 0.00
7112	Business Operations Manager	1.00	1.00	1.00	92,148	1.00	92,148	1.00	92,148
7113	Business Operations Mgr, Sr	1.00	1.00	1.00	105,732	1.00	106,832	1.00	106,832
7110	Business Operations Supervisor	1.00	2.00	3.00	199,023	3.00	206,053	3.00	206,053
7121	Business Systems Analyst	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7120 7122	Business Systems Analyst, Asst Business Systems Analyst, Senior	6.00 1.00	0.00 1.00	0.00 2.00	0.00 147,828	0.00 2.00	0.00 148,464	0.00 2.00	0.00 148,464
6034	CAD Analyst	0.00	1.00	1.00	51,744	1.00	56,270	1.00	56,270
6031	CAD Technician I	1.00	1.00	1.00	42,600	1.00	44,448	1.00	44,448
6032	CAD Technician II	4.00	3.00	6.00	273,264	6.00	289,302	6.00	289,302
7656	Capital Project Manager II	1.00	0.00	2.00	129,752	2.00	143,931	2.00	143,931
7657 1420	Capital Projects Manager III Carpenter	0.00 3.00	1.00 2.00	1.00 2.00	82,308 95,832	1.00 2.00	82,308 98,064	1.00 2.00	82,308 98,064
3285	Chemist	1.00	0.00	0.00	0.00	1.00	50,460	1.00	50,460
7134	CIP Planning Supervisor	0.00	0.00	1.00	79,044	1.00	82,014	1.00	82,014
7202	Community Outreach/Info Asst	0.00	0.00	1.00	50,232	1.00	52,124	1.00	52,124
7203 7204	Community Outreach/Info Rep	0.00	2.00	1.00 3.00	51,984	1.00 3.00	53,577	1.00 3.00	53,577
1410	Community Outreach/Info Rep, Sr Concrete Finisher	1.00 2.00	1.00 2.00	2.00	192,936 95,832	3.00	194,124 147,096	3.00	194,124 147,096
1315	Construction Equipment Operator	13.00	15.00	16.00	740,176	17.00	813,900	17.00	813,900
7163	Contracts Compliance Specialist	0.00	1.00	1.00	58,320	1.00	59,920	1.00	59,920
7135	Contracts Devel & Review Admin	0.00	1.00	1.00	61,296	1.00	62,346	1.00	62,346
7116 6043	Customer Service Supervisor Dev Services Tech III	4.00 1.00	0.00 1.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00	0.00 0.00
7767	Development Supervisor	0.00	0.00	1.00	68,976	1.00	71,808	1.00	71,808
7562	Electrical Supervisor	0.00	1.00	1.00	66,823	1.00	69,452	1.00	69,452
7564	Electrical/Instrumentation Super	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1453	Electrician	5.00	5.00	5.00	297,840	6.00	365,688	6.00	365,688
7195 6112	Emergency Mgmt Program Mgr Engineer	1.00 6.00	1.00 6.80	1.00 9.90	73,884 667,991	1.00 13.00	74,145 955,192	1.00 13.00	74,145 955,192
7653	Engineer, Chief	2.00	1.00	1.00	95,436	1.00	98,044	1.00	98,044
7655	Engineer, Chief - Water Bureau	0.00	1.00	1.00	119,916	1.00	119,916	1.00	119,916
7650	Engineer, Senior	8.00	11.00	12.00	921,972	14.00	1,091,131	14.00	1,091,131
7651	Engineer, Supervising	4.00	5.00	5.00	400,008	6.00	482,708	6.00	482,708
6110 7673	Engineering Associate Engineering Survey Manager	4.00 1.00	3.00 1.00	5.00 0.50	229,353 41,148	7.00 1.00	369,209 83,004	7.00 1.00	369,209 83,004
6021	Engineering Technician I	0.00	5.00	6.00	203,976	8.00	297,024	8.00	297,024
6022	Engineering Technician II	6.00	7.00	10.00	477,825	10.00	543,769	10.00	543,769
6023	Engineering Technician III	2.00	2.00	2.00	126,000	4.00	262,992	4.00	262,992
7607	Environmental Program Specialist	0.00	0.00	1.00 4.00	46,896	2.00	103,980	2.00	103,980 260,928
6053 6051	Environmental Specialist Environmental Technician I	3.00 0.00	3.00 0.00	4.00 1.00	246,960 31,800	4.00 1.00	260,928 36,996	4.00 1.00	260,928 36,996
6052	Environmental Technician II	0.00	0.00	1.00	42,600	1.00	45,904	1.00	45,904
7127	Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7375	Financial Analyst, Assistant	2.00	2.00	2.00	91,464	2.00	94,512	2.00	94,512
7377 1524	Financial Analyst, Senior General Mechanic	2.00 2.00	1.00 2.00	1.00 2.00	74,232 96,792	1.00 2.00	74,232 99,048	1.00 2.00	74,232 99,048
1024	General Medianic	2.00	2.00	2.00	30,132	2.00	33,040	2.00	33,040

