

Portland Utility Review Board

FY 2006-07 Annual Report to City Council

October 2, 2007

The purpose of the Portland Utility Review Board (PURB) is to advise the City Council, on behalf of and for the benefit of the citizens of Portland, on water, sewer, stormwater and solid waste and recycling financial plans and rates. This public involvement provides needed oversight in the establishment of fair and equitable rates for those utility services that the City provides or regulates. By September 30th of each year, the PURB is required to submit an annual report to the City Council summarizing its work for the past year.

The PURB is comprised of nine members appointed by City Council to represent a range of interests including neighborhoods, public interest and advocacy, commercial and industrial, local business. The PURB also has two at large positions, please see attached membership list. Over the past year two PURB vacancies have been filled, with Tracy Marks representing commercial and industrial and Andrea Debnam representing public interest. Longtime chair Frank Ray resigned in May and City Council has yet to appoint a new chair.

The PURB meets the third Thursday of the month with extra meetings as needed.

During the past year the PURB has had the following briefings and discussions (dates noted).

- *Water Bureau and Bureau of Environmental Services (BES) ongoing budget development and monitoring process - 2/15/07, 3/15/07, 4/19/07*
- *Water Bureau and BES five year financial plan and CIP review - 1/18/07, 2/15/07, 3/15/07*
- *Office of Sustainable Development budget development process - 4/19/07*
- *Office of Sustainable Development solid waste and recycling rate review and development process - 10/19/06, 4/03/07, 5/08/07, 6/21/07*
- *Office of Sustainable Development franchise fee and recycling program change review - 5/08/07, 6/21/07*
- *Utility Customer Services transfer from Bureau of Revenue to Water Bureau - 10/19/06, 12/14/06*
- *Portland Harbor Superfund program review - 12/14/06*
- *Water Bureau Habitat Conservation Planning (HCP) for the Bull Run watershed operations review - 1/18/07, 6/21/07*
- *Bull Run water sampling project - 10/19/06, 11/16/06, 12/14/06, 2/15/07, 3/15/07*
- *Hazard Analysis Critical Control Point Program (HACCP) for water quality review for consideration - 7/11/06, 12/14/06, 1/18/06*
- *Green Streets Initiative review and support - 12/14/06, 2/15/07, 3/15/07, 4/03/07*

- *PDOT BM and Water Bureau street repair process review - 11/16/06*
- *PURB meeting agreements and protocols; developed and adopted - 8/24/06, 9/21/06, 3/15/07, 4/19/07*
- *Bio-Diesel and Alternative Fuel presentation - 6/21/07*

During the past year our discussions have centered on fairness, transparency, affordability and maintenance. To make our meetings more efficient this year the PURB developed meeting agreements and protocols which extend to members, the Public and the Bureaus. The discussions occurred on the dates of 8/24/06, 9/21/06, 3/15/07, and 4/19/07.

Members of the PURB participate in a variety of other efforts and initiatives, many of these are associated with the City's utilities and solid waste regulations. These include:

- Solid Waste and Recycling Committee
- Administrative review Committee for BES and the Water Bureau
- Participation in the LT2 process

Over the past year the PURB has submitted the following recommendations:

- Rate testimony - 05/23/07
- Green Streets Initiative, statement of support - 4/03/07
- Letter outlining concerns about the Habitat Conservation Plan (HCP) for the Bull Run watershed and Bull Run Management Unit (BRMU) - 7/11/06
- Bull Run Headworks Ground Water Proposal – 9/21/06

**Portland Utility Review Board
Testimony to Portland City Council
May 23, 2007**

The Portland Utility Review Board was created by the City Council to provide advice on behalf of and for the benefit of the citizens of Portland, on water, sewer, stormwater and solid waste financial plans and rates. By City ordinance, the PURB advises Council on the establishment of fair and equitable rates, consistent with customer needs, legal mandates, existing public policies, operational requirements, and the long-term financial stability and viability of the utilities.

We have participated in the financial planning process for the 2007-08 fiscal year; we have reviewed the bureau budgets and capital improvement plans, and the independent analyses prepared by OMF. The PURB supports the bureau financial plans and the proposed rate increases for fiscal 2007/08. Those rate increases are, for an average residential customer:

- **Solid Waste +1.2%**
- **Water +5.1%**
- **Sewer/Stormwater +5.1% to +5.4%**, depending on customer participation in the Clean River Rewards Program

We also wish to state our support for some specific programs:

- 1) Customer Service** – The PURB supports the Customer Service Trainer position that was added to the Water Bureau budget for next year. We believe this will ultimately improve the level of service the City provides, and result in better relations with customers and greater job satisfaction for employees.
- 2) Biodiesel** – The PURB supports the City’s policy requiring the use of alternative fuels for City vehicles, as well as for solid waste haulers. We believe this policy will help to reduce our region’s dependence on petroleum products, and provide benefits to Oregon’s economy and the environment.
- 3) Portland Recycles Plan** – The PURB supports this OSD program to increase the level of recycling, with resulting savings in hauling costs and environmental impacts from landfill disposal of waste. PURB will be reviewing the details of this program within the next 60 days, and providing specific recommendations to the City Council with regard to the implementation of this program.

We also have a couple of concerns we’d like to highlight:

- 1) Fluoridation** – The PURB is concerned about efforts in the Oregon Legislature to mandate fluoridation of drinking water. We are opposed to such mandates from Salem. The PURB believes that the Portland community should have the authority to decide for itself whether or not to fluoridate its drinking water.
- 2) Portland Harbor Superfund** – The PURB is very concerned about the toxic contamination in the Portland Harbor, and the potential very large cost of cleanup. PURB wishes to see all polluters held accountable for their actions. We therefore urge you to do everything in your power to insure that all responsible parties are identified in a timely manner, and are brought into the process soon, so that they can pay for their fair share of the investigatory and cleanup costs.

PURB appreciates the involvement of citizens in the process of policy making and financial decision making for the city’s utilities. We appreciate the Council’s support for the progressive management of the city’s utilities, and the Council’s focus on the stewardship of our natural resources such as pure drinking water, clean rivers and streams, and the protection and restoration of endangered native species.

Green Streets Initiative
PURB Statement of Support

April 3, 2007

The PURB supports the concept of the Green Streets Initiative. We believe that this initiative will benefit the City of Portland, its citizens and utility ratepayers.

Implementation of this policy may lead to positive rate impacts by:

- Encouraging City Bureaus and Departments to work together on projects that have overlapping service and maintenance responsibilities.
- Treating stormwater on site or where it falls can result in a cost savings. It reduces the amount of stormwater that must be transported and treated at facilities that are owned and operated by the city.
- Reducing the amount of stormwater flowing through the stormwater system could extend the life of this expensive infrastructure.
- Meeting multiple policy objectives and compliance obligations (federal, state, regional and local) through one set of actions can result in a net benefit to the City and its utility rate payers.

Treating stormwater onsite where appropriate and within the watershed where it falls allows for ground water recharge. This can have a positive environmental effect when groundwater is a source or contributes to surface water runoff.

The PURB further recommends that monitoring and analysis of future projects including the proposed Burnside and Couch St. project be conducted to better understand:

- Cost savings in construction and maintenance.
- The sediments in the soil and water quality and volume control.
- Tracking problems associated with particular green street design features.

July 11, 2006
Ben Meyer
NMFS Oregon State Habitat Office
1201 NE Lloyd Suite 1100
Portland, Oregon 97232

Mr. Meyer,

The pristine Bull Run watershed and river system has supplied drinking water to the Portland area for over 100 years. Providing plentiful amounts of safe drinking water is a responsibility the citizens of Portland take very seriously. The community also feels it is our responsibility to enhance wildlife habitat outside of the Bull Run Management Unit (BRMU) and provide a safe and hospitable environment for native fish recovery.

The habitat restoration and temperature mitigation process now calls for some very expensive changes to the infrastructure of the Bull Run water delivery system. It is our recommendation that the Bull Run River system Habitat Conservation Plan focus attention on the use of artesian wells inside the BRMU and on fish habitat inside and outside of the BRMU. This provides a win – win for the fish and ratepayers.

These are suggestions to be given consideration.

Bull Run River modified approach - **in situ remediation**

1. Augment Bull Run reservoir water with groundwater from one or more of the well fields already established at Headworks. Use of cool groundwater “stretches” the cool reservoir water reserve, allowing it to enter the Bull Run River at a slower pace combined with artesian water, downstream of Headworks. Billions of gallons of pristine drinking water from the Bull Run reservoirs can then be sold for drinking and other uses, deferring use of the less-than- pristine Columbia South Shore Well Field.
2. Remove from consideration the costly (\$10.6 million, \$2001) and unnecessary variable level water intake at Headworks. As suggested above, temperature mitigation for Bull Run River water can be achieved using artesian groundwater and supplemental reservoir water discharge methods.
3. Remove from consideration the addition of a fish ladder or any outside entry for fish below Headworks into Bull Run reservoirs. Polluted fish carcasses (PCB’s) and sediments are a health concern to the community. Instead, mitigate for loss of fish habitat through improvements in the Sandy River basin outside of the BRMU and through water conservation measures.
4. Eliminate from consideration the addition of gravel and logs to Bull Run River inside BRMU. Huge uncontrolled water flow necessitates yearly renewal and associated expenses which could more effectively benefit fish and their habitat outside of the Bull Run Management Unit.

5. Maintain existing late – successional forests (water flow regulators and natural filters) on public lands in the Sandy watershed and plant streamside trees as needed outside of the BRMU.

Little Sandy River - **in situ remediation**

Removal of Little Sandy River dam (2007 – 2008) will improve river water temperatures and habitat for fish. It will also reduce the Bull Run River temperature downstream.

1. Maintain existing closures to human entry in the Little Sandy River basin within the BRMU.
2. Discourage development and recreational activities that could harm fish in the Little Sandy basin outside of the BRMU
3. Plant streamside trees in Little Sandy River watershed outside of the BRMU after dam removal.
4. Consider support for designation of Wild and Scenic Rivers for suitable waters within the Sandy Basin.

Sincerely,

Portland Utility Review Board

September 21, 2006

To: Portland City Council

From: Portland Utility Review Board

Subject: Bull Run Headworks Ground Water Proposal

The Portland Utility Review Board has reviewed the preliminary cost savings and benefits from using Bull Run Headworks ground water to augment Bull Run reservoir water for the purpose of temperature control and fish habitat restoration in the Bull Run River. We recommend new sampling of Headworks ground water for chemical analysis as the first step in reviewing ground water usage for fish habitat recovery.

Added income - Additional Portland Water Bureau water sales
\$850,000 - \$2.6 million

Additional cost saving - \$10 to \$15 million removing water intake modification from CIP
- reduced usage of Columbia South Shore Well Field

Cost – surface piping

PORTLAND UTILITY REVIEW BOARD

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Amber Lewis - West Portland Representative

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Vacant

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