FTE SUMMARY Water Division

		Actual FY 2004	Actual FY 2005		evised 2005–06		oposed 2006–07		dopted 2006–07
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
6061	GIS Technician I	5.00	6.00	1.00	36,387	1.00	39,813	1.00	39,813
6062 6063	GIS Technician II	2.00 2.00	2.00 2.00	6.00 2.00	268,740	6.00 2.00	290,012	6.00 2.00	290,012 134,433
6123	GIS Technician III Graphics Designer III	0.00	0.00	1.00	122,693 51,744	1.00	134,433 54,000	1.00	54,000
7590	Ground Water Program Manager	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
4114	Horticulturist	1.00	2.00	2.00	91,032	2.00	93,144	2.00	93,144
1445	Industrial Painter	3.00	3.00	3.00	143,748	3.00	147,096	3.00	147,096
1446 2541	Industrial Painter, Lead	1.00 1.00	1.00 0.00	1.00 0.00	50,316 0.00	1.00 0.00	51,480 0.00	1.00 0.00	51,480 0.00
2543	Information Systems Analyst I Information Systems Analyst III	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2544	Information Systems Analyst IV	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7506	Information Systems Analyst IV	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7509	Information Systems Manager	1.00	1.00	1.00	94,344	1.00	94,344	1.00	94,344
7508 3260	Information Systems Supervisor Instrument Technician	1.00 5.00	0.00 6.00	0.00 7.00	0.00 412,620	0.00 7.00	0.00 422,160	0.00 7.00	0.00 422,160
7560	Instrumentation Supervisor	1.00	1.00	1.00	66,972	1.00	67,084	1.00	67,084
3280	Laboratory Analyst	4.00	4.00	4.00	184,512	4.00	188,784	4.00	188,784
3287	Laboratory Analyst, Senior	0.00	1.00	1.00	53,568	1.00	57,738	1.00	57,738
7624	Laboratory Manager	1.00	1.00	1.00	87,780	1.00	87,780	1.00	87,780
1200	Maintenance Worker	0.00	0.00	3.00	60,876	3.00	62,280	3.00	62,280
7131 7132	Management Analyst	0.00 1.00	2.00 1.00	3.00 1.00	166,824 74,232	3.00 1.00	177,972 74,232	3.00 1.00	177,972 74,232
7132 7666	Management Analyst, Senior Mapping & GIS Supervisor	1.00	1.00	2.00	142,188	2.00	143,568	2.00	143,568
6026	Mapping Data Technician	0.00	1.00	1.00	43,122	1.00	47,226	1.00	47,226
7665	Maps & Records Supervisor	1.00	1.00	1.00	52,932	1.00	54,561	1.00	54,561
7596	Mech Systems Suprvsr, Sr/Water	1.00	1.00	1.00	71,784	1.00	73,254	1.00	73,254
1768	Operating Engineer I	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
1770 1771	Operating Engineer II	3.00 13.00	4.00 13.00	7.00 12.00	313,544 628,506	7.00 12.00	343,934 657,379	7.00 12.00	343,934 657,379
1215	Operating Engineer III Park Technician	3.00	2.00	2.00	82,896	2.00	84,816	2.00	84,816
7387	Principal Economist	1.00	1.00	1.00	85,284	1.00	87,780	1.00	87,780
7652	Principal Engineer	6.00	6.00	6.00	596,100	6.00	602,115	6.00	602,115
7378	Principal Financial Analyst	4.00	4.00	4.00	338,892	4.00	346,644	4.00	346,644
2545	Principal Info Systems Analyst	1.00	1.00	1.00	80,612	1.00	87,780	1.00	87,780
7133 7154	Principal Management Analyst Program Coordinator	0.00 2.00	0.00 0.00	1.00 0.00	87,780 0.00	1.00 0.00	87,780 0.00	1.00 0.00	87,780 0.00
7156	Program Manager	1.00	0.00	0.00	0.00	1.00	64,920	1.00	64,920
7158	Program Manager, Senior	4.00	1.00	2.00	164,004	2.00	166,450	2.00	166,450
7153	Program Specialist	1.00	0.00	2.00	94,884	4.00	209,764	4.00	209,764
7152	Program Specialist, Assistant	6.00	0.00	1.00	59,556	1.00	75,444	1.00	75,444
7678	Property Acquisition & Services	0.00	0.00	1.00	64,920	1.00	67,130	1.00	67,130
7208 7662	Public Information Manager Public Works Inspection Sprvsr	1.00 0.00	0.00 1.00	0.00 1.00	0.00 74,232	0.00 1.00	0.00 74,232	0.00 1.00	0.00 74,232
3150	Public Works Inspector	5.00	3.00	6.00	312,816	6.00	339,476	6.00	339,476
3151	Public Works Inspector, Senior	3.00	3.00	2.00	115,998	4.00	253,416	4.00	253,416
7552	Public Works Supervisor I	0.00	2.00	1.00	57,996	1.00	60,372	1.00	60,372
7553	Public Works Supervisor II	9.00	10.00	12.00	725,505	12.00	736,390	12.00	736,390
7584 7125	Reg Water Prov Cons Prgm Coord Remittance Technician	1.00 2.00	1.00 0.00	1.00 0.00	67,368 0.00	1.00 0.00	69,438 0.00	1.00 0.00	69,438 0.00
6082	Right of Way Agent II	0.00	0.00	1.00	42,600	1.00	44,448	1.00	44,448
7185	Risk Specialist	0.00	1.00	1.00	56,724	1.00	57,500	1.00	57,500
7192	Safety & Risk Officer I	1.00	1.00	1.00	74,232	1.00	74,232	1.00	74,232
7582	Security Supervisor	1.00	1.00	1.00	49,236	1.00	51,258	1.00	51,258
6134	Senior City Planner	1.00	0.90	0.90	59,496	1.00	62,304	1.00	62,304 1,409,896
6111 1212	Senior Engineering Associate Senior Water Utility Worker	18.00 1.00	17.00 1.00	19.00 1.00	1,192,597 38,172	21.00 1.00	1,409,896 39,048	21.00 1.00	39,048
7161	Stores System Supervisor II	1.00	1.00	1.00	58,776	1.00	60,183	1.00	60,183
7671	Survey Supr/Water Right Exam	1.00	1.00	1.00	78,168	1.00	78,168	1.00	78,168
3121	Surveying Aide II	0.00	0.00	1.00	35,976	2.00	81,612	2.00	81,612
3122	Surveyor I	2.00	2.00	2.00	102,192	2.00	104,544	2.00	104,544
3123 7271	Surveyor II Training and Development Officer	2.00	1.00	1.00 1.00	54,684	1.00 1.00	55,956 74,232	1.00 1.00	55,956 74,232
1210	Utility Worker I	1.00 6.00	1.00 6.00	6.00	74,232 225,360	6.00	74,232 230,616	6.00	74,232 230,616
1211	Utility Worker II	42.00	37.00	42.00	1,648,303	52.00	2,032,486	52.00	2,032,486
1209	Utility Worker II, Apprentice	10.00	23.00	20.00	505,790	20.00	682,614	20.00	682,614
7236	Water Conserv Prog Coord	4.00	4.00	3.00	186,948	3.00	190,638	3.00	190,638

Water Division FTE SUMMARY

		Actual FY 2004	Actual FY 2005	_	vised 005–06		Proposed FY 2006–07		pted 006–07
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
7238	Water Conservation Prog Mgr	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
7598	Water Group Manager	3.00	2.00	2.00	190,872	2.00	197,718	2.00	197,718
7595	Water Maint Supervisor, Sr	3.00	4.00	3.00	227,328	3.00	231,528	3.00	231,528
1700	Water Meter Reader I	12.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1701	Water Meter Reader II	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1718	Water Meter Technician I	2.00	3.00	4.00	154,266	5.00	214,096	5.00	214,096
1719	Water Meter Technician II	4.00	5.00	5.00	245,514	7.00	360,360	7.00	360,360
1730	Water Operations Mechanic	15.00	30.00	30.00	1,451,712	35.00	1,745,544	35.00	1,745,544
1731	Water Operations Mechanic, Lead	24.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7597	Water Ops & Support Manager	0.00	1.00	1.00	74,436	1.00	76,152	1.00	76,152
1725	Water Ops Mechanic Apprentice	0.00	8.00	10.00	375,337	10.00	432,347	10.00	432,347
7594	Water Quality Inspection Supr	1.00	0.00	1.00	70,548	1.00	70,596	1.00	70,596
1712 1713	Water Quality Inspector I	0.00 5.00	0.00 5.00	0.00 5.00	0.00 265.048	1.00 5.00	47,544 275,150	1.00 5.00	47,544 275,150
1713	Water Quality Inspector II Water Quality Inspector III	1.00	1.00	1.00	265,048 57,624	1.00	275,150 58,968	1.00	275,150 58,968
7588	Water Resources Planning Manager	1.00	1.00	1.00	101,400	1.00	101,400	1.00	101,400
7600	Water Resources Program Manager	3.00	3.00	3.00	228,156	3.00	231,108	3.00	231,108
7586	Water Resrcs & Urban Aff Coord	1.00	1.00	1.00	74,232	1.00	74,232	1.00	74,232
1709	Water Security Specialist	10.00	11.00	14.00	554,278	20.00	817,000	20.00	817,000
1705	Water Service Inspector	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1752	Water Treatment Operator II	9.00	9.00	9.00	470,840	9.00	494,020	9.00	494,020
7592	Water Treatment Ops Supr	1.00	1.00	1.00	63,708	1.00	65,670	1.00	65,670
7060	Water Utility Director	1.00	1.00	1.00	111,312	1.00	113.880	1.00	113.880
1761	Watershed Pipeline Specialist	0.00	1.00	1.00	42,432	1.00	43,416	1.00	43,416
1760	Watershed Specialist	5.00	4.00	6.00	223,973	6.00	246,144	6.00	246,144
1762	Watershed Specialist, Senior	1.00	1.00	1.00	42,432	1.00	43,416	1.00	43,416
7237	Wtr Conservation Prgm Suprvsr	0.00	0.00	1.00	74,136	1.00	74,232	1.00	74,232
	FULL-TIME POSITIONS	543.00	423.20	473.30 \$	24,933,402	530.00 \$	28,966,086	530.00 \$	28,966,086
0515	Accountant II	1.00	0.89	0.68	35,436	0.76	28,116	0.76	28,116
0510	Accounting Technician	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
0131	Customer Accts Spec I	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0100	Office Supp Spec I	1.00	0.50	0.50	15,264	0.50	15,084	0.50	15,084
0102	Office Supp Spec II	3.00	2.05	2.05	61,911	2.11	49,104	2.11	49,104
2532 6112	Applications Analyst II	1.00 1.00	0.00 0.50	0.50 0.69	32,004	0.50 0.50	32,767	0.50 0.50	32,767 38.004
6021	Engineer Engineering Technician I	1.00	0.50	0.69	50,256 0.00	0.50	38,004 0.00	0.50	0.00
7607	Environmental Program Specialist	1.00	0.80	0.00	51.180	0.00	41,634	0.80	41.634
6051	Environmental Technician I	0.00	0.88	0.00	0.00	0.50	19,224	0.50	19,224
7152	Program Specialist, Assistant	2.00	1.68	0.80	32,928	0.68	20,536	0.68	20,536
TOTAL	PART-TIME POSITIONS	14.00	8.30	6.02 \$	278,979	6.35 \$	244,469	6.35 \$	244,469
2532	Applications Analyst II	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00
7607	Environmental Program Specialist	0.00	0.75	0.00	0.00	0.00	0.00	0.00	0.00
6061	GIS Technician I	0.00	0.00	6.00	192,384	6.00	209,940	6.00	209,940
7133	Principal Management Analyst	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	LIMITED TERM POSITIONS	0.00	2.25	6.00 \$	192,384	6.00 \$	209,940	6.00 \$	209,940

Water Division BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Appropriation Level (CAL) requirements.

		AMOUNT			
ACTION	Ongoing	One-Time	Total Package	FTE	DECISION
FY 2006-07	93,074,429	20,000	93,094,429	485.85	FY 2006-07 Current Appropriation Level Estimate
CAL Adjustmen	ts				
	(404,892)	0	(404,892)	0.00	Healthcare savings
	(447,227)	0	(447,227)	0.00	Human Resources shift to GF overhead
	212,256	0	212,256	0.00	Increase to BES for Benson Bubbler discharge
	135,786	0	135,786	0.00	Increase to Fleet to reflect actual inventory
	403,899	750,000	1,153,899	0.00	Increase IA with Revenue Bureau
	76,062	70,000	146,062	0.00	BIP #19 - Citywide Permitting
	0	321,992	321,992	0.00	Increase IA with Facilities Services
Mayor's Propos	ed Budget Decision	ns			
	4,430,208	58,000	4,488,208	56.50	Increased Maintenance Decision Package
	0	177,000	177,000	0.00	Bull Run Cabins replacement - one year only
Approved Budg	et Additions and R	eductions			
	0	999,040	999,040	0.00	Prep work for paving - IA with Maintenance
	0	807,220	807,220	0.00	Hazelwood and other CIP changes
	0	767,000	767,000	0.00	Fleet equipment increase
	0	105,607	105,607	0.00	Revenue Bureau move costs
Adopted Budge	t Additions and Re	ductions			
	0	0	0	0.00	None
	4,406,092	4,055,859	8,461,951	56.50	Total FY 2006-07 Decision Packages
			\$ 101,556,380	542.35	Total Adopted Budget

Hydroelectric Power Division

OVERVIEW

Organizational Description

Generated power is sold to PGE under a long-term power sales contract.

The Hydroelectric Power Division manages the ongoing operation of the City's Portland Hydroelectric Project (PHP). This project is located 25 miles east of Portland in the Bull Run Watershed and has a combined generation capacity of 36 megawatts. The power generated at this project is sold locally to Portland General Electric (PGE) via a long-term power sales contract. The project is also subject to federal and state regulatory control via long-term licenses and permits.

Staff Functions

Three full-time staff manage the Hydroelectric Power Division. The Hydroelectric Power Division's staff is responsible for:

Project Administration

Administration of all aspects of the PHP's long-term power sales agreement with PGE, including coordination with PGE on financial, operations, maintenance, and repair issues.

Regulatory Compliance

Ensuring compliance with all project-related regulatory requirements including surveillance, oversight, and reporting. Staff must monitor compliance for the Water Bureau's two Bull Run water supply dams and the Mt. Tabor Hydro Project, which has three large, open water supply reservoirs in the city.

Project Finances

Coordination of all PHP project-related financial matters, including the administration of the project's revenue bonds and related trust indentures, as well as the City's associated budget requirements for the division and the three related Hydroelectric Power Funds.

Project Operations

The Portland Hydroelectric Project continues to operate in compliance with its various regulatory requirements and with a minimum of down-time interruptions.

FY 2006-07 Budget

The FY 2006-07 budget for the Hydroelectric Power Division is \$625,653. This budget supports the PHP's administrative and operational costs with funds that are specifically dedicated to that purpose. The FY 2006-07 budget maintains the current service level with a staff of two full-time and one part-time positions.

Overview of Programs

HYDROELECTRIC POWER ADMINISTRATION

Mandated Administrative and Operational Activities

The Hydroelectric Power Division has only one program, Hydroelectric Power Administration. This program provides for the administrative and operational activities that are mandated for the Portland Hydroelectric Project through the following contractual or regulatory documents:

Four contractual or regulatory documents mandate activities.

- Power Sales Agreement between the City and PGE
- Hydroelectric Power Revenue Bond Trust Indentures
- Project license from the Federal Energy Regulatory Commission
- Permits from both the U.S. Forest Service and the Oregon Water Resources Department

Activity Coordination

The Hydroelectric Power Division must coordinate activities with:

- The project's power purchaser and operator, PGE
- Four different state and federal regulatory and/or resource agencies
- The Independent Trustee for the Hydroelectric Power Revenue Bonds
- The project's insurance underwriters
- The Water Bureau's Water Operations group
- Various other City bureaus

Other Hydropower Projects

This program also provides administrative support for the regulatory aspects of the Water Division's two small hydropower projects.

Relationship to Goals

The Hydropower Division supports the City goal of delivering efficient, effective, and accountable municipal services, and the bureau goal of providing cost-effective, responsible, and accountable drinking water service.

Performance

The division projects power sales of 84,200 megawatt hours in FY 2006-07, up from 65,612 in FY 2004-05, and equal to the generation that is currently projected for FY 2005-06. Power sales are very dependent on stream flows, which in turn are dependent on the weather, so it is difficult to predict future power sales from year to year. The division also plans to transfer \$200,000 to the General Fund for general City purposes in the coming year.

Changes in Services

No significant changes are anticipated in FY 2006-07.

	Actual FY 2001–02	Actual FY 2002–03	Actual FY 2003–04	Actual FY 2004–05	Yr End Est. FY 2005–06	Adopted FY 2006–07
BUREAU OF WATER WORKS Hydroelectric Power Division Hydroelectric Power Administration						
Effectiveness Power Sold to PGE (mwh)	97,814	72,510	79,488	65,612	84,200	84,200
Efficiency Transfer of Hydropower Profits to General Fund	\$150,000	\$200,000	\$200,000	\$300,000	\$815,000	\$200,000
Workload Hydropower Project Monitoring Reports	2	2	2	2	2	2

	Actual FY 2003–04	Actual FY 2004–05	Revised FY 2005-06	Proposed FY 2006-07		Adopted FY 2006-07
EXPENDITURES						
Operating Budget						
Personal Services	200,423	208,137	266,222	284,020		284,020
External Materials and Services	163,512	36,150	884,022	105,000		155,000
Internal Materials and Services	155,927	156,581	170,960	186,633		186,633
Minor Capital Outlay	0	0	0	0		0
Total Operating Budget	519,862	400,868	1,321,204	575,653		625,653
Capital Improvements	0	0	0	0		0
TOTAL BUREAU EXPENDITURES	\$ 519,862	\$ 400,868	\$ 1,321,204	\$ 575,653	\$	625,653
Allocated Overhead	54,426	50,423	58,026	59,350		59,350
Total Cost with Allocated Overhead	574,288	451,291	1,379,230	635,003		685,003
RESOURCES						
Hydroelectric Power Operating Fund	519,862	400,868	1,321,204	575,653		625,653
Note: Discretionary General Fund re Non-Discretionary revenues are rest					e.	
PROGRAMS						
Hydroelectric Power Administration	519,862	400.868	1.321.204	575.653		625.653
Positions	3.00	3.00	3.00	3.00		2.60
TOTAL PROGRAMS	\$ 519,862	\$ 400,868	\$ 1,321,204	\$ 575,653	\$	625,653
Positions	3.00	3.00	3.00	3.00		2.60

		Actual FY 2004	Actual FY 2005	Revised Proposed FY 2005–06 FY 2006–07		Adopted FY 2006-07			
Class	Title	No.	No.	No.	Amount	No.	Amount	No.	Amount
0102 2534 7651 7601 7602	Office Supp Spec II Applications Analyst IV Engineer, Supervising Hydro Power Project Manager Assistant Hydro Power Project Mgr.	1.00 1.00 1.00 0.00 0.00	1.00 1.00 0.00 1.00 0.00	1.00 1.00 0.00 1.00 0.00	27,024 78,168 0 87,780 0	1.00 1.00 0.00 1.00 0.00	38,568 78,168 0 87,780 0	0.00 0.00 0.00 1.00 1.00	0 0 0 87,780 68,292
TOTAL	FULL-TIME POSITIONS	3.00	3.00	3.00 \$	192,972	3.00	204,516	2.00	\$ 156,072
2534	Applications Analyst IV	0.00	0.00	0.00	0	0.00	0	0.60	46,896
TOTAL	PART-TIME POSITIONS	0.00	0.00	0.00 \$	0	0.00	0	0.60	\$ 46,896

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Appropriation Level (CAL) requirements.

ACTION	AMOUNT				
	Ongoing	One-Time	Total Package	FTE	DECISION
FY 2006-07	583,480	0	583,480	3.00	FY 2006-07 Current Appropriation Level Estimate
CAL Adjustment	ts				
	(5,463)	0	(5,463)	0.00	Interagency adjustments
	(2,364)	0	(2,364)	0.00	Health care cost savings
Mayor's Propose	ed Budget Decisio	ns			
	0	0	0	0.00	None
Approved Budge	et Additions and R	eductions			
	50,000	0	50,000	0.00	Additional anticipated maintenance project
	0	0	0	(0.40)	Reduce one full-time position to part-time
Adopted Budget	t Additions and Re	ductions			
	0	0	0	0.00	None
	42,173	0	42,173	(0.40)	Total FY 2006-07 Decision Packages
			\$ 625,653	2.60	Total Adopted Budget